



QUESTIONS ON KEY ISSUES 2023

As in previous years, Austria's publicly listed companies are invited to answer a few 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) Influence of the global economy

- a. COVID-19 aid: Did your company receive COVID-19 aid from the Republic of Austria in 2022? Has any aid been repaid?

The loss compensation subsidy ("Verlustersatz") in the amount of € 870,000 and the investment promotion bonus ("Investitionsförderungprämie") in the amount of € 206,000 were utilised in 2022. No repayment of already received aid was necessary.

More information on this topic can be found on page 243 in the 2022 Annual Report.

- b. Impact of the war in Ukraine: Is your company directly financially affected by the war in Ukraine? If yes, in what amount and in which sector?

All activities in Russia are being wound up. Most recently, Russia's contribution to the Group's output volume was negligible at 0.3%. STRABAG has no exposure to Ukraine. The impacts of Russia's war against Ukraine are many and varied and have so far manifested themselves, among other things, in significantly increased inflation rates, sharp rises in (mortgage) interest and in part strained supply chains. STRABAG has so far been able to weather this challenging environment quite well, among other things through our decentralised supply chains, long-term procurement, in-house production of building materials and a proactive pricing policy. MKAO Rasperia Trading Limited (controlled by Russian citizen Oleg Deripaska) holds a 27.8% stake in STRABAG SE. This share is currently frozen (EU sanctions). Since Russia's invasion of Ukraine, STRABAG has taken extensive measures to protect the company in this regard as best as possible. The Management Board plans to propose a series of capital measures to the 19th Annual General Meeting with the aim of reducing the share of MKAO Rasperia Trading Limited to below 25%.

- c. Did your company make any extraordinary price increases in 2022?

Various contract and price models are used in the construction industry. In the public sector, for example, price escalation clauses are common, which allow prices to be adjusted as needed. In the private sector, we already began reducing the number of fixed price models in 2018 and now rely on contract models that allow for price adjustments.

- d. What was the share of non-renewable energy sources in the costs and the volume of energy used (in any form, including indirect use, e.g. through natural gas



generation) in the past financial year? What measures has the company taken and is it taking to reduce the proportion of non-renewable energy sources?

In our home market of Germany (47% of Group output), the subsidiaries STRABAG AG and Ed. Züblin AG switched completely to green electricity in the previous year. This essential step was taken in accordance with the Group-wide energy strategy developed in the 2022 financial year, which addresses three key areas of action – energy efficiency, substitution and renewable energy – and operationalises them with concrete targets, measures and responsibilities.

In terms of renewable energy, for example, the Group launched the Photovoltaic Initiative project in 2022 to manage the strategic and systematic rollout of photovoltaics in all areas and countries relevant to the Group. Starting with Austria, all available surfaces were evaluated for their photovoltaic potential and prioritised for ongoing development.

2) Investments & ESG

a. Investments in the collection of ESG-related data in 2021 and 2022: What were the internal/external costs incurred (consulting, lawyers, auditors, IT service providers)?

Costs:

- Audit: approx. € 51,000
- Consulting: approx. € 99,000

b. Investments in social media in 2021 and 2022: What were the internal/external costs incurred (employees, media agency, strategy consulting, etc.)?

In the 2022 financial year, a total of 9 persons were employed full time to support the Group's social media activities. The repositioning initiated last year, together with the launch of the Work On Progress campaign, marked the first major expenditure in the area of social media, which is now an integral part of STRABAG SE's employer branding. The focus of future social media activities will be on STRABAG's own channels.

c. What were the costs of ESG reporting in 2022 (external consultants, service providers, etc.)? How many employees are assigned exclusively to these tasks?

ESG reporting costs in 2022:

- ESG ratings and memberships: approx. € 52,000
- Employees: 2 FTEs



3) Supervisory Board

- a. 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 2022.

- b. Does your company have an LID (Lead Independent Director)?

No. All members of the Supervisory Board of STRABAG SE and its committees are independent in accordance with the provisions of the Austrian Corporate Governance Code.

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. Costs of publication of the Annual Report and the Sustainability Report?

