



QUESTIONS ON KEY ISSUES 2022

As in previous years, Austria's publicly listed companies are invited to answer twelve questions on key issues elaborated by the Austrian investors' association IVA and its partners. The responses are published online at www.iva.or.at.

1) Investments:

- a) Investments in the collection of ESG-related data in 2020 and 2021: What were the internal/external costs incurred (consulting, lawyers, auditors, IT service providers)?

2020: No external consulting costs were incurred for NFI reporting; € 36,000 was reimbursed for the limited assurance audit.

2021: approx. € 117,000

- b) Investments in social media in 2020 and 2021: What were the internal/external costs incurred (employees, media agency, strategy consulting, etc.)?

The external costs for social media (including recruiting) at the corporate level amounted to around € 332,000 in 2021 (2020: around € 480,000). The internal personnel costs specifically for social media cannot be precisely quantified, as employees also perform other tasks in addition to social media support. 5 FTEs were employed in this area in 2021 and 2020.

- c) Investments in the further development of the ICS system in 2020 and 2021: What measures were taken? What were the internal/external costs (consulting, lawyers, auditors)?

Investments in the continuous improvement of the internal control systems (ICS) focused on the further development of the commercial ERP system, the project risk management system (see 2021 Annual Report, page 98ff.) and the merchandise management systems for building materials production. These are mainly in-house developments with minor external consulting services and total annual costs in the upper single-digit million-euro range.

2) ESG reporting:

- a) What were the costs of ESG reporting in 2021 (external consultants, service providers, etc.)?

approx. € 84,000

- b) How many employees are assigned exclusively to these tasks?

2 FTEs

- c) Does the company comply with the UN's Principles for Responsible Investment (PRI)?

The UNPRI do not apply to STRABAG.

3) Supervisory Board:

How high were the incidental costs such as travel expenses, secretarial services, consulting, off-site meetings, training?



The incidental costs for the Supervisory Board amounted to around € 25,000 in 2021.

4) **Investor relations activities:**

- a) Number of roadshows in Austria and abroad?
- b) Number of contacts with institutional and private investors?
- c) Expenditure for research and analyses?
- d) Print circulation of the Annual Report and of the Sustainability Report?
- e) Costs of publications in *Wiener Zeitung*?

As in the previous year, the Covid-19 pandemic again led to conferences and roadshows being held virtually in 2021. In addition to the prescribed semi-annual report and the trading statements on the first and third quarters, we made use of the virtual options to inform 63 capital market participants (2020: 53) in 31 (2020: 25) one-on-ones and group talks last year. We took part in six (2020: six) roadshows and investor conferences organised by Erste Group, Kepler Cheuvreux, Baader Bank and Raiffeisen Bank International as well as by the Vienna Stock Exchange.

There was no expenditure on research and analysis.

The 2021 Annual Report was published exclusively in digital form.

The costs for publishing the notice of convocation and the agenda for the Annual General Meeting amounted to approximately € 9,000.

5) **Taxes paid in 2021:**

How high were the taxes paid in Austria and in the three foreign markets with the highest revenue (stated by country, revenue, amount)?

The actual tax expense reported in the 2021 financial year in Austria and the highest-revenue foreign markets breaks down as follows:

Country	Revenue in millions of €	actual tax expense in millions of €
Austria	2,630	2
Germany	6,913	130
Poland	1,145	8
Czech Republic	993	15

6) **Supply chains:**

The example of the German Supply Chain Act can be taken as an indicator of the European Commission's plans with regard to the "social" component of ESG. What operational and financial impact on your business model do you expect from such (legal) requirements?

The German Supply Chain Act comes into force on 1 January 2023.

In our view, fulfilling the obligations related to human rights and the environment will not lead to any significant changes in STRABAG's business model.

Modifications to existing processes and structures or the implementation of new ones will be necessary, however.

These include:

- Expansion of the risk management system
- Determination of internal responsibility



- Presentation of a policy statement on respect for human rights and environmental protection
- Establishment of a complaints procedure
- Internal and external reporting

The financial impact on the business model results from the establishment of new processes and structures or the further development of existing one, including personnel and software costs. We currently assess the financial impact as manageable.

The current proposal for a European supply chain directive (2019/1937) contains an extended scope of application compared to the German Supply Chain Act.

The requirements can therefore be considered as even stricter. It remains to be seen, however, in what form the directive will ultimately be passed. We are observing the developments.

7) Promotion of young talent:

How many interns are working in your company (2020 and 2021)? How many interns are paid interns and what is the average level of pay? Describe the age structure and educational background of the interns.

INTERNS	2021	2020	2019	Alter	EDUCATIONAL BACKGROUND
Mandatory interns	106	108	134	16-35	Bachelor or master's degree
Trainees	158	158	162	23-30	Bachelor or master's degree
All mandatory interns and trainees are paid.					

