STRABAG
SOCIETAS EUROPAEA

ANNUAL AND SUSTAINABILITY REPORT

2025

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Intro

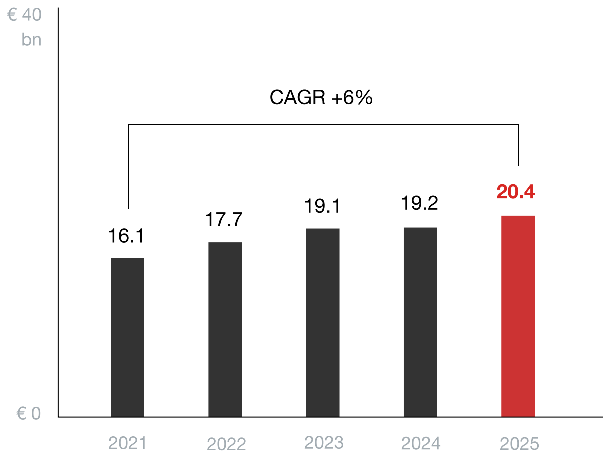
2025

The year 2025

2025

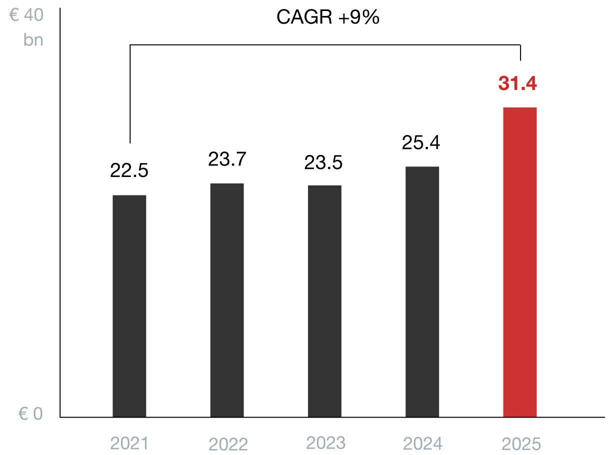
2025 in numbers

Output volume



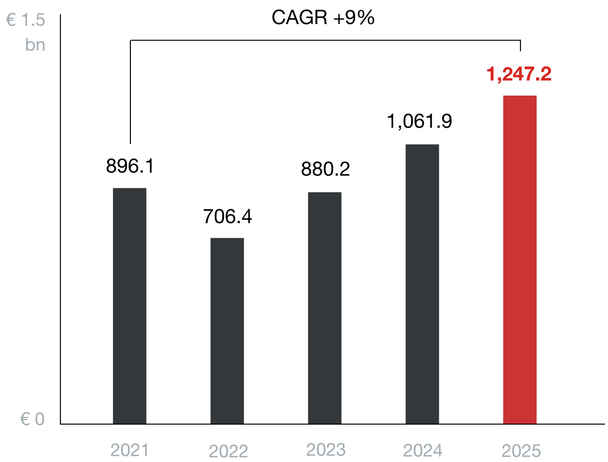
STRABAG SE increased its output by 6% in 2025. Growth was driven in roughly equal measure by the acquisition in Australia and by gains in our established markets, particularly in Poland, the Czech Republic and Germany.

Order backlog



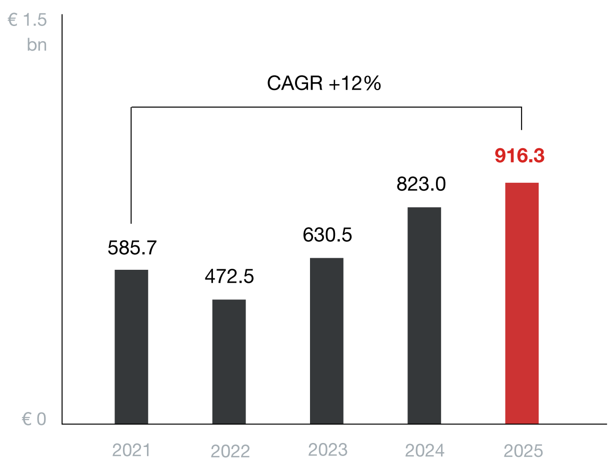
The order backlog grew year on year by € 6.0 billion, or 24%, driven above all by expansion in the strategic growth markets of mobility, energy and water infrastructure as well as high-tech facilities.

EBIT



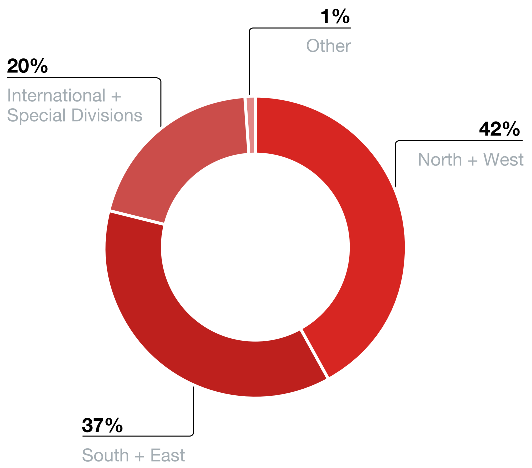
The EBIT margin increased year on year from 6.1% to a high 6.7%, primarily due to positive earnings effects in Germany and in the international business.

Net income after minorities



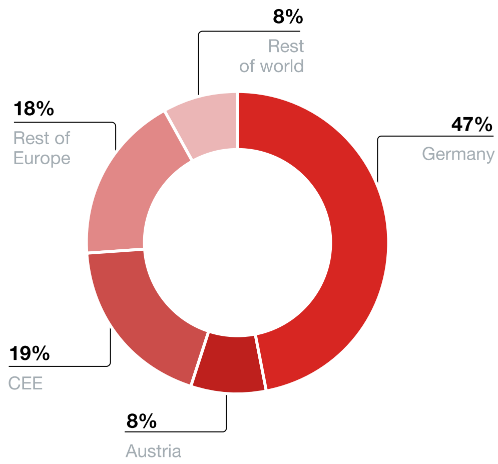
The net income after minorities increased by 11% year on year to € 916.28 million, reaching a new all-time high. Earnings per share amounted to € 7.94, compared with € 7.35 in 2024.

Output volume by segment



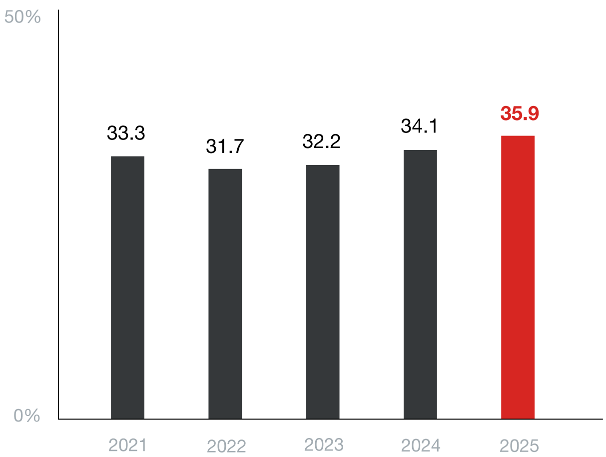
Our business is divided into three operating segments: North + West, South + East and International + Special Divisions. In 2025, STRABAG recorded increases in output across all operating segments.

Order backlog by region



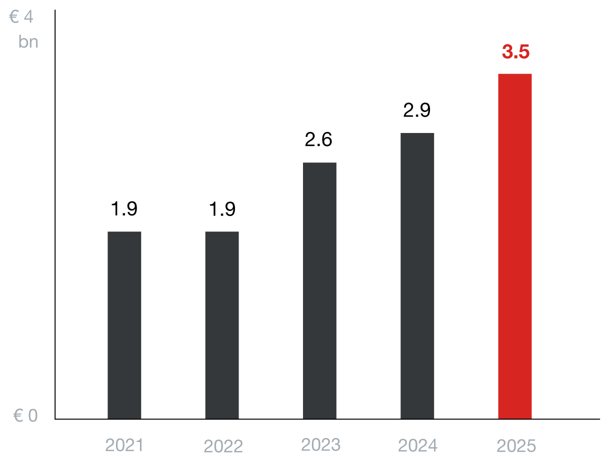
STRABAG operates in more than 50 countries worldwide, with a strong focus on Central and Eastern Europe. Following the acquisition in Australia, the Group has significantly expanded its non-European business.

Equity ratio



As at 31 December 2025, STRABAG SE's equity ratio once again stood well above the 30% mark, clearly exceeding our target of at least 25%.

Net cash position



As at 31 December 2025, as usual, STRABAG SE reported a net cash position, which once again increased significantly due to higher cash and cash equivalents.

Key figures in detail

Key financial figures

	2021	2022	2023	2024	Δ %	**2025**
Output volume (€ mn)	16,128.92	17,735.47	19,139.14	19,238.80	6	20,423.95
Order backlog (€ mn)	22,500.85	23,738.84	23,466.13	25,362.47	24	31,374.55
Employees (FTE)	73,606	73,740	77,136	78,174	3	80,211

Key earnings figures

	2021	2022	2023	2024	Δ %	**2025**
Revenue (€ mn)	15,298.54	17,025.85	17,666.54	17,422.22	7	18,714.28
EBITDA (€ mn)	1,445.72	1,257.21	1,418.31	1,644.18	15	1,882.82
EBITDA margin (% of revenue)	9.5	7.4	8.0	9.4		10.1
EBIT (€ mn)	896.11	706.40	880.20	1,061.89	17	1,247.23
EBIT margin (% of revenue)	5.9	4.2	5.0	6.1		6.7
EBT (€ mn)	883.54	717.07	924.32	1,137.31	13	1,288.20
Net income (€ mn)	596.40	480.13	633.39	828.33	11	920.96
Net income after minorities (€ mn)	585.71	472.45	630.51	823.00	11	916.28
Earnings per share (€)	5.71	4.60	6.30	7.35	8	7.94
ROCE (%)	10.9	9.2	12.2	14.5		14.5

Key balance sheet figures

	2021	2022	2023	2024	Δ %	**2025**
Equity (€ mn)	4,071.82	4,025.24	4,409.36	5,000.37	14	5,684.02
Equity ratio (%)	33.3	31.7	32.2	34.1		35.9
Net debt (€ mn)	-1,937.18	-1,927.70	-2,643.24	-2,905.25	-21	-3,518.26
Balance sheet total (€ mn)	12,225.77	12,683.76	13,706.21	14,674.58	8	15,845.94

Cash flow

	2021	2022	2023	2024	Δ %	2025
Cash flow from operating activities (€ mn)	1,220.56	812.86	1,816.51	1,387.21	30	1,802.66
Cash flow from investing activities (€ mn)	-377.56	-560.42	-654.87	-749.54	-9	-813.35
Investments in property, plant and equipment, and in intangible assets (€ mn)	456.34	630.52	540.97	644.58	3	664.97
Depreciation excluding financial assets	549.61	550.81	538.12	582.29	9	635.58
Cash flow from financing activities (€ mn)	-743.90	-503.66	-430.58	-353.69	-16	-409.58

ESG performance

	2024	Δ %	2025
Greenhouse gas intensity (t CO_2e / T€)	0.58	-12	0.51
Energy intensity (MWh / T€)	0.19	-7	0.18
Total energy consumption (MWh)	3,390,866	-3	3,290,497
Work-related accident rate (Number of accidents at work per 1 million working hours)	13.2	-7	12.3
‘Basic Compliance Training’ training coverage (%)	93		95

Key share indicators and rating

	2021	2022	2023[1]	2024	Δ %	2025
Closing price at year’s end (€)	36.65	39.10	41.40 / 41.40	39.50	105	81.00
Year’s high (€)	43.20	43.75	41.90 / 42.00	44.75	104	91.30
Year’s low (€)	27.90	32.75	36.00 / 36.00	36.25	11	40.40
Outstanding bearer shares at year’s end (shares)	102,599,997	102,599,997	40,112,066 / 62,487,931	118,221,979		118,221,979
Market capitalisation at year’s end (€ bn)	3.8	4.0	1.7 / 2.6	4.7	104	9.6
Dividend per share (€)	2.00	2.00	2.20	2.50		2.90[2]
Dividend payout ratio (%)	35	43	41[4]	34		37[3]
S&P Rating	BBB	BBB	BBB	BBB+		BBB+

1 STRABAG shares AT000000STR1 / AT0000A36HH9 (existed from 6 October 2023 until 26 March 2024)

2 Dividend proposal by the Management Board

3 Based on the dividend proposal by the Management Board

4 Based on the dividend of € 2.20 and in relation to the increased share capital of 118,221,982 shares

Letter from the CEO

Stefan Kratochwill, CEO

Dear shareholders, associates and friends of STRABAG SE,

“Doing is like wanting, only better.” It is with this drive that we tackle the major issues of our time. As one of Europe’s leading construction companies, our ambition is to deliver solutions to the key challenges – from infrastructure needs and the shortage of affordable housing through to high-tech buildings in industry and healthcare. A look back at the past year shows how this ambition translates into results.

2025 was a dynamic and highly successful year for STRABAG, and we reached several historic milestones: our **output volume** exceeded € 20 billion for the first time, our **order backlog** rose to more than € 30 billion and our **EBIT margin** reached an all-time high of 6.7%. This development makes me proud. Once again, we were able to more than offset challenging trends in individual segments – thereby underlining the resilience of our business model. Examples include the delayed budget resolution following the federal elections in Germany, a lack of municipal funding in Austria and a housing construction market that remained subdued.

We reached several historic milestones in 2025.

Stefan Kratochwill

This kind of success does not come about by itself. It is first and foremost the result of hard work and daily top performance by our 89,000 colleagues worldwide. At the same time, it shows that our strategic focus is on the right topics and regions – and that we are steadily advancing them as part of our **Strategy 2030**.

In 2025 and in the course of 2026 to date, we have taken decisive steps forward. We initiated the build-up of an energy and water division and, with the acquisition of WTE Group, have become a full-service provider for water infrastructure. In addition, we developed serial solutions for affordable housing and are driving the circular economy through investments in value stream centres. With the acquisition of Georgiou Group, we successfully entered the Australian market. Beyond our established core business in Europe, this provides STRABAG with a strong foundation for future growth and strengthens the Group's long-term resilience through broader geographical diversification.

By focusing on **mobility infrastructure**, **energy and water infrastructure**, **high-tech facilities** and **building decarbonisation**, we are targeting markets with structural growth – markets that made a significant contribution to the increase in our order backlog in 2025. Among other things, we are modernising the Maksymilianowo railway hub in Poland, delivering megaprojects for the semiconductor industry and implementing a major water infrastructure project in the United Kingdom.

The positive operating performance was also reflected on the capital markets. The **STRABAG share price** more than doubled in 2025 and was included in the Austrian benchmark index ATX in September – an important step that further increases our visibility among international investors.

Based on the positive developments in the past year, the Management Board will propose a **dividend** of € 2.90 per share to the Annual General Meeting on 12 June 2026. This corresponds to an increase of 16% compared with the previous year and a dividend yield of 4.1%, based on the average share price for 2025.

In 2026, we are optimistic about opportunities, particularly in the infrastructure sector.

Stefan Kratochwill

Looking ahead to 2026, we remain confident despite ongoing geopolitical tensions. We see significant opportunities, particularly in infrastructure expansion in Germany. As the market leader, with around 40,000 employees, a dense building materials network and comprehensive geographic coverage, we are ideally positioned to actively help shape the modernisation of infrastructure. We also expect continued strong momentum in our core markets in Eastern Europe. Overall, we anticipate an **output volume** of around € 22 billion for 2026 and an **EBIT margin** of between 5.0% and 5.5%.

My personal thanks go to all colleagues and co-workers who are taking this path with us – with commitment, courage and a willingness to take responsibility every day.

I would also like to thank our customers and partners, and you, our valued shareholders, for your trust.

Dipl.-Ing. Stefan Kratochwill
CEO

Report profile

For the 2025 financial year, STRABAG SE has prepared a combined annual and sustainability report reflecting the situation of the Group as at 31 December 2025. This report was published on 28 April 2026.

STRABAG SE's **online annual and sustainability report for 2025** is available at report.strabag.com

Find out more

Reporting structure and external assurance

With a mix of financial and non-financial information, the report provides insights into the significant economic, environmental, social and governance impacts of our business activities. The present report is also available in its entirety online at report.strabag.com.

In the **intro** to our combined annual and sustainability report, we present some of our key figures as well as information on the Group's structure, business model and corporate strategy. This is followed by capital market information on the performance of our shares and the company's ownership structure. The **consolidated corporate governance report** outlines the rules, structures and processes that STRABAG SE has implemented in the interest of good corporate governance and is an expression of our unreserved commitment to the Austrian Code of Corporate Governance (ÖCGK).

The Sustainability Reporting Act (Nachhaltigkeitsberichtsgesetz, NaBeG) entered into force on 19 February 2026 and generally applies to financial years beginning on or after 1 January 2024. For financial years ending before the date of entry into force, however, a transitional provision applies, permitting the application of the relevant provisions in the version in force prior to NaBeG. STRABAG SE has therefore made use of this option and, for the 2025 financial year, will once again prepare a **consolidated non-financial statement as part of the Group management report**. The company prepares this statement in accordance with the European Sustainability Reporting Standards (ESRS). The consolidated non-financial statement also includes the required disclosures pursuant to the EU Taxonomy. A voluntary audit of the consolidated non-financial statement was carried out by PwC Wirtschaftsprüfung GmbH, Vienna.

The **remaining parts of the Group management report**, the **consolidated financial statements** and the **notes to the consolidated financial statements** were prepared in accordance with the International Financial Reporting Standards (IFRS) – how they are to be applied within the EU – taking into account Section 245a of the Austrian Commercial Code (UGB). These sections of the report were audited by PwC Wirtschaftsprüfung GmbH, Vienna, and awarded an unqualified audit opinion.

Service

The financial calendar for the 2026 financial year, the glossary and the contact information for STRABAG SE Corporate Communications and Investor Relations can be found at the end of this report.

About STRABAG

2025

STRABAG at a glance

AN EUROPEAN KEY PLAYER IN CONSTRUCTION, INNOVATION & FINANCIAL STRENGTH

20.4
Output volume (€ bn)

31.4
Order backlog (€ bn)

6.7%
EBIT margin

~ 89,000
Employees

35.9%
Equity ratio

> 2,400
Locations

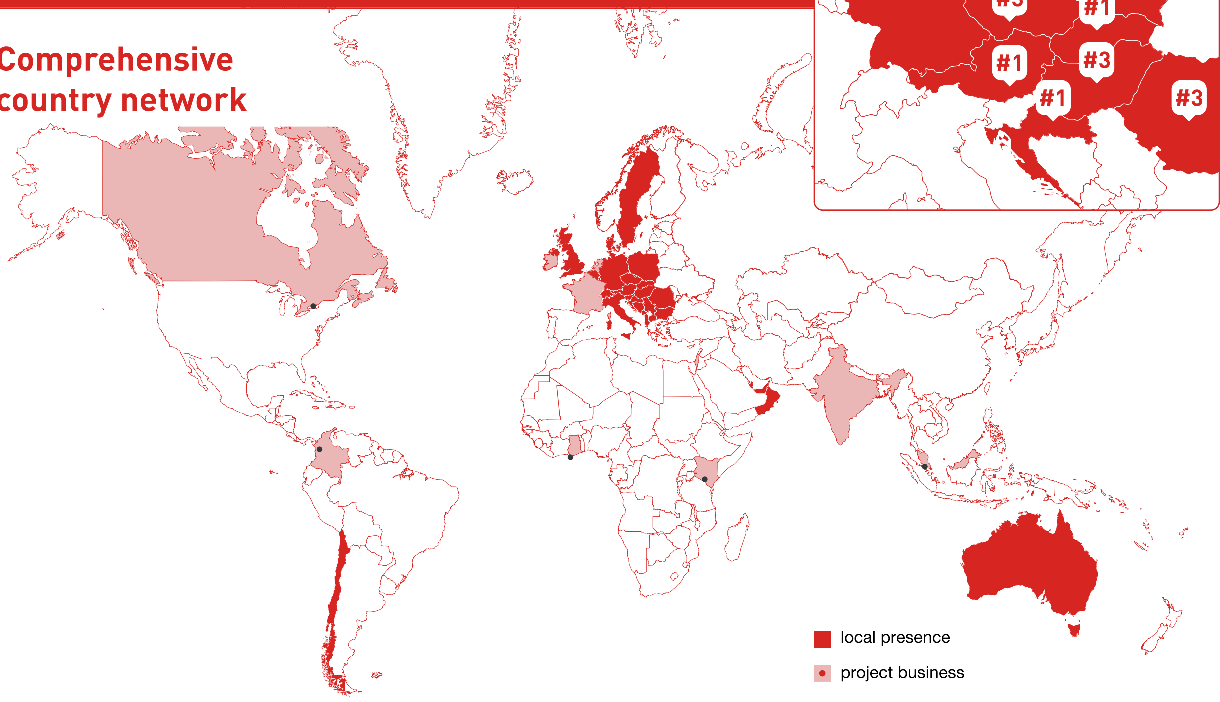
BBB+, stable
S&P-Rating

> 50
Countries

~ 2,400
Employees in innovation, digitalisation, design & engineering hub

Market leading positions in core markets

Comprehensive country network



Our vision and values

STRABAG is the strongest force for building a better future

STRABAG SE is a European-based technology group for construction services, a leader in innovation and financial strength. Our activities span all areas of the construction industry and cover the entire construction value chain. We create added value for our clients by taking an end-to-end view of construction over the entire life cycle – from planning and design to construction, operation and facility management to redevelopment or demolition. In all of our work, we accept responsibility for people and the environment: We are shaping the future of construction and are making significant investments in our portfolio of more than 250 innovation and 400 sustainability projects. Through the hard work and dedication of our approximately 89,000 employees, we generate an annual output volume of around € 20 billion.

Our dense network of subsidiaries in various European countries and on other continents extends our area of operation far beyond the borders of Austria and Germany.

Working together with strong partners, we are pursuing a clear goal: to design, build and operate construction projects in a way that protects the climate and conserves resources.

Our values

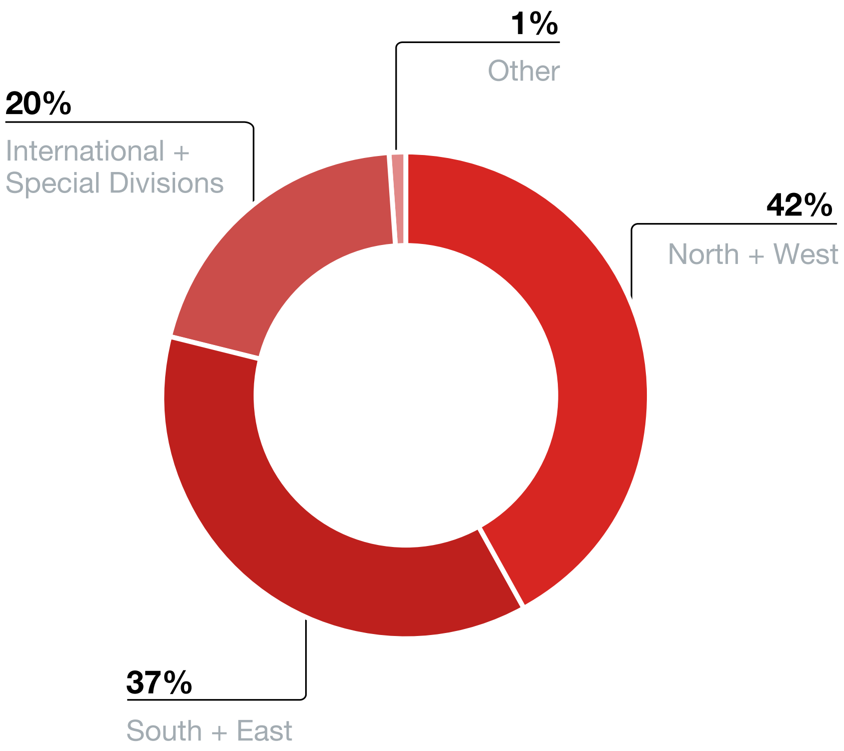
Our values in detail

Find out more

Segments

We provide our services in four segments:

Group output volume by segment 2025



North + West

The North + West segment executes 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	**2025**	2024
Revenue	7,511.87	7,221.27
EBIT	840.96	692.67
EBIT margin (% of revenue)	11.2	9.6
Employees (FTE)	23,161	22,392

South + East

The geographic focus of the segment South + East is on Austria, Poland, the Czech Republic, Slovakia, Hungary, Romania and South-East Europe. The construction materials activities are also handled within this segment.

€ mn	**2025**	2024
Revenue	7,238.46	7,123.76
EBIT	266.72	387.99
EBIT margin (% of revenue)	3.7	5.4
Employees (FTE)	26,218	26,852

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, energy infrastructure and building solutions, irrespective of where these are performed. The segment also includes the group divisions United Kingdom, Australia and STRABAG Hold Estate (real estate portfolio management).

€ mn	**2025**	2024
Revenue	3,944.87	3,059.27
EBIT	181.69	-2.28
EBIT margin (% of revenue)	4.6	-0.1
Employees (FTE)	22,796	21,255

Other

This segment contains the intra-company Central Divisions and Central Staff Divisions.

€ mn	**2025**	2024
Revenue	19.08	17.92
EBIT	-8.93	0.74
EBIT margin (% of revenue)	-46.8	4.1
Employees (FTE)	8,036	7,675

Strategy

We aim for profitability, but we also intend to create value for people and the planet. In keeping with this aim, our strategy focuses on three aspects: **People. Planet. Progress.** These are our guideposts pointing us in the right direction.

WORK ON PROGRESS

Video on the 2030 strategy

STRABAG is the strongest force to build a better future. We want more:

For people. For the planet. For progress.

On this basis, we have defined the following six key strategic topics:

Focus on employees

Global-local presence

Circular economy

Expertise in energy sector

Technology leadership

Depth of value creation

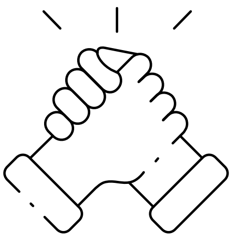
We have set ourselves ambitious targets for the current strategy period:

We are convinced that People. Planet. Progress. also makes us more successful economically: With this in mind, we are aiming for a sustainable EBIT margin of 6% by 2030.

PEOPLE

More for people.

We build for people and with people. Each project creates added value for our colleagues and for society. In the first pillar of our Strategy 2030 – People. – we are focussing on the following core topics:



Focus on employees

We are taking an integrated approach to recruiting, training and rewarding our colleagues. We are committed to diversity, firmly convinced that more diverse teams perform better. We are also establishing an overarching learning culture and want to promote the efficient use of internal knowledge.

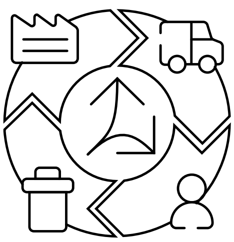
Global-local presence

We see expansion into international markets and consolidation as strong factors driving growth. For this reason, we promote decision-making competence at the local level so we can precisely understand the circumstances of the individual markets and manage them profitably.

PLANET

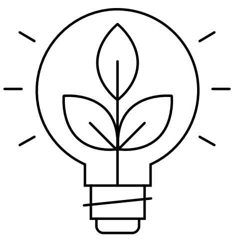
More for the planet.

We are working to combat climate change – guided by our intention to make our projects climate neutral by 2040 and to intensify construction in the energy sector. The second pillar of our Strategy 2030 – Planet. – focuses on the following core topics:



Circular economy

We are expanding our expertise in the procurement and handling of construction materials as well as in deconstruction and recycling. This allows us to increase our resource efficiency continuously.



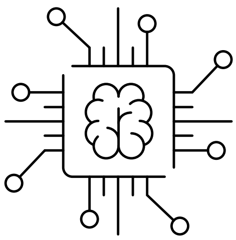
Expertise in energy sector

By cutting emissions associated with construction materials, processes and equipment from end to end, we are reducing our negative impacts on the environment. We are also implementing projects in the energy sector in order to profitably participate in the energy transition and build up the corresponding expertise.

PROGRESS

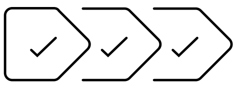
More for progress.

We are a technology pioneer in construction. We think ahead, we engage in data-driven decision-making and we question the status quo in order to continuously develop new expertise. In the third pillar of our Strategy 2030 – Progress. – we are working on the following core topics:



Technology leadership

We are shaping the future of construction by employing new technologies. We develop in-house innovations to the point of market readiness, pursue partnerships and acquisitions, and strengthen our skills across the Group, especially in the field of data.



Depth of value creation

We are strengthening our capabilities across the entire life cycle of our buildings, from design and construction to facility management and operation to demolition and deconstruction. Through earlier involvement, longstanding relationships and a wide range of services, we are continuously deepening our own value creation.

ESG

To advance the ecological and social transformation of the construction industry, STRABAG has adopted a Group-wide sustainability strategy with ambitious targets.

STRABAG is the strongest force for building a better future

More on ESG in the chapter **ESG performance** of the Group management report

Find out more

Decarbonising the Group is one of our key strategic priorities. To achieve our reduction targets – which have been validated by the Science Based Targets initiative (SBTi) – we have identified the key levers through which we will contribute to the 1.5 °C goal. Based on energy consumption across the Group, concrete action areas have been defined to significantly reduce our emissions by 2030. Specifically, we aim to:

- reduce Scope 1 and Scope 2 emissions by 42%
- reduce Scope 3 emissions by 25%

We also strive to achieve climate neutrality by 2040. To reach these targets, we are focusing in particular on the transition to renewable energy sources as well as on the consistent electrification of our business activities and processes – especially in the area of construction machinery and production facilities.

To promote climate-friendly and environmentally sound construction, we have defined the **circular economy** as a key strategic topic and are committed to the responsible use of resources. By offering circular business models such as reconstruction, conversion and refurbishment, we support our clients in delivering sustainable construction projects. Internal guidelines and certified management systems set the direction in our projects, helping us to conserve resources and protect soils and the environement. In this way, we aim to reduce the negative impacts of our activities as a construction company on **biodiversity and ecosystems**.

We don't just build for people – we also build with people. Our core business is made possible by the hard work and dedication of our committed employees. Safeguarding a **safe and healthy working environment** in line with internationally recognised occupational safety standards is a top priority for the Group. The respectful interaction within our diverse workforce – which includes people from more than 150 nations – is supported comprehensively through our **EDI strategy** (Equality, Diversity & Inclusion).

A Business Compliance Management System in accordance with ISO 37001 and ISO 37301 ensures integrity in business conduct and supports the safeguarding of fair competition. Internal sustainability committees involving members of the Management Board ensure that ESG is an integral part of management decisions. As the highest oversight body, the Supervisory Board is also regularly involved in ESG matters.

Our performance in environmental, social and governance matters (ESG) is regularly assessed by independent external rating agencies (a.o. CDP, EcoVadis and ISS ESG).

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 ratings

CDP Discloser 2025

42 /100

ecovadis SILVER | Top 15% OCT 2025

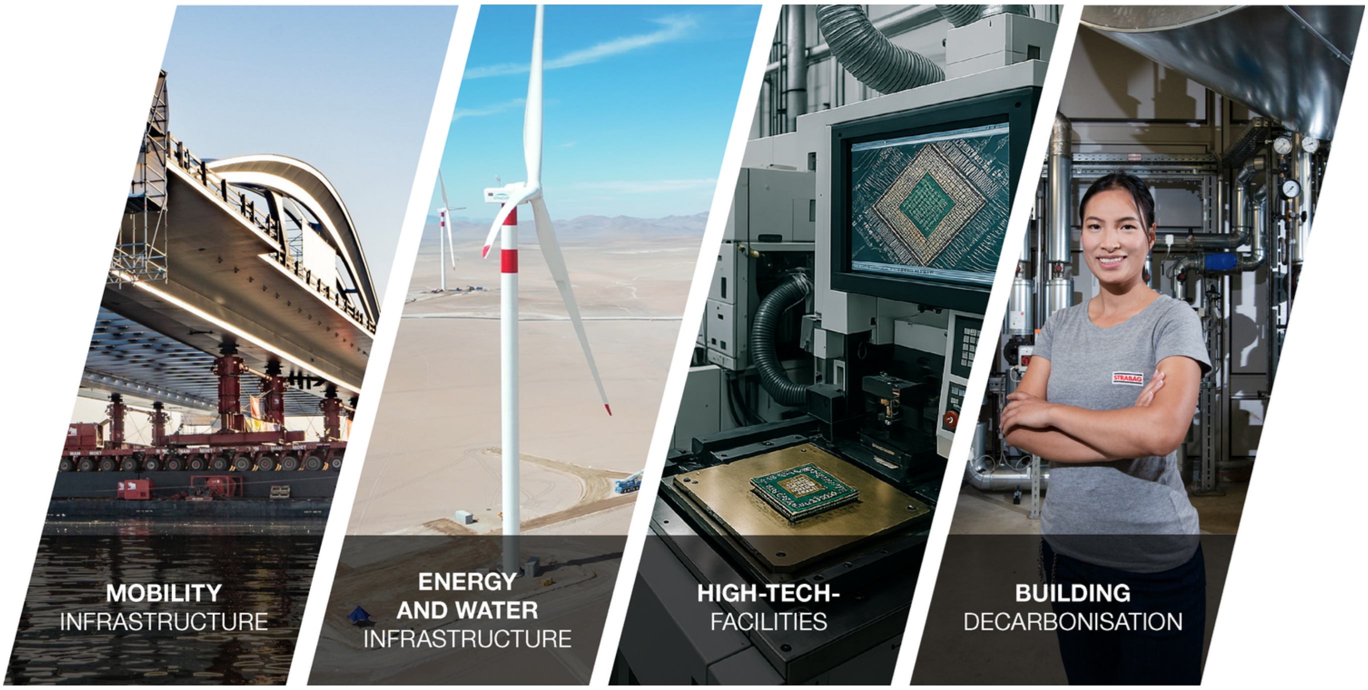
ISS ESG

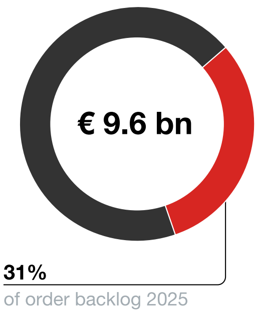
Investment case

2025

Growth markets

We are consistently focusing on four growth markets that are in line with the priorities of Strategy 2030. Global megatrends and public and private investment ensure the long-term relevance of these markets.

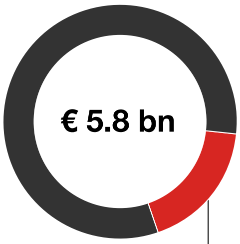




Mobility infrastructure: Transforming how the world moves.

Transport networks in mature markets are ageing – while in CEE, many still require major expansion. Demand for **sustainable, safe and smart mobility infrastructure** is accelerating. Substantial public investments, such as Germany's € 500 billion Infrastructure Fund and the EU Cohesion Fund, benefit STRABAG's core markets.

Services: Roads, Bridges, Tunnels, Rail, Waterways, Public Transport, PPP Projects

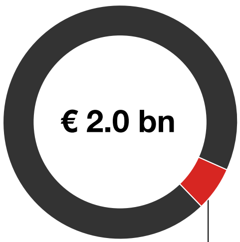


18%
of order backlog 2025

Energy and water infrastructure: Fuelling systems for a changing climate.

Europe's water and power systems face major challenges. Nearly 25% of drinking water is lost to leaks, while grids race to support the clean energy shift. Strong public funding – over € 1 trillion from EU programmes – is driving growth, fuelled by **electrification, infrastructure renewal and climate adaptation.**

Services: Renewable Power Generation, Energy Transmission & Distribution Networks, Water & Wastewater Treatment, Pipelines & Data Networks, Water Supply, Control Systems

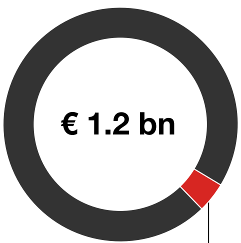


6%
of order backlog 2025

High-tech facilities: Construction for next-gen industries.

High-tech industries demand speed, precision and reliability. STRABAG has the expertise and capacity to deliver. Strong public support – € 43 billion from the EU Chips Act and € 90+ billion via Horizon Europe – is driving growth, fuelled by **reshoring, data expansion and sustainability requirements**.

Services: Semiconductor fabs, Data centres, Advanced manufacturing facilities, Healthcare & Life Sciences, Research & Innovation



4%
of order backlog 2025

Building decarbonisation: Driving the shift to low-carbon buildings.

Buildings are key to climate goals but largely outdated. STRABAG transforms them through **integrated FM and MEP solutions** in line with its Strategy 2030. Public funding exceeding € 400 billion from the EU Green Deal is driving growth, fuelled by high emissions, regulatory pressure and the push to double renovation rates by 2030.

Services: Building Refurbishment, Building Energy Upgrade, HVAC-R & Sanitary Systems, Measurement & Control Tech, Building Automation, Building Certification

STRABAG Investment Case

STRABAG SE joined the Austrian benchmark index ATX on 22 September 2025. Following its stock market success, the company presented a new investment story called "4WINS".

4WINS
1 AKTIE. 4 WACHSTUMSMÄRKTE.

The name expresses the opportunity to invest in four attractive growth markets with just one security – the STRABAG share: mobility infrastructure, energy and water infrastructure, high-tech facilities, and the decarbonisation of the building stock. Global megatrends and investments by the public and private sectors ensure the long-term relevance of these markets. These markets align with our Strategy 2030 priorities, allowing STRABAG to leverage its strengths in a targeted way. The company thus combines long-term growth potential with an attractive capital market strategy.

Further information on the investment case of STRABAG SE can be found at www.strabag.com/en/4wins

Disclaimer

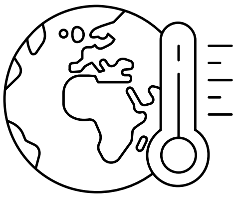
This information does not constitute advice, solicitation or recommendation to buy, sell or otherwise trade in financial instruments of STRABAG SE.

Business model

From global to local, from micro to mega, from public to private, the broad positioning of our business model has always been a source of strength and will ensure that we remain successful in the future.

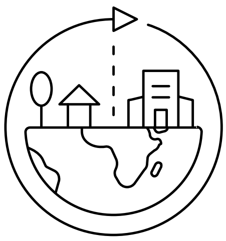
Megatrends

Buildings today are built to have a long service life, to be resource-efficient throughout their operation, and to be able to be repurposed or dismantled at the end of their life cycle. This requires forward-looking, end-to-end planning, thinking and acting. It therefore seems reasonable to conclude that the industry will continue to be of interest to long-term investors in the future and that the fundamental demand for construction services is unlikely to dry up. On the contrary, the construction sector will play a key role in the transition to climate-neutral buildings and climate-neutral infrastructure. And you don't even have to look centuries into the future here – the following megatrends are already making the construction sector an attractive option for the current decade:



Megatrend climate change

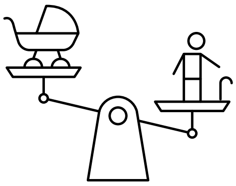
The European Green Deal aims at making Europe's building stock climate neutral by 2050. As a first step, the plan foresees a reduction of at least 55% in greenhouse gas emissions compared to 1990 levels by 2030. Much of Europe's building stock is old; at the same time, buildings account for 38% of global carbon emissions. This makes the construction industry an important lever of action for a better future. European and national regulations, combined with substantial financial resources, will result in the increased conversion of existing buildings for greater energy efficiency and lower emissions during operation. Europe will only achieve its climate targets if the rate of building renovation can be significantly increased.



Megatrend urbanisation

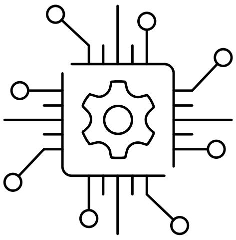
The United Nations (UN) estimates that 68% of the world's population will be living in cities by the year 2050 – this represents an increase of the urban population by 2.4 billion people. Accompanying this growth is a higher demand for infrastructure and housing. At the same time, urban space is limited, and further soil sealing should be avoided. To conserve resources and space, the field of reconstruction, conversion and refurbishment is set to play an increasingly important role in the future. The growth in population will also require more efficient infrastructure to be built. National initiatives such as Germany's € 500 billion off-budget infrastructure fund (Sondervermögen Infrastruktur) should also be mentioned in this context.

Megatrend demographics



In 2040, with the retirement of the baby boomer generation, we will have a shortfall of workers by more than 10% of today's working population in our core markets. New, creative approaches will become necessary to fill this gap, especially in the construction sector. The focus will therefore be on recruiting, training, integrating and retaining international skilled labour – especially from countries with opposite demographic trends. At the same time, the demographic trend will promote and accelerate innovation in the construction industry. New methods and new ways of working will be required in order to realise future growth. Concepts such as prefabrication or serial construction – to name just two examples – will play a key role in this process.

Megatrend technology



In contrast to sectors like the automotive industry, the degree of digitalisation in the construction sector remains relatively low. Experience has shown, however, that the digitalisation and networking of data over the entire life cycle of a building holds clear advantages for all those involved in a project. Systematic data usage, for example, can support project risk management by enabling AI algorithms to identify and minimise financial risks at an early stage. AI also enables significant efficiency gains in planning: generative design can be used to create numerous planning proposals at the touch of a button, drones provide support during surveying, and weather data can optimise processes such as crane deployment planning. Standardisation, digital processes and automation all promise significant productivity gains for the construction industry.

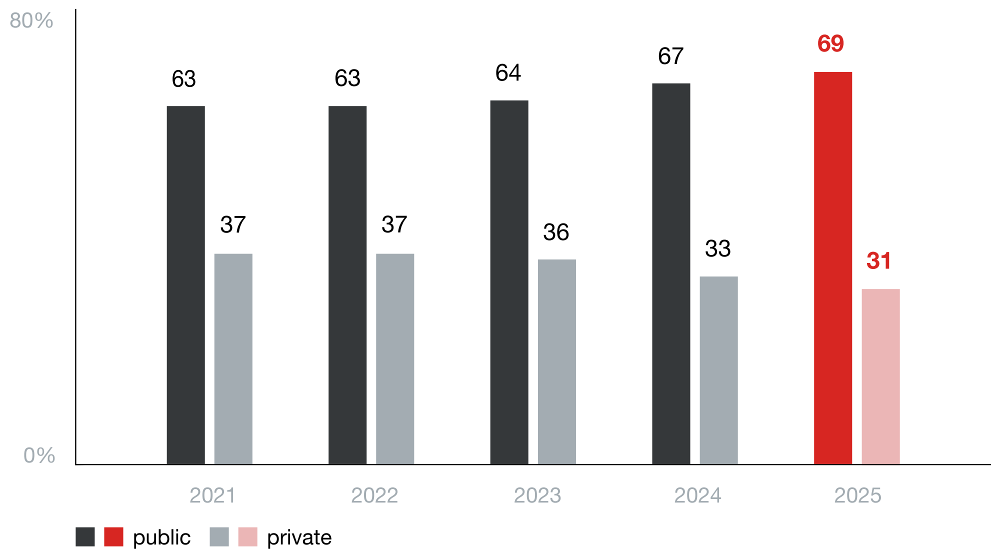
Clients

While price is usually the decisive criterion for public-sector clients, private clients often look for the best offer – and this need not always be the lowest bid. The costs over the entire life cycle are considered, including the building's operating costs. Additional criteria play a role as well: As every building is unique, clients must be able to trust the abilities of the construction company. During tender processes, we are often asked about comparable projects that we have successfully completed in the past. Just as important are the experience and expertise of the construction company's staff and innovative solutions which may save the client money and time across the entire building life cycle.

In some parts of the public sector, the **best bidder principle** is beginning to gain a foothold. This principle entails public-sector contracts not being automatically awarded to the company with the lowest monetary bid, but also taking social, environmental and sustainability criteria into account. From an overall perspective, the best bidder principle is better for the population and for the national economy than choosing what at first glance appears to be the most favourable bid.

Every building is unique. Unlike in industries with standardised products, therefore, it is not possible in the construction sector to perform sensitivity analyses showing the influence of changes to a dominant production factor on a company's key performance indicator. Our business is not determined by just one driving factor; rather, the margins are influenced by several factors. These include certain business realities, such as the risk management system or the know-how of our employees, as well as external influences, such as economic growth (GDP) and demographic trends or the level of public infrastructure spending. Every euro invested in construction leads to demand in other sectors, with the result that the positive impact is multiplied in production and employment.

Our client structure



Key aspects of the business model

The STRABAG Group has a strong track record of sustained earnings growth over the past decade. Even when faced with a challenging economic environment, we have been able to steadily expand our earnings base – all thanks to our business model, which is characterised by the following six pillars:

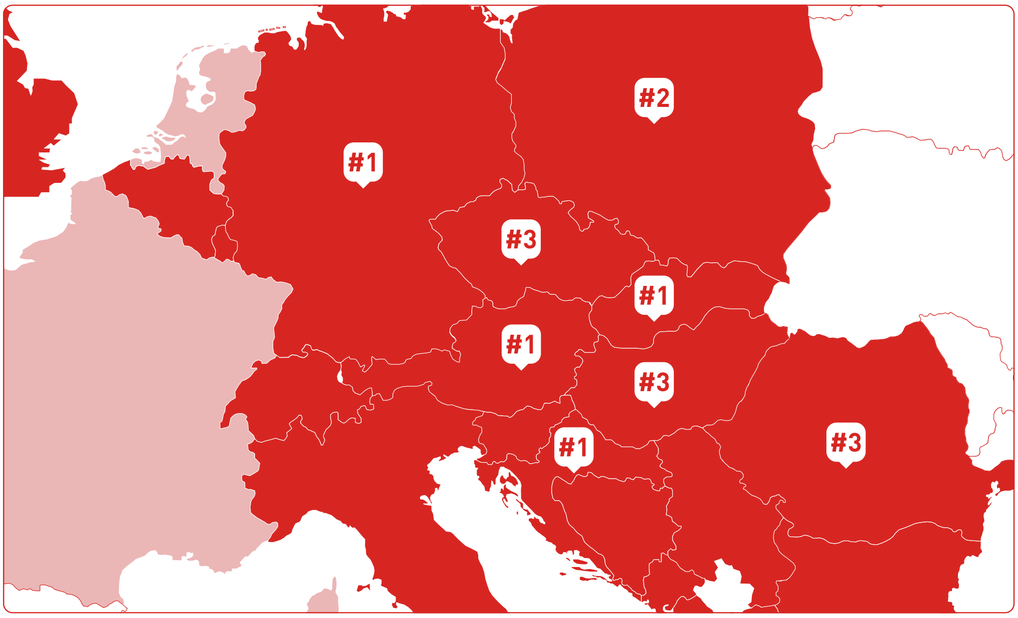
- Critical size and market position
- Diversification and resilience
- Flexibility and vertical integration
- Financial strength and risk management
- Sustainability and climate neutrality
- Innovation and digitalisation

Critical size and market position

With an annual output of more than € 20 billion, STRABAG is Central and Eastern Europe's largest technology group for construction services. We are the **market leader** or one of the **largest construction companies** in each of our eight core markets of Germany, Austria, Poland, the Czech Republic, Slovakia, Hungary, Croatia and Romania. A strong market position is of crucial importance, as construction companies need a critical mass and sufficient financial resources, especially in more mature markets, in order to successfully bid for and prefinance large projects. This also makes it possible to take advantage of economies of scale. Size is further associated with qualities such as reliability and stability – and this, together with our references, creates trust among our clients.

The market positions shown in the graph below are based on the average output and average revenue for the years 2022 to 2024.

Market positions in core markets



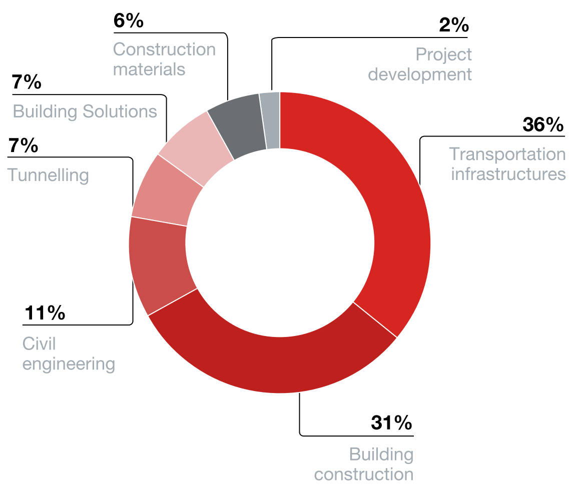
local presence

project business

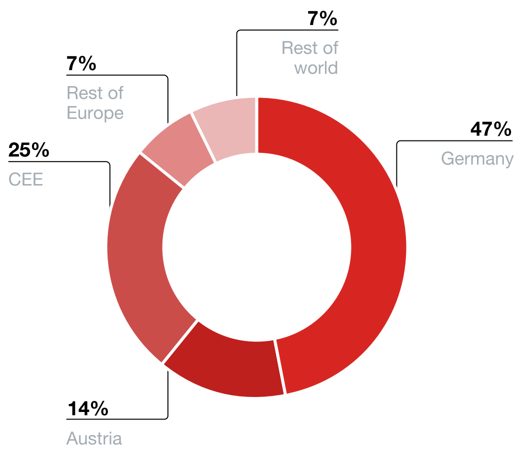
Diversification and resilience

The Group's broad positioning has proven to be one of our key success factors over the years, contributing significantly to STRABAG's resilient development. We began to focus on diversification at an early stage – **by country** and **by construction segment**. Today, STRABAG is active in **over 50 countries** and offers **services along the entire construction value chain**. This allows us to spread our risk and enables us to balance out cyclical and seasonal effects, as each construction segment follows its own cycle: In economically difficult times, for example, the public sector invests more in infrastructure as a way of stimulating the economy, and the transportation infrastructures segment booms. Lower interest rates, on the other hand, are of benefit especially in building construction.

Output volume by segment 2025



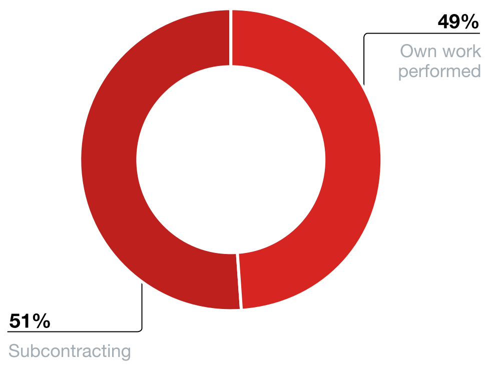
Output volume by region 2025



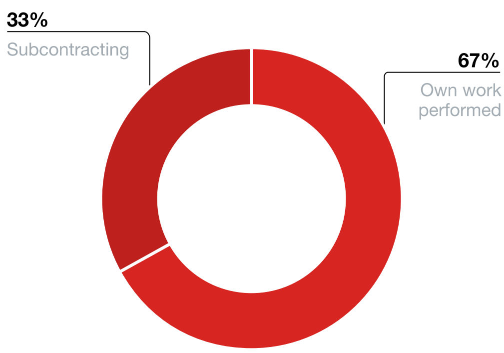
Flexibility and vertical integration

We are pursuing a flexible business model as a way to react quickly to changes in the market environment. We consider this principle to be a key competitive advantage. Our flexibility is supported in part by our **diversified portfolio**, **which extends far beyond traditional construction activities** to include areas such as building materials or building solutions. STRABAG began to focus on vertical integration at an early stage – a strategy that has shown its worth: In times of stressed supply chains, for example, our dense network of building materials operations ensures the availability of the materials we need while balancing out the dynamic price developments. We also outsource certain trades – more so in building construction and civil engineering than in transportation infrastructures – to **subcontractors**, **which allows us to adapt our capacities to the prevailing market environment**.

Subcontracting building construction and civil engineering



Subcontracting transportation infrastructures

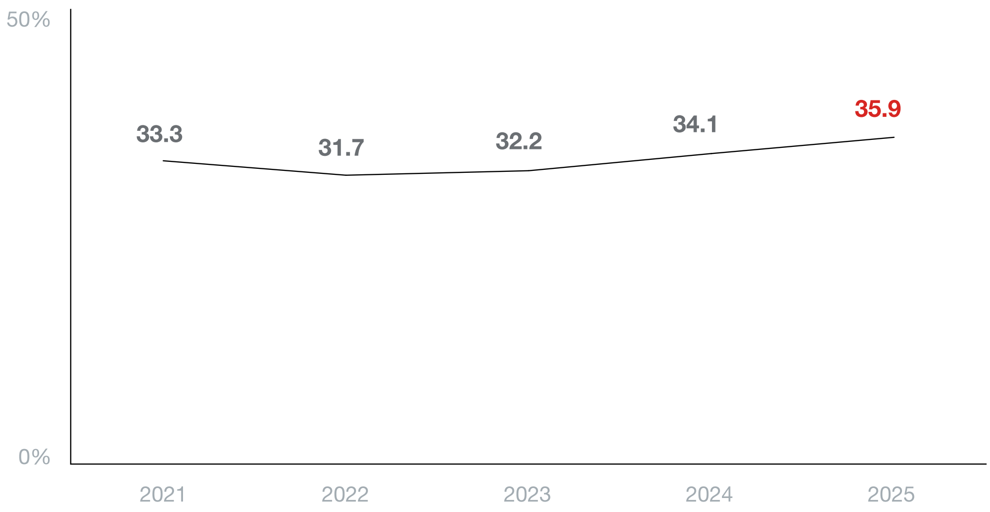


Financial strength and risk management

Financial strength is the basic prerequisite for having our bid considered. It also allows us to take advantage of business opportunities in a flexible manner, such as participating in concession projects or realising acquisitions. Maintaining our financial strength is a strategic priority for us, and we are committed to maintaining an **equity ratio of at least 25%**. Our financial strength – currently expressed by an equity ratio of 35.9% and a net cash position of € 3,518.26 million – is independently attested to and reflected in a **BBB+ Standard & Poor's investment grade rating** with **stable outlook.**

At least as important for a construction company as its financial resources is its project risk management. After all, the large number of projects – each of which is unique in its own right – entails an increased risk potential. Keeping this under control requires a consistently focused organisational structure with clearly defined responsibilities and effective instruments for **active risk and opportunity management**. A system like this can only be established over the long term and therefore represents a significant competitive advantage that is difficult for the competition to copy.

Development of the equity ratio



Sustainability and climate neutrality

The construction and operation of buildings are acknowledged as carbon-intensive activities. But this also means that changing just one thing results in many other changes elsewhere. This is precisely the progress we are working on – with **over 400 sustainability projects** across the Group. Our sustainability activities are based on our sustainability strategy, which is part of our long-term corporate strategy. It covers several focus areas relating to the environment, social responsibility and sustainable corporate governance. STRABAG is committed to science-based climate targets to limit global warming to 1.5°C and aims to achieve **climate neutrality across its entire value chain** by 2040.

Innovation and digitalisation

Today, STRABAG is no longer just a construction company, but a leading construction technology group. In 2020, a new central division, STRABAG Innovation & Digitalisation (SID), was established in part to reflect our commitment to **technology leadership**. SID, which reports directly to the CEO, is driving forward STRABAG's **digital transformation** while handling over 250 innovation projects with 470 experts at more than 20 locations across the Group. The aim is to increase our productivity, counteract the labour shortage, reduce CO_2 emissions and ensure STRABAG's competitiveness in the long term. Specific ways in which we are doing this include standardisation (e.g. prefabrication or serial construction), digital processes (e.g. BIM 5D® or GIS data) and automation (e.g. construction robotics).

Value proposition

Our focus on sustained earnings growth is the foundation for a reliable dividend – now and in the future.

13%

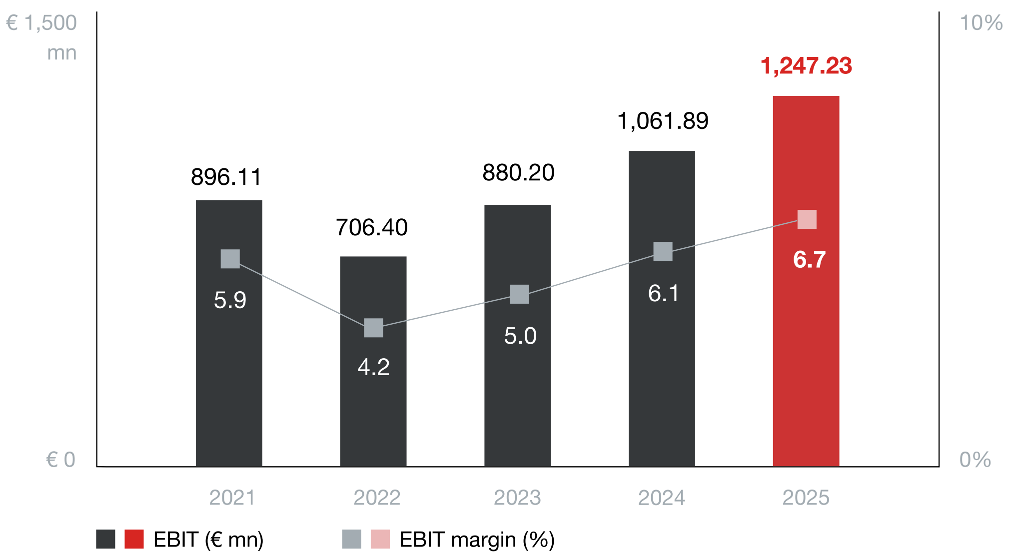
EBIT CAGR (2016–2025)

Sustained earnings growth

STRABAG can point to a strong track record of sustained earnings growth and has continuously expanded its profitability in recent years, even under challenging conditions. The company plans to **sustainably increase its EBIT margin to 6% by 2030 –** as a strong basis for a reliable dividend.

The focus on profitable growth markets, effective project risk management and continuous efficiency improvements should help to achieve this goal.

Development of EBIT and EBIT margin



Reliable dividend

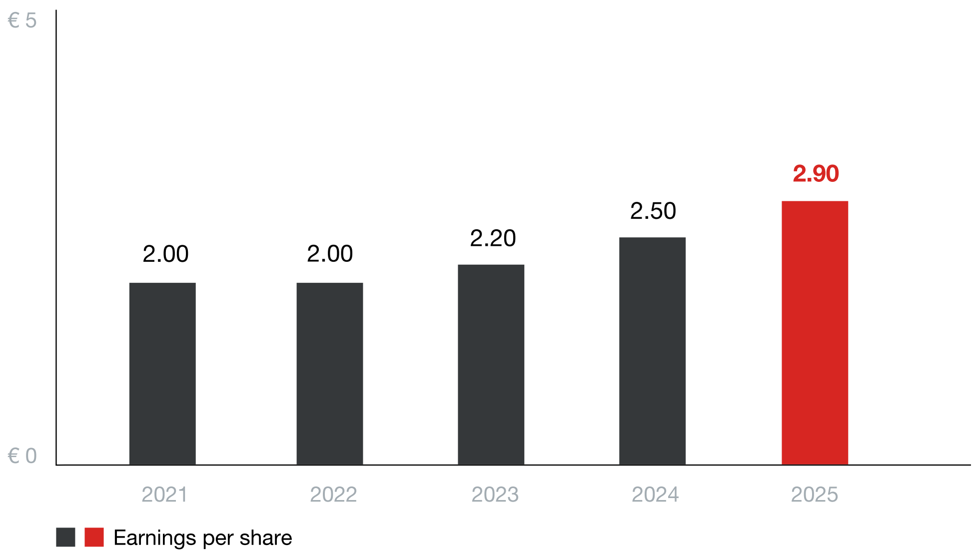
> € 2.1 billion

Dividend payout (2015–2024)

STRABAG attaches importance to a reliable dividend policy. The Management Board remains committed to its objective of distributing **30%–50% of the Group's net income after minorities** to company shareholders in the form of a dividend each year. The exact ratio is determined by the general development of the business as well as by the Group's opportunities for growth.

For the 2025 financial year, the Management Board will propose to the Annual General Meeting on 12 June 2026 a dividend of **€ 2.90 per dividend-bearing share**. This corresponds to a payout ratio of 37%.

Dividend



Further information on the STRABAG SE investment case can be found at www.strabag.com/en/4wins.

Investor relations

2025

Investor relations

STRABAG SE has been listed in the Vienna Stock Exchange's top Prime Market segment since 2007. With a market capitalisation of approximately € 9.6 billion at the end of 2025, STRABAG is one of Austria's largest listed companies.

The STRABAG SE share

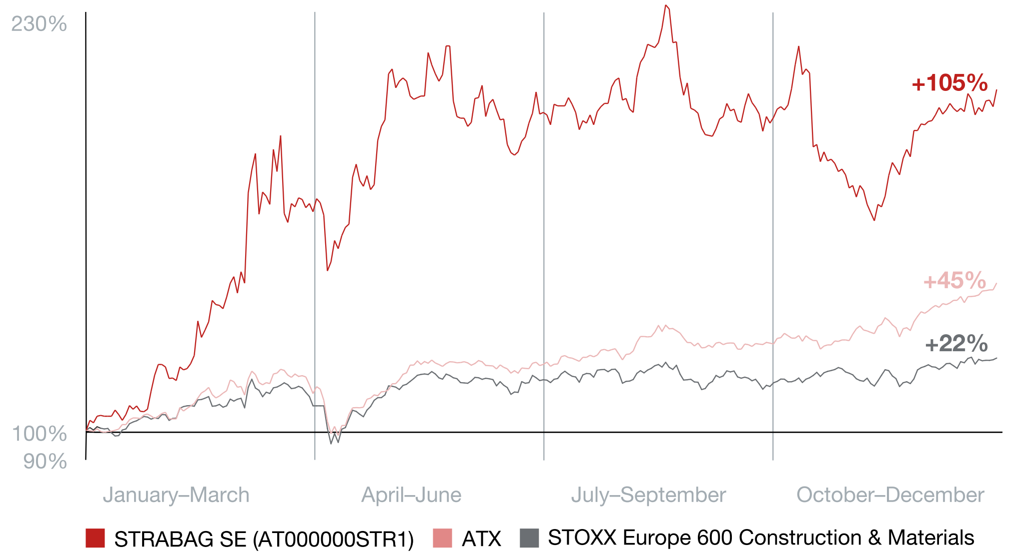
The 2025 stock market year developed positively overall, although the announcement of new US tariffs at the beginning of April temporarily led to a significant decline on international equity markets. With inflation rates falling, the European Central Bank continued its course of monetary easing. From the autumn onwards, the US Federal Reserve also gradually reduced its key interest rate, thereby supporting the global market environment.

Artificial intelligence (AI) acted as a growth driver, particularly benefiting technology stocks. Over the course of the year, the recovery increasingly extended to other sectors and regions. Financial stocks in particular benefited from the changed interest rate environment and economic climate. In Europe and the United Kingdom, banks, insurers and companies from the construction, building materials and raw materials sectors contributed in particular to positive market developments. At the same time, global economic outlook remained mixed across regions, while trade and geopolitical issues repeatedly led to heightened volatility.

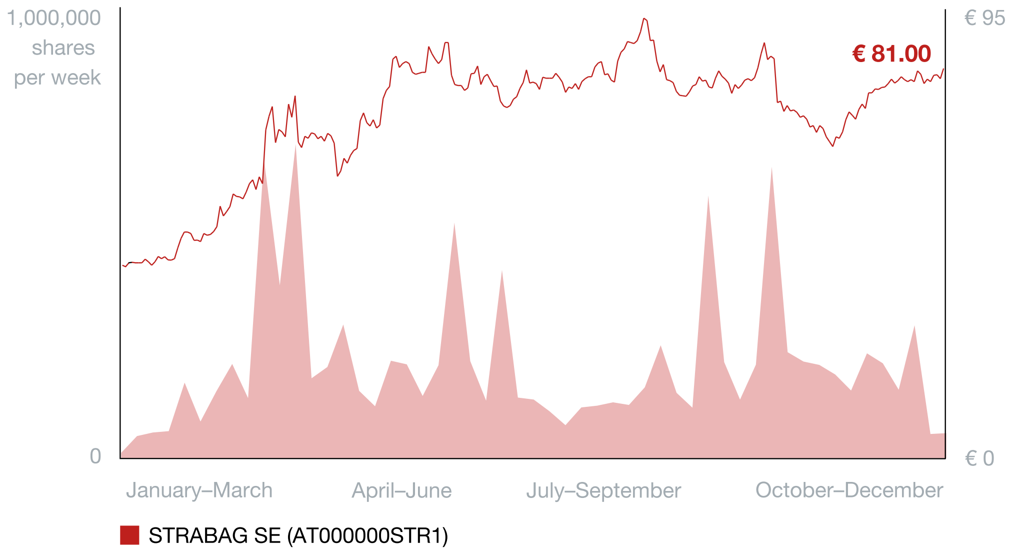
These conditions were reflected in the major stock market indexes: the **MSCI World** achieved +19%, confirming the global recovery. The German **DAX** rose by 23%, supported by cyclical industrial stocks and the prospect of lower interest rates. The **Euro Stoxx 50** also recorded significant gains (+18%), while the UK benchmark index **FTSE 100** achieved its highest annual increase since 2009 at +22%. In the United States, robust corporate earnings and later monetary policy easing led to a gain of 13% in the **Dow Jones Industrial Average** despite interim trade policy uncertainties.

On the Austrian capital market, the benchmark index **ATX** reached new record highs and closed the year with an increase of 45%, driven in particular by banks and insurers, construction and industrial stocks, and the strong CEE exposure of the index members. The **STOXX Europe 600 Construction & Materials** rose by 22% over the year, benefiting from improved sentiment in the European construction sector following a subdued previous year.

STRABAG SE share price vs. benchmark indexes 2025



Trade volume of STRABAG SE shares vs. share price 2025



€ 81.00

STRABAG SE share price at year's end 2025

The **STRABAG SE share** (ISIN AT000000STR1) was included in the Austrian benchmark index ATX on 22 September 2025 due to significantly increased trading liquidity combined with a substantially higher free float market capitalisation. The company's inclusion in the index underscores its improved market presence and visibility within the Vienna Stock Exchange's Prime Market segment.

The shares closed the year at € 81.00, representing an exceptionally strong annual performance of +105%. With this development, STRABAG ranked among the strongest ATX constituents, confirming the increased interest of institutional and private investors. During the reporting year, the company's shares showed a pronounced upward movement and traded within a range between € 40.40 (3 January 2025) and € 91.30 (19 August 2025).

Key share indicators

	2021	2022	2023[1]	2024	**2025**
STRABAG share AT000000STR1					
Closing price at year's end (€)	36.65	39.10	41.40	39.50	81.00
Year's high (€)	43.20	43.75	41.90	44.75	91.30
Year's low (€)	27.90	32.75	36.00	36.25	40.40
Year's average (€)	35.19	38.56	38.39	39.95	71.24
Outstanding bearer shares at year's end (shares)	102,599,997	102,599,997	102,599,997	118,221,979	118,221,979
Average trade volume per day (€ mn)[2]	1.4	2.0	1.3	0.8	6.2
Number of STRABAG SE shares traded (shares)[2]	10,162,508	13,220,734	8,581,074	5,120,596	21,712,264
Volume of STRABAG SE shares traded (€ bn)[2]	0.4	0.5	0.3	0.2	1.6
P/E ratio on 31 December	6	9	7	5	10
Earnings per share (€)	5.71	4.60	6.30	7.35	7.94
Book value per share (€)	39.4	39.0	42.8	42.1	47.9
Market capitalisation at year's end (€ bn)	3.8	4.0	4.3	4.7	9.6
Dividend per share (€)	2.00	2.00	2.20	2.50	2.90[3]
Dividend payout ratio (%)	35	43	41[6]	34	37[4]
Dividend yield (%)	5.7	5.2	5.7[5]	6.3[5]	4.1
Share capital (€ mn)	103	103	103	118	118

1 Including: ISIN AT0000A36HH9 (existed from 6 October 2023 until 26 March 2024): Closing price at year's end € 41.40, year's high € 42.00, year's low € 36.00

2 Double count

3 Dividend proposal by the Management Board

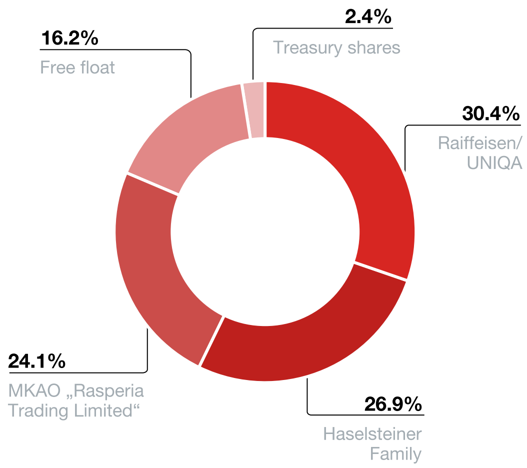
4 Based on the dividend proposal by the Management Board

5 Calculated on the basis of the year's average share price of the STRABAG share AT000000STR1

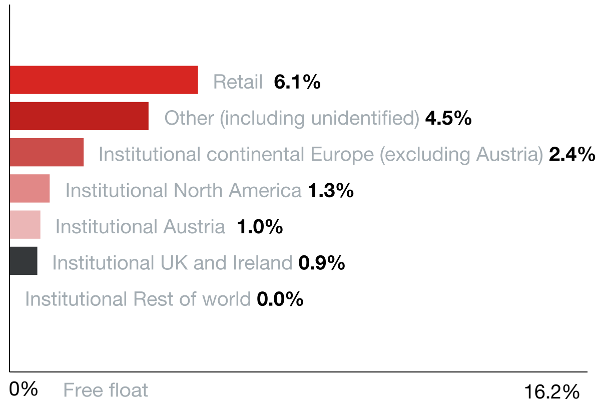
6 Based on the dividend of € 2.20 and in relation to the increased share capital of 118,221,982 shares

Shareholder structure

Shareholder structure as at 31 Dec 2025



Free float distribution as at January 2026



The ownership structure of STRABAG SE changed as follows during the 2025 financial year: On 18 March 2025 and 14 October 2025, Haselsteiner Familien-Privatstiftung sold a total of 4,500,000 STRABAG shares to institutional investors in two accelerated bookbuilding processes. On 30 May 2025, UNIQA Österreich Versicherungen AG placed a further 1,800,000 STRABAG shares with institutional investors, also by way of an accelerated bookbuilding process.

To the best of the company's knowledge, apart from the shareholder groups listed below, no other investor holds more than 5% of the shares. As at 31 December 2025, the shareholder structure is therefore as follows:

- Haselsteiner family: 26.9%
- Raiffeisen/UNIQA: 30.4%
- MKAO “Rasperia Trading Limited”: 24.1%
- Free float: 16.2%
- Own shares: 2.4%

In January 2026, we commissioned a shareholder ID to determine the composition of the **free float**. As a result of private placements by the Haselsteiner Familien-Privatstiftung and UNIQA Österreich Versicherungen AG, the free float increased in 2025 from 10.9% to 16.2%. Year on year, the institutional free float was expanded in particular in continental Europe (excluding Austria), the United Kingdom, Ireland and North America. The proportion of retail investors also rose compared with the previous year, underlining the growing interest of both domestic and international private investors.

On 18 February 2026, Raiffeisen Holding NÖ-Wien sold 2,083,855 STRABAG shares to institutional investors by way of an accelerated private placement (accelerated bookbuilding). The volume corresponds to 1.76% of the company's share capital. As a result of this transaction, the free float increased to 18.0%. Following settlement of the transaction on 23 February 2026, the interest held by Raiffeisen/UNIQA in STRABAG SE amounts to approximately 28.6%. The holdings of the other shareholder groups remained unchanged.

The shares held by MKAO “Rasperia Trading Limited” have been frozen since 8 April 2022 in accordance with EU sanctions. As a result, all rights attached to the STRABAG SE shares held by MKAO “Rasperia Trading Limited” are suspended.

Further information can be found in item 38 of the Notes.

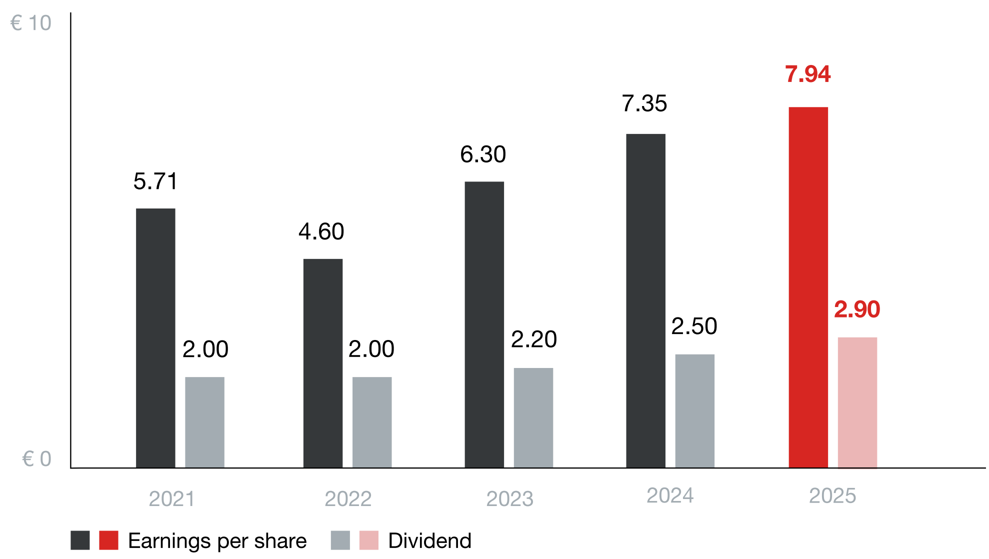
Dividend

€ 2.90 per share

Proposed dividend

STRABAG attaches importance to a reliable **dividend policy**. The Management Board remains committed to its objective of distributing 30%–50% of the Group’s net income after minorities to company shareholders in the form of a dividend each year. The exact ratio is determined by the general development of the business as well as by the Group’s opportunities for growth. Accordingly, the Management Board will propose to the Annual General Meeting on 12 June 2026 a dividend of € 2.90 per dividend-bearing share for the 2025 financial year. This brings the payout ratio to 37%. Based on the weighted average price of the STRABAG SE share in 2025, this corresponds to a dividend yield of 4.1%.

Earnings per share and dividend



Past General Meetings

The agenda of the 21st Annual General Meeting of STRABAG SE on 13 June 2025 comprised eight items, all of which were adopted with the required majorities. Among other matters, the Annual General Meeting resolved to distribute a dividend of € 2.50 per share for the 2024 financial year. Sebastian Haselsteiner was also elected as a new member of the Supervisory Board.

The action brought by Rasperia against the resolutions of the 18th Annual General Meeting of 24 June 2022 as well as the action brought by Rasperia against the resolutions of the Extraordinary General Meeting of 5 May 2022 remain pending.

Annual General Meeting 2026

The next Annual General Meeting will be held on 12 June 2026. The record date for confirmation of shareholding is 2 June 2026. Details regarding the correct procedure can be found on the website of STRABAG SE.

Corporate credit rating

BBB+, stable

S&P confirms corporate credit rating in 2025

STRABAG SE and any bonds it issues are regularly rated by the international ratings agency Standard & Poor's (S&P). The company consistently maintained a solid investment-grade rating of BBB from 2015 until September 2024, when S&P raised the rating one notch to BBB+ with stable outlook. This rating was most recently confirmed in September 2025. S&P's decision is based on STRABAG SE's continued solid operating performance, which is supported by a high order backlog. As key factors for the rating, the agency also highlights the broadly diversified, vertically integrated business model, consistent risk management and strong market positions in the Group's core markets.

Investor relations activities

In addition to the mandatory semi-annual financial reporting and the trading statements for the first and third quarters, we also maintained a close dialogue with the capital market during the 2025 financial year. In total, we informed 225 capital market participants (2024: 115) in 152 one-on-ones and group talks (2024: 40) last year. We also took part in nine **roadshows and investor conferences** (2024: five) organised by Montega, Raiffeisen Bank International, Vienna Stock Exchange, ODDO BHF, Baader Bank, Erste Group, Kepler Cheuvreux and UniCredit.

Our corporate calendar contains all the dates for upcoming earnings announcements and the Annual General Meeting. The calendar is available on the website of STRABAG SE.

Current analyst assessments of the STRABAG SE share

Find out more

Analyst research provides current and potential investors with initial guidance for assessing our company. At this time, STRABAG SE is regularly analysed by six banks:

- Erste Group, Vienna (Michael Marschallinger)
- Kepler Cheuvreux, Vienna (n/a)
- LBBW, Stuttgart (Jens Münstermann)
- Metzler, Frankfurt/Main (Nikolas Demeter)
- ODDO BHF, Vienna (Markus Remis)
- Raiffeisen Research (Gregor Koppensteiner)

Information about STRABAG SE

The Investor Relations department of STRABAG SE reports directly to the CEO and sees itself as a service centre for existing and potential private shareholders, institutional investors and analysts, as well as a point of contact for capital market matters within the Group's operating units. For us, short response times, comprehensive information and continuous dialogue with the capital market and the public are a matter of course. We attach importance to informing all shareholder groups quickly and simultaneously. Our aim is to keep our investor relations activities strong, with a steady flow of information, and to support analysts in correctly evaluating the STRABAG SE shares. If you would like to receive investor information from us as well, you can subscribe to the **Investor Relations newsletter** on the website of STRABAG SE or contact us by phone.

STRABAG SE
Investor Relations

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Corporate Governance

2025

Consolidated corporate governance report

2025

General principles

STRABAG SE is fully committed to the Austrian Code of Corporate Governance and has implemented a comprehensive set of rules, structures and processes to ensure a well-functioning governance.

Consolidated report

The present report is a consolidated corporate governance report as defined by Sec 267b UGB (Austrian Commercial Code) which also covers the corporate governance report as defined by Sec 243c UGB.

Commitment to the Austrian Code of Corporate Governance

The consolidated corporate governance report explains the rules, structures and processes implemented by STRABAG SE in the interest of a well-functioning corporate governance system. We are fully and without exception committed to the Austrian Code of Corporate Governance (ÖCGK) and its aims and we see compliance with the rules contained within the Code as a top priority. This commitment represents a self-obligation on the part of STRABAG SE with the aim to boost shareholder confidence and to constantly optimise our high internal legal, behavioural and ethical standards. We are further obligated to comply with the Code due to the listing of our shares in the Prime Market segment of the Vienna Stock Exchange.

The Austrian Code of Corporate Governance is a set of rules for good corporate governance and control systems on the Austrian capital market, aligning with international standards. The aim of the Code is to establish a responsible system of management and supervision of companies that is geared towards creating sustained, long-term value while ensuring a high level of transparency for all stakeholders. Investors and issuers therefore value the Code and recognise it as an indispensable part of the Austrian system of corporate governance and of Austrian business life.

Formal obligation and evaluation to the Austrian Code of Corporate Governance

Find out more

The Austrian Code of Corporate Governance defines three categories of rules: L-Rules refer to legal requirements with mandatory compliance on the part of publicly listed companies in Austria. Deviation from C-Rules (comply or explain) must be explained publicly and the reasons stated. R-Rules are recommendations requiring neither disclosure nor explanation. The version of the Code that was valid for the 2025 financial year is the January 2025 version. It is available for download from the website of the Austrian Working Group for Corporate Governance and from the website of STRABAG SE.

The Management Board and the Supervisory Board of STRABAG SE declare that STRABAG SE fulfils all L-Rules of the Austrian Code of Corporate Governance and complies with all C-Rules with the exception of those C-Rules stated and explained below. The company furthermore endeavours to abide by the Code's R-Rules in accordance with the organisation of the company.

Non-compliance with the Austrian Code of Corporate Governance

January 2025 version

C-Rule 2

STRABAG SE has issued two registered shares, each of which confers the right to nominate one member of the Supervisory Board. Registered share no. 1 is held by the Haselsteiner family (Haselsteiner Familien-Privatstiftung). The nomination right attached to registered share no. 1 strengthens the commitment of a major shareholder group to the company and safeguards know-how on the Supervisory Board. STRABAG SE benefits from this arrangement in the interests of good corporate governance and derives particular value from the commitment, expertise and experience of the nominated Supervisory Board member. Registered share no. 2 is held by MKAO "Rasperia Trading Limited". As MKAO "Rasperia Trading Limited" is included on the EU sanctions list, its right under registered share no. 2 to nominate a member of the Supervisory Board is currently suspended.

C-Rule 27

It is a key concern for STRABAG SE that the remuneration of the Management Board members be made according to measurable criteria in a way that is transparent and easily comprehensible. The remuneration of the Management Board is based on the specific tasks and responsibilities as well as the size and the economic situation of the company. Another factor that is considered is the competitiveness of the remuneration on the market. The variable component of the remuneration takes into account the shareholders' interest in a positive development of the company and increases the motivation of the Management Board to take measures that sustainably improve the net income in the long term. The variable remuneration is measured on the basis of financial indicators that best reflect the long-term success and economic situation of the company. Non-financial performance criteria that can be applied across the Group are being evaluated, but currently still pose a significant challenge in terms of defining, measuring and controlling corresponding target values (key performance indicators). A differentiated and separate definition of non-financial performance criteria for each division would be detrimental to transparency and ease of understanding. As a result of thorough debate in the Executive Committee of the STRABAG SE Supervisory Board, the decision was made not to use non-financial criteria to calculate the remuneration of the members of the Management Board.

C-Rule 38c

The guidelines governing the appointment process for members of the Management Board require considering both internal and external candidates, with a focus on succession planning within the STRABAG Group. An external advertisement or market search is undertaken only if no suitable candidates can be identified within the STRABAG Group.

The Supervisory Board of STRABAG SE consistently seeks to align the terms of office of all members of the Management Board. As members of the Management Board left office prematurely during the 2025 financial year, the initial terms of office of Stefan Kratochwill and Péter Glöckler are each less than three years.

Boards

The Management Board of STRABAG SE brings together business management and engineering expertise with many years of experience. Its members are responsible for maintaining the financial balance and strategic objectives of the Group.

Management Board

From left to right: Siegfried Wanker, Christian Harder, Stefan Kratochwill (CEO since 19 February 2025), Péter Glöckler (since 11 August 2025), Jörg Rösler; not pictured: Klemens Haselsteiner (CEO, deceased 17 January 2025), Alfred Watzl (until 6 August 2025)

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

Year of birth	**1977**
Citizen of	**Austria**
First appointed	**19 February 2025**

Stefan Kratochwill studied engineering management and mechanical engineering at Vienna's technical university TU Wien. Following his graduation in 2003, he joined the STRABAG Group as a trainee. His first assignments took him to South-East Europe, where he built up the organisational structures of the Group's construction equipment subsidiary, STRABAG BMTI GmbH, in Romania, Bulgaria, Serbia and Montenegro. He later managed the European track construction machinery business until he was appointed central division head and managing director of STRABAG BMTI GmbH in 2017 with responsibility for more than 3,000 employees internationally. Stefan Kratochwill was appointed CEO of STRABAG SE in February 2025.

Responsible for (since 19 February 2025)
Central Divisions BMTI, CML, SID, TPA, ZT and Central Staff Divisions

Start of current period of office
19 February 2025

End of current period of office
31 December 2026

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
STRABAG AG, Austria (Chairman of the Supervisory Board as of 19 March 2025)
Bau Holding Beteiligungs GmbH (Managing Director as of 5 March 2025)
STRABAG Holding GmbH (Managing Director as of 5 March 2025)
STRABAG Property and Facility Services GmbH, Austria (Chairman of the Supervisory Board as of 19 March 2025)

[1] € 10 million minimum average consolidated output volume over past two years

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

Year of birth	**1980**
Citizen of	**Austria**
First appointed	**1 January 2020**

Klemens Haselsteiner completed a bachelor's degree in business administration at DePaul University in Chicago and the Advanced Management Program at the Wharton School of the University of Pennsylvania before starting his career in 2004 at the auditing firm KPMG in Austria. After completing his civil service and gathering work experience at a Russian industrial group, he joined the STRABAG Group in Russia in 2011, where he worked as a commercial project manager, among other things. From 2015, he was employed at the Stuttgart subdivision of the German STRABAG Group company Ed. Züblin AG – initially as commercial business unit manager for turnkey construction, as of 2018 as commercial subdivision manager. Klemens Haselsteiner joined the Management Board of STRABAG SE on 1 January 2020 with responsibility for the areas of innovation, digitalisation and sustainability. On 1 January 2023, he was entrusted with the function of CEO of STRABAG SE. Klemens Haselsteiner passed away suddenly and unexpectedly on 17 January 2025.

Responsible for (until 17 January 2025)
Central Divisions BMTI, CML, SID, TPA, ZT; Central Staff Divisions; Benelux

Start of current period of office
1 January 2023

End of current period of office
passed away on 17 January 2025

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
STRABAG AG, Austria (Chairman of the Supervisory Board until 17 January 2025)
Bau Holding Beteiligungs GmbH (Managing Director until 17 January 2025)
STRABAG Holding GmbH (Managing Director until 17 January 2025)
STRABAG Property and Facility Services GmbH, Austria (Chairman of the Supervisory Board until 17 January 2025)

[1] € 10 million minimum average consolidated output volume over past two years

Mag. Christian Harder
CFO

Year of birth	**1968**
Citizen of	**Austria**
First appointed	**1 January 2013**

Christian Harder completed a degree in applied business administration at the University of Klagenfurt before joining the STRABAG Group through its predecessor Bau Holding Group in 1994. He advanced to director of accounting, to head of financial accounting and, finally, to central division director of Bau-, Rechen- und Verwaltungszentrum Gesellschaft m.b.H. (today STRABAG BRVZ GmbH). From 2008, he held the position of chairman of the central division management of BRVZ. He was appointed CFO of STRABAG SE effective 1 January 2013.

Responsible for
Central Division BRVZ

Start of current period of office
1 January 2023

End of current period of office
31 December 2026

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
Syrena Immobilien Holding AG (Chairman of the Supervisory Board)

Management and supervisory tasks at important[1] subsidiaries
STRABAG AG, Austria (Member of the Supervisory Board)
Bau Holding Beteiligungs GmbH (Managing Director)
STRABAG Holding GmbH (Managing Director)
STRABAG Property and Facility Services GmbH, Austria (Member of the Supervisory Board)
AKA Alföld Koncessziós Autópálya Zártkörüen Müködo Részvénytársaság, Hungary (Member of the Supervisory Board)
STRABAG Sp. z o.o., Poland (Member of the Supervisory Board)

[1] € 10 million minimum average consolidated output volume over past two years

Dipl.-Ing. (FH) Péter Glöckler
Member of the Management Board (since 11 August 2025)

Year of birth	**1977**
Citizen of	**Hungary**
First appointed	**11 August 2025**

Péter Glöckler was born in Hungary and completed a civil engineering degree at the Technikum Kärnten. After starting his professional career at the Hungarian road administration, he joined STRABAG in 2003 as Technical Manager in the Concessions business. In 2020, he was promoted to Division Manager for Hungary, and most recently he was responsible for the entire Southeastern Europe region, covering a total of twelve countries. He was appointed to the Management Board of STRABAG SE on August 11, 2025.

Responsible for (since 11 August 2025)
Segment South + East:
Austria, Poland, Czech Republic, Slovakia, Hungary, Romania, South-East Europe, Construction Materials

Start of current period of office
11 August 2025

End of current period of office
31 December 2026

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
STRABAG AG, Austria (Member of the Supervisory Board since 27 August 2025)
STRABAG a.s., Czech Republic (Chairman of the Supervisory Board since 1 September 2025)
STRABAG Sp. z o.o., Poland (Chairman of the Supervisory Board since 30 August 2025)
STRABAG Property and Facility Services GmbH, Austria (Member of the Supervisory Board since 27 August 2025)

1 € 10 million minimum average consolidated output volume over past two years

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board

Year of birth	**1964**
Citizen of	**Germany**
First appointed	**1 January 2023**

Jörg Rösler studied civil engineering at Bauhaus University in Weimar and at the Engineering School for Construction in Gotha. He started his career in 1988 as a construction foreman at a local municipal agency for road construction in the Erfurt district. From 1991 to 2000, he deepened his professional experience in management positions at Hochtief AG in Thuringia and Saxony. Rösler joined the STRABAG Group in 2001, where he was entrusted with various management positions. In 2011, he advanced to become a member of the Management Board of the German subsidiary STRABAG AG. Effective 1 January 2023, Rösler was appointed to the Management Board of STRABAG SE, where he is responsible for the segment North + West.

Responsible for
Segment North + West:
Germany, Switzerland, Benelux (since 17 January 2025), Scandinavia, Ground Engineering

Start of current period of office
1 January 2023

End of current period of office
31 December 2026

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
Ed. Züblin AG, Germany (Chairman of the Supervisory Board)
STRABAG AG, Germany (Chairman of the Supervisory Board)
STRABAG AG, Austria (Member of the Supervisory Board)
STRABAG Property and Facility Services GmbH, Germany (Member of the Supervisory Board)
STRABAG AG, Switzerland (Member of the Board of Directors)
STRABAG Property and Facility Services GmbH, Austria (Member of the Supervisory Board)

[1] € 10 million minimum average consolidated output volume over past two years

Dipl.-Ing. Siegfried Wanker
Member of the Management Board

Year of birth	**1968**
Citizen of	**Austria**
First appointed	**1 January 2011**

Siegfried Wanker studied civil engineering at Graz University of Technology before joining the STRABAG Group as site manager in 1994. Between 2001 and 2004, he held the position of managing director at several engineering service providers before rejoining the STRABAG Group in 2005. As a member of the Management Board of STRABAG AG, Austria, he was initially in charge of the international building construction business, then for corporate development and services, and finally for infrastructure project development. Siegfried Wanker has been a member of the Management Board of STRABAG SE since 1 January 2011.

Responsible for
Segment International + Special Divisions:
Tunnelling, International, United Kingdom, Australia, Infrastructure Development, Real Estate Development, Building Solutions, Energy Infrastructure, STRABAG Hold Estate

Start of current period of office
1 January 2023

End of current period of office
31 December 2026

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
Ed. Züblin AG, Germany (Member of the Supervisory Board)
STRABAG AG, Germany (Member of the Supervisory Board)
STRABAG AG, Austria (Member of the Supervisory Board)
STRABAG Property and Facility Services GmbH, Germany (Chairman of the Supervisory Board)
STRABAG Sp. z o.o., Poland (Member of the Supervisory Board)
STRABAG Property and Facility Services GmbH, Austria (Member of the Supervisory Board)
AKA Alföld Koncessziós Autópálya Zártkörüen Müködo Részvénytársaság, Hungary (Chairman of the Supervisory Board)

1 € 10 million minimum average consolidated output volume over past two years

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board (until 6 August 2025)

Year of birth	**1970**
Citizen of	**Germany**
First appointed	**1 January 2019**

Alfred Watzl studied civil engineering at the Deggendorf Institute of Technology before beginning his professional career as site manager for STRABAG Sp. z o.o., Poland, in 1999. After several different management positions at the Polish subsidiary – including technical subdivision manager for Building Construction and Civil Engineering – he was a member of the Management Board of STRABAG Sp. z o.o. with responsibility for the Group's Polish activities from 2013 to 2018. Alfred Watzl was a member of the Management Board of STRABAG SE from 1 January 2019 until his resignation, in agreement with the Supervisory Board, effective 6 August 2025.

Responsible for
Segment South + East:
Austria, Poland, Czech Republic, Slovakia, Hungary, Romania, South-East Europe, Construction Materials

Start of current period of office
1 January 2023

End of current period of office
Resigned with effect from EOD 6 August 2025

Supervisory board mandates or similar functions in national or foreign companies not included in the consolidated financial statements
None

Management and supervisory tasks at important[1] subsidiaries
STRABAG AG, Austria (Member of the Supervisory Board until 6 August 2025)
STRABAG a.s., Czech Republic (Chairman of the Supervisory Board until 31 August 2025)
STRABAG Sp. z o.o., Poland (Chairman of the Supervisory Board until 29 August 2025)
STRABAG Property and Facility Services GmbH, Austria (Member of the Supervisory Board until 6 August 2025)

1 € 10 million minimum average consolidated output volume over past two years

Working method of the Management Board

Open exchange in meetings usually every two weeks

The Management Board of STRABAG SE – like the Supervisory Board – regards compliance with the Austrian Code of Corporate Governance as its primary duty and responsibility and is likewise committed to continually optimising the high internal legal, behavioural and ethical standards of STRABAG SE. Collegiality, openness, a constant exchange of experience and short decision-making chains are among the main guiding principles. In line with the rules of the Code, the Management Board of STRABAG SE works closely together with the Supervisory Board. In particular,

- the Management Board regularly and extensively informs the Supervisory Board as to all relevant matters concerning the development of the company's business, including the risk situation and risk management in the company and the important Group entities;
- a regular exchange of information and opinions takes place between the CEO and the Chairwoman of the Supervisory Board concerning strategy, the development of the business, risk management and important business transactions, particularly acquisitions and disposals; the Management Board also involves the Supervisory Board in the development and implementation of sustainability aspects of the corporate strategy;
- the Chairwoman of the Supervisory Board is informed immediately of any important occurrences;
- the Management Board reports to the Supervisory Board at least once a year on the provisions taken to fight corruption.

The Management Board of STRABAG SE and its individual members conduct their business in accordance with the prevailing laws and legislation, the Articles of Association, and the Management Board's Rules of Procedure as approved by the Supervisory Board. The Rules of Procedure obligate the Management Board and its individual members to provide extensive information and reporting to the Supervisory Board. The Rules of Procedure also define an extensive catalogue of measures and legal transactions requiring approval by the Supervisory Board in addition to the legally prescribed measures. Coordination within the Management Board occurs during regular meetings held approximately every two weeks as well as in the form of the daily informal exchange of information.

Focus on business, strategy and sustainability

Matters discussed at the **Management Board meetings** include the current operations and the long-term company strategies, with a particular focus on sustainability. Sustainability issues – especially with regard to circularity and energy – hold a key position within the Group's Strategy 2030. The Management Board regularly discusses the implications of climate change and the changing regulatory landscape for the business model and what STRABAG can do to address these factors. Also coordinated at the Management Board meetings are any current or outstanding management measures to be implemented by the relevant Management Board members.

Supervisory Board

Shareholder representatives

Mag. Kerstin Gelbmann
Chairwoman of the Supervisory Board

Year of birth	**1974**
Citizen of	**Austria**
First appointed	**18 June 2010**

Kerstin Gelbmann graduated from the Vienna University of Economics and Business and then spent five years working in auditing and tax consulting at Auditor Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH (initially a representative of Arthur Andersen in Vienna, then a full member of Deloitte). After passing her tax consultant exam, she joined the Dr. Erhard F. Grossnigg group of companies in 2002 with initial responsibility for various areas such as restructuring consulting, M&A, etc. She has been managing director of grosso holding Gesellschaft mbH since 2007. In 2010, she was also appointed to the Management Board of the newly established Austro Holding AG, where she has built up and continued to expand an SME investment portfolio. Kerstin Gelbmann joined the Supervisory Board of STRABAG SE in 2010 and took on the function of Chairwoman on 1 January 2024. Pursuant to Annex 1 of the 2025 Austrian Code of Corporate Governance, Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such a shareholder are still deemed to be independent within the meaning of Rule 53 of the Code even where their terms of office exceed a period of 15 years.

Start of current period of office
24 June 2022

End of current period of office
Until 2028 Annual General Meeting

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Yes

Mag. Erwin Hameseder
Vice Chairman of the Supervisory Board

Year of birth	**1956**
Citizen of	**Austria**
First appointed	**10 September 1998**

Erwin Hameseder received a master of law degree from the University of Vienna. From 1975 to 1987, he served as an officer in the Austrian Armed Forces, where he achieved the rank of colonel in the directorship services in 2002 and of brigadier in 2006. In 2017, he was promoted to major general in the militia of the Austrian Armed Forces. In 1987, he joined the legal department of RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN reg.Gen.m.b.H. From 1988 to 1994, he was responsible for investment management, from 1991 as head of the department. He was managing director of RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN reg.Gen.m.b.H. from 1994 to 2001 and director-general of RAIFFEISENHOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H (a spin-off from RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG) from 2001 to 2012. From 2007 to 2012, Erwin Hameseder also assumed the position of Chairman of the Management Board of RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG. He has been chairman of RAIFFEISENHOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. since 4 May 2012 and was elected Advocate General of the Austrian Raiffeisen Association on 30 June 2022. Erwin Hameseder, who has been a member of the Supervisory Board since 1998, was elected to the Supervisory Board of STRABAG SE at the Annual General Meeting of 24 June 2022 with a term in office until the end of the Annual General Meeting that resolves on formally approving the actions of the Supervisory Board for the 2027 financial year. Pursuant to Annex 1 of the 2025 Austrian Code of Corporate Governance, Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such a shareholder are still deemed to be independent within the meaning of Rule 53 of the Code even where their terms of office exceed a period of 15 years.

Start of current period of office
24 June 2022

End of current period of office
Until 2028 Annual General Meeting

Other supervisory board mandates or similar functions in national or foreign listed companies
AGRANA Beteiligungs-Aktiengesellschaft, Austria (Chairman)
Raiffeisen Bank International AG, Austria (Chairman)
Südzucker AG, Germany (2nd Vice Chairman)

Independent pursuant to Rule 53 ÖCGK
Yes

Dr. Andreas Brandstetter
Member of the Supervisory Board

Year of birth	**1969**
Citizen of	**Austria**
First appointed	**15 June 2018**

Andreas Brandstetter has been CEO of UNIQA Insurance Group AG since 2011. Before entering the insurance business in 1997, where he has held various leadership positions, he was head of the EU office of Österreichischer Raiffeisenverband. From 1993 to 1995, he was active in politics. Andreas Brandstetter graduated from the University of Vienna in 1994 with a doctorate degree in political science, also holds an Executive MBA from the California State University, Hayward, and completed further courses at the Stanford Graduate School of Business and the Harvard Business School. From 2018 to mid-2024, he served as president of Insurance Europe, the European insurance and reinsurance federation in Brussels.

Start of current period of office
24 June 2022

End of current period of office
Until 2028 Annual General Meeting

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Yes

Dr. Valerie Hackl
Member of the Supervisory Board

Year of birth	**1982**
Citizen of	**Austria**
First appointed	**25 January 2024**

Valerie Hackl is managing director of Gas Connect Austria with many years of experience in various management positions. From 2019 to 2024, she served as managing director of Austro Control GmbH. Before that, she was a member of the management board of ÖBB-Personenverkehr AG, having held several management positions within the ÖBB Group starting in 2012. From 2005 to 2011, she was a consultant for the international strategy consultancy Bain & Company in Munich. Valerie Hackl studied business administration at the Vienna University of Economics and Business and the University of British Columbia. She completed her doctoral studies at the University of St. Gallen. In 2024, Valerie Hackl was delegated to the Supervisory Board of STRABAG SE for an indefinite period of time by the authorised holder of registered share number 1.

Start of current period of office
25 January 2024

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Yes

Dipl.-Ing. Sebastian Haselsteiner

Member of the Supervisory Board (since 13 June 2025)

Year of birth	**1979**
Citizen of	**Austria**
First appointed	**13 June 2025**

Sebastian Haselsteiner studied architecture at the Vienna University of Technology (TU Wien) and joined MHM Ziviltechniker GmbH in 2005 as a partner, holding a 24% stake in the company to this day. He has over two decades of experience in the design and implementation of construction projects. In 2009, he passed the chartered engineering consultant licensing exam. In addition to his work as a chartered engineering consultant, he is active in the arts and culture sector. He has headed STRABAG Kunstforum since 2022, and in 2025 he was appointed Managing Director of HPH Kunst GmbH. He also serves as Chairman of the Board of the andersART Fund and as a board member of Künstler:innenstadt Gmünd. In June 2025, he took on the role of Vice President of the Association of Friends of Komödienspiele Porcia.

Start of current period of office
13 June 2025

End of current period of office
Until 2029 Annual General Meeting

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
No

Mag. Gabriele Schallegger
Member of the Supervisory Board

Year of birth	**1972**
Citizen of	**Austria**
First appointed	**24 June 2022**

Gabriele Schallegger is CFO of GTR Rupertiwinkel GmbH, a geothermal project developer. She studied business administration at the University of Graz and the University of Exeter and completed an Executive MBA organised jointly by the Vienna University of Economics and Business and the University of Minnesota's Carlson School of Management. Her first professional roles were in audit and tax advisory, followed by executive and board-level commercial roles at international companies such as Orkla ASA, Semperit, Mondi, Mayr-Melnhof Karton and Wienerberger, as well as at the cleantech start-up CMBlu.

Start of current period of office
24 June 2022

End of current period of office
Until 2028 Annual General Meeting

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Yes

Delegated by the works council

Dipl.-Ing. Andreas Batke
Member of the Supervisory Board

Year of birth	**1962**
Citizen of	**Germany**
First delegated	**1 October 2009**

Andreas Batke joined STRABAG AG, Cologne, as a land surveyor in 1991. He has been a member of the works council since May 1998 and currently serves as chairman of the general works council and chairman of the group works council of STRABAG AG, Cologne, vice chairman of the STRABAG SE works council and member of the Supervisory Board of STRABAG AG, Cologne.

Date first delegated
1 October 2009

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Not applicable

Karl Gerdes
Member of the Supervisory Board

Year of birth	**1963**
Citizen of	**Germany**
First delegated	**1 August 2024**

Karl Gerdes started his career at STRABAG AG, Cologne, as a carpenter in 1988, subsequently holding the position of occupational safety specialist within the Group. He was elected to the works council in 1998 and is currently chairman of the general works council of Ed. Züblin AG. Karl Gerdes is a member of the Supervisory Board of both Ed. Züblin AG and STRABAG AG, Cologne.

Date first delegated
1 August 2024

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Not applicable

Magdolna P. Gyulainé
Member of the Supervisory Board

Year of birth	**1962**
Citizen of	**Hungary**
First delegated	**1 October 2009**

Magdolna P. Gyulainé joined a predecessor company of STRABAG in Hungary as a bookkeeper in 1981 and is currently chairwoman of the employee representative organisation of the Hungarian group companies.

Date first delegated
1 October 2009

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Not applicable

Georg Hinterschuster
Member of the Supervisory Board

Year of birth	**1968**
Citizen of	**Austria**
First delegated	**13 October 2014**

Georg Hinterschuster completed an apprenticeship in commercial site management at STRABAG Bau GmbH from 1984 to 1987 before starting his professional career as a group clerk in civil engineering in St. Valentin, Austria. From 1997 to 2000, he took over a commercial management task for the Transportation Infrastructures and the Building Construction & Civil Engineering segments in the Czech Republic, and from 2000 to 2008, he worked as a commercial group manager in building construction and civil engineering in Upper Austria. Georg Hinterschuster was elected to the works council in 1991 and is currently a member of the group and central works council of STRABAG in Austria as well as a member of the STRABAG SE works council.

Date first delegated
13 October 2014

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Not applicable

Daniel Riesenberg

Member of the Supervisory Board (since 1 September 2025)

Year of birth	**1971**
Citizen of	**Germany**
First delegated	**1 September 2025**

Daniel Riesenberg joined the former Ilbau as a mechanic in 1994, went on to become deputy foreman and later helped establish the vehicle fleet operations in Germany. He was elected to the works council in 2002 and currently serves as deputy chairman of the group works council, chairman of the works council of BMTI, and member of the European works council since 2022. He also holds a mandate on the Supervisory Board of STRABAG AG, Cologne.

Date first delegated
1 September 2025

End of current period of office
Indefinite

Other supervisory board mandates or similar functions in national or foreign listed companies
None

Independent pursuant to Rule 53 ÖCGK
Not applicable

Independence of the Supervisory Board

Five of the six members of the Supervisory Board of STRABAG SE and its committees elected by the Annual General Meeting or nominated by shareholders are independent in accordance with the guidelines on the independence of Supervisory Board members at STRABAG SE (see below and also the information published on the STRABAG SE website). Accordingly, STRABAG SE complies with C-Rule 53 of the Austrian Code of Corporate Governance, which requires that the majority of the Supervisory Board members elected by the Annual General Meeting or nominated by the shareholders be independent of the company and its Management Board. New members of the Supervisory Board receive comprehensive information on the avoidance of conflicts of interest upon taking up their Supervisory Board duties. The independence of Supervisory Board members is defined on the basis of the following guidelines (excerpt from the Rules of Procedure of the Supervisory Board, version dated 5 May 2022):

Guidelines for the independence of Supervisory Board members of STRABAG SE ("the company") in accordance with C-Rule 53 of the Austrian Code of Corporate Governance

A member of the Supervisory Board of the company shall be deemed independent if he or she has no business or personal relations with the company or its Management Board which would constitute a material conflict of interest and thus could influence the member's behaviour. Moreover, the members of the Supervisory Board shall comply with the following guidelines adapted from the Austrian Code of Corporate Governance:

- The Supervisory Board member shall not have served as a member of the Management Board or as a manager of the company or one of its subsidiaries in the past five years.
- The Supervisory Board member shall not maintain or have maintained in the past year any business relations with the company or one of its subsidiaries to an extent of significance for the Supervisory Board member. This shall also apply to relationships with companies in which the Supervisory Board member has a considerable economic interest, but not for the performance of board functions within the Group. The approval of individual transactions by the Supervisory Board according to L-Rule 48 does not automatically mean the person is qualified as not independent.
- The Supervisory Board member shall not have been auditor of the company or have owned a share in the auditing company or have worked there as an employee in the past three years.
- The Supervisory Board member shall not be a member of the Management Board of another company, in which a Management Board member of the company is a Supervisory Board member.
- The Supervisory Board member shall not be a member of the Supervisory Board for more than 15 years. This does not apply to Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such a shareholder.
- The Supervisory Board member shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of persons in one of the aforementioned positions.

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

In the 2025 financial year, planning services totalling approximately € 4.1 million (net) were provided to STRABAG Group companies by MHM Ziviltechniker GmbH, in which Supervisory Board member Dipl.-Ing. Sebastian Haselsteiner holds a 24% interest. The majority of these contracts had already been awarded prior to his appointment to the Supervisory Board. Otherwise, no contracts requiring the approval of the Supervisory Board pursuant to L-Rule 48 of the Austrian Code of Corporate Governance were concluded between the company and members of the Supervisory Board in the period under report.

Working methods of the Supervisory Board

Supervisory Board report

Find out more

In the 2025 financial year, the Supervisory Board diligently performed the duties incumbent upon it under Austrian law, the Articles of Association, the Austrian Code of Corporate Governance (ÖCGK), and the Rules of Procedure. It met for a total of five meetings last year and so complied with the Code's minimum requirement to meet at least once every three months (C-Rule 36). All members personally attended at least half of the meetings during their period in office (C-Rule 58). Besides these regular meetings, there is a constant open discourse and exchange of opinion among the individual members of the Supervisory Board as well as between the individual members of the Supervisory Board and the Management Board.

Committees: Executive Committee, Presidential and Nomination Committee, and Audit Committee

There were three meetings of the Audit Committee, one meeting of the Presidential and Nomination Committee, and no meetings of the Executive Committee during the year. The Executive Committee and the Presidential and Nomination Committee also made decisions by means of circular resolution.

In accord with its tasks and obligations, the Audit Committee dedicated itself to monitoring the accounting procedures (including the preparation of the consolidated financial statements) and the work of the auditor (including the audit of the consolidated financial statements). During the review of the effectiveness of the internal control system and the risk management system, the Audit Committee focused on specific selected projects. Also reviewed and monitored were the function of the audit system and the qualification and independence of the auditor (group financial auditor), especially with respect to the additional services provided to the company being audited. In accordance with C-Rule 18 of the Austrian Code of Corporate Governance, the Audit Committee was informed by Internal Audit about the audit plan, its implementation and the material findings.

Composition of the Committees of the Supervisory Board

Committee	Members	Tasks
Executive Committee	Mag. Kerstin Gelbmann Mag. Erwin Hameseder	The Executive Committee deals with all matters affecting the relations between the company and the members of the Management Board, especially matters relating to the remuneration of Management Board members but excluding decisions regarding the appointment or removal of a Management Board member or regarding the granting of stock options.
Presidential and Nomination Committee	Mag. Kerstin Gelbmann Mag. Erwin Hameseder Georg Hinterschuster	The Presidential and Nomination Committee submits proposals to the Supervisory Board for filling new mandates or ones that become free on the Management Board, deals with issues relating to successor planning and makes decisions in urgent cases. In addition, it is authorised to give its consent to the disposal of registered shares in accordance with Sec 4 Para 4 of the Articles of Association.
Audit Committee	Mag. Kerstin Gelbmann Mag. Erwin Hameseder Dr. Andreas Brandstetter Andreas Batke Georg Hinterschuster	The responsibilities of the Audit Committee include the tasks assigned to it under Section 92(4a)(4) of the Austrian Stock Corporation Act (AktG) as well as by Regulation (EU) No. 537/2014, namely: 1. monitoring the accounting procedures and, where applicable, the sustainability reporting process, including the electronic reporting process pursuant to Section 243b(10) (Section 267a(11)) of the Austrian Commercial Code (UGB) and the process for determining the disclosures pursuant to Section 243b(2), second sentence (Section 267a(2), second sentence) UGB, as well as issuing recommendations or proposals to ensure their reliability 2. monitoring the effectiveness of the internal control system, where applicable the internal audit system, and the company's risk management system, including where sustainability reporting is concerned 3. monitoring the statutory audit, the audit of the consolidated financial statements and the audit of the (consolidated) sustainability reporting, taking into account findings and conclusions from reports published by the Audit Oversight Body in accordance with Section 4(2)(12) of the Austrian Auditor Oversight Act (APAG), as well as any statement by the workforce representatives pursuant to Section 108(5) of the Austrian Labour Constitution Act (ArbVG) 4. reviewing and monitoring the independence of the statutory auditor (group financial auditor) and the auditor of the (consolidated) sustainability reporting, in particular with regard to additional services provided to the audited entity; for companies within the meaning of Section 189a(1)(a) and (d) UGB, Article 5 of Regulation (EU) No. 537/2014 and Section 271a(6) UGB apply with regard to (group) audits 5. reporting to the Supervisory Board on the results of the statutory audit and the audit of the sustainability reporting, explaining how these audits contributed to the reliability of financial reporting and sustainability reporting, and describing the role of the Audit Committee in this context 6. reviewing the annual financial statements and preparing their approval, reviewing the proposal for the appropriation of profits, the management report and, where applicable, the corporate governance report, and reporting to the Supervisory Board on the results of this review 7. where applicable, reviewing the consolidated financial statements and the group management report, the consolidated corporate governance report, and reporting to the Supervisory Board on the results of this review 8. conducting the procedure to select the statutory auditor (group financial auditor) and the auditor of the (consolidated) sustainability reporting, taking into account the appropriateness of the fees, and making a recommendation for appointment to the Supervisory Board; for companies within the meaning of Section 189a(1)(a) and (d) UGB, Article 16 of Regulation (EU) No. 537/2014 applies with regard to (group) audits

* The tasks of the Audit Committee under the new provisions of the Sustainability Reporting Act (Nachhaltigkeitsberichtsgesetz, NaBeG) will apply to STRABAG SE's sustainability reporting starting with the 2026 financial year.

Annual general meeting and shareholders

Chapter Investor Relations

Find out more

The shareholders, as owners of the company, exercise their rights by vote at the Annual General Meeting. More information about the Annual General Meeting and the shareholder structure is available in the chapter “Investor Relations”.

In the interest of an open communication with shareholders, creditors, clients, analysts, employees and the interested public, transparency is of great importance to STRABAG SE. Important elements of this open communication are the reporting of STRABAG SE, ongoing direct investor and analyst contacts, the participation in roadshows and conferences as well as publications and disclosures online and especially on the company website. More details about the company’s extensive information activities in this regard are available in the chapter “Investor Relations”.

Conflicts of interest

Both the Management Board and the Supervisory Board are required to disclose conflicts of interest. The members of the Management Board must immediately disclose to the Supervisory Board any material personal interests in transactions of the company and group companies as well as any other conflicts of interest. Furthermore, they must also inform the other members of the Management Board of this. Members of the Management Board who hold management positions at other companies must work towards a fair balance of interests of the companies involved. Supervisory Board members who find themselves in a conflict of interest must immediately disclose this to the Chairperson of the Supervisory Board. If the Chairperson of the Supervisory Board finds himself or herself in a conflict of interest, he or she must immediately disclose this to their deputy. The conclusion of contracts with members of the Supervisory Board in which such members are committed to the performance of a service outside of their activities on the Supervisory Board for the company or a subsidiary for a remuneration not of minor value requires the consent of the Supervisory Board. This also applies to contracts with companies in which a member of the Supervisory Board holds a considerable economic interest.

Directors’ dealings

Director’s dealings disclosures

Find out more

Proprietary transactions with STRABAG SE shares and/or bonds by members of the company’s boards, by persons or companies closely associated with such members, and by other management-level employees with corporate-wide responsibility at STRABAG SE are reported as required by law and their names published on an ongoing basis on the STRABAG SE website. In the 2025 financial year, six notifications were made of proprietary transactions with STRABAG SE shares or bonds by members of the above-mentioned group of persons.

Equality, diversity and inclusion

STRABAG employs around 89,000 people from 159 nations representing every generation, various religions and world views, and having different genders, sexual orientations and gender identities.

Dimensions of diversity

STRABAG utilises and actively promotes diversity as a source of strength. The more diverse a team, the more diverse its perspectives and experiences. Diversity is a key advantage enabling our teams to find more innovative solutions to the construction industry's most pressing challenges.

The promotion of **equality, diversity and inclusion (EDI)** ensures a safe and respectful working environment in which all employees can realise their full potential and contribute their best to the company's success. In this respect, STRABAG focuses on **three dimensions of diversity**:

We focus on three dimensions of diversity

- **Gender diversity**
  Advancement of women and increased gender diversity (male/female/non-binary)
- **Generation diversity**
  Focus on creating an environment of mutual respect across different generations and rejuvenating the age structure (counter to the societal trend)
- **Ethnic diversity**
  Focus on creating an environment of mutual respect between different ethnic groups

EDI Strategy 2030

The STRABAG Management Board adopted its first EDI strategy in 2023. The strategy defines three clear objectives, which were also communicated to employees and published on the company's website. The **goals of the EDI Strategy 2030** are:

- Annual increase of 6% in the proportion of women in management
- Gender pay gap of 0
- Mandatory leadership training on equality, diversity and inclusion

A Group-wide **EDI Coordinator** has been positioned within the central division BRVZ (P&C Development) with responsibility for the implementation and continuous development of the EDI strategy and objectives. An interdisciplinary EDI project team, including a member of the Management Board, meets several times a year to jointly discuss further impulses and measures and to initiate them at the Management Board level. As part of this collaboration, the EDI project team has developed objectives.

In 2025, mandatory e-learning on equality, diversity and inclusion was rolled out for all leadership employees in ten languages. In December 2025, a mandatory German-language e-learning programme was also introduced for all employees without leadership responsibility. Translation and rollout in a further 14 languages is planned for 2026.

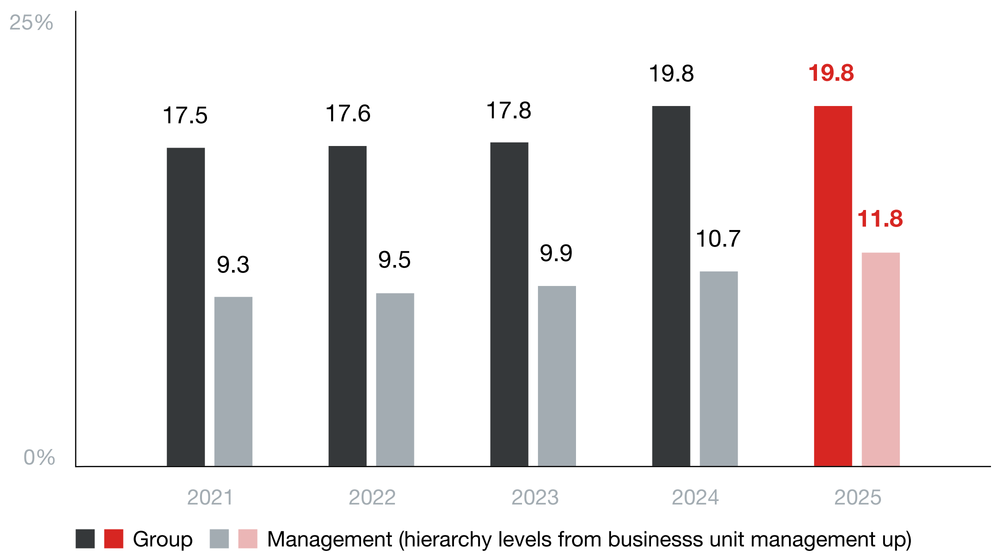
During the reporting year, the partnership with myAbility was continued in order to promote the inclusion of people with disabilities. A key component of this collaboration is the myAbility job platform, which specifically connects people with disabilities with suitable job openings. The service, which is currently available in Germany and Austria, facilitates access to career opportunities. The partnership helps to reduce barriers and create more inclusive working conditions.

Diversity concept

Construction industry traditionally male-dominated

Construction is a traditionally male-dominated industry, making it particularly challenging for STRABAG to achieve a balanced gender ratio among its employees. This is true in all areas, from the workers on the construction site to the salaried office employees and our management levels. In 2025, women accounted for 19.8% (2024: 19.8%) of the Group's total workforce. Group management – i.e. persons with a managerial position as defined by Section 80 of the Austrian Stock Corporation Act (AktG) – is 11.8% female (2024: 10.7%).

Share of women in the Group



There are currently no women on the **Management Board of STRABAG SE**. As of 31 December 2025, the members of the Management Board were between 48 and 61 years of age and came from Germany, Austria and Hungary. Each has many years of management experience in different areas and countries of the Group.

At the end of 2025, the eleven-person **STRABAG SE Supervisory Board** comprised four female members: Kerstin Gelbmann, Gabriele Schallegger, Valerie Hackl and Magdolna P. Gyulainé. Women thus accounted for 36% of all Supervisory Board members at the reporting date. The members of the Supervisory Board represent three nations and were between 43 and 69 years old on the reporting date.

Several mechanisms govern **appointments to the Supervisory Board**:

– The registered shares no. 1 and no. 2 are each associated with the right to nominate one person to the Supervisory Board of STRABAG SE. Council Implementing Regulation (EU) 2022/581 of 8 April 2022 implementing Regulation (EU) 269/2014 of 17 March 2014 added Oleg Deripaska to the EU sanctions list. As Oleg Deripaska controlled MKAO "Rasperia Trading Limited" at the time he was sanctioned, and MKAO "Rasperia Trading Limited" itself was sanctioned by the Council of the European Union through Implementing Regulation (EU) 2024/1842 on 28 June 2024, its rights as a holder of registered share no. 2 are currently suspended.

- Five members are elected per vote by the Annual General Meeting. They are usually proposed by shareholders' representatives to the Supervisory Board, which in turn passes a draft resolution to the Annual General Meeting.
- The employee representatives appoint to the Supervisory Board a number of employee members corresponding to the number of shareholder representatives.
- On 31 December 2025, the Supervisory Board consisted of six shareholder representatives and five employee representatives.

The Supervisory Board is responsible for **appointments to the Management Board**. The Supervisory Board's Presidential and Nomination Committee makes proposals for filling vacant seats on the Management Board and deals with issues relating to successor planning. It submits a recommendation to the Supervisory Board after comparing the qualifications and experience of suitable candidates to a previously defined job description. The selection of a Management Board member is then made in the Supervisory Board.

Prerequisites for an appointment to the Management Board and Supervisory Board of STRABAG SE include the right expertise and personal qualifications as well as sufficient years of experience in leadership positions. The Management Board can best fulfil its management function and the Supervisory Board its supervisory and consulting functions with the broadest possible spectrum of skills and experience. This is achieved through diversity in terms of internationalism, educational and professional background, the representation of both genders to an appropriate degree, and the age structure.

The current nomination process has so far effectively addressed these requirements, with the result of a certain level of diversity on the boards. Through its draft resolutions to the Annual General Meeting, and through its decisions based on Presidential and Nomination Committee recommendations, the Supervisory Board helps to maintain the diversity of the Supervisory Board and the Management Board. This contribution to diversity is considered separately on a case-by-case basis. To allow a review of the implementation of the diversity criteria, short CVs of the current members of the Management Board and Supervisory Board are published in the consolidated corporate governance report.

The Supervisory Board supports the efforts being made by the Group to raise the percentage of women in the company and in management. At this time, there still seems to be no point in imposing a voluntary self-obligation for a certain percentage of women on the Management Board. Management positions within the Group are filled primarily internally, and while women currently remain underrepresented in management positions, the Supervisory Board is convinced that successful measures to promote women's careers will result in a higher percentage of women in management in the medium term, which will end up being reflected at the higher hierarchy levels.

Measures for the advancement of women

Percentage of women to be gradually increased

One of STRABAG's declared goals is to gradually increase the proportion of women in management from within its own ranks. By signing the UN Women's Empowerment Principles, STRABAG emphasised this ambition already back in 2013. STRABAG is taking several steps to achieve this objective.

Targeted communication

STRABAG endeavours to use gender-appropriate, inclusive wording and visual material that is as diverse as possible. The description of the company in job postings was revised in 2023 and emphasises the commitment to diversity. The career paths of women in the Group are regularly highlighted using testimonials to specifically address women, particularly those working in the industrial sector or graduates of technical degree programmes.

Transparent communication

The Group's online presence now includes a dedicated EDI landing page featuring the objectives of the EDI strategy, a clear commitment from the Management Board, success stories from within the Group and the relevant contact person. The company's job site also reflects our focus on diverse teams.

Compatibility of career and family

STRABAG offers flexible working time models wherever possible to help employees reconcile their work with family life. A work-from-home guideline was established and rolled out across the Group for this purpose. We also offer part-time working arrangements and are trialling a job-sharing model. A return-to-work programme supports employees returning to their jobs following parental leave.

Career promotion

Our talent management programme as well as the mentoring programme focus especially on the appropriate representation of women. The EDI strategy calls for an annual increase of 6% in the percentage of women in management, in particular through internal promotion. STRABAG hopes to achieve this goal through the expansion of the Group's internal potential management programme, among other things. The aim is for the proportion of women in this programme to correspond to the proportion of women in the respective subdivision. Key figures are collected and managed internally. STRABAG has also defined targets for the promotion of women at different hierarchical levels.

The Group Academy also offers seminars designed especially for women. Among the trade-specific training offers for all employees, those on technology and IT registered an above-average participation by women. Coaching also plays an important role, with women in management positions being able to choose between personal coaching and mentoring as well as so-called eBusiness coaching in order to explore career prospects.

In the year under report, the Group launched its Female Leaders@STRABAG initiative specifically aimed at women in management. The programme offered 32 participants the opportunity to network across the Group at two in-person events and to complete mentor training in four online sessions, enabling them to act as mentors for other women in the Group from within the talent pool.

Sustainability

As a leading technology group for construction services, we take responsibility for the impact our business activities have along the entire value chain and strive to contribute to achieving the 1.5 °C target.

Work On Progress means development and growth: our adapted sustainability strategy

In 2024, STRABAG adapted its **existing sustainability strategy**, which has been in place throughout the Group since 2021. In addition to a clear commitment to decarbonising STRABAG's value chain, the sustainability strategy includes other environmental topics and integrates aspects from the dimensions of social and governance:

- **Environment:** Key action areas include a science-based pathway for reducing emissions to achieve the 1.5 °C target and the implementation of measures to promote a circular economy and biodiversity.
- **Social:** We build for people and with people – our social action areas are designed to benefit not only our own employees, but also workers throughout our value chain as well as local communities and society in general.
- **Governance:** Sustainable corporate governance requires clear structures, processes and responsibilities. This helps us to ensure business integrity and to identify impacts, risks and opportunities at an early stage.

Details on our focus topics, as well as the corresponding targets and measures, can be found in the Group management report.

Group management report > Sustainability management

Find out more

STRABAG has a Group-wide governance structure for sustainability that encompasses all levels from the operational business to the Supervisory Board and establishes central management and decision-making bodies. The **Steering Committee Sustainability (SCS)** manages the group-wide sustainability efforts and simultaneously oversees the achievement of the strategic sustainability goals. The composition and staffing of the SCS are determined based on the business areas and largely reflect our value chain. The representation and active participation of members of the **Management Board** in internal sustainability committees and initiatives ensures that sustainability is an integral part of management decisions. The **Supervisory Board** is involved in regular meetings and through the annual sustainability reporting on ESG topics.

The Group's clear commitment to climate-neutral business practices and its respect for human rights due diligence keeps us competitive and aligns our portfolio of services to future demands and developments on the market. At the same time, the company remains alert to innovative solutions outside the Group that could create fresh forward momentum in the core business.

Continuous development of the corporate governance system

STRABAG is committed to continuously improving its corporate governance system in the interests of the company and all stakeholders.

STRABAG strives to constantly improve its corporate governance system in the interests of the company and all stakeholders. In the year under review, the Supervisory Board again performed a self-evaluation of its activity pursuant to C-Rule 36 of the Austrian Code of Corporate Governance. At its meeting on 18 December 2025, the Supervisory Board examined in detail the efficiency of its work, especially of its organisation and working methods, which were largely evaluated as positively as in the years before. The evaluation corresponded in many areas with the one from the previous year. The board again seized the opportunity to make concrete proposals on how to raise efficiency.

Risk management and audit

Risk management is a core management task at STRABAG SE. A corporate governance model with three lines of defence ensures a functional and efficient control and monitoring system.

Risk management

Group management report > Risk management

Find out more

The STRABAG Group is subject to a number of different risks in the course of its business activities. These risks are systematically identified and assessed using an active risk management system and dealt with using an appropriate risk policy. More information is available in the management report.

Internal audit report

Internal audit as part of risk management

The STRABAG Group's internal audit department is a neutral and independent authority which again conducted approximately 175 internal audits in all corporate divisions worldwide in the 2025 financial year. In accordance with the rules of the Austrian Code of Corporate Governance, the internal audit department is set up as a staff unit of the Management Board of STRABAG SE and so enjoys the greatest possible amount of independence.

The internal audit department – after planning the audits independently and making continual adaptations to risk assessment – conducts process-independent and neutral audits across all of the Group's divisions and regions both nationally and abroad. Given its technical and commercial competence, the internal audit department is an important element of the Group's internal control systems. The internal audits serve to monitor the effectiveness of the risk management and controls, and to evaluate the management and monitoring processes. The comprehensive approach, the use of uniform auditing standards and the neutral reporting further contribute to the standardisation of processes and structures.

The routine and special audits serve to recognise and avoid risks, to reveal opportunities, and to constantly monitor proper conduct and compliance with the Group's value and business compliance system. In 2025, the internal audit department again audited both individual projects as well as entire organisational units. The audits covered the Group's subdivisions as well as the most important contracts and orders of the year.

The internal audit department reported regularly to the CEO and to the Audit Committee of the Supervisory Board regarding the audit plan and significant results of its work. The audit reports were sent to the audited operating units, to the division managers and to the Management Board, and were also made available to the financial auditors.

Financial audit

The Annual General Meeting of STRABAG SE on 13 June 2025, upon proposal of the Supervisory Board, designated PwC Wirtschaftsprüfung GmbH, Vienna, as auditor of the annual financial statements and the consolidated financial statements for the 2025 financial year, as well as auditor of the consolidated sustainability reporting (now in the form of a consolidated non-financial statement) for the 2025 financial year. The latter appointment was subject to the condition that such reporting is required by law to be audited by an external auditor.

The Sustainability Reporting Act (Nachhaltigkeitsberichtsgesetz, NaBeG) entered into force on 19 February 2026 and generally applies to financial years beginning on or after 1 January 2024. For financial years ending before the date of entry into force, however, a transitional provision applies, permitting the application of the relevant provisions in the version in force prior to NaBeG. STRABAG SE has therefore made use of this option and, for the 2025 financial year, will once again prepare a consolidated non-financial statement as part of the Group management report. The company prepares this statement in accordance with the European Sustainability Reporting Standards (ESRS). The consolidated non-financial statement also includes the required disclosures pursuant to the EU Taxonomy. A voluntary audit of the consolidated non-financial statement was carried out by PwC Wirtschaftsprüfung GmbH, Vienna.

The expenses for PwC Wirtschaftsprüfung GmbH, Vienna, including its network companies, in the 2025 financial year amounted to T€ 829 excl. VAT (2024: T€ 762 excl. VAT) for the auditing of the separate and consolidated financial statements as well as T€ 904 excl. VAT (2024: T€ 845 excl. VAT) for the auditing of financial statements at subsidiaries of STRABAG SE. For additional consulting services, including the voluntary audit of the sustainability reporting, the audit firm received a fee of T€ 709 excl. VAT (2024: T€ 551 excl. VAT).

External evaluation

In keeping with C-Rule 62 of the Austrian Code of Corporate Governance, STRABAG SE regularly subjects its compliance with the Code to an external evaluation every three years.

Formal obligation and evaluation to the Austrian Code of Corporate Governance

Find out more

The last evaluation, for the 2025 financial year, was performed in 2026 by THALER.legal Rechtsanwalts GmbH, Vienna. The evaluation revealed no indications that the declarations provided by the Management and Supervisory Board members regarding observation of and compliance with the C-Rules of the Austrian Code of Corporate Governance were untrue. The C-Rules of the Code were complied with – provided no explanation for non-compliance was disclosed. Some rules did not apply to STRABAG SE during the evaluation period. The complete report including the results of the evaluation is available on the website of STRABAG SE. The next external evaluation will be conducted in 2029 for the 2028 financial year.

Corporate governance reports of publicly listed subsidiaries

No subsidiaries were required to prepare and issue a corporate governance report during the year under report.

Villach, 21 April 2026

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. (FH) Péter Glöckler
Member of the
Management Board
Segment South + East

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

Supervisory board report

2025

Supervisory Board report

Mag. Kerstin Gelbmann

Dear shareholders, associates and friends of STRABAG SE!

The STRABAG Group once again performed well in the 2025 financial year. The infrastructure business developed positively across borders in both the mobility and energy sectors. The late adoption of the 2025 budget in Germany led to challenges in the local construction business in the country. At the same time, it can be assumed that the infrastructure package will provide positive impetus for the German market in the future.

In building construction, positive trends were evident in particular in industrial construction, while residential construction continued to show only moderate growth. STRABAG SE's core Eastern European markets developed dynamically. With its market entry into Australia, the Group is also strengthening its long-term stability by creating an even more geographically balanced portfolio.

The Supervisory Board was continuously kept informed of key progress and initiatives in the implementation of the current Group Strategy 2030. These are guided by the objective of further strengthening the Group's position in key growth markets and enhancing the overall resilience of STRABAG SE.

Open exchange of information and opinion in the Supervisory Board meetings

In the 2025 financial year, the Supervisory Board duly fulfilled the responsibilities assigned to it by law, by the Articles of Association, by the Austrian Code of Corporate Governance (ÖCGK) and by the Rules of Procedure. It fulfilled its supervisory duty primarily during the regular board and committee meetings. An exchange of information also took place between the Management Board and the Supervisory Board, in particular with the Chairwoman of the Supervisory Board, outside of the regular board and committee meetings.

During the Supervisory Board meetings, the Management Board regularly and extensively informed the Supervisory Board as to the market situation, the business development and the situation of the company and the Group.

Open discussions in each session further enhanced the extensive exchange of information and opinions. As a result, the Supervisory Board was constantly informed about STRABAG's strategic direction, its cash flows and financial performance, the personnel situation, the investment and project development plans, and large-scale projects, and it had a complete overview of the business development. The Supervisory Board monitored and questioned the corporate planning and its foundations and also analysed unplanned developments together with the Management Board. The Supervisory Board also examined in detail with the Management Board's Group and sustainability strategy.

The Management Board always obtained consent from the Supervisory Board for important business transactions.

The members of the Supervisory Board were duly represented at the respective board and committee meetings.

Key activities of the Supervisory Board and the committees in 2025

The following agenda items of the meetings of the Supervisory Board and its committees are particularly noteworthy:

Supervisory Board (plenary meeting)

The Supervisory Board held five meetings in the 2025 financial year. The Supervisory Board advised the Management Board in its management function, reviewed and monitored the management agendas and dealt with measures requiring approval.

The Supervisory Board dealt in detail with the annual financial statements, the management report, the consolidated corporate governance report, the consolidated non-financial report (sustainability report), the consolidated report on payments to governments, the consolidated financial statements, and the Group management report of STRABAG SE for 2024.

On 23 April 2025, the Supervisory Board acknowledged completion of the annual financial statements for 2024 and passed a resolution on the appropriation of net income.

The report of the Supervisory Board to the Annual General Meeting was discussed and approved, as was the agenda including the proposed resolutions for the 21st Annual General Meeting. In addition, the Supervisory Board adopted the remuneration report for the Management Board and the Supervisory Board for the 2024 financial year and approved the proposed resolution to the 21st Annual General Meeting regarding the appointment of PwC Wirtschaftsprüfung GmbH, Vienna, as auditor of the annual financial statements and the consolidated financial statements, as well as, where applicable, as auditor of the consolidated sustainability reporting (now in the form of a consolidated non-financial statement) for the 2025 financial year.

In several meetings, the Supervisory Board addressed the current financial situation, the short- and medium-term planning, and the investment planning of the company and the Group. Discussions were also held on the strategic orientation of the company, with particular focus on sustainability and digitalisation.

Among other matters, the Supervisory Board examined selected (major) projects, acquisitions, and the cartel case in Austria. It also took note of reports on the measures taken to combat corruption within the company and on occupational health and safety.

In addition, the Supervisory Board regularly addressed the proceedings brought against STRABAG SE by MKAO "Rasperia Trading Limited".

The self-evaluation of the Supervisory Board was carried out in the last meeting of 2025 with the support of an external lawyer.

Audit Committee

The Audit Committee met for three sessions in 2025 and in the spring of 2025 performed its duties with regard to the audit of the annual financial statements, the consolidated financial statements, the management reports and the consolidated corporate governance report, each for the 2024 financial year. It also prepared the draft resolution on the appropriation of net income as well as the draft resolution on the appointment by the Annual General Meeting of PwC Wirtschaftsprüfung GmbH, Vienna, as auditor of the annual financial statements and the consolidated financial statements for the 2025 financial year.

The Audit Committee also reported to the Supervisory Board on the results of the financial audit for the 2024 financial year in accordance with Sec 92 Para 4a (4) lit e) of the Austrian Stock Corporation Act (AktG) and presented the degree to which the financial audit contributed to the reliability of the financial reporting and the role played by the Audit Committee in the process. There were no objections to the audit by the financial auditor and all questions of the Audit Committee could be answered satisfactorily.

In another meeting, the Audit Committee dealt with the report from the internal audit department. The committee also adopted a resolution on the audit approach of the financial statements as at 31 December 2025 and took note of the IFRS Management Board reporting.

In accordance with C-Rule 18 of the Austrian Code of Corporate Governance, Internal Audit reported to the Audit Committee on the audit plan, its implementation and material findings. The Audit Committee also monitored the accounting procedures (including Group accounting) and the financial audit and convinced itself of the effectiveness of the internal control system, the risk management system and the audit system. The Audit Committee also reviewed and monitored the independence of the auditor of the financial statements (and of the consolidated financial statements), especially as regards the additional services provided to the audited company.

Due to the EU's directive on corporate sustainability reporting (CSRD) adopted in December 2022, an external limited assurance audit was expected to be required for the sustainability reporting for the 2025 financial year. At its meeting on 23 April 2025, the Audit Committee therefore recommended to the Supervisory Board that PwC Wirtschaftsprüfungs GmbH, Vienna, be proposed to the Annual General Meeting as the auditor for any consolidated sustainability reporting (now in the form of a consolidated non-financial statement). As the legal requirements for a mandatory audit had not been implemented before the end of the financial year, a voluntary audit of this consolidated non-financial statement was commissioned from PwC Wirtschaftsprüfungs GmbH, Vienna. The Audit Committee granted individual approval for the voluntary audit in December 2025, classifying the engagement as a permissible non-audit service.

Presidential and Nomination Committee

The Presidential and Nomination Committee held one meeting in December 2025, at which the transfer of registered share no. 1 to the Haselsteiner family (Haselsteiner Familien-Privatstiftung) was approved.

Executive Committee

The Executive Committee did not hold any meetings in the 2025 financial year. It did pass resolutions on succession matters, however.

Management Board matters

Following the untimely death of CEO Klemens Haselsteiner, the Presidential and Nomination Committee, the Executive Committee and the Supervisory Board in February 2025 discussed the selection of a successor to fill the position. Stefan Kratochwill was then appointed as a further member of the Management Board and as CEO of STRABAG SE for the period from 19 February 2025 to 31 December 2026, in line with the duration of the other Management Board mandates.

In August 2025, the Presidential and Nomination Committee, the Executive Committee and the Supervisory Board dealt with matters relating to the resignation of Management Board member Alfred Watzl and the appointment of Péter Glöckler as a new member of the Management Board.

Annual and consolidated financial statements awarded unqualified audit opinion

PwC Wirtschaftsprüfung GmbH, Wien, audited the annual financial statements and the management report of STRABAG SE for the 2025 financial year. The findings of the audit did not give rise to any issues of concern and the financial auditor awarded an unqualified audit opinion.

The consolidated financial statements and the Group management report of STRABAG SE for the 2025 financial year were prepared by the Management Board under application of Sec 245a of the Austrian Commercial Code (UGB) in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU and as applicable at the balance sheet date. These sections of the report were audited by PwC Wirtschaftsprüfung GmbH, Vienna, and awarded an unqualified audit opinion.

The audit reports of the auditor of the financial statements and of the consolidated financial statements were presented to the Supervisory Board. In the presence of the financial auditor, the Audit Committee thereupon reviewed the 2025 annual financial statements and the management report including the proposal for the appropriation of net income and the consolidated corporate governance report as well as the additional report of the financial auditor to the Audit Committee as required by Article 11 of Regulation (EU) No. 537/2014, and prepared the approval of the annual financial statements as well as the acknowledgement of the 2025 consolidated financial statements and Group management report by the Supervisory Board. The Audit Committee also duly performed its obligations in accordance with Sec 92 Para 4a (4) lit e) of the Austrian Stock Corporation Act (AktG) and reported to the Supervisory Board on the result of the financial audit. The report presented the degree to which the financial audit contributed to the reliability of the financial reporting and the role played by the Audit Committee in the process.

The consolidated corporate governance report was audited externally by Mag. Christian Thaler (THALER.legal Rechtsanwalts GmbH), Vienna. This audit did not give rise to any issues of concern. This was taken note of by the Audit Committee and the Supervisory Board.

The Supervisory Board reviewed all documents as well as the report by the Audit Committee. In its meeting of 21 April 2026 the board declared its agreement with the 2025 annual financial statements and consolidated financial statements and approved – and so adopted – the 2025 annual financial statements. The Management Board and the Supervisory Board have agreed on an identical proposal for appropriation of net income. In accordance with the recommendation made by the Audit Committee, the Supervisory Board proposed appointing PwC Wirtschaftsprüfungs GmbH, Vienna, as auditor of the financial statements and of the consolidated financial statements for the 2026 financial year as well as auditor of the consolidated sustainability reporting for 2026. Also presented at the meeting of 21 April 2026 were the consolidated report on payments to governments pursuant to Sec 267c of the Austrian Commercial Code (UGB) in connection with Sec 243d UGB and the consolidated non-financial statement pursuant to Sec 267a UGB. The reports were reviewed by the Supervisory Board and taken note of without cause for complaint.

Word of thanks to the Management Board and all employees

The Supervisory Board thanks the entire Management Board of STRABAG SE and all employees for their valuable contribution in the past financial year.

Chairwoman of the Supervisory Board of STRABAG SE,

Mag. Kerstin Gelbmann
Vienna, 21 April 2026

Group management report, Consolidated financial statements & Notes

2025

Group management report

2025

Group management report – ESG performance

2025

Consolidated non-financial statement

The Sustainability Reporting Act (Nachhaltigkeitsberichtsgesetz, NaBeG) entered into force on 19 February 2026 and generally applies to financial years beginning on or after 1 January 2024. For financial years ending before the date of entry into force, however, a transitional provision applies, permitting the application of the relevant provisions in the version in force prior to NaBeG.

STRABAG SE has therefore made use of this option and, for the 2025 financial year, will once again prepare a consolidated non-financial statement as part of the Group management report. The company prepares this consolidated non-financial statement in accordance with the European Sustainability Reporting Standards (ESRS). The consolidated non-financial statement also includes the required disclosures pursuant to the EU Taxonomy. A voluntary audit of this sustainability reporting was carried out by PwC Wirtschaftsprüfung GmbH, Vienna.

General information

2025

About this report

ESRS 2 BP-1; ESRS 2 BP-2

STRABAG SE's consolidated non-financial statement for the 2025 financial year was prepared in accordance with the European Sustainability Reporting Standards (ESRS). The scope of consolidation for the consolidated non-financial statement corresponds to the IFRS scope of consolidation for the consolidated financial statements and, in addition to STRABAG SE, includes all major domestic and foreign subsidiaries directly or indirectly controlled by STRABAG SE.

In carrying out the materiality assessment, the time horizons specified by ESRS (short-term – within one 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. The risk assessments described in the report also take into account risks within the upstream and downstream value chains.

The report contains quantitative information (metrics) which generally relates to the scope of consolidation; certain metrics (E1-6) also capture aspects of the downstream value chain.

Developing a structured approach to data collection is a demanding task for a Group of our size and level of diversification. In some cases, therefore, estimates were made in the chapters "Climate change" (E1-6), "Water" (E3-4) and "Circular economy" (E5-4, E5-5) to report metrics for which the required data quality is not fully available. This is due to the predominantly cost-based data collection. For the calculation of metrics in accordance with ESRS requirements, cost-based data is in some cases converted into quantities using conversion factors. The transition in data collection is being implemented step by step in order to reduce potential distortions and uncertainties. Estimates are also used for forecasts, for example in the context of our reduction pathway. Further information on the data sources used and the calculation methodology is provided alongside the relevant metrics.

In the present report, STRABAG carried out a retrospective adjustment to the materiality assessment for ESRS E3 (Water and Marine Resources).

This report includes comparative metrics for 2024. Metrics from previous years can be found in the annual reports of past financial years and in the ESG Data Factsheet. The metrics in this report are subject to a voluntary limited assurance engagement by PwC Wirtschaftsprüfungsgesellschaft GmbH, Vienna.

For the 2025 financial year, STRABAG SE is making use of the extended transitional provisions under Appendix C of ESRS 1 introduced as part of the "quick fix" amendments and does not disclose expected financial effects in the context of ESRS E1, ESRS E3, ESRS E4 and ESRS E5 nor does it provide disclosures for ESRS S1-11, ESRS S1-12, ESRS S1-14 (88d) and ESRS S1-15. Similarly, no disclosures are made regarding the resilience analysis in the context of ESRS E4.

No content has been omitted on the grounds of intellectual property or similar reasons.

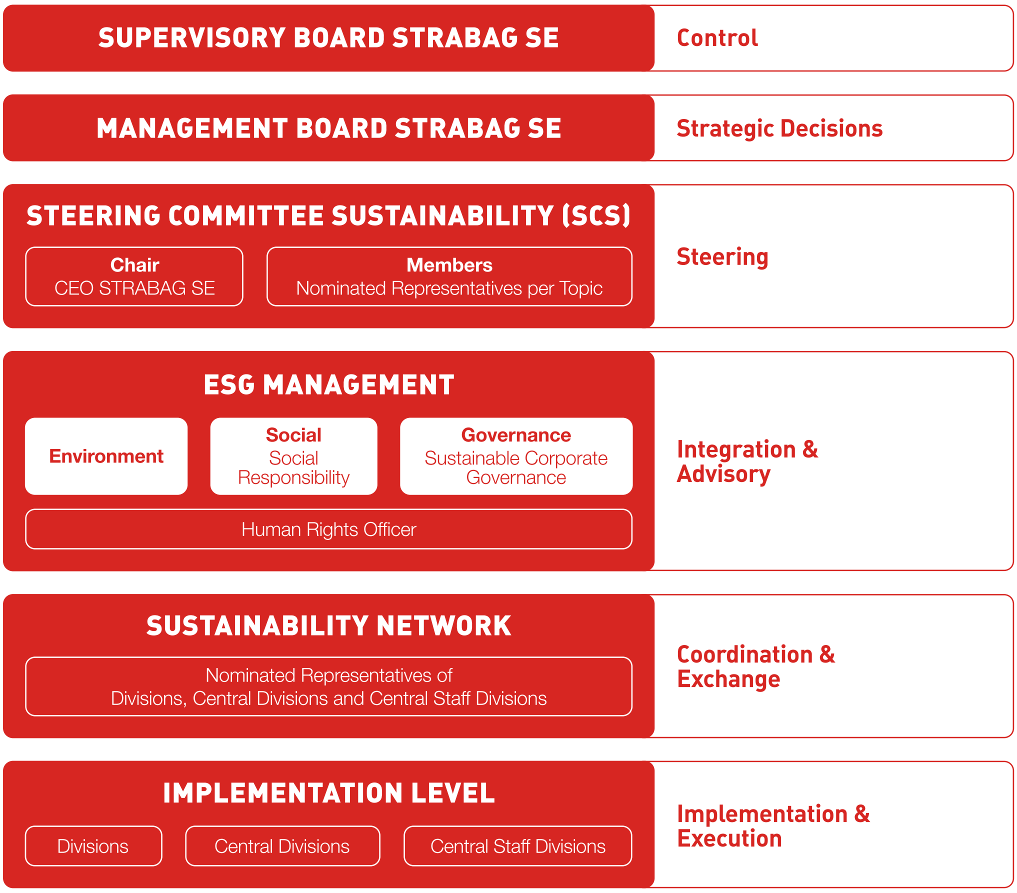
Sustainability management

Governance

ESRS 2 GOV-1; ESRS 2 GOV-2

Achieving STRABAG's sustainability targets requires a leadership and accountability structure that involves all representatives within the Group. The most important bodies and committees of STRABAG SE entrusted with the oversight and management of sustainability matters are described below. The governance structure and the associated responsibilities and supervisory duties are formally regulated in the Group-wide Sustainability Directive. The illustration below provides an overview of the relevant bodies and committees.

Governance structure



Role of the highest governance bodies

The **Supervisory Board** acts as the supervisory body within STRABAG SE. The Supervisory Board is kept informed of all relevant matters concerning the company's business development, including the risk situation and risk management, and is involved in decision-making processes through regular meetings (at least four per financial year) and through ad hoc communication. The Supervisory Board may also request 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, for example, strategic objectives and progress made – on an ad hoc basis or separately as part of an annual ESG update (since 2024). The Management Board also reports to the Supervisory Board at least once a year on measures taken to combat corruption. The Supervisory Board is likewise informed in the event of fatal workplace accidents. As the highest supervisory body, it plays a central role in overseeing and reviewing the Group's annual sustainability reporting. The Supervisory Board has discussed the implementation of the new statutory sustainability reporting requirements together with the external auditor. In this context, the improvement proposals identified by the auditor were discussed in detail. There was no separate sustainability committee during the reporting period.

The **Management Board** of STRABAG SE constitutes the executive body of the Group. It is responsible for the Group's day-to-day operations. In addition to the day-to-day business, Management Board meetings (usually held every two weeks) also address the implementation of the long-term corporate strategies. These include sustainability topics in particular, which are of central importance and are treated as a separate agenda item at every Management Board meeting. Due to the Group-wide integration of ESG management, this agenda item is introduced by various specialist departments who prepare comprehensive analyses that serve the Management Board as a basis for setting its targets. Regular reporting within the Management Board meetings, as well as in other meetings and Group conferences, ensures that the Management Board stays informed of and can monitor the progress in achieving the strategic objectives.

The inclusion of Management Board members in strategic sustainability initiatives and committees, together with ongoing reporting, ensures that the STRABAG SE Management Board receives regular and ad hoc training and information on material sustainability topics and the associated impacts, risks and opportunities, enabling it to take strategic decisions for the Group when required. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) are informed annually about and approve the results of the materiality assessment (including impacts, risks and opportunities). This process is embedded throughout the Group through the Sustainability Directive.

In line with the international orientation and organisational structure of STRABAG SE, each member of the Management Board is responsible for one or more Group entities, either geographically and/or by business area. The heads of the divisions, central divisions and central staff divisions therefore play a particularly important role in overseeing the sustainability-related impacts, risks and opportunities affecting the entire Group by reporting regularly and directly to the Management Board.

The reporting mechanisms described above ensure that both the Management Board and the Supervisory Board are kept informed of current sustainability topics, including sustainability-related risks, enabling them to fulfil their respective functions as executive and supervisory bodies. The Management Board's executive responsibilities include, in particular, determining the long-term corporate policy (strategic management) as well as planning, organising and monitoring the pursuit of the company's objectives. The STRABAG Group's Rules of Procedure regulate specific business transactions that require the approval of the Management Board. These include, among other things, strategic and operational planning as well as personnel measures such as the appointment of individuals to management positions. This ensures that the Management Board can fulfil its function as an executive and control body – including in the area of sustainability management. Within the framework of investment and financial planning, the Management Board also has the opportunity to appropriately consider sustainability topics and sustainability-related risks. In this way, the information also feeds into strategic considerations and major transactions, particularly with regard to expanding into new and market-oriented business fields. In line with Strategy 2030, acquisitions in the areas of water technology, value stream management and decarbonisation of existing buildings were approved by the Management Board and Supervisory Board during the financial year. In these business areas, both bodies see growth potential in line with the EU's climate targets. Through the further development of ESG risk management and its integration into other control and risk systems within the Group, work is under way to establish a robust basis for balancing economic, environmental and social aspects. On this basis, the Management Board can also adopt operational measures to consistently implement our reduction pathway. During the financial year, among other things, the STRABAG SE Management Board decided to gradually operate the Group's own construction machinery using the alternative fuel HVO 100.

Besides the internal reporting mechanisms, the Management Board's sustainability expertise is also strengthened through active participation in external committees and exchange formats, including, for example, support of Stiftung KlimaWirtschaft.

The table below summarises the composition of the Management Board and the Supervisory Board in the 2025 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	Nationality
Management Board						
Number of members	**5**					
Average ratio of female to male members	**0%**					
Dipl.-Ing. Stefan Kratochwill (CEO)		19 February 2025[1]	31 December 2026	Male	1977	Austria
Klemens Haselsteiner, BBA, BF (CEO)		1 January 2023	17 January 2025[2]	Male	1980	Austria
Dipl.-Ing. (FH) Péter Glöckler		11 August 2025	31 December 2026	Male	1977	Hungary
Mag. Christian Harder		1 January 2023	31 December 2026	Male	1968	Austria
Dipl.-Ing. (FH) Jörg Rösler		1 January 2023	31 December 2026	Male	1964	Germany
Dipl.-Ing. Siegfried Wanker		1 January 2023	31 December 2026	Male	1968	Austria
Dipl.-Ing. (FH) Alfred Watzl		1 January 2023	6 August 2025[3]	Male	1970	Germany
Supervisory Board[4]						
Number of members	**11**					
Average ratio of female to male members	**36 %**					
Shareholder representatives						
Mag. Kerstin Gelbmann (chairwoman)		24 June 2022	Until 2028 AGM[5]	Female	1974	Austria
Mag. Erwin Hameseder		24 June 2022	Until 2028 AGM[5]	Male	1956	Austria
Dr. Andreas Brandstetter		24 June 2022	Until 2028 AGM[5]	Male	1969	Austria
Dr. Valerie Hackl		25 January 2024	Indefinite	Female	1982	Austria
Dipl.-Ing. Sebastian Haselsteiner		13 June 2025	Until 2029 AGM[5]	Male	1979	Austria
Mag. Gabriele Schallegger		24 June 2022	Until 2028 AGM[4]	Female	1972	Austria
Delegated by the works council						
Dipl.-Ing. Andreas Batke		1 October 2009	Indefinite	Male	1962	Germany
Karl Gerdes		1 August 2024	Indefinite	Male	1963	Germany
Magdolna P. Gyulainé		1 October 2009	Indefinite	Female	1962	Hungary
Georg Hinterschuster		13 October 2014	Indefinite	Male	1968	Austria
Daniel Riesenberg		1 September 2025	Indefinite	Male	1971	Germany

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

2 Klemens Haselsteiner passed away suddenly and unexpectedly on 17 January 2025.

3 Alfred Watzl resigned from his seat on the Management Board in agreement with the Supervisory Board, effective 6 August 2025 EOD.

4 Five of the six members of the Supervisory Board of STRABAG SE and of its committees who have been elected by the General Meeting or delegated by the shareholders are independent pursuant to Rule 53 ÖCGK.

5 Annual General Meeting

Prerequisites for election to the Management Board of STRABAG SE include the right professional qualifications, personal skills as well as many years of industry and leadership experience.

The Management Board should collectively cover a sufficiently broad range of expertise as well as educational and professional backgrounds in line with the business activities of the STRABAG Group, with the members complementing one another in terms of their knowledge and skills. Particular attention should be paid to achieving a balanced mix of technical and commercial backgrounds. This ensures that the Management Board as a whole possesses experience in the key business areas of the STRABAG Group.

Several mechanisms govern the composition of the Supervisory Board. The capital representatives are elected by the General Meeting or delegated by shareholders. The employee representatives are delegated in accordance with the Austrian Labour Constitution Act (Arbeitsverfassungsgesetz, ArbVG).

Through the active participation of Management Board members in internal working groups with an ESG focus (e.g. EDI team, Energy Transition), current developments relating to these topics are discussed at the highest management level. The extensive international management experience of both the Management Board and the Supervisory Board promotes the exchange of perspectives and supports the implementation of Group-wide strategic decisions. Specific expertise in the area of sustainability and the associated impacts, risks and opportunities is also contributed by experts in the various organisational entities. In addition, the Management Board and the Supervisory Board can draw on external experts where required.

The **Steering Committee Sustainability (SCS)** manages the Group-wide sustainability efforts and simultaneously monitors the achievement of the strategic sustainability goals. The composition and membership of the SCS are determined on the basis of the business areas and largely reflect our value chain. Membership of the SCS is associated with responsibility for specific trades and thematic areas.

Tasks of the Steering Committee Sustainability:

- 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 taken several times per year and on an ad hoc basis by way of circular resolutions. At least one in-person meeting is held each year.

The **ESG management** is structured according to the topics of **environment**, **social responsibility** and **sustainable corporate governance**. Owing to their broad scope, these topics are addressed and managed by different central organisational entities within the Group. These units are responsible for operationalisation by providing the framework and tools needed to translate requirements, strategies and measures from management decisions into implementation. These central organisational entities also provide their expertise to the STRABAG SE Management Board, the Steering Committee Sustainability, and to the divisions, central divisions and central staff divisions, and act in an advisory capacity in implementing the sustainability strategy and the associated requirements and measures. The organisational unit "Sustainability – Governance, Reporting & Data" supports the establishment 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 Group-wide sustainability reporting.

The role of the **Human Rights Officer** is another central function within ESG management. The Human Rights Officer is responsible for monitoring the human rights risks management system and the complaints procedure, as well as for reviewing their effectiveness, and acts in an advisory capacity to the Management Board of STRABAG SE and to the heads of the divisions and central divisions responsible for fulfilling human rights due diligence obligations. The Human Rights Officer acts independently and is not bound by instructions.

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 are tasked with conveying information from the sustainability bodies (SCS, ESG management) to 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 in response to relevant enquiries. The sustainability network meets four times a year.

At the **division**, **central division** and **central staff division** level, the minimum sustainability standards and the associated measures are implemented and applied in compliance with legal requirements. Working together with ESG management, these entities are responsible for developing and implementing the respective roadmaps.

ESRS 2 GOV-3

Group-wide sustainability-related performance criteria for inclusion in remuneration systems are currently under evaluation. In particular, defining, measuring and managing appropriate target values (key performance indicators) remains challenging. As a result, sustainability criteria are currently not used in determining the remuneration of members of the Management Board or Supervisory Board.

ESRS 2 GOV-4

Due diligence encompasses the processes and procedures implemented by STRABAG that aim to identify and adequately manage actual or potential adverse impacts on people or the environment. The core elements of due diligence are reflected 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

ESRS 2 GOV-5

STRABAG has established various control mechanisms to ensure transparent and compliant reporting. However, these are not embedded in a dedicated risk management process specifically for sustainability reporting.

ESG-related risk management processes are described and regulated through overarching Group requirements, including the Management Manual of STRABAG SE with its associated policies and in the Group Sustainability Directive adopted in 2025. The Sustainability Directive defines the responsibilities and accountabilities for the provision of sustainability data and information.

To implement the CSRD reporting obligations, a steering group has been established, comprising representatives of the ESG management team and BRVZ, that meets several times per year. Based on the ESRS requirements and existing data processes, this steering group aims to further develop sustainability reporting at STRABAG. Control mechanisms such as the interim preparation of key figures ensure that the collected data are validated and that relevant processes are further developed as required.

In line with the Group-wide data strategy and the associated transition towards a data-driven organisation, increasing standardisation and automation of data collection and processing are being pursued. The measures already implemented for this purpose have a long-term impact, meaning that significant progress can be expected in the coming years. Plans also include strengthening data governance, which will provide for enhanced quality controls of collected data at different hierarchical levels in order to make them available for analysis and management purposes. These and further measures are intended to prevent potential risks associated with sustainability reporting.

As the collection and processing of sustainability data affect the entire Group, approval must generally be obtained from the Management Board of STRABAG SE or from the relevant management units. Information is therefore communicated on an ad hoc basis.

Value chain and strategy

ESRS 2 SBM-1

The construction industry – and therefore STRABAG as well – faces major challenges. Mitigating climate change requires a significant reduction in greenhouse gas emissions, particularly in climate-intensive industrial sectors such as construction. To meet the demand for housing and infrastructure, existing buildings must be refurbished and new structures built to sustainable standards. Innovative construction methods are therefore needed to align these activities with new and future requirements regarding energy efficiency, land use and resource consumption. This obliges STRABAG to act with foresight, but it also underscores the fact that the construction sector is a key industry in achieving sustainability targets.

Services along the entire construction value chain

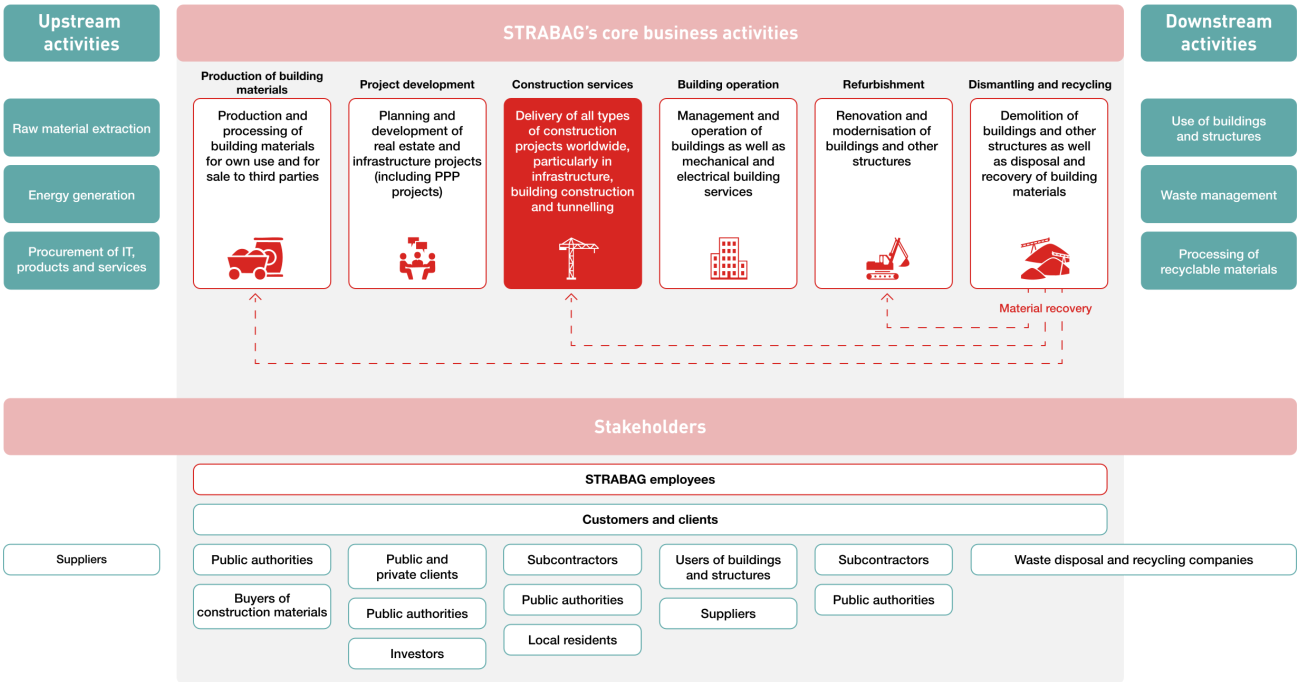
STRABAG operates predominantly in Europe and – particularly in its core markets in Central and Eastern Europe – provides services along the entire construction value chain. Our company's activities are correspondingly diverse. Outside Europe, STRABAG focuses primarily on the English-speaking world and on long-standing established markets in South America and the Middle East. In 2025, the acquisition of Georgiou Group also opened up Australia as a market with regionally distributed operations.

The diversity of our value chain is matched by the capabilities and expertise of our 88,556 employees who deliver our services. Partnership, trust and reliability are central values that guide our interactions with stakeholders.

STRABAG's activities cover all areas of the construction industry and span the entire construction value chain. The Group's core products are structures of all kinds, which form the focus of the company's activities and account for 85% of Group output. These include both building construction projects and infrastructure schemes in the areas of transport routes, bridges, tunnels, rail infrastructure, public transport as well as energy and water infrastructure. With just under 70%, a substantial share of these construction services is carried out under public-sector contracts and serves the general public. In addition, STRABAG operates a dense network for the production of building materials and provides services in the fields of planning, project development as well as the structural refurbishment and decarbonisation of buildings and their operation. As of 1 January 2025, STRABAG bundles its expertise in energy and water infrastructure within the new corporate division Energy Infrastructure.

As a result of these diverse business areas, several value chains exist within the Group. For the purposes of focused presentation, the emphasis here is placed on the core business of providing construction services. The following descriptions are therefore structured according to the life cycle phases of structures and cover the key activities and principal partners along this process.

Presentation of the STRABAG SE value chain for disclosure requirements in connection with ESRS 2 SBM-1



Production of building materials

STRABAG operates a dense network of its own production facilities to ensure the supply of building materials from in-house resources. The most important building 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. In the case of asphalt in particular, a particularly high self-sufficiency rate of 86% is achieved. The other building materials and raw materials used are largely sourced from regional suppliers to keep transport costs economically viable. Strategic objectives to expand our capabilities in the procurement and handling of construction materials as well as in dismantling and recycling aim to increase resource efficiency. This not only reduces our dependence on third parties but also helps to limit human rights risks and compliance risks that can arise from complex global supply chains. Our production facilities also represent an important lever for the decarbonisation of the Group, for example by converting 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 – albeit to a comparatively limited extent. With the acquisition of Naporo Klima Dämmstoff GmbH in the 2024 financial year, STRABAG expanded its product portfolio in the area of sustainable building materials and is pursuing the strategic objective of further expanding the production of renewable raw materials.

Project development

Considering the entire life cycle of structures during the planning and design phase is crucial for forward-looking construction shaped by trends such as increasing urbanisation and the climate crisis. Concrete policy objectives, such as those set out in the European Green Deal, call for the low-emission construction and operation of structures as well as an increase in renovation rates. Despite these objectives, however, sustainability criteria such as those outlined in the EU Taxonomy are generally not yet taken into account in tender procedures. Partnership-based collaboration with clients is therefore regarded as an important means of designing and planning structures in line with new requirements. With **TEAMCONCEPT**, STRABAG pursues a partnering model in which the client and contractor form a team already during the planning phase. STRABAG also offers additional planning-related **consulting services** (e.g. sustainability potential analysis) that specifically address sustainability requirements for structures and involve clients in the planning and development of projects at an early stage. An additional benefit for clients and partners arises from the broad implementation of ISO 9001 certification within the STRABAG Group. The certification represents a structured and transparent quality management system. It builds confidence in the quality of our services and supports efficient collaboration. In 2025, measured by revenue, around 99.6% of the permanent regional business was ISO 9001 certified.

STRABAG's service portfolio 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 building developments that are constructed in a resource-efficient manner and operated with high energy efficiency. In addition, STRABAG has a successful track record spanning more than three decades in the field of concession models, with a portfolio of 44 public-private partnership (PPP) projects in the areas of mobility, energy and water infrastructure as well as social infrastructure (building construction).

Construction services

Construction forms the core of STRABAG's business model, with the transportation infrastructure and building construction segments accounting for nearly 70% of our output in 2025. In building construction, more than in transportation infrastructures, STRABAG also outsources some of its work to subcontractors, enabling capacities to be adapted more flexibly to the current market environment. Through these two business areas, STRABAG contributes to municipalities and other public clients primarily through the expansion of infrastructure – particularly in the area of mobility – and housing. Through its service offering for infrastructure maintenance, STRABAG also secures long-term contracts and recurring revenues. Employees as well as investors benefit from the Group's economic stability. Employees gain the security of stable jobs and incomes, while investors can expect continuous returns, reduced risk and sustainable value growth of their investments. The transformation of our construction processes represents a key lever for achieving our sustainability targets. A large share of STRABAG's emissions is energy-related, which is why the operation of construction machinery constitutes a central action area in our transition plan.

Services for decarbonising the construction industry

Building operation

In 2022, the operation of buildings accounted for around 26% of global energy-related greenhouse gas emissions (IEA, 2023). In addition to traditional facility management, STRABAG is expanding its service offering 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 – thereby contributing to the decarbonisation of existing buildings.

Refurbishment

The construction and operation of buildings involves a high level of resource consumption. In addition to energy use, the material intensity of the construction sector is of considerable environmental relevance. Among other factors, the demolition, dismantling and deconstruction of buildings – which generate large quantities of construction waste and hard-to-recycle materials – as well as the low rates of reuse and recycling for many building materials, contribute to make the construction sector one of the most waste-intensive industries (European Commission, n.d.). The action area of Reconstruction, Conversion & Refurbishment brings together the activities required to use existing buildings sustainably while conserving both energy and material resources: **deconstruction**, **maintenance**, **renovation** and **modernisation**.

Dismantling and recycling

To close the loop towards a circular economy, STRABAG also offers services related to demolition and dismantling, including the recycling of building materials. The aim is to conserve resources, upgrade materials to a high quality and avoid landfill disposal.

Contribution to sustainability targets

STRABAG offers a broad range of services that are aligned with global sustainability objectives. Through the construction, expansion and modernisation of infrastructure, STRABAG makes a significant contribution to the development of cities and regions. This includes in particular construction services in the areas of rail and energy infrastructure, the construction of energy-efficient buildings as well as projects aimed at adapting to the impacts of climate change. At the same time, current construction methods and practices present challenges, as construction projects are generally associated with high emissions, land use and interventions in ecosystems. In particular, the use of energy-intensive materials such as concrete and asphalt as well as the use of fossil-fuel-powered construction machinery remains in tension with climate targets, even though progress is being made in recycling, alternative building materials and low-emission powertrain technologies. Digital planning methods such as Building Information Modelling (BIM) also enable more precise use of resources.

To evaluate our sustainability performance, STRABAG carried out an SDG Impact Assessment in the 2025 financial year. The aim was to analyse our business activities with regard to the UN Sustainable Development Goals. The results of the assessment are presented in the ESG Data Factsheet.

To minimise negative impacts, STRABAG has defined a set of strategic sustainability targets and is continuously working on the sustainable transformation of the company. This includes the further development of 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 within the supply chain and local communities.

Expanding our sustainability strategy

To strategically anchor the considerable opportunity potential of our value chain, STRABAG adopted its first sustainability strategy in 2021 with a clear commitment to decarbonising the value chain by 2040. This strategy was expanded in 2024 to include additional topics relating to environmental, social and governance aspects.

In recent years, the topic of sustainability has become increasingly prominent across all areas of life and the economy. This can be seen in more stringent legal requirements, changing expectations among our stakeholders, and the growing body of scientific evidence relating to climate change, biodiversity loss and other global challenges. These developments call for a new approach, which at STRABAG is reflected in an updated sustainability strategy that was adopted by the STRABAG SE Management Board in the first quarter of 2025 and is **applicable across the entire Group**.

The **expanded sustainability strategy** comprises several focus topics assigned to the areas of environment, social responsibility and sustainable corporate governance. Through its activities as a construction group, STRABAG has potential impacts within these focus topics that must be carefully considered – because STRABAG can influence them both positively and negatively, and because they involve both risks and opportunities.

STRABAG has defined various action clusters for these focus topics, with specific KPIs established for some of these actions. Progress in implementing the actions is presented in the respective thematic chapters.

Our sustainability strategy

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 are putting 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 an attractive employer.
- **Human rights along the value chain**: The value chain in the construction industry is complex – our social responsibility and due diligence obligations 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 the positive dialogue with local communities, we can shape our impact responsibly for all.

Governance

- **Fair competition**: In order to live up to our commitment to being a reliable business partner, contractor and employer, STRABAG promotes compliant behaviour and ethical conduct as well as a corporate culture based on partnership and trust.
- **Sustainable corporate governance**: To ensure sustainable corporate governance, we rely on clear structures, processes and responsibilities. This enables us to safeguard integrity in our business conduct and to identify impacts, risks and opportunities at an early stage.

Stakeholder engagement

ESRS 2 SBM-2

Stakeholders have various opportunities to contribute their interests and views as a way of providing impulses for STRABAG's strategy and business model. The wide range of options for engagement allows individual and targeted forms of collaboration to be shaped flexibly depending on the context and specific needs. Any adjustments to strategic objectives and business models are therefore also based on changing stakeholder expectations. Such changes include, for example, actions to expand the service portfolio to include sustainable construction services and to strengthen decarbonisation initiatives. Plans also include increased investment in low-emission technologies and the expansion of partnerships to promote sustainable value chains (chapter "Climate change").

Stakeholder group	Key engagement and dialogue formats	Frequency	Main purpose of the engagement and dialogue format
Own employees	Employee appraisal interview	Annually	Exchange on performance, strengths and opportunities to improve collaboration, as well as promotion of professional development.
	Onboarding and offboarding discussions	Event-driven	Further development of processes and due diligence obligations in connection with personnel and organisational development.
	Investigation of workplace accidents	Event-driven	Further development of processes and due diligence obligations in connection with occupational safety.
	Participatory innovation management (e.g. intrapreneurship programme adASTRA, ideas management)	Continuous exchange	Submission of ideas and improvement proposals that contribute to STRABAG's strategic action areas, including the development of new business models.
Customers and clients	Standardised customer satisfaction surveys	After project completion1	Obtaining feedback on project execution and deriving improvement measures.
	Joint planning of construction projects (e.g. within partnering models such as TEAMCONCEPT)	Continuous exchange	Early alignment of requirements and expectations as well as consistent alignment of construction projects towards sustainability.
Suppliers	Audits	Continuous exchange[2]	Prevention of human rights and environmental risks and strengthening of supplier relationships.
	Negotiation meetings	Continuous exchange	Further development and management of supplier relationships through regular coordination on performance, terms and areas for improvement; ensuring supply capability and quality throughout the contract term.
Investors	Annual General Meeting	Annually	Provision of information on the company's position as well as dialogue and voting by shareholders on key corporate decisions.
	Investor meetings, conferences and roadshows	Continuous exchange	Provision of information and promotion of dialogue on a wide range of company-related topics.
	Capital Market Day	Event-driven	Provision of information on strategic developments or progress.
Affected communities and local residents	Community management	Continuous exchange	Exchange regarding concerns raised by local residents; provision of transparent information on construction projects.
NGOs	Stakeholder dialogues and expert discussions	Continuous thematic exchange	Obtaining external perspectives on sustainability topics; exchange of information on current developments; understanding societal expectations.
Universities and research institutions	Research collaborations	Continuous project-related exchange	Joint development and validation of solutions.
Peers	Committees and industry events	Continuous exchange	Exchange on current industry developments in order to take them into account in strategic considerations.

1 For projects with a contract value of > € 500,000

2 Suppliers are selected on a risk-based basis

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 investigating workplace accidents, the parties involved in the incident are also included where appropriate and possible in order 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 ombuds system. Potential remedies, along with the regular review of their effectiveness, provide valuable input for assessing our processes. STRABAG also relies on **participatory formats**, including the adASTRA intrapreneurship programme and a structured ideas management. adASTRA has already led to the establishment of new companies that contribute to STRABAG's strategic action areas.

In addition to engaging with our internal stakeholders, we also seek the dialogue with other relevant stakeholders outside the Group. These include, in particular, our customers, investors and suppliers. We also maintain contact with universities, research institutions, the media, political institutions and NGOs as spokespeople for “silent” stakeholders such as nature. To foster exchange between STRABAG and these stakeholder groups, we use a variety of engagement formats, including participation in trade fairs and industry events, stakeholder dialogues and the establishment of research collaborations. When updating our Group strategy, we engage with analysts and investors through dedicated events, as was the case in 2023 with the Strategic Update 2030.

Customer satisfaction survey

Clients are among STRABAG’s key stakeholders. In order to secure new contracts on a regular basis and improve internal processes, customer satisfaction is measured according to a standardised Group-wide approach. To assess customer satisfaction, contracting authorities in all Group countries are invited to provide project-related feedback through an online survey (for projects with a contract value of > € 500,000) on the following aspects:

- Organisational efficiency and technical realisation
- Responsible and sustainable handling of people and resources
- Professional competence as well as communication and cooperation within and with our team

The corresponding process is embedded in the Group-wide minimum standards for the procurement and execution of construction projects (Common Project Standards). The management system officers coordinate the standardised measurement methodology and reporting at Group level. At country level, implementation is monitored by the designated officers as part of internal audits. Additional procedures for measuring customer satisfaction may be implemented by the operational entities.

Customer satisfaction results

In 2025, customer satisfaction was surveyed across 1,500 construction projects (2024: 1,893). The response rate was 40%, unchanged from the previous year (2024: 40%). The results are shown in the table below.

Aspects	**2025**	2024
Organisational efficiency and technical realisation	4.45	4.39
Responsible and sustainable handling of people and resources	4.43	4.41
Team: professional competence as well as communication and cooperation	4.67	4.61
Total	**4.52**	**4.46**

Degree to which expectations are met according to the clients’ assessment: 0 = not met; 1 = hardly met; 2 = partly met; 3 = largely met; 4 = met; 5 = exceeded.

Through active participation in various committees with peers – for example the Federation of the German Construction Industry (Hauptverband der Deutschen Bauindustrie) as well as sustainability-oriented initiatives such as the Stiftung KlimaWirtschaft – STRABAG gains insights into current industry developments and incorporates them into its strategic considerations. An internal working group coordinates the flow of information on the positions represented and forwards it in a structured manner to the Steering Committee Sustainability, which is chaired by the CEO.

Stakeholder dialogue

STRABAG not only participates in but also actively organises exchange formats with external stakeholders. Most recently, in September 2024, the company organised a stakeholder dialogue on the topic of “Ecological and social supply chain” was organised. Participants included representatives of the STRABAG Group as well as external stakeholders such as suppliers, partner companies, clients and academia. This group covered a significant part of the construction value chain, which is affected to varying degrees by new regulatory requirements and challenges along the supply chain. In various interactive dialogue settings, the availability of data was identified as a key lever for fulfilling due diligence obligations and addressing these challenges. Building on the insights gained and an expanded network, a further stakeholder dialogue on the topic “Sustainable transformation” is planned for 2026.

Specific stakeholder dialogues on human rights topics are conducted as part of the roll-out of our Social Compliance Management System and the associated risk analyses as well as during the development of specific actions. Further information can be found in the chapter Workers in the value chain.

At the level of our construction projects, affected communities and local residents represent another key stakeholder group. Dialogue with these stakeholder groups is often required by law. A key initiative to strengthen the dialogue with these stakeholders is the planned implementation of a Group-wide guideline for engaging local communities and residents at project level. In 2025, the existing concept was further refined in order to facilitate practical application of the guideline for the operational units of the STRABAG Group.

Sources – Sustainability Management

European Commission. (n.d.). *Construction and demolition waste*. Retrieved 18 February 2026
International Energy Agency. (2023). *Buildings*. Retrieved 18 February 2026.

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, additional risk analyses were conducted alongside the double materiality assessment (DMA) for the topics of climate, water, biodiversity, human rights and business compliance. These topic-specific risk analyses also serve as inputs for the double materiality assessment. Consistency of evaluation is ensured by involving the same group of individuals both in the DMA and in the other risk processes. For the topics E2 (Pollution) and E5 (Circular Economy), no in-depth risk analyses were conducted beyond the double materiality assessment. Consequently, neither location-specific analyses nor consultations with affected communities were carried out.

Double materiality assessment

Responsibilities at a glance

As part of the double materiality assessment in accordance with ESRS 1, STRABAG identifies impacts, risks and opportunities (IROs) related to the defined ESRS topics (including sub-topics and sub-sub-topics). The materiality assessment is coordinated by the Group's "Sustainability – Governance, Reporting & Data" entity and conducted together with experts from other corporate entities who, through their role within the Group, possess the relevant expertise on a given topic. Given STRABAG's decentralised structure, the engagement with internal stakeholders from our central divisions, central staff divisions and operating divisions is crucial for taking into account business- or activity-specific factors as well as the business relationships that arise along the value chain. Impacts, risks and opportunities are identified and assessed in terms of their materiality for STRABAG using internal Group expertise and topic-specific risk analyses, as well as industry reports and other scholarly publications. This makes it possible to identify risks specific to the construction industry as well as opportunities representing an important basis for discussion when conducting the analysis. The results of the materiality assessment are validated annually in order to incorporate any material events and developments into the evaluation and thereby ensure continuous monitoring of impacts, risks and opportunities. The results are presented annually to the CEO and CFO for approval.

Further information on the approach is provided in the descriptions below:

A comprehensive reassessment of all ESRS topics most recently took place for the 2023 financial year. Interactive, topic-specific workshops with internal experts were held to first identify points of interaction with individual ESRS topics, sub-topics or sub-sub-topics and to identify and assess corresponding impacts, risks and opportunities. The workshops also included the identification of interdependencies between the individual IROs. The results of the materiality assessment are validated annually in order to incorporate any relevant events and developments into the evaluation and thereby ensure continuous monitoring of impacts, risks and opportunities.

External stakeholders were most recently involved during the stakeholder dialogue held in September 2024. Several group discussions were used to gather additional perspectives and opinions on selected topic aspects whose materiality had previously been subject to particular internal debate. The results obtained from the analysis up to that point were validated by identifying and discussing points of interaction, challenges, and opportunities related to the topics introduced. To this end, the internal assessments conducted up to that point were compared with the inputs provided by external stakeholders in order to distinguish between more and less relevant manifestations of the topics.

Software-supported approach since 2025

For the 2025 financial year, the results compiled by "Sustainability – Governance, Reporting & Data" and the experts involved were reviewed for currency, plausibility and relevance. STRABAG also implemented dedicated software and made minor methodological adjustments. These activities served to ensure a more structured implementation and documentation of the materiality assessment and did not have any significant impact on the results.

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

- **Scale (1–5)**: The scale indicates the **magnitude** of the impact. The assessment considers the size of the group of people and/or environmental area affected by an impact. A high rating indicates that nearly all relevant stakeholders or environmental areas are affected by a significant impact.
- **Scope (1–5)**: The scope indicates the **geographical extent** of the impact. The assessment considers whether impacts occur only locally (e.g. on a construction site), extend to the regional or national level, or occur across national borders. A high rating indicates that impacts extend over a wide area up to and including global effects.
- **Remediability (1–5; for negative impacts)**: Remediability indicates the extent to which an impact can be **reversed or mitigated**. The assessment considers whether impacts are fully reversible without lasting damage or whether long-term or permanent damage remains. A high rating indicates that the impacts are predominantly or entirely irreversible.
- **Likelihood of occurrence (for potential impacts)**: unlikely; likely; very likely

The assessment of impacts is calculated as the sum of the factors scale, scope and remediability multiplied by the likelihood of occurrence. The result is divided by the maximum achievable score in order to obtain a normalised rating. This value is then scaled to position it on a five-point scale. Where negative impacts on human rights are identified, their severity is given priority over likelihood of occurrence. A threshold value of 3 is applied for all types of impacts (negative / positive, potential / actual). This threshold allows the IROs to be prioritised.

Identified **risks and opportunities** for STRABAG are assessed based on their scale and likelihood of occurrence:

- **Scale (1–5)**: The assessment of financial scale indicates the extent to which risks or opportunities may affect the company's financial position. The assessment considers whether the effects are merely short-term and operational in nature or have strategic significance. A high financial scale rating indicates that significant financial losses or opportunities may arise and that key business processes, market positions or customer relationships may be substantially affected.
- **Likelihood of occurrence**: unlikely; likely; very likely

The rating of a risk or opportunity results from the product of scale and likelihood of occurrence. Dividing this by the maximum achievable score yields a normalised rating. This value is then scaled to position it on a five-point scale. The threshold value is likewise set at 3.

IROs that reach at least the threshold value of 3 are included in the reporting: they are presented both in aggregated tabular form and explained in greater detail in the respective thematic chapters. ESG risks are not prioritised over other identified risk categories (see Risk management).

The interpretation of the opportunities and risks described in the ESG area (environment, social, governance) requires a differentiated perspective. In order to identify environmental opportunities and risks, quantitative analyses are also used on the basis of internal experience – for example with regard to the expansion of the service portfolio or potential cost increases. Compared with the assessment of opportunities and risks in the environmental area, the approach for social topics is considerably more complex. Opportunities in the social area have a long-term effect and strengthen the company's resilience but are difficult to translate into monetary terms. The assessment of such opportunities and risks therefore relies predominantly on external data sources such as scientific studies and industry analyses.

Physical and transition climate risk analysis

The materiality assessment has allowed STRABAG to identify and assess the impacts, risks and opportunities relating to the topics of climate change mitigation, climate change adaptation and energy. STRABAG SE's business model was assessed with regard to its vulnerability to climate-related physical and transition risks for the first time in 2023.

The climate risk analysis carried out in 2024 provides a broader perspective by identifying specific risks and opportunities for STRABAG arising from 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.

To further develop the maturity of the climate risk analysis and to incorporate additional locations into the analysis, dedicated software was acquired in 2025. The integration of the existing results into the platform and the expansion of the site analyses will be carried out step by step. The insights gained will be disclosed in the coming years.

Physical climate risk analysis

As part of the project, material activities within the Group's own operations as well as along the upstream and downstream value chain were evaluated in order to assess the climate-related physical risks. STRABAG's actual and potential vulnerability was analysed based on its exposure across the short, medium and long term.

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 exposure of 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 as part of 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 analysis belonging to the areas of business activities, own assets and value chain. These were then analysed based on factors such as the output generated per Group country, the expenditure volumes for externally sourced building materials and the Group's own construction material production volumes. This analysis was supported by experts within the Group. The aim was to determine representative locations for the clusters that have strategic and financial relevance and which provide 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 carried out in 2024, with key findings approved by the Management Board as the highest governance body.

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/SSP5-8.5. These mandatory climate scenarios describe global conditions in which emissions continue to rise at current rates without policy intervention, leading to global warming of around 4 °C by the year 2100.

As part of the initial analysis in 2024, the RCP8.5/SSP5-8.5 climate scenario was deliberately chosen in order to test the resilience of the business model to physical climate risks. This made it possible to ensure a robust assessment of potential exposure. In the 2026 financial year, the analysis will be expanded to include additional climate scenarios in order to further improve the resilience test with regard to physical risks. The assumptions used for the climate scenario analysis are aligned with the climate-related estimates contained in the financial reports.

The software used for the climate risk analysis is based on climate projections that combine global and regional models derived from climate models provided by the CORDEX initiative. A few other indicators are drawn 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 or 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 subject-matter experts from selected divisions and central divisions taking into account likelihood, scale, duration and geospatial coordinates. The exposure of STRABAG's activities and supply chains to these values was also analysed across three time horizons.

The risks and opportunities relevant for STRABAG (gross assessment) were qualitatively assessed by means of scenario analysis for short-term (up to 2030), medium-term (up to 2040) and long-term (up to 2085) time horizons in order to estimate their potential impacts on the entire value chain as well as their likelihood of occurrence. The short- and medium-term horizons are aligned with the Group 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 entail 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 that arise from the transition to a 1.5 °C-compliant economy, society and policy framework. These events impact the business activities and assets within STRABAG's own operations as well as those along its upstream and downstream value chains. Their exposure to these impacts was then analysed, followed by an assessment of the resulting implications for short-, medium- and long-term time horizons. The upstream value chain was included through consideration of rising raw material and energy costs. The downstream value chain was analysed, among other aspects, by taking into account 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. These include, for example, the rapid deployment of efficient technologies and sustainable energy supply systems, which STRABAG examined in order 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 key building material suppliers
- increased demand for renewable energy and the associated risks to supply security and costs
- price developments for fossil fuels
- rising CO_2e prices for emissions-intensive industries, as projected through the Carbon Border Adjustment Mechanism (CABM) and the European Union Emissions Trading System (EU ETS)

By combining an ambitious 1.5 °C scenario with a scenario characterised by significant physical risks, the analysis covers both transition and physical risks. These scenarios represent the range of global climate pathways currently considered plausible by scientific research and enable a robust assessment of the resilience of our business model. In the coming years, the analysis will be expanded to include additional transition climate scenarios in order to further improve the resilience test with regard to transition events.

In a second step, the relevance of these transition events was discussed together with subject-matter experts and a consulting firm in order to describe the Group's vulnerability to the identified risks and opportunities. This included determining whether there was a touchpoint within the value chain and what impacts could be expected as a result. When assessing vulnerability to transition events, both operating and central specialist entities were specifically involved to ensure the broadest possible coverage of the affected value chain.

The table below presents an aggregated overview of the selected transition events, their impacts, the likelihood of occurrence, the duration of the events and the scale of the potential material risks across three time horizons (2030, 2040 and 2050). No material climate risks were excluded from the risk analysis. Likewise, no material embedded greenhouse gas emissions associated with the most important assets and products were identified that could jeopardise the achievement of the long-term emissions reduction target or exacerbate transition risks.

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.

Resilience to climate risks confirmed

In 2025, STRABAG analysed the resilience of its strategy and business models in the context of climate change, taking into account both material physical and transition climate risks. As part of this analysis, both the company's own business activities as well as the upstream and downstream value chain were examined with regard to the impact of climate-related risks on their resilience. The analysis is based on the International Energy Agency's Net Zero Emissions by 2050 (NZE) scenario and follows the same short-, medium- and long-term time horizons used in the transition risk analysis.

The resilience of the business model was assessed by translating the material gross physical and transition risks into net risks. For each identified risk, existing and planned strategic actions as well as investment considerations relating to climate change adaptation were compared in order to identify how they contribute to reducing gross risks. The analysis also documented uncertainties regarding the scope and timing of price developments for sustainable raw materials and energy sources, as well as future customer demand for sustainable products. No risk-prone assets or business activities were identified. The results of the analysis show that STRABAG's business model and strategy are resilient to material climate risks. This resilience is based on three key factors: the diversification of business activities, strategically aligned actions and the planned financial resources to actively leverage opportunities arising in the context of climate change.

Water risk analysis

To identify and assess site-specific water risks, a Group-wide risk analysis was carried out for the first time using the Aqueduct Water Risk Atlas developed by the World Resources Institute. The analysis considered sites owned by STRABAG. The tool is based on a wide range of hydrological, climatic and socio-economic datasets and evaluates various dimensions of water risks. These include physical risks (e.g. water scarcity, flooding, changes in water availability and quality), regulatory risks (e.g. stricter abstraction limits, changes in water pricing or water rights) and reputational risks, which may arise, for example, from conflicts over water use with local communities.

The analysis was carried out using the Aqueduct Water Risk Atlas version 4.0. The assessment was conducted in November 2025 on the basis of the globally harmonised hydrological, climatic and socio-economic datasets provided by the tool. Aqueduct 4.0 integrates, among other sources, datasets from the FAO, NASA, GRDC, as well as modelled hydrological scenarios developed by the World Resources Institute.

The analysis enables a comparable assessment of risks at the location level and supports the prioritisation of action in water management. In the course of the evaluation, all physical, regulatory and reputational risk parameters available in the Aqueduct model were considered. For the purpose of site-specific prioritisation, particular emphasis was placed on the indicators for baseline water stress (BWS) generated by the tool. Only the values originally generated by the tool were used. No subsequent adjustment or weighting of the parameters was carried out.

The results are evaluated on a site-specific basis in order to prioritise sites according to the level of identified water risk. Sites with the BWS labels “High” (category 3) and “Extremely High” (category 4) were identified as sites with potentially material risk and assigned to a more detailed assessment so they can be evaluated in a targeted manner with management measures prioritised accordingly. For sites situated in areas with high water stress, water consumption is reported separately. In line with the methodology of the Aqueduct model, the site assessments were carried out at the level of river basins.

Site-specific biodiversity risk analysis

As part of the double materiality assessment, systemic risks relating to biodiversity that affect STRABAG at a higher level were also considered. These may have both direct and indirect impacts along the value chain. No consultations with potentially affected communities were carried out.

In addition to the Group-wide materiality assessment, STRABAG conducts a site-specific biodiversity risk analysis. Since 2025, risks have been assessed using a Nature Risk Score, which combines nature-related dependencies, potential impacts and ecological sensitivity. The methodology applied is aligned with the internationally recognised **LEAP framework of the Taskforce on Nature-related Financial Disclosures (TNFD)**. This approach ensures that nature-related risks are systematically captured – from identifying relevant sites and assessing dependencies and potential impacts to evaluating the associated risks. The system combines site-specific data with global biodiversity information and enables a consistent assessment of ecological sensitivities. This ensures that both proximity to protected areas and the extent of nature-related risks are incorporated into the analysis.

To this end, all sites owned by STRABAG were integrated into a site-based analysis model that links geographical information with nature-related indicators. The site catalogue includes, among other things, extraction sites, production facilities, workshops, warehouses, landfills, office buildings and undeveloped land. Construction sites – including those with longer project durations – were not included in the scope of the analysis, as in previous assessments. For each site, a nature-related risk profile was derived that systematically captures potential impacts on biodiversity as well as site-specific dependencies on ecosystem services. Identification was carried out on the basis of site-specific activity profiles and globally available datasets on regulating, provisioning and supporting ecosystem services (e.g. water availability, soil stability, erosion control and local climate regulation). Dependencies along the upstream and downstream value chain are not taken into account.

The underlying assessment logic combines three elements:

- nature-related dependencies on ecosystem services (dependency risk)
- potential impacts of the location on ecosystems and biodiversity (impact risk)
- a consolidated risk value derived from these factors (Nature Risk Score) that reflects the relative significance of a location in terms of nature-related risks

The Nature Risk Score is calculated from a weighted aggregation of dependency risk and impact risk and differentiates between five rating levels. The two highest rating levels, “high” and “very high”, are defined as threshold values above which sites are considered potentially material and are subjected to more detailed analysis. Assessment criteria include the type of activities, use of ecosystem services, the potential scale of negative impacts on habitats and the ecological sensitivity of the surrounding area. For sites whose Nature Risk Score reaches these thresholds, a geographical sensitivity analysis is conducted using internationally recognised datasets on protected areas and areas of high biodiversity importance, including the World Database on Protected Areas and Key Biodiversity Areas.

Human rights risk analysis

To analyse human rights and environmental risks in our own operations and in the supply chain, a methodology was developed to identify potential negative impacts on people and their natural livelihoods based on country and sector risks. In 2025, the methodology for risk analysis within STRABAG's own operations was applied across the Group for the first time. An extension of the methodology to suppliers is planned for the future. The risk analysis methodology is based on relevant sources and legal requirements (see the guidance issued by the German Federal Office for Economic Affairs and Export Control) and relies on internationally recognised risk assessments. **Country risk analyses** are used to identify risks that describe the political and cultural situation of a country in relation to human and environmental rights and to provide indications of possible violations within the company or among suppliers. **Sector risk analyses** are used to identify industry-specific human rights and environmental risks. The methodology is continuously developed centrally within the Corporate Responsibility Office, which also coordinates its implementation in cooperation with operational entities. Risks are specified and prioritised based on the criteria of likelihood of occurrence and severity. The results are subsequently validated using the expertise of operational areas, such as division management and purchasing, in order to ensure a realistic and robust analysis. The prioritised human rights and environmental risks are then compared with existing actions in the divisions of the STRABAG Group, which are then adjusted where necessary.

In the risk assessment, particular attention is given to especially vulnerable groups. The vulnerable groups identified include, for example, employees and workers at subcontractors, as well as workers performing manual and physically demanding tasks, particularly those facing language barriers. They also include low-income individuals who may not be aware of their rights, as well as children. The current risk analysis process does not provide for the structured involvement of potentially affected stakeholders. However, the perspectives of such stakeholders are incorporated into the risk assessment process through ongoing dialogue with stakeholders and/or their representatives. Reports received via the whistleblowing platform are also specifically taken into account when assessing risks.

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 alter existing systems can also have potentially negative impacts on the natural foundations of local communities, for example through dust emissions during the construction phase. Unequal treatment in employment may occur in the recruitment of staff, in personnel development and in workplace interactions – for example on the basis of gender, disability or social or ethnic background. These risks exist 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 Business Compliance Risk Analysis appendix as part of the overarching Business Compliance Management System. The definition of risk areas is based on STRABAG's business activities as an internationally operating construction group and is confirmed by many years of experience and industry expertise. Specific risk areas were defined with the support of the operational management, the central staff divisions Internal Audit, Contract Management and Legal (CML) and Bau-, Rechen- und Verwaltungszentrum (BRVZ), along with the Business Compliance (BC) entity located within the Corporate Responsibility Office. In line with STRABAG's international orientation and its organisation into business fields, the risk analysis focuses not on individual operating sites or locations but on organisational entities, which may be structured either geographically or by business field. The identification and assessment of corruption risks are based on the experience of the operational entities, central staff divisions and central divisions in order to enable responses to incidents at Group level.

As part of the risk analysis, all divisions, central divisions and central staff divisions are subject, among other aspects, to a review of corruption risks and are re-evaluated at regular intervals based on ongoing experience reports. At the procedural level, the risk analysis is based both on ongoing incident reports and on periodic surveys of the respective entities regarding risk developments 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

Changes compared with the previous year

The topic E3 (Water) was assessed as material for the first time in the 2025 financial year. Already in the previous year, industry reports had recognised the increasing urgency of this topic, particularly due to its interconnections with environmental issues such as climate change, biodiversity and resources. The basis for the retrospective adjustment was a risk analysis conducted for the Group, which in the reporting year was carried out for the first time using the Aqueduct Risk Atlas of the World Resources Institute and provides a more detailed specification of the existing analysis methods, as well as the expansion of business activities in the field of water infrastructure. Water is a key resource along the entire value chain. In particular, water is permanently bound and thus consumed in the production of building materials. Innovative business areas such as water treatment plants and sponge city concepts offer strategic growth opportunities for STRABAG.

The application of the double materiality assessment methodology was further refined this year. Compared with the previous year, a number of originally identified positive impacts across topics are therefore no longer reported. Impacts, risks and opportunities related to water are now assessed as material. In addition, linguistic clarifications resulted in further minor adjustments to the IROs compared with the previous year.

The results of the double materiality assessment for all material topics are presented in the table below.

Description of the material impacts, risks and opportunities		Relevant time horizons	Location in the value chain	Sustainability matter
E1 Climate change				
Actual negative impact	High greenhouse gas potential due to the use of fossil fuels	Short, medium and long term	Own operations	Energy
Risk	Volatile energy costs	Short, medium and long term	Upstream	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	Upstream	Climate change adaptation
Risk	Increased requirements and demand for sustainable products and services	Short, medium and long term	Upstream	Climate change adaptation; Climate change mitigation
Opportunity	Independence from fossil fuels through the use of renewable energy sources	Short, medium and long term	Own operations	Energy
Opportunity	Production and consumption of self-generated renewable energy	Short, medium and long term	Own operations	Energy
Opportunity	Development of new business areas	Short, medium and long term	Own operations	Climate change adaptation; Climate change mitigation
E3 Water and marine resources				
Actual negative impact	Permanent binding of water in construction products	Short, medium and long term	Upstream, own operations	Water consumption
Opportunity	Development of business activities in the field of water-related services, e.g. planning and construction of (drinking) water treatment plants and urban climate measures in line with the sponge city concept	Short, medium and long term	Own operations	Water consumption
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	Own operations	Direct impact drivers of biodiversity loss

Description of the material impacts, risks and opportunities		Relevant time horizons	Location in the value chain	Sustainability matter
Actual negative impact	Reduction in the availability of raw materials due to the extraction of finite raw materials	Short, medium and long term	Upstream	Impacts and dependencies on ecosystem services
Risk	Re-evaluation of suppliers to fulfil regulations	Short term	Upstream	Impacts on the extent and condition of ecosystems
Opportunity	Incentives for construction projects with biodiversity and soil improvement measures that exceed legal requirements	Short, medium and long term	Upstream	Impacts on the state of species
Opportunity	Development and expansion of biodiversity- and land-conserving business models, such as renaturation and remediation projects	Short, medium and long term	Own operations	Impacts on the extent and condition of ecosystems
E5 Circular economy				
Actual negative impact	High use of non-renewable raw materials	Long term	Own operations	Resources inflows, including resource use
Actual negative impact	Loss of raw materials through landfilling and lack of recycling options	Short, medium and long term	Downstream	Waste
Potential negative impact	Hazard potential for the environment and humans due to hazardous properties of waste	Short, medium and long term	Downstream	Waste
Potential positive impact	Contribution to resource efficiency through continuously growing anthropogenic material stocks	Short, medium and long term	Downstream	Resource outflows related to products and services
Risk	Rising prices and a lack of availability of raw materials	Long term	Upstream	Resources inflows, including resource use
Risk	Wide-ranging requirements for sustainably operated buildings as a result of regulatory requirements	Long term	Upstream	Resource outflows related to products and services
Risk	Stricter requirements for waste management as well as declining landfill capacities	Long term	Upstream	Waste
Opportunity	Revenue growth and new business areas through the sale and use of renewable raw materials	Long term	Own operations	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	Own operations	Resource outflows related to products and services
Opportunity	Increasing revenue from recycled construction materials, landfilling of waste and landfill construction	Short, medium and long term	Downstream	Waste
S1 Own workforce				
Potential negative impact	Occurrence of accidents and occupational diseases	Short, medium and long term	Own operations	Working conditions
Actual positive impact	Development and training programmes for employees	Short, medium and long term	Own operations	Working conditions
Actual positive impact	Health promotion measures for employees	Short, medium and long term	Own operations	Working conditions
Risk	Absence of employees due to occupational accidents and illnesses	Short, medium and long term	Own operations	Working conditions
Opportunity	Increasing employee satisfaction and employer attractiveness through development and qualification programmes	Long term	Own operations	Working conditions; equal treatment and opportunities for all
Opportunity	Diversity in teams	Short, medium and long term	Own operations	Equal treatment and opportunities for all
S2 Workers in the value chain				
Potential negative impact	Occurrence of accidents and occupational diseases	Short, medium and long term		Working conditions

Description of the material impacts, risks and opportunities		Relevant time horizons	Location in the value chain	Sustainability matter
Potential negative impact	Violations of human rights in the form of forced labour, working time violations, violations of working hours and withheld wages	Short, medium and long term	Upstream	Working conditions; other work-related rights
Risk	Loss of sales and reputational damage due to criminal charges	Short, medium and long term	Upstream	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	Upstream, own operations	Communities' economic, social and cultural rights
Risk	Emergence of land use conflicts and thus restrictions of construction projects	Short, medium and long term	Upstream	Communities' economic, social and cultural rights
Risk	Loss of sales and reputational damage due to criminal charges	Short term	Own operations	Communities' civil and political rights; rights of indigenous communities
Opportunity	Creation of infrastructure for the inclusion of local communities	Short, medium and long term	Downstream	Adequate housing
G1 Business conduct				
Actual negative impact	Negative influence on fair competition through misconduct.	Short, medium and long term	Own operations	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	Own operations	Corporate culture
Risk	Loss of potential suppliers due to sanctions legislation	Short term	Upstream	Management of relationships with suppliers including payment practices
Risk	Penalties for misconduct	Short, medium and long term	Own operations	Corruption and bribery

STRABAG has identified material impacts, risks and opportunities for the topics and sub-topics listed above and specified by ESRS. These are explained in greater detail in the respective thematic chapters and are covered by the ESRS disclosure requirements. The implications for the business model and strategy are also explained, along with the actions STRABAG is taking to minimise negative impacts and risks and to leverage positive impacts and opportunities.

Identified ESG risks are actively managed through long-term actions and integrated into the company's strategic management. The **resilience of STRABAG's business model** is based on taking material sustainability aspects into account along the entire value chain. In the environmental sphere, the company's long-term adaptability is supported in particular by Group-wide decarbonisation measures, the responsible use of natural resources, and the expansion of circular economy practices and resource efficiency in construction. At the social level, resilience is strengthened through efforts to address the shortage of skilled workers, a preventive management system to ensure occupational safety and health, and the responsible management of supply chains. In addition, responsible corporate governance with clear governance structures supports the stability of the business model.

Alongside the strategic integration of sustainability at STRABAG, global megatrends – in particular increasing urbanisation and the impacts of climate change – create long-term growth opportunities while also strengthening the resilience of the business model. Ongoing urbanisation leads to a structurally increasing demand for both new and modernised infrastructure. At the same time, climate change requires substantial investment in energy-efficient refurbishment, the expansion of energy-related infrastructure, as well as climate mitigation- and climate adaptation-related construction measures. Overall, this suggests a sustainably stable level of demand from clients, further enhancing the company's resilience to economic fluctuations.

The strategic integration of sustainability and a broad diversification therefore form the basis of a resilient business model that enables risks to be addressed effectively and growth opportunities to be actively leveraged.

Annual materiality review

Topic E2 (Pollution) is currently assessed as not material. STRABAG acknowledges that environmental topics interact with one another and that the climate crisis in particular gives rise to and intensifies other environmental and social challenges. Topic S4 (Consumers and end-users) has likewise been assessed as not material. Building safety is ensured through comprehensive legal requirements and construction standards. STRABAG also provides specialised services such as hazardous substance testing and product management, for example in the context of EU Taxonomy assessments or through cooperation with partners such as bauXund, in order to specifically minimise potential risks for users.

No material company-specific topics were identified in the year under report.

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GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability management
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GOV-4	Statement on due diligence	Sustainability management
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IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Appendix B
ESRS E1 Climate Change		
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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
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Environment

2025

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 were 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.

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 six environmental objectives are listed below. The environmental objectives and the numbering of the respective delegated regulation are given in brackets.

STRABAG's business activities encompass numerous Taxonomy-eligible economic activities, as the EU Taxonomy also covers the mere construction of such facilities and systems, particularly in the energy sector (1 to 8) and in the areas of water supply and sewerage (9 and 10).

Under Omnibus Package I, the European Commission has introduced simplifications regarding EU Taxonomy reporting. Taxonomy-eligible economic activities that account for less than 10% of total turnover in aggregate no longer need to be reported or audited separately. The following economic activities in the sectors energy, water supply, sewerage, waste management, transport and disaster risk management collectively fall below the 10% threshold of the turnover denominator and are therefore no longer addressed:

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. Flood risk prevention and protection infrastructure (CCA 14.12)
13. Sustainable urban drainage systems (WTR 2.3)
14. Sorting and material recovery of non-hazardous wastes (CE 2.7)
15. Demolition and wrecking of buildings and other structures (CE 3.3)

The economic activities relevant to the STRABAG SE Group comprise:

1. Infrastructure for rail transport (CCM 6.14)
2. Construction of new buildings (as general contractor) (CCM 7.1 / CE 3.1)
3. Renovation of existing buildings (CCM 7.2 / CE 3.2)
4. Maintenance of roads and motorways (CE 3.4)
5. Use of concrete in civil engineering (CE 3.5)

Rail infrastructure construction encompasses the construction of railway lines, underground railway lines, stations and terminals. These services are provided by the STRABAG Group within its business fields of railway construction, tunnelling and building construction.

As the construction of new buildings 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 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 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. These services are provided within the business field of road construction.

The economic activity "use of concrete in civil engineering" encompasses the use of concrete for new construction, reconstruction or maintenance of civil engineering objects, with the exception of concrete road surfaces and projects already covered by "maintenance of roads and motorways". 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.

The five relevant economic activities mentioned above comprise 7,705 individual projects. 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, only projects with an annual output of more than € 5 million are examined in detail. This represents 57% of the Taxonomy-eligible turnover from the relevant economic activities.

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.

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

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, the absence of a climate risk analysis prevents Taxonomy-alignment for the projects concerned.

These projects are therefore only shown as Taxonomy-eligible but 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. When presenting Taxonomy-aligned or Taxonomy-eligible turnover, duplicate entries are eliminated for KPI determination and not shown in the KPI overview template.

The turnover is as follows:

A detailed presentation by economic activity in accordance with the reporting templates specified in the EU Regulation is available in the Notes.

Turnover (revenue)

	2025		2024	
	€ mln.	**%**	€ mln.	%
Turnover related to environmentally sustainable activities (Taxonomy-aligned)	1,185.61	6.34	1,312.81	7.53
Turnover related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	8,271.69	44.20	9,281.93	53.28
Total	**9,457.30**	**50.54**	**10,594.74**	**60.81**
Taxonomy-eligible activities not material	1,466.11	7.83	0.00	0.00
Turnover related to Taxonomy-non-eligible activities	7,790.87	41.63	6,827.48	39.19
Total	**18,714.28**	**100.00**	**17,422.22**	**100.00**

The Taxonomy-aligned turnover declined compared to the previous year, as many Taxonomy-aligned new buildings relate to real estate project development. These are still under construction and are not yet included in the turnover due to a lack of investors. Turnover relates exclusively to the environmental objective of climate change mitigation. With regard to the other environmental objectives, the technical screening criteria could not be met for the projects examined.

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

The result shows that 41.63% 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 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 in the ESG performance section of the Group management 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. The non-material economic activities identified in relation to turnover are also not taken into account in relation to capital expenditure.

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.

The buildings constructed by STRABAG for its own use and investments in investment property (acquisition and ownership of buildings – CCM 7.7), as well as investments in electric passenger cars (manufacture of low-carbon technologies for transport – CCM 3.3), are recognised as Taxonomy-eligible economic activities. The real estate and electric passenger cars acquired or constructed in the respective financial year are assessed against the technical screening criteria and thus for Taxonomy alignment.

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.

Investments arising from Taxonomy-eligible or Taxonomy-aligned economic activities that collectively fall below the 10% threshold relate to investments in photovoltaic systems (manufacture of renewable energy technologies – CCM 3.1).

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 in the ESG performance section of the Group management 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.

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. Therefore, no investment plans currently exist in this regard.

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. When presenting Taxonomy-aligned or Taxonomy-eligible turnover, duplicate entries are eliminated for KPI determination and not shown in the KPI overview template.

The total capital expenditures are as follows:

A detailed presentation by economic activity in accordance with the reporting templates specified in the EU Regulation is available in the Notes.

CapEx

	2025		2024	
	€ mln.	**%**	€ mln.	%
CapEx related to environmentally sustainable activities (Taxonomy-aligned)	129.69	13.44	182.73	18.79
CapEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	344.96	35.74	559.29	57.50
Total	**474.65**	**49.18**	**742.02**	**76.29**
Taxonomy-eligible activities not material	83.21	8.62	0.00	0.00
CapEx related to Taxonomy-non-eligible activities	407.22	42.20	230.59	23.71
Total	**965.08**	**100.00**	**972.61**	**100.00**

The Taxonomy-aligned capital expenditure is primarily related to the acquisition of investment property. The decline in Taxonomy-aligned CapEx is therefore mainly attributable to lower real estate investments.

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 € 105.77 million (previous year: € 143.30 million) related to investment property; € 9.01 million (previous year: € 15.62 million) related to technical equipment and machinery; € 9.26 million (previous year: € 17.84 million) related to other facilities, furniture and fixtures and office equipment; € 1.76 million (previous year: € 2.23 million) related to facilities under construction; and € 3.89 million (previous year: € 0.73 million) related to business combinations. The capital expenditures are shown in the statement of fixed assets under "development of investment property".

Operating expenditures (OpEx)

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.

STRABAG makes use of the simplification provision introduced by Delegated Regulation 2026/73, which no longer requires operating expenses to be broken down into Taxonomy-eligible and Taxonomy-aligned categories, as these are not material to the execution of the projects or to STRABAG as a whole.

The disclosure may therefore be omitted because the allocation to projects cannot be made directly but only on the basis of Taxonomy-eligible and Taxonomy-aligned turnover in proportion to equipment costs. Accordingly, Taxonomy-eligible and Taxonomy-aligned OpEx largely follows the same pattern as turnover. Slight shifts are possible due to the projects' different equipment costs.

Total operating expenses for the financial year amounted to € 385.59 million (previous year: € 348.53 million.)

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

Summary of KPIs – Disclosure for the year 2025

2025	T€	%	T€	%	Breakdown by environmental objectives of Taxonomy-aligned activities										
KPI (1)	Total (2)	Proportion of Taxonomy-eligible activities (3)	Taxonomy-eligible activities (4)	Proportion of Taxonomy-eligible activities (5)	Climate Change Mitigation (CCM) (6)	Climate Change Adaptation (CCA (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy-aligned activities, P8year 2024 (15)	Proportion of taxonomy-aligned activities 2024 (16)
Turnover (revenue)	18,714,281.10	50.54	1,185,608.12	6.34	6.34	0.00	0.00	0.00	0.00	0.00	3.76	0.00	1,466,112.78	1,312,805.64	7.53
CapEx	965,077.63	49.18	129,689.59	13.44	13.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	83,206.46	182,730.82	18.79
OpEx	385,558.06	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	21,800.77	6.26

Turnover (revenue)

2025		%	T€	%	Breakdown by environmental objectives of Taxonomy-aligned activities								
Economic activities (1)	Code (2)	Proportion of Taxonomy-eligible turnover (3)	Taxonomy-aligned turnover (4)	Proportion of Taxonomy-eligible turnover (5)	Climate Change Mitigation (CCM) (6)	Climate Change Adaptation (CCA (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy-aligned in Taxonomy eligible (14)
Infrastructure for rail transport	CCM 6.14	9.55	704,310.00	3.77	3.77	0.00	0.00	0.00	0.00	0.00	E		39.48
Construction of new buildings (as general contractor)	CCM 7.1/ CE 3.1	16.23	481,298.12	2.57	2.57	0.00	0.00	0.00	0.00	0.00			15.83
Renovation of existing buildings	CCM 7.2/ CE 3.2	5.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		T	0.00
Maintenance of roads and motorways	CE 3.4	12.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Use of concrete in civil engineering	CE 3.5	6.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Sum of alignment per objective					**6.34**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**			
Total turnover		**50.54**	**1,185,608.12**	**6.34**									**12.54**

CapEx

2025		%	T€	%	Breakdown by environmental objectives of Taxonomy-aligned activities								
Economic activities (1)	Code (2)	Proportion of Taxonomy-eligible CapEx (3)	Taxonomy-aligned CapEx (4)	Proportion of Taxonomy-aligned CapEx (5)	Climate Change Mitigation (CCM) (6)	Climate Change Adaptation (CCA (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy-aligned in Taxonomy-eligible (14)
Infrastructure for rail transport	CCM 6.14	5.97	17,779.55	1.84	1.84	0.00	0.00	0.00	0.00	0.00	E		30.82
Construction of new buildings (as general contractor)	CCM 7.1/ CE 3.1	3.71	6,133.15	0.64	0.64	0.00	0.00	0.00	0.00	0.00			17.25
Renovation of existing buildings	CCM 7.2/ CE 3.2	1.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		T	0.00
Maintenance of roads and motorways	CE 3.4	9.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Use of concrete in civil engineering	CE 3.5	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Manufacture of low carbon technologies for transport	CCM 3.3	1.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Acquisition and ownership of buildings	CCM 7.7	23.24	105,776.89	10.96	10.96	0.00	0.00	0.00	0.00	0.00			47.16
Sum of alignment per objective					**13.44**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**			
Total CapEx		**49.18**	**129,689.59**	**13.44**									**27.33**

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, from the operation of production facilities and construction machinery to the operation of the structures we build. This makes the construction industry a source of process- and energy-related emissions. STRABAG therefore seeks to continuously reduce greenhouse gas emissions along the entire value chain (Scope 1, 2 and 3) to achieve the target of climate neutrality by 2040 approved by the SE Management Board. We understand climate neutrality in the sense of the United Nations Framework Convention on Climate Change (UNFCCC, 2021) as the endeavour to minimise greenhouse gas emissions as far as possible and to offset those emissions that are difficult to avoid through targeted compensation measures. According to the current status, targeted compensation measures, such as the purchase of carbon offset certificates, are not expected to be used until the target year 2040. They are intended exclusively to cover the emissions that remain after all technically and economically feasible reduction measures have been exhausted.

For this purpose, a climate transition plan with a corresponding reduction pathway based on science-based targets was developed in the 2024 reporting year. The underlying principles as well as the progress made are described in the following chapter.

In addition to the consistent implementation of actions aimed at climate change mitigation, the impacts of climate change are already being felt today, which makes adaptation processes necessary as well. Construction companies have a decisive role to play in this context. On the one hand, actions to adapt to climate change – such as the construction of protective structures – must already be taken today. On the other hand, sustainable, climate-resilient construction methods can help make buildings and cities more resilient to extreme weather events.

Structures today are built with the aim to have a long service life, to be resource-efficient throughout their operation, and to be able to be repurposed or dismantled at the end of their life cycle. We expect this trend to continue to gain strength in the future, with circular construction and expertise in the energy sector playing a key role in this development. For this reason, 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

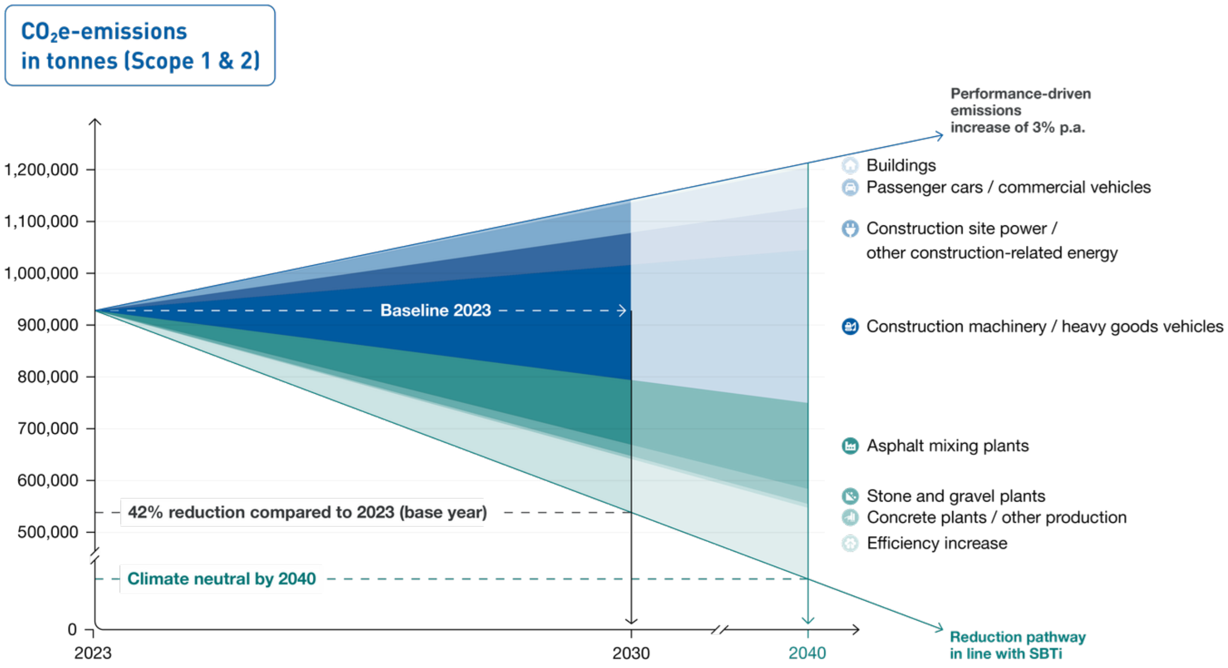
As part of the strategic objective of achieving climate neutrality by 2040, STRABAG has set a science-based interim target for 2030 in accordance with the **Science Based Targets initiative (SBTi)**, thereby committing to mitigating climate change in line with the 1.5 °C target. The underlying resolution was adopted by the Management Board of STRABAG SE. As the target influences the Group's strategic direction, the Supervisory Board was also informed by the Management Board. The central element is a greenhouse gas reduction pathway with science-based targets and corresponding management tools.

Based on an analysis of the Group's energy consumption, seven action areas were identified, supplemented by the potential for efficiency increases as a separate action area. These action areas were defined on the basis of the Group's largest CO_2e reduction potentials. Key actions were specified for each of these action areas in order to avoid or reduce the consumption of fossil energy sources. 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**: leveraging energy efficiency potential through introduction of new technologies such as electrification

The CO_2e reduction potentials for Scope 1 and Scope 2 emissions were determined for each action area on the basis of a future energy target scenario – both for the interim target year 2030 and the target year 2040. The calculations took into account existing and foreseeable technological developments as well as the expected availability of relevant energy sources. Taking into account additional emissions growth resulting from increased output, the following reduction pathway – broken down by reduction potential per action area – results for achieving the SBTi target by 2030 (for Scope 1 and Scope 2 emissions).

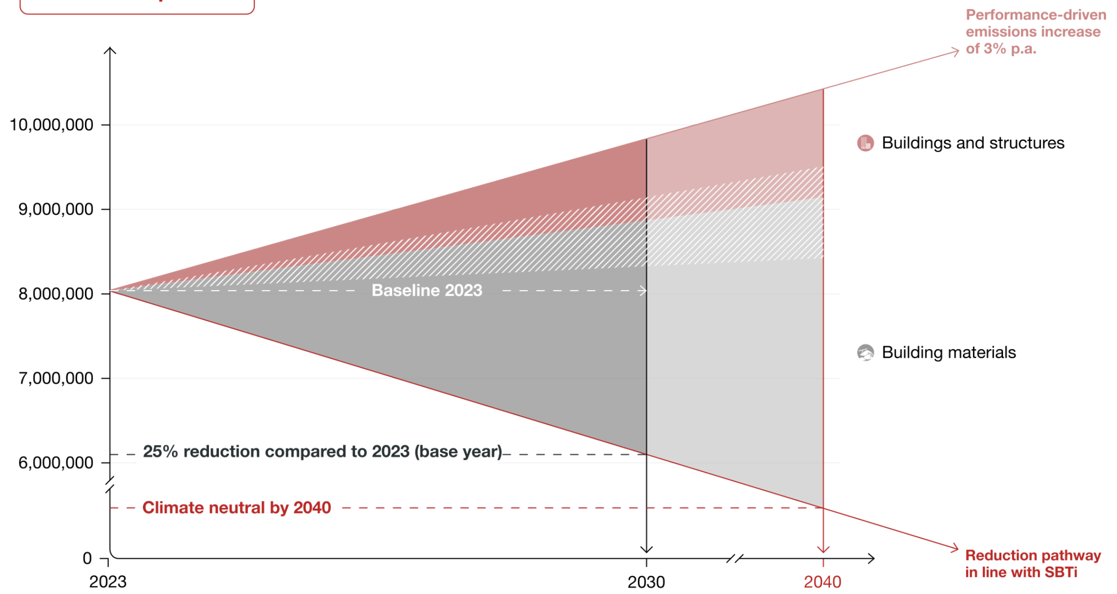
Transition plan



To manage the plan, STRABAG has developed an internal set of KPIs to measure the effectiveness and progress of the ongoing actions. At present, progress is on track in five of seven action areas or shows only minor to moderate deviations. For key actions in the action areas, capital expenditure (CapEx) and operating expense (OpEx) were estimated, taking into account climate policy and energy-market framework conditions. The results of the assessment indicate that implementing the reduction pathway is generally financially feasible under the scenarios considered and – based on the assumptions made – may be associated in the long term with lower aggregated cash outflows compared with a business-as-usual pathway.

Scope 3 emissions account for around 90% of the corporate carbon footprint of STRABAG SE. The main drivers are purchased goods and services (in particular building materials) as well as the use phase of buildings and infrastructure. The reduction pathway for **Scope 3 therefore focuses on the action areas "Structures" and "Building materials"**, with the direct actions "Increasing energy efficiency and circularity of structures" and "Increasing the use of low-emission building materials", supplemented by the indirect actions "Customer engagement", "Data basis for sustainable procurement", "Supply chain engagement" and "Research and development". Taking into account emissions growth resulting from increased output, the following reduction pathway results for achieving the SBTi target by 2030 for Scope 3 emissions. As the target contributions of the two action areas "Structures" and "Building materials" are currently being developed, the two graphical areas are shown with a hatched transition.

CO_2e emissions in tonnes (Scope 3)



The projected target contributions of the two action areas are currently being developed. These segments are therefore marked with a hatched transition.

As a construction company, the consideration of locked-in emissions is also of central importance for STRABAG, as the structures built generally have a service life of several decades. The conversion of the Group's own production facilities for building materials such as asphalt and concrete from fossil to renewable energy sources is taken into account in the transition plan, meaning that no significant locked-in emissions are expected in this area in the long term. The situation is different for STRABAG's actual products, particularly buildings that have been constructed, whose emissions are accounted for under Scope 3.11 (use of sold products). Actions to reduce product-related emissions have already been developed. Their effectiveness, however, depends largely on framework conditions within the construction and real estate industry – particularly with regard to statutory sustainability standards for buildings and the requirements of commissioning clients. As STRABAG has only limited influence over these external factors, this represents an uncertainty factor for the transition plan, particularly with regard to achieving the targets for reducing Scope 3 emissions.

The EU Paris-Aligned Benchmark Regulation (EU PAB) does not apply to STRABAG.

Policies

ESRS E1-2

The Group-wide Environmental and Energy Policy was revised in 2025 and approved by the Management Board of STRABAG SE in the first quarter of 2026. The policy sets out fundamental principles and action areas relating to climate and decarbonisation, circular economy, biodiversity and ecosystems, and sustainable supply chains. The document also defines responsibilities for implementing these action areas.

A central premise of the document is that sustainable business practices form the basis for future-proof business models and for actively adapting to the impacts of climate change. In the area of climate and decarbonisation, the document includes a range of targets and action areas in line with the transition plan. These include replacing fossil energy sources with renewable energy sources and increasing energy efficiency in all company processes. In addition to action areas within the company's own operations, the document also describes measures to be implemented in the upstream and downstream supply chain. Based on the most significant emissions categories, engagement measures with customers and suppliers – as well as the expanded offering of low-CO_2e buildings and infrastructure – are incorporated into the Environmental and Energy Policy.

The policy also aims to further develop data collection and establish effective management systems in order to continuously improve the management of identified environmental impacts. Responsibility for implementing the defined targets lies with the CEO. As part of the management review of the environmental and energy management system, the document is regularly assessed with regard to 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 as well as the short-term climate targets for the individual action areas.

Decarbonisation actions

Scope	Action area	Action	Scope of application	2030 target
Scope 1 & Scope 2	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%
	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%
	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		
Scope 3	Structures	Direct actions: increasing energy efficiency and circularity of structures (buildings, civil engineering works)	Affects operational entities	Currently being developed
		Indirect actions: customer engagement; research and development (3.1 & 3.11)	Affects the upstream and downstream supply chain (suppliers, clients)	
	Building materials	Direct actions: increasing the use of low-emission building materials (steel, cement, concrete, asphalt, alternative materials)	Affects operational entities	
		Indirect actions: customer engagement; data basis for sustainable procurement; supply chain engagement; research and development	Affects the upstream and downstream supply chain (suppliers, clients)	

A set of specific metrics was defined in 2024 to track implementation of the planned Scope 1 and Scope 2 actions and to determine their CO_2e reduction potential. In the year under review, we developed a process for monitoring and reporting these metrics. At the end of 2025, the target–actual comparison of the metrics was reported to the Steering Committee Sustainability and to the Management Board.

With regard to Scope 3 actions, the distinction between direct and indirect actions is relevant, as STRABAG's decision-making influence varies depending on the type of business activity. With in-house developments, decision-making and management authority lie with STRABAG. Both the design of the structures and the selection of construction materials used are subject to the company's own planning and purchasing decisions. Accordingly, direct measures to increase energy efficiency and implement circular economy principles can be implemented here. In the case of third-party developments, by contrast, the final decision-making authority lies with the client. Here, primarily indirect actions are possible, in particular through targeted customer engagement and the early involvement of relevant stakeholders.

Climate policy and the energy sector as a framework

For the key actions in the individual action areas (Scope 1 and Scope 2), capital expenditure (CapEx) and operating expense (OpEx) for the period 2023 to 2030 were estimated at Group level as incremental additional or reduced expenditure compared with a business-as-usual pathway. Cost developments depend largely on climate policy and energy market framework conditions. To reflect different possible development pathways, the following three scenarios of the Network for Greening the Financial System (NGFS) were used. The underlying transition pathways were calculated using the REMIND-MAgPIE model developed by the Potsdam Institute for Climate Impact Research (PIK):

1. **Net Zero 2050 (NZ)**: In this scenario, climate policy is consistently aligned with the 1.5 °C pathway. This is associated with high CO_2 prices, a massive expansion of renewable energy and a strong decline in fossil fuel demand. Emissions fall immediately and reach net zero by the late 2030s.
2. **Delayed Transition (DT)**: In this scenario, climate policy is significantly tightened only after 2030. CO_2 prices therefore rise abruptly and sharply after 2030. Investments in renewable energy, electrification and hydrogen increase massively within a short period of time. Demand for fossil fuels declines abruptly. Emissions fall only from the 2030s onwards. Global warming stabilises at around 2 °C.
3. **Current Policies (CP)**: In this scenario, only actions that have already been adopted today are implemented under climate policy. CO_2 prices therefore remain low. Investments in renewable energy, electrification and hydrogen increase but remain at a low level. Demand for fossil fuels remains high. The phase-out of coal, oil and gas is significantly delayed. As a result, emissions decline slowly and the world moves towards a > 3 °C pathway by 2100.

The scenarios aren't weighted but are instead used as equally valid development pathways to illustrate a range of possible financial impacts.

The calculations show the additional and reduced costs resulting from the reduction actions. On the investment side, cost differences arise primarily from the retrofitting of existing facilities and from higher acquisition costs compared with conventional fossil-based technologies. Capital expenditures are fully recognised in the year in which they occur and are not spread over the useful life of the facilities. Operating expenses represent the difference in energy costs (energy consumption × energy price) along the reduction pathway compared with a business-as-usual pathway (without transition actions).

The presentation is based on nominal values, taking into account assumed price and cost developments. Project-specific discounting of future cash flows in order to derive investment indicators (e.g. net present value, internal rate of return) is not the subject of this analysis. The calculation serves to provide a strategic assessment of the financial impact of the greenhouse gas reduction pathway at Group level. It does not constitute a traditional economic evaluation of individual investment projects, but rather a comparative analysis of aggregated cash flows under different scenarios.

The calculations are based on simplifying assumptions and forecasts (e.g. regarding technology availability, price developments and economies of scale). For example, the expected economies of scale were derived from external studies and internal expert assessments and may be higher or lower depending on actual market penetration. In addition, the calculations are based on an assumed future energy target scenario that reflects expected technological developments and is based on internal expert assessments. This target scenario is associated with forecasting uncertainties, as it is not yet clear which technological solutions will ultimately prevail in the market. This applies in particular to production facilities and construction machinery, where several low-emission technologies are still in the development and/or pilot phase – electrified solutions and hydrogen- or biomass-based approaches, for example. Political framework conditions further complicate reliable future planning, including the lack of planning certainty for hydrogen infrastructure projects, implementation timelines, import strategies and the development of dedicated pipeline and storage networks, as well as the continuing debate over technology neutrality in energy and industrial policy. Against this background, the calculations relating to the transition are still subject to considerable uncertainty. The figures presented should therefore be understood as an initial estimate, the underlying data basis of which will be continuously refined and improved in the coming years.

Depending on the scenario, capital expenditures up to 2030 amount to between approximately € 1 billion and € 1.1 billion. Operating expenses show savings of between approximately € 160 million and € 320 million. Only an ambitious climate policy with sufficiently high CO_2e prices will result in the cumulative additional and reduced costs of the transformation measures balancing out compared to the business-as-usual path by 2040. With delayed or less ambitious climate policy, this point shifts to a later period between 2045 and 2055.

Differences between the scenarios affect the individual action areas to varying degrees, particularly due to differences in CO_2e and energy prices. In particular, the conversion of asphalt and concrete mixing plants can achieve sufficiently low renewable energy prices (especially industrial electricity prices) only in the scenario of an ambitious climate policy, enabling a cost-neutral or cost-advantageous conversion of the facilities compared with fossil energy sources. In addition, rapid technological market development is required both for plant technology and for large construction machinery so that the assumed economies of scale can take effect and the costs of the transition (CapEx) can decrease accordingly.

In the remaining action areas – buildings, passenger cars and commercial vehicles, construction site electricity, and stone and gravel plants – it can be assumed in all scenarios that the operational expense savings (OpEx), arising primarily from the technological shift to electrification and the associated efficiency gains, will be sufficient to offset the additional capital expenditure (CapEx). Nevertheless, it is also evident here that the more ambitious the climate policy framework conditions, the sooner this balance will be achieved.

Against this background, STRABAG advocates reliable and ambitious climate policy that provides companies with planning certainty and investment security. Key prerequisites include a future-proof emissions trading system (ETS 1 and ETS 2) and targeted investments in the expansion of renewable energy sources and the associated grid infrastructure in order to effectively support climate-friendly innovation. The scenario analysis also makes clear that the consistent reduction of fossil fuel subsidies strengthens key market-based transition incentives and thus facilitates the economic implementation of the reduction pathway for STRABAG.

As STRABAG's products and services are to a considerable extent commissioned by public-sector clients, public procurement policy plays an essential role. It has a decisive influence on which climate-friendly solutions can be implemented in the market and thus represents a key lever for the successful implementation of the transition pathway.

STRABAG continuously implements actions to mitigate the impacts of the identified physical and transition-related climate risks. **Changes to the climate are already noticeable today. STRABAG responds to these developments with appropriate actions and evaluates their effectiveness.** The Group-wide physical and transition climate risk analysis was reviewed again in the reporting year. STRABAG continues to advance the management of its impacts, risks and opportunities. Additional actions and targets for mitigating material risks and impacts as well as for leveraging opportunities will be developed and disclosed in the coming years.

As these actions are not necessarily implemented as stand-alone, project-based activities and therefore are not subject to specific budgeting, it is not possible to say exactly which financial resources are allocated specifically to which of the actions listed below. Instead, they form an integral part of our ongoing business operations which are seamlessly incorporate into regular processes. Individual actions are, however, partially reflected in the CapEx and OpEx calculations presented above.

Material climate-related risks and opportunities	Current actions	Scope of application
Extreme weather events, heat and heavy rainfall	Implementation of organisational and technical occupational safety actions to raise awareness of climate-related hazards on the construction site	Group-wide with a focus on operating entities
	Increased integration of a Group GIS (geographic information system) to identify areas and regions with flood potential and evaluate potential hazards at an early stage	
Drought and rising temperatures	Conducting location- and project-specific climate risk analyses	Group-wide
	Development and preparation of informative guidelines for project staff to incorporate climate risks into project planning	
Future mandates and regulation	Ongoing interdisciplinary collaboration between specialist departments	Group-wide
	Establishment of an internal network on ESG regulations	
Demand for low-carbon products and services	Implementation of partnering models to ensure that requirements are incorporated into structural planning at an early stage	Group-wide, Supply chain
	Testing, implementing and expanding low-emission business activities and construction methods	
Rising raw material and energy costs	Conducting economic feasibility studies on converting production facilities to alternative energy sources	Group-wide, Supply chain
	Piloting and deploying alternative powertrain technologies for construction machinery	
	Strengthening the Group's own building materials production (mineral and renewable raw materials)	
Potential for revenue growth through new business models	Consolidation of an internal service offering for the development of new business models	Group-wide
	Implementation of the adASTRA intrapreneurship programme	
Risk minimisation through sustainability strategy and target setting	Conducting climate-related risk and resilience analyses and aligning strategy with science-based targets	Group-wide

Targets

ESRS E1-4

More about our SBTi-validated climate targets for 2030

Find out more

STRABAG is convinced that credible climate targets must follow a uniform standard and be externally validated. For this reason, we have committed to participating in the Science Based Targets initiative (SBTi). The targets were validated by the SBTi in the first quarter of 2026.

As part of our transition plan, we use the SBTi methodological framework as the basis for our science-based reduction pathway to 2030. This pathway was developed by an internal Group working group on the energy transition under the leadership of a member of the Management Board and with the involvement of relevant divisions, central divisions and central staff divisions. In the fourth quarter of 2025, an internal progress measurement was carried out for the first time and communicated to the Steering Committee Sustainability and the Management Board. Owing to STRABAG's diversified business model, the cross-sector standard is applied.

The base year selected is 2023, with a baseline value of 927,472 t CO_2e for Scope 1 and Scope 2 emissions (market-based). The base year and the underlying data for the reduction pathway are based on the energy consumption data for the 2023 financial year. Since 2024, STRABAG has applied new conversion factors for calculating greenhouse gas emissions. As a result of the new calculation method, the baseline value for 2023 decreases from 962,944 t CO_2e to 927,472 t CO_2e (-3.68 %). The reason for this is the update of emission factors in the revised internal calculation tool CarbonTracker as part of expanded CSRD reporting requirements. Due to a system change in the database, changes to the reporting boundaries cannot be ruled out. In the base year, there were no unusual capacity utilisations or other exceptional events that would have distorted emissions. When setting the targets, an annual increase in output was taken into account and this output growth was associated with a 50% increase in emissions. Our target for Scope 1 and Scope 2 emissions corresponds to an ambition level that, from a scientific perspective, is necessary to limit global warming to 1.5 °C.

For Scope 3 emissions, the targets were developed in accordance with the well-below-2-degrees scenario (WB2C), using 2023 as the base year. The baseline value for Scope 3 emissions was determined at 8,013,680 t CO_2e for 2023.

The reporting boundaries of the greenhouse gas emissions considered in the reduction targets are consistent with the boundaries of the other reported greenhouse gas emissions. In line with the categories of the Greenhouse Gas Protocol (GHG), we distinguish between:

- **Scope 1 & Scope 2**: Compared with our base year 2023 (of which Scope 1 accounts for 83% and Scope 2 for 17%), we aim to reduce our Scope 1 and Scope 2 emissions by 42% by 2030 in accordance with the 1.5 °C scenario. By 2030, the contribution from Scope 1 to achieving the targets amounts to 32%, that of Scope 2 to 10%.
- **Scope 3**: Starting from the base year 2023, STRABAG aims to reduce Scope 3 emissions by 25% by 2030 in accordance with the WB2C scenario.

From 2030 onwards, the reduction target for Scope 1 & Scope 2 as well as the Scope 3 reduction target will be aligned with a 1.5 °C scenario. Climate neutrality in the target year 2040 encompasses the reduction of greenhouse gas emissions across the entire value chain (Scope 1, 2 and 3).

To achieve our targets for Scope 1, 2 and 3 emissions, we have identified specific action areas and defined concrete actions each of them. Progress in achieving the targets for Scope 1 and Scope 2 emissions is presented in the respective action areas. The action area "Efficiency increase" has been integrated into the other action areas, as its content is attributable to both scopes. The target contribution and progress measurement for the Scope 3 targets are currently being developed.

The following table shows their respective progress and contribution to target achievement.

Progress and contributions to achieving the emissions reduction targets

The shift in the energy mix as part of the transition results in both negative and positive contributions to target achievement. Negative contributions to target achievement in Scope 1 result from the replacement of fossil fuels, while positive contributions in Scope 2 result from the associated increase in electrification.

Action areas	Scope	Contribution to target achievement by 2030[1]	Total contribution[1]		Progress 2025
		t CO_2e[2]	t CO_2e[2]	%	%
Buildings	Scope 1	-3,454	-12,037	2.0	0.5
	Scope 2	-8,583			
Passenger cars / commercial vehicles	Scope 1	-103,220	-95,651	15.9	-0.2
	Scope 2	7,569			
Construction site power / other construction-related energy	Scope 1	-14,433	-90,172	15.0	5.2
	Scope 2	-75,739			
Construction machinery / heavy goods vehicles	Scope 1	-240,450	-236,965	39.3	4.0
	Scope 2	3,485			
Asphalt mixing plants	Scope 1	-107,645	-133,449	22.1	5.1
	Scope 2	-25,804			
Stone and gravel plants	Scope 1	-428	-26,447	4.4	3.8
	Scope 2	-26,019			
Concrete plants / other production	Scope 1	-1,856	-8,025	1.3	0.9
	Scope 2	-6,169			
Total	**Scope 1**	**-471,486**	**-602,747**	**100**	**19.4**
	Scope 2	**-131,261**			
Structures	Scope 3	Currently being developed			
Building materials	Scope 3	Currently being developed			

[1] The metrics for each action area differ from those of the previous year because the previously separate action area "Efficiency increase" has been integrated into the individual action areas.

[2] In accordance with Kyoto Protocol

Overall, Scope 1 and Scope 2 emissions have decreased both relative to output and in absolute terms compared to the base year 2023. This means that nearly 20% of the target contributions for 2030 have already been achieved. Progress in the action areas of buildings, construction site power and production facilities is primarily attributable to a significant decline in Scope 2 emissions resulting from the switch to green power contracts in several countries where the Group operates. In the action area of asphalt mixing plants, two plants were also converted from lignite dust to gas, one plant from heating oil to gas. This led to a reduction in Scope 1 emissions, despite rising production volumes. In the action area of passenger cars and commercial vehicles, the electrification of the fleet that has already begun will result in a reduction of the CO_2e footprint only in the coming years. The background to this is that – despite a decline in the number of diesel passenger cars – challenges remain in mapping consumption data, making a reliable interpretation difficult. The reported progress in construction machinery results primarily from improved data collection, particularly from a more precise delineation of external diesel consumption by subcontractors.

Given these remaining uncertainties in data collection, we assess our progress not only based on our actual CO_2e emissions in the reporting year (compared to the base year 2023), but also using our set of KPIs and those actions whose reduction potential will only be reflected in actual CO_2e emissions in the coming years. These include pilot projects and feasibility analyses, strategic implementation plans for the decarbonisation of our administrative locations, and transition projects that are currently in the process of implementation. Although these initiatives do not yet show an immediate reduction in emissions in the current financial year, they establish the technological and organisational prerequisites required to achieve our medium- and long-term climate targets. For this reason, this progress assessment is also carried out qualitatively for each action area, as illustrated in the table below. The assessment covers not only the implementation status of the ongoing initiatives but also takes into account external framework conditions – in particular market availability, technological maturity and the prevailing energy price structure for the economic implementation of relevant solutions – on which we are highly dependent.

Action are	Progress	Comment
Buildings	● ● ●	The conversion of Group-owned sites is progressing as planned. Actions such as the expansion of PV systems and the extension of EV charging infrastructure are advancing successfully. For leased properties, refurbishment actions can only be influenced to a limited extent, which is why sustainable minimum standards for new leases were adopted in 2025. For administrative locations owned by the Group, the SE Management Board approved a structured decarbonisation approach.
Passenger cars / commercial vehicles	● ● ○	Continuous transition to electrification with minor deviations from target. There are currently still limitations, particularly for commercial vehicles, due to the limited driving ranges available on the market. The steady expansion of the product portfolio for the existing fleet, however, taking into account technological developments in the market (e.g. battery technology), is increasingly enabling applications with high range requirements.
Construction site power / other construction-related energy	● ● ○	The transition is taking place gradually due to the growing portfolio of manufacturers and shows only minor deviations from the target.
Construction machinery / heavy goods vehicles	● ○ ○	Conversion plans and implementation directives are in place for HVO (hydrotreated vegetable oil). The availability of HVO meeting high sustainability standards is not ensured in all countries, however. In addition, price fluctuations and tax-related framework conditions make its economic use more difficult. For large electric construction machinery, market-ready availability at the required scale is currently lacking. At present, the first electrified large construction machines from various manufacturers are being tested under real operating conditions on construction sites and in production facilities. The introduction of hydrogen-powered construction machinery is delayed, as both the economic availability of hydrogen and the infrastructure fall short of the forecasts made in 2023. As a result, the market penetration of hydrogen-powered large construction machines beyond 2030 is subject to considerable uncertainty. Moreover, no corresponding construction machines are currently available on the market. As part of a pilot project, STRABAG is currently testing a hydrogen-powered wheel loader, including refuelling infrastructure, at its Gratkorn quarry.
Asphalt mixing plans	● ○ ○	Actions to reduce emissions – such as improving efficiency or switching to energy sources with lower specific emission factors – are being implemented within the limits of economic feasibility. The transition to renewable energy sources is proceeding slowly, however, as no economically viable alternatives are available on the market at present and it remains unclear which of the potential solutions – such as electrification, hydrogen or biomass – will prevail among plant manufacturers in the long term. At the same time, however, STRABAG is conducting pilot projects, feasibility analyses and research activities on various technology options. The potential use of biofuels – currently the only measure that could be implemented quickly – is limited not only by high prices and resource constraints but also by tax-related framework conditions, resulting in considerable uncertainty regarding medium- and long-term availability and economic viability.
Stone and gravel plants	● ● ●	Due to the ongoing transition to green electricity, implementation is proceeding as planned.
Concrete plants / other production	● ● ●	Due to the ongoing transition to green electricity, implementation is proceeding as planned.

Metrics

Energy and CO_2e data for the Group are systematically recorded and analysed using CarbonTracker, a software solution developed in-house by STRABAG in 2012. The software is regularly updated and further developed. In the 2024 financial year, CarbonTracker was fundamentally revised in response to changing reporting requirements under the CSRD Directive and the Group's objective of improving data quality. It was further optimised in 2025. These optimisations primarily relate to the recording of accounting data reflecting the progress of ongoing reduction actions. In addition, the data basis was optimised and expanded in the areas of waste disposal, HVO and the use of green electricity, as well as emissions from the use of products (Scope 3.11).

A detailed description is provided in the following sections. The calculation of the energy data published here is largely carried out through our internal ERP system. The energy expenses recorded there are converted into corresponding calorific values using a financial calculation basis. For this purpose, quarterly average prices are determined at country level and used for the conversion. To present Scope 1 and Scope 2 emissions, the calculated calorific values are then linked to the corresponding CO_2e emission factors and mapped in CarbonTracker down to the smallest organisational entity. Given the complexity involved in compiling energy and greenhouse gas data – particularly in a diversified Group of our size – minor deviations may occur.

ESRS E1-5

The functionalities of CarbonTracker enable a detailed analysis of energy consumption across the Group. According to the evaluations for 2025, total energy consumption amounted to 3,290,497 MWh, of which around 7.48% was provided through the generation of renewable energy. This corresponds to an increase in energy from renewable sources of 3.48% compared with the previous year. Particularly noteworthy is the significant increase in the share of green electricity from 3.16% to 6.94%, as well as the proportion of solar energy used for internal consumption, which amounted to 3,187 MWh. A further 1,646 MWh was fed into public grids.

The volume of solar energy produced in-house in 2025 grew to 4,833 MWh compared with the previous year (+55.15%), driven mainly by the commissioning of additional solar power plant sites.

Own energy production

	2024	**2025**
Solar energy (MWh)	3,115	4,833

Energy sources in the fuel category, at 1,849,736 MWh, represent the most significant share for the Group. Of this amount, 13,638 MWh can be identified through detailed analysis as fuel from renewable sources (HVO).

Energy consumption and energy mix

	2024	**2025**
Fossil energy		
(1) Fuel consumption from coal and coal products (MWh)	533,526	542,239
(2) Fuel consumption from crude oil and petroleum products (MWh)	2,089,585	1,980,195
(3) Fuel consumption from natural gas (MWh)	305,123	305,593
(4) Fuel consumption from other fossil sources (MWh)	29,994	40,604
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	269,707	161,123
(6) Total fossil energy consumption[1] (MWh)	3,227,936	3,029,753
Share of fossil sources in total energy consumption (%)	95.20	92.08
Nuclear energy		
(7) Consumption from nuclear sources (MWh)	43,555	14,600
Share of consumption from nuclear sources in total energy consumption (%)	1.28	0.44
Renewable energy		
(8) Fuel consumption from renewable sources, including biomass (MWh)	9,883	14,714
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	107,295	228,243
(10) Consumption of self-generated non-fuel renewable energy (MWh)	2,197	3,187
(11) Total renewable energy consumption[2] (MWh)	119,375	246,144
Share of renewable sources in total energy consumption (%)	3.52	7.48
Total energy consumption[3] (MWh)	**3,390,866**	**3,290,497**

[1] Calculated as the sum of lines 1 to 5

[2] Calculated as the sum of lines 8 to 10

[3] Calculated as the sum of lines 6, 7 and 11

STRABAG's business activities were assigned to the individual NACE sections with a higher level of detail compared with 2024. As a result, 87% are classified under NACE section F, 7% under NACE section M, and 5% under NACE section C. Energy intensity per thousand € of revenue amounts to 0.18. The net revenue used to determine this metric corresponds to the revenue presented in the consolidated income statement.

Energy intensity

	2024	**2025**	**% 2025 / 2024**
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh / T€)	0.19	0.18	-7.46

Greenhouse gas emissions

ESRS E1-6

The CO_2e inventory for the 2025 financial year relates to the Group's full scope of consolidation and includes the CO_2e emissions generated in 70 countries. 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 on the basis of the Group-wide energy consumption recorded in CarbonTracker. The calculation follows a spend-based approach. For locations with green electricity supply contracts, an emissions-free electricity supply is taken into account in the market-based calculation of Scope 2 emissions. Compared with the previous year, the share of such locations was expanded from parts of Germany and Austria to additional regions in Poland, Romania, Serbia, Croatia, Hungary, the Czech Republic and Slovakia.

Greenhouse gas accounting is carried out by converting energy values using specific emission factors. These are mainly provided by the database operator Climatiq, which prepares them in accordance with the requirements of the GHG Protocol.

Scope 2 emissions from purchased heat and purchased electricity are reported using both the market-based and the location-based method. In addition, emissions from category 3.3 "Fuel- and energy-related activities not included in Scope 1 or Scope 2" are reported using the market-based calculation approach. The location-based calculation is based on the emission factor database of the International Energy Agency (IEA), whose values are reviewed by STRABAG for currency every two years.

This database is also used for country-specific emission factors for district heating. With regard to the market-based calculation, supplier-specific emission factors are applied for locations with green electricity tariffs, provided the corresponding guarantees of origin (certificates) are available. As a result, bundled contractual instruments account for 57% of market-based Scope 2 emissions. Where no tariff-specific emission factors are available, the emission factor used – provided by the Association of Issuing Bodies (AIB) – is based on the residual mix. This residual mix takes into account green electricity shares already contractually allocated elsewhere and therefore removed from the overall mix. As the residual mix is not available for all Group countries, the IEA emission factor is applied for the remaining countries.

Biogenic CO_2 emissions are reported separately and amount to 6,954 t CO_2 (market-based) and 14,669 t CO_2 (location-based). Of this total, 3,792 t CO_2 arise from Scope 1, 3,162 t CO_2 (market-based) or 10,876 t CO_2 (location-based) from Scope 2, and 0.12 t CO_2 from Scope 3. For lignite dust, emission factors provided by local suppliers are also used.

Notes on Scope 3 emissions

Upstream and downstream Scope 3 emissions for relevant categories were published for the first time in 2024 as part of reporting in accordance with the CSRD. For the 2025 reporting year, categories 3.7 “Employee commuting”, 3.9 “Downstream transportation and distribution”, and 3.10 “Processing of sold products” were classified as not significant. The classification is based on the significance criterion of size, as these categories together account for less than 5% of the total footprint. Other categories of similar magnitude remain classified as significant due to additional criteria such as influenceability and awareness potential. For categories classified as not significant, the emissions of the previous year are carried forward. A recalculation is carried out in the event of significant structural changes within the Group, but at least every three years.

For the six most important building materials used by the Group – asphalt, bitumen, stone/gravel, steel, concrete and cement, and timber – prices are first determined and then converted into CO_2e quantities using suitable quantity-based emission factors. For the remaining upstream Scope 3 emissions as well as for certain downstream Scope 3 categories (e.g. 3.13 “Downstream leased assets” and 3.15 “Investments”), a cost-based approach is applied. In combination with cost-based, country-specific emission factors, the corresponding emission values are determined. The calculation of category 3.3 (“Fuel- and energy-related activities not included in Scope 1 or Scope 2”) is based on the same energy quantities used for Scope 1 and Scope 2, but applies separate emission factors that reflect emissions generated during the production and transport of the energy carriers and electricity used. For category 3.3, a distinction is made between market-based and location-based emission factors. The greenhouse gas inventory under E1-6, however, presents only the market-based approach, as required by the mandatory ESRS table template.

In the 2025 reporting year, the emission factors for category 3.5 “Waste generated in operations” were also adjusted, taking into account disposal assumptions based on literature sources and internal expert knowledge. These replace the conservative emission factors used for the 2024 financial reporting, which had been applied because the methodology for calculating disposal rates had not yet been fully validated at that time. The adjustments underline our ongoing efforts to further develop and improve the underlying data basis. As a result of the adjustments described, the proportion of primary data decreased from the original 2% to 0.17%.

Emissions for Scope 3 Category 5

	2025 (new calculation method)	2024 (new calculation method)	2024 (old calculation method)
Emissions for Scope 3 Category 5 (t CO_2e)	16,686	16,000	229,093

For category 3.11 “Use of sold products”, which considers emissions arising during the use phase of construction projects implemented by STRABAG as general contractor, a more detailed calculation was carried out and the relevant main business field groups were expanded. This was based on the extensive experience of STRABAG’s experts from the respective areas.

The activities of category 3.14 are not part of STRABAG’s business model and were therefore identified as not relevant.

The results of the risk analyses conducted to date confirm that the most significant transition impacts continue to correspond to the largest Scope 3 categories (see upstream “Rising raw material and energy costs” and downstream “Demand for low-carbon products and services”). As part of the annual review of the transition risk analysis, Scope 3 data are continuously incorporated in order to further refine the Group’s understanding of transition-related climate risks.

					Milestones and target years			
	Base year (2023)	**2024**	**2025**	**% 2025 / 2024**	**2025**	**2030**	**2040**	**Annual target compared to base year**
Scope 1 GHG emissions (t CO_2e)								
Gross Scope 1 GHG emissions (t CO_2e)	772,298	790,336	777,946	-1.57				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.00	0.00	0.00					
Scope 2 GHG emissions (t CO_2e)								
Gross location-based Scope 2 GHG emissions (t CO_2e)	150,171	156,306	146,722	-6.13				
Gross market-based Scope 2 GHG emissions (t CO_2e)	155,174	158,504	89,283	-43.67				
Scope 3 GHG emissions (t CO_2e)								
Significant Scope 3 GHG emissions	9,910,025	9,053,179	8,586,371	-5.16				
3.1 Purchased goods and services	5,795,372	5,474,338	5,365,165	-1.99				
3.2 Capital goods	193,237	208,674	213,943	2.52				
3.3 Fuel and energy-related activities (not included in Scope1 or Scope 2)[1]	166,679	168,456	155,201	-7.87				
3.4 Upstream transportation and distribution	61,539	64,088	62,791	-2.02				
3.5 Waste generated in operations	236,013	229,093	16,686	-92.72				
3.6 Business travel	33,187	33,055	34,994	5.87				
3.7 Employee commuting	62,676	59,183	59,183	0.00				
3.8 Upstream leased assets	126,528	122,222	126,205	3.26				
3.9 Downstream transportation and distribution	85,674	90,778	90,778	0.00				
3.10 Processing of sold products	20,741	21,978	21,978	0.00				
3.11 Use of sold products	2,218,308	1,704,432	1,539,948	-9.65				
3.12 End-of-life treatment of sold products	687,236	677,545	714,667	5.48				
3.13 Downstream leased assets	11,219	12,329	11,541	-6.39				
3.15 Investments[1]	211,617	187,007	173,291	-7.33				
Total GHG emissions								
Total GHG emissions (location-based) (t CO_2e)	10,839,047	10,027,735	9,532,543	-4.94				

					Milestones and target years			
	Base year (2023)	**2024**	**2025**	**% 2025 / 2024**	**2025**	**2030**	**2040**	**Annual target compared to base year**
Total GHG emissions (market-based) (t CO_2e)	10,837,497	10,002,019	9,453,600	-5.48	10,153,795	8,444,539		-3.15

[1] Only market-based values are reported for this category.

The greenhouse gas intensity per thousand € revenue is 0.51 (location-based and market-based). The net revenue used to determine the metric corresponds to the revenue presented in the consolidated income statement.

Greenhouse gas intensity

	2024	**2025**	% 2025 / 2024
Total GHG emissions (location-based) per net revenue (t CO_2e) / T€)	0.58	0.51	-12.18
Total GHG emissions (market-based) per net revenue (t CO_2e) / T€)	0.57	0.51	-11.38

ESRS E1-7

STRABAG's plants and facilities are currently not required to participate in the European Emissions Trading System (EU ETS). Despite all efficiency and substitution actions, it must be assumed that a baseline level of difficult-to-avoid greenhouse gas emissions that will have to be offset may remain in the medium term. To achieve the climate targets, an internal offsetting guideline was therefore developed to regulate the future purchase of carbon credits across the Group. This guideline stipulates that investments may only be made in Gold Standard–certified projects. Alternatively, in line with the internal requirements, it is also possible to purchase EU carbon allowances under the EU Emissions Trading System. At present, carbon credits or EU carbon allowances are not purchased to offset STRABAG's own emissions. Such actions are carried out exclusively on behalf of customers who wish to use them to optimise their own CO_2e inventory. In these cases, STRABAG acts within the framework of the agreed project requirements and ensures that only Gold Standard–certified projects or EU carbon allowances are considered, as stipulated in the internal offsetting guideline. To date, no proprietary projects have been implemented by STRABAG on the voluntary carbon market.

ESRS E1-8

STRABAG currently does not apply internal carbon pricing.

Sources – Climate Change

United Nations Framework Convention on Climate Change (UNFCCC). (2021). *A Beginner's Guide to Climate Neutrality*. Retrieved 18 February 2026.

Water and marine resources

ESRS 2 SBM-3

Water is needed to provide construction services throughout the entire value chain – from the production of building materials, where large volumes of water become permanently bound in products such as concrete, through operational construction activities in which water is used, among other things, for dust suppression and cleaning, to the operation of buildings and structures, including water-carrying building systems.

Due to its wide-ranging interactions with other environmental topics, the relevance of water has increased even further. STRABAG, as part of the double materiality assessment, therefore carried out a comprehensive reassessment of the topic of water in 2025, identifying material IROs in the process. These include, on the one hand, water consumption – resulting, among other things, from the permanent binding of water in building materials – and, on the other hand, the development of business areas related to water – for example in infrastructure construction and in climate-resilient structures based on the sponge city principle. The analysis was carried out in coordination with internal stakeholders; affected communities were not involved.

Policies

ESRS E3-1

STRABAG has integrated the topic of water into its **Sustainability Policy** as well as its **Environmental and Energy Policy**. Both documents, approved by the Management Board of STRABAG SE, apply throughout the Group and set out key principles and action areas for the responsible management of water. These include, for example, the protection of water bodies and aquatic ecosystems, the reduction of water consumption along our value chain and the development of risk-based measures, including at sites located in water-risk areas. There are currently no specific requirements relating to water in product design or services; these are defined by the respective client.

Water abstraction and discharge are subject to strict legal regulations that vary depending on the country, context and construction project. In addition to the Group-wide provisions contained in the Sustainability Policy and the Environmental and Energy Policy, a range of guidance documents and checklists therefore apply to operational construction activities in individual divisions. Water is also considered a relevant environmental aspect within the meaning of ISO 14001 and is recorded accordingly as part of the Group-wide environmental management system.

Actions and projects

ESRS E3-2

As water is a key resource for the entire construction value chain and therefore for numerous business activities, a wide range of actions is already being implemented. Most of these are required by law and stipulated in project approvals and permits, ensuring that local requirements – for example in water-stress areas – are also taken into account.

In **building materials production**, the current focus lies on actions to reduce process water. Due to existing standards, reducing the proportion of water that is bound as an additive in building materials is outside the company's sphere of influence. Nevertheless, optimisation actions are implemented within the production process to ensure that water abstraction is as efficient as possible – for example through the use of water treatment and recycling systems.

Water management at STRABAG during **construction site operations** is largely project-based. Depending on the size and context of the construction site, various actions are implemented to ensure the protection of water resources and to reduce water consumption. These actions include, among others:

- Use of (mobile) water treatment systems to clean contaminated water and return it to the cycle
- Avoidance of proximity to water bodies when refuelling and storing construction machinery, when handling hazardous substances, etc.
- Substitution of environmentally harmful and water-hazardous substances

Structured monthly water monitoring is carried out as part of the DGNB "Sustainable Construction Site" certification. The analysis of consumption data is to be further developed in the future to derive concrete improvement actions for construction activities.

The **operational phase of buildings** also offers significant leverage for reducing water consumption within the construction value chain. The ÖGNI and DGNB systems as well as the technical assessment criteria for EU Taxonomy compliance include various water-related requirements for buildings, including the installation of water-saving sanitary systems. In this context, STRABAG provides support both through specialised advisory services and through the construction and modernisation of buildings that meet these requirements.

A structured assessment of the costs incurred for implementing actions is currently not possible, as the topic is still at an early stage of knowledge development and concept design. Reporting will be further developed in the future on the basis of reliable data.

Targets

ESRS E3-3

To date, STRABAG has not defined any quantitative targets relating to water and marine resources. The current focus lies on further developing the underlying data basis in order to establish reference values for potential target setting.

Metrics

ESRS E3-4

STRABAG is reporting on the topic of water for the first time in the 2025 financial year. As the data collection processes are still being further developed, the following metrics are largely based on assumptions and estimates derived from cost accounting as well as external sources. Additional sources of information used to determine these assumptions include studies, product data sheets, literature and experience from operational activities. The collection of primary data and volume-based data is being continuously expanded in order to improve the data basis and reporting in the future.

The following metrics currently relate exclusively to production sites for building materials. Real estate locations were classified as not material due to their comparatively very low water consumption relative to production sites and the resulting limited relevance for the metrics.

For construction sites, no reliable estimates of water consumption are yet available for the 2025 reporting year. This is due to the difficulty of quantifying the many influencing factors, which can vary significantly depending on the type of construction activity and the associated resource requirements. These influencing factors include, among other things, the specific materials used, the size and duration of the construction site and the geographical location. Despite the availability of project-related information, these parameters cannot currently be systematically captured across all projects. Given the large number of construction sites and the wide range of potential influencing factors, there is therefore currently no sufficiently robust data basis for producing a reliable estimate of construction-site-related water consumption.

	Unit	**2025**	2024[1]
Total water consumption	m^3	270,969	n.a.
Total water consumption in areas affected by water risks, including areas of high water stress	m^3	39,009	n.a.
Recovered and reused water	m^3	n.a.[2]	n.a.
Stored water	m^3	n.a.[3]	n.a.
Water intensity	m^3 / € mn revenue	14.48	n.a.

1 In the 2025 financial year, STRABAG significantly advanced the collection and processing of water-related metrics and expanded the underlying processes. Due to technical limitations in data availability, a retrospective determination of the metrics for 2024 is not possible.

2 Due to current limitations in data collection, reporting on recovered and reused water is not yet possible.

3 A small number of construction projects implement rainwater harvesting measures in order to reduce piped water consumption. These are not material, however, which is why the collection of stored water is currently not a focus.

Methodological explanations

Reported indicator	Methodological explanation
Total water consumption	Data on water abstraction are based on the commercial records of the production sites. Production sites are defined as those business fields of STRABAG where building materials are produced. These include sand and gravel, asphalt, concrete, precast elements, bitumen emulsion as well as stone and chippings. Water abstraction in these business fields forms the primary data basis for determining water consumption and is applied consistently across all sites considered. Water consumption is determined as the difference between water abstraction and the share of water remaining in the final product as well as process-related evaporation. The assumptions used to derive the volumes of bound water and process-related water consumption are based on internal expert knowledge, experience from comparable production processes and relevant literature sources. As the determination is partly model-based, the metrics are subject to inherent estimation uncertainty.
Total water consumption in areas affected by water risks, including areas of high water stress	To determine the regional restriction of total water consumption, the results of the risk analysis are used as a first step. The calculation of the corresponding water consumption is based on the same methodological assumptions described above.
Water intensity	The indicator is calculated as total water consumption per € million revenue.

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 most evident in the extraction of raw materials used in the production of building materials. Land use and land-use change associated with construction projects represent a major challenge for global flora, fauna and funga. At the same time, soil sealing leads to the loss of important soil functions, which in turn can impair natural habitats and threaten species diversity, particularly in biodiversity-sensitive areas.

Three risk categories are distinguished within the materiality assessment. **Systemic risks** such as climate change, ecosystem degradation and biodiversity loss affect the entire value chain over the long term – directly through raw material scarcity and indirectly through changing regulatory and market conditions. This results in significant dependencies on the availability of natural resources and stable ecological conditions, both of which are essential for business activities. To address these risks, construction projects are subject to legally mandated mitigation and protection actions (e.g. environmental impact assessments) complemented by voluntary standards. **Transition risks** arise primarily from potential regulatory changes, for example stricter material requirements, as well as from climate-related resource scarcity, which can lead to rising raw material costs and supply bottlenecks. **Physical risks** are currently not classified as material, but exist at the interface with climate change and resource availability, as extreme weather events can cause damage to extraction sites and ecosystems.

Alongside these risks, the construction sector also offers opportunities to limit negative impacts on biodiversity and ecosystems and to reduce existing impairments. Through forward-looking planning, consideration of ecological sensitivities and the implementation of legally required mitigation and restoration measures, impacts on flora, fauna and funga can be minimised and impaired ecosystem functions partially restored. Additional actions – such as the resource-efficient use of materials, the reduction of soil sealing and biodiversity-sensitive infrastructure concepts – also help to avoid further pressure on natural habitats and to mitigate regulatory and ecological risks over the course of projects.

STRABAG faces both risks and opportunities arising from the interaction between its business activities and biodiversity protection. In light of global environmental change and stricter legal requirements, precise management of these factors is becoming increasingly important in order to mitigate biodiversity-related risks. The materiality assessment and the site-specific risk analyses serve as initial reference points for enabling a future resilience analysis of the business strategy and business model.

Biodiversity strategically embedded

Forward-looking management provides the foundation for future-proofing the company and continuously aligning corporate strategy with ecological requirements. Within our sustainability strategy, biodiversity is a key topic and we are committed to implementing actions to protect species diversity. This includes the establishment of a Group-wide biodiversity management system and the development of relevant competencies among our employees.

A total of 19 STRABAG sites are located in ecologically sensitive areas and therefore exhibit an elevated nature-related risk profile. The assessment includes location-bound facilities such as asphalt, concrete and emulsion mixing plants as well as landfills, recycling facilities, gravel and sand pits, quarries, aggregate pits and workshops. Identification is based on a further developed methodology that combines site-specific nature-related risks with the geographic location of sites within or near designated biodiversity and protected areas. A detailed breakdown of sites according to identified impacts and dependencies, as well as according to the ecological condition of the respective areas, is currently under development. Such a presentation is not yet possible, as the biodiversity-related data foundation is still being developed. Within the materiality assessment, no significant negative impacts related to land degradation or desertification were identified.

Policies

ESRS E4-2

Due to its close links with other environmental topics, biodiversity is addressed in several cross-cutting policies, particularly in the Environmental and Energy Policy and the Supply Chain Management Policy. All policies apply Group-wide and are approved by the STRABAG SE Management Board. The policies listed below set out the key impacts, risks and opportunities relating to biodiversity within our own operations and along the value chain. Other biodiversity-related aspects that are not material for STRABAG – such as invasive species and desertification – are currently not addressed in these two documents. Likewise, there are no Group-wide policies for land use and agriculture or for oceans and seas. The documents are reviewed at regular intervals with regard to their suitability and effectiveness and adjusted where necessary.

Biodiversity and ecosystems form a central topic within the **Environmental and Energy Policy**, which was revised in 2025 and approved by the STRABAG SE Management Board in the first quarter of 2026. The policy establishes the principle that biodiversity and (water) ecosystems must be protected and promoted across all relevant areas of business activity. The objective is to reduce negative impacts on flora, fauna and funga, strengthen biodiversity across all project phases and at sites located in biodiversity-sensitive areas, raise employee awareness and provide training, ensure the sustainable extraction and use of raw materials and guarantee responsible land use. Responsibility for implementing the Environmental and Energy Policy lies with the CEO.

Also approved in the 2025 financial year was the revised **Supply Chain Management Policy**, which addresses the topic of biodiversity. The policy combines environmental and social responsibility along the entire value chain. Environmental due diligence obligations are intended to protect habitats for both people and wildlife. To ensure transparency in supply chains, STRABAG relies on traceability of materials and services as well as deforestation-free supply chains.

In 2023, the Management Board of STRABAG SE also adopted a Group-wide position paper on biodiversity. The document provides clear and practical guidance and recommendations for protecting biodiversity and species in construction projects. Serving as a supporting document to the Environmental and Energy Policy, it provides information to raise employee awareness of biodiversity and offers guidance for environmentally responsible planning and construction processes. Together with the Environmental and Energy Policy, the paper forms the basis for deriving concrete biodiversity protection actions. The guidelines include minimising land consumption, emissions and environmental impacts as well as implementing further actions to reduce impacts on flora, fauna and funga during construction projects.

Actions and projects

ESRS E4-3

Continuous development of biodiversity management

STRABAG is continuously developing a biodiversity management system in order to systematically promote biodiversity at all relevant sites. Biodiversity is therefore being integrated as an additional environmental aspect into the existing ISO 14001 environmental management system, enabling the use of established processes, responsibilities and structures. In 2025, existing biodiversity-promoting actions were systematically recorded across the Group and the existing risk analysis was further developed. Work is currently under way on a concept for future monitoring and reporting.

The following biodiversity-enhancing actions are already being undertaken at STRABAG:

STRABAG, in coordination with local authorities and stakeholders, continuously implements site-specific actions at the Group's own **extraction sites** to minimise its ecological footprint and ensure restoration and renaturation. Nature conservation requirements are defined for each site individually and documented in approval plans. Examples include the creation of replacement biotopes, extensive grassland management, reforestation and the creation of habitats for bird species and amphibians. In addition, regular ecological assessments are carried out to review the effectiveness of these actions and to identify further potential for site-specific initiatives. This ensures that interventions in nature are minimised, land is used sustainably and key ecosystem services are preserved in the long term.

Certain **construction projects** are also subject to statutory and regulatory requirements mandating environmental impact assessments (EIAs). An environmental impact assessment ensures that potential environmental impacts are identified and assessed during the planning and design phase, enabling appropriate mitigation and compensation measures to be developed and implemented. This approach is also applied in countries outside the European Union, for example through environmental impact assessments for certain public- and private-sector construction projects, in accordance with the respective legal requirements.

In the field of **transportation infrastructure** in Germany, STRABAG follows a sustainable construction site concept in line with the standards set by the German Sustainable Building Council (DGNB). Under this concept, biodiversity criteria are considered for the 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, minimisation of soil sealing and consideration of local flora, fauna and funga.

Targets

ESRS E4-4

To date, STRABAG has not defined any quantitative targets relating to biodiversity and ecosystems. As part of the further development of the Group-wide biodiversity management system, work is currently under way to develop appropriate metrics that could serve as a basis for establishing quantitative targets in the future.

Metrics

ESRS E4-5

For reporting on sites located in biodiversity-sensitive areas, STRABAG fundamentally revised its site-specific risk analysis in 2025. The approach enables the targeted identification of relevant sites and assessment of their nature-related dependencies and impacts. On this basis, regional requirements and project-specific actions can be developed for sites located in biodiversity-sensitive areas. The analysis follows a two-stage process that combines site-specific data with global biodiversity information. The result is an individual Nature Risk Score for each site.

Sites with a consolidated risk score above a defined threshold were initially classified as potentially material within the site-specific risk analysis. This first step resulted in a corridor of 35 sites whose risk profile indicates heightened relevance for biodiversity reporting. A sensitivity analysis was subsequently carried out for these 35 sites with elevated risk levels. The analysis identified 26 sites located within or near sensitive areas. In a further step, sites without economic activity were identified and excluded from the analysis, reducing the number of material sites to 19. Spatial proximity to sensitive areas was determined using activity-based buffer zones reflecting the potential impact area of the respective economic activities.

The process is currently being further developed and will be refined over the coming years, particularly with regard to the integration of additional indicators, consideration of site-specific actions and the establishment of further KPIs for biodiversity management. The aim is to capture nature-related risks consistently across the Group and to further standardise reporting in line with the ESRS requirements.

Sites located in biodiversity-sensitive areas

The current figures are not comparable with those of the previous year because the methodology was comprehensively adjusted following the introduction of a new risk analysis tool. Whereas the previous year's assessment focused on sites in Germany, Austria and Switzerland using screening tools with relatively coarse resolution, the approach in the current reporting period has been expanded across the Group and replaced with a significantly more precise analytical tool. This development enables a more granular and accurate assessment. The lower number of reported sites therefore reflects improved risk differentiation rather than an actual reduction in risk.

Due to the introduction of the new analysis tool, a retrospective determination of the metrics for 2024 was not technically possible. For the classification and interpretation of the 2024 data, reference is therefore made to STRABAG's 2024 Annual and Sustainability Report.

		2025		**2024**
	Number	Area (in ha)	Number	Area (in ha)
Natura 2000 network of protected areas	18	310	29	405
UNESCO world heritage sites	2	40	6	95
Key Biodiversity Areas	12	244	5	25
Other protected areas in accordance with Annex II Appendix D of Delegated Regulation (EU) 2021/2139	19	350	40	677

Some areas may fall into several protection categories. In these cases, the site was counted more than once in order to enable a more precise assessment of the potential impacts on biodiversity.

Circular economy

ESRS 2 SBM-3

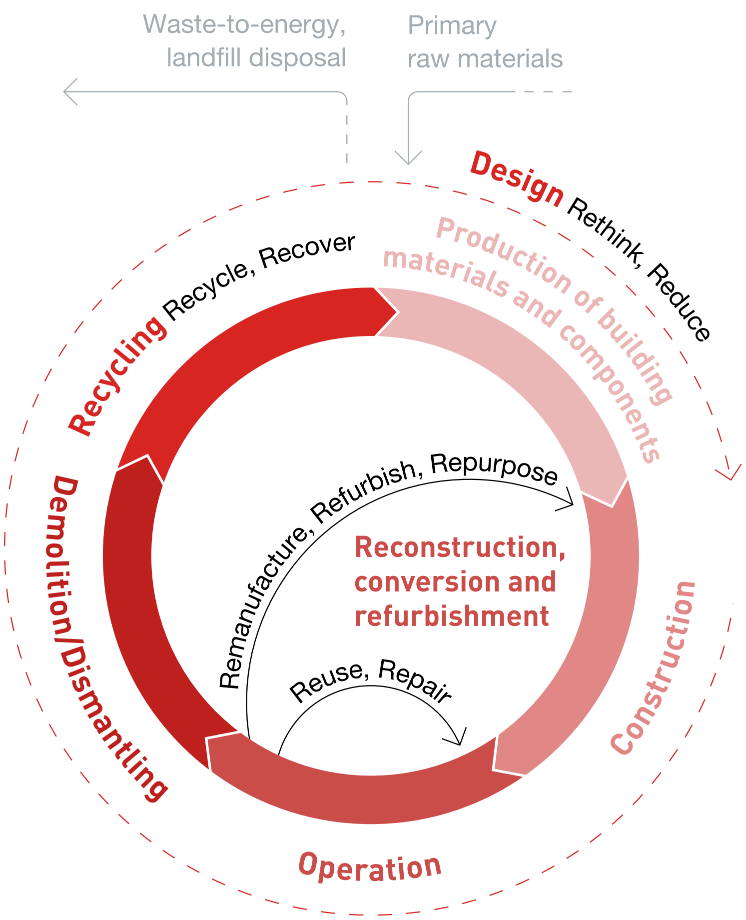
The high demand for raw materials in construction along with the waste volumes generated through demolition make the building industry one of the most **resource-intensive sectors of the economy**. Due to the finite availability of resources, the linear economic system – consisting of raw material extraction, 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. At the same time, a growing demand for renewable raw materials – above all timber – can also be observed. Large quantities of waste are generated at the end of the life cycle of the structures we build. This waste is often not returned to the economic cycle at an equivalent level of value but is instead recycled or reused at a lower quality. In the worst case, these raw materials are removed entirely from the economic cycle through waste incineration or landfill disposal. A problem with landfill sites is that they cease to be available as inhabitable or cultivable land. Hazardous waste poses an additional risk to people 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 through to waste disposal companies.

These developments also offer opportunities, however. The reuse and recovery of raw materials not only reduces costs in procurement and disposal but also opens up new business areas, for example through the production and use of sustainable building materials and the refurbishment of existing structures. An **extensive in-house building materials network** enables a high degree of vertical integration within the Group. This allows STRABAG to mitigate risks arising from resource scarcity, to meet customer requirements and to 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 aim to expand our expertise in the procurement and handling of building materials as well as in deconstruction and recycling as a way to continuously increase our resource efficiency. Within the key topic of circular economy, the following additional topics are addressed at Group level through 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 number of principles and objectives that are set out in our overarching Sustainability Policy and in our **Environmental and Energy Policy**. These principles and strategic objectives represent commitments and obligations that will guide the future direction of STRABAG's business activities.

The Environmental and Energy Policy specifies the objective of the circular economy as follows:

- **Circular planning**: We offer the design of circular buildings using reused components, secondary raw materials and renewable resources, taking into account resource efficiency, dismantlability and flexibility. We promote circular construction through proactive proposals to our clients. Upon request, we identify potential improvements through building-specific life-cycle assessments and demonstrate to our clients the ecological added value of different construction variants.
- **Circular building materials**: We produce and use building materials made from secondary raw materials and renewable resources, as well as materials with a high potential for reuse and recycling. In addition, we continuously work on technical solutions to increase the recycled content in our products.

- **Deconstruction**: We focus on selective demolition and non-destructive deconstruction in order to recover and reuse valuable materials and components.
- **Zero-waste construction site**: We are working to reduce waste on our construction sites through a high degree of prefabrication, take-back logistics and other actions.
- **Reconstruction, conversion and refurbishment**: We offer solutions for the recording, assessment, repair, modernisation, redesign or extension of existing buildings.
- **Value stream management**: We are improving the cross-site recording and management of value streams in order to ensure the highest possible level of material recovery and to reduce waste. We also offer our clients comprehensive material and waste management concepts, including for the handling of hazardous waste.

The Environmental and Energy Policy applies across the entire Group and affects both STRABAG and our upstream and downstream supply chain. The policy has been signed by the Management Board of STRABAG SE; responsibility for its implementation lies with the CEO.

Actions and projects

ESRS E5-2

STRABAG is pursuing a range of actions and projects to establish the circular economy as a key strategic topic in the Group's sustainable transformation. As these actions form part of the overarching transformation of the Group and therefore involve lasting changes to day-to-day operations and regular processes, it is not possible to say exactly which financial resources are allocated specifically to which of the initiative listed below. The total budget for research and development at STRABAG SE can be found in the present Management Report (Financial Performance).

Reconstruction, conversion and refurbishment

Extending the useful life of structures for as long as possible – through refurbishment or modernisation – is the resource-efficient alternative to demolition and new builds. Reconstruction, conversion and refurbishment are therefore part of a functioning circular economy and can minimise raw material consumption and waste volumes.

As a key action area within Strategy 2030, STRABAG is specifically expanding its activities in reconstruction, conversion and refurbishment under the BESTAND BEYOND brand, among other things by adapting processes, strengthening internal working groups and raising public awareness.

New processes for recording existing building structures have been established and integrated in the central divisions Zentrale Technik (the Group's technical competence centre) and TPA (the STRABAG entity for quality assurance and innovation). These include in particular the digitalisation of existing buildings using stationary and mobile 3D laser scans and the subsequent creation of BIM models (Building Information Modelling). In addition, a practical guide has been developed for building construction projects to support the development of circular economy concepts as part of deconstruction planning.

To further embed the topic within the Group, a five-day training programme for employees was developed and successfully tested in 2025. Two training series per year are planned from 2026 onwards. The training content includes the provision of specialist knowledge as well as proactive client communication in order to address requirements related to reconstruction, conversion and refurbishment at an early stage in project planning. Internal networking and cross-departmental knowledge exchange were strengthened through regular exchange formats. Workshops also analysed uncertainties and challenges from the client perspective in order to respond more effectively to specific requirements. In this way, reconstruction, conversion and refurbishment are being further established within STRABAG's business model.

We are also actively positioning ourselves on the topic of reconstruction, conversion and refurbishment and raising awareness of its advantages and possibilities at specialist events and trade fairs as well as through guest contributions in relevant publications.

Sustainable building materials

Production, use and research of renewable raw materials

Within the field of renewable raw materials, research and development of natural building materials is a key focus, with the aim of expanding the portfolio of circular materials and opening up new applications in the construction sector. Particular attention is given to expanding production at Naporo, which provides insulation and acoustic solutions made from **hemp** and **flax** for the sustainable construction sector.

In addition, various projects and development stages are exploring the potential of **straw** and **clay** as building materials. These actions are ongoing without a defined time horizon.

The different renewable raw materials and their applications are presented at the Reallabor Sustainable Construction in Vienna. The real-world laboratory serves as a location for investigating renewable and circular building materials under real conditions. STRABAG and its partners examine how materials can be used multiple times, recycled and processed in a resource-efficient manner. The laboratory provides a platform for collaboration between research, industry and business. It is used to test the practical applicability and scalability of circular solutions and provides space for workshops, events and meetings. The real-world laboratory opened in May 2025 and is planned to run for two years.

Focus on mineral raw materials

Even though renewable raw materials are becoming increasingly relevant, the construction sector still largely depends on mineral building materials. STRABAG is piloting, researching and applying circular economy potential for key building material groups:

Low-CO_2e concrete

The circular economy plays a central role in the development of low-CO_2e concrete. Residual materials from industrial processes with pozzolanic properties – such as fly ash and ground granulated blast-furnace slag (GGBS) – are already used as supplementary cementitious materials (SCMs). As their availability is declining, we are testing alternative **residual material streams as substitutes**. Concrete recycling as a replacement for natural aggregates also contributes to conserving resources. Further potential lies in the use of residual materials from waste incineration. The aim is to make previously unused material streams available for concrete production through improved processes. These actions are ongoing without a defined time horizon.

Use of mineral waste

A collaborative research project is investigating the possibilities for the **sustainable use of mineral construction waste**. The aim is to explore alternative binder systems – particularly those based on geopolymers – and to evaluate their potential for resource-efficient building materials with a reduced CO_2e footprint. Various material and process approaches are being examined in order to combine ecological advantages with high technical performance. The project began in November 2024 and is scheduled to be completed in April 2026.

In collaboration with a spin-off from ETH Zurich, a **mineral foam insulation board** was developed based on mineral residues from quarries. The board consists of 98% air and 2% secondary raw materials and is fully recyclable. It can be mechanically processed together with the concrete load-bearing structure during deconstruction and reused. The project started in mid-2025 and is scheduled to run until mid-2028.

Actions to optimise value stream management

A robust data basis on current raw material consumption and waste volumes enables us to leverage optimisation potential in order to keep the value streams at STRABAG in continuous circulation.

We are working to obtain information on the fate of our waste within the downstream supply chain and are continuing to develop a digital platform for tracking waste volumes. To this end, we surveyed the requirements with respect to potential software solutions among our operational entities in Austria and Germany. In the 2025 financial year, a concept was developed on this basis for the target process of data collection as well as for the structure and functionality of the software. As this is a multi-year long-term development, no project end date can currently be specified.

Until the tool is deployed across the Group, waste volumes are derived from STRABAG’s accounting system. For this purpose, a **standardised methodology for tracking waste volumes** was developed in the 2023 financial year and introduced across the Group in January 2024. The aim of the system is to help improve our data basis so we can more effectively steer our recyclable material flows. To continuously improve our data basis, an extended control system with additional responsible parties was developed in 2025. This system is to be tested and rolled out in 2026. As this too is a multi-year long-term development, no project end date can currently be specified.

At the same time, several KPIs for value stream management capability have been defined. These include, for example, the share of recycled materials in the building materials we produce ourselves and the proportion of recyclable materials from our construction sites that are processed at STRABAG’s own value stream management facilities. The necessary recording systems and analyses are currently being developed. In the future, the KPIs will be displayed in a central dashboard and will contribute to expanding material cycles within STRABAG.

As a third component, the network of **STRABAG-owned value stream management facilities** is to be further expanded, for example in the form of recycling and storage sites. In the future, this will enable more materials to be processed at our own facilities and a greater share of recyclable materials to be kept within the Group’s circular material flows.

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 being developed and will be established once a sufficient data basis is available. The measurability of strategies and actions will only be possible after these targets have been defined.

STRABAG is working to **further develop its IT infrastructure** and to capture the data basis 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. For this purpose, a data governance framework is currently being established in line with the Group-wide data strategy. During the reporting year, roles and responsibilities for various data domains were further specified and published internally in a catalogue. In addition to establishing the governance structure, work continued on further developing data storage and data provision. This includes connecting additional data sources to the central data platform and standardising the processes for retrieving and processing data from the source systems.

When defining targets, consideration must be given to the fact that both the use of building materials and the generation of waste in the construction industry depend on the specific project. Achieving a **transition in resource use** therefore requires a new mindset among our clients as well. One of our key tasks is therefore to convince clients of the benefits of circular construction by offering them sustainable solutions that are also economically attractive.

In addition, construction products used within the EU must meet requirements relating to safety-critical functions (mechanical stability, compatibility of different materials, etc.) and comply with pollutant and emission limits. For this reason, there are restrictions at national and regional level on the use of secondary raw materials in construction products, for example in the form of maximum permissible amounts. At present, several EU countries are working on legal frameworks to allow recyclable materials to exit waste legislation in order to promote their use as secondary raw materials.

Metrics

Resource inflows

ESRS E5-4

STRABAG operates its own extraction sites for raw materials as well as production facilities for building materials. These include stone/gravel, asphalt and concrete. The vast majority of the cement used is sourced externally. Bitumen, steel and timber are procured exclusively from external suppliers. Due to this differing structure, various methodological approaches and assumptions are applied when collecting data on resource inflows and the share of secondary raw materials.

STRABAG's main activity consists of construction projects in the fields of transportation infrastructure, building construction and civil engineering. The following building materials are essential for the construction of these structures: stone, gravel, concrete, cement, asphalt, bitumen, steel and timber. In addition to purchasing these materials, STRABAG also produces large quantities of stone, gravel, concrete and asphalt itself. Cement for the production of concrete and bitumen for asphalt production are therefore key materials from our upstream supply chain. We also use water at various stages of our in-house building materials production, for example as a main component of concrete. Critical raw materials play only a minor role at STRABAG and are found only as components of purchased construction products.

In addition to its core construction business, STRABAG also offers further services, including waste management. This includes the recovery and disposal of waste from both our own activities and from our clients. The waste accepted at our sites corresponds in type to our own waste. STRABAG operates its own recycling plants and landfills and also builds and operates landfill sites for clients. Waste from third parties assigned to the waste management business segment is reported separately as resource inflow in this report.

We require a wide range of construction machinery and equipment to build our structures, including cranes, roller-compactors, excavators and wheel loaders. Packaging plays a relatively minor role in STRABAG's resource consumption, as our most important materials are not delivered in conventional packaging but are delivered 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 the six material flows with the largest volumes that were used to manufacture our products and provide our services. Timber was selected as the most important biological building material. Together, these materials account for approximately 72% of the costs of all building materials. The data for asphalt, bitumen, cement, concrete, steel and timber include only those materials that were purchased externally, not those that were produced in-house. The reported purchase volumes are used, among other things, in our building materials production (bitumen and stone/gravel in asphalt, cement and stone/gravel in concrete). Quantities from our own building materials production are therefore not included in the metrics in order to avoid double counting. The reported quantity of stone and gravel, in addition to materials purchased externally, also includes those extracted from the earth at our own quarries and gravel operations as well as recycled aggregates used in our asphalt and concrete mixing plants. To determine the portion from our own extraction activities, it was assumed that sales volumes correspond to extraction volumes. We also assume that inventory levels from extraction can be neglected, as these quantities remain approximately constant.

The quantities for **stone/gravel**, **asphalt**, **concrete** and **timber** are calculated on the basis of euro values and average prices. The euro values are taken from STRABAG's accounting system. For the average price of timber, data from ZÜBLIN Timber's purchasing department were used. For the average prices of stone/gravel, asphalt and concrete, we used data from our own production of these building materials. One exception is the amount of recycled aggregates as a percentage of the total quantity of stone/gravel. These data are not euro-based; instead, the volumes are recorded directly at the production facilities.

The quantities for **bitumen**, **cement** and **structural steel** are taken from STRABAG's accounting system. For these building materials, country-specific average prices are calculated on the basis of volumes and costs. A price range is defined based on the average price. Entries within this price range are included in the calculation of the metrics using their recorded volumes. Quantity entries outside the price range are included in the calculation using their respective average price and cost value. This results in a total volume per building material and country for the calculation of the metrics.

Materials used

Material	Unit	**2025**	2024
Stone/gravel	thousands of tonnes	78,948	79,878
Bitumen	thousands of tonnes	765	781
Asphalt	thousands of tonnes	4,025	4,520
Cement	thousands of tonnes	1,409	1,266
Concrete	thousands of tonnes	8,315	7,967
Structural steel	thousands of tonnes	316	258
Timber	thousands of tonnes	53	45

Timber is the most important biological building material used in the manufacture of STRABAG's products and the provision of its services. Despite the significantly smaller quantities of timber used compared with other building materials, we therefore report the percentage of sustainably sourced timber in the total weight of materials used. For the calculation, we use volume data derived from average prices.

To determine the amount of timber 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 timber is procured. No information can be provided on how the procured timber 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 information on the handling of waste wood provided by the German Federal Environment Agency, it can be assumed that most of the timber is incinerated at the end of its useful life.

Percentage of biological materials

Timber	Unit	**2025**	2024
Total weight	thousands of tonnes	53	45
From sustainable sources	%	75	73

The reported figures include the weights and percentages of reused or recycled secondary components, products or materials within the largest material flows by volume, as well as timber as the 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 binding agents in the building materials concrete and asphalt. Current recycling processes allow only the recycling of the building materials themselves and do not permit separation into their original constituent materials.

The percentages of secondary raw materials in the building materials procured are based on the percentages of secondary raw materials in building materials produced in-house (stone/gravel, asphalt and concrete). These data are recorded throughout the year in the ERP systems of the production facilities. It is assumed that externally purchased building materials contain the same percentages of secondary raw materials as those produced by STRABAG itself. The percentages of secondary raw materials in steel and timber are based on information from the literature.

Secondary raw materials

Material	Unit	**2025**	2024
Stone/gravel	thousands of tonnes	1,713	1,562
	%	2.2	2.0
Asphalt	thousands of tonnes	593	615
	%	14.7	13.6
Concrete	thousands of tonnes	8.2	9.1
	%	0.1	0.1
Structural steel	thousands of tonnes	133	109
	%	42.1	42.1
Timber	thousands of tonnes	11	10
	%	21.3	21.3

Waste management

The tables below report the waste generated within the waste management business. The collection of these waste streams follows the same methodology as that used for our own waste.

Waste accepted from external sources

	Unit	**2025**	2024
Total amount	tonnes	2,527,833	2,412,989
Non-hazardous waste	tonnes	2,375,788	2,362,265
Hazardous waste	tonnes	152,045	50,724

Waste accepted from external sources sent for recovery

	Unit	**2025**			2024		
		Preparation for reuse	Recycling	Other recovery operations	Preparation for reuse	Recycling	Other recovery operations
Total amount	tonnes	1,321,554	74,055	987,132	1,279,066	51,463	997,870
Non-hazardous waste	tonnes	1,321,554	74,055	979,859	1,279,066	51,463	987,001
Hazardous waste	tonnes	0	0	7,273	0	0	10,869

Waste accepted from external sources sent for disposal

	Unit	**2025**			2024		
		Incineration[1]	Landfill	Other disposal operations[1]	Incineration[1]	Landfill	Other disposal operations[1]
Total amount	tonnes	-	145,092	-	-	84,590	-
Non-hazardous waste	tonnes	-	321	-	-	44,735	-
Hazardous waste	tonnes	-	144,771	-	-	39,855	-

1 In its capacity as a waste treatment provider, STRABAG does not engage in waste incineration nor does it make use of other non-landfill disposal methods.

Resource outflows

ESRS E5-5

Structures are increasingly being designed and built according to circular economy principles. The application of circular economy methods, however, is project-dependent and is significantly influenced by our clients' requirements. In the production of our own building materials, we are constantly working to make the process more circular. Our central division TPA, together with our production facilities, is developing and testing building materials with higher percentages of secondary raw materials. The addition of so-called rejuvenators is intended to restore the original properties of bitumen from reclaimed asphalt as a way of preparing reclaimed asphalt for use in new asphalt mixtures. The development of alternative binders is also intended to contribute to the increased use of renewable raw materials in construction and to enable building materials to be reused or recovered more effectively in the future.

In the case of building materials, the durability and reparability of our products depend on their specific application within a structure. Every structure is unique and can consist of thousands of different components. At present, no sector-specific evaluation framework exists Information on durability, reparability or the recyclable percentages is therefore difficult to compare and offers only limited informative value.

The situation is different when it comes to the recyclable percentages of our products. 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 always be achieved due to legal restrictions and applicable standards. As the above-mentioned research and development activities in building materials progress, the construction industry will be able to make a significant contribution to the transition to a circular economy.

The waste streams reported are those that are recovered or disposed of by external waste management companies. The data are recorded throughout the year as part of STRABAG's accounting processes. For each waste fraction, country-specific average prices are calculated on the basis of volumes and costs. A price range is defined based on the average price. Quantity entries within this price range are included in the calculation of the metrics using their recorded volumes. Quantity entries outside the price range are included in the calculation using their respective average price and cost value. This results in a total volume per waste fraction and country for the calculation of the metrics.

Each waste fraction is assigned to one of the following categories: preparation for reuse, recycling, or other recovery operations for recovered waste, and incineration or landfill for disposed waste. The allocation to these categories is based on the experience of waste management experts at STRABAG as well as on commonly used information from industry associations in the construction sector.

In doing so, we deliberately distinguish preparation for reuse and recycling from other recovery operations. For the circular economy to succeed in the long term, it is important that raw materials and materials are processed in such a way that they retain their original material quality for as long as possible or can be used in other high-quality applications. This objective can only be achieved if a clear distinction is made between high-quality recovery processes (preparation for reuse, recycling) and lower-value recovery (downcycling, backfilling, etc.). We therefore advocate defining a clear distinction within the relevant legal frameworks and making it mandatory for waste management companies to disclose the final destination of waste to their clients.

We assume that our waste is not disposed of by any other means and that each waste fraction is 100% recovered or disposed of through one of the methods described above.

Waste generated

	Unit	**2025**	2024
Total amount	tonnes	11,808,594	12,172,728
Non-hazardous waste	tonnes	11,463,970	11,861,361
Hazardous waste	tonnes	344,624	311,367

Recovered waste

	Unit	**2025**			2024		
		Preparation for reuse	Recycling	Other recovery operations	Preparation for reuse	Recycling	Other recovery operations
Total amount	tonnes	92,065	2,032,920	8,257,302	168,636	2,466,511	8,129,833
Non-hazardous waste	tonnes	92,065	2,032,920	8,245,645	168,636	2,466,511	8,103,934
Hazardous waste	tonnes	0	0	11,657	0	0	25,899

Disposed waste

	Unit	**2025**			2024		
		Incineration	Landfill	Other disposal operations	Incineration	Landfill	Other disposal operations
Total amount	tonnes	283,585	1,142,722	-	251,025	1,156,723	-
Non-hazardous waste	tonnes	280,758	812,582	-	221,645	900,634	-
Hazardous waste	tonnes	2,827	330,140	-	29,379	256,089	-

Non-recycled waste

	Unit	**2025**	2024
Total amount	tonnes	9,683,609	9,537,581
Percentage	%	82	78

STRABAG's relevant waste streams consist of construction and demolition waste. The most important waste fractions generated in the course of our business activities are excavated material (soil, stones, dredged material and track ballast), concrete demolition waste, construction rubble (a mixture of concrete, bricks, tiles and ceramics), reclaimed asphalt, bituminous mixtures and mixed construction waste (wood, glass, plastics, metals, insulation and plaster). Radioactive waste arises only in exceptional cases in connection with our construction activities, for example during the decommissioning of nuclear power plants. We will therefore report on this only in those years in which we carry out relevant construction projects.

Sources – Circular Economy

Deutsches Umweltbundesamt [German Federal Environment Agency]. (2019). *Altholz* [Waste Wood]. Retrieved 18 February 2026.

Social

2025

Our social responsibility

Construction companies impact people along their entire value chain – above all their own workforce, workers in the value chain and the (local) communities where construction projects are realised. Global and complex value chains increasingly require a broader 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, we therefore assume responsibility for our own workforce, for workers along the value chain and for affected communities. We are committed to upholding internationally recognised standards in the areas of human rights and labour. These include:

- the **fundamental principles of the International Labour Organization (ILO)**
- the **International Bill of Human Rights**, which consists, among other things, of the Universal Declaration of Human Rights
- the **OECD Guidelines for Multinational Enterprises**
- the **United Nations Guiding Principles on Business and Human Rights**

Furthermore, 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 the goal of holding at least one stakeholder dialogue format per year focusing on human rights issues in order to gain a better understanding of the requirements and interests of our stakeholders. These dialogue formats include in-person events with relevant affected stakeholders or their representatives to promote interactive exchange. In 2025, STRABAG initiated its own stakeholder dialogue format with a representative body on the topic of labour exploitation and also participated in several stakeholder dialogues organised by external organisations. Stakeholder dialogues organised by STRABAG that address human rights issues alongside other ESG topics currently take place on a two-year cycle. The next STRABAG stakeholder dialogue will be held in 2026. Through these engagement actions, we are able to act proactively and advance the transformation of the construction sector in a spirit of partnership.

STRABAG's relationship with the three stakeholder groups – own workforce, workers in the value chain and affected communities – varies depending on the group in question. Accordingly, various Group-wide directives and policies define how responsibilities towards these groups are exercised, taking into account their specific characteristics. The respective policies, objectives and measures already implemented or planned are explained in more detail in separate chapters.

Policy on Employment Conditions and Human Rights

The overarching Policy on Employment Conditions and Human Rights sets out commitments and obligations for all three key stakeholder categories, without distinguishing between vulnerable and non-vulnerable 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 overseen by the Head of the Corporate Responsibility Office, whose area of responsibility includes 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
- violence and restrictions on freedom of movement by security personnel engaged by us

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 transfer of our values throughout the value chain
- the safety of our products and services for end users

The policy was approved and published in 2025. Its revision further reinforces our commitment to upholding human rights and the ILO core labour standards, as well as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Topics such as engagement with indigenous peoples or the commissioning of security personnel were further specified. Further forms of discrimination – for example discrimination on the basis of political opinion – as well as the safety of our products and services for end users were also included.

Social Compliance Management System

The **Social Compliance Management System (SCMS)** maps our due diligence processes for human rights and environmental risks with the aim of identifying them within our own operations and along the supply chain. Appropriate actions, including training, sustainability audits and the application of Group-wide policies and directives, are taken to prevent, minimise and avoid violations.

In 2025, further work was carried out to implement the comprehensive Social Compliance Management System across the Group. The system goes beyond already implemented minimum standards and already applies to a large number of Group companies. It is also continuously improved through effectiveness reviews conducted annually and on an ad hoc basis. At present, the Group-wide roll-out of the system has not yet been completed. The groundwork has already been laid, however, through the draft of a corresponding Group directive, the adoption of which is planned for 2026. The further expansion of the comprehensive SCMS will remain a key objective in the coming year as well. Key elements of the Social Compliance Management System include annual and event-driven risk analyses, the derivation of appropriate 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 in the 2025 financial year. The risk analysis for our own operations is carried out across the Group and, through the consideration of country- and sector-specific risks, also provides key insights into risks along our value chain. The more detailed risk analyses conducted as part of the Social Compliance Management System therefore further refine the existing Group-wide general risk analyses from a methodological perspective. This enables the prioritisation of risks and supports the intended risk-based approach to identifying human rights risks.

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 (anonymously if desired), through the ombudspersons, or directly to the Human Rights Officer. A special action plan – the **remedy action plan** – was designed to initiate the appropriate remedy in a structured manner. The remedy action plan serves as a guide in identifying actual or imminent violations – both within our own operations and among suppliers. The action plan provides for a clear and immediate process. This process 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 in dealings with rights holders or their representatives, regarding timelines, cooperation within the supply chain, and compliance with relevant due diligence standards. On the basis of this assessment, the plan of action is drawn up and implemented, followed by a final review of its effectiveness and the documentation process.

Reporting on the Social Compliance Management System and the implementation of due diligence obligations is carried out annually and ad hoc to the management, which includes the STRABAG SE Management Board and the management of the relevant corporate divisions. The information is shared with the Supervisory Board upon request and as warranted. Implementation of the Social Compliance Management System in operations takes place through close cooperation with the responsible interface managers in the relevant specialist departments and with the corresponding representatives at country level.

Human Rights Officer

The Human Rights Officer has been responsible for monitoring the Social Compliance Management System and reviewing its effectiveness since 2023 and acts in an advisory capacity to management, which is responsible for fulfilling human rights due diligence obligations. He or she is independent and not subject to instructions. The associated Social Responsibility team focuses specifically on the topics of **human rights**, **labour standards** and **social responsibility**, giving consideration to the needs of our own workforce, workers in the supply chain and the impact of our value chain and business activities on society.

Reporting

In accordance with the UK and Australian Modern Slavery Acts, STRABAG until 2024 published an annual statement highlighting the relevance of human rights risks in our business activities and supply chain. Starting with the 2024 financial year, we publish annual modern slavery statement in accordance with UK and Canadian legislation. As STRABAG had no active projects in Australia in 2024, no statement was published under Australian legislation, in accordance with the legal requirements. Following the acquisition of Australia's Georgiou Group in 2025, an appropriate statement has again been prepared. In line with the German Supply Chain Due Diligence Act, STRABAG publishes a policy statement and an annual report for the 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 50,407 blue-collar workers (57% 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 of risks and opportunities was carried out primarily on the basis of external data sources such as scientific studies and industry analyses, as risks and opportunities often have indirect and long-term effects and can therefore only be translated into monetary terms to a limited extent.

At STRABAG, negative impacts occur predominantly in isolated cases. There are no indications of systematic occurrences within the Group, although the likelihood of certain negative impacts is higher for industry-related reasons. Due to the thematic diversity involved, the implementation of appropriate actions to manage these impacts and fulfil our due diligence obligations extends across various 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

Aspects of human rights are strategically embedded in our sustainability strategy. 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 to maintain our position as an attractive 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.

The implementation of our **Social Compliance Management System (SCMS)** 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 a range of formats to enable and promote a respectful dialogue and exchange with our employees. These include the annual appraisal interviews and the exit interviews conducted when an employee leaves the company, with insights gained incorporated into the further development of human resources. Depending on the circumstances and as needed and possible, employees are actively involved in the review of workplace accidents in order to integrate the insights gained into the accident-related lessons learned. There is no further, 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. Internal networks and programmes such as Female Leaders, as well as interaction opportunities on the intranet, create additional platforms for dialogue. In 2025, the Management Board adopted a mandate to develop a strategy aimed at strengthening the integration of blue-collar employees into the processes of strategic HR development. The objective is to enhance the company's attractiveness as an employer and to strengthen employee retention, particularly among blue-collar staff, including through an expanded range of training and professional development opportunities. To identify appropriate action areas, several hundred interviews were conducted with blue-collar employees.

Employee representation

In several countries where the Group operates, works councils exist in accordance with the relevant national legal frameworks. Depending on the specific legal provisions, the role of the works councils – in the spirit of co-determination within the workplace – is to promote the economic, social, cultural and health interests of employees, thereby supporting both their own well-being as well as that of the company. This includes the involvement of the works council, among other things, in the implementation of training programmes and occupational safety measures. Due to the different legal frameworks, however, there is no uniform standard applicable across the Group.

Regular coordination meetings between works council members and management are intended to ensure a constructive exchange on personnel-related topics. A higher-level body is the SE Works Council of STRABAG SE, which ensures representation for all employees within the EU, the EEA, Switzerland and states currently in accession negotiations with the EU. This body also includes employee representatives from countries where, due to the respective legal framework, no national works council exists. The SE Works Council of STRABAG SE 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 effectiveness review assesses whether the violation has in fact been remedied, whether no recurrence occurs and whether appropriate preventive measures have been implemented.

The ombuds 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 2025 are explained in a separate section of this chapter.

The members of the works councils play a central role in safeguarding employee interests. STRABAG SE has an SE Works Council that delegates the employee representatives to the Supervisory Board of STRABAG SE. In addition to the SE Works Council, there also are 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 national 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. He or 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. The Human Rights Officer is responsible for monitoring the Social Compliance Management System as well as reviewing its effectiveness and acts in an advisory capacity to management.

Policies, actions and targets

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

Occupational safety and health

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 2025. 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. In accordance with the Group HSW Directive, responsibility for this area lies with the Management Board of STRABAG SE, which has tasked the head of the HSW central staff division with implementing measures, strategies and targets. 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)
- PSA Group Committee (meets once a year)
- PSA National Committee (meets once a year)

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, and to set a more ambitious target in view of the good performance, the acceptable accident frequency rate (number of work-related accidents per million hours worked) was reduced from 35 to 30. The value is valid from 1 January 2026 and applies to 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, or, for specialist entities, 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 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 and has been transposed into national law in the EU member states.

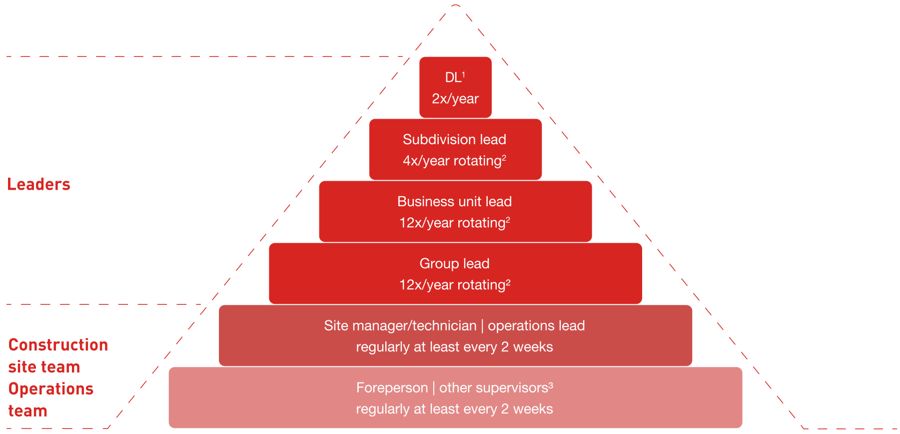
To maintain safe working conditions, risk assessments (both psychological and physical) are carried out for each area of work to derive relevant protective measures and/or, rescue concepts as well as corresponding training and instruction needs. This evaluation is carried out for employees at all levels. 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. To support the systematic implementation and monitoring of these standards, digital tools and platforms are used across the Group to enable the structured collection, analysis and evaluation of safety and health data. This provides the basis for the continuous improvement of occupational safety and health processes.

LEAN 5S for greater occupational safety

Safety on the construction site is directly linked to safe workplace design. For this purpose, **standardised checklists and questionnaires based on the LEAN 5S approach** have been developed across the Group and integrated into the site inspection process. The 5S questions cover aspects such as cleanliness and order on the construction site, the design and marking of storage areas, and the organisation of routes and walkways. The results and digital evaluations of the 5S inspections are communicated to management in order to implement improvement measures in a targeted manner.

Minimum number of documented inspections



[1] Division lead
[2] Rotating means: inspections carried out at different construction sites/workplaces.
[3] 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 as well as on noticeboards and through instructions 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 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. This is intended to ensure that all employees are equipped with high-quality protective equipment that complies with the applicable standards and that it is used properly.

Stronger focus on wellbeing

Alongside occupational safety and health protection, the topic of **wellbeing** is also becoming increasingly important within the Group. After all, safe working conditions require not only protection against accidents and illness, but also the physical, mental and social wellbeing of our employees.

To promote wellbeing, a range of actions are coordinated across the Group by the wellbeing specialists in the central Health, Safety & Wellbeing (HSW) staff division and in the currently 16 HSW country organisations, and implemented within the operational entities. A central element is the HSW bus, which is deployed both on construction sites and at office locations.

As part of the HSW bus programme, various screenings are offered, including:

- muscle strength diagnostics
- cardiovascular checks including ECG
- lung function tests
- blood pressure measurement

During the reporting year, 119 bus deployments took place (2024: 67) in Germany, Austria and Switzerland, during which a total of 3,330 employees (2024: 1,860) were examined.

In addition to mobile health checks, Group-wide actions to strengthen mental health are also organised. These include, among other things, programmes for stress management, nutritional counselling, exercise and ergonomics programmes as well as the assessment of psychological strain in the workplace. The actions are offered both online and in person, enabling them to reach a wide audience. In 2025, 40,427 white-collar (salaried) employees (2024: 40,105) and 29,135 blue-collar (hourly) workers (2024: 18,089) made use of the wellbeing programmes.

Another important action that was continued in 2025 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. The platform consists of different modules that are being developed, piloted and rolled out in a step-by-step manner. Group-wide roll-out of the platform is scheduled for 2026.

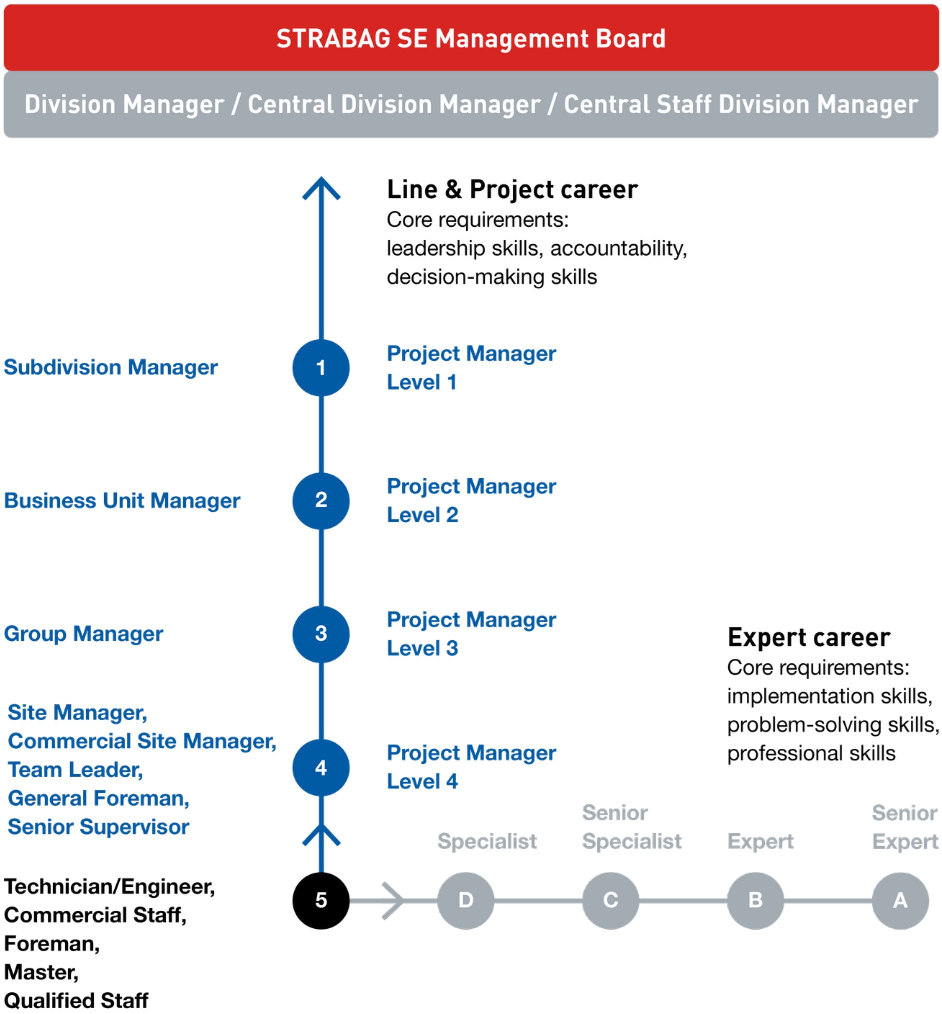
Strategic human resource development

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**, approved by the STRABAG SE Management Board, summarises the structures and processes in the area of People & Culture for all Group entities. This covers all phases of the candidate and employee journey at STRABAG – from initiatives to attract personnel to actions designed to retain our employees to processes 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 in accordance with the Group Directive on People & Culture Development. 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



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 exchange formats were used to discuss 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 2025, employee retention reached 6.0 (2024: 5.2), thus achieving the target value of 5.5.

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.

Some of the implemented actions are aimed at increasing the rate of employee appraisal interviews. The Group Directive on People & Culture Development 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. An e-learning course on how to properly assess employee skills was launched in 2024 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. As a voluntary course, there is no target rate for completion. By 31 December 2025, the course had been completed by 67.7% (2024: 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. In 2025, an increased target value of 30% to 50% was agreed, to be achieved by 2027. A development plan was in place for around 30% of salaried employees in 2025.

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 are also used to derive actions for strategic personnel development. The offboarding process for salaried employees is being gradually digitalised by sending questionnaires to departing staff. This is intended, on the one hand, to increase the response rate and, on the other, to enable evaluations to be carried out in anonymised form. Following a pilot phase in 2025, the process is to be rolled out across the Group in 2026.

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 Group-wide EDI Coordinator has been positioned within the central division P&C DEV with responsibility for the implementation and continuous development of the EDI strategy and objectives. An interdisciplinary EDI project team, including a member of the Management Board, meets several times a year to jointly discuss further impulses and measures and to initiate them at the Management Board level. 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. An increase of 3.6% was achieved in 2025.
- **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 employees: In 2025, the e-learning program in place since 2024 was translated into nine additional languages. This established the basis for extending the requirement, which had previously applied exclusively to leadership employees, to all STRABAG employees. The e-learning course has been mandatory for all employees since 1 January 2026. The completion rate for leadership employees as at 31 December 2025 stood at 87.5%.

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. The Female Leaders@STRABAG programme was established in 2025 to promote the personal development of female leaders and to strengthen their networking within the Group through targeted mentoring and coaching. The programme will continue to be offered in 2026.

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 2025, STRABAG employed a total of 88,556 people. Of these, 50,407 were blue-collar (hourly) workers and 38,149 were white-collar (salaried) workers. The number of employees in FTE is 80,211 (in line with the information in the notes to the consolidated financial statements). 3,269 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	**2025**	2024
Male	71,030	69,647
Female	17,526	17,236
Other	0	0
Not reported	0	0
Total employees	88,556	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	**2025**	2024
Germany	38,921	39,013
Austria	13,181	13,002

Countries and regions in which the number of employees accounts for less than 10% of the total workforce	**2025**	2024
Poland	7,273	6,581
Americas	5,451	5,822
Czech Republic	4,839	4,319
Hungary	2,839	2,923
Middle East	2,712	2,082
Romania	2,500	2,212
Slovakia	1,534	1,595
Croatia	1,355	1,356
United Kingdom	1,217	1,472
Serbia	1,146	1,232
Asia	945	1,052
Australia	857	3
Switzerland	843	827
Benelux	767	744
Rest of Europe	696	955
Bulgaria	448	415
Sweden	276	264
Slovenia	251	251
Africa	239	517
Italy	218	195
Denmark	48	51

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

	Year	Female	Male	Other[1]	Not disclosed	Total
Number of employees	**2025**	17,526	71,030	0	0	88,556
	2024	17,236	69,647	0	0	86,883
Number of permanent employees	**2025**	15,135	62,347	0	0	77,482
	2024	14,726	60,679	0	0	75,405
Number of temporary employees	**2025**	2,391	8,683	0	0	11,074
	2024	2,510	8,968	0	0	11,478
Number of non-guaranteed hours employees	**2025**	n.a.[2]				
	2024	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	2025	2024
Total number of employees who have left the undertaking	6,163	5,862
Rate of employee turnover[1]	8.0	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 96% of STRABAG employees are covered by a collective bargaining agreement (calculated on a head count basis). The information in the table below remains unchanged from the previous year.

Information about the works council

More information

	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.

Diversity metrics

ESRS S1-9

	Unit	**2025**	2024
Gender distribution			
Women in the Group	head count	17,526	17,236
	%	19.8	19.8
Women in management[1]	head count	173	150
	%	11.8	10.7
Women on the Supervisory Board[2]	head count	4	4
	%	36.4	44.4
Women on the Management Board	head count	0	0
	%	0.0	0.0
Men in the Group	head count	71,030	69,647
	%	80.2	80.2
Men in management[1]	head count	1,295	1,250
	%	88.2	89.3
Men on the Supervisory Board[2]	head count	7	5
	%	63.6	55.6
Men on the Management Board	head count	5	5
	%	100.0	100.0
Age distribution			
< 30 years	head count	15,516	15,359
	%	17.5	17.7
30–50 years	head count	45,536	44,519
	%	51.4	51.2
> 50 years	head count	27,504	27,005
	%	31.1	31.1

1 Hierarchy levels from business unit management up (corresponds to management levels 0–2 – see graphic representation of the career model in this chapter)

2 As at 31 December 2025

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 (corresponding to the category “For allocated STRABAG employees”), 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.

Employee appraisal interviews (calculated on a head count basis)

	Unit	**2025**		2024	
		For all STRABAG employees[1]	For allocated STRABAG employees	For all STRABAG employees[1]	For allocated STRABAG employees
Employees that have participated in regular performance and career development reviews	%	35.2	85.0	32.1	82.6
Percentage of women	%	55.3	86.4	51.5	84.1
Percentage of men	%	30.2	84.5	27.4	82.0

1 According to ESRS standards. Includes salaried employees and hourly workers.

Training hours (calculated on a head count basis)

	Unit	**2025**	2024
Training hours per employee	number of hours	5.2	5.1
Percentage of women	number of hours	7.5	7.1
Percentage of men	number of hours	4.6	4.6

Health and safety metrics

ESRS S1-14

	Unit	**2025**	2024
People in the own workforce who are covered by the health and safety management system (%)	%	100.0	100.0
Fatalities from work-related accidents among own workforce	number	1	2
Fatalities from work-related accidents among subcontractors	number	4	2
Recordable work-related accidents	number	1,805	1,870
	rate[1]	12.3	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	49,583	51,008

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.

STRABAG has revised the methodology for determining days lost. Starting with the current reporting year, both weekend days and statutory public holidays are included in the calculation. The days lost reported for the previous year have been recalculated accordingly to ensure comparability between the two financial years.

	2025 (new calculation method)	2024 (new calculation method)	2024 (old calculation method)
Days lost to work-related injuries and fatalities	49,583	51,008	35,286

Remuneration metrics

ESRS S1-16

	Unit	**2025**	2024
Gender pay gap	%	16.3	16.7
Annual total remuneration ratio[1]	factor	49.6	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	**2025**	2024
Total number of reported incidents of discrimination, including harassment	number	75[1]	33
Number of complaints, excluding reported cases of discrimination	number	8	14
Total amount of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed above	T€	3	0
Severe human rights incidents connected to the company's own workforce[2]	number	0	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	0
Total amount of fines, penalties and compensation for damages for severe human rights incidents connected to the company's own workforce	T€	0	0

[1] The increased use of the whistleblowing scheme is attributed to improved communication via the intranet, during training sessions and on the website.

[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 recognised fundamental human rights. As our corporate responsibility extends to all workers in our upstream and downstream value chain, the same principles apply accordingly. STRABAG's value chain is highly complex and characterised by a great diversity of different projects. With 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, is an integral part of the Group-wide sustainability strategy. The risks, impacts and opportunities identified through the risk analysis and the double materiality assessment feed into strategic considerations. They form a central basis for the strategic direction and the prioritisation of our key action areas from which we derive the three focus topics of our sustainability strategy:

- Our employees
- Human rights along the value chain
- Added value for society

In addition, stakeholder dialogue formats in which we participate or which we organise provide valuable insights and suggestions that may feed into our strategic decisions. The specific influence of individual dialogue formats is difficult to determine, however, as they usually represent only one of several aspects in the decision-making process. Through this approach, new information was obtained in 2025 and contact was established with additional stakeholders. In the coming year, the dialogue with our business partners regarding responsibility along the supply chain will be further strengthened; the effectiveness of exchange formats will be improved and – where possible – made measurable.

For the focus topic "Human rights along the value chain", the Group-wide implementation of the Social Compliance Management System (SCMS), compliance with human rights and the fulfilment of our corporate due diligence obligations have been defined as strategic objectives. To implement these objectives, an action cluster has been developed which includes, among other things, the expansion of the risk analysis to additional Group companies.

Implementation of our due diligence obligations

STRABAG's Social Compliance Management System (SCMS) applies along the entire value chain and is overseen by the Group-wide **Human Rights Officer**. Cooperation with various Group entities is essential for the implementation and Group-wide roll-out of the SCMS. Purchasing is particularly important in this context. Within the purchasing process, supplier management plays a key role in implementing human rights standards along 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 being driven forward within the Group through corresponding projects and the involvement of the purchasing organisation.

As part of our due diligence obligations, we identify and assess actual and potential adverse impacts arising from our business activities along the value chain and commit to preventing, mitigating, minimising, remedying and monitoring them. During **identification of the material impacts**, we consider both the upstream and downstream supply chain as well as different groups of workers along the value chain. This includes, for example, workers employed by other companies who work at our sites as well as workers who are particularly vulnerable to certain risks. As part of the risk assessment, country indices are used in particular to identify workers further down the value chain (tier-n) who work in countries where human rights are not protected by law.

If the risk analysis identifies an increased 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 for self-disclosure concerning the identified risks and through **supplier audits**. If the deficiencies are not remedied and the risk is not reduced, the final step is to terminate the business relationship.

The **double materiality assessment** identified the following topics as impacts that STRABAG has on workers in the supply chain: working hours, adequate wages, health and safety (including fatal workplace accidents), child labour and forced labour. No material positive impacts on workers in the value chain were identified. All identified impacts are to be understood as systemic. They occur particularly in 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.

Our **risk assessment by country and sector** indicates the extent to which the impacts affect the groups of persons listed below. The following groups of affected workers are considered particularly relevant:

- employees and workers of subcontractors
- workers engaged on construction sites through recruitment agencies or subcontractors
- workers active in the upstream value chain for STRABAG, especially in the deeper upstream value chain, for example in raw material extraction

Given the wide variety of projects and business areas, a uniform and at the same time precise description of the affected workers is not possible. Our understanding of which groups of persons are exposed to higher risks of harm is to be continuously improved. It is, however, possible to identify which impacts are particularly relevant for these types of workers.

Workers on construction sites who are not employed by STRABAG may potentially be affected by forced labour, inadequate remuneration or violations of occupational safety standards – particularly low-income individuals or workers of subcontractors performing manual and hazardous tasks and facing language barriers. In the upstream supply chain, there are risks of child labour and forced labour, especially in raw material extraction. Such working conditions may have long-term physical, psychological or financial consequences.

In the course of the risk analysis conducted in accordance with the German Supply Chain Due Diligence Act (LkSG), which is based on external, internationally recognised indices and sources, certain regions were identified as having an elevated abstract risk of forced labour. In isolated cases, STRABAG's upstream value chain has touchpoints with these risk-exposed regions and sectors. For example, the abstract risk of forced labour is elevated in certain sectors in Russia, Serbia and Turkey. With regard to the abstract risk of child labour, the analysis indicates an increased risk in one sector in China. For the risk assessment, data from direct suppliers were included beyond the scope of the LkSG. This approach will be gradually expanded in the coming years.

Ongoing review of potential risks

Violations of the prohibition of forced labour may pose a financial risk, for example due to the need to terminate business relationships immediately, which could lead to disruptions in the supply chain. In 2025, there were **no indications or incidents relating to forced labour**, so there are currently no financial effects for STRABAG. However, the risk remains.

The financial risk associated with child labour is no longer assessed as material in 2025. The likelihood of occurrence of both forced and child labour risks is continuously reviewed in the analysis. Due to the significantly lower likelihood of child labour occurring in our supply chains, the potential financial risk is considered not material.

Policies

ESRS S2-1

In addition to its Policy on Employment Conditions and Human Rights, STRABAG has a Supplier Code of Conduct and a Supply Chain Management Policy. These apply to the entire value chain and to the workers engaged within it.

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. In principle, the Supplier Code of Conduct applies to all suppliers and is generally embedded in the General Terms and Conditions. The contents of the Code also form part of sustainability audits. The Supplier Code is part of the Group-wide Ethics and Business Compliance System and as such is subject to control by the Corporate Responsibility Office (Business Compliance Group).

The ethical principles addressed in the Supplier Code of Conduct include respect for universal human rights, ensuring fair working conditions and assuming social responsibility. 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 personnel

It also includes compliance with the following topics:

- universal human rights
- freedom of assembly
- rules on occupational safety and health
- 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
- climate change mitigation
- promotion of a circular economy
- environmental protection and biodiversity
- responsible procurement

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 applies across the entire Group. Procurement is the responsibility of the operational entities, supported by central procurement management. At Group level, committees have also been established to develop and revise (further) standards and strategies – including the contents of the Supply Chain Management Policy – on behalf of the Management Board of STRABAG SE and to plan their implementation. In contrast to the Supplier Code of Conduct, the Supply Chain Management Policy is not communicated to our suppliers, subcontractors or business partners but serves as a framework policy for our purchasing and procurement process. The Supply Chain Management Policy was revised in 2025 to incorporate additional human rights and environmental risks and obligations. These include climate change mitigation, the promotion of a circular economy, environmental protection and biodiversity, and the promotion of responsible procurement. The policy requires compliance with international human rights standards such as the Core Conventions of the International Labour Organization (ILO) and the UN Universal Declaration of Human Rights, as well as the prohibition of forced labour along the supply chain – whether in procurement or in the manufacture of products. Through this revision, sustainability has been fully integrated into the calculation and purchasing process Minimum requirements and sustainability criteria are defined and embedded in the policy. The overarching objective is to create greater 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 employees and external third parties, including external workers, and is anchored as an action within the sustainability strategy. The reports received may feed into strategic considerations for the adaptation of actions to address negative impacts. Annual effectiveness reviews by the Human Rights Officer, along with reviews of all incoming reports, are used to identify possible structural or systemic problems to be addressed strategically over the long term through countermeasures. Use of the system by external whistleblowers is confirmation of its reach. The whistleblower system can be used to report information and incidents and to provide feedback on the system itself. Whistleblower notifications, as well as feedback on the system, can also be sent directly to the ombudspersons and the Human Rights Officer.

In 2025, 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 received constituted a serious violation of the law. All reports are also examined for potential structural or systemic problems requiring appropriate action. The full review of reports received in 2025 did not indicate any structural or systemic problems.

Actions and projects

ESRS S2-3; ESRS S2-4

Once we have identified risks, we implement targeted preventive actions and remedies as part of our Social Compliance Management System. The aim is to reduce, prevent and remedy 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 actions include, among other things, appropriate contractual provisions as well as questionnaires, **training measures and sustainability audits** along the supply chain at suppliers, subcontractors and business partners to reduce and prevent negative impacts and risks related to human rights and the environment. This also reduces the likelihood of financial risks occurring – from lost revenue and a decline in brand value to potential criminal consequences.

The selection of suppliers to be audited is risk-based. In 2025, the Social Responsibility Group accompanied audits of direct STRABAG suppliers in Germany and Poland. No serious violations were identified. Recommendations for improvement – primarily proposals for updating or optimising documentation and processes – were communicated to the suppliers. Based on the risk analysis, new risk-based audits are planned. The audits serve to identify possible deficiencies or negative impacts, such as violations of occupational safety and health standards, and to implement or further develop appropriate remedies. Due to the risk-based approach, no specific target has been defined regarding the number of suppliers to be audited. Audits are carried out following the identification of risks or in the event of violations. The objective is therefore not a specific number of audits but a high level of effectiveness and improvements resulting from the audits.

Awareness-raising as key

The overarching topic of human rights is addressed in various training courses, which cover general as well as job-specific content. Training and awareness-raising actions are aimed primarily at employees in purchasing, as they play a key role in deciding on business relationships with suppliers. Buyers from numerous organisational entities and countries are trained through an e-learning course on human rights due diligence obligations – specifically on human rights topics along the supply chain – and are required to complete this training annually. 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 in German and English and, since 2025, also in Spanish. A revision is also planned to adapt the e-learning course for employees in cost estimation.

We provide remedy where a violation has occurred and assess each case individually. 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 number of reports received through the STRABAG whistleblowing system serves as an initial indicator of whether the system is being used and whether certain actions may not have had the intended effect. To assess the actual effectiveness of the actions, an annual effectiveness review within the scope of the LkSG is carried out, which also includes the consideration of Group-wide actions. In this review, all relevant actions are qualitatively or quantitatively assessed according to the key elements of the management system (culture, targets, organisation, etc.). This includes examining the type of action involved (e.g. prevention or remedy), the impact target it supports, how the KPI – where applicable – has changed compared with the previous year, whether rights holders were involved, whether sufficient data are available for assessment, whether new responsibilities need to be assigned and whether additional resources are required. Depending on the evaluation, recommendations are subsequently made for adapting the action itself and – where necessary – for improving the evaluation of the action in the future (e.g. through sample checks).

Active exchange with actors in the value chain

By organising and participating in **regular stakeholder dialogue formats**, we aim to actively involve actors from our value chain. These include stakeholders from our own business operations as well as from the value chain and representatives of the public. Through dialogue, we aim to promote active exchange with actors in the value chain such as suppliers, business partners and employee representatives. In 2025, within the framework of a stakeholder format, we obtained feedback from experts and representatives of rights holders on planned actions intended to improve the identification of human rights risks on construction sites. Specifically, the aim is to raise awareness and provide information on indicators of possible human rights violations through various communication tools (e.g. posters) and to communicate recommendations for action on how to deal with them. The objective is that employees on construction sites and affected persons will use reporting channels more frequently, enabling remedy to be provided and increasing transparency regarding human rights risks on construction sites. Feedback was sought in particular on whether the selected indicators are representative, whether the language and approach are suitable for the target group and which additional communication methods could be used to convey the messages. The next stakeholder dialogue will take place in 2026. The views and feedback of participating stakeholders feed into the further consideration and development of the actions.

Another objective that was successfully implemented was maintaining relationships and establishing new contacts with actors along the value chain. In 2025, we participated in several stakeholder dialogues focusing on human rights due diligence obligations in the supply chain. In these informative exchange formats – such as conferences, dialogue series or networking meetings – experiences, approaches, challenges and best practices were shared. The contribution of a wide range of actors – suppliers, clients as well as NGOs and business partners – helped us to improve our understanding of effective actions and the needs of affected persons. Discussions within this group on topics such as the implementation of due diligence obligations in specific sectors (e.g. mining, logistics) or specific contexts (e.g. deeper supply chains, high-risk regions) enabled us to gain additional insights. This was achieved, among other things, through methodological approaches such as the evaluation of audit case studies or workshops on questions such as: “How can communication barriers between companies and suppliers be reduced and partnership-based solutions be found?” The insights gained support the further development of actions in the future. However, no specific actions or changes to our approach that can be attributed to a specific dialogue format have yet been derived.

Targets

ESRS S2-5

For 2025, STRABAG has set itself the target of **implementing the Social Compliance Management System (SCMS) throughout the Group**. To date, the system is being used for a number of companies representing 58% of revenue. At present, the system has not yet been implemented across the entire Group. However, the necessary basis has already been established through the draft of a corresponding Group directive, the adoption of which is planned for 2026. The objective of implementing the Social Compliance Management System across the Group therefore remains in place. After adoption of the Group directive, further steps for programme-level implementation – such as awareness-raising measures – will follow. The precise timetable has yet to be determined.

Through the comprehensive implementation of the Social Compliance Management System, existing Group-wide risk assessments will be deepened in order to identify human rights risks for workers of Tier-1 suppliers and to implement appropriate preventive actions and remedies. In addition, risks in our deeper supply chain are examined on an event-driven basis and preventive actions are implemented on a risk-based basis, with remedies carried out whenever necessary. Cooperation with various Group units ensures implementation in the operational entities of the Group.

The development of the targets lies within the responsibility of the Social Responsibility Group. After development, the targets 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 for defining its content, workers in the value chain or their representatives were not involved in setting the targets. The Group-wide Human Rights Officer reviews the effectiveness and monitors the achievement of the targets.

Affected communities

ESRS 2 SBM-3

At STRABAG, we view our social responsibility not only as an obligation towards society, but also as an opportunity to have a positive impact on local communities. This includes municipalities and local residents but also indigenous peoples.

The topic of **social responsibility**, and with it the assumption of responsibility towards society and affected communities, was incorporated as an integral part of our Group-wide sustainability strategy during its expansion.

The focus topic "Added value for society" includes as strategic objectives generating positive impacts for society, taking into account our potential negative societal impacts and improving the interaction with, or the inclusion of, affected communities. Implementation includes, among other things, conducting stakeholder dialogue formats, implementing guiding principles for interaction with affected communities and using additional communication tools for stakeholder engagement. The aim is also to create social value, for example through the promotion of social and cultural institutions and the expansion of infrastructure.

The double materiality assessment identified the following topics as impacts that STRABAG has on affected communities: adequate food, water and sanitation, and disputes related to land rights. These impacts can be considered systemic, as impairments of natural livelihoods and land-use conflicts may occur, particularly in countries with low environmental protection standards and insufficient legal frameworks. A resilience analysis was not carried out.

Affected communities were identified as a potentially vulnerable group. Municipalities or communities are understood as groups of people who may be directly or indirectly affected by impacts:

- Local residents in the immediate vicinity of construction projects who are directly affected by the impacts of our activities.
- Affected indigenous peoples and communities located either close to construction projects or further away.

No additional groups of affected communities were identified. A detailed analysis of affected communities with the determination of specific characteristics or respective risk of harm has not yet been carried out. Our construction activities may lead to negative impacts on the health and wellbeing of the population. Negative impacts on local residents, affected indigenous peoples and communities include:

- Impairment of natural livelihoods, including soil, air and water pollution: construction-related changes to existing infrastructure may have potential negative impacts that could endanger food production and the availability of clean drinking water and sanitation facilities, particularly for local residents.
- Land-use conflicts: particularly with regard to indigenous peoples, whose socio-cultural practices are often linked to specific land areas. Changes to or repurposing of these areas may lead to impacts on the cultural and intangible heritage of indigenous peoples.

In the case of forced evictions and land-use conflicts, particularly where indigenous peoples are affected, potential reputational risks and loss of revenue may arise. However, these risks were not assessed as material for the year 2025.

Construction services as added value for communities

Improvements to infrastructure can create positive value for local communities. This includes the construction of transport routes and tunnels, the creation of housing, public buildings and squares, as well as barrier-free construction projects, all of which can promote social interaction and more inclusive access for residents and local communities.

Policies

ESRS S3-1

Policies and documents for download

Find out more

At STRABAG, we assume responsibility for our business activities and for the local communities affected by them. This commitment is described 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 unlawful 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 appropriation of land, forests and waters.

Processes for engaging with affected communities and providing remedy

ESRS S3-2; ESRS S3-3

The engagement of affected communities or their representatives in our risk and opportunity management does not currently follow a structured process. Depending on the project, interaction takes place in various ways, depending on the construction phase, frequency and specific actions selected. These include analysing stakeholder groups and their needs, providing information through notices, flyers and posters or a dedicated website, as well as engaging in direct dialogue with municipalities, for example through an open construction site day or participation in public consultations. Communities are generally involved directly, although legitimate representatives may also be consulted. The engagement of indigenous peoples also takes place in different ways depending on the project. When engaging and interacting with indigenous peoples, we attach great importance to respecting their culture, way of life and customary rights and commit to free, informed and prior consent. These principles are also set out as an obligation in our Policy on Employment Conditions and Human Rights. In close consultation with the respective client, we seek to consider the engagement of indigenous peoples already during the planning phase. STRABAG attaches great importance to respecting cultural, intellectual, religious and spiritual property, as well as land-use rights, relevant legal and administrative provisions, and national laws concerning the rights of indigenous peoples. Individual Group companies, such as in Canada, have established a community management system responsible, among other things, for involving the affected communities, including indigenous peoples. All processes and actions applicable within a respective project for engaging with affected parties also apply to the engagement with indigenous peoples as an affected community.

To enable a structured process for engaging with local residents and communities, the idea of implementing a guideline as an appropriate measure was validated in 2024 and initial concepts were jointly developed. During further development in 2025, it was decided as a first step to develop guiding principles, which will be adopted in 2026. In a second step, the contents of the guideline will be communicated through various communication tools that allow for more flexible adaptation to different contexts. The guiding principles set out Group-wide recommendations for the engagement process and include principles for transparent and sincere interaction with affected communities, including early involvement of relevant stakeholders, cultural sensitivity and a stakeholder- and dialogue-oriented approach.

In order to incorporate the perspectives of local residents and communities and to anchor elements particularly relevant to affected parties within the guiding principles, the principles were developed in collaboration with internal and external stakeholders. Following exchanges with subject-matter experts – including internal community managers from several countries as well as advisory support from an external NGO – a first version of the guiding principles for engagement with affected communities was prepared and will be adopted across the Group in 2026.

Given the diversity of STRABAG's business activities, the effectiveness of a universal procedure cannot be 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 incorporation at the operational project level depends on the organisational structure of the respective client.

A key component for engaging local communities is the STRABAG whistleblower system as a way to contact STRABAG directly and report possible violations. The whistleblower system is also embedded as an action within the revised sustainability strategy. The reports received may feed into strategic considerations for the adaptation of actions to address negative impacts.

In 2025, 16 tips were received involving affected communities in the categories of "human rights and employment conditions", "discrimination" and the "environment".

No serious legal violations were identified based on the reports received. All reports are also examined for potential structural or systemic problems requiring appropriate action. The full review of reports received in 2025 did not indicate any structural or systemic problems.

Issues or complaints can be reported not only to the designated contact persons but also at any time via the **STRABAG whistleblower platform**. After receiving reports or notifications of violations, appropriate case-specific remedies are initiated. Every report is followed up in order to resolve conflicts amicably wherever possible. Compensation payments and financial redress may also be used as remedial measures on a case-by-case basis and are reviewed and adjusted depending on the incident. The concept of the remedy action plan applies here as well.

Actions and projects

ESRS S3-4

At project level, **numerous 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 impairment of natural livelihoods, on local residents and other affected communities. Due to the large number of actions, many of which are integrated into daily operations, it is currently not possible to quantify the resources provided for managing material impacts.

Proactive communication with communities

We use several different ways to inform residents and affected communities about our construction projects. Information is communicated, among other things, in the form of flyers, letters or advertisements in local newspapers. Another widely used method is to affix information boards or banners at our construction sites. QR codes and posted notices directly at the construction site are used to provide contact details for relevant contact persons. Dedicated construction site websites are another 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 option frequently used is the direct exchange between employees and local residents at the construction site. This allows smaller issues to be resolved on the spot, without the need for escalation to a higher level.

In Germany, 188 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. Projects receiving DGNB certification are required to involve residents, property owners and local businesses through actions such as construction site visits, digital information displays, informational events, letter distribution, telephone hotlines or personal discussions.

There are no Group-wide requirements specifying which measures must be implemented from which project size onwards. The selection of actions and engagement options depends on the legal context, the location and size of the project, and the level of interaction required with local residents and affected persons. Likewise, the choice of the appropriate engagement format depends on the requirements and organisational structure of the respective client. 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 in advance about the project. 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 carried out during the planning and design phase of a project and must be completed before construction begins. The EIA does not prescribe any specific binding actions during the construction phase. The timing of the individual actions described depends on the respective project schedule.

No specific Group-wide actions were implemented in 2025, although individual actions were carried out for the duration of the respective construction projects. To strengthen the respect for the rights of affected communities, guiding principles were developed during the reporting year with the aim of promoting structured and respectful interaction with municipalities, local residents and indigenous peoples. For the development of these principles, existing actions for engagement with affected communities were collected and discussions were held with various internal stakeholders responsible for implementation, such as community managers. The aim was to identify which actions are suitable for Group-wide application and can be recommended. The principles are intended to encourage appropriate conduct towards affected communities, while allowing project-specific decisions as to which measures or processes should be implemented.

To prevent material negative impacts such as forced evictions or land-use conflicts, close coordination and cooperation with clients is necessary. In our Policy on Employment Conditions and Human Rights, we commit across the Group to respecting land-use rights and clearly oppose forced evictions. Should a violation nevertheless occur, we seek open dialogue with those affected or their representatives and involve them, where possible, in discussions with the clients.

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 set ourselves the goal of implementing a **Group-wide guideline for engaging local communities and residents** at project level. In 2025, a guideline was developed with the involvement of relevant internal and external stakeholders. As a first step, we derived internal guiding principles to be adopted in 2026. In a second step, the contents of the guideline will be prepared for different communication tools and made available to employees.

The targets and concept for the guideline were communicated to the Steering Committee Sustainability and to the Management Board before final approval by the Management Board of STRABAG SE. The Group-wide Human Rights Officer reviews the effectiveness and monitors the achievement of the targets.

Governance

2025

Business conduct

ESRS SBM-3

STRABAG, having defined the avoidance of corruption and anti-competitive behaviour as a material management responsibility, 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 results in a broad spectrum of risks for the company. It is therefore of utmost priority to address and counteract identifiable risks in order to prevent potential supplier defaults due to sanctions legislation and to avoid compliance violations and their consequences, such as fines and reputational damage. A holistic approach is used to identify country-specific risks as measured by the Corruption Perception Index (CPI) as well as risks specific to certain segments and business partners. The results also form the basis for the double materiality assessment that is carried out as part of the sustainability reporting.

Violations of the law must be prevented and incidents addressed with a forward-looking approach in order to uphold STRABAG's ongoing ambition to remain a reliable business partner, contractor and employer. To this end, STRABAG promotes compliant behaviour, ethical conduct and a corporate culture based on partnership and trust through comprehensive ongoing actions. A comprehensive training concept as well as the public whistleblower platform play a central role in this regard.

Group-wide cooperation

As of 1 January 2025, the central staff division Business Compliance & Management Systems was transferred into a new **Corporate Responsibility Office (CRO)**, which was tasked by Group management with implementing the Ethics and Business Compliance System. The head of the Corporate Responsibility Office also serves as Chief Compliance Officer of STRABAG SE and reports directly to the CEO.

The Chief Compliance Officer is supported in his tasks by Business Compliance Officers (BCOs), with another 50 Business Compliance Partners appointed 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 operational entities to address local risks. A strategic function within the Corporate Responsibility Office is carried out by the Business Compliance Committee, which consists of the heads of the central division Contract Management and Legal (CML) and of the central staff division Internal Audit along with the Chief Compliance Officer. The committee reviews proposals developed by the Business Compliance organisation for improving the Business Compliance Management System, investigates suspected cases of serious business compliance violations and ensures cooperation across the Group.

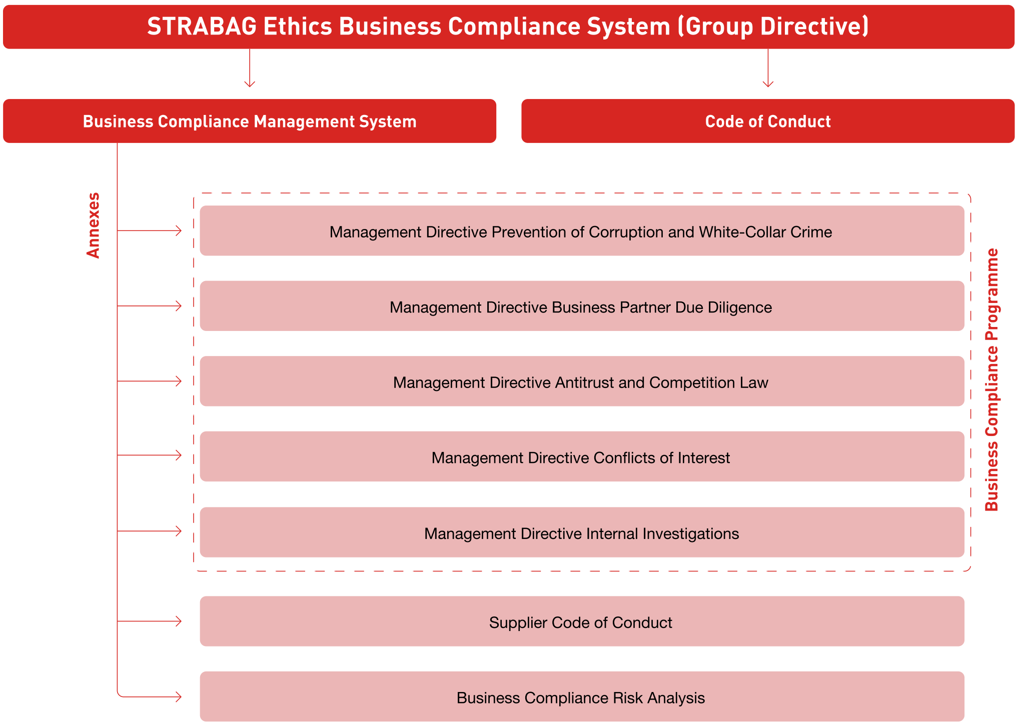
Policies

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 Management Board of STRABAG SE. The full 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 amendments to these core documents must likewise be approved by the full Management Board.

The Ethics and Business Compliance System consists of the **Business Compliance Management System (BCMS)** and the **Code of Conduct**, which defines the Group's ethical principles. 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 contents are communicated to all employees. The figure below illustrates the structure of the Ethics and Business Compliance System.

STRABAG Ethics and Business Compliance System



The **Code of Conduct** applies to all STRABAG employees and equally considers the interests of other stakeholders such as supervisory and governmental authorities as well as shareholders. The document has been approved by the Management Board of STRABAG SE. The principles set out in the Code of Conduct are specified and defined in detail by the Business Compliance Management System and the BCMS management directives and are continuously monitored, reviewed and further developed by the Corporate Responsibility Office. The document is available on the intranet to all employees in all Group languages and, where legally possible, forms part of the employment contracts. New employees are informed about the contents of the Code of Conduct as part of a mandatory compliance training. The Code of Conduct describes STRABAG's responsibility as a business partner as well as its responsibility towards employees and other stakeholders, based on corporate values such as 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 implementation across the Group comply with the requirements of ISO 37001 (Anti-Bribery Management Systems) and ISO 37301 (Compliance Management Systems). This also fulfils the key requirements of the UN Convention against Corruption, which defines best practices for businesses. STRABAG is the **first globally operating Austrian company to have Group-wide certification to ISO 37001 and ISO 37301**.

The STRABAG BCMS is an effective system to prevent business compliance risks such as corruption and bribery. The most important ongoing actions are described in this chapter. As these actions form integral components of the day-to-day business operations, it is not possible to say exactly which financial resources are allocated specifically to these actions.

The management directives serve as an annex to the STRABAG BCMS and define rules of conduct for the entire management and all Group employees. For clarity and practical application, they are divided into several thematic areas.

The management directive on the **prevention of corruption and white-collar crime offences** defines STRABAG's policy on invitations and gifts, donations and sponsorships, as well as interactions with public officials. Together with additional BCMS rules and defined processes for reporting and internal investigations, the directive serves to prevent, detect and address corruption and bribery in order to avoid corrupt behaviour at an early stage, identify risks and respond appropriately.

The management directive on **business partner due diligence** sets out mandatory standards for screening business partners and reviewing business relationships based on the risk analysis. It also defines screening measures that can be carried out independently of a specific business relationship in order to apply an enhanced due diligence standard in individual cases where necessary. The Corporate Responsibility Office also initiates ad hoc actions when required. Following Russia's invasion of Ukraine, the business partner review process was tightened further in March 2022 and a Group communication on sanctions list screening for business partners was sent to all division and central division managers. The policy stipulates that every business partner falling under the relevant parameters must be reviewed by Business Compliance Partners for sanctions list matches prior to contract conclusion.

The management directive on **internal investigations** was updated and put into effect in August 2025. It defines the standardised process for investigating suspected or actual misconduct. A key element of the directive is ensuring that compliance violations are assessed according to uniform principles and addressed with appropriate actions across the Group. Investigations are conducted independently and free from conflicts of interest by qualified personnel. Affected parties are involved in the investigation process in a transparent manner to ensure fair and comprehensible handling. Where violations occur, appropriate actions are recommended, with confidentiality of the results maintained at all times.

The management directive on **antitrust and competition law** describes appropriate conduct, defines review obligations for sensitive business relationships, addresses merger control and, where necessary, provides for the involvement of CML as an independent supervisory body as a way of safeguarding fair competition.

The handling of **conflicts of interest** is regulated in a separate management directive requiring all STRABAG employees to disclose potential conflicts of interest that they may have. In addition to avoiding conflicts of interest, transparent handling of unavoidable conflicts is a key priority as well.

ESRS G1-2

The Supplier Code of Conduct summarises STRABAG's principles of responsible business conduct, compliance with which is also expected from suppliers and subcontractors. These principles cover topics relating to business compliance, human rights, employment conditions, social responsibility, environment and responsible procurement. The Supplier Code of Conduct is generally incorporated into the General Terms and Conditions. Further information on the Supplier Code of Conduct can be found in the chapter Workers in the value chain. STRABAG is currently developing 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 integrated into both project-specific and cross-project supplier evaluations.

ESRS G1-3

Close cooperation exists between several central staff divisions for the implementation and management of the BCMS. The central staff division Internal Audit supports the central staff division Corporate Responsibility Office in enforcing the business compliance rules. Compliance with BCMS requirements is a permanent audit component of the regular compliance and property audits. Outside the regular audit activities, Internal Audit also becomes involved in special audits in coordination with operational entities or the Corporate Responsibility Office to investigate suspected cases of non-compliance.

Suspicious invoices are forwarded to the Business Compliance unit within the Corporate Responsibility Office via a business compliance monitoring process set up by BRVZ in all countries that it administers.

STRABAG whistleblower platform

Find out more

Potential misconduct related to business compliance (suspected corruption, bribery, conflicts of interest and competition law violations), discrimination, human rights and employment conditions, occupational safety and health, environment and data privacy can be reported via 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 and is available in all Group languages. Employees are informed about the whistleblower platform through the intranet and in training programmes.

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

Incoming reports are reviewed by independent case handlers. Ombudspersons responsible for handling cases involving discrimination, 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 functional description of the whistleblower system and a set of FAQs explain how reports are handled and how maximum protection and anonymity of whistleblowers and affected persons is ensured. All information and data entered into the STRABAG whistleblower platform are encrypted and can only be viewed by the responsible STRABAG case handlers. Case workers are instructed to ensure the protection of whistleblower anonymity through system briefings and ad hoc training sessions. Information on the reported incidents is used and shared only to the extent required for the investigation in line with the need-to-know principle. Every report or complaint relating to business compliance (including but not limited to suspected corruption and bribery, conflicts of interest and competition law violations), discrimination, human rights and employment conditions, occupational safety and health, environment and data privacy is investigated. Within the BCMS, the processes for internal investigations apply uniformly and across topics to all reports in the various categories. Depending on the circumstances, the responsible management will take corrective actions or disciplinary measures – up to and including warnings or termination of employment – to respond appropriately to identified offences and prevent future violations.

The final report contains proposals for actions and, where appropriate, process improvements, including improvements within the Business Compliance Management System itself. Depending on the severity of the violation, the report submitted 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 through various reporting processes. This is primarily due to the fact that the whistleblower platform is administered by several specialist departments reporting to different members of the Management Board. As the whistleblower platform is also used by local communities to submit complaints regarding construction sites, incoming reports are also handled directly with the management of the operational entities. The Human Rights Officer conducts an annual review of the effectiveness of the human rights complaints procedure, including an assessment of the functionality and processes of the whistleblower platform. Within the Business Compliance Management System, the Management Board and Supervisory Board are informed annually about significant compliance cases. The report also includes relevant developments and measures for the prevention, detection and handling of violations.

Comprehensive training concept for all employees

Comprehensive employee training of appropriate conduct in day-to-day business dealings, the definition of review obligations in sensitive business relationships, and awareness of the potential consequences of non-compliant behaviour are essential prerequisites for safeguarding fair competition. STRABAG therefore introduced a comprehensive training concept in 2013 to communicate to employees the current directives and processes for combating corruption and anti-competitive behaviour. The training includes in-depth instruction in criminal anti-corruption law, covering offences such as embezzlement, fraud and bribery as well as interacting with public officials. Depending on risk exposure, the training also covers the topics of cartel prohibition, the prohibition on abusing dominant market positions, and merger control under competition law. The training concept is continuously adapted and improved based on feedback from participants and the experience gained from incident management.

All STRABAG employees receive instruction on the rules for safeguarding fair competition immediately upon joining the Group in the form of mandatory e-learning, which must be repeated every two years.

As STRABAG's management (comprising business unit heads, subdivision heads and the heads of the divisions, central divisions and central staff divisions) plays an important role in the prevention of corruption and this group of persons must observe enhanced duties of care, its members are also required to attend special training courses on preventing corruption and competition law violations. Business unit heads and above must complete the basic training upon appointment to their position. In subsequent years, the training content is reinforced at greater depth through refresher courses. Both the initial training and the refresher courses are divided into a general section and a section on competition law. Members of management must complete the refresher courses every three years. As this risk frequently extends to group leaders, an advanced e-learning course for group leaders was introduced in August 2024. This course must be completed every two years.

The training concept, content and target groups are decided by the Management Board and reported to the Supervisory Board. The content is based on the core policy documents, which are likewise approved and reported. The risk areas and topics covered by the training 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. Given the Management Board's inherent duty to ensure compliance with both legal and self-imposed standards and to regulate these standards for all employees, no separate training is planned for the full Management Board.

The employee representatives on the Supervisory Board receive periodic training through STRABAG's general training programme. The other members of the Supervisory Board are exclusively persons with many years of experience in executive management or management board functions at renowned companies. In addition, the Supervisory Board possesses legal expertise as well as professional experience in auditing and tax auditing. Each year, one member of the Supervisory Board is audited by external certifiers with regard to the applicable BCMS. For these reasons, separate training for the Supervisory Board has been deemed unnecessary.

Training statistics

	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 2025					
Total to be trained	1,511	1,511	1,400	4,232	35,890
Total receiving training	1,431	1,424	1,284	4,041	32,801
Training coverage	95%	94%	92%	95%	91%
Training rates 2024					
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, 35 **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. These courses are held irrespective of the employees' hierarchical level.

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

ESRS G1-4

The German competition authority imposed a fine of € 5.1 million on a STRABAG SE Group company for anti-competitive agreements. The Group company cooperated with the German competition authority under its leniency programme, allowing the proceedings to be concluded by way of settlement. The fine was paid at the beginning of 2025.

In 2006, the Slovak competition authority imposed a fine of € 12.2 million on a subsidiary of STRABAG SE in proceedings concerning anti-competitive agreements. Due to lengthy court proceedings regarding the legality of the ruling and enforcement of the fine, the penalty was not paid until 2025.

In 2024, the total amount of fines paid in connection with the cases reported in STRABAG's 2024 Annual and Sustainability Report amounted to € 3.5 million. These violations were related to anti-competitive collusion.

On 11 March 2026, STRABAG AG (Austria), by means of a settlement, brought to a legally binding close the modification proceedings initiated by the Federal Competition Authority seeking judicial review of the final fine decision of 21 October 2021 for a € 45.37 million penalty. This case was reported in STRABAG's 2022 and 2023 Annual and Sustainability Reports. Following a thorough assessment of the factual and legal situation, the company decided to enter into this settlement by accepting a € 100.63 million increase in the fine to avoid a further lengthy court procedure, thereby bringing the cartel proceedings to a close.

STRABAG is working intensively on the further development of its Business Compliance System and is now the first Austrian company operating internationally to obtain group-wide certification under ISO 37001 and ISO 37301. As part of the continuous improvement of internal processes and compliance actions, STRABAG implemented additional self-cleansing and reorganisation measures alongside the training concept described above. Beyond training, further structural and organisational actions were therefore taken in order to ensure lasting compliance with all relevant legal and ethical standards.

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 2025, STRABAG once again participated in the **European Forum Alpbach** after publishing a policy paper on the circular economy at the 2024 event. STRABAG also is a member of Stiftung KlimaWirtschaft, a foundation active primarily in Germany to promote corporate climate action. In addition, we have supported the UN Global Compact as a participating organisation since 2021 and are committed to its ten principles in the areas of human rights, labour, environment and climate as well as anti-corruption.

Donations and sponsorships with links to political parties must, in accordance with Group directives, be approved by the full Management Board of STRABAG SE with the involvement of the Corporate Responsibility Office. In 2025, 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 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 regulation as well as voluntary memberships. The membership contributions made are as follows:

Recipient	Unit	**2025**	2024
Compulsory memberships			
Austrian Federal Economic Chamber (WKÖ)	T€	1,455	1,426
German Chamber of Commerce and Industry (DIHK)	T€	1,174	1,778
Voluntary memberships			
Federation of the German Construction Industry (HDB)	T€	5,041	4,730
German Concrete and Construction Technology Association (DBV)	T€	299	302
Swiss Contractors' Association (SBV)	T€	170	162
Other national construction industry associations and memberships of less than € 150,000 each	T€	352	547
Total membership contributions paid	**T€**	**8,491**	**8,945**

ESRS G1-6

Incoming invoices at STRABAG SE are forwarded via an electronic system or, in exceptional cases, in paper form to the respective cost centre managers, who review them 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 in line with the relevant 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 Group-wide requirements or processes exist for avoiding late payments. In the key countries of Germany and Austria, payment is generally made before the (net) due date in order to take advantage of cash discounts.

The average payment period, defined as the period between receipt of the invoice and payment of the invoice, is 21 days, while the median is 16 days.

Given 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 net payment term of 30 days. A total of **89% of payments made are settled within 30 days**. There are no notable differences in payment periods or payment behaviour by type or size of supplier.

As of the reporting date, there were **no** pending proceedings for late payment.

Indicator	Unit	**2025**	2024
Average payment period	days	21	21
Mean payment period	days	16	16
Percentage of payments made within the payment term (30 days)	%	89	90
Pending proceedings for late payment	number	0	0

Appendix B

2025

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	Water and marine resources
ESRS E3-1 Dedicated policy paragraph 13	Water and marine resources
ESRS E3-1 Sustainable oceans and seas paragraph 14	Water and marine resources
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Water and marine resources
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	Water and marine resources
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	Circular economy
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. Management Board Chair
Triglavstraße 9
9500 Villach

We have performed a limited assurance engagement of the consolidated sustainability reporting included in the management report for the Group in the section "Group management report – ESG performance" in the consolidated non-financial statement of STRABAG SE, Villach, for the financial year ended as at 31 December 2025.

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 section "Group management report – ESG performance" 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 Information

Management is responsible for the other information. The other information comprises the information included in the consolidated financial statements and the management report for the Group and the Annual and Sustainability Report, but does not include the section “Group management report – ESG performance” and our independent assurance report.

Our conclusion on the consolidated sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance” 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 management report for the Group in the section “Group management report – ESG performance” 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 management report for the Group in the section “Group management report – ESG performance” 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 consolidated non-financial 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 consolidated sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance” complying with the requirements of Article 29a of the Directive 2013/34/EU, including compliance with the ESRS,
– including disclosures in the consolidated non-financial 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 the consolidated sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance” 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

Reporting on sustainability aspects according to the ESRS requires using information from the Group’s value chain which is accessible only to a limited extent. Therefore, in its materiality assessment and to calculate key performance indicators disclosed in the sustainability reporting, management has to use data and information from third parties as well as make assumptions and estimates. Thus, such key performance indicators are subject to material uncertainties – as described in section “About this report”.

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 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 consolidated non-financial statement.

For reporting on greenhouse gas emissions, the scientific basis plays a decisive role. However, this may lead to challenges, in particular regarding the determination of emission factors, especially when these factors are required to combine emissions of different gases and describe them in a single unit of measurement such as CO_2 equivalents. Therefore, incomplete scientific knowledge may lead to uncertainties in reporting.

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 management report for the Group in the section “Group management report – ESG performance” 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 consolidated non-financial 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 consolidated 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 consolidated sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance”. The nature, timing and scope of the selected procedures depend on professional judgement including identifying disclosures in the consolidated non-financial statement where material misstatements are likely to arise, whether due to fraud or error.

In our limited assurance engagement regarding the consolidated sustainability reporting in the management report for the Group in the section “Group management report – ESG performance” 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 consolidated non-financial statement.
- We obtain an understanding of the Company’s procedures relevant for the preparation of the consolidated non-financial statement.
- We evaluate whether the structure and presentation of the consolidated sustainability reporting included in the consolidated non-financial statement comply with the ESRS.
- Regarding the linkage with other parts of the corporate reporting and connected information, we compare selected disclosures in the consolidated non-financial 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 consolidated non-financial statement.
- We perform sample-based, result-oriented procedures regarding selected disclosures in the consolidated non-financial 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 consolidated non-financial statement.

Limited Liability

The limited assurance engagement of the consolidated sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance” 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 (as previously in force) corresponding to the Company’s size criteria based on the size criteria pursuant to section 221 UGB (as previously in force).

Responsible Engagement Partner

Responsible for the proper performance of the limited assurance engagement of the consolidated sustainability reporting is Mr. Gabor Krüpl, Austrian Certified Public Accountant.

Vienna
3 April 2026

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 management report for the Group in the section “Group management report – ESG performance” together with our independent assurance report is only allowed if the sustainability reporting included in the management report for the Group in the section “Group management report – ESG performance” is identical with the German audited version. This independent assurance report is only applicable to the German and complete consolidated non-financial statement. For deviating versions, the provisions of section 281 para. 2 UGB (as previously in force) apply.

Group management report – Financial performance

2025

Events and environment

2025

Key developments

STRABAG realising Emonika, one of Ljubljana's largest construction projects

January/October 2025 | Segment South + East

Multifunctional Emonika complex in Ljubljana
© Mendota Invest

At the start of the year, Mendota Invest commissioned STRABAG as the general contractor for the northern section of the urban development protect Emonika in Ljubljana. The contract includes three residential buildings, retail areas, a hotel, an office tower and an underground car park. In October, the contract for the southern section followed, which will include Slovenia's tallest office tower (100 m), a shopping centre, a hotel, and a four-storey underground parking garage. The contract volume attributable to STRABAG totals € 230 million. Thanks to its strategic location and innovative, sustainable design, Emonika is set to become a central business location and meeting place in the Slovenian capital.

Stefan Kratochwill new CEO of STRABAG SE

February 2025 | STRABAG SE

Stefan Kratochwill takes over position of CEO
© STRABAG

On 19 February 2025, the Supervisory Board appointed Stefan Kratochwill as CEO of STRABAG SE. A graduate in engineering management and mechanical engineering, Kratochwill joined the company in 2003 as a trainee and most recently served as Central Division Head and Managing Director of the construction equipment subsidiary BMTI. In this role, he oversaw the Group's fleet of construction machinery with responsibility for around 3,000 employees in 20 countries. The transition to climate-friendly machinery and vehicles is one of the key levers for achieving the Group's goal of climate neutrality by 2040. Kratochwill played a major role in shaping the Group's Strategy 2030 and will continue to drive it forward with a clear focus on innovation, sustainability and leadership. Dr. Hans Peter Haselsteiner, who transformed STRABAG into an international group during his tenure as CEO, was reappointed General Representative of STRABAG SE in January 2025 and will continue to serve the Management Board in an advisory capacity.

STRABAG successfully completes closing of Georgiou Group acquisition

March 2025 | Segment International + Special Divisions

Extension of Tonkin Highway and widening of Thomas Road
© Georgiou Group

In March 2025, STRABAG completed the 100% acquisition of the Australian Georgiou Group, based in Perth. The company is recognised as an experienced infrastructure specialist that has successfully delivered numerous large-scale projects. Since February, the company has been part of the Tonkin Extension Alliance commissioned by the Department of Main Roads Western Australia to extend the Tonkin Highway and widen Thomas Road in Perth. The project, worth a total of AUD 1 billion (around € 563 million), involves extending the four-lane Tonkin Highway over 14 kilometres and widening Thomas Road over a length of 4.5 kilometres. The work is being carried out in collaboration with BMD Construction, Civcon, GHD and BG&E. Completion is scheduled for 2028.

Engineering feat: Rinsdorf viaduct including piers and foundations moved into place

June 2025 | Segment North + West

Innovative lateral slide of new motorway bridge
© Autobahn Westfalen

In a first for Germany, the new Rinsdorf viaduct on the A45 motorway was slid into its final position – a technical milestone. Using 24 hydraulic presses and Teflon sliding bearings, the 485.5-metre-long, 40,000-tonne bridge segment was precisely moved over a distance of around 20 metres. With this feat, STRABAG once again demonstrated its technological leadership, showing how innovative construction methods and top-tier engineering are helping to modernise Germany’s infrastructure in a sustainable way.

STRABAG strengthens Europe’s rail infrastructure with new contracts worth over € 1 billion

June/October 2025

STRABAG driving sustainable mobility at scale
© Správa železnic, státní organizace (Czech National Railway Administration)

STRABAG is one of Europe’s leading experts for mobility infrastructure. Its many years of experience in railway construction are reflected in major contracts won by the company in 2025 in the Czech Republic, Poland, Germany and Croatia, among other places. In the Czech Republic, STRABAG is involved in two EU co-financed projects with a total value of around € 360 million, including the upgrade of the Nezamyslice–Kojetín line into a high-speed connection as well as the modernisation of the Česká Třebová railway junction. The company has also strengthened its presence in Poland, securing a € 268 million design-and-build contract for extensive works on the Maksymilianowo railway junction, a key element in the modernisation of Poland’s strategically important rail line 201 within the TEN-T network’s Baltic–Adriatic Corridor.

Technology and sustainability at STRABAG: two sides of the same coin

Practical testing of hydrogen-powered wheel loader in Gratkorn
© STRABAG / Stefan Bock

The construction industry is going climate-smart. On Austria’s A2 motorway, STRABAG is using 70% recycled asphalt and energy self-sufficient construction sites. In Vienna, a test lab is trialling alternative sustainable materials such as clay, straw and sheep’s wool under real conditions. In Hamburg, a pilot project is under way with a fully electric wheel loader – a milestone for emissions-free site logistics. Meanwhile, a new value stream management site in the port of Neuss is being built to recycle up to 250,000 tonnes of mineral construction materials per year. These projects show how technological innovation, circular economy principles and sustainable materials go hand in hand. The results: more efficient processes, lower emissions, careful use of resources – and a clear step towards climate neutrality by 2040.

Péter Glöckler new Member of the Management Board for Segment South + East

August 2025 | STRABAG SE

Péter Glöckler was appointed to the Management Board on 11 August 2025
© STRABAG

On 11 August 2025, the Supervisory Board with immediate effect appointed Péter Glöckler to the Management Board of STRABAG SE, where he is responsible for the segment South + East, which includes Austria, Poland, the Czech Republic, Slovakia, Hungary and Romania as well as the markets of South-East Europe. He succeeds Alfred Watzl, who had previously announced his resignation. Péter Glöckler began his career with the Group in 2003 as technical director in the Concessions business unit in Hungary. Most recently, he was responsible for the South-East Europe division, which comprises a total of twelve countries. Péter Glöckler combines a deep understanding of STRABAG's core business with proven strategic shaping power, international expertise and a keen eye for the principle of global-local presence.

STRABAG transforms former coal mine in Katowice into a modern technology hub

August 2025 | Segment South + East

The innovative technology hub combines industrial heritage with modern urban development
© UM Katowice

STRABAG won the contract to revitalise and repurpose the former Wieczorek coal mine in Katowice into a sustainable technology hub for e-sports and future technologies such as Artificial Intelligence (AI) and Augmented Reality (AR). The project, worth around € 135 million, is considered a flagship project in Katowice's structural transformation from an industrial city to a place for innovation. STRABAG is also demonstrating its expertise in reconstruction, conversion and refurbishment in the city centre of nearby Dąbrowa Górnicza, where it is building a mixed-used development complex on the site of the former Desum machine tool plant.

Affordable housing: STRABAG launches serial construction solution TETRIQX

August 2025 | Segment South + East

TETRIQX stands for affordable, fast and sustainable construction
©WGA ZT GmbH

With TETRIQX, STRABAG is launching a new residential construction product starting at € 1,950/m² (price as of 1 January 2025, excluding planning and garage). The serial construction system with a high degree of prefabrication functions like a modular system to enable high-quality, sustainable and affordable residential buildings with up to seven storeys. Industrial prefabrication shortens the construction time by up to four months compared to conventional methods, with the possibility of even cutting the total project duration in half. Integrated concrete core activation significantly reduces the energy required for heating and cooling; in combination with the use of sustainable materials, CO_2 emissions are reduced by up to 50% over the entire life cycle of the building.

STRABAG consortium awarded major water infrastructure project in the UK by United Utilities

August 2025 | Segment International + Special Divisions

The project will secure the long-term drinking water supply for 2.5 million people
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STRABAG and Equitix, together with their partner GLIL Infrastructure, have been awarded the GBP 3 billion Haweswater Aqueduct Resilience Programme (HARP). The project comprises the modernisation of a 110-kilometre water pipeline system that was built between 1933 and 1955 and involves replacing six tunnel sections with a total length of around 50 kilometres. The contract covers financing, planning, construction and 25 years of maintenance, thus ensuring a future-proof, reliable water supply in the region. In line with its Strategy 2030, STRABAG is stepping up its activities in the UK and in the field of water infrastructure. The HARP project has also enabled STRABAG to further expand its portfolio of PPP, DPC and concession models.

STRABAG SE joins Austrian benchmark index ATX

September 2025 | STRABAG SE

4WINS
1 SHARE. 4 GROWTH MARKETS.

STRABAG joined the Austrian benchmark index ATX on 22 September 2025. Decisive factors for inclusion were the significant increase in share liquidity, measured by average daily stock exchange turnover, and the increased free float. The strong share price development was driven by the 2024 annual results, which significantly exceeded expectations, along with improving conditions in the construction industry and the market outlook for Germany. As market leader with a country-wide presence, STRABAG is ideally positioned to play a key role in shaping the infrastructure modernisation offensive in Germany.

Following this stock market success, the company presented a new investment story called 4WINS. The name expresses the opportunity to invest in four attractive growth markets simultaneously with just one security – the STRABAG share: mobility infrastructure, energy and water infrastructure, high-tech buildings, and the decarbonisation of the building stock.

Australian STRABAG subsidiary secures major contracts in the second half of the year worth over € 315 million

September/November 2025 | Segment International + Special Divisions

A state-of-the-art medical facility is being built in Claremont, Perth
© ADC, Perth

Georgiou, the Australian infrastructure specialist that joined the STRABAG Group in March 2025, has been awarded a design-and-build contract to upgrade Reid Highway in Perth. In the Brisbane area, the company was also chosen to deliver the Gateway to Bruce Highway Upgrade (G2BU). Both projects are intended to increase road safety and relieve personal and freight traffic in the respective metropolitan areas. Georgiou is also building a new medical facility in Claremont, a suburb of Perth, with a pharmacy, urgent care, pathology, dermatology and other specialist practices. This strengthens the company's position in the increasingly dynamic Australian market – both in mobility infrastructure and in the healthcare sector.

STRABAG and Siemens Energy building one of Europe's largest electrolysis plants on behalf of OMV

September 2025 | Segment South + East

At the groundbreaking ceremony (from left to right): Alfred Stern, CEO of OMV; Stefan Kratochwill, CEO of STRABAG; Juha Pankakoski, VP Global Functions Siemens Energy
© OMV Aktiengesellschaft

In a consortium with Siemens Energy, STRABAG is building one of Europe's largest electrolysis plants for green hydrogen on behalf of Austrian energy group OMV. With a capacity of 140 megawatts and an annual production of 23,000 tonnes of green hydrogen, the plant will make a significant contribution to the decarbonisation of industrial processes in Austria. OMV is investing a mid-three-digit million-euro amount in the project. In line with its Strategy 2030, STRABAG is strengthening its position in the energy infrastructure sector. In addition to the electrolysis plant in Austria, the company is currently implementing several major projects for the energy transition – from construction work on sections of the SuedLink and SuedOstLink power lines in Germany to the Deleni wind farm in Romania and the turnkey construction of a large heat pump for the district heating network in Gothenburg, Sweden.

STRABAG realising major contract for Innovation Park Artificial Intelligence (IPAI)

October 2025 | Segment North + West

The innovation park in Heilbronn is unlike any other in Europe.
© IPAI/MVRDV

IPAI Immobilienmanagement GmbH & Co. KG, represented by Schwarz Immobilien Service GmbH & Co. KG, has commissioned STRABAG, together with ROM Technik, to lead the turnkey construction of the first phase of the pioneering IPAI Campus in Heilbronn. The IPAI Campus is being developed as the first-of-its-kind innovation park for artificial intelligence in Europe – a place where research, industry and society will get together to jointly shape the digital future. Green spaces, photovoltaic systems, rainwater management and the use of resource-efficient recycled concrete are key parts of the concept. With this high-tech project, STRABAG is making an important contribution to the advancement of Europe's AI infrastructure.

World's largest heat pump being built in Mannheim

October 2025 | Segment International + Special Divisions

Heating for up to 40,000 households in the Rhine-Neckar metropolitan region
© MVV

As an expert for energy and water infrastructure with comprehensive design-and-build expertise in plant construction, STRABAG is building a river-source heat pump on behalf of MVV. The installation will deliver a thermal output of up to 165 megawatts, making it, by current standards, the largest heat pump of its kind in the world. With a total investment volume of around € 200 million and supported by EU funding, the project will promote climate-friendly heat supply in the Rhine-Neckar metropolitan region. The river-source heat pump is scheduled to go into operation in 2028. In addition, STRABAG is also strengthening the local heat transition in Cologne, where it is also involved in the construction of a river-source water heat pump for RheinEnergie.

Fehmarn Sound Crossing: STRABAG secures key infrastructure project in Germany

November 2025 | Segment North + West

Closing a gap in the Scandinavian–Mediterranean Corridor
© DB Netz/Rambøll

On behalf of DB InfraGO AG, STRABAG, Germany’s leading infrastructure specialist, is undertaking several construction phases of the Fehmarn Sound Crossing, which will connect the island of Fehmarn to the mainland via an underground tunnel. With a length of approximately 2.2 kilometres, the new tunnel will replace the existing Fehmarn Sound Bridge with a high-capacity connection for both road and rail. The project forms part of the cross-border Fehmarn Belt Fixed Link, a central missing link in the Scandinavian–Mediterranean Corridor, the longest core corridor of the Trans-European Transport Network. The corridor connects Scandinavia’s major metropolitan areas and ports with northern Germany and Italy, thereby strengthening European mobility and economic competitiveness.

STRABAG is modernising key transport artery in Oman for around € 100 million

December 2025 | Segment International + Special Divisions

Extensive expansion of 18th of November and Al Mouj streets in Muscat
© STRABAG

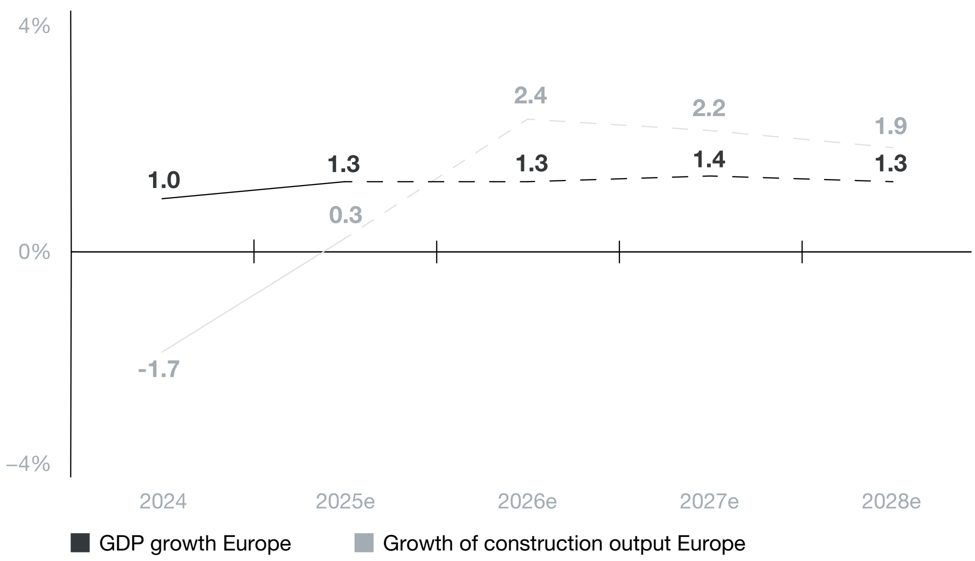
STRABAG Oman LLC has been awarded the contract for the expansion of the centrally located 18th of November and Al Mouj Streets in Muscat – a key project for improving the transport infrastructure in the capital of Oman. The construction project involves widening the street whose name commemorates the birthday of Oman’s late Sultan Qabus bin Sa’id to three lanes, building a flyover and underpasses, and redesigning several roundabouts into signal-controlled intersections. STRABAG has been active in the Middle East since the 1970s, employs around 3,000 people in the region and most recently generated an annual output of around € 260 million. STRABAG is furthermore building its own headquarters in western Muscat to further strengthen its presence in the strategically important market of Oman.

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



Resilient despite uncertainties

Despite persistent geopolitical and fiscal policy uncertainties, the global economy proved resilient in the reporting year, and a recession did not materialize. US tariff policy led to noticeable uncertainty in global trade, but renegotiated tariff agreements ultimately helped to mitigate the negative effects. Nevertheless, global goods flows remain under pressure, as reflected in slightly rising end-consumer prices.

Overall, global economic growth remained subdued, with momentum easing in both China and the US. Economic development in Europe continues to be muted. In particular, the consequences of the Russia–Ukraine conflict as well as Germany's currently weak growth momentum – as the EU's largest economy and a key export market – weighed on the outlook. By contrast, a more accommodative interest rate policy and stabilising inflation had a positive effect on the economic environment. The European Central Bank most recently lowered its key interest rate to 2% and has signalled its intention to maintain this level for the time being. In December 2025, the US Federal Reserve lowered its key interest rate for the third time this year, setting it in a range of 3.50% to 3.75%. Inflation in Europe stabilised at around 2%, supported by slightly declining energy prices, somewhat lower wage pressure and an appreciation of the euro against the US dollar.

In addition to the expected recovery in private consumption, public investment is also likely to increase. Supported by the lower interest rate environment, stabilising raw material prices and EU funding programmes – in particular NextGenerationEU – stronger public investment is anticipated in the coming years, especially in mobility, energy and defence infrastructure. National initiatives such as Germany's € 500 billion off-budget infrastructure fund (Sondervermögen Infrastruktur) should also be mentioned in this context.

The World Bank expects global economic growth of 3.4% in 2025 and also anticipates growth of 2.2% in 2026. Global measures to combat inflation have largely been successful, even though price pressure persists in some countries. After peaking at 9.4% in the third quarter of 2022, inflation is expected to decline to 3.2% in 2025.

For the EU, the OECD calculated economic growth of 1.3% for 2025, with GDP in Germany and Austria virtually stagnating. GDP in the 19 Euroconstruct countries (EC-19) also rose by 1.3% in 2025. National rates vary significantly, ranging between +10.8% and 0.0%. GDP growth of 1.3% is expected for the EC-19 area in 2026, followed by 1.4% in 2027 and 1.3% in 2028.

All growth forecasts and construction volumes at the individual national level were taken from the winter 2025 reports of Euroconstruct, EECFA (Eastern European Construction Forecasting Association) and ACIF (Australian Construction Industry Forum). The stated market share data are based on figures from the 2025 financial year and on estimates for 2025 provided by Euroconstruct and EECFA.

The construction industry

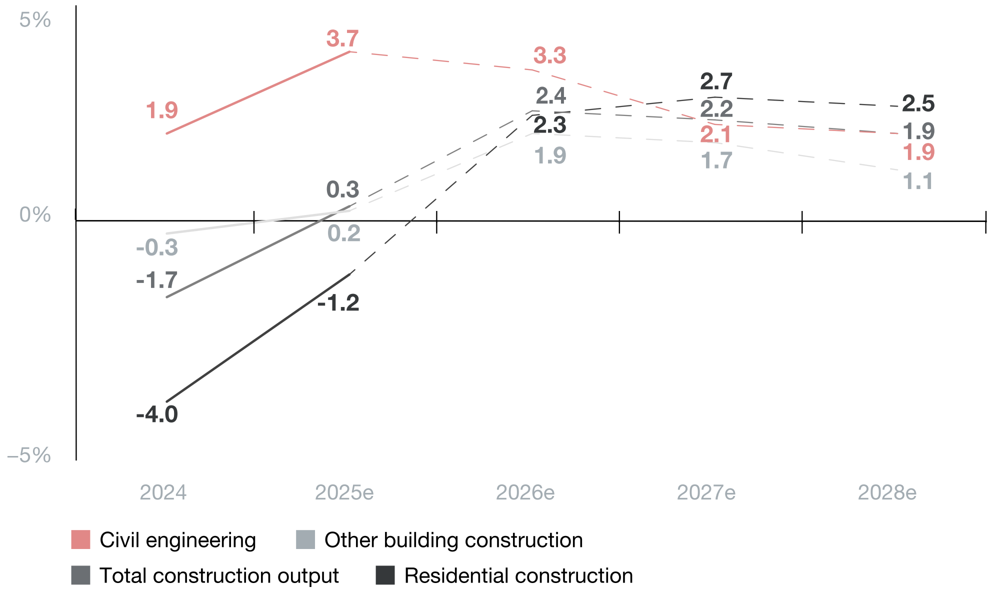
Positive trends

After reaching its low point in 2024 with a decline of 1.7%, the construction industry in the EC-19 countries entered an initial recovery phase in 2025, recording a moderate increase of 0.3%. Key drivers of this development were the return to moderate overall economic growth rates, the gradual reduction of key interest rates and the stabilisation of wage, energy and material costs. This trend is further supported by funding measures at EU and national level.

Broken down by sector, civil engineering performed strongly in 2025 and recorded the highest growth at +3.7%. Other building construction remained stable at +0.2%, while residential construction, given the prevailing environment, declined by 1.2%. This decline, however, was significantly less than in the previous year (2024: -4.0%). The strongest growth was recorded by the Irish construction industry at +8.5%, followed by Spain at +4.0% and Sweden at +3.5%. Italy ranked last at -2.7%, ahead of France and Germany (-1.4% each). In 2026, construction growth in the 19 Euroconstruct countries is expected to continue recovering, reaching +2.4%. Increases of 2.2% and 1.9% are forecast for 2027 and 2028 respectively. In STRABAG SE's core markets in Central and Eastern Europe, the construction industry stagnated in 2025, with growth of 1.0% and 2.0% forecast for 2026 and 2027 respectively.

Construction sectors

Growth comparison of construction sectors in Europe



Civil engineering continues to have stabilising effect

Residential construction, which still accounts for nearly half of Europe's total construction output, declined by 1.2% in 2025 to a volume of € 1,084.1 billion. Developments varied widely across countries and segments. While new-build activity declined significantly over the past two years, the renovation segment – not least due to numerous initiatives for energy-efficient refurbishment and building decarbonisation – provided a certain balancing effect overall. In absolute figures, Germany achieved the highest residential construction volume, followed by France, Italy and the United Kingdom. Positive growth was also recorded in Ireland, Hungary, Poland, Sweden and Spain, among others. The sharpest declines in residential construction were seen in Italy and Germany, followed by France, Austria and Slovakia. Euroconstruct forecasts a recovery in construction output of 2.3% in 2026. This recovery is expected to continue in 2027 with growth of 2.7% and in 2028 with an increase of 2.5% to around € 1,167 billion – slightly below the previous peak reached in 2022.

Other building construction, which accounts for around 30% of European construction volume, recorded stable growth of +0.2% in 2025. Germany is the largest market in this segment, ahead of France, the United Kingdom and Italy. The highest growth rates were recorded in Finland and Slovakia, followed by Ireland and Italy. The weakest performance in other building construction was seen in Hungary, the Netherlands, Sweden and Belgium. Euroconstruct forecasts a stronger recovery of 1.9% for the segment in 2026, with growth of 1.7% and 1.1% expected for 2027 and 2028 respectively.

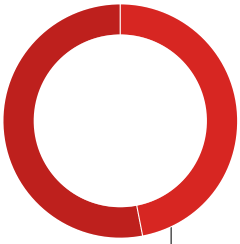
Civil engineering, which contributes around 22% to European construction output, proved to be the most resilient segment in 2025, with growth of 3.7%. Germany is the largest civil engineering market, followed by Italy, the United Kingdom and France. The strongest growth was recorded in Italy, Sweden, the Czech Republic and Portugal. Slight declines and stagnation were seen only in Norway and Hungary. Growth rates of +3.3% and +2.1% are expected for European civil engineering in 2026 and 2027 respectively, with growth of 1.9% forecast for 2028.

STRABAG delivers the majority of its output in the infrastructure sector, with a focus on mobility, energy and water. Around 70% of our customers are in the public sector. Public-sector demand for infrastructure, in particular, has a stabilising effect. Residential construction accounts for less than 10% of Group 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 84% of Group output in 2025 and their development is therefore of particular importance to STRABAG. Market positions in core markets are based on average output volume between 2022 and 2024.

Germany



47%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Germany	47	467.7	0.0	1.0	-1.4	0.5

The German economy stagnated in 2025, weighed down by external crises such as the conflict in Ukraine and US tariff policy. A high tax burden and strict regulatory requirements, combined with elevated energy prices, continue to put pressure on competitiveness. From 2026 onwards, however, public investment in infrastructure and defence, together with a more dynamic private consumption, should provide an economic stimulus. The easing of Germany's strict debt brake ("Schuldenbremse") creates additional fiscal policy scope. Euroconstruct expects growth of 1.0% in both 2026 and 2027, followed by an increase of 0.5% in 2028.

The German construction industry recorded a decline in construction output of 1.4% in 2025. While the infrastructure sector proved robust, residential construction remained under pressure as a result of the lingering effects of high interest rates and cost inflation. Provisional budgets led to project delays, particularly at municipal level, as the final budget was not adopted until September. In March 2025, in the context of easing the debt brake, the German government announced a € 500 billion off-budget fund for infrastructure and climate neutrality over a twelve-year period. The fund includes € 100 billion for the federal states and municipalities, as well as a further € 100 billion to be allocated to the Climate and Transformation Fund. Due to lengthy planning and approval procedures, initial projects from the off-budget fund are expected to be tendered only from late 2026 onwards, leading Euroconstruct to anticipate a moderate short-term increase in construction output of 0.5% in 2026, accelerating to 1.8% in 2027.

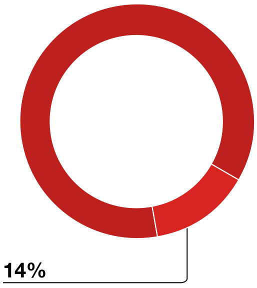
In **residential construction**, the decline in construction volume slowed and reached -2.4% in 2025. Despite the high demand for housing, significantly fewer new-build projects have been realised over the past four years due to high interest rates, reduced subsidies, rising costs for construction, energy and land, as well as bureaucratic hurdles. The downturn was mitigated by a more stable renovation market, particularly in the area of thermal and energy-efficient refurbishment. Supported by positive impulses such as lower interest rates, real wage growth and debureaucratisation initiatives, Euroconstruct expects stagnation in 2026, before the trend turns positive again in 2027 with growth of 2.1%.

Other building construction, which declined by 1.0% in 2025, continued to be affected by economic uncertainty and restrained investment by companies and the public sector, particularly municipalities. Rising investment in medical facilities and municipal administrative buildings, as well as a recovery in industrial and commercial construction, is expected to result in growth of 0.7% in 2026 and 1.4% in 2027.

Civil engineering recorded moderate growth of 1.0% in 2025. Delayed budget approvals dampened momentum year-on-year, while investment in rail, telecommunications and energy infrastructure provided positive impulses. Particularly in the areas of energy and water infrastructure, and as a result of the approved off-budget fund, additional medium- to long-term growth opportunities are emerging. Growth of 1.8% and 1.2% is expected for 2026 and 2027 respectively.

The STRABAG Group is the leading construction company in Germany, with a market share of 2.0% of the total construction volume. Around 47% (2024: 49%) of total Group output, amounting to € 9,515.82 million, was generated in Germany in 2025. With around 40,000 employees, a high level of in-house value creation and a dense construction materials network, STRABAG is very well positioned in Germany to play a key role in shaping the infrastructure modernisation drive.

Austria



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Austria	14	51.4	0.3	1.1	-0.8	0.2

After two years of recession, Austria recorded a slight economic recovery in 2025, with GDP growth of 0.3%. Dampening factors included a more restrictive fiscal policy as a result of the national budget deficit, weaker demand for export goods and a short-term spike in inflation to 3.5%. The latter resulted from the expiry of energy price caps and higher public fees. The main driver of the recovery was a noticeable increase in private consumption, supported by rising real wages and declining interest rates. For 2026, Euroconstruct forecasts growth of 1.1%, which is expected to stabilise at around 1.2% in 2027 and 2028.

The Austrian construction industry recorded a decline of 0.8% in 2025, marking a significant easing of the negative trend compared with 2024 (-5.2%). Improved financing conditions, in particular the lower interest rates, are expected to contribute to a gradual recovery in residential construction, albeit at a continued low level. At the same time, state austerity measures are likely to result in declining investment in infrastructure. This effect will be most visible at municipal level, while the state-owned motorway operator ASFINAG, which is financed through toll revenues, is maintaining its investment plans for the coming years. Euroconstruct forecasts modest growth of 0.2% in 2026, followed by increases of 1.0% and 1.1% in 2027 and 2028 respectively.

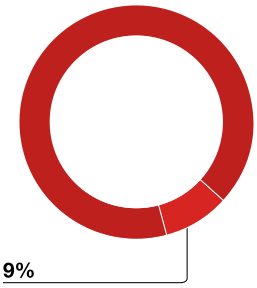
Residential construction declined by 1.6% in 2025, a significantly smaller decrease than in the previous year (2024: -6.7%). This development was driven primarily by interest rate cuts and stabilising financing costs for households and developers. However, the smaller year-on-year decline also reflects the fact that construction activity has already fallen to a considerably lower level following the sharp downturns of recent years. The renovation market provided support, growing by 2.1% on the back of sustained strong demand for energy-efficient and thermal refurbishment. Potential restrictions on subsidies as a result of fiscal consolidation could dampen renovation activity in residential construction. Continued strong demand for housing and the gradual revival of residential construction are expected to largely offset this effect, however. Growth of 0.5% and 0.9% is forecast for 2026 and 2027 respectively.

The construction volume in **other building construction** declined by just 0.2% in 2025, significantly less than in the previous year (-5.3%). Weak economic momentum, continued high financing costs and government austerity measures led to delays in both private and public investment. Nevertheless, Euroconstruct expects a medium-term recovery in line with macroeconomic growth and forecasts stable development in 2026 (+0.1%), followed by growth of 2.3% in 2027.

Civil engineering developed robustly in 2025, supported by government investment activity in infrastructure programmes, and grew by 0.9%. In view of a more restrictive fiscal policy, the public sector – particularly at municipal level – is likely to scale back or postpone new investments in road and water infrastructure. Major infrastructure projects, including motorway expansion schemes by ASFINAG, are expected to continue. Refurbishment and investment in energy infrastructure, supported by EU funding programmes and the national objective of stable energy prices, will remain comparatively high. Declines of 0.7% and 1.3% are forecast for 2026 and 2027 respectively.

STRABAG generated 14% of Group output in Austria in 2025 (2024: 15%). Austria thus continues to rank among the Group's top three markets alongside Germany and Poland. The output in Austria amounted to € 2,898.20 million in 2025, giving STRABAG a market share of 5.6% of the country's total construction volume.

Poland



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Poland	9	86.8	3.2	3.1	3.4	5.3

Poland's economy continued to grow strongly in 2025, recording GDP growth of 3.2%. Key drivers included higher private consumption supported by rising real wages as well as increased investment activity following the release of EU funding under NextGenerationEU and the National Recovery and Resilience Plan (NRRP). Despite inflation of 3.5% and an elevated budget deficit, the market remains dynamic. Euroconstruct forecasts GDP growth of 3.1% for 2026, 3.0% in 2027 and 2.8% in 2028.

Following the transition between EU funding periods in 2023 and 2024, Poland's construction industry recorded a marked increase of 3.4% in 2025. Despite challenges such as rising costs for construction materials, land, labour and energy – albeit at more moderate rates than in previous years – as well as the partial outflow of Ukrainian labour, positive impulses prevailed. Higher real wages supported residential construction, while released EU funds from the NRRP and NextGenerationEU boosted investment activity. Growth of 5.3% is forecast for 2026, with rates of 4.3% expected in both 2027 and 2028.

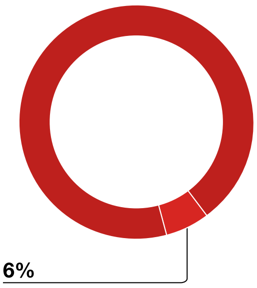
In contrast to the European trend, Poland's **residential construction** sector recorded strong growth of 7.2% in 2025. This development was driven by solid demand, attractive returns on residential development projects, eased lending guidelines, lower interest rates and state subsidy programmes for housing finance. The renovation segment is characterised by a high level of modernisation requirements in the existing building stock. With the entry into force of the relevant building directive, additional momentum is expected in the area of energy-efficient and thermal refurbishment from 2027 onwards. Euroconstruct forecasts growth of 3.7% for 2026 and 5.1% for 2027.

Other building construction recorded subdued growth of +0.1%. From 2026 onwards, public investment under the NRRP is expected to provide renewed momentum. The focus will be on military and medical facilities, mobility infrastructure such as railway stations and the CPK airport, as well as energy-efficient refurbishment of existing buildings. In addition, high-tech industrial construction – particularly in the semiconductor and automotive industries – and production facilities for components of the energy transition, including heat pumps, photovoltaic modules and wind turbines, are expected to further support growth. Growth of 4.0% is forecast for 2026, followed by 3.8% in 2027.

Civil engineering in Poland grew by 4.0% in 2025, supported by the release of previously blocked EU funds under the NRRP. In addition to railway projects, numerous roads, bridges and water infrastructure facilities were repaired following the flooding in south-west Poland in 2024. A substantial pipeline of large-scale projects in rail, energy and water infrastructure, as well as aviation and telecommunications, is expected to drive growth of 8.1% in 2026, with a plus of 4.2% forecast for 2027.

As the number two in the construction sector in Poland, STRABAG generated construction output of € 1,917.71 million in the country in 2025, accounting for 9% of total Group output (2024: 9%). Poland thus represents the third-largest market within the STRABAG Group. STRABAG's market share of the total Polish construction market amounts to 2.2%.

Czech Republic



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Czech Republic	6	35.9	2.4	2.3	1.3	0.1

The Czech economy recorded GDP growth of 2.4% in 2025. In addition to a stabilised inflation rate, the gradual reduction of interest rates and a comparatively low unemployment rate within the EU, public investment and EU funding also contributed to the positive development. Strong real wage growth further stimulated private consumption. Despite announced austerity measures aimed at gradually reducing the national budget deficit, along with uncertainties surrounding government formation following the parliamentary elections in October 2025, stable GDP growth of 2.3% is expected for 2026, with growth of 2.7% and 2.8% forecast for 2027 and 2028 respectively.

The Czech construction industry recorded moderate growth of 1.3% in 2025. Key constraining factors included a shortage of skilled labour as well as persistently high prices for construction materials and energy. EU-subsidised public investment in rural development, the energy transition and the expansion of mobility infrastructure largely offset weak residential construction during the reporting year. As a result of the new government formation, Euroconstruct forecasts stagnation of 0.1% for 2026. In the following years, growth rates are expected to increase again, reaching 1.3% in 2027 and 2.9% in 2028.

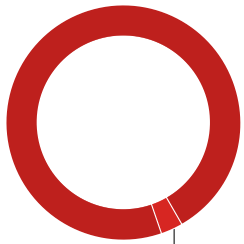
Residential construction declined by 1.5% in 2025, particularly in the new-build segment, where lengthy building permit procedures dampened the anticipated positive effects of lower interest rates and stable inflation. A new digital building permit system, scheduled to enter into force from 2028, is expected to provide relief. By contrast, the renovation market, which accounts for almost one third of the residential construction market, recorded strong growth of 2.5%. Ongoing high renovation demand, together with state subsidy programmes for energy-efficient refurbishment and climate-friendly new builds, is expected to provide positive market impulses. A decline of 0.6% is forecast for 2026, before growth resumes at 2.0% in 2027.

Other building construction in the Czech Republic grew by 1.7% in 2025. Investment focused primarily on healthcare and educational facilities as well as large-scale projects by key Czech industries, while the construction of commercial buildings and offices lost importance. Increased renovation activity in the healthcare sector and the construction of high-tech facilities in semiconductor manufacturing, automotive components, electronics and energy generation are expected to support sustained market momentum. Euroconstruct forecasts growth of 2.2% in 2026 and 2.4% in 2027.

The Czech **civil engineering** segment recorded a strong increase of 5.2% in 2025. Public investment flowed partly into EU-funded mobility infrastructure projects, particularly in rail transport, as well as into energy, water and telecommunications networks. With fiscal policy expected to become more restrictive, public investment activity is likely to decline. At the same time, the collaboration with private companies under PPP schemes is expected to intensify. Euroconstruct forecasts slight declines of 0.2% in 2026 and 0.4% in 2027.

STRABAG is the number three on the market in the Czech Republic. With construction output of € 1,197.22 million, the company generated around 6% of its total Group output in the country in 2025 (2024: 5%). STRABAG's market share of the overall construction market amounts to 3.3%.

Hungary



3%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Hungary	3	23.1	0.6	2.8	0.8	1.3

Hungary's economy recorded GDP growth of 0.6% in 2025. Rising real wages, stable employment levels and a normalisation of inflation – albeit at a higher level than the EU average – had a positive effect on economic development. By contrast, the persistently high key interest rate of 6.5%, along with declining investment activity as a result of stricter budget discipline and the parliamentary elections scheduled for 2026, weighed on growth. GDP growth of 2.8% is expected for 2026, followed by 3.2% in 2027 and 2.5% in 2028.

After significant declines in the two previous years, Hungary's construction industry recovered in 2025, recording growth of 0.8%. While residential construction saw a noticeable increase, other building construction and civil engineering developed more cautiously due to continued restrained public investment. Despite ongoing frozen EU funds – with potential changes depending on the outcome of the 2026 parliamentary elections – Euroconstruct expects a sustained recovery in construction activity. Growth of 1.3% is forecast for 2026, accelerating to 4.0% in 2027 and 4.8% in 2028.

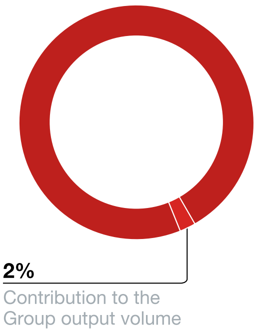
Residential construction recorded strong growth of 11.8% in 2025. In addition to rising real wages, this positive development was driven in particular by a range of government support measures. These include a reduced fixed interest rate of 3% on mortgage loans, accelerated approval procedures, renovation grants, eased equity requirements and VAT reductions in certain regions and for the purchase of new owner-occupied homes. Euroconstruct forecasts continued high growth rates of 7.0% in 2026 and 4.0% in 2027.

Other building construction in Hungary declined by 5.1% in the reporting year. This development was due to the lack of public investment and the completion of numerous large-scale projects, particularly in the areas of electric mobility and public administrative and office buildings. Following the government's investment freeze in 2022, a catch-up effect is expected in the healthcare and education sectors. Additional momentum could come from the defence sector and from a potential partial release of EU funds to improve the energy efficiency of non-residential buildings. Euroconstruct forecasts a decline of 4.8% for 2026, with the sector expected to return to growth of 1.1% from 2027 onwards.

In 2025, **civil engineering** in Hungary stagnated due to the absence of public investment and a lack of EU funding. Positive impulses are expected in the coming years, however, particularly in road, energy and water infrastructure. The state road concessionaire MKIF has launched several large-scale projects as part of its ten-year expansion initiative, while an energy programme with a volume of € 1 billion aims to expand energy and district heating networks as well as gas-fired power plants. According to Euroconstruct, this is expected to lead to significant growth in civil engineering of 4.5% in 2026 and 7.8% in 2027.

STRABAG generated construction output of € 592.41 million in Hungary in 2025, accounting for 3% of total Group output (2024: 3%). This puts STRABAG in third place in the Hungarian construction market, with a share of the overall market of 2.6%.

Romania



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Romania	2	45.9	0.6	1.2	0.9	-5.5

Romania's economic growth fell short of expectations, with a plus of just 0.6% in 2025. The Romanian government implemented several fiscal policy measures, including tax increases, to contain the high budget deficit and maintain the country's existing credit rating. Inflation rates rose as a result, which, together with persistently high interest rates, weighed on private consumption. In addition, government austerity measures restricted the scope for investment. EECFA forecasts GDP growth of 1.2% for 2026 and 2.5% for 2027.

The output volume of the Romanian construction industry benefited from catch-up effects in building construction in 2025, recording growth of 0.9%. Civil engineering, by contrast, was significantly burdened by reduced public investment, high inflation, rising personnel costs due to minimum wage increases and persistently high interest rates. Against this backdrop, EECFA expects the Romanian construction industry to decline by 5.5% in 2026 and again by 2.2% in 2027. In the longer term, Romania remains a market with considerable growth potential, which is expected to gain significant momentum once fiscal constraints are eased.

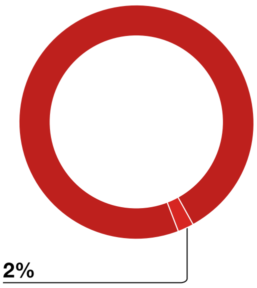
Following a sharp decline of 10.9% in 2024, **residential construction** recovered in 2025, recording growth of 5.0%. This positive development was supported by increased lending activity and a higher number of building permits, but remained limited due to real losses in purchasing power, high inflation and elevated interest rates. The absence of wage adjustments in the public sector, together with increases in VAT and property tax, represent additional burdens for the sector. EECFA forecasts declines of 5.6% in 2026 and 3.0% in 2027.

Other building construction recorded growth of 0.6% in 2025. Positive developments were seen in the hotel, office and retail segments. In the coming years, however, commercial real estate may be affected by weak purchasing power, while education and healthcare construction is likely to be constrained by government austerity measures. EECFA forecasts a decline of 1.5% for 2026, before the sector returns to positive growth of 1.4% in 2027.

Civil engineering in Romania declined by 2.9% in the reporting year, with the energy infrastructure segment proving to be particularly stable. Despite an extensive project pipeline, reduced public investment and administrative hurdles continue to pose significant challenges. In addition, the partial loss of funding from the European Union under the NRRP is weighing on momentum, especially if delays cause projects to fall outside the funding period. Declines of 7.9% in 2026 and 3.8% in 2027 are forecast for the coming years.

With construction output of € 510.21 million in 2025, the STRABAG Group holds a market share of 1.1% of the total Romanian construction market, securing third place overall.

Slovakia



2%
Contribution to the group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Slovakia	2	10.8	0.9	1.3	2.0	1.1

Slovakia’s economy recorded growth of 0.9% in 2025. The main dampening factors were the impact of US tariff policy on the automotive industry, inflation above the EU average and measures to consolidate the national budget, including new taxes on financial transactions and an increase in VAT. By contrast, faster-than-expected absorption of EU funding under the Recovery and Resilience Plan (RRP), together with a more dynamic recovery in private consumption, provided positive impulses. Euroconstruct forecasts GDP growth of 1.3% for 2026 and 1.5% for both 2027 and 2028.

Following a marked decline in 2024 due to the change in government, Slovakia’s construction industry grew by 2.0% in 2025. The rapid uptake of RRP funds had a positive effect, with financial resources reallocated from decarbonisation projects towards social infrastructure, benefiting other building construction in particular. Inflation and fiscal policy measures, on the other hand, including the introduction of a new levy on primary raw materials, weighed on the sector. Euroconstruct expects growth of 1.1% in 2026 and, as a result of the parliamentary elections, a decline of 0.4% in 2027.

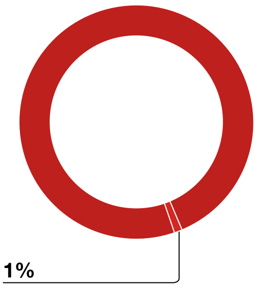
Residential construction declined by 1.6% in 2025. Additional fees, the increase in VAT, rising costs for material, labour and construction, lengthy approval procedures and high property prices all weighed on the sector. Funding measures under the RRP aimed at improving the energy efficiency of residential buildings, declining interest rates and announced efforts to reduce bureaucracy are expected to revitalise the segment. Growth of 1.2% and 2.0% is forecast for 2026 and 2027 respectively.

Other building construction recorded strong growth of 4.5% in 2025. The main drivers were reallocations under the RRP in favour of healthcare and education infrastructure as well as social services. Investments in the commercial sector, particularly in tourism, also had a positive effect. The (electric) automotive industry continues to be regarded as a key driver of private investment. While declining interest rates and the reduction of bureaucratic hurdles offer growth opportunities, rising prices, persistent labour shortages and higher government fees and taxes remain challenges. Euroconstruct forecasts growth of 1.0% in 2026 and 2.3% in 2027.

Civil engineering recovered in 2025, recording growth of 4.9%. This was driven by several major EU co-financed road and rail projects that commenced during the reporting year following delays. For the coming years, subdued growth is expected due to strict fiscal policy, particularly in road construction. At the same time, the substantial need for refurbishment has been acknowledged, and around 600 bridges are now being considered as potential PPP projects. Energy and water infrastructure is expected to continue recording modest growth. Growth of 0.8% is forecast for 2026, before the sector is expected to decline sharply by 8.6% in 2027 as a result of the elections.

With a market share of 3.0% and construction output of € 326.93 million in 2025, STRABAG is the leader in Slovakia. In 2025, Slovakia accounted for 2% of total Group output (2024: 2%).

Croatia



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Croatia	1	9.0	3.2	2.9	-0.1	1.3

The Croatian economy grew by 3.2% in 2025. A declining unemployment rate and rising real wages strengthened private consumption, while the recovery in industrial production provided additional momentum. Key drivers also included substantial EU funding as well as the lasting benefits of accession to the Schengen Area and the eurozone in 2023, which continue to reinforce Croatia's position as an attractive investment location. Against this positive backdrop, EECFA forecasts stable GDP growth of 2.9% for 2026 and 2.5% for 2027.

Croatia's construction industry stagnated in 2025 at -0.1%. Temporary delays in the start of major civil engineering projects were largely offset by growth in building construction. In residential construction, growth eased from a very high base level, while the project pipeline in other building construction was gradually worked through. Construction output is expected to increase by 1.3% in 2026, before stagnating again at +0.1% in 2027.

Residential construction grew by 0.6% in 2025. After eight years of strong growth, during which the market more than doubled in size, initial signs of a slowdown are emerging. Demand from foreign buyers remains high, while home ownership is becoming increasingly unaffordable for many Croatians. The government is responding with measures to create affordable housing, including subsidies, new-build programmes and restrictions on short-term rentals. EECFA forecasts growth of 2.5% for 2026, followed by 0.4% in 2027.

Other building construction recorded growth of 1.2% in 2025. Momentum came primarily from office and industrial buildings as well as education and healthcare facilities supported by EU funding. By contrast, demand in the retail and wholesale sectors as well as in hotels developed more cautiously. The existing project pipeline is being gradually worked through. Whether improved connectivity to the European transport network will translate into a stronger long-term positioning as an attractive industrial location for foreign companies remains to be seen. EECFA expects declines of 1.3% in 2026 and 0.8% in 2027.

Civil engineering declined by 2.1% in the reporting year due to delayed project starts. In the future, momentum is expected to come from EU co-financed projects in pipeline and mobility infrastructure, particularly in road and rail construction, as well as in energy and water infrastructure. The latter is set to benefit additionally from government investment of around € 1 billion in water infrastructure and flood protection. Growth of 2.0% is forecast for 2026, followed by a slight increase of 0.3% in 2027.

The STRABAG Group generated construction output of € 265.41 million in Croatia in 2025, achieving a market share of 2.9% and ranking first in the overall Croatian construction market.

Further countries and regions

	Contribution to the Group output volume (%)	Overall construction volume (€ billion)	GDP growth (%)		Construction growth (%)	
	2025	2025	2025e	2026e	2025e	2026e
Australia	3	196.1	2.1	2.3	1.6	2.3
United Kingdom	3	292.8	1.5	1.2	1.9	2.8
Switzerland	1	74.8	1.3	1.2	0.2	1.5
Slovenia	< 1	5.8	0.8	2.1	1.7	1.7
Italy	< 1	281.6	0.5	0.7	-2.7	2.4
Sweden	< 1	55.5	0.9	2.6	3.5	6.2
Serbia	< 1	7.0	2.0	4.0	-7.4	2.3
Bulgaria	< 1	16.0	3.0	2.7	2.9	3.1
Denmark	< 1	49.7	2.0	2.0	2.5	5.7

STRABAG is also active in the Americas, the Middle East, Africa and Asia, as well as in the Benelux countries and other European markets. These regions accounted for 6% of total Group output in 2025 (2024: 7%).

Performance and outlook

2025

Output volume

Output volume by country

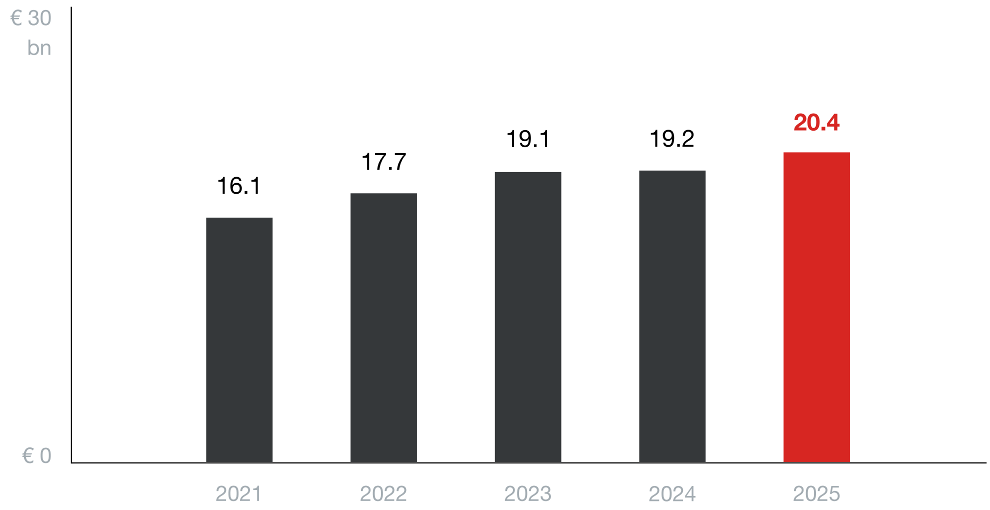
€ mn	**2025**	**% of total output volume 2025**	2024	% of total output volume 2024	Δ %	Δ absolute
Germany	9,516	47	9,361	49	2	155
Austria	2,898	14	2,856	15	1	42
Poland	1,918	9	1,697	9	13	221
Czech Republic	1,197	6	1,017	5	18	180
Hungary	592	3	620	3	-5	-28
Australia	581	3	0	0	n.a.	581
Americas	529	3	517	3	2	12
United Kingdom	525	3	698	4	-25	-173
Romania	510	2	467	2	9	43
Slovakia	327	2	305	2	7	22
Croatia	265	1	223	1	19	42
Middle East	259	1	257	1	1	2
Benelux	258	1	216	1	19	42
Switzerland	233	1	229	1	2	4
Slovenia	143	1	92	0	55	51
Italy	138	1	111	1	24	27
Sweden	131	1	120	1	9	11
Serbia	109	1	94	0	16	15
Rest of Europe	94	0	151	1	-38	-57
Asia	92	0	104	1	-12	-12
Bulgaria	78	0	55	0	42	23
Africa	24	0	29	0	-17	-5
Denmark	7	0	20	0	-65	-13
Total	**20,424**	**100**	**19,239**	**100**	**6**	**1,185**

€ 20.4 billion

Output volume

The STRABAG SE Group increased its **output** by 6% in the 2025 financial year to € 20,423.95 million, recording growth across all operating segments. Around half of the increase is attributable to the acquisition of Australia's Georgiou Group in the first quarter of 2025. In the existing markets, the strongest growth in output was achieved in Poland, the Czech Republic and Germany. Output declined in the United Kingdom, however, due to the deferral of output portions from major projects to subsequent years.

Development of output volume



Order backlog

Order backlog by country and segment as at 31 December 2025

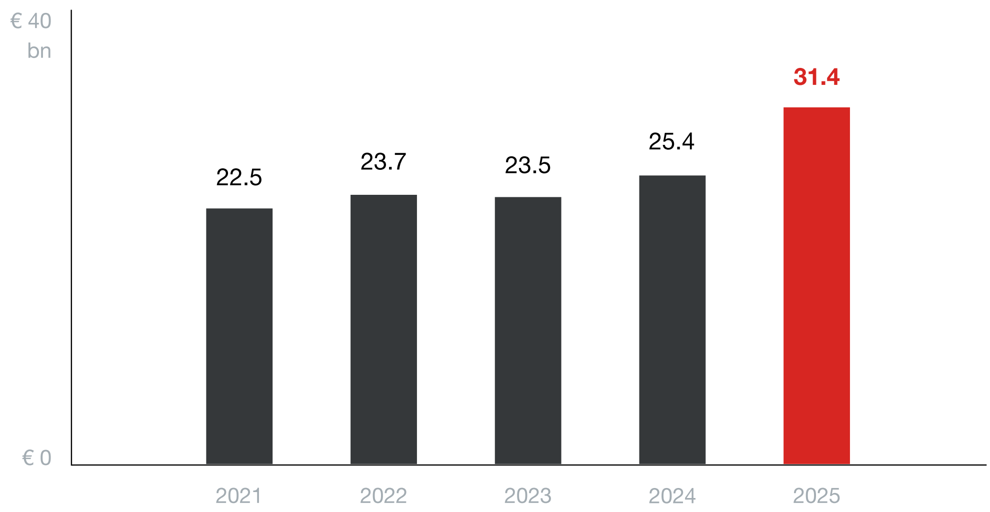
€ mn	Total 2025	North + West	South + East	Inter-national + Special Divisions	Other	Total 2024	Δ Total %	Δ Total absolute
Germany	14,627	12,779	296	1,539	13	13,653	7	974
United Kingdom	4,443	0	3	4,440	0	1,259	> 100	3,184
Austria	2,657	34	2,020	603	0	2,565	4	92
Poland	2,109	1	1,944	164	0	2,235	-6	-126
Czech Republic	1,512	3	1,336	170	3	1,030	47	482
Middle East	876	0	0	876	0	479	83	397
Australia	793	0	0	793	0	0	n.a.	793
Americas	608	0	0	608	0	695	-13	-87
Romania	574	15	518	41	0	653	-12	-79
Hungary	562	0	562	0	0	417	35	145
Slovakia	497	0	435	62	0	425	17	72
Croatia	490	0	409	81	0	450	9	40
Italy	382	3	0	379	0	411	-7	-29
Benelux	328	282	0	46	0	213	54	115
Slovenia	241	0	241	0	0	204	18	37
Switzerland	168	159	1	8	0	130	29	38
Sweden	131	111	0	20	0	129	2	2
Rest of Europe	117	1	93	23	0	133	-12	-16
Asia	108	1	0	107	0	125	-14	-17
Serbia	91	0	74	17	0	66	38	25
Bulgaria	31	0	31	0	0	39	-21	-8
Denmark	25	25	0	0	0	24	4	1
Africa	5	0	0	5	0	27	-81	-22
Total	**31,375**	**13,414**	**7,963**	**9,982**	**16**	**25,362**	**24**	**6,013**

€ 31.4 billion

Order backlog

Over the course of 2025, STRABAG SE's **order backlog** exceeded the € 30 billion mark for the first time, reaching € 31,374.55 million at year-end – an increase of € 6.0 billion or 24% year on year. The increase was driven primarily by strategic growth markets in mobility, energy and water infrastructure, as well as high-tech construction. The strongest growth was recorded in the United Kingdom, Germany and the Czech Republic. Australia contributed around € 800 million to the order backlog.

Development of order backlog



In the energy and water infrastructure segment, STRABAG secured a major water infrastructure project in the United Kingdom. The company was also awarded additional contracts for power transmission lines and for the construction of the world's largest river heat pump in Germany.

In mobility infrastructure, rail construction contracts totalling € 1.3 billion were awarded in the European core markets, while in Germany STRABAG was commissioned with key construction sections of the landmark Fehmarn Sound Crossing project. In Australia, the company acquired major projects in road and bridge construction.

STRABAG also further expanded its portfolio in high-tech construction, securing a major project in the semiconductor industry and under a joint venture agreement the first phase of the IPAI campus for artificial intelligence in Germany.

Construction sites included in the order backlog as at 31 December 2025

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)	11,276	80	2,326	8
Small orders (€ 1–15 mn)	2,256	16	4,288	14
Medium-sized orders (€ 15–70 mn)	391	3	6,305	20
Large orders (€ 70–150 mn)	79	<1	3,894	12
Very large orders (>€ 150 mn)	65	<1	14,561	46
Total	**14,067**	**100**	**31,375**	**100**

The total order backlog is comprised of **14,067 individual projects**. Approximately 13,500 of these, or 96%, involve very small or small orders with a volume of up to € 15 million each; the remaining proportion of 4% covers medium-sized to very large orders with contract volumes of € 15 million and up. A total of merely 65 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.

Selected large projects in the order backlog as at 31 December 2025

Country	Project	Order backlog € mn	As % of total Group order backlog
United Kingdom	Haweswater Aqueduct Resilience Programme (HARP)	2,636	8.4
United Kingdom	HS2 high-speed rail line	1,327	4.2
Germany	U5 East, Hamburg	431	1.4
Germany	Bayerische Versorgungskammer	430	1.4
Germany	US hospital, Weilerbach	411	1.3
Germany	Lock Kriegenbrunn	316	1.0
Germany	Central Business Tower	297	1.0
United Kingdom	Woodsmith Project	274	0.9
Czech Republic	Railway junction at Česká Třebová	224	0.7
Canada	Scarborough Subway Extension Line 2	207	0.7
Total		**6,553**	**21.0**

Financial performance

The consolidated **Group revenue** for the 2025 financial year amounted to € 18,714.28 million. Similar to output, this represents an increase of 7%. The ratio of revenue to output rose slightly from 91% to 92%. The comparatively lower level of this key figure over a multi-year comparison is attributable to a higher share of large-scale projects executed in consortia. The operating segments contributed to revenue as follows: North + West 40%, South + East 39% and International + Special Divisions 21%.

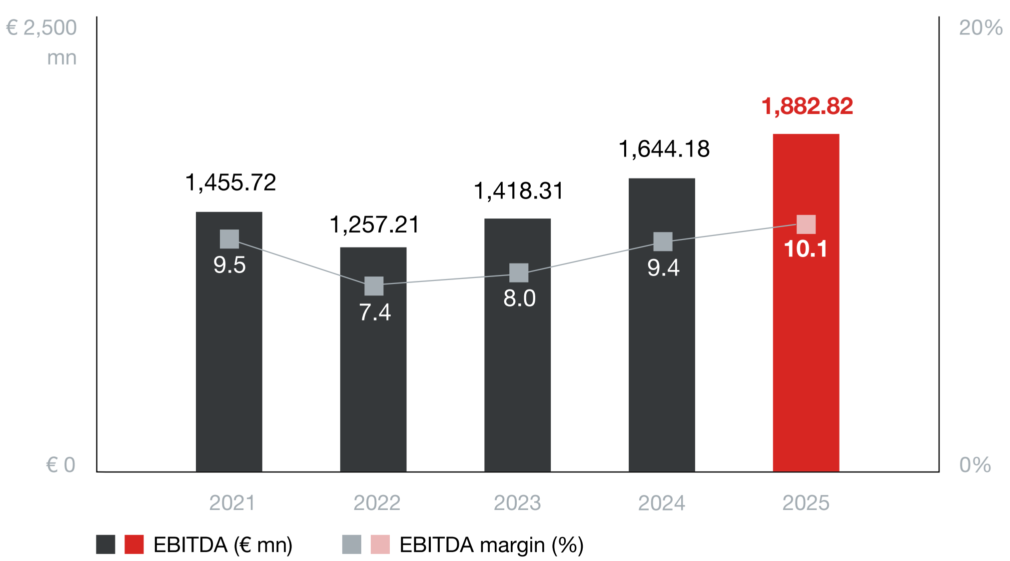
Changes in inventories are mainly attributable to property development activities. The **own work capitalised** relates to the construction of Group locations and remained at a similar level year on year. The total of **expenses for construction materials, consumables and services used** and employee benefits expense, expressed in relation to revenue, was kept stable at 88%.

Expenses

€ mn	**2025**	2024	Δ %
Construction materials, consumables and services used	11,168.65	10,463.01	7
Employee benefits expense	5,243.65	4,905.50	7
Other operating expenses	1,090.32	1,115.28	-2
Depreciation	635.59	582.29	9

Earnings from equity-accounted investments increased by 10% to € 163.85 million in the reporting period, driven by higher earnings from consortia. The **net income from investments**, which comprises distributions and expenses from numerous smaller companies and financial investments, declined year on year; the previous year included, among other things, positive results from the disposal of investments.

Development of EBITDA and EBITDA margin



Overall, **earnings before interest, taxes, depreciation and amortisation (EBITDA)** increased by 15% to € 1,882.82 million. The **EBITDA margin** rose from 9.4% to 10.1% year on year, reaching a double-digit level for the first time. In line with investments under Strategy 2030 and the expanded asset base, depreciation and amortisation increased as expected by 9% to € 635.59 million.

Earnings before interest and taxes (EBIT) rose significantly by 17% to € 1,247.23 million. The **EBIT margin** increased from 6.1% in the previous year to a strong 6.7%. The higher-than-expected EBIT margin was driven, among other factors, by positive effects from major projects in Germany and in the international business, particularly in the infrastructure sector. Mild weather conditions in Germany also had a positive impact, leading to a higher utilisation of capacities towards the end of the year.

Solid **net interest income** of € 40.97 million was again achieved in the reporting period, although this was lower than in the previous year (2024: € 75.42 million). This development was primarily due to lower deposit interest rates and to exchange rate effects included in net interest income turning more negative at € -10.79 million (2024: € -0.4 million).

28.5%

Effective tax rate

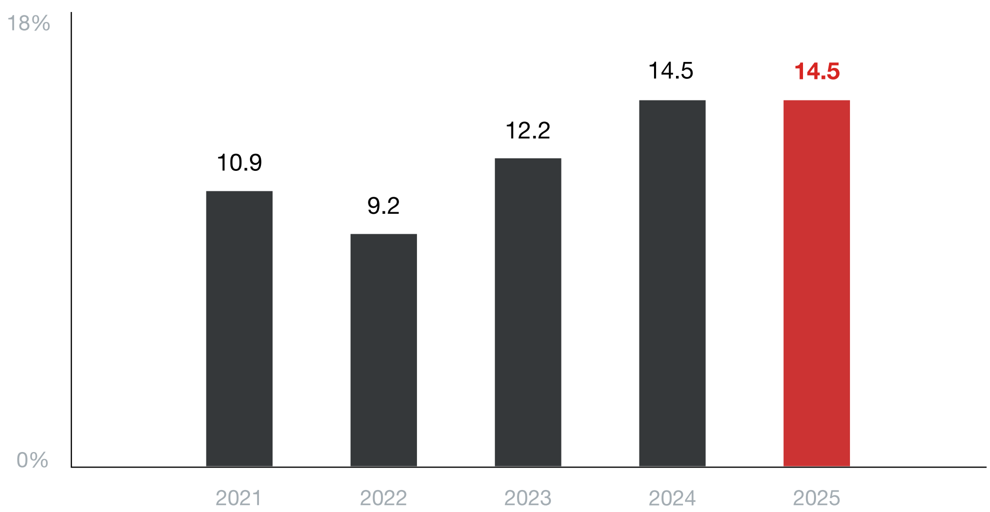
On balance, **earnings before taxes** amounted to € 1,288.20 million. The **income tax rate** increased slightly from a low base to 28.5%. **Net income** rose by 11% to € 920.96 million compared with the previous year.

€ 7.94

Earnings per share

Minority shareholders accounted for € 4.68 million of the earnings, compared with € 5.33 million in the previous year. The **net income after minorities** increased by 11% year on year to € 916.28 million, reaching a new all-time high. Earnings per share amounted to € 7.94 in 2025, compared with € 7.35 in 2024.

Development of ROCE



Return on capital employed (ROCE) remained unchanged year on year at 14.5%.

Financial position and cash flows

Balance sheet

€ mn	**31.12.2025**	**% of balance sheet total**	31.12.2024	% of balance sheet total
Non-current assets	6,267	40	5,822	40
Current assets	9,579	60	8,853	60
Equity	5,684	36	5,000	34
Non-current liabilities	2,352	15	2,288	16
Current liabilities	7,810	49	7,387	50
Balance sheet total	**15,846**	**100**	**14,675**	**100**

The **total of assets and liabilities** of STRABAG SE increased by 8% year on year to € 15,845.94 million. On the assets side of the balance sheet, the increase is attributable, among other factors, to higher cash and cash equivalents, property, plant and equipment, and inventories. As a result of corporate acquisitions in line with Strategy 2030, goodwill also rose. Investment property increased as expected due to the expansion of the STRABAG Hold Estate portfolio – the long-term, strategic holding of real estate.

35.9%

Equity ratio

Equity amounted to € 5,684.02 million as at 31 December 2025, corresponding to an **equity ratio** of 35.9%. Not least due to the higher-than-expected earnings, the equity ratio increased significantly year on year and remains comfortably above the Group's minimum target of 25%. With this equity base, STRABAG is positioned among the leading European construction groups.

Key balance sheet figures

	31.12.2021	31.12.2022	31.12.2023	31.12.2024	**31.12.2025**
Equity ratio (%)	33.3	31.7	32.2	34.1	35.9
Net debt (€ mn)	-1,937.18	-1,927.70	-2,643.24	-2,905.25	-3,518.26
Gearing ratio (%)	-47.6	-47.9	-59.9	-58.1	-61.9
Capital employed (€ mn)	5,750.63	5,407.37	5,726.41	6,331.38	6,888.47

€ 3.5 billion

Net cash position

As at 31 December 2025, STRABAG SE again reported a **net cash position**, which increased significantly to € 3,518.26 million due to higher cash and cash equivalents.

Calculation of net debt[1]

€ mn	31.12.2021	31.12.2022	31.12.2023	31.12.2024	**31.12.2025**
Financial obligations	1,193.62	957.20	898.93	927.27	828.87
Severance provisions	108.36	91.38	98.27	99.34	113.90
Pension provisions	376.83	333.55	319.85	304.40	261.68
Non-recourse liabilities	-652.74	-607.97	-509.67	-512.57	-399.45
Cash and cash equivalents	-2,963.25	-2,701.85	-3,450.62	-3,723.70	-4,323.26
Total	**-1,937.18**	**-1,927.70**	**-2,643.24**	**-2,905.25**	**-3,518.26**

1 The non-recourse liabilities considered relate to three major projects. Non-recourse liabilities from other PPP projects are of minor significance due to their low volume and are therefore not deducted in the calculation of net debt.

Cash flow from operating activities increased during the reporting period to € 1,802.66 million, compared with € 1,387.21 million in the previous year. This development is attributable on the one hand to higher cash flow from earnings and on the other hand to an unexpected reduction in working capital. Advance payments remained stable year on year.

Cash flow from investing activities amounted to € -813.35 million (2024: € -749.54 million) due to higher investments in line with Strategy 2030, and was therefore slightly more negative, but remained below the projected peak of € 1,400 million for 2025 due to timing shifts in M&A projects. Increases were recorded in investment property (STRABAG Hold Estate) as well as in investments in financial assets and corporate acquisitions – including in the areas of building solutions, circular economy and through the acquisition in Australia.

Cash flow from financing activities amounted to € -409.58 million, compared with € -353.69 million in the previous year. This development is attributable, among other factors, to the repayment of liabilities and to higher dividend distributions compared with the previous year.

Report on own shares

As at 31 December 2025, the company held 2,779,006 own shares (2.4% of the share capital). A subsidiary held a further 280 shares as at 31 December 2025. The rights attached to these 2,779,286 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 of the Austrian Stock Corporation Act (AktG).

Further details can be found in the management report under Disclosures under Section 243a Para 1 UGB.

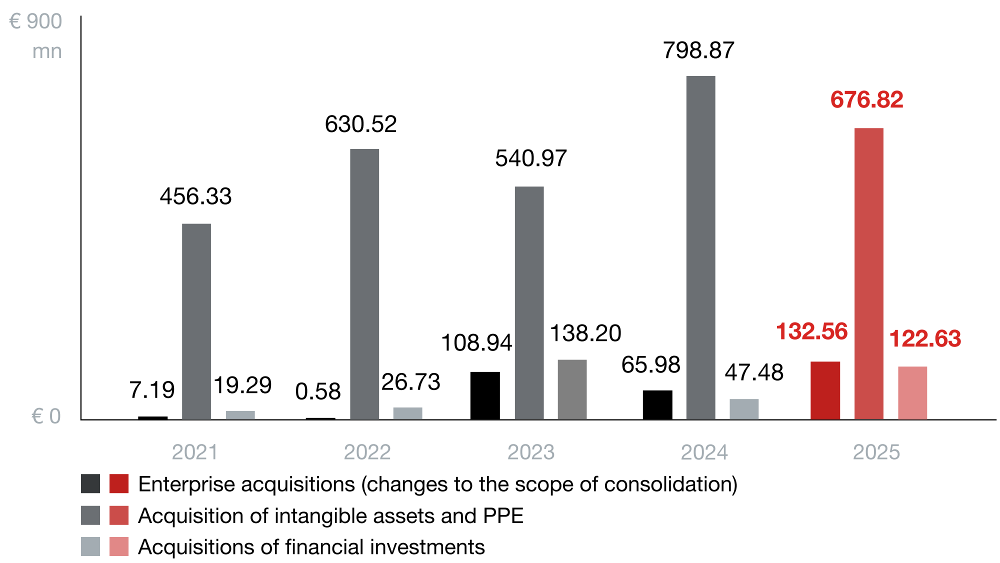
Capital expenditures

€ 813 million

Net investments

STRABAG had forecast **net investments** (cash flow from investing activities) of up to € 1,400 million for the 2025 financial year. Ultimately, this figure came in lower than expected at € 813.35 million due to timing shifts in M&A projects.

Composition of CapEx



Gross investments (CapEx) without deducting inflows from asset disposals amounted to € 932.01 million. This figure includes investments in intangible assets, in property, plant and equipment, and in investment property, excluding non-cash additions of right-of-use assets from lease arrangements, in the amount of € 676.82 million, the acquisition of financial assets totalling € 122.63 million, and € 132.56 million resulting from changes in the scope of consolidation.

Capital expenditures were driven in particular by maintenance expenditures at our permanent establishments in Germany, the Czech Republic, Austria and Poland. Additional investments focused primarily on the building materials network, railway construction and ground engineering in various countries.

In the reporting year, investments in intangible assets and in property, plant and equipment were offset by depreciation and amortisation amounting to € 635.59 million. As in the previous year, no impairments of goodwill or write-ups of investment property were recorded.

Financing and treasury

Key figures treasury

	2021	2022	2023	2024	**2025**
Interest and other income (€ mn)	26.96	50.74	119.19	144.85	105.96
Interest and other expense (€ mn)	-39.53	-40.07	-75.07	-69.43	-64.99
EBIT/net interest income (x)	-71.3	66.2	19.9	14.1	30.4
Net debt/EBITDA (x)	-1.3	-1.5	-1.9	-1.8	-1.9

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 obligations 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.

€ 4.3 billion

Cash and cash equivalents

The existing **liquidity** of € 4.3 billion sufficiently covers the Group’s liquidity needs. STRABAG SE has access to a total of € 10.5 billion in cash and surety credit facilities. This includes a syndicated surety credit line of € 2.5 billion and a revolving syndicated cash credit line of € 0.5 billion with a respective term until at least 2030. 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. The rating was reconfirmed in September 2025.

Payment obligations

€ mn	**Book value 31.12.2025**	Book value 31.12.2024
Bank borrowings	460.87	536.39
Lease liabilities	368.00	390.88
Total	**828.87**	**927.27**

Segment report

Overview of the four segments within the group

In 2025, the business of STRABAG SE was divided into four segments: the three operating segments North + West, South + East and International + Special Divisions, as well as the segment Other, which comprises the Group's central divisions and central staff divisions. In 2025 and to date in 2026, the segments were composed as follows:

North + West

Management Board responsibility: Jörg Rösler
Germany, Switzerland, Scandinavia, Benelux (since 17 January 2025), Ground Engineering

Management Board responsibility: Klemens Haselsteiner
Benelux (until 17 January 2025)

South + East

Management Board responsibility: Péter Glöckler (since 11 August 2025), Alfred Watzl (until 6 August 2025)
Austria, Poland, Czech Republic, Slovakia, Hungary, Romania, South-East Europe, Construction Materials

International + Special Divisions

Management Board responsibility: Siegfried Wanker
Tunnelling, International, United Kingdom, Australia, Infrastructure Development, Real Estate Development, Energy Infrastructure, Building Solutions, Hold Estate

Other

Management Board responsibility: Klemens Haselsteiner (until 17 January 2025), Stefan Kratochwill (since 19 February 2025) and Christian Harder
Central Divisions, Central Staff Divisions

Klemens Haselsteiner passed away on 17 January 2025. The remaining members of the Management Board assumed his responsibilities on an interim basis until Stefan Kratochwill was appointed CEO of STRABAG SE with immediate effect on 19 February 2025.

Construction projects are assigned to one of the segments (see chart below). Projects may, of course, be assigned to more than one segment. This is the case, for example, with PPP projects, where the construction component is reported in the respective geographical segment, while the concession component is shown in the concessions unit of the segment International + Special Divisions. In projects spanning more than one segment, commercial and technical responsibility generally lies with the segment that has the higher share of the overall project value.

Segments are primarily categorised according to geographical aspects. Specialist activities in particular – such as tunnelling – are naturally in demand worldwide and are therefore shown in the segment International + Special Divisions. At the same time, cross-border business fields such as ground engineering or construction materials are also found in the segments North + West and South + East. These are predominantly organised from a country within the respective geographical segment.

Certain services may be provided in more than one segment. In the following, activities are assigned to the segment which the most significant portion of the services was provided. Details can be found in the table.

With only a few exceptions, STRABAG offers services across all areas of the construction industry in the individual European markets in which it operates, covering 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			√
Building Solutions			√

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	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Output volume	8,531.01	8,239.86	4	291
Revenue	7,511.87	7,221.27	4	291
Order backlog	13,413.69	12,088.14	11	1,326
EBIT	840.96	692.67	21	148
EBIT margin (% of revenue)	11.2	9.6		
Employees (FTE)	23,161	22,392	3	769

Output volume – North + West segment

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Germany	7,889	7,655	3	234
Switzerland	228	223	2	5
Benelux	181	139	30	42
Sweden	117	117	0	0
Austria	45	35	29	10
Romania	42	31	35	11
Denmark	7	19	-63	-12
United Kingdom	5	13	-62	-8
Other countries	17	8	> 100	9
Total	**8,531**	**8,240**	**4**	**291**

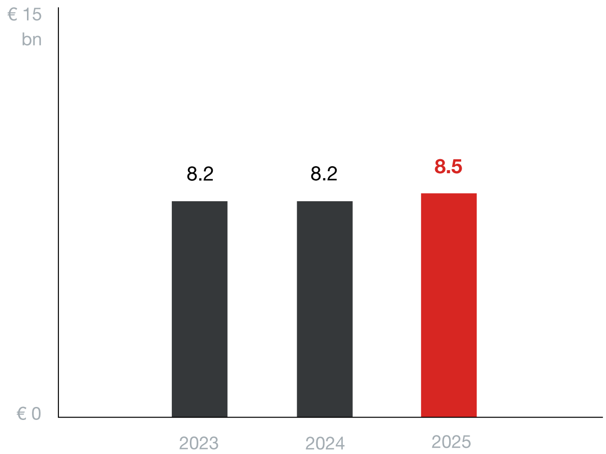
Output, revenue and EBIT

Greatest momentum in Germany

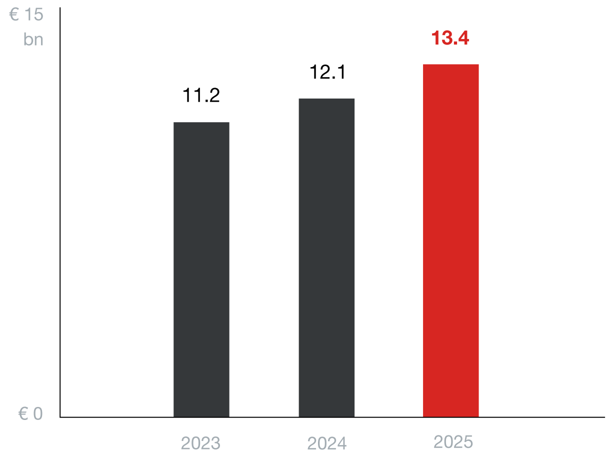
Output in the segment North + West increased by 4% in the 2025 financial year to € 8,531.01 million. Given its relative size within the segment, Germany made the strongest contribution to this development. Growth here was driven by projects in infrastructure and industrial construction, while municipal road construction declined due to the delayed adoption of the federal budget in the wake of the federal elections. Gains were also recorded in the Benelux countries, primarily in building construction.

Revenue rose in line with output by 4% to € 7,511.87 million. **EBIT** increased significantly by 21% to € 840.96 million, corresponding to an EBIT margin of 11.2%, which was thus further expanded from an already very high level. This development was driven primarily by two factors in Germany: positive contributions from large-scale infrastructure projects and mild weather conditions, which led to higher capacity utilisation towards the end of the year.

Output volume



Order backlog



Order backlog

Order backlog expanded at high level

The **order backlog** as at 31 December 2025 increased by 11% to € 13,413.69 million. The primary driver behind this development was the home market of Germany, with strategically important projects in mobility and energy infrastructure, including key construction sections of the Fehmarn Sound Crossing and contracts in power transmission line construction. In the area of high-tech facilities, the backlog was strengthened by a semiconductor megaproject and by the first construction phase of the IPAI campus for artificial intelligence. Other markets in the segment also contributed positively to the development of the order backlog, albeit to a lesser extent.

Employees

The number of employees grew by 3% to 23,161 FTEs. The strongest increase was recorded in Germany, in line with output development. Moderate increases were also seen in the Benelux countries and Switzerland.

Outlook

Significant output growth expected

Based on the further rise in order backlog, STRABAG expects significant growth of its output volume in the North + West segment in 2026 despite partly challenging conditions.

In **Germany**, the construction industry is showing signs of recovery across all areas for the first time in five years. Key drivers include the announced investments by Deutsche Bahn and the € 11 billion federal roads budget for 2026. Growing demand linked to the energy transition is providing additional impetus. At the same time, limited municipal budgets and the ongoing intense price competition remain notable challenges. Should planning and approval procedures be accelerated – including through alternative contract models – the € 500 billion off-budget infrastructure fund made available by the Federal Government could lead to a perceptible increase in demand, at the earliest towards the end of 2026. In residential construction, following the sharp declines of previous years, initial signs of a turnaround are emerging, supported by stabilising construction costs and improved financing conditions. While private households and property developers continue to act cautiously, increasing investment is expected in the context of the off-budget fund for infrastructure and climate neutrality.

In the **Benelux countries**, there is still strong competitive pressure. STRABAG is responding to this environment by maintaining a highly selective approach to tendering. In the Netherlands and Belgium, the company is seizing initial opportunities in industrial construction, particularly in projects relating to the energy transition. Demand in the residential construction market has also increased slightly.

In **Scandinavia**, the consolidation and stabilisation measures already initiated are being continued. Significant growth is expected in both the Danish and Swedish construction markets in 2026. STRABAG's focus is on medium-sized projects, primarily in commercial and industrial construction.

In **Switzerland**, demand for construction services remains stable. The necessary investments have been implemented to continue on the growth path that has been embarked upon.

Selected projects – North + West segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
Germany	Bayerische Versorgungskammer	419	1.3
Germany	US hospital, Weilerbach	411	1.3
Germany	Lock Kriegenbrunn	316	1.0
Germany	U5 East, Hamburg	302	1.0
Germany	Central Business Tower	297	1.0

Segment South + East

The geographic focus of the segment South + East is on Austria, Poland, the Czech Republic, Slovakia, Hungary, Romania and South-East Europe. The construction materials activities are also handled within this segment.

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Output volume	7,694.14	7,502.30	3	192
Revenue	7,238.46	7,123.76	2	115
Order backlog	7,963.12	7,738.49	3	225
EBIT	266.72	387.99	-31	-121
EBIT margin (% of revenue)	3.7	5.4		
Employees (FTE)	26,218	26,852	-2	-634

Output volume – South + East segment

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Austria	2,407	2,479	-3	-72
Poland	1,747	1,571	11	176
Czech Republic	1,086	995	9	91
Hungary	577	577	0	0
Germany	486	540	-10	-54
Romania	440	428	3	12
Slovakia	305	292	4	13
Croatia	251	222	13	29
Slovenia	138	89	55	49
Serbia	107	92	16	15
Bulgaria	76	48	58	28
Other countries	74	169	-56	-95
Total	**7,694**	**7,502**	**3**	**192**

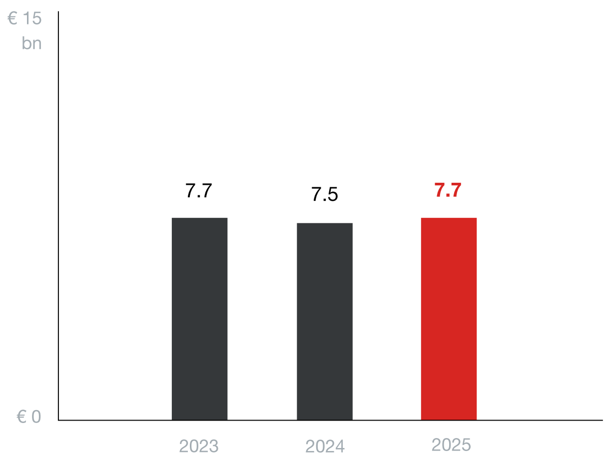
Output, revenue and EBIT

Strong growth in Poland and Czech Republic

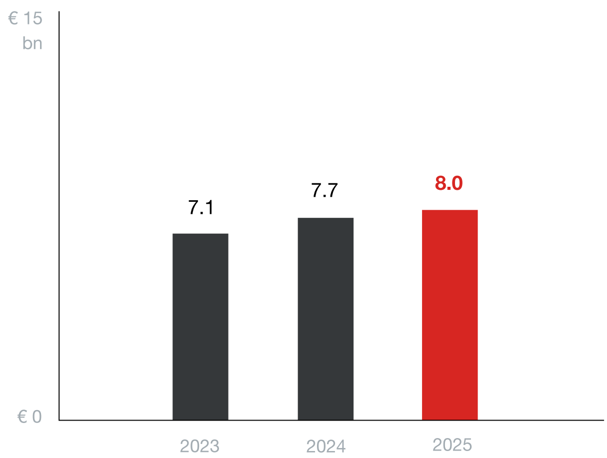
Output in the segment South + East increased by 3% to € 7,694.14 million in the 2025 financial year, driven mainly by strong output growth in Poland and the Czech Republic. Austria showed nearly stable development despite a weak market for residential construction and constrained municipal budgets.

Revenue amounted to € 7,238.46 million and, with a plus 2%, increased somewhat less strongly than output. **EBIT** declined in the reporting year to € 266.72 million (2024: € 387.99 million), corresponding to an EBIT margin of 3.7% (2024: 5.4%). While earnings improvements were achieved in several countries in Eastern and South-East Europe, the strong results of the previous year could not be repeated in Austria and Hungary, among other markets. In Austria, the financial situation of municipalities remains strained, while in Hungary EU funds remain frozen. Earnings in Austria were also burdened by the impact from the cartel proceedings (modification proceedings), which have since been brought to a legally binding close.

Output volume



Order backlog



Order backlog

Dynamic infrastructure sector in CEE

The **order backlog** increased by 3% year-on-year to € 7,963.12 million. The Czech Republic contributed most strongly to this growth, driven by the successful acquisition of several mobility infrastructure projects, especially in railway construction. Hungary, Poland and Slovenia also recorded noticeable increases, carried by a broad mix of projects in several construction sectors.

Employees

The number of employees declined slightly by 2% to 26,218 FTEs in the 2025 financial year. While Austria saw reductions, Poland and the Czech Republic expanded staff numbers in line with the higher output.

Outlook

Output growth despite diverging trends

Despite diverging trends, a solid increase in output is expected in the South + East segment for 2026, based on the high order backlog.

In **Austria**, building construction remains under pressure due to the weak residential construction market in recent years and the overall challenging conditions for construction in the country, which are dampening the willingness of industry to invest. In the transportation infrastructure business, the strained municipal budgets are particularly noticeable and government austerity measures in response to the budget deficit are likely to further curb tendering activity in this area. By contrast, the consistently high levels of investment by ASFINAG and ÖBB are having a stabilising effect. Positive momentum is being generated by Reconstruction, Conversion & Refurbishment as well as by investments in energy infrastructure and the construction of data centres. Additional market opportunities are arising in specialist services and in projects relating to climate-resilient urban development and land unsealing.

In **Poland**, the release of EU funding has led to a perceptible increase in public investment activity, particularly in mobility infrastructure. Tender volumes in rail and road construction have risen significantly and further large-scale projects are expected in energy and defence infrastructure. With the acquisition of ZABERD, STRABAG has also positioned itself as a leading company in the field of road maintenance. In building construction, private investment remains subdued for the time being, with public investment partially offsetting this trend. The interest rate cuts already implemented are expected to provide additional growth stimulus from 2026 onwards.

The situation in **Hungary** remains challenging due to withheld EU funds and lower public investment activity in the run-up to the 2026 parliamentary elections. Positive developments can be seen in contracts from the automotive manufacturing industry and its suppliers as well as in foreign direct investment in battery technology and digital services. In the coming years, investments are also expected in road, water and energy infrastructure.

In the **Czech Republic**, a significant increase in tender volumes can be observed in transportation infrastructure. The rail sector in particular is showing positive market momentum, with further tenders totalling around € 3.6 billion planned for 2026. The tender situation in energy and water infrastructure is also developing favourably. Against the backdrop of declining interest and inflation rates, increasing private investment activity can be expected.

In **Slovakia**, increased investment in transportation infrastructure is anticipated from 2026 onwards in connection with the upcoming municipal elections, although noticeable competitive and price pressure persists, particularly in this area. Several large-scale projects are expected to be put out to tender in rail and bridge construction, including schemes structured as public-private partnerships. In building construction, a recovery is anticipated in industrial and residential construction.

Overall, the development of demand in the markets of **South-East Europe** show varying tendencies but, taken together, point to stable development. In Croatia, supported by EU funding, the current focus is on energy, water and mobility infrastructure, with particular emphasis on rail construction. In Slovenia, record-high government spending combined with EU-backed investment programmes is creating stable growth stimulus for the construction sector, especially in infrastructure and residential construction. Romania continues to be regarded as a promising growth market with considerable infrastructure needs, some of which are supported by EU-financed investment. At present, fiscal policy measures aimed at reducing the budget deficit are having a dampening effect. In South-East Europe's markets, an increased presence of competitors can be observed from outside Europe, for example from China and Turkey.

The **building materials** activities that are bundled in the South + East segment are showing a satisfactory trend overall. These activities are of key importance for the action area of circularity 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	257	0.8
Czech Republic	Railway junction at Česká Třebová	224	0.7
Poland	Maksymilianowo railway junction	160	0.5
Poland	DK12 Głogów bypass	151	0.5
Slovenia	Emonika City Centre (southern part)	126	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, energy infrastructure and building solutions, irrespective of where these are performed, and includes the divisions United Kingdom, Australia and STRABAG Hold Estate (real estate portfolio management).

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Output volume	4,030.13	3,268.68	23	761
Revenue	3,944.87	3,059.27	29	886
Order backlog	9,981.89	5,505.02	81	4,477
EBIT	181.69	-2.28	n.a.	184
EBIT margin (% of revenue)	4.6	-0.1		
Employees (FTE)	22,796	21,255	7	1,541

Output volume – International + Special Divisions segment

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Germany	1,076	1,094	-2	-18
Australia	578	0	n.a.	578
Americas	526	514	2	12
United Kingdom	518	681	-24	-163
Austria	405	280	45	125
Middle East	259	252	3	7
Poland	156	106	47	50
Italy	134	107	25	27
Czech Republic	94	6	>100	88
Asia	91	103	-12	-12
Benelux	76	76	0	0
Romania	25	5	>100	20
Africa	24	8	>100	16
Slovakia	19	10	90	9
Rest of Europe	16	13	23	3
Croatia	13	0	n.a.	13
Sweden	13	0	n.a.	13
Slovenia	5	3	67	2
Switzerland	2	3	-33	-1
Hungary	0	8	-100	-8
Total	**4,030**	**3,269**	**23**	**761**

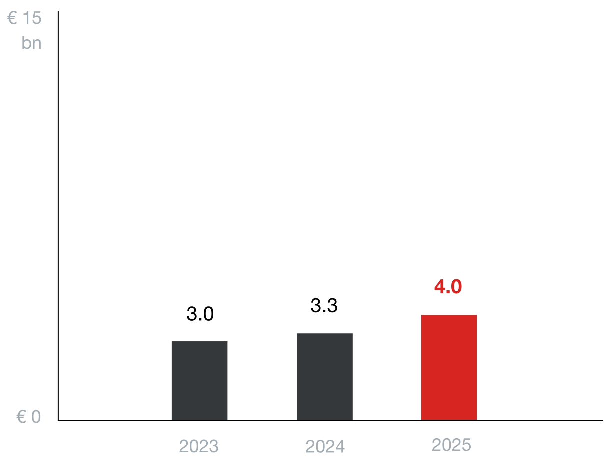
Output, revenue and EBIT

Significant output growth

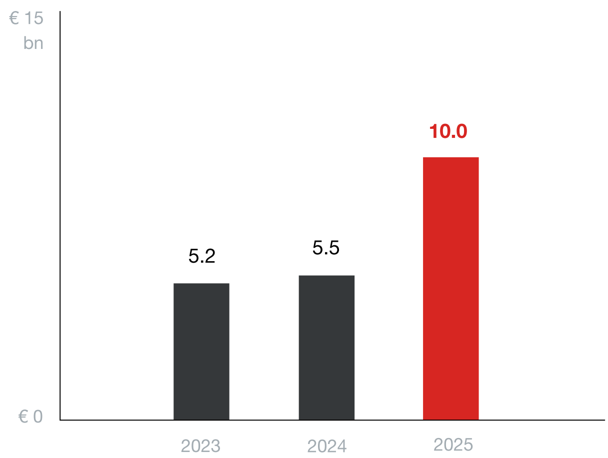
Output in the segment International + Special Divisions rose sharply by 23% to € 4,030.13 million in 2025. The acquisition of Georgiou Group in Australia was the main contributor to this development. Among the core markets, the greatest increases were recorded in Austria, the Czech Republic and Poland – in different sectors depending on the country. Noteworthy business areas include building solutions, real estate project development and tunnelling. In the United Kingdom, the deferral of output portions from major projects to subsequent years resulted in a decline.

Revenue increased more strongly than output year on year, growing by 29% to € 3,944.87 million. The International + Special Divisions segment is subject to regular fluctuations due to large and mega-sized projects. In the 2025 financial year, lower earnings charges were recorded in the volatile international project business. Higher earnings contributions from the infrastructure development and building solutions business, as well as initial profit contributions from Australia, also had a positive impact. **EBIT** amounted to € 181.69 million (2024: € -2.28 million), corresponding to a solid EBIT margin of 4.6%.

Output volume



Order backlog



Order backlog

Order backlog driven by UK and Australia

The **order backlog** as at 31 December 2025 surged by 81% year-on-year to € 9,981.89 million. The strongest increases were recorded in the United Kingdom – driven by the acquisition of the HARP water infrastructure megaproject – and in Australia due to the takeover of Georgiou Group. Further significant increases in the order backlog were recorded especially in the Middle East, but also in the Czech Republic and in various sectors in Austria.

Employees

The number of employees in the segment International + Special Divisions grew by 7% to 22,796 FTEs, around half of which is attributable to the Australian acquisition with more than 800 employees. In existing markets, employee numbers were increased to implement newly acquired projects, particularly in the Middle East, Austria and the Czech Republic.

Outlook

Substantial output growth expected

For the 2026 financial year, the International + Special Divisions segment is expected to achieve substantial output growth on the back of a significantly higher order backlog.

The **tunnelling** business is subject to regular fluctuations due to the project sizes in this sector. Major projects are currently being executed in Canada and the United Kingdom. A large number of projects in Germany, together with smaller contracts in Italy, the Czech Republic, Slovenia, Croatia and Austria, are ensuring stable capacity utilisation.

The focus of the **international business** is on established markets in the Middle East (United Arab Emirates, Oman and Qatar) and in South America (Chile). The short- and medium-term outlook remains optimistic. In mining, the order backlog was significantly expanded through another major contract in Chile, while in the Middle East a large-scale building construction project and road construction schemes in Oman are ensuring good utilisation. Decarbonisation projects and strong demand for raw materials in these regions are also creating growth opportunities.

On 28 February 2026, the United States and Israel launched air strikes on Iran, prompting Iranian counterattacks in the region. STRABAG does not operate in Iran, but it is active in Qatar, the United Arab Emirates and Oman. Following the acquisition of WTE Wassertechnik GmbH, the Group now also has operations in Bahrain and Kuwait. At the time this report was being prepared, no damage to the company's facilities had been recorded in these regions. In line with official recommendations, activities were temporarily suspended or significantly reduced. The medium-term impact of the war – for example due to rising energy prices – cannot yet be assessed at the time of reporting.

In the **United Kingdom**, where STRABAG has been successfully active in the project business for many years, the development of a permanent local presence is progressing according to plan. Long-term contracts in the public and private sectors are intended to open up future growth opportunities in mobility, water and energy infrastructure and, more recently, in building construction.

In **Australia**, the integration of Georgiou Group, acquired in March, is currently under way. Demand for construction services remains stable, with foreseeable order declines in New South Wales likely to be largely offset by a rising number of major projects in Western Australia and Queensland. In addition to announced large-scale investments in state energy infrastructure, the 2032 Summer Olympics in Brisbane are expected to significantly increase demand for construction services between 2026 and 2030.

The **Energy Infrastructure** entity secured several significant contracts in 2025, including the construction of the world's largest heat pump in Mannheim. For 2026, continued dynamic market development is expected in energy and water infrastructure, driven in particular by Europe-wide efforts to achieve climate targets and by national investment programmes. With the closing of WTE Wassertechnik GmbH in March 2026, STRABAG is becoming a full-service provider in integrated water management. Supported by further inorganic growth, value creation depth is to be increased further.

In March 2025, **Building Solutions** acquired Instalace Praha, a Czech M&E specialist with around 280 employees. Further acquisitions are being pursued in Austria, Germany and Central and Eastern Europe in order to expand Group-wide M&E expertise. By linking the facility management business with M&E capabilities, the business unit is developing into a full-service provider for decarbonisation and sustainable building operations.

In **Infrastructure Development**, one focal project is the Haweswater Aqueduct Resilience Programme (HARP) in the United Kingdom, which reached financial close in the reporting year. In line with Strategy 2030, photovoltaic and battery energy storage projects are being developed to increase the share of renewable energy in Germany. In addition, a portfolio of large-scale photovoltaic projects is being established in Colombia and further concession projects are being pursued in the Group's core markets.

In **Real Estate Development**, the expected economic upturn in Germany and Austria suggests that the market trough is likely to have been passed, although a marked recovery in commercial property transactions is not anticipated before 2027. At the same time, a supply gap is emerging, particularly for sustainable commercial properties and affordable housing, alongside consolidation within the developer and property development sector. STRABAG has strengthened its activities, particularly in residential and residential-related asset classes, thereby positioning itself more resiliently.

Over the past three years, **STRABAG Hold Estate** has successfully established itself in the market and is expanding the Group's service portfolio to include the long-term, strategic holding of non-operating properties. Following acquisitions primarily in Germany and Austria in the office, residential and hotel asset classes, the focus is now shifting to Central and Eastern Europe.

Selected projects – International + Special Divisions segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
United Kingdom	Haweswater Aqueduct Resilience Programme (HARP)	2,636	8.4
United Kingdom	HS2 high-speed rail line	1,327	4.2
United Kingdom	Woodsmith Project	274	0.9
Canada	Scarborough Subway Extension Line 2	207	0.7
Australia	Tonkin Extension	169	0.5

Segment Other

Service companies and central staff divisions

This segment encompasses the Group's internal central divisions and central staff divisions.

€ mn	**2025**	2024	Δ 2024-2025 %	Δ 2024-2025 absolute
Output volume	168.67	227.96	-26	-59
Revenue	19.08	17.92	6	1
Order backlog	15.85	30.82	-49	-15
EBIT	-8.93	0.74	n.a.	-10
EBIT margin (% of revenue)	-46.8	4.1		
Employees (FTE)	8,036	7,675	5	361

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 and climate 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.

More details in the Notes under Item 36 Financial Instruments

Find out more

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

STRABAG whistleblower platform

Find out more

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.

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 SCC, where necessary). 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 chapter ESG performance of the Group management report.

Environmental and climate protection

More on impacts, risks and opportunities in the Group management report

Find out more

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 chapter ESG performance of the Group management report. Risks from the effects of climate change are presented in the chapter impacts, risks and opportunities of the management report as well as 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 the chapter ESG performance of the Group management 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 a central component of STRABAG SE's Strategy 2030. Besides using new technologies, the Group initiates forward-looking projects, brings its in-house innovations to market maturity and pursues research partnerships, thereby consolidating its expertise across the entire Group. In the 2025 financial year, STRABAG implemented some 149 development projects and spent a total of around € 18 million on research, development and innovation activities (2024: approx. € 19 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 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. Key focus areas include the circular economy as well as the implementation of sustainable solutions across energy, engineering, and materials development.

Since 2020, **STRABAG Innovation & Digitalisation (SID)** – with around 470 employees more at 20 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 (Central Technical Division). 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

In 2025, the publicly funded project **Off-Highway Twins 2 (OHT2)**, supported by Germany's mFUND programme, was successfully completed in collaboration with RWTH Aachen University and partners from the IT sector. By merging (geo)data from the cloud with sensor and telemetry data from construction machinery and vehicles, up-to-date, comprehensive, detailed and semantic models of infrastructure assets and their surroundings – the so-called off-highway twins – were derived in real time using modelling, sensor data fusion and AI. These models were kept current throughout the entire life cycle of the respective infrastructure assets and successfully integrated into operational workflows.

EMilCon, a research project initiated by TPA's Group PSS, focuses on the further development of inductive charging technology. While its predecessor project EMili concentrated on asphalt construction, EMilCon addresses the specific challenges of concrete construction. The aim is to integrate induction coils into concrete roads in order to create an efficient, reliable and durable wireless charging infrastructure for electric vehicles. As part of the **Electric Road System Telecommunication in NRW (ERS.T-NRW)** project, a system is being developed that not only optimises energy transmission but also intelligently manages communication between vehicle and charging infrastructure.

Projects in Building Construction & Civil Engineering

Launched in early 2025, the research project **Construct-X**, funded by the German Federal Ministry for Economic Affairs and Energy, brings together partners from academia and industry to develop a data space for the construction sector. This data space forms the basis for a cloud-edge continuum enabling decentralised, secure and latency-free processing and provision of data on construction sites. The increased cross-company data sharing is intended to enhance transparency regarding environmental information in construction projects, boost labour productivity and strengthen resilience in logistics chains for more precise, efficient and sustainable construction projects.

The project **ConCIRCLE (Constructing Circular Intelligence for Reinforced Concrete Life Extension)**, also funded by the Ministry for Economic Affairs and Energy, aims to develop an AI-supported assessment system that captures, evaluates and provides multimodal data – including condition, geometry, material parameters and potential pollutant contamination – of reinforced concrete components in building stock for incorporation into digital product passports. The obtained data forms the basis for the economic and environmental assessment of reuse potential and for the integration of used reinforced concrete components into secondary markets and BIM planning processes.

Projects in Artificial Intelligence (AI)

In the field of **Artificial Intelligence (AI)**, STRABAG took further concrete steps in 2025. The application of AI for risk analysis was actively pursued and further refined. In addition to piloting models to support cost estimation, various assistance systems for managing large volumes of data were tested as well. AI has also been successfully used to digitalise analogue processes, such as forms and invoices. Mandatory AI training in accordance with Article 4 of the AI Act was implemented for all employees.

Generative design (GD), which in previous years had been tested and successfully integrated into the operating business, was actively applied in serial construction and systematically advanced. The objective was to evolve **MOLENO® Wohnen**, in combination with generative design, into an AI-based planning tool that uses a configurator to design different building typologies flexibly, data-driven and largely automatically. Generative design was also established in the specialist fields of ground engineering, mechanical and electrical (M&E) building services and architecture. Planning automation and data-driven decision-making processes enable more cost-efficient and quality-optimised planning.

Innovation Day and adASTRA Innovation Programme

Following the presentation of the new Group funding model and the new **adASTRA innovation programmes** at **Innovation Day 2024** in Cologne, these were rolled out across the Group in 2025. The next Innovation Day will take place in 2026.

To further strengthen the internal innovation ecosystem, **LEADING INNOVATION – The Innovation Leadership Initiative** was conceived in 2025. The programme provides middle management with a space in which to rethink and actively develop their role in the context of innovation. The focus lies on hands-on experience as well as concrete impulses and tools to effectively foster innovation.

Outlook

The Management Board expects **output** to increase to around € 22 billion in the 2026 financial year and anticipates higher output across all operating segments. This forecast is based on the high level of the order backlog and expected contributions from completed acquisitions.

For 2026, an **EBIT margin** in a range between 5% and 5.5% is expected.

Net investments (cash flow from investing activities) in 2026 are forecast at no more than € 1,400 million, reflecting in particular the acquisition of construction machinery and planned acquisitions under Strategy 2030.

Additional disclosures

2025

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 2025 amounted to € 118,221,982 and consisted of 118,221,982 fully paid-in, no-par value shares with a pro rata value of the share capital of € 1 per share. 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 right associated with registered shares no. 1 and no. 2 to nominate members of the Supervisory Board is described in more detail under item 8.

2. 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. 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. Accordingly, any rights attached to the 28,500,000 bearer shares held by MKAO "Rasperia Trading Limited" and to registered share no. 2 held by MKAO "Rasperia Trading Limited" are suspended.

3. The syndicate agreement concluded in 2007 between Haselsteiner Group (Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner, Klemens Peter Haselsteiner (deceased 17 January 2025)), Raiffeisen Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H., BLR-Baubeteiligungs GmbH), 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.

4. 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.

5. As at 31 December 2025, the company held 2,779,006 own shares (2.4% of the share capital). A subsidiary held a further 280 shares as at 31 December 2025. The rights attached to these 2,779,286 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 of the Austrian Stock Corporation Act (AktG).

6. Pursuant to Section 4 (4) of the Articles of Association of STRABAG SE, disposition of registered shares no. 1 and no. 2, including their full or partial sale and pledging, requires the consent of the Supervisory Board.

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 2025:
   – Haselsteiner Group: 26.87%
   – Raiffeisen Group: 15.36%
   – UNIQA Group: 15.06%
   – MKAO “Rasperia Trading Limited”: 24.11%

   According to the latest holdings notifications received from MKAO “Rasperia Trading Limited” and MKAO Valtoura Holdings Limited in December 2024, MKAO “Rasperia Trading Limited” is controlled by MKAO Valtoura Holdings Limited, while control over MKAO Valtoura Holdings Limited was listed as “unknown” in the reporting field. STRABAG has not received any further notifications regarding any controlling persons above MKAO Valtoura Holdings Limited. With regard to the STRABAG shares held by MKAO “Rasperia Trading Limited”, these remain, as previously stated, frozen in accordance with the EU Sanctions Regulation and no rights may be exercised thereunder.

   As outlined in item 5, the company, together with a subsidiary, held 2,779,286 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 16.2%, were in free float as at 31 December 2025.

8. Three shares of STRABAG SE are – as described 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 2025, registered share no. 1 is held by the Haselsteiner family (Haselsteiner Familien-Privatstiftung). As at 31 December 2025, registered share no. 2 is held by MKAO “Rasperia Trading Limited”. Since – as explained in item 2 – the EU Sanctions Regulation applies to MKAO “Rasperia Trading Limited”, its right (in addition to all other rights) from registered share no. 2 to nominate a member of the Supervisory Board is currently suspended.

9. No employee stock option programmes exist.

10. 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.

11. The Management Board of STRABAG SE was authorised by resolution of the 21st 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.

12. The Management Board of STRABAG SE was authorised 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.

13. 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.

14. 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.

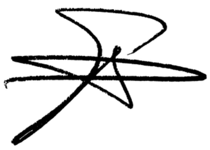
Villach, 3 April 2025

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. (FH) Péter Glöckler
Member of the
Management Board
Segment South + East

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

Consolidated financial statements & Notes

2025

Consolidated financial statements as at 31 December 2025

2025

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Consolidated income statement

T€	Notes	2025	2024
Revenue	(1)	18,714,281	17,422,219
Changes in inventories		182,818	213,014
Own work capitalised		9,826	8,156
Other operating income	(2)	273,178	258,645
Construction materials, consumables and services used	(3)	-11,168,653	-10,463,013
Employee benefits expense	(4)	-5,243,653	-4,905,497
Other operating expense	(5)	-1,090,319	-1,115,284
Share of profit or loss of equity-accounted investments	(6)	163,854	148,715
Net income from investments	(7)	41,487	77,227
EBITDA		**1,882,819**	**1,644,182**
Depreciation and amortisation expense	(8)	-635,585	-582,292
EBIT		**1,247,234**	**1,061,890**
Interest and similar income		105,959	144,845
Interest expense and similar charges		-64,989	-69,429
Net interest income	**(9)**	**40,970**	**75,416**
EBT		**1,288,204**	**1,137,306**
Income tax expense	(10)	-367,241	-308,973
Net income		**920,963**	**828,333**
attributable to: non-controlling interests		4,679	5,329
attributable to: equity holders of the parent (consolidated profit)		916,284	823,004
Earnings per share (€)	**(11)**	**7.94**	**7.35**

Statement of comprehensive income

T€	Notes	2025	2024
Net income		**920,963**	**828,333**
Differences arising from currency translation		29,738	-15,570
Recycling of differences arising from currency translation		2,125	38,642
Change in interest rate swaps		6,906	720
Recycling of interest rate swaps		-2,686	-13,673
Deferred tax relating to other comprehensive income	(10)	-209	3,638
Share of other comprehensive income of equity-accounted investments		-5,096	-3,509
Total of items that will be subsequently reclassified to profit or loss (“recycled”)		**30,778**	**10,248**
Change in actuarial gains/losses		43,084	9,823
Deferred tax relating to other comprehensive income	(10)	-16,895	-2,052
Share of other comprehensive income of equity-accounted investments		235	-64
Total of items that will not be subsequently reclassified to profit or loss (“recycled”)		**26,424**	**7,707**
Other comprehensive income		**57,202**	**17,955**
Total comprehensive income		**978,165**	**846,288**
attributable to: non-controlling interests		4,588	5,260
attributable to: equity holders of the parent		973,577	841,028

Consolidated balance sheet

T€	Notes	**31.12.2025**	31.12.2024
Goodwill	(13)	738,745	555,793
Rights from concession arrangements	(14)	409,889	431,892
Other intangible assets	(15)	52,611	29,151
Property, plant and equipment	(16)	3,151,626	2,999,062
Investment property	(17)	329,748	222,302
Equity-accounted investments	(18)	595,282	525,671
Other investments	(19)	210,255	231,766
Receivables from concession arrangements	(22)	306,773	369,570
Other financial assets	(25)	342,385	336,271
Deferred tax	(20)	129,622	120,131
Non-current assets		**6,266,936**	**5,821,609**
Inventories	(21)	1,695,348	1,552,070
Receivables from concession arrangements	(22)	62,797	58,060
Contract assets	(23)	1,072,550	1,237,095
Trade receivables	(24)	1,839,594	1,745,277
Non-financial assets		253,980	222,738
Income tax receivables		69,962	48,185
Other financial assets	(25)	261,515	265,851
Cash and cash equivalents	(26)	4,323,258	3,723,695
Current assets		**9,579,004**	**8,852,971**
Assets		**15,845,940**	**14,674,580**
Share capital		118,222	118,222
Capital reserves		1,732,319	1,732,319
Retained earnings and other reserves		3,812,399	3,127,429
Non-controlling interests		21,076	22,400
Equity	**(27)**	**5,684,016**	**5,000,370**
Provisions	(28)	1,279,474	1,338,741
Financial obligations[1]	(29)	597,832	632,690
Other financial liabilities	(31)	56,828	33,795
Deferred tax	(20)	417,888	282,344
Non-current liabilities		**2,352,022**	**2,287,570**
Provisions	(28)	1,478,790	1,313,274
Financial obligations[2]	(29)	231,039	294,578
Contract liabilities	(23)	1,587,682	1,539,731
Trade payables	(30)	2,979,205	2,790,820
Non-financial liabilities		632,689	613,604
Income tax liabilities		134,250	125,300
Other financial liabilities	(31)	766,247	709,333
Current liabilities		**7,809,902**	**7,386,640**
Equity and liabilities		**15,845,940**	**14,674,580**

1 Thereof non-recourse bank debt from concession arrangements in the amount of T€ 288,595 (2024: T€ 307,753)

2 Thereof non-recourse bank debt from concession arrangements in the amount of T€ 110,858 (2024: T€ 204,818)

Consolidated cash flow statement

T€	Notes	2025	2024
Net income		920,963	828,333
Income tax expense		367,241	308,973
Net interest		-75,531	-94,638
Income from investments		-55,244	-72,290
Non-cash effective results from change in the consolidated group		1,655	32,076
Non-cash income/expense attributable to equity-accounted investments		17,847	5,713
Other non-cash income/expense		-2,876	-49,140
Depreciations/reversal of impairment losses		649,680	596,750
Change in non-current provisions		-46,406	11,256
Gains/losses on disposal of non-current assets		-59,509	-96,771
Interest received		97,028	131,853
Interest paid		-31,220	-28,909
Dividends received		59,578	72,535
Taxes paid		-256,107	-216,197
Cash flow from earnings		**1,587,099**	**1,429,544**
Change in inventories		-209,304	-352,709
Change in receivables from concession arrangements, contract assets and trade receivables		274,754	-17,092
Change in non-financial assets		-25,829	10,755
Change in income tax receivables/liabilities		-18,100	-10,846
Change in other financial assets		-11,581	-9,958
Change in current provisions		145,989	173,202
Change in contract liabilities and trade payables		71,836	203,871
Change in non-financial liabilities		2,020	-8,189
Change in other financial liabilities		-14,226	-31,369
Cash flow from operating activities		**1,802,658**	**1,387,209**
Purchase of financial assets		-122,627	-47,481
Purchase of Investment property		-11,849	-154,299
Purchase of property, plant, equipment and intangible assets		-664,964	-644,574
Proceeds from asset disposals		95,696	159,717
Payments from other financing receivables		0	-22,419
Proceeds from other financing receivables		22,957	25,487
Cash outflow from changes in the consolidated group[1]		-138,025	-67,605
Cash inflow from changes in the consolidated group[1]		5,467	1,635
Cash flow from investing activities		**-813,345**	**-749,539**
Proceeds from bank borrowings		6,238	56,169
Repayment of bank borrowings		-100,897	-52,183
Payments from lease liabilities		-76,524	-67,864
Proceeds from other financing liabilities		4,518	0
Repayment of other financing liabilities		0	-80,213
Distribution of dividends		-242,917	-209,595
Cash flow from financing activities	**(35)**	**-409,582**	**-353,686**
Net change in cash and cash equivalents		**579,731**	**283,984**
Cash and cash equivalents at the beginning of the period		3,723,545	3,450,472
Effect of exchange rate changes on cash and cash equivalents		19,832	-10,911
Cash and cash equivalents at the end of the period	**(35)**	**4,323,108**	**3,723,545**

[1] 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 1.1.2025	**118,222**	**1,732,319**	**3,226,870**	**-57,968**	**-8,657**	**-32,816**	**4,977,970**	**22,400**	**5,000,370**
Net income	**–**	**–**	**916,284**	**–**	**–**	**–**	**916,284**	**4,679**	**920,963**
Differences arising from currency translation	–	–	–	–	–	31,943	31,943	-80	31,863
Change in equity-accounted investments	–	–	–	235	-9,212	4,116	-4,861	–	-4,861
Change in actuarial gains and losses	–	–	–	43,098	–	–	43,098	-14	43,084
Change in interest rate swap	–	–	–	–	4,220	–	4,220	–	4,220
Deferred tax relating to other comprehensive income	–	–	–	-16,898	-209	–	-17,107	3	-17,104
Other comprehensive income	**–**	**–**	**–**	**26,435**	**-5,201**	**36,059**	**57,293**	**-91**	**57,202**
Total comprehensive income	**–**	**–**	**916,284**	**26,435**	**-5,201**	**36,059**	**973,577**	**4,588**	**978,165**
Transfers due to changes in the consolidated group	–	–	-147	147	–	–	0	–	0
Distribution of dividends[1]	–	–	-288,607	–	–	–	-288,607	-5,966	-294,573
Transactions due to changes in the consolidated group	–	–	–	–	–	–	–	54	54
Balance as at 31.12.2025	**118,222**	**1,732,319**	**3,854,400**	**-31,386**	**-13,858**	**3,243**	**5,662,940**	**21,076**	**5,684,016**

[1] The total dividend payment of T€ 288,607 corresponds to a dividend per share of € 2.50 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 1.1.2024	**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 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.

Notes to the consolidated financial statements

2025

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, Australia, 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 2025, 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 2025 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 2025.

	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 21 – Lack of Exchangeability	1.1.2025	1.1.2025

The first-time adoption of the IFRS standards had minor impact on the consolidated financial statements as at 31 December 2025.

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 2025 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
Annual Improvements Volume 11	1.1.2026	1.1.2026	minor
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1.1.2026	1.1.2026	minor
Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	1.1.2026	1.1.2026	is being analysed
IFRS 18 Presentation and Disclosure in Financial Statements	1.1.2027	1.1.2027	is being analysed
IFRS 19 Subsidiaries without Public Accountability: Disclosure	1.1.2027	n. a.[1]	not applicable
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	1.1.2027	n. a.[1]	not applicable
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency	1.1.2027	n. a.[1]	minor

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

STRABAG currently has no significant power purchase agreements under **IFRS 9** for nature-dependent electricity. In view of the sustainability targets and Strategy 2030, however, it can be assumed that such agreements may be concluded in the future. Any such contracts would then have to be assessed on a case-by-case basis.

STRABAG will be affected by **IFRS 18** with regard to the presentation of the income statement and the statement of cash flows. The key change relates to the presentation of earnings from equity-accounted investments, including the earnings from construction consortia, which may no longer be recognised as part of operating income but must be presented in the investing category. Consequently, the earnings from equity-accounted investments and the income from investments will be presented after operating income. As these figures are, however, a material component of the operating business, a management-defined performance measure (MPM) will be introduced in the consolidated income statement, consisting of the sum of operating income and income from investments. The intermediate subtotal EBITDA previously presented in the consolidated income statement will be discontinued and shown exclusively as an MPM in the annual report. Net interest income, presented as the balance of interest and similar income and interest expense and similar charges, will also no longer be shown, as interest must be split between investing and financing.

The presentation applies analogously to the statement of cash flows, in which an intermediate subtotal for cash flow from net investments excluding inflows from equity-accounted investments and investments will be introduced.

IFRS 18 governs presentation only and does not impact profit or loss in the consolidated financial statements.

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 2025 financial year, T€ 178,942 (2024: T€ 65,636) in goodwill arising from capital consolidation was recognised as assets. Impairment losses on goodwill in the amount of T€ 0 (2024: T€ 0) 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€ 0 (2024: T€ 6,191), 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.

In Australia in particular, it is common practice to execute joint construction contracts in the form of joint operations. Joint operations are recognised in the consolidated financial statements by proportionately including the assets, liabilities, income and expenses attributable to the STRABAG SE Group.

The five largest joint operations in terms of proportionate output in the financial year are as follows:

				Proportionate revenue € mn	
Joint Operation	Country	Segment	Stake in %	2025	2024
HS2 high-speed rail line	United Kingdom	I+S	32.0	337.0	448.2
Coomera Connectors Stage 1 North	Australia	I+S	40.0	36.9	-
Air Base 57	Romania	S+E	50.0	26.1	16.7
M12 Motorway (West)	Australia	I+S	50.0	26.0	-
Tonkin Highway Extension and Thomas Road Upgrade	Australia	I+S	41.5	25.3	-

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 2025 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 2025 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 2025, is identical with the calendar year.

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

The number of consolidated companies changed in the 2024 and 2025 financial years as follows:

	Consolidation	Equity method
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**
First-time inclusions in the reporting period	15	2
First-time inclusions in the reporting period due to merger/accrual of assets	12	0
Merger/Accrual of assets in the reporting period	-16	0
Exclusions in the reporting period	-2	-7
Balance as at 31.12.2025	**273**	**17**

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
A-WAY Zrt., Újhartyán	100.00	1.1.2025[1]
B2 Assets s.r.o., Prague	100.00	1.1.2025[1]
GEORGIOU AUSTRALIA PTY LTD, Western Australia	100.00	21.3.2025
GEORGIOU BUILDING PTY LTD, Western Australia	100.00	21.3.2025
GEORGIOU GROUP PTY LTD, Western Australia	100.00	21.3.2025
INSTALACE Praha, spol. s r.o., Prague	100.00	7.4.2025
Lederer-Grabner Baugesellschaft mbH, Graz	100.00	15.5.2025
Orbittal Electromech Engineering Projects Private Limited, Pune	100.00	24.12.2025
STRABAG AUSTRALIA PTY LTD, Queensland	100.00	1.1.2025[1]
STRABAG HARP HoldCo GmbH, Spittal an der Drau	100.00	4.4.2025
STRABAG Hold Estate Itzehoe GmbH & Co. KG, Cologne	100.00	1.1.2025[1]
STRABAG Vorrat Neunzehn GmbH & Co KG, Vienna	100.00	1.1.2025[1]
STRABAG Vorrat Neunzehn GmbH, Vienna	100.00	1.1.2025[1]
WEST CAPE PTY LTD, Western Australia	100.00	21.3.2025
ZABERD Sp. z o.o., Wrocław	99.70	18.4.2025

Merger/Accrual of assets	Direct stake %	Date of Merger/ Accrual of assets
ADOMUS Facility-Management GmbH, Frankfurt am Main	100.00	22.8.2025[2]
E.F.G. S.A., Kehlen	100.00	11.7.2025[2]
F 101 Projekt GmbH & Co. KG, Cologne	100.00	11.8.2025[2]
F 101 Verwaltungs GmbH, Cologne	100.00	11.8.2025[2]
grünraum GmbH, Schwanenstadt	100.00	7.10.2025[2]
Koch GmbH, Kreuztal	100.00	21.8.2025[2]
Koscheinz & Partner Ingenieurgesellschaft mbH, Ruhstorf a.d. Rott	100.00	5.8.2025[2]
Obermayr Dach+Fassade GmbH, Schwanenstadt	100.00	7.10.2025[2]
Projekt Lohsepark Beteiligungsgesellschaft mbH, Hamburg	100.00	18.8.2025[2]
Projekt Lohsepark GmbH & Co. KG, Hamburg	100.00	29.8.2025[2]
SAT SLOVENSKO s.r.o., Bratislava	100.00	1.1.2025[2]
SAT Útjavító Kft., Budapest	100.00	31.3.2025[2]

Equity-accounted investments	Direct stake %	Date of acquisition or foundation
Autostrada Wielkopolska II S.A., Poznań	20.00	28.5.2025
Cascade Infrastructure Holdings Limited, Manchester	50.00	14.5.2025

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 2025.

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.

Acquisition of Georgiou Group in Australia

Under a purchase agreement from 30 December 2024, STRABAG acquired 100% of the shares in **Georgiou Group Pty Ltd., Perth**. The Western Australia-based company, a specialist in road and infrastructure construction with 875 employees, generates an annual revenue of around AUD 1.3 billion, the equivalent of € 787 million. 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.

Additions to assets and liabilities from the first-time consolidation of Georgiou Group Pty Ltd. are provisionally comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	90,697
Other non-current assets	48,792
Current assets	173,108
Non-current liabilities	-32,114
Current liabilities	-159,577
Consideration (purchase price)	**120,906**
Cash and cash equivalents acquired	-91,707
Net cash outflow from acquisition	**29,199**

Acquisitions in Building Solutions in the Czech Republic

In December 2024, STRABAG acquired 100% of the shares in **B2 Assets s.r.o., Prague**. The company specialises in technical facility management (TFM) and generates an annual revenue equivalent to approximately € 12 million with a workforce of around 80 employees. With this acquisition, STRABAG continues to expand its capabilities as an integrated service provider and Building Solutions expert, while strengthening its presence in the Czech Republic.

Under a purchase agreement dated 11 March 2025, STRABAG acquired 100% of the shares in **INSTALACE Praha, spol. s r.o., Prague**. Closing took place on 7 April 2025. The company offers a wide range of services, particularly in the field of mechanical and electrical engineering (M&E), along with comprehensive technical facility management services. INSTALACE has some 300 employees across the Czech Republic and generated revenue of approximately € 72 million in the 2024 financial year. With this acquisition, STRABAG gains a recognised expert in the delivery of complex M&E projects.

Additions to assets and liabilities from the first-time consolidation of the Building Solutions in the Czech Republic are provisionally comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	18,345
Other non-current assets	7,845
Current assets	23,149
Non-current liabilities	-3,576
Current liabilities	-16,723
Consideration (purchase price)[1]	**29,040**
Non-cash effective future purchase price component	-1,771
Cash and cash equivalents acquired	-2,913
Net cash outflow from acquisition	**24,356**

[1] € 10.4 million of the purchase price had already been paid by the end of 2024.

Acquisitions in construction and recycling in Austria

Under a transfer agreement dated 4 April 2025, STRABAG acquired 100% of the shares in **Lederer-Grabner Baugesellschaft mbH, Graz**. Closing took place on 15 May 2025. The company focuses on Reconstruction, Conversion & Refurbishment and has particular expertise in the renovation of existing buildings, the revitalisation of historic city-centre properties, thermal energy retrofitting and the restoration of listed buildings. In addition, the company acts as a general contractor for turnkey building construction projects. Last year, it generated annual revenue of approximately € 90 million.

As part of an asset deal, STRABAG acquired the assets of **Kovanda Group**, including the operation of two concrete mixing plants and a soil excavation landfill in Gerasdorf, along with the associated land, employees, equipment, vehicle fleet and extraction rights for certain gravel, sand and crushed stone deposits, as well as the permits for a planned recycling facility. Closing took place on 30 June 2025.

Additions to assets and liabilities from the first-time consolidation of the acquisitions in construction and recycling in Austria are provisionally comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	28,503
Other non-current assets	27,710
Current assets	32,942
Non-current liabilities	-4,833
Current liabilities	-29,120
Consideration (purchase price)	**55,202**
Cash and cash equivalents acquired	-1,744
Net cash outflow from acquisition	**53,458**

Acquisition in construction operation in Poland

Under a transfer agreement dated 18 April 2025, STRABAG acquired 99.7% of the shares in **ZABERD Sp. z o.o., Wrocław**. This acquisition enables STRABAG to enter the rapidly growing road maintenance market in Poland, complementing its existing range of services in the country. In 2024, ZABERD generated revenue of approximately € 72 million and employed around 300 people.

Additions to assets and liabilities from the first-time consolidation of ZABERD Sp. z o.o. are provisionally comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	18,337
Other non-current assets	20,124
Current assets	21,762
Non-current liabilities	-9,564
Current liabilities	-16,143
Consideration (purchase price)	**34,516**
Non-cash effective future purchase price component	-4,963
Cash and cash equivalents acquired	-1,606
Net cash outflow from acquisition	**27,947**

Acquisition in India

Under a transfer agreement dated 24 December 2025, STRABAG acquired **Orbittal Electromech Engineering Projects Pvt. Ltd., Pune**, India. The company operates in the M&E segment with its own production facilities, generating annual revenue of approximately € 45 million and employing around 260 people. In a first step, STRABAG acquired 60% of the shares. The acquisition of the remaining 40% of the shares is scheduled for 1 January 2027 and 1 January 2028. The company is already being presented as fully consolidated at 100%, however, as STRABAG is already considered the economic owner. The purchase price liability for the remaining 40% is recognised under other non-current financial liabilities.

Additions to assets and liabilities from the first-time consolidation of Orbittal Electromech Engineering Projects Pvt. Ltd. are provisionally comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	18,745
Other non-current assets	6,370
Current assets	16,219
Non-current liabilities	-1,544
Current liabilities	-8,859
Consideration (purchase price)	**30,931**
Non-cash effective future purchase price component	-15,508
Cash and cash equivalents acquired	-3,354
Net cash outflow from acquisition	**12,069**

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

All companies which were consolidated for the first time in 2025 contributed T€ 644,486 (thereof Georgiou Group: T€ 436,854) to revenue and with a profit of T€ 4,522 to net income after minorities.

Assuming a theoretical first-time consolidation on 1 January 2025 for all new acquisitions, they would contribute T€ 881,444 to consolidated revenue and a profit of T€ 13,821 to net income.

Acquisitions after the reporting period

Under a transfer agreement dated 18 June 2025, STRABAG acquired 100% of the shares in **WTE Wassertechnik GmbH, Essen**. The WTE Group plans, finances, builds and operates projects in the fields of wastewater management, water supply, sewage sludge treatment and energy recovery across Europe and the Middle East. With the acquisition of WTE, STRABAG becomes a full-service provider for water infrastructure, covering the entire value chain. The acquisition is in line with the objectives of Strategy 2030 and expands STRABAG's existing business in the field of water technology to include integrated water management. The combined portfolio in this business segment will generate annual output of around € 400 million. The fixed purchase price amounts to € 100 million; variable purchase price adjustments as well as the assumption of liabilities and guarantees are included in the transaction scope. Closing of the transaction took place on 2 March 2026. As full financial information is not yet available, no detailed disclosures on initial consolidation and purchase price allocation can be made.

Under a transfer agreement dated 17 July 2025, STRABAG acquired 100% of the shares in **Gebr. Stumpp GmbH & Co. KG, Balingen**. The Stumpp Group specialises in road construction and civil engineering, including earthworks as well as sewer and pipeline construction. The company also operates asphalt mixing plants and holds interests in gravel works. In the past financial year, it generated annual output of around € 90 million with just under 300 employees. In a decision dated 2 March 2026, the Federal Cartel Office approved the acquisition, subject to the condition precedent that an asphalt mixing plant be sold within a period of six months. The transaction is expected to close in the second half of 2026.

Disposals from the consolidated group

As at 31 December 2025, the following companies were no longer included in the consolidated group:

Disposals from the consolidated group	
AMFI HOLDING Kft., Budapest	Sale
Züblin Chimney and Refractory GmbH, Cologne	Sale

Merger/Accrual of assets[1]	
ADOMUS Facility-Management GmbH, Frankfurt am Main	Merger
Bockholdt GmbH, Lübeck	Merger
E.F.G. S.A., Kehlen	Merger
ELCO-SERVITEC S.A., Kehlen	Merger
F 101 Projekt GmbH & Co. KG, Cologne	Accrual of assets
F 101 Verwaltungs GmbH, Cologne	Merger
grünraum GmbH, Schwanenstadt	Merger
Koch GmbH, Kreuztal	Merger
Koscheinz & Partner Ingenieurgesellschaft mbH, Ruhstorf a.d. Rott	Merger
NE Sander Immobilien GmbH, Sande	Merger
Obermayr Dach+Fassade GmbH, Schwanenstadt	Merger
Projekt Lohsepark Beteiligungsgesellschaft mbH, Hamburg	Merger
Projekt Lohsepark GmbH & Co. KG, Hamburg	Accrual of assets
SAT SLOVENSKO s.r.o., Bratislava	Merger
SAT Útjavító Kft., Budapest	Merger
ZÜBLIN Timber Gaildorf GmbH, Gaildorf	Merger

Equity-accounted investments	
A-Lanes A15 Holding B.V., Nieuwegein	Fell below material level
AMB Asphaltmischwerke Bodensee GmbH & Co. KG, Waldshut-Tiengen	Fell below material level
Bodensee - Moränekies Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft Tettnang, Tettnang	Fell below material level
FLARE Living GmbH & Co. KG, Cologne	Fell below material level
Kieswerke Schray GmbH & Co. KG, Steißlingen	Fell below material level
Natursteinwerke im Nordschwarzwald NSN GmbH & Co. KG, Mühlacker	Fell below material level
PANSUEVIA Service GmbH & Co. KG, Jettingen-Scheppach	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	-547
Current assets	-5,544
Non-current liabilities	1,047
Current liabilities	3,819
Loss on deconsolidations recognised in profit or loss	1,225
Consideration received (purchase price)	**0**
Cash and cash equivalents disposed of	1,427
Net cash outflow from deconsolidation	**1,427**

Resulting profit in the amount of T€ 0 (2024: T€ 1,207) and losses in the amount of T€ 1,225 (2024: T€ 34,746) are recognised in profit or loss under other operating income or other operating expense. The losses for the previous year include the recycling result arising from foreign currency translation.

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. Revenue of T€ 3,791 was recognised from the sale of AMFI HOLDING Kft., Budapest.

Non-controlling interests

As at 31 December 2025, the amount of the non-controlling interests stood at T€ 21,076 (2024: T€ 22,400) in the STRABAG SE Group and is thus immaterial. The non-controlling interests comprise several smaller subsidiaries.

The ownership stakes in the subsidiaries remained unchanged during the financial year.

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
- 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€ 31,863 (2024: T€ 23,072) were recognised directly in equity in the financial year. Due to deconsolidations, currency differences in the amount of T€ T€ -2,125 (2024: T€ -38,642) that had been recognised directly in equity in previous years were reclassified from equity to profit and loss (recycling).

Consolidated companies and equity accounted associates and joint ventures

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
Lederer-Grabner Baugesellschaft mbH	Graz	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

Company Consolidated companies	Residence	Country	Direct stake %
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
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 HARP HoldCo 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 Neunzehn GmbH	Vienna	Austria	100.00
STRABAG Vorrat Neunzehn GmbH & Co KG	Vienna	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

Company Consolidated companies	Residence	Country	Direct stake %
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]
Blees-Kölling-Bau GmbH	Cologne	Germany	100.00 [1]
Blutenburg Projekt GmbH	Cologne	Germany	100.00 [1]
Climtech GmbH	Berlin	Germany	100.00 [1]
CML Construction Services GmbH	Cologne	Germany	100.00 [1]
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]
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 [1]
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]
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 Energy-Invest GmbH	Cologne	Germany	100.00 [1]
STRABAG Facility Management GmbH	Berlin	Germany	100.00 [1]
STRABAG GmbH	Bad Hersfeld	Germany	100.00 [1]

Company Consolidated companies	Residence	Country	Direct stake %
STRABAG Großprojekte GmbH	Munich	Germany	100.00 [1]
STRABAG Hold Estate Frankfurt Gateway GmbH & Co. KG	Cologne	Germany	100.00 [1]
STRABAG Hold Estate Itzehoe 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]
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 [1]
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 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	Senftenberg	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
GEORGIOU AUSTRALIA PTY LTD	Western Australia	Australia	100.00
GEORGIOU BUILDING PTY LTD	Western Australia	Australia	100.00
GEORGIOU GROUP PTY LTD	Western Australia	Australia	100.00
STRABAG AUSTRALIA PTY LTD	Queensland	Australia	100.00
WEST CAPE PTY LTD	Western Australia	Australia	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

Company Consolidated companies	Residence	Country	Direct stake %
Züblin A/S	Aarhus	Denmark	100.00
EFKON INDIA Pvt. Ltd.	Haryana	India	100.00
ORBITTAL ELECTROMECH ENGINEERING PROJECTS PRIVATE LIMITED	Pune	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
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
SRE Lux 1 S.à r.l.	Belvaux	Luxembourg	100.00
SRE Lux Projekt SQM 27E S.à r.l.	Belvaux	Luxembourg	100.00
STRABAG 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
ZABERD Sp. z o.o.	Wroclaw	Poland	99.70
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

Company Consolidated companies	Residence	Country	Direct stake %
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
TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd	Novi Beograd	Serbia	100.00
ERRICHTUNGSGESELLSCHAFT STRABAG SLOVENSKO s.r.o.	Bratislava	Slovakia	100.00
KSR - Kamenolomy SR, s.r.o.	Zvolen	Slovakia	100.00
SAT SLOVENSKO s.r.o.	Bratislava	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 Pozemné stavitel'stvo 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 d.o.o.	Ljubljana	Slovenia	100.00
B2 Assets s.r.o.	Prague	Czech Republic	100.00
BHG CZ s.r.o.	Ceske Budejovice	Czech Republic	100.00
FRISCHBETON s.r.o.	Prague	Czech Republic	100.00
INSTALACE Praha, spol. 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
A-WAY Zrt.	Újhartyán	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

Company Consolidated companies	Residence	Country	Direct stake %
Frissbeton Kft.	Budapest	Hungary	100.00
Generál Mély- és Magasépítö Zrt.	Budapest	Hungary	100.00
Hydro-Construct Kft.	Budapest	Hungary	100.00
KÖKA Kft.	Budapest	Hungary	100.00
Magyar Aszfalt Kft.	Budapest	Hungary	100.00
STR Holding Generál Kft.	Budapest	Hungary	100.00
STR Holding MML 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
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 UK LIMITED	London	United Kingdom	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
CMBlu Energy AG	Alzenau	Germany	24.94
DESARROLLO VIAL AL MAR S.A.S.	Medellín	Colombia	37.50
Autostrada Wielkopolska II S.A.	Poznan	Poland	20.00
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	
Messe City Köln GmbH & Co. KG	Hamburg	Germany	50.00	
NWM Nordwestdeutsche Mischwerke GmbH & Co. KG	Großenkneten	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
Cascade Infrastructure Holdings Limited	Manchester	United Kingdom	50.00	

[4] There are contractual provisions regarding joint control in place that deviate from the equity interest.

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.

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

Intangible assets with indefinite useful lives are tested for impairment annually at the year's end (31 December). An impairment test is also performed whenever events or circumstances indicate that the asset may be impaired. For more information, see the explanations on the impairment of non-financial assets.

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 40 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 use 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.

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, 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:

%	**2025**	2024
Growth rate	0.0–0.5	0.0–0.5
Cost of capital (after tax)	7.5–10.7	8.0–11.2
Cost of capital (before tax)	9.4–12.4	10.6–13.9

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 affiliated 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 or within the normal operating cycle. 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 interest-bearing financing receivables related to the construction of concession projects.

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 as well as offsetting the receivables from rental deposits against the corresponding lease liabilities.

Derivative financial instruments and hedging

Derivative financial instruments are employed essentially to mitigate risks arising from movements in currency exchange rates, interest rates and raw material prices. 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 measured at fair value both on initial recognition and 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 (e.g. 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 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 highly probable 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. The Provisions for severance payments arising from these obligations are determined simplified 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 primarily 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 Building Solutions (technical and infrastructure facility management, building services, property management, industrial services) 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 Building Solutions, 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 insurance compensation 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 in the construction industry showed solid development in mobility and energy infrastructure in 2025, as well as initial signs of stabilisation in building construction following the interest rate turnaround. Regional developments varied.

As a result of the federal elections, the provisional budget management in Germany lasting until October led to a decline in municipal road construction. Positive momentum came from energy transition projects and the establishment of high-tech industries. Initial projects from "Sondervermögen Infrastruktur", a new off-budget infrastructure fund, are expected from the end of 2026. In Austria, the financial situation of local municipalities remains strained; in addition, the state budget deficit could weigh on tendering activity in transportation infrastructure. Residential construction stabilised slightly due to falling mortgage interest rates. Markets in Eastern and South-East Europe developed positively overall, particularly in railway construction. In Hungary, the situation remains tense due to frozen EU funds.

In Australia, where STRABAG has been active since March following the acquisition of Georgiou Group, demand remained stable, supported by solid public budgets, especially in transportation infrastructure.

The need to decarbonise the building stock also led to positive developments in Building Solutions (facility management and M&E).

Impact of climate change

As an energy- and resource-intensive industry, the construction sector plays a key role and has significant leverage to contribute to sustainable transformation.

Within the STRABAG SE Group, fossil fuels are used along the entire value chain to operate the production plants (concrete plants, asphalt mixing plants, quarries and gravel pits), construction machinery and the vehicle fleet. In the 2024 financial year, STRABAG joined the Science Based Targets initiative (SBTi) and adopted a transformation plan.

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.

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 building solutions 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. As part of replacement investments, passenger cars and commercial vehicles are being converted to renewable energy sources. Where technically feasible and economically viable, construction machinery, heavy goods vehicles, asphalt mixing plants, concrete plants, and stone and gravel works are to be converted in the medium term as well.

The necessary conversion of heating systems at asphalt mixing plants and concrete plants to renewable energy sources, as well as the environmental optimisation of the Group's buildings, could result in additional investment requirements.

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.

Structures are built with the objective of providing a long service life, of being used efficiently from an ecological perspective during their operational phase, and of being capable of reuse or dismantling at the end of their life cycle. Increasing demand for circular construction, refurbishment and expertise in the energy sector for the generation and use of renewable energy is regarded as a key opportunity for the construction industry.

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€ 5,889 (2024: T€ 1,338), while an isolated increase of the cost of capital by 1 percentage point would lead to an impairment of goodwill of T€ 2,385 (2024: T€ 3,195). These two effects together would trigger an impairment loss of T€ 10,197 (2024: T€ 7,372).

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€ 57,948 (2024: T€ 40,770).

The impairments would affect several companies in different countries and business areas and would be allocated to the segments as follows: in the South + East segment in the amount of T€ 41,171 (2024: T€ 14,814), in the North + West segment in the amount of T€ 1,894 (2024: T€ 1,800), in the International + Special Divisions segment in the amount of T€ 14,883 (2024: T€ 24,156).

(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 Loan, carries a fixed interest rate. The second part of this receivable, Lien 2 Loan, is equipped with additional variable components.

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. 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.

Tunnel collapses led to a shutdown of the power plant since 2023, why impairments were therefore recognised on these non-current receivables in previous years.

In the arbitration proceedings initiated in 2023 with regard to the key issues of (i) whether substantial completion has been achieved and (ii) who is to bear the remediation costs based on the causes of the collapses, a partial arbitral award was issued in the 2025 financial year:

The proceedings determined that STRABAG has not achieved substantial completion. This triggered a penalty, which, however, following the calling of a guarantee, had already been paid and fully recognised as an expense in 2023.

The tribunal attributed responsibility for the collapses to STRABAG. The damages determined in the partial award for the period up to July 2024 (or up to March 2025, depending on the category of damage) amount to USD 21 million and, including interest and arbitration costs, were paid in full in the 2025 financial year – with the exception of a remaining disputed amount of approximately USD 10.2 million.

The final award in the present arbitration proceedings is not expected until 2027. Further (future) arbitration proceedings relating to disputed issues cannot currently be ruled out.

Remediation of the collapses and repair of further damage to the inner lining in certain sections of the tunnel system are not expected to be completed before the end of 2026.

Due to the continued difficulty in determining the final remediation and upgrade costs and the complex second phase of the arbitration proceedings (and possible further arbitration proceedings), the provisions for renovation and warranty formed in the previous year were re-evaluated and adjusted in amount.

Disclosure of the impairments and provisions existing as at 31 December 2025 has been omitted due to the ongoing arbitration proceedings in order to avoid the possibility of seriously prejudicing STRABAG within the meaning of IAS 37.

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 carrying amount of the equity-accounted investments amounted to T€ 595,282 on 31 December 2025 (2024: T€ 525,671).

This includes the 30% stake 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€ 202,528 on 31 December 2025 (2024: T€ 198,312). As earnings developed according to plan and because of the ongoing distributions, an impairment test was not required.

The Group also holds a 24.94% stake in **CmBlu Energy AG**. The company is active in the research and development of large-scale battery storage systems using organic solid-flow batteries. The carrying amount of the investment amounted to T€ 93,784 on 31 December 2025 (2024: T€ 111,826). Due to a financing round carried out in December 2025 and the company valuation on which it was based, there was no need to carry out an impairment test.

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 investments.

(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.

In October 2021, following an acknowledgement of the facts by the Group companies STRABAG AG and F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG, the Vienna Commercial Court as the Cartel Court imposed a fine of € 45.37 million. This was in connection with the criminal and competition law investigations initiated in spring 2017 against STRABAG AG and F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG, as well as numerous other construction companies, on suspicion of anti-competitive agreements in construction projects in Austria between 2002 and 2017.

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.

On 11 March 2026, STRABAG AG, by means of a settlement, brought to a legally binding close the modification proceedings initiated by the Federal Competition Authority seeking judicial review of the final fine decision of 21 October 2021 for a € 45.37 million penalty. Following a thorough assessment of the factual and legal situation, the company agreed to a € 100.63 million increase in the fine to avoid further lengthy court proceedings. The increase in the fine is recognised in the consolidated financial statements under "Other provisions".

Notwithstanding the concessions made as part of the settlement and the loss of its leniency status, the fact remains that STRABAG AG cooperated extensively with the Federal Competition Authority and made a significant contribution to clarifying the facts of the case. In addition, STRABAG has since worked intensively on the further development of its Business Compliance Management System and is now the first Austrian company operating internationally to obtain group-wide certification under ISO 37001 und ISO 37301.

Several affected clients have asserted claims for damages against STRABAG. Settlement discussions are being conducted with some major clients with a view to reaching an out-of-court resolution. Other clients have already pursued their claims through the courts. Appropriate provisions for potential claims arising from the cartel infringements have been recognised in the consolidated financial statements. The provision was adjusted in the 2025 financial year based on insights gained from the settlement negotiations regarding the claims for damages.

The specific amount of the provision cannot be disclosed due to the ongoing proceedings and negotiations in order to avoid the possibility of seriously prejudicing the position of STRABAG within the meaning of IAS 37. The final financial impact on STRABAG is extremely difficult to estimate due to the complexity of the matter (long period, large number of projects, different clients, heterogeneous structures, etc.). The actual amounts may therefore differ from the amount provided.

Notes on the items of the consolidated income statement

1 Revenue

Revenue is represented as follows:

Revenue 2025

T€	North + West	South + East	International + Special Divisions	Other	**Group**
Business					
Construction	**7,207,903**	**6,433,303**	**2,366,998**	**0**	**16,008,204**
Germany	6,683,327	299,008	104,104	0	7,086,439
Austria	22,677	1,959,212	176,426	0	2,158,315
Poland	3,800	1,627,486	1,908	0	1,633,194
Czech Republic	814	906,140	27,601	0	934,555
United Kingdom	4,234	0	633,944	0	638,178
Romania	35,560	387,559	21,600	0	444,719
Australia	0	0	439,110	0	439,110
Other countries, each below € 400 million	457,491	1,253,898	962,305	0	2,673,694
Construction materials	**204,581**	**629,440**	**2,073**	**0**	**836,094**
Building Solutions	**0**	**0**	**996,947**	**0**	**996,947**
Project development	**0**	**0**	**447,166**	**0**	**447,166**
Other	**99,381**	**175,720**	**131,687**	**19,082**	**425,870**
Total	**7,511,865**	**7,238,463**	**3,944,871**	**19,082**	**18,714,281**

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
United Kingdom	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**
Building Solutions	**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**

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€ 73,092 (2024: T€ 108,256).

The interest income is calculated using the effective interest method.

STRABAG's operational portfolio also includes long-term, strategic real estate assets. These were in part constructed by STRABAG itself or acquired (STRABAG Hold Estate). From the 2025 financial year onwards, rental income from investment property is recognised as revenue, as this activity is regarded as an extension of the value chain. This allows the full life cycle of buildings to be covered. Revenue from Hold Estate business activities amounts to T€ 15,372 (2024: T€ 5,464).

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

In the 2025 financial year, revenue from approved claims in the amount of T€ 199,285 (2024: T€ 292,872) 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€ 79,301 (2024: T€ 66,345), exchange rate gains from currency fluctuations in the amount of T€ 4,999 (2024: T€ 7,816) as well as gains from the disposal of fixed assets without financial assets in the amount of T€ 66,374 (2024: T€ 71,213).

3 Construction materials, consumables and services used

T€	**2025**	2024
Construction materials, consumables	3,473,415	3,194,695
Services used	7,695,238	7,268,318
Construction materials, consumables and services used	**11,168,653**	**10,463,013**

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€	**2025**	2024
Wages	1,785,812	1,765,937
Salaries	2,512,848	2,277,854
Social security and related costs	851,639	783,020
Expenses for severance payments and contributions to employee provident fund	36,103	23,911
Expenses for pensions and similar obligations	6,834	5,873
Other social expense	50,417	48,902
Employee benefits expense	**5,243,653**	**4,905,497**

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€ 31,764 (2024: T€ 21,326).

The average number of employees with the proportional inclusion of all subsidiaries and associates is as follows:

Average number of employees (FTE)	**2025**	2024
White-collar workers	36,061	34,277
Blue-collar workers	44,150	43,897
Total	**80,211**	**78,174**

A total of 3,269 (2024: 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€	2025	2024
Travel costs	139,753	129,384
Administrative costs	128,568	127,524
Damages	126,964	151,392
Insurance premiums	112,371	116,035
Impairment of receivables	33,832	54,635
Legal and advisory costs	117,947	109,143
Rental and lease costs	76,520	73,298
Other taxes and levies	60,996	60,963
Advertising costs	61,759	59,686
IT costs	65,351	61,502
Other	166,258	171,722
Other operating expense	**1,090,319**	**1,115,284**

Other operating expense includes losses from exchange rate differences from currency fluctuations in the amount of T€ 12,935 (2024: T€ 48,272).

6 Share of profit or loss of equity-accounted investments

T€	2025	2024
Income from equity-accounted investments	55,731	50,447
Expenses arising from equity-accounted investments	-30,892	-13,314
Gains on the disposal of equity-accounted investments	148	0
Profit from construction consortia	199,924	190,983
Losses from construction consortia	-61,057	-79,401
Share of profit or loss of equity-accounted investments	**163,854**	**148,715**

7 Net income from investments

T€	2025	2024
Income from investments	66,386	79,357
Expenses arising from investments	-13,305	-15,377
Gains on the disposal of investments	2,576	27,739
Impairment losses and reversal of impairment losses on investments	-14,095	-14,458
Losses on the disposal of investments	-75	-34
Net income from investments	**41,487**	**77,227**

8 Depreciation and amortisation expense

Depreciation and amortisation comprise scheduled amortisation of intangible assets and of rights from concession arrangements, depreciation of investment property and of property, plant and equipment, and impairment losses as well as reversals of impairment losses. Impairment losses on goodwill are also included in this item. Scheduled depreciation and amortisation amounted to T€ 632,647 in the financial year (2024: T€ 580,015). In the reporting period impairments on intangible assets and on property, plant and equipment to the amount of T€ 2,938 (2024: T€ 2,277) and reversal of impairment losses in the amount of T€ 0 (2024: T€ 0) were made. Impairment on goodwill amounts to T€ 0 (2024: T€ 0). For goodwill impairments we refer to the details under item (13) Goodwill.

Scheduled depreciation and amortisation includes depreciation and amortisation of right-of-use assets for leases in the amount of T€ 80,508 (2024: T€ 74,215).

9 Net interest income

T€	2025	2024
Interest and similar income	105,959	144,845
Interest expense and similar charges	-64,989	-69,429
Net interest income	**40,970**	**75,416**

Included in interest and similar income are exchange rate gains amounting to T€ 1,691 (2024: T€ 9,247) and interest portions from the plan assets for pension provisions in the amount of T€ 2,562 (2024: T€ 3,240).

Included in interest expense and similar charges are interest components from the allocation of severance payment and pension provisions amounting to T€ 14,812 (2024: T€ 15,502) as well as currency losses of T€ 12,483 (2024: T€ 9,654).

Interest from leases in the amount of T€ 12,113 (2024: T€ 9,664) 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€	2025	2024
Current tax	260,445	272,566
Deferred tax	106,796	36,407
Income tax expense	**367,241**	**308,973**

Due to the provisions of the Pillar II rules, Hungarian trade tax and innovation contributions totalling T€ 9,673 (2024: T€ 7,974) were also recognised under income tax.

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

T€[1]	2025	2024
Change in hedging reserves	209	-3,638
Actuarial gains/losses	16,895	2,052
Total	**17,104**	**-1,586**

[1] Sign: - increases equity, + decreases equity

The reasons for the difference between the Austrian corporate income tax rate of 23% valid in 2025 and the actual consolidated tax rate are as follows:

T€	**2025**	2024
EBT	**1,288,204**	**1,137,306**
Theoretical tax expense 23%	296,287	261,580
Differences against foreign tax rates	35,492	21,354
Changes in tax rates	-2,021	-546
Non-tax-deductible expense	54,466	33,929
Tax-free income	-38,797	-27,696
Additional tax payments/tax refunds	-6,365	-817
Change in valuation allowances on deferred tax assets	21,263	10,846
Other	6,916	10,323
Recognised income tax expense	**367,241**	**308,973**

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.

	2025	2024
Number of shares outstanding as at 1.1.	115,442,976	99,820,994
Number of shares from the capital increase as at 21.3.2024	0	15,621,982
Acquisition of own shares by acquisition of wholly owned subsidiary on 15.5.2025	-280	-
Number of shares outstanding as at 31.12.	**115,442,696**	**115,442,976**
Profit or loss attributable to equity holders of the parent (consolidated profit/loss) T€	916,284	823,004
Weighted number of shares outstanding during the year	115,442,800	111,985,652
Earnings per share €	**7.94**	**7.35**

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 2025

	Acquisition and production cost							
T€	Balance as at 1.1.2025	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	**Balance as at 31.12.2025**
I. Goodwill	**806,755**	**178,942**	**8,632**	**4,741**	**0**	**0**	**0**	**981,806**
II. Rights from concession arrangements	**551,793**	**0**	**0**	**0**	**0**	**0**	**0**	**551,793**
III. Other intangible assets								
1. Concessions, software, licences, rights	143,970	42,010	68	97	1,389	0	22,053	165,345
2. Advances paid	25	2	0	0	193	0	0	220
Total	**143,995**	**42,012**	**68**	**97**	**1,582**	**0**	**22,053**	**165,565**
IV. Property, plant and equipment								
1. Land and buildings	1,879,897	7,487	0	5,570	43,836	43,292	11,632	1,968,450
2. Right-of-use assets	659,018	25,696	1,122	-136	73,385	0	135,932	620,909
3. Technical equipment and machinery	3,397,962	31,575	2,313	1,561	278,701	19,236	171,166	3,555,556
4. Other facilities, furniture and fixtures and office equipment	1,675,536	62,805	533	3,717	269,056	2,194	141,489	1,871,286
5. Advances paid and assets under construction	102,289	5	0	199	71,789	-64,722	2,748	106,812
Total	**7,714,702**	**127,568**	**3,968**	**10,911**	**736,767**	**0**	**462,967**	**8,123,013**

	Accumulated depreciation, amortisation and impairment									
T€	Balance as at 1.1.2025	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	**Balance as at 31.12.2025**	**Carrying amount as at 31.12.2025**	Carrying amount as at 31.12.2024
I.	**250,962**	**0**	**8,632**	**731**	**0**	**0**	**0**	**243,061**	**738,745**	**555,793**
II.	**119,901**	**0**	**0**	**0**	**22,003**	**0**	**0**	**141,904**	**409,889**	**431,892**
III.										
1.	114,844	551	68	191	19,455	0	22,019	112,954	52,391	29,126
2.	0	0	0	0	0	0	0	0	220	25
	114,844	**551**	**68**	**191**	**19,455**	**0**	**22,019**	**112,954**	**52,611**	**29,151**
IV.										
1.	805,816	584	0	1,873	44,098	0	7,786	844,585	1,123,865	1,074,081
2.	259,822	9,023	88	141	80,508	0	90,158	259,248	361,661	399,196
3.	2,610,454	12,458	1,885	3,834	263,551	11	164,950	2,723,473	832,083	787,508
4.	1,037,319	34,009	414	3,025	200,103	-11	129,950	1,144,081	727,205	638,217
5.	2,229	0	0	0	0	0	2,229	0	106,812	100,060
	4,715,640	**56,074**	**2,387**	**8,873**	**588,260**	**0**	**395,073**	**4,971,387**	**3,151,626**	**2,999,062**

Impairment losses totalling T€ 2,938 and reversal of impairment losses of T€ 0 were recognised in 2025.

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

Acquisition and production cost

T€	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**

Accumulated depreciation, amortisation and impairment

T€	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
	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.

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€	**31.12.2025**	31.12.2024
STRABAG Cologne (N+W)	131,118	131,118
STRABAG Cologne (S+E)	61,105	61,105
Georgiou Group (I+S)	90,697	-
Czech Republic (S+E)	75,059	72,233
STRABAG PFS Germany (I+S)	70,728	68,679
STRABAG Poland (S+E)	62,260	61,473
ELCO S.A. (I+S)	52,574	52,574
Other Building Solutions (I+S)	46,180	27,763
Germany (various CGUs; N+W)	24,944	22,679
Lederer-Grabner Baugesellschaft mbH (S+E)	23,695	-
Austria (various CGUs; S+E)	22,600	22,600
Orbittal Electromech Engineering Projects Private Limited (I+S)	18,745	-
ZABERD Sp. z o.o. (S+E)	18,322	-
Ed. Züblin AG (N+W)	17,057	17,057
Construction materials (various CGUs; S+E)	14,163	9,077
Other	9,498	9,435
Total goodwill	**738,745**	**555,793**

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 (2024: T€ 0) on goodwill. This figure is shown under depreciation and amortisation. The recoverable amount of the impaired cash-generating units amounts to T€ 0 (2024: T€ 0).

The recoverable amount of these cash-generating units (CGUs) corresponds to their fair value less cost to sell.

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 31.12.2025**	Methodology 31.12.2025	Detailed planning period 31.12.2025	Growth rate 31.12.2025	Discount rate after tax 31.12.2025
STRABAG Cologne (N+W)	131,118	FV less cost of disposal (Level 3) [2024: FV less cost of disposal (Level 3)]	4 (2024: 4)	0 (2024: 0)	7.97% (2024: 8.71%)
STRABAG Cologne (S+E)	61,105	FV less cost of disposal (Level 3) [2024: FV less cost of disposal (Level 3)]	4 (2024: 4)	0 (2024: 0)	8.30% (2024: 9.86%)
Georgiou Group (I+S)	90,697	FV less cost of disposal (Level 3) [2024: -]	4 (2024: -)	0 (2024: -)	8.28% (2024: -)
Czech Republic (S+E)	75,059	FV less cost of disposal (Level 3) [2024: FV less cost of disposal (Level 3)]	4 (2024: 4)	0 (2024: 0)	8.69% (2024: 9.44%)
STRABAG PFS Germany (I+S)	70,728	FV less cost of disposal (Level 3) [2024: FV less cost of disposal (Level 3)]	4 (2024: 4)	0 (2024: 0)	7.97% (2024: 8.71%)
STRABAG Poland (S+E)	62,260	FV less cost of disposal (Level 3) [2024: FV less cost of disposal (Level 3)]	4 (2024: 4)	0 (2024: 0)	9.53% (2024: 11.20%)

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€ 310,062 (2024: T€ 325,617) classified either as a current or non-current financial obligations 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€ 17,595 (2024: T€ 18,960) in research and development costs incurred in the 2025 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 2025 financial year break down as follows:

T€	**31.12.2025**	31.12.2024
Interest expense on lease liabilities	12,113	9,664
Repayment of lease liabilities	76,524	67,864
Variable lease payments	7,106	7,469
Payments for short-term equipment rentals	200,970	194,298
Payments for other short-term leases	6,066	6,498
Total lease payments	**302,779**	**285,793**

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€ 2,354 (2024: T€ 2,475) and is shown in other operating income.

The carrying amount of this building as at 31 December 2025 is T€ 58,411 (2024: T€ 60,019) 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€ 111,268 (2024: T€ 110,005) in contractual commitments for acquisition of property, plant and equipment which were not considered in the consolidated financial statements.

Restrictions on property, plant and equipment amounting to T€ 14,954 (2024: T€ 0) existed in the reporting year.

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 2025

T€	Land and buildings	Advances paid and buildings under construction	**Total**
Acquisition and production cost			
Balance as at 1.1.2025	**111,200**	**116,643**	**227,843**
Currency translation	-477	0	-477
Additions	79,434	34,340	113,774
Transfers	116,643	-116,643	0
Balance as at 31.12.2025	**306,800**	**34,340**	**341,140**
Accumulated depreciation, amortisation and impairment			
Balance as at 1.1.2025	**5,541**	**0**	**5,541**
Currency translation	-16	0	-16
Additions	5,867	0	5,867
Balance as at 31.12.2025	**11,392**	**0**	**11,392**
Carrying amount as at 31.12.2025	**295,408**	**34,340**	**329,748**

Investment property as at 31 December 2024

T€	Land and buildings	Advances paid and buildings under construction	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**

In the 2025 financial year, € 114 million were added to the real estate portfolio. This primarily relates to the acquisition of two office buildings in Cologne. One project is still under construction and is therefore recognised under “Assets under construction”. A purchase agreement for a rented office building in Frankfurt was concluded and the purchase price was paid at the end of 2024. The transfer was scheduled to take effect on 1 January 2025. The purchase price payment was presented as an advance payment made in 2024 and was reclassified to “Land and buildings” in 2025.

The fair value of investment property as at 31 December 2025 amounts to T€ 363,283 (2024: T€ 238,769).

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 2025 financial year amounted to T€ 15,372 (2024: T€ 5,464) and direct operating expenses totalled T€ 4,794 (2024: T€ 2,516), as well as depreciation of T€ 5,867 (2024: T€ 1,837). 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 (2024: T€ 0) and losses from asset disposals in the amount of T€ 0 (2024: T€ 222) were generated.

A reversal of impairment losses in the amount of T€ 0 was made in the 2025 financial year (2024: T€ 0).

18 Equity-accounted investments

T€	**2025**	2024
Carrying amount as at 1.1.	**525,671**	**541,026**
Acquisitions/contributions	109,726	17,886
Income and expenses from equity-accounted investments	24,839	37,133
Distributions received	-43,534	-49,467
Repayments of capital	0	-12,511
Disposals of carrying values	-6,035	0
Transfers of carrying values	-10,748	0
Share of other comprehensive income	-4,862	-3,573
Adjustment for income and expenses not covered by the equity-method carrying amount	225	-4,823
Carrying amount as at 31.12.	**595,282**	**525,671**

As at 31 December 2025, provisions amounting to T€ 4,000 (2024: T€ 4,000) and impairment allowances on receivables in connection with equity-accounted investments in the amount of T€ 10,702 (2024: T€ 10,477) were recognised. Changes in provisions and impairments recognised in profit or loss are reported under income or expenses from equity-accounted investments.

Notes on significant equity-accounted investments

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 preliminary consolidated financial statements prepared in accordance with IFRS.

T€	**2025**	2024
Revenue	319,828	343,369
Net income from continuing operations	41,103	38,981
Other comprehensive income	13,923	-8,077
Total comprehensive income	**55,026**	**30,904**
attributable to: non-controlling interests	*-29*	*-87*
attributable to: equity holders of the parent	*55,055*	*30,991*
	31.12.2025	31.12.2024
Non-current assets	562,361	540,535
Current assets	128,084	143,604
Non-current liabilities	-143,530	-146,545
Current liabilities	-158,204	-162,910
Net assets	**388,711**	**374,684**
attributable to: non-controlling interests	*3,893*	*3,922*
attributable to: equity holders of the parent	*384,818*	*370,762*

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€	2025	2024
Group's share of net assets as at 1.1.	**111,228**	**114,896**
Group's share of net income from continuing operations	12,174	11,530
Group's share of other comprehensive income	4,342	-2,233
Group's share of total comprehensive income	16,516	9,297
Dividends received	-12,300	-12,965
Group's share of net assets as at 31.12.	**115,444**	**111,228**
Goodwill	87,084	87,084
Equity-method carrying amount as at 31.12.	**202,528**	**198,312**

Another significant associate is **CMBlu Energy AG**, Alzenau. The company is active in the field of research and development of large-scale battery storage systems using organic solid-flow batteries. As at 31 December 2025, the STRABAG SE Group holds 24.94% of the shares. In addition, STRABAG has the right to appoint a member to the company's Supervisory Board.

In the 2025 financial year, 6.27% of the shares were again sold due to obligations in connection with the shares acquired in December 2024.

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

T€	**2025**	2024
Net income from continuing operations	-48,023	-33,240
Other comprehensive income	328	-69
Total comprehensive income	**-47,695**	**-33,309**
attributable to: non-controlling interests	*0*	*0*
attributable to: equity holders of the parent	*-47,695*	*-33,333*
	31.12.2025	31.12.2024
Non-current assets	18,925	18,082
Current assets	15,161	66,059
Non-current liabilities	-3,610	-7,413
Current liabilities	-7,548	-7,500
Net assets	**22,928**	**69,228**
attributable to: non-controlling interests	*0*	*0*
attributable to: equity holders of the parent	*22,928*	*69,228*

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€	**2025**	2024
Group's share of net assets as at 1.1.	**21,605**	**15,190**
Group's share of net income from continuing operations	-12,089	-5,259
Group's share of other comprehensive income	82	-21
Group's share of total comprehensive income	-12,007	-5,280
Dilution of shares	0	-432
Disposal of shares	-3,879	0
Acquisition of shares	0	12,127
Group's share of net assets as at 31.12.	**5,719**	**21,605**
Goodwill	88,065	90,221
Equity-method carrying amount as at 31.12.	**93,784**	**111,826**

Cascade Infrastructure Holdings Limited, Manchester, was established by articles of association dated 14 May 2025. The company is the project company for a major water infrastructure project in the United Kingdom. Under a concession agreement, the company was commissioned with planning, construction, building and financing. The STRABAG SE Group holds 50% of the voting rights in the company, which therefore represents an significant joint venture.

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

T€	2025
Net income from continuing operations	-15,562
Other comprehensive income	-14,278
Total comprehensive income	**-29,840**
attributable to: non-controlling interests	*0*
attributable to: equity holders of the parent	*-29,840*
	31.12.2025
Current assets	222,771
Non-current liabilities	-64,504
Current liabilities	-19,603
Net assets	**138,664**
attributable to: non-controlling interests	*0*
attributable to: equity holders of the parent	*138,664*

The financial information presented here can be transferred to the equity carrying amount of Cascade Infrastructure Holdings Limited in the consolidated financial statements as follows:

T€	2025
Group's share of net assets as at 1.1.	**0**
Capital contribution	84,252
Group's share of net income from continuing operations	-7,781
Group's share of other comprehensive income	-7,139
Group's share of total comprehensive income	-14,920
Group's share of net assets as at 31.12.	**69,332**
Equity-method carrying amount as at 31.12.	**69,332**

Notes on associates

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€	**2025**	2024
Total of equity-method carrying amounts as at 31.12.	117,161	97,907
Group's share of net income from continuing operations	25,008	11,655
Group's share of other comprehensive income	-1,687	250
Group's share of total comprehensive income	23,321	11,905

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€	**2025**	2024
Total of equity-method carrying amounts as at 31.12.	112,477	117,626
Group's share of net income from continuing operations	7,527	19,207
Group's share of other comprehensive income	-460	-1,569
Group's share of total comprehensive income	7,068	17,638

Notes on accumulated losses from equity-accounted investments

Proportionate losses from equity-accounted investments in the amount of T€ 4,070 (2024: T€ 3,914) 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 2025 financial year.

Construction consortia	Stake in %
ARGE HAUS DER STATISTIK HDS, Germany (HDS)	50.00
ARGE JVA MÜNSTER LOS 1 PLANUNG UND BAU, Germany (JVA L1)	50.00
ARGE NGP BAU 36 MB SINDELFINGEN, Germany (MB36)	65.00
ARGE SCHLEUSE KRIEGENBRUNN, Germany (KRIE)	80.00
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)	46.04

The financial information in the 2025 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	204,590	26	125,778	112,965	125,804
U5 L2	111,978	6,635	58,750	34,407	65,385
U2	104,983	13,654	56,534	10,287	70,188
JVA L1	96,674	170	32,300	18,324	32,470
MB36	90,035	0	131,523	39,429	131,523
A49	70,446	465	37,180	25,143	37,645
U5 L1	67,340	150	44,729	17,319	44,879
HER	62,739	0	9,816	9,616	9,816
HDS	62,005	0	52,187	17,004	52,187
KRIE	54,856	6,419	24,442	21,830	30,861

In the 2025 financial year, the share of profit or loss of equity-accounted investments recorded for the above-mentioned consortia included T€ 74,422 in profits from consortia and T€ 22,698 in losses from consortia including impending losses.

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
U5 L2	82,722	5,840	39,214	38,902	45,054
U2	111,593	17,358	37,183	2,081	54,541
JVA L1	52,476	191	18,200	695	18,391
MB36	0	0	0	0	0
A49	188,679	3,294	110,470	51,011	113,764
U5 L1	93,445	90	43,412	15,038	43,502
HER	67,195	69	7,811	1,624	7,880
HDS	51,516	0	33,079	22,958	33,079
KRIE	15,845	516	17,921	15,413	18,437

In the 2024 financial year, the share of profit or loss of equity-accounted investments recorded for the above-mentioned consortia included T€ 49,200 in profits from consortia and T€ 7,523 in losses from consortia including impending losses.

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

T€	**2025**	2024
Work and services performed	1,009,634	947,783
Work and services received	23,610	35,286
Receivables as at 31.12.	460,201	455,494
Liabilities as at 31.12.	417,516	400,047

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 1.1.2025	Currency translation	Changes in the consoli-dated group	Additions	Transfers	Disposals	Impair-ment losses/ Reversal of impairment losses	**Balance as at 31.12.2025**
Investments in subsidiaries	105,209	36	-24,630	24,198	534	-2,722	-3,403	99,222
Investments	126,557	223	0	1,794	10,214	-17,063	-10,692	111,033
Other investments	**231,766**	**259**	**-24,630**	**25,992**	**10,748**	**-19,785**	**-14,095**	**210,255**

The development of the other investments in the previous 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 impair-ment 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**

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 1.1.2025	Currency translation	Changes in the consolidated group	Other changes	**Balance as at 31.12.2025**
Intangible assets and property, plant and equipment	69,086	15	-136	1,579	70,544
Financial assets	10,273	8	0	13,392	23,673
Inventories	41,924	-652	0	1,986	43,258
Trade receivables/payables, contract assets/liabilities	51,037	-2,738	-19	10,766	59,046
Provisions	246,183	-309	6,131	-2,714	249,291
Other receivables/liabilities	16,758	67	-590	14,836	31,071
Austria - investment impairments (Siebentelabschreibung)	62,604	0	0	-5,578	57,026
Tax loss carryforwards	10,810	0	0	-2,031	8,779
Deferred tax assets	**508,675**	**-3,609**	**5,386**	**32,236**	**542,688**
Offsetting of deferred tax assets and liabilities relating to the same taxation authority	-388,544	0	0	-24,522	-413,066
Deferred tax assets offset	**120,131**	**-3,609**	**5,386**	**7,714**	**129,622**
Intangible assets and property, plant and equipment	-98,984	327	-9,259	-5,416	-113,332
Financial assets	-19,491	0	0	-1,110	-20,601
Inventories	-31,965	-459	192	1,720	-30,512
Trade receivables/payables, contract assets/liabilities	-439,941	4,882	110	-159,785	-594,734
Provisions	-18,081	281	0	9,851	-7,949
Other receivables/liabilities	-62,426	-195	191	-1,396	-63,826
Deferred tax liabilities	**-670,888**	**4,836**	**-8,766**	**-156,136**	**-830,954**
Offsetting of deferred tax assets and liabilities relating to the same taxation authority	388,544	0	0	24,522	413,066
Deferred tax liabilities offset	**-282,344**	**4,836**	**-8,766**	**-131,614**	**-417,888**

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 tax group, Austria, 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 Group for the next five years documents the usability of the “Siebentelabschreibung”.

As at 31 December 2025, there were differences of T€ 1,184,829 (2024: T€ 1,099,276) 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 and applies to financial years from 2024 onwards. 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 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 2025 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€ 2,879,656 (2024: T€ 2,656,941) have unrestricted use. Non-capitalised losses carried forward in the amount of T€ 403,594 (2024: T€ 452,494) can theoretically be used for up to 20 years (2024: 20 years).

The unrecognised deferred taxes are as follows:

	31.12.2025					31.12.2024				
	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	1,356,538	312,004	169	39	312,043	1,365,471	314,043	0	0	314,043
Austria - investment impairments (Siebentelabschreibung)	226,171	52,019	0	0	52,019	272,097	62,582	0	0	62,582
Chile	545,850	147,380	626,516	169,159	316,539	463,365	125,109	572,065	154,458	279,567
Netherlands	229,799	59,288	1,350	348	59,636	216,879	55,955	2,611	674	56,629
Germany	162,147	17,106	0	0	17,106	115,760	18,319	30,447	9,385	27,704
Germany - German trade tax (Gewerbesteuer)	135,780	20,367	0	0	20,367	95,171	14,276	0	0	14,276
Denmark	156,804	34,497	32,386	7,125	41,622	146,217	32,168	52,251	11,495	43,663
Sweden	150,797	31,064	0	0	31,064	149,563	30,810	0	0	30,810
Canada	120,641	31,970	31,307	8,296	40,266	168,593	44,677	16,402	4,347	49,024
Hungary	101,283	9,115	5,439	490	9,605	108,353	9,752	7,135	642	10,394
Switzerland	70,836	12,751	0	0	12,751	74,780	13,460	0	0	13,460
Slovakia	66,975	16,029	23,869	5,496	21,525	71,473	17,124	19,906	4,566	21,690
Belgium	58,128	14,532	12,956	3,239	17,771	50,951	12,738	3,216	804	13,542
Other	127,672	24,045	487,580	100,358	124,403	82,860	18,123	437,939	86,539	104,662
	3,509,421	**782,167**	**1,221,572**	**294,550**	**1,076,717**	**3,381,533**	**769,136**	**1,141,972**	**272,910**	**1,042,046**

21 Inventories

T€	**31.12.2025**	31.12.2024
Construction materials, auxiliary supplies and fuel	265,558	270,691
Undeveloped land	412,127	405,447
Unfinished buildings	485,292	424,423
Finished buildings	416,470	363,660
Finished goods and work in progress	26,292	26,806
Advances paid	89,609	61,043
Inventories	**1,695,348**	**1,552,070**

For qualifying assets, interest on borrowings was recognised in the amount of T€ 423 (2024: T€ 986).

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, 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 in the amount of T€ 369,570 (2024: T€ 427,630) 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 until June 2024 was 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€	**31.12.2025**	31.12.2024
Contract assets (gross)	7,456,084	7,098,423
Advances received	*-6,383,534*	*-5,861,328*
Contract assets	**1,072,550**	**1,237,095**
Contract liabilities (gross)	-10,887,630	-8,976,428
Advances received	*12,475,312*	*10,516,159*
Contract liabilities	**1,587,682**	**1,539,731**

In the 2025 financial year, revenue was recognised in the amount of T€ 1,248,166 (2024: T€ 1,161,336) that had been included under contract liabilities at the beginning of the financial year.

As at 31 December 2025, there are unsatisfied performance obligations from construction contracts with customers and project developments (order backlog) in the amount of T€ 26,946,189 (2024: T€ 20,671,871). The recognition of revenue from these performance obligations is expected with T€ 12,724,851 (2024: T€ 10,185,926) in the following financial year and with T€ 14,221,338 (2024: T€ 10,485,946) 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:

T€	**31.12.2025** Total	**31.12.2025** thereof current	31.12.2024 Total	31.12.2024 thereof current
Trade receivables	1,516,086	1,516,086	1,420,252	1,420,252
Receivables from consortia	323,508	323,508	325,025	325,025
Trade receivables	**1,839,594**	**1,839,594**	**1,745,277**	**1,745,277**

25 Other financial assets

Other financial assets are comprised as follows:

T€	**31.12.2025** Total	**31.12.2025** thereof current	**31.12.2025** thereof non-current	31.12.2024 Total	31.12.2024 thereof current	31.12.2024 thereof non-current
Securities	29,441	10	29,431	28,433	10	28,423
Receivables from subsidiaries	110,299	107,018	3,281	108,861	106,728	2,133
Receivables from affiliated companies	131,866	74,542	57,324	150,894	80,260	70,634
Sundry financial assets	332,294	79,945	252,349	313,934	78,853	235,081
Other financial assets	**603,900**	**261,515**	**342,385**	**602,122**	**265,851**	**336,271**

The sundry 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€	**31.12.2025**	31.12.2024
Cash on hand	691	644
Bank deposits	4,322,567	3,723,051
Cash and cash equivalents	**4,323,258**	**3,723,695**

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 2025 amounts to € 118,221,982.00 and is divided into 118,221,979 no-par bearer shares and three registered shares. As at 31 December 2025, STRABAG SE holds 2,779,006 own shares directly and a further 280 through a wholly owned subsidiary.

The following resolutions were passed at the **21st Annual General Meeting of STRABAG SE held on 13 June 2025:**

Resolution to authorise the Management Board 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).

The authorisation of the Management Board granted at the 20th Annual General Meeting on 14 June 2024 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 EUR 1.00 per share (= calculated value of one share in proportion to the share capital) and a maximum price of no more than 5% above the volume-weighted average closing price of the shares on the Vienna Stock Exchange over the last three months preceding the agreement for the respective acquisition or preceding the date of submission of an offer by the company.

In the event of a public offer, the reference date for the end of this period shall be the day preceding the day on which the intention to launch a public offer has been announced (Section 5 (2) and (3) of the Austrian Takeover Act (ÜbG)). The Management Board is authorised to determine the repurchase conditions. The purpose of the acquisition must 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.

The Management Board shall be authorised, with regard to the acquisition of no-par value bearer or registered shares of the company, 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.

Resolution to authorise the Management Board to reduce the share capital by withdrawing own shares acquired without a further resolution by the General Meeting.

The authorisation of the Management Board granted at the 20th Annual General Meeting on 14 June 2024 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.

Resolution to authorise the Management Board 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.

The authorisation of the Management Board granted at the 20th Annual General Meeting on 14 June 2024 to sell own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised simultaneously, for a period of five years from this resolution, to sell or assign its own shares, with the 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 decide on any 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 (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.

Various capital measures were adopted by the 19th 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%. For more information, see the section on equity in the notes to the consolidated financial statements as at 31 December 2023 and 31 December 2024.

These measures were formally completed with the ordinary non-cash capital increase in March 2024. A total of 15,621,982 new shares were issued, increasing the share capital by 15.2% from € 102,600,000.00 to € 118,221,982.00. The share capital increase was registered 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%.

All capital measures adopted by the Annual General Meeting on 16 June 2023 have been legally effective since the 2024 financial year.

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 2025 amounted to 35.9% (2024: 34.1%). 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 1.1.2025	Currency translation/ Transfers[1]	Changes in the consoli-dated group	Added	Used	**Balance as at 31.12.2025**
Provisions for severance payments	99,338	14,992	75	0	504	113,901
Provisions for pensions	304,404	0	-1,027	0	41,698	261,679
Construction-related provisions	589,779	10,274	125	85,747	52,133	633,792
Personnel-related provisions	8,441	0	-19	845	2,122	7,145
Other provisions	336,779	2,572	13	19,177	95,584	262,957
Non-current provisions	**1,338,741**	**27,838**	**-833**	**105,769**	**192,041**	**1,279,474**
Construction-related provisions	852,381	2,132	445	887,447	852,520	889,885
Personnel-related provisions	253,162	-15,556	5,096	265,732	242,853	265,581
Other provisions	207,731	-534	16,241	323,330	223,444	323,324
Current provisions	**1,313,274**	**-13,958**	**21,782**	**1,476,509**	**1,318,817**	**1,478,790**
Total	**2,652,015**	**13,880**	**20,949**	**1,582,278**	**1,510,858**	**2,758,264**

[1] Includes transfers to provisions for severance payments amounting to T€ 15,306 that in the previous year were reported under current personnel-related provisions.

The actuarial assumptions as at 31 December 2025 used to calculate provisions for severance payments and pensions are represented as follows:

	Severance payments	Pension obligations Germany/Austria	Pension obligations Switzerland	Pension obligations the Netherlands	Pension obligations Belgium
Actuarial tables	AVÖ 2018-P	Dr. Klaus Heubeck 2018G/ AVÖ 2018-P	BVG 2020G	Projection Life Table AG2024	Standard Belgium MR/FR -5year correction 1992
Discount rate (%)	3.85	3.85	1.18	3.85	3.85
	(2024: 3.33)	(2024: 3.33)	(2024: 0.97)	(2024: 3.33)	(2024: 3.33)
Salary increase (%)	3.00	-	1.30	-	3.60
	(2024: 3.00)	(2024: -)	(2024: 1.50)	(2024: -)	(2024: 3.50)
Pension increase (%)	-	2.10	0.00	2.10	2.10
	-	(2024: 3.00)	(2024: 0.00)	(2024: 1.30)	(2024: 2.00)
Retirement age for men	65	63–67	65	65	65
	(2024: 65)	(2024: 63–67)	(2024: 65)	(2024: 65)	(2024: 65)
Retirement age for women	60–65	60–67	65	65	65
	(2024: 60–65)	(2024: 60–67)	(2024: 65)	(2024: 65)	(2024: 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 2025:

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	-3,364	3,166	-6,932	-
Pension obligations	-25,193	22,858	-1,806	-33,332

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

Provisions for severance payments show the following development:

T€	**2025**	2024
Present value of the defined benefit obligation as at 1.1.	**99,338**	**98,268**
Changes in the consolidated group/currency translation/Transfers[1]	15,067	-59
Current service cost	3,198	3,502
Interest cost	2,794	2,626
Severance payments	-5,791	-5,017
Actuarial gains/losses arising from experience adjustments	-3,501	-1,639
Actuarial gains/losses arising from change in the discount rate	-1,400	975
Actuarial gains/losses arising from demographic changes	4,196	682
Present value of the defined benefit obligation as at 31.12.	**113,901**	**99,338**

[1] Transfers relate to provisions for severance payments that in the previous year were reported under current personnel-related provisions.

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

T€	**2025**	2024
Present value of the defined benefit obligation as at 1.1.	**496,978**	**497,405**
Changes in the consolidated group/currency translation	1,109	2,945
Current service cost	8,236	7,536
Interest cost	12,018	12,876
Pension payments	-31,870	-31,726
Actuarial gains/losses arising from experience adjustments	-7,810	5,008
Actuarial gains/losses arising from change in the discount rate	-34,233	2,956
Actuarial gains/losses arising from demographic changes	-78	-22
Present value of the defined benefit obligation as at 31.12.	**444,350**	**496,978**

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

T€	**2025**	2024
Fair value of the plan assets as at 1.1.	**192,574**	**177,551**
Changes in the consolidated group/currency translation	2,136	2,098
Return on plan assets	2,562	3,240
Contributions	8,285	7,805
Pension payments	-9,762	-9,146
Actuarial gains/losses	258	2,454
Assets not included according to IFRIC 14	0	15,329
Reclassification assets	-13,382	-6,757
Fair value of the plan assets as at 31.12.	**182,671**	**192,574**

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

T€	**31.12.2025**	31.12.2024
Shares[1]	43,715	30,780
Bonds[1]	40,229	45,262
Cash	3,195	7,660
Investment funds	10,694	11,241
Real estate	19,305	18,918
Liability insurance	62,921	65,194
Other assets	44,278	41,803
thereof reclassified assets	-41,666	-28,284
Total	**182,671**	**192,574**

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 2025 financial year, STRABAG AG, Switzerland, had a surplus of plan assets over the pension liability in the amount of T€ 41,666 (2024: T€ 28,284). This surplus is reported under other non-current financial assets.

The expected contributions to pension foundations in the following year will amount to T€ 4,040 (2024: T€ 3,916).

The actual income from plan assets amounted to T€ 2,511 in the 2025 financial year (2024: T€ 5,359).

Asset-liability matching strategy

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

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

T€	**2025**	2024
Current service cost	11,434	11,038
Interest cost	14,812	15,502
Return on plan assets	2,562	3,240

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

T€	**31.12.2025**	31.12.2024
Net obligation for severance provisions	113,901	99,338
Present value of the defined benefit obligation (pension provisions)	*444,350*	*496,978*
Fair value of plan assets (pension provisions)	*-182,671*	*-192,574*
Net obligation for pension provisions	261,679	304,404
Net obligation total	**375,580**	**403,742**

The **maturity profile** of the benefit payments from the net defined benefit liability as at 31 December 2025 was as follows:

T€	< 1 year	1–5 years	6–10 years	11–20 years	> 20 years
Provisions for severance payments	3,618	34,279	37,143	38,262	1,635
Provisions for pensions	29,920	116,442	89,034	108,873	65,817

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

Years	**31.12.2025**	31.12.2024
Severance payments Austria	7.75	7.35
Pension obligations Austria	5.10	5.24
Pension obligations Germany	8.43	9.42
Pension obligations Switzerland	13.40	14.20
Pension obligations the Netherlands	12.60	12.60
Pension obligations Belgium	5.80	6.60

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 obligations

			31.12.2025			31.12.2024
T€	**Total**	**thereof current**	**thereof non-current**	Total	thereof current	thereof non-current
Bank borrowings	460,874	160,344	300,530	536,394	228,609	307,785
Lease liabilities	367,997	70,695	297,302	390,874	65,969	324,905
Financial obligations	**828,871**	**231,039**	**597,832**	**927,268**	**294,578**	**632,690**

Collateral (mainly mortgages) is provided to cover bank borrowings in the amount of T€ 19,250 (2024: T€ 20,046).

The bank borrowings include non-recourse liabilities in the amount of T€ 399,453 (thereof non-current: T€ 288,595). This value amounted to T€ 512,571 (thereof non-current: T€ 307,753) in the previous year.

The lease liabilities are presented less the rental deposits of T€ 15,450 (2024: T€ 19,717).

30 Trade payables

		31.12.2025		31.12.2024
T€	**Total**	**thereof current**	Total	thereof current
Trade payables	2,647,349	2,647,349	2,453,549	2,453,549
Payables from consortia	331,856	331,856	337,271	337,271
Trade payables	**2,979,205**	**2,979,205**	**2,790,820**	**2,790,820**

31 Other financial liabilities

			31.12.2025			31.12.2024
T€	Total	thereof current	thereof non-current	Total	thereof current	thereof non-current
Payables to subsidiaries	99,562	99,562	0	121,905	121,905	0
Payables to affiliated companies	25,467	25,467	0	20,320	20,320	0
Other financing liabilities	476,324	446,151	30,173	397,181	387,586	9,595
Sundry financial liabilities	221,722	195,067	26,655	203,722	179,522	24,200
Other financial liabilities	**823,075**	**766,247**	**56,828**	**743,128**	**709,333**	**33,795**

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 financing liabilities in the amount of T€ 437,689 (2024: T€ 386,033). 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 had initially submitted a rectification request to the court of arbitration to amend individual passages of the ruling. The arbitral tribunal that issued the award reached a final decision on this request on 30 April 2025 and, in essence, made adjustments only to parts of the cost decision. In August 2025, the Federal Republic of Germany subsequently filed an application to set aside the arbitral award. The estimated duration of these annulment proceedings – given several rounds of written submissions and an oral hearing – is approximately two years. Only after the conclusion of these proceedings will the arbitral award become final and, following further local recognition procedures in the respective country, enforceable. 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.

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.

It remains uncertain whether Libya will honour the award. STRABAG is examining all measures 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 significant findings.

Because of the existing uncertainties no receivable was recognised.

33 Contingent liabilities

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

T€	**31.12.2025**	31.12.2024
Guarantees without financial guarantees	0	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 2025 are performance bonds in the amount of € 3.6 billion (2024: € 2.9 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 2025, guarantees amounting to T€ 14,007 (2024: T€ 12,873) 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€	**31.12.2025**	31.12.2024
Cash on hand	691	644
Bank deposits	4,322,567	3,723,051
Pledged cash and cash equivalents	-150	-150
Cash and cash equivalents	**4,323,108**	**3,723,545**

Cash and cash equivalents from construction projects that can only be disposed of jointly due to the projects being carried out in consortia are recognised on a pro rata basis. As at 31 December 2025, these amounted to T€ 73,969 (2024: T€ 21,969).

The **cash flow from financing activities** for the financial year 2025 can be derived from the balance sheet items as follows:

T€	Bank borrowings	Other financing liabilities[1]	Lease liabilities	**Total**
Balance as at 1.1.2025	**536,394**	**397,181**	**390,874**	**1,324,449**
Proceeds	6,238	0	0	6,238
Repayments	-100,897	0	0	-100,897
Increase (+)/decrease (-) in financing	0	4,518	-76,524	-72,006
Total cash flows from financing activities	**-94,659**	**4,518**	**-76,524**	**-166,665**
Currency translation	-13,411	61	545	-12,805
Changes in the consolidated group	12,050	20,361	26,579	58,990
Other changes	20,500	54,203	26,523	101,226
Total non-cash changes	**19,139**	**74,625**	**53,647**	**147,411**
Balance as at 31.12.2025	**460,874**	**476,324**	**367,997**	**1,305,195**

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

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	-166,665
Distribution of dividends	-242,917
Cash flow from financing activities	**-409,582**

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 financing 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 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**

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 obligations such as bank borrowings, bonds and lease liabilities, but also trade payables.

Financial instruments overview

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

		31.12.2025		31.12.2024	
T€	**Measurement category according to IFRS 9**	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Assets					
Investments below 20% (other investments)	FVPL	33,296	33,296	59,565	59,565
Trade receivables	AC	1,839,594	1,839,594	1,745,277	1,745,277
Receivables from concession arrangements	AC	369,570	370,230	427,630	429,497
Other non-current financial assets	AC	101,104	109,775	99,318	105,919
Other non-current financial assets	FVPL	144,003	144,003	157,505	157,505
Other current financial assets	AC	261,505	261,505	265,842	265,842
Cash and cash equivalents	AC	4,323,258	4,323,258	3,723,695	3,723,695
Securities	FVPL	29,441	29,441	28,432	28,432
Derivatives held for hedging purposes (other financial assets)	Derivatives	26,181	26,181	22,776	22,776
Liabilities					
Financial obligations	FLaC	-828,871	-812,283	-927,268	-913,023
Trade payables	FLaC	-2,979,205	-2,979,205	-2,790,820	-2,790,820
Other non-current financial liabilities	FLaC	-34,772	-34,772	-31,933	-31,933
Other current financial liabilities	FLaC	-763,381	-763,381	-709,333	-709,333
Liabilities arising from business acquisitions	FVPL	-23,382	-23,382	0	0
Derivatives held for hedging purposes (other financial liabilities)	Derivatives	-1,478	-1,478	-1,863	-1,863
Other Derivatives (other financial liabilities)	FVPL	-62	-62	0	0
	Measurement category according to IFRS 9				
	AC	6,895,031	6,904,362	6,261,762	6,270,230
	FVPL	183,296	183,296	245,502	245,502
	FLaC	-4,606,229	-4,589,641	-4,459,354	-4,445,109
	Derivatives	24,703	24,703	20,913	20,913
	Total	**2,496,801**	**2,522,720**	**2,068,823**	**2,091,536**

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 values of non-current financial assets are determined – where no market prices are available – as the present values of the associated cash flows, taking into account the respective current market parameters.

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 obligations qualifies entirely as a Level 2 measurement at T€ 812,283 (2024: T€ 913,023).

T€ 150 (2024: T€ 150) of cash and cash equivalents, T€ 858 (2024: T€ 840) of securities and T€ 2,282 (2024: T€ 2,222) of other financial instruments were pledged as collateral for liabilities.

The non-recourse liabilities in the amount of T€ 399,453 (2024: T€ 512,571) are secured with the return flows from the respective project.

There was no reclassification between the valuation categories in the 2025 financial year.

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

				2025				2024
T€	**AC**	**FVPL**	**FLaC**	**Derivatives (Hedge accounting)**	AC	FVPL	FLaC	Derivatives (Hedge accounting)
Interest	100,535	0	-25,167	0	130,902	0	-36,421	0
Interest from concession arrangements	37,855	35,237	-7,114	-430	69,163	39,094	-7,933	-720
Earnings from securities and investments	0	6,389	0	0	0	29,800	0	0
Credit losses, impairment losses and reversal of impairment losses	-29,987	0	0	0	-28,605	0	0	0
Payments of derecognised receivables and income from derecognition of liabilities	0	0	10,237	0	2,449	0	9,651	0
Net income from other derivatives	0	-62	0	0	0	7,135	0	0
Net income recognised in profit or loss	**108,403**	**41,564**	**-22,044**	**-430**	**173,909**	**76,029**	**-34,703**	**-720**
Value changes recognised directly in equity	0	0	0	4,220	0	0	0	-12,953
Net income	**108,403**	**41,564**	**-22,044**	**3,790**	**173,909**	**76,029**	**-34,703**	**-13,673**

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 2025 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			144,003	144,003
Investments below 20% (other investments)			33,296	33,296
Securities	29,441			29,441
Derivatives held for hedging purposes		26,181		26,181
Total	**29,441**	**26,181**	**177,299**	**232,921**
Liabilities				
Liabilities arising from business acquisitions			-23,382	-23,382
Derivatives held for hedging purposes		-1,478		-1,478
Other Derivatives		-62		-62
Total	**0**	**-1,540**	**-23,382**	**-24,922**

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**

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 2025 and 2024, 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 (Level 3) developed as follows:

	2025	2024
Carrying amount as at 1.1.	**157,505**	**134,107**
Interest	22,252	16,675
Changes in fair value	13,159	22,393
Payments	-48,913	-15,670
Carrying amount as at 31.12.	**144,003**	**157,505**

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:

	2025	2024
Carrying amount as at 1.1.	**59,565**	**56,147**
Currency translation/Transfers	70	-108
Additions	251	7,065
Disposals	-16,073	-2,402
Impairment losses/ Reversal of impairment losses	-10,517	-1,137
Carrying amount as at 31.12.	**33,296**	**59,565**

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€			**31.12.2025**			31.12.2024
Bank	**Assets**	**Liabilities**	**Total**	Assets	Liabilities	Total
National Bank of Canada	0	-738	-738	0	-935	-935
Bank of Montreal	0	-740	-740	0	-928	-928
KfW IPEX-Bank	6,679	0	6,679	5,763	0	5,763
Norddeutsche Landesbank	6,472	0	6,472	5,679	0	5,679
SEB AG	6,563	0	6,563	5,772	0	5,772
Société Générale	6,467	0	6,467	5,562	0	5,562
Total derivatives held for hedging purposes	**26,181**	**-1,478**	**24,703**	**22,776**	**-1,863**	**20,913**
UniCredit Bank Austria AG	0	-62	-62	0	0	0
Total other derivatives	**0**	**-62**	**-62**	**0**	**0**	**0**
Total	**26,181**	**-1,540**	**24,641**	**22,776**	**-1,863**	**20,913**

No hedge accounting is applied to the other derivatives; however, they form part of an economic hedging relationship.

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 2025.

Interest rate risk

The receivables from concession arrangements in the amount of T€ 369,570 (2024: T€ 427,630) and the non-current other financial assets in the amount of T€ 342,385 (2024: T€ 336,271) 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€ 399,453 (2024: T€ 512,571), 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 31.12.2025 T€**	**Weighted average interest rate 2025 %**
EUR	3,119,728	1.80
PLN	306,088	2.89
CZK	231,920	2.18
HUF	178,329	6.26
AUD	100,040	3.42
Other, each below € 100 million	386,462	2.54
Total	**4,322,567**	**2.18**

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, each below € 100 million	236,914	1.83
Total	**3,723,051**	**2.93**

Bank borrowings

Currency	**Carrying amount 31.12.2025 T€**	**Weighted average interest rate 2025 %**
EUR	358,895	2.81
CAD	89,390	4.69
Other, each below € 50 million	12,589	5.21
Total	**460,874**	**3.24**

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**

Had the interest rate level at 31 December 2025 been higher by 100 basis points, then the EBT would have been higher by T€ 37,572 (2024: T€ 30,520) and the equity at 31 December 2025 would have been higher by T€ 51,799 (2024: T€ 48,082). 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 are recognised in profit or loss in the income statement. The hedging transactions are reported under other financial assets or other financial liabilities. As at 31 December 2025, as in the prior year, the Group had no hedging transactions in place to hedge foreign currency risks.

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€ 58,853 (2024: T€ 38,917) in foreign currencies.

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

Currency	**Closing rate 31.12.2025: 1 € =**	**Average rate 2025: 1 € =**	Closing rate 31.12.2024: 1 € =	Average rate 2024: 1 € =
AUD	1.7581	1.7484	1.6772	1.6424
CAD	1.6088	1.5744	1.4948	1.4820
CHF	0.9314	0.9370	0.9412	0.9513
CLP	1,070.7200	1,072.0238	1,033.5700	1,021.8108
CZK	24.2370	24.6947	25.1850	25.1228
GBP	0.8726	0.8546	0.8292	0.8469
HUF	385.1500	397.7285	411.3500	395.9708
PLN	4.2210	4.2396	4.2750	4.3050
RON	5.0968	5.0404	4.9743	4.9753

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 **2025:**

T€ Currency	**Appreciation of the euro by 10%** **Change in EBT**	 **Change in equity**	**Depreciation of the euro by 10%** **Change in EBT**	 **Change in equity**
AUD	-1,073	-7,740	1,311	9,460
CHF	-1,282	-12,994	1,566	15,882
CZK	7,096	8,914	-8,673	-10,895
GBP	16,592	16,592	-20,279	-20,279
HUF	1,875	4,748	-2,292	-5,803
PLN	772	772	-943	-943
Other	-21,896	-21,896	26,762	26,762

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:**

T€ Currency	Appreciation of the euro by 10% Change in EBT	 Change in equity	Depreciation of the euro by 10% Change in EBT	 Change in equity
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
HUF	-2,044	5,375	2,498	-6,569
PLN	10,906	3,633	-13,329	-4,440
Other	-23,583	-23,583	28,824	28,824

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 2025 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 2025 are as follows:

T€ Hedged item	**Value changes in the basis for effectiveness measurement**	**Hedging reserves**
Interest rate risk		
Interest EGLINTON	-99	-1,478
Interest PANSUEVIA	-6,807	20,373
Total	**-6,906**	**18,895**

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 hedging instruments as at 31 December 2025 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 swaps EGLINTON	39,921	-1,478	Other financial liabilities	99	285	Interest expense
Interest rate swaps PANSUEVIA	208,023	26,181	Other financial assets	6,807	-2,971	Other operating expense
Total	**247,944**	**24,703**		**6,906**	**-2,686**	

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

In the 2025 financial year, as in the previous year, there were no instances of ineffectiveness in relation to the existing interest rate swaps.

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**	

On 31 December 2025, 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€	5,468	5,688	236,788
Average fixed interest rate (%)	0.90	0.90	1.38

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

The reconciliation of the equity components as at 31 December 2025 is as follows:

T€	**Hedging reserves**
As at 1.1.	**-8,657**
Fair value changes	
Interest rate risk	6,906
Recycling	
Interest rate risk	-2,686
Deferred tax	
Interest rate risk	-209
Change in hedging reserves from equity-accounted investments	**-9,212**
As at 31.12.	**-13,858**

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	
Interest rate risk	-13,673
Deferred tax	
Interest rate risk	3,638
Change in hedging reserves from equity-accounted investments	**773**
As at 31.12.	**-8,657**

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 2025 for trade receivables and for contract assets developed as follows during the financial year:

T€	**Trade receivables**	**Contract assets**
Gross carrying amount as at 31.12.2025	**1,917,705**	**1,077,033**
Lifetime ECL as at 1.1.	9,087	5,373
Exchange differences/changes in the consolidated group	323	25
Change due to change in volumes	893	-1,096
Change due to change in ratings	-699	181
Lifetime ECL as at 31.12.	**9,604**	**4,483**
Impairment as at 1.1.	**58,060**	**0**
Exchange differences/changes in the consolidated group	-552	0
Added/used	10,999	0
Impairment as at 31.12.	**68,507**	**0**
Net carrying amount as at 31.12.2025	**1,839,594**	**1,072,550**

In addition, ECL impairments on other financial assets amounting to T€ 3,060 (2024: T€ 3,675) exist as at 31 December 2025, as well as individual impairments amounting to T€ 227,698 (2024: T€ 234,087) for other non-current financial assets.

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**

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 2025 financial year are as follows:

T€	**Trade receivables**	**Contract assets**
Low risk	1,113,039	791,181
Medium risk	771,030	274,835
High risk	33,636	11,017
Gross carrying amount as at 31.12.2025	**1,917,705**	**1,077,033**

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**

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 € 0.5 billion (2024: € 0.4 billion) and € 2.5 billion (2024: € 2.0 billion) respectively. The overall line for cash and aval loan amounts to € 10.5 billion (2024: € 8.8 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 2025 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** (interest payments based on interest rate as at 31 December and redemption) arise from the financial obligations for the subsequent years:

Payment obligations as at 31 December 2025

The **payment obligations from financial obligations as at 31 December 2025** are comprised as follows:

T€	**Carrying amount 31.12.2025**	Cash flows 2026	Cash flows 2027–2030	Cash flows after 2030
Bank borrowings	460,874	178,588	108,080	254,329
Lease liabilities	367,997	93,038	244,609	176,372
Financial obligations	**828,871**	**271,626**	**352,689**	**430,701**

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 lease liabilities amount to T€ 75,513 for 2027, T€ 65,787 for 2028, T€ 56,854 for 2029 and T€ 46,455 for 2030.

The **payment obligations from derivatives as at 31 December 2025** are comprised as follows:

T€	**Carrying amount 31.12.2025**	Cash flows 2026	Cash flows 2027–2030
Derivatives held for hedging purposes	-24,703	0	1,478
Derivatives other	62	0	62
Derivatives	**-24,641**	**0**	**1,540**

The net balance of T€ -24,641 includes derivatives held for hedging purposes with a positive market value of T€ 26,181 which do not give rise to any payment obligations.

Payment obligations as at 31 December 2024

The **payment obligations from financial obligations 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 obligations	**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 lease 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:

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

The net balance of T€ -20,913 includes derivatives held for hedging purposes with a positive market value of T€ 22,776 which do not give rise to any payment obligations.

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 2025, the maximum guarantee amount is T€ 165,683 (2024: T€ 42,738). 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, Czech Republic, Slovakia, Hungary, Romania as well as South-Eastern Europe. The construction materials business has been assigned to this segment as well.

The segment International + Special Divisions includes the construction activities in the United Kingdom and outside Europe as well as tunnelling activities worldwide. This segment also includes infrastructure project development services (PPP projects) and real estate activities. Building Solutions, with its service portfolio covering technical and infrastructural facility management, building services engineering, property management, and industrial services for buildings or facilities, as well as the Hold Estate business, which comprises the long-term, strategic management of real estate, are also allocated to this segment.

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 2025

T€	North + West	South + East	International + Special Divisions	Other	Reconciliation to IFRS financial statements	**Group**
Revenue	**7,511,865**	**7,238,463**	**3,944,871**	**19,082**	**0**	**18,714,281**
Inter-segment revenue	241,396	212,803	0	1,211,597		
EBIT	**840,957**	**266,719**	**181,694**	**-8,922**	**-33,214**	**1,247,234**
thereof share of profit or loss of equity-accounted investments	135,026	19,690	19,737	-10,599	0	163,854
thereof construction materials, consumables and services used	-4,096,237	-4,939,355	-1,695,190	-437,871	0	-11,168,653
thereof employee benefits expense	-2,054,038	-1,516,530	-1,317,105	-355,980	0	-5,243,653
Interest and similar income	0	0	0	105,959	0	105,959
Interest expense and similar charges	0	0	0	-64,989	0	-64,989
EBT	**840,957**	**266,719**	**181,694**	**32,048**	**-33,214**	**1,288,204**
Investments in property, plant and equipment and intangible assets	0	0	0	738,349	0	738,349
Investments in Investment property	0	0	113,774	0	0	113,774
Depreciation and amortisation expense	0	0	22,003	613,582	0	635,585
thereof impairment losses and reversals of impairment losses	0	0	0	2,938	0	2,938

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 and amortisation expense	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

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 group companies and investments. 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€	**2025**	2024
Net income from investments	-19,792	-9,598
Other consolidation adjustments	-13,422	-7,628
Total	**-33,214**	**-17,226**

Breakdown of revenue by geographic region

T€	**2025**	2024
Germany	8,469,264	7,997,178
Austria	2,510,637	2,556,203
Rest of Europe	6,416,696	6,022,859
Rest of world	1,317,684	845,979
Revenue	**18,714,281**	**17,422,219**

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 shares of minority shareholder MKAO “Rasperia Trading Limited” (“Rasperia”) were frozen on 8 April 2022 following inclusion of Oleg Deripaska on the EU sanctions list (“asset freeze”), as Oleg Deripaska controlled Rasperia at that time. Since that date, Rasperia no longer constitutes a related party. Subsequently, Rasperia itself was added by name to the sanctions list of the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) on 15 April 2024 and to the EU sanctions list on 28 June 2024 by Council Implementing Regulation (EU) 2024/1842.

Due to the existing asset freeze affecting Rasperia’s 24.1% shareholding, Rasperia is currently unable to exercise any shareholder rights, including but not limited to the right to participate in General Meetings of STRABAG SE or to exercise voting rights. The two actions for annulment initiated by Rasperia in this context against resolutions of the Annual General Meeting in 2022, as well as the review proceedings initiated by Rasperia before the Takeover Commission, are still pending.

A dividend of € 2.50 per share was approved at the Annual General Meeting of 13 June 2025. 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€ 51,656 was, as in previous years, not paid out. As at 31 December 2025, unpaid dividend claims amounting to T€ 179,764 (2024: T€ 128,108) are therefore reported as other current financial liabilities.

The distribution entitlement attributable to Rasperia from the capital reduction resolved at the 2023 Annual General Meeting, amounting to T€ 257,925, is recognised as other current financing liabilities and will also continue to be withheld due to the existing sanctions.

In the 2025 financial year, as in the previous year, there were no business relationships with companies attributable to Rasperia (or Oleg Deripaska).

In August 2024, Rasperia filed a lawsuit with the Kaliningrad Commercial Court against STRABAG SE, its core shareholders and AO Raiffeisenbank, claiming damages for the de facto worthlessness of its STRABAG shares (including dividend entitlements for the financial years 2021, 2022 and 2023) as a result of sanctions compliance on the part of STRABAG SE and the core shareholders. The court awarded Rasperia € 1.87 billion plus interest, which was collected from AO Raiffeisenbank in Russia. The judgment has since become final and binding.

In August 2025, Rasperia filed another lawsuit with the Kaliningrad Commercial Court against STRABAG SE, its core shareholders and AO Raiffeisenbank. The claim seeks further damages of € 326 million plus interest. The subject of the claim is the frozen distribution from the capital measures resolved by the 2023 Annual General Meeting and the dividend entitlements for the 2024 financial year. The claim has already been upheld at two levels of appeal. It is therefore final, even though the defendants are contesting the ruling with a further appeal.

The action brought in October 2024 before an arbitral tribunal in Amsterdam by STRABAG's core shareholders against Rasperia concerning the rights of first refusal under the (former) syndicate agreement was withdrawn by the core shareholders in the 2025 financial year following a penalised cease-and-desist application filed by Rasperia with the Kaliningrad Commercial Court in June 2025. Proceedings relating to this cease-and-desist application – which seeks to prohibit STRABAG SE, its core shareholders, Raiffeisen Bank International (RBI) and AO Raiffeisenbank from initiating or continuing legal proceedings against Rasperia before courts outside the Russian Federation and, in the event of non-compliance, to impose lump-sum damages of € 1.09 billion – are still pending.

39 Notes on related parties

Raiffeisen Holding NÖ-Wien Group / UNIQA Group

Arm's-length finance and insurance transactions exist with the Raiffeisen Holding NÖ-Wien Group and the UNIQA Group. Construction services are provided on an individual basis.

The receivables on 31 December 2025 to the Raiffeisen Group relating to current accounts and investments amounted to T€ 492,752 (2024: T€ 466,276), the payables on 31 December 2025 to the Raiffeisen Group relating to financing and current accounts amounted to T€ 0 (2024: T€ 0). The interest income in the 2025 financial year amounted to T€ 11,880 (2024: T€ 18,421), and the interest expense amounted to T€ 1,535 (2024: T€ 11).

Premiums for insurance contracts with the UNIQA Group were recognised as an expense in the amount of T€ 1,154 (2024: T€ 1,703).

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€ -365 (2024: T€ 855). The distribution from the aforementioned company amounted to T€ 3,060 in the 2025 financial year (2024: T€ 0).

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€	**2025**	2024
Work and services performed	6,076	23,095
Work and services received	2,368	4,817
Receivables as at 31.12.	7,372	14,018
Liabilities as at 31.12.	882	1,332

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 2025 financial year amounted to T€ 10,465 (2024: T€ 10,279). Under IFRS 16, these leases are recognised as right-of-use assets and lease liabilities. The consolidated financial statements as at 31 December 2025 show right-of-use assets of T€ 39,388 (2024: T€ 48,432) and lease liabilities of T€ 26,270 (2024: T€ 31,142). The lease liabilities are presented less the rental deposits of T€ 15,450 (2024: T€ 19,717). Other services in the amount of T€ 0 (2024: T€ 41) were obtained from the IDAG Group.

Furthermore, revenues of T€ 3,367 (2024: T€ 1,454) were made with the IDAG Group in the 2025 financial year. In the 2025 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€ 0 (2024: T€ 2,000) 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 2025, STRABAG procured cement services worth T€ 48,461 (2024: T€ 36,963). At the balance sheet date, there were liabilities to Holcim Cement CE Holding GmbH Group in the amount of T€ 3,342 (2024: T€ 955).

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

T€	**2025**	2024
Work and services performed	135,080	103,780
Work and services received	61,146	65,087
Receivables as at 31.12.	17,418	16,520
Liabilities as at 31.12.	17,879	13,989
Financing receivables as at 31.12.	86,255	98,380

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€ 23 (2024: T€ 7) were provided and services worth T€ 36 (2024: T€ 57) were procured. As at 31 December 2025, there were receivables in the amount of T€ 0 (2024: T€ 0) and liabilities in the amount of T€ 2 (2024: T€ 0) out of these business relations.

In the 2025 financial year, services amounting to T€ 207 (2024: T€ 0) were provided to members of the Supervisory Board or to companies over which significant influence is exercised. Services on arm's-length terms amounting to T€ 6,012 (2024: T€ 585) were received from companies in which members of the Supervisory Board hold a governing position or have an interest. As at the balance sheet date, receivables from these business relationships amounted to T€ 4 (2024: T€ 0) and liabilities to T€ 36 (2024: T€ 0).

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€ 30,924 (2024: T€ 23,687) in the reporting period. Of this amount, T€ 30,768 (2024: T€ 23,488) is attributable to the current remuneration, which includes fixed and variable remuneration for the previous financial year, and T€ 156 (2024: T€ 199) to severance and pension payments. As at 31 December 2025, obligations from variable remuneration amounted to T€ 27,499 (2024: T€ 23,118). 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. (FH) Péter Glöckler (since 11 August 2025)

Dipl.-Ing. Siegfried Wanker

Dipl.-Ing. (FH) Alfred Watzl (until 6 August 2025)

Supervisory Board

Mag. Kerstin Gelbmann (Chairman)

Mag. Erwin Hameseder (Vice Chairman)

Dr. Andreas Brandstetter

Dr. Valerie Hackl

Dipl.-Ing. Sebastian Haselsteiner (since 13 June 2025)

Mag. Gabriele Schallegger

Dipl.-Ing. Andreas Batke (works council)

Karl Gerdes (works council)

Magdolna P. Gyulainé (works council)

Georg Hinterschuster (works council)

Daniel Riesenberg (works council) (since 1 September 2025)

The total salaries of the Management Board members in the financial year amount to T€ 10,420 (2024: T€ 9,953). The severance payments for Management Board members amount to T€ 142 (2024: T€ 127). As at 31 December 2025, obligations exist from variable remuneration amounted to T€ 11,345 (2024: T€ 8,428). 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 2025 amounted to T€ 257 (2024: T€ 238). 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€ 2,442 (2024: T€ 2,158) of which T€ 1,733 (2024: T€ 1,607) were for the audit of the consolidated financial statements (including the audit of separate financial statements of group companies) and T€ 709 (2024: T€ 551) for other services.

42 Events after the balance sheet date

On 28 February 2026, the United States and Israel launched air strikes on Iran, prompting Iranian counterattacks in the region. STRABAG does not operate in Iran, but it is active in Qatar, the United Arab Emirates and Oman. Following the acquisition of WTE Wassertechnik GmbH, the Group now also has operations in Bahrain and Kuwait. At the time this report was being prepared, no damage to the company's facilities had been recorded in these regions. In line with official recommendations, activities were temporarily suspended or significantly reduced. The medium-term impact of the conflict, particularly as a result of rising energy and raw material prices, cannot yet be assessed at the time of preparing the consolidated financial statements due to the uncertain duration of the war.

43 Appropriation of net

The Management Board proposes to pay out a dividend in the amount of € 2.90 per dividend-bearing share for the 2025 financial year.

44 Date of authorisation for issue

In Austria, the consolidated financial statements for a Societas Europaea (SE) are prepared by the Management Board and 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 2025 will take place on 21 April 2026.

Villach, 3 April 2026

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. (FH) Péter Glöckler
Member of the
Management Board
Segment South + East

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

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[1] 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, 3 April 2026

The Management Board

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

Mag. Christian Harder
CFO
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Member of the
Management Board
Segment South + East

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

[1] The individual financial statements are included in the annual financial report.

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 accompanying consolidated financial statements of STRABAG SE, Villach, and its subsidiaries (the Group), which comprise the separate consolidated income statement, the statement of comprehensive income, the consolidated balance sheet as at 31 December 2025, 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 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 2025, and of its financial performance and cash flows for the financial year then ended in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB) as adopted by the EU 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.

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 the 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 2025, revenues in the amount of EUR 18.7 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, amounting to EUR 16.9 billion. 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 138.9 million in the consolidated income statement of the financial year 2025. Contract assets and contract liabilities relating to construction contracts amount to EUR 1.1 billion and EUR 1.6 billion, respectively, as of 31 December 2025. 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-based 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 2025, 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 IFRS Accounting Standards as adopted by the EU 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 13 June 2025. We were appointed by the Supervisory Board on 2 July 2025. 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

3 April 2026

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.

Financial calendar & contact

Financial calendar

Annual and Sustainability Report 2025

Tuesday, 28 April 2026
Publication 7:00 a.m. CEST
Press conference 10:00 a.m. CEST
Investor and analyst conference call 3:00 p.m. CEST

Trading Statement January–March 2026

Thursday, 21 May 2026
Publication 7:00 a.m. CEST

Annual General Meeting 2026

Tuesday, 2 June 2026
Record date for confirmation of shareholding

Friday, 12 June 2026
Begin 10:00 a.m. CEST

Wednesday, 17 June 2026
Ex-dividend date

Thursday, 18 June 2026
Record date for dividend payment

Tuesday, 23 June 2026
Dividend payment date

Semi-Annual Report 2026

Friday, 28 August 2026
Publication 7:00 a.m. CEST
Investor and analyst conference call 10.00 a.m. CEST

Trading Statement January–September 2026

Thursday, 12 November 2026
Publication 7:00 a.m. CET

The above calendar is provisional. Dates are subject to change throughout the year. All times are Central European Time (CET) and/or Central European Summer Time (CEST).

The up-to-date financial calendar can be found on the website of STRABAG SE.

Contact

STRABAG SE

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Glossary

AdAstra	STRABAG's intrapreneurship programme to generate new business ideas for industry challenges
AFRAC	Austrian Financial Reporting Advisory Committee
AI	artificial intelligence
AktG	Austrian Stock Corporation Act (Aktiengesetz)
APAG	Austrian Audit Oversight Act (Abschlussprüfer-Aufsichtsgesetz)
ARGE	joint venture, construction consortium (Arbeitsgemeinschaft)
ATX	Austrian Traded Index; the index of leading shares of the Vienna Stock Exchange (Wiener Börse)
BCMS	Business Compliance Management System
Bestand Beyond	STRABAG brand specialising in construction work on existing buildings, including refurbishment, modernisation, conversion and expansion
BIM	Building Information Modelling
BMTI	Machinery and equipment service provider for the STRABAG Group
book value per share	ratio of the book value of equity divided by the number of outstanding shares
BREEAM	Building Research Establishment Environmental Assessment Methodology; a rating system for environmental and social-cultural aspects of sustainable building
BRVZ	Bau- Rechen- und Verwaltungszentrum = STRABAG entity providing intercompany services in IT and administration
Building Solutions	New name for STRABAG Property and Facility Services
BWB	Austrian Federal Competition Authority (Bundeswettbewerbsbehörde)
CAD	computer-aided design
CAGR	compound annual growth rate
CapEx	capital expenditure, investments; acquisition of financial assets + acquisition of intangible assets as well as property, plant and equipment + changes to the scope of consolidation
capital employed	total of group equity + interest-bearing debt
carbon footprint	measure of carbon emissions caused by an activity
cash conversion	EBITDA/cash flow from operating activities
cash flow	cash and cash equivalents being received and spent
CCA	climate change adaptation
CCM	climate change mitigation
CDP	Carbon Disclosure Project, a global framework for investors, companies, cities, states and regions to measure and disclose their environmental impact
CE	circular economy
CEE	Central and Eastern Europe (Poland, Czech Republic, Hungary, Slovakia, Romania, Croatia, Slovenia, Serbia, Bulgaria)
CGU	cash-generating units
CML	Contract Management & Legal Services
CO_2	carbon dioxide (greenhouse gas)
CO_2e	CO_2 equivalent; unit of measurement used to compare the global warming potential of different greenhouse gases
Code of Conduct	guidelines which reflect the company's policy; compliance is mandatory for all employees, directors and officers
compliance	abidance with applicable laws and relevant regulations
construction value chain	individual steps and actions required to create a product or deliver a service in the construction industry
corporate governance	a code of conduct for publicly listed companies; corporate governance comprises all guidelines which maximise transparency and control in order to avoid conflicts of interest
COSO	Committee of Sponsoring Organizations of the Treadway Commission
Covid-19	Coronavirus Disease 2019
CPS	common project standards
CRO	Corporate Responsibility Office
CSRD	Corporate Sustainability Reporting Directive
DCF method	discounted cash flow method
DGNB	German Society for Sustainable Construction (Deutsche Gesellschaft für Nachhaltiges Bauen e.V.)
directors' dealings	transactions with company securities by company directors or officers

dividend yield	ratio of dividend to price per share at year's end in %
DMA	double materiality assessment
DNSH criteria	Do No Significant Harm criteria
DPC	Direct Procurement for Customers
due diligence	investigation and analysis carried out with reasonable care
earnings per share	net income after minorities divided by the weighted average number of shares
EBIT	earnings before interest and taxes
EBIT margin	ratio of EBIT to revenue in %
EBITDA	earnings before interest, taxes, depreciation and amortisation
EBITDA margin	ratio of EBITDA to revenue in %
EC-19	19 Euroconstruct countries
ECB	European Central Bank
EcoVadis	ratings agency with a special focus on ESG and sustainable supplier management
EDI	equality, diversity and inclusion
EECFA	Eastern European Construction Forecasting Association
EFKON	STRABAG subsidiary, provider and operator of intelligent transportation, multi-lane free flow and toll enforcement systems
EIA	environmental impact assessment
EMAS	Eco-Management and Audit Scheme
equity method	method of consolidation of shares in associated companies and joint ventures; mostly companies in which STRABAG holds a stake between 20% and 50%
equity ratio	ratio of book value of equity to balance sheet total
ERP	enterprise resource planning
ESG	environmental, social and governance
ESRS	European Sustainability Reporting Standards
ETS	EU Emissions Trading System; market-based instrument for reducing harmful greenhouse gas emissions
EU Taxonomy	European Union classification system that defines which economic activities are environmentally sustainable
FAQ	frequently asked questions
FED	US Federal Reserve
FSC	Forest Stewardship Council
FTE	full-time equivalents
GDP	gross domestic product
gearing ratio	net debt divided by total group equity
GHG	Greenhouse Gas
GIS	geographic information system
HSE	Health, Safety, Environment
HSW	health, safety and wellbeing
HVO	Hydrotreated Vegetable Oil
IAS	International Accounting Standards
IASB	International Accounting Standards Board, issues the IFRS
IBAT	Integrated Biodiversity Assessment Tool
ICS	internal control system
IDW	German Institute of Public Auditors (Institut der Wirtschaftsprüfer)
IEA	International Energy Agency
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards; accounting standards and interpretations issued by the IASB
ILO	International Labour Organization; United Nations agency devoted to promoting social justice as well as human and labour rights
IoT	internet of things; describes a network of linked devices that can connect and exchange data
IRO	impact, risk & opportunity
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
ISO 14001	internationally recognised standard designed to help organisations establish an environmental management system
ISO 31000	internationally recognised standard designed to help organisations establish a risk management system

ISO 37001	internationally recognised standard designed to help organisations implement and maintain an anti-bribery management system
ISO 37301	internationally recognised standard designed to help organisations implement and maintain a compliance management system
ISO 45001	internationally recognised standard designed to help organisations maintain an occupational health and safety management system
ISO 50001	internationally recognised standard designed to help organisations establish an energy management system
KPI	key performance indicator
KRL	Group Directive (Konzernrichtlinie)
LEED	Leadership in Energy and Environmental Design
LkSG	German Supply Chain Duty of Care Act (Lieferkettensorgfaltspflichtengesetz)
M&A	mergers and acquisitions
MOLENO®	STRABAG brand specialising in modular construction with timber hybrid systems
MSCI	Morgan Stanley Capital International
MWh	megawatt-hour
NaDiVeg	Sustainability and Diversity Improvement Act (Nachhaltigkeits- und Diversitätsverbesserungsgesetz)
NaWaRo	Nachwachsende Rohstoffe (Renewable raw materials)
net debt	financial obligations - non-recourse liabilities + severance and pension provisions - cash and cash equivalents; called net cash in case of negative result
NFI	non-financial information
NFRD	Non-Financial Reporting Directive
ÖCGK	Austrian Corporate Governance Code (Österreichischer Corporate Governance Kodex)
OECD	Organisation for Economic Co-operation and Development
ÖGNI	Austrian Sustainable Building Council (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft)
OpEx	operating expenses
order backlog	future revenues from contracts signed to a specific date less work already accomplished
output volume	a metric commonly used in the construction industry; at STRABAG SE, output or output volume comprises the value of goods and services provided, including the proportionate output from joint ventures and associates
P&C	People & Culture
P&C DEV	People & Culture Development
P/E ratio	price-earnings ratio
payout ratio	ratio of dividends to earnings per share in %
PEFC	programme for the Endorsement of Forest Certification Schemes
PFS	STRABAG Property and Facility Services
PPC	pollution prevention and control
PPP	public-private partnership; project which is funded and operated through a partnership of private investors and public-sector institutions
R&D	research and development
risk management	an approach to recognise potential risks to the company and develop strategies to manage these risks
RMS	risk management system
ROCE	return on capital employed; (net income + interest on debt - interest tax shield (25 %))/(average group equity + interest-bearing debt)
S&P	Standard & Poor's
S&P rating	credit rating awarded by Standard & Poor's to reflect a company's ability to repay its debts on time, given on a scale from AAA (highest) to D (default)
SBTi	Science Based Targets initiative; global initiative that develops standards, tools and guidance to help companies set science-based climate targets to reduce their greenhouse gas emissions in order to limit global warming to 1.5 °C in line with the goal of the Paris Agreement
SCC	Safety Certificate Contractors; an international standard for safety, health and environmental management
SCMS	Social Compliance Management System
SCS	Steering Committee Sustainability
SDG	Sustainable Development Goals
SE	Societas Europaea = a public company in the European Union and the European Economic Area registered in accordance with EU corporate law
SID	STRABAG Innovation & Digitalisation
SRE	STRABAG Real Estate
SSO	Smart Site One; digital software for road construction

sureties	bank guarantees or surety bonds
Sustainalytics	ESG risk ratings
task force	a unit temporarily established to work on a single defined task or activity
TETRIQX	Serial construction system with a high degree of prefabrication for residential construction
TPA	STRABAG entity for quality assurance and innovation
UGB	Austrian Commercial Code (Unternehmensgesetzbuch)
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
VR	virtual reality; computer-generated reality that a user can experience with the aid of special “glasses” (VR headset)
WB2C	“well below 2 °C”; goal of the Paris Agreement to limit the global temperature rise due to climate change to a maximum of 2 °C
WBI	Vienna Stock Exchange Share Index, made up of all companies listed on the Vienna Stock Exchange
WELL	building standard of the International WELL Building Institute
WHO	World Health Organization
WTE	WTE Wassertechnik GmbH
WTR	sustainable use and protection of water and marine resources
ZT	Zentrale Technik; the STRABAG Group’s technical competence centre

Imprint

Owner, editor and publisher

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Detailed, up-to-date information on the STRABAG SE Group can be found on the website of STRABAG SE.

Editing: Investor Relations, Consolidation, Transformation & Sustainability

Proofreading: Renate Feikes

This report was prepared with the highest possible attention to detail. All information was verified. The possibility of rounding errors, printing errors or misprints, however, cannot be completely excluded. Rounding differences may occur due to the use of automated calculation aids. The report contains information and forecasts related to the future development of STRABAG SE. These forecasts represent estimates made on the basis of all available information at the time of publication. Should the assumptions underlying the forecasts fail to appear, the actual results could deviate from the expectations. Many of the projects contained in this report were carried out in joint ventures. We hereby extend a warm “thank you” to all our partners. This report is also available in German. In case of discrepancy, the German version prevails.

WORK ON PROGRESS