



QUESTIONS ON KEY ISSUES 2016

This year, the Austrian investors' association IVA has again formulated 10 questions on key issues and is inviting the country's publicly listed companies to answer them. The responses are published online at www.iva.or.at.

The questions:

- 1. In 2015, how many employees (excluding the Management Board) received a total annual remuneration of more than € 200,000 and, of these, how many received more than € 500,000?**

The number of employees with a total annual remuneration (= fixed salary + performance-based bonus) of more than € 200,000 (gross) in the 2015 calendar year was in the high double digits, those with a total annual remuneration of more than € 500,000 (gross) was in the single-digit range.

- 2. In the year under report, how many employees received a total annual remuneration of less than € 25,000 (full-time employment, full year, excluding apprentices)?**

A total of 81 employees in Austria received annual remuneration of less than € 25,000 in the reporting period.



3. Will you take advantage in 2016 of the benefits under the 2016 tax reform?

- **Employee stock options (allowance: € 3,000)**

At the moment, there is no employee stock option programme at the STRABAG SE Group.

- **Abolition of capital duty (capital market transactions, reversal of indirect contributions by parent company)**

The abolition of the capital duty will not result in any changes to the existing corporate structures. This should facilitate the handling of future transactions. No substantial benefits are expected for 2016.

4. Enforcement: Did the company subject itself to a review by AFREP (Austrian Financial Reporting Enforcement Panel) in the year under report? If yes, indicate duration, additional material and staff expenditure, results (complaints)

The consolidated financial statements for the financial year ending 31 December 2014, as well as the interim financial reports from 30 June 2014 and 30 June 2015, have been under review by AFREP since September 2015. The review is not yet complete.



Costs for external consulting have so far amounted to approx. € 65,000; no time expenditure records were kept for internal staff expenditures, although there were considerable burdens in the relevant departments.

5. Internal IT expenses, IT consulting expenses, external expenses for PR and lobbying.

The total IT expenses amounted to approx. € 111 million in 2015, including approx. € 300,000 for IT consulting expenses.

Public relations are handled centrally by STRABAG's own staff. Only an immaterial amount of external consulting is used on a case-by-case basis in those countries in which STRABAG's Corporate Communications does not have its own staff or does not speak the local language; the resulting expenses amounted to less than € 1 million across the entire group.

6. Amount of corporate taxes paid in Austria in 2015, amount of tax loss carryforward (Austria), mandatory remuneration-based contributions to the Economic Chamber, contributions to the Chamber of Labour made on behalf of employees, municipal tax, property tax

Corporate taxes paid in Austria amounted to about € 53,000 in 2015. On 31 December 2015, there was a tax loss carryforward of € 387 million in Austria, recognised as deferred tax assets in the consolidated financial statements.



The mandatory remuneration-based contributions to the Economic Chamber amounted to about € 1 million. The contributions to the Chamber of Labour made on behalf of employees amounted to about € 2 million. Municipal taxes amounted to about € 15 million and property tax to about € 400,000.

7. Number of employees by region: Austria – EU (without Austria) – rest of world, number of employee representatives released from their work duties without loss of pay

Number of full-time employee representatives

Austria: 22

Germany: 113

Hungary: 1

Employees

Austria: 10,346

EU: 46,225

Rest of world: 16,744

8. Description of compliance activities, number of employees in the compliance organisation. Which compliance activities were outsourced and at what cost? Measures taken against cybercrime?



The STRABAG business compliance model is based on the Code of Conduct, the Business Compliance Guidelines, the Business Compliance Guidelines for Business Partners, and the personnel structure of the STRABAG business compliance model, consisting of the group business compliance coordinator, the eight regional business compliance representatives as well as the external and internal ombudspersons.

In 2015, the group continued its employee training via e-learning. Following the introduction of the e-learning module “Richtiges Verhalten im Geschäftsalltag” (“The Right Behaviour in Day-to-Day Business”) in Belgium, Bulgaria, Croatia, Czech Republic, Hungary, Italy, Montenegro, Netherlands, Romania, Russia, Serbia, Slovakia, Slovenia, Sweden and Switzerland in 2014, the group achieved a training rate over 90 % of all employees at the end of 2015. The training module had in previous years already been rolled out nationwide in Austria, Germany and Poland.

In addition to the e-learning training on the STRABAG Ethics and Business Compliance System, classroom training for all management employees is a mandatory part of the STRABAG SE training activities on the topic of Business Compliance. The classroom training on avoiding corruption and cartel risks was attended by 92 managers in 2015. The participation rate at the end of 2015 stood at 95%.

This was complemented in 2015 by mandatory classroom training for all managers on the subject of cartel law and competition violations. The



training has been offered since June 2015 in all countries with a national organisation.

As the training is mostly carried out by the group entity CLS Construction Legal Services GmbH, no noteworthy external costs were incurred in 2015.

The activities initiated in the past to avoid corruption and cartel risk will be continued at the same intensity in 2016 and are being continuously adapted to the changing needs and conditions. The group continues to strive to educate all of its managers and employees on how to avoid cases of corruption and cartel risk.

In addition to the mandatory training activities, the group business compliance coordinator and the regional business compliance representatives, during organisation-specific meetings and conferences, in 2015 again held a number of lectures on the topic of business compliance in order to increase the sensitivity of employees for this subject and to address special topics related to the individual organisational entities.

A wide range of technical and organisational measures is used to safeguard the IT systems. These measures are constantly adapted to the current needs and requirements. A set of group IT guidelines were established to raise awareness for the careful and secure handling of IT tools. Employees are also informed/warned of current risks (e.g. fake



president fraud). Specific technical measures include application- and organisation-specific authorisation and password concepts (including two-step authentication mechanisms), encrypted transmissions, firewall and anti-virus systems. These systems are kept constantly up to date through regular patching.

The operation of the above-mentioned measures is sometimes outsourced to specialised external service providers. External service providers are also sued to review and further develop the internal security systems.

9. **How many employees retired in 2015, and what was their average age of retirement? State number of employees as at 31 December 2015: indicate how many were born in or before 1955, 1956 – 1960, 1961 – 1965 (indicate figures separately for women and men); number of apprentices; employment rate of people with disabilities.**

Retirements: 1,055

Average age at retirement: 63.43

Number of employees by years of birth:

	in/before 1955	1956-1960	1961-1965
M	4,400	7,671	9,575
W	402	831	1,196
Total	4,802	8,502	10,771

Number of apprentices: 1,472



Disabled employment rate: Due to the differences in the various national markets, the depiction of a reliable employment rate for disabled persons is not possible.

10. What role does e-business play in the areas of sales/distribution, procurement and human resources in the group? Which social media are used and how? Costs?

E-business is of relevance at Mischek, a subsidiary of the STRABAG Group, especially in the area of sales/distribution for the establishment of client contact. Potential buyers of new owner-occupied housing contact Mischek via online form. This also includes the online advertising on relevant websites.

The STRABAG Group uses the following social media channels as part of its human resource marketing:

- XING
- LinkedIn
- kununu
- YouTube
- Whatchado

The external costs amounted to about €75,000 in 2015.