

SUPERVISORY BOARD REPORT 2021



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Dr. Alfred Gusenbauer

Dear shareholders,
associates and friends of STRABAG SE!

The STRABAG Group successfully mastered the challenges facing it during the 2021 financial year. Despite individual restrictions as a result of the Covid-19 pandemic, as well as partially disrupted supply chains, the very volatile price development

of building materials and subcontractor services, and, above all, shortages of skilled labour, the company managed to once again post record earnings.

Open exchange of information and opinion in the Supervisory Board meetings

In the 2021 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. The Supervisory Board fulfilled its supervisory duties primarily during the regular board and committee meetings, some of which were held virtually due to the Covid-19 pandemic. However, the exchange of information between the Management Board and the

Supervisory Board, in particular with the Chairman of the Supervisory Board, also took place outside of the regular board and committee meetings in 2021.

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 company's situation. 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 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. All members of the Supervisory Board act and make decisions independently as stipulated by the Austrian Code of Corporate Governance.

Key activities of the Supervisory Board and the committees in 2021

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 seven meetings in the 2021 financial year. It 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, the consolidated report on payments to governments, the consolidated financial statements, and the group management report of STRABAG SE for 2020.

In April 2021, the Supervisory Board acknowledged completion of the annual financial statements for 2020 and passed a resolution on the appropriation of net income. Also discussed and approved were the report of the Supervisory Board to the Annual General Meeting, the appointment of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, as auditor of the financial statements and of the consolidated financial statements for the 2021 financial year, and the agenda and proposed

resolutions for the 17th Annual General Meeting. For the first time, the Supervisory Board also approved the remuneration report for the Management Board and Supervisory Board for the 2020 financial year.

In several meetings, the Supervisory Board dealt with the current financial situation, the short- and medium-term planning, and the investment plan of the company. Discussions also took place on the strategic orientation of the company, in particular with regard to the group's sustainability and digitalisation strategies.

The Supervisory Board also dealt intensively with the Austrian cartel case in the 2021 financial year and took note of the report as to the precautions to be taken to combat corruption in the company as well as on occupational safety.

The Supervisory Board approved several projects requiring approval and also dealt with selected (large-scale) projects in detail. The self-evaluation of the Supervisory Board was carried out in the last meeting of 2021 with the support of an external lawyer.

AUDIT COMMITTEE

The Audit Committee met for two sessions in 2021. In the spring of 2021, the Audit Committee 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 2020 financial year. It also prepared the draft resolution on the appropriation of net income and on the appointment of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, as auditor of the financial statements and of the consolidated financial

statements for the 2021 financial year. The Audit Committee also reported to the Supervisory Board on the results of the financial audit for the 2020 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.

PRESIDENTIAL AND NOMINATION COMMITTEE

The Presidential and Nomination Committee held one meeting in the 2021 financial year. The agenda of this meeting included the transfer of registered

In another meeting, the Audit Committee dealt with the report by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, on the evaluation of the risk management system and heard 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 2021 and took note of the IFRS Management Board reporting.

share No. 1 from Dr. Hans Peter Haselsteiner to Klemens Peter Haselsteiner.

Consolidated financial statements awarded unqualified audit opinion

In accordance with C-Rule 18 of the Austrian Code of Corporate Governance, the internal audit department reported to the Audit Committee on the auditing plan and on any 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.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, audited the annual financial statements and the management report of STRABAG SE for the 2021 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 2021 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) that were applicable at the end of the reporting period. These were reviewed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, 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 2021 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 2021 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 Dr. Christian Thaler, 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 5 May 2022, the board declared its agreement with the 2021 annual financial

statements and consolidated financial statements and approved – and so adopted – the 2021 annual financial statements. The Management Board and the Supervisory Board have agreed on an identical proposal for appropriation of net income.

The Supervisory Board proposed appointing KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, as auditor of the financial statements and of the consolidated financial statements for the 2022 financial year, in accordance with the proposal of the Audit

Committee. Also presented at the meeting of 5 May 2022 were the consolidated report on payments to governments pursuant to Sec 267c of the Austrian Commercial Code (UGB) in connection with Sec 243d UGB, the consolidated non-financial report pursuant to Sec 267a UGB in connection with Sec 243b UGB and the report on the non-audit-related services provided by the financial auditor. The reports were reviewed by the Supervisory Board and taken note of without cause for complaint.

Composition of the Supervisory Board

Several changes took place in the Supervisory Board during the 2021 financial year. Ksenia Melnikova resigned from the Supervisory Board at the end of the Annual General Meeting on 18 June 2021. The Supervisory Board would like to thank Ms. Melnikova for her work on the board.

The Annual General Meeting then appointed Dr. Hermann Melnikov as a new member of the Supervisory Board on 18 June 2021. (There is no family relationship between Ksenia Melnikova and Dr. Hermann Melnikov.)


Word of thanks to 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.

The Chairman of the Supervisory Board of STRABAG SE,

Dr. Alfred Gusenbauer



Vienna, 5 May 2022