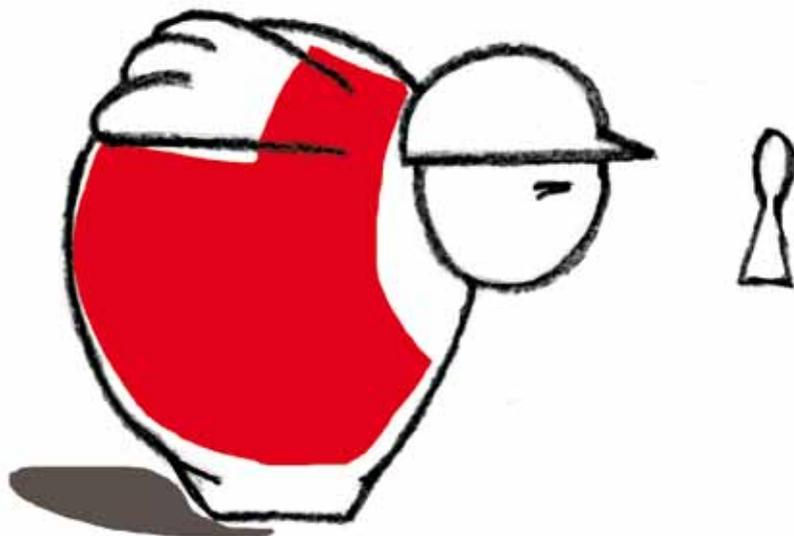


Discover our sustainability

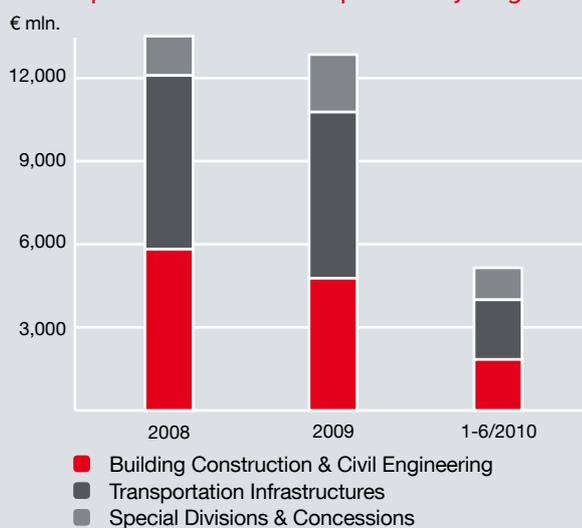


Key figures 2008-2010*

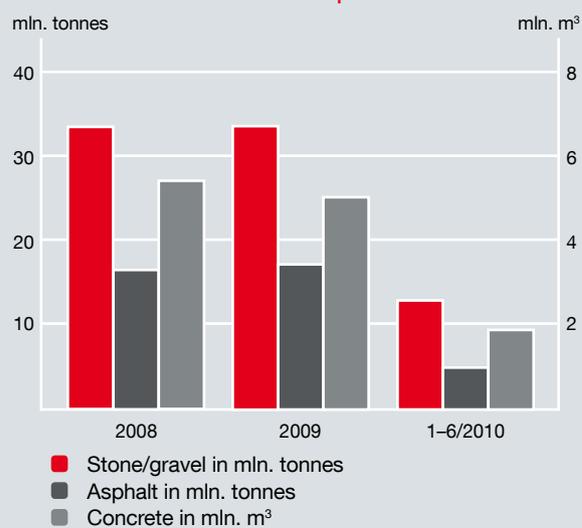
Key figures	2008	2009	1-6/2010
Output volume in € mln.	13,742.50	13,021.01	5,234.20
Order backlog in € mln.	13,253.80	13,967.57	15,752.01
Net income in € mln.	166.36	184.61	-12.80
Total employees	73,008	75,548	70,734
Women employees as % of total	11	12	13

Raw material produced	2008	2009	1-6/2010
Stone/gravel in mln. tonnes	33.5	33.8	13.0
Asphalt in mln. tonnes	16.7	17.3	5.0
Concrete in mln. m ³	5.5	4.9	1.8

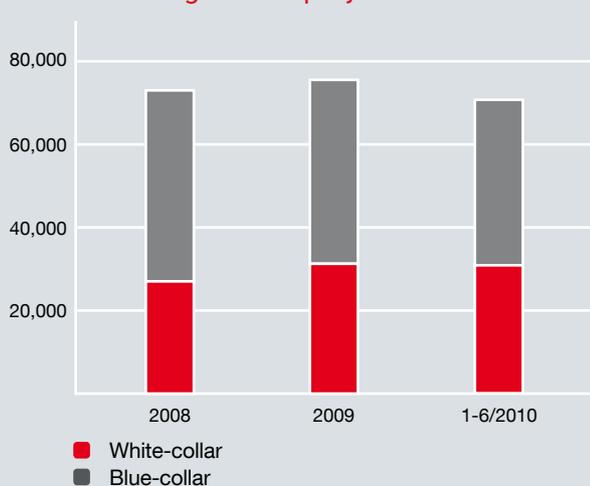
Output volume development by segment



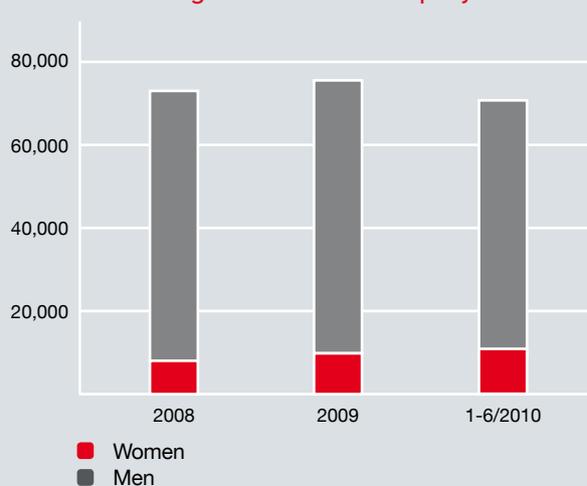
Raw materials produced



Change in employee numbers



Change in women employees



* The figures for 2010 are limited to the period from January-June 2010.

Contents

Our sustainability reporting

To document the company's engagement and sustainability process both within the company and externally, we published our first sustainability report in 2008. Two years later, we are now issuing our second report. The sustainability report is addressed to all our stakeholder groups – excluding no one. It presents all achievements, developments and innovations relevant to sustainability in our core countries of Austria and Germany, complemented by extensive information about projects and activities in other countries.

This sustainability report covers the years 2008 and 2009 as well as the first six months of 2010. Reporting is based on the so-called GRI (Global Reporting Initiative) guidelines, which provide indicators relevant to the three pillars of sustainability (economic, environmental and social). In accordance with these guidelines, the quality of the reported information is classified into "Application Levels". The three levels in the system – titled A, B and C – reflect the depth and quality of the relevant indicator. The STRABAG Sustainability Report corresponds to application level B as defined by GRI.

Introduction from the CEO	2
The company	4
Market positions	5
Business activity	7
Operational structure of the company	8
Governance bodies	10
Shares of STRABAG SE	11
Communication with stakeholders	13
Responsible management	14
Strategy	15
Management system	15
Commitment to corporate governance	16
The STRABAG SE ethics model	17
Key figures	19
Important events	20
Environmental protection and resource conservation	22
Protecting the environment through well thought-out construction projects	23
Protecting the environment through innovative products and business fields	29
Protecting the environment through individual action	31
Life cycle assessment of STRABAG SE	33
Membership in ENCORD	34
Construction logistics and transport	34
Materials used	36
Energy used	36
Employees	38
Employee figures	40
Human resource development	43
STRABAG employment and social fund	46
Cooperation with employee representatives	46
Knowledge management	47
Events for employees	47
Integration of new employees	49
A note of thanks to our employees	49
Occupational health and safety	50
Social responsibility	54
Customers and suppliers	58
Customers	59
Supplier selection	60
Procurement of material and supplies	61
Procurement of construction machinery, equipment and vehicles	61
Service	62
Glossary	63
Targets	64
GRI index	66
Legal information and disclaimers	68

Introduction from the CEO

Dear stakeholders,

Under the motto of discovering our sustainability, I would like to present to you the second STRABAG SE Sustainability Report and I invite you to discover some new aspects about us.

Our construction activities leave their mark on nature. As we cannot alter what forms the core of our business activity, we thought about how we can use our activities to contribute to protecting the environment. We resolved to increase our involvement in projects in the field of environmental technology and to expand our research activities to include sustainable products, processes and materials.

We have spent the past few years putting these ideas into action. The founding of STRABAG Environmental Technology was our first step in terms of sustainable corporate action. This has allowed us to build buildings and other structures whose operation helps to reduce the impact on the natural environment. Today, we operate successfully in a variety of business fields.



Dr. Hans Peter Haselsteiner
CEO

We develop some of the relevant technologies and materials by ourselves. Our research and development department has patented several innovations in the past few years and it sees the research into resource-friendly processes and low-polluting materials as its greatest challenge. Our sustainability report features several projects and prime examples from STRABAG and our subsidiaries to help give you a better understanding of the success of these initiatives.

Some of our European competitors recognised early on that the exact measurement and analysis of consumables and emissions is the best way to set targets and determine appropriate measures to successfully conserve resources and protect the environment. We have also taken a first step towards measuring and analysing consumables: Summer 2010 signalled the start of STRABAG SE's life cycle assessment project. The first step in this process involves taking an "inventory" of the group to identify all input sources and

use these as a basis for a quantitative assessment. This large and enormously important project has the full support of the management board.

We wish to remind our employees in all group countries as well as the management of their duty in this regard. I would like each and every one of us to live the values and principles for which STRABAG stands in their day-to-day business dealings. We continue to see our code of ethics as a suitable instrument to convey our values, principles and recommendations on how to put these into action. Sustainable action is asked of each of us – and everyone can contribute his or her share.

Our sustainability reporting is based on the guidelines defined by the Global Reporting Initiative (GRI). I invite you to discover the sustainability of STRABAG SE in our new sustainability report.

Yours,



Dr. Hans Peter Haselsteiner
CEO

The company