As in the previous year, the Covid-19 pandemic again led to conferences and roadshows being held virtually in 2022. In addition to the prescribed semi-annual report and the trading statements on the first and third quarters, we informed 57 capital market participants (2021: 63) in 28 (2021: 31) one-on-ones and group talks last year. We took part in five (2021: six) roadshows and investor conferences organised by Erste Group, Kepler Cheuvreux, ODDO BHF and Raiffeisen Bank International as well as by the Vienna Stock Exchange.

There was no expenditure on research and analysis.

The 2022 Annual Report was published exclusively in digital form.

5) Taxes paid in 2022

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

Country	Revenue in millions of €	actual tax expense in millions of €
Austria	3,433	4
Germany	8,920	132
Poland	1,283	10
Czech Republic	1,256	15



6) Promotion of young talent:

- How many interns are working in your company (2021 und 2022)?
- 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	2022	2021	2020	AGE	EDUCATIONAL BACKGROUND
Mandatory interns	139	106	108	16–35	Higher Technical Institute (HTL) Bachelor or master's degree
Trainees	103	135	158	21–33	Bachelor or master's degree
All mandatory interns and trainees are paid.					

7) 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.

- 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.

- How many apprentices are there in the company?

Apprentices: 1,870

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

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

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

In the period from 1 January 2022 to 31 December 2022, approximately € 7 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:

1) Whistleblowing

In the past, several incidents of corruption in international companies were made public by whistleblowers. Often, the public was given the impression that the whistleblowers wanted to harm the company by making their information public.

- a. To what extent has this changed through the creation of a whistleblower system? Does your company communicate that whistleblowing is primarily intended to protect the company, and what is your company's strategy for training employees in this regard?

STRABAG has had a whistleblower platform in place since 2018 that more than meets the requirements of the Whistleblower Protection Act. We have advocated for use of the platform by company employees and external parties from the very beginning. The whistleblower platform and its function as an instrument to prevent and detect compliance violations are mentioned in all mandatory employee training courses.

- b. If you already have a reporting system in place, has it helped you to successfully detect cases of misconduct in the past? How high do you estimate the potential monetary damage that was avoided as a result?

Yes, whistleblowers have helped to expose cases of misconduct in the past. We estimate the monetary damage that was avoided to be below € 1 million.

2) Transparency & compliance

There are many ways to prevent corruption. The decisive factor is how the problem is dealt with within a company and how the corporate culture is structured in this respect.

- a. How high is the budget for compliance training, with a **focus on anti-corruption and criminal law**? How often is training conducted per year? (Distinguish between internal training for staff and external training of compliance officers by third parties.)

Approximately € 121,000 was invested in internal training in 2022. In total, internal lecturers spent 61.5 days on pure training activities. Training was also provided by external lawyers. In 2022, around 70 training sessions were organised by the Business Compliance central staff division.



The staff of our Business Compliance division received further training worth around € 9,000 in this area in 2022.



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:

1) Supply chains

- a. Was your company affected by supply chain delays/disruptions in 2022?

Supply chains were partly strained in 2022 as a result of the Russian invasion of Ukraine. Thanks to our long-term procurement policy and the in-house production of building materials, we managed to mitigate the impact of this development.

- b. If so, do these problems persist at present? To what extent? What impact do they have on production or performance? What actions have you taken or are planned to reduce dependency or increase resilience?

Supply chain disruptions seem to have eased again recently. Nevertheless, it remains STRABAG's declared goal to continue its strategy of vertical integration in order to further increase our degree of self-sufficiency and independence. In 2022, for example, a high 86% of the asphalt required was produced in-house. This can already be regarded as an optimal degree of self-sufficiency.

2) Inflation

- a. In which of the following areas has inflation had a noticeable impact on operating results? Where has the impact been strongest?
- Personnel costs
 - Raw materials/primary materials
 - Energy
 - Other, specifically:

Significant cost inflation was observed in 2022 for materials, energy and personnel. In the case of materials and energy, there have been signs recently that prices could be easing off at a high level. Inflation in 2023 will be characterised primarily by rising wages and salaries.



b. What actions have you taken or are planned to mitigate the impact?

STRABAG can rely on its decentralised supply chains, long-term procurement policy, in-house production of essential building materials (such as asphalt, concrete, cement, and stone and gravel) and a proactive pricing policy.