8) Young Shareholders Austria – Questions regarding the labour market and training:

As the demand for skilled labour can hardly be met with workers resident in Austria at this time, there has been an enormous increase in leased workers from other EU countries.

- a) What specific measures are you taking so that future demand for skilled labour in your company can be met in the long term?

To counteract the shortage of skilled labour, we promote and optimise the needs-oriented professional and personal development and qualification of our employees. We also promote internal job placements with the help of development plans and targeted potential management. By strategically addressing target groups on our social media channels, we reach more potential candidates and are positioning ourselves as an attractive employer. A well-structured and measurable onboarding process leads to stronger employee retention.

- b) How many apprentices are there in the company?

1,829

- c) How many leased workers are currently working for the company?

Leased tradespersons are employed to a minor extent to cover peak staffing needs.



- d) What were the expenses incurred for internal and external training and further education in total and per employee?

In the period from 1 January 2021 to 31 December 2021, approximately € 4.5 million were invested in internal training throughout the corporate group (travel costs, accommodation, etc. are not included).



The following two topics were selected in cooperation with the anti-corruption association Transparency International Austria:

9) **Whistleblowing:**

Austria's lawmakers have still failed to adopt the EU Whistleblowing Directive into national law.

- a) Has a whistleblowing system already been implemented in your company? If so, does it also allow anonymous reporting?

Yes. STRABAG has had a whistleblower system in place since 2018 that also allows anonymous reporting to be made. To ensure the anonymity of the whistleblower, data is encrypted and transmitted via the secure and independent servers of the external service provider EQS Group AG. Neither the IP address nor metadata are logged or stored. As a result, no information is available that could link the whistleblower or their computer to the STRABAG whistleblower platform. Using the STRABAG whistleblower platform, whistleblowers can enter into a direct dialogue with the STRABAG whistleblower ombudsman by means of an encrypted mailbox, thus preserving their anonymity.

- b) What is your experience with whistleblowing cases and do you collect statistics regarding the number of irrelevant reports?

There is a clearly structured process with reporting categories, responsibilities and processing. Each report is answered within a set period of time. In the case of unsubstantiated reports, the whistleblower is asked to describe the facts in more detail. If the report is irrelevant and cannot be assigned to any reporting category, the case will be formally rejected. Statistics are also collected on formally rejected reports. In conclusion, the whistleblower system is an important source for uncovering possible wrongdoings in a company.

10) **Transparency:**

Can employees, investors or interested citizens view company information that goes beyond the legal disclosure requirements (e.g. salary data, ESG key figures, supply chains, compliance incidents, etc.)?

As in previous years, STRABAG SE prepares a combined annual report. 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.



Most of the non-financial information is combined in a separate report section – the Consolidated Non-Financial Report. In this way, we not only meet the transparency requirements of our most important stakeholder groups, but also the requirements of Section 267a of the Austrian Commercial Code (UGB) and the Sustainability and Diversity Improvement Act (NaDiVeG).



In cooperation with the readers of *Börsen-Kurier*, two questions were selected for inclusion as *Börsen-Kurier* reader questions in the IVA Questions on Key Issues:

11) **Shareholder friendliness:**

The Austrian government has recently put more focus on the domestic capital market again, especially with **financial education and a reintroduction of a minimum stock retention period**. What are your concrete plans for 2022 in terms of further optimising your transparency and shareholder-friendliness?

In the interest of open communication with shareholders, lenders, clients, analysts and employees as well as the interested public, STRABAG SE attaches great importance to the issue of transparency. Important elements of this open communication are STRABAG SE's quarterly reporting, the ongoing direct investor and analyst contacts, participation in roadshows and conferences – held virtually in 2021 – as well as publications online, in particular on the company's website. Further details on the extensive information activities in this context can be found in the Annual Report's chapter "Shares, Bonds & Investor Relations".

12) **Blackout:**

What preparations have you made for a possible blackout, especially in terms of business continuity management, asset protection (notably IT), ensuring internal and external communication and raising awareness among employees?

As part of our business continuity management, we have focused on the increasing threat of IT risks in recent years. Various measures have been implemented in the form of multi-level security and anti-virus concepts, the allocation of access rights, access control systems with password policies, expedient data backups and an independent power supply. In addition, the company works together with professional specialised service providers to efficiently defend against cybercrime and continuously reviews the security concepts. The specification of guidelines for the use of information technology as well as repeated education regarding the necessary risk-aware handling of information and communication media are intended to ensure the security, availability, performance and compliance of IT systems. Project ideas for the improvement and further development of IT-related processes and control systems are evaluated and prepared through cooperation between the central divisions SID and BRVZ Information Technology. For the future, we will of course also evaluate further threat scenarios and take appropriate measures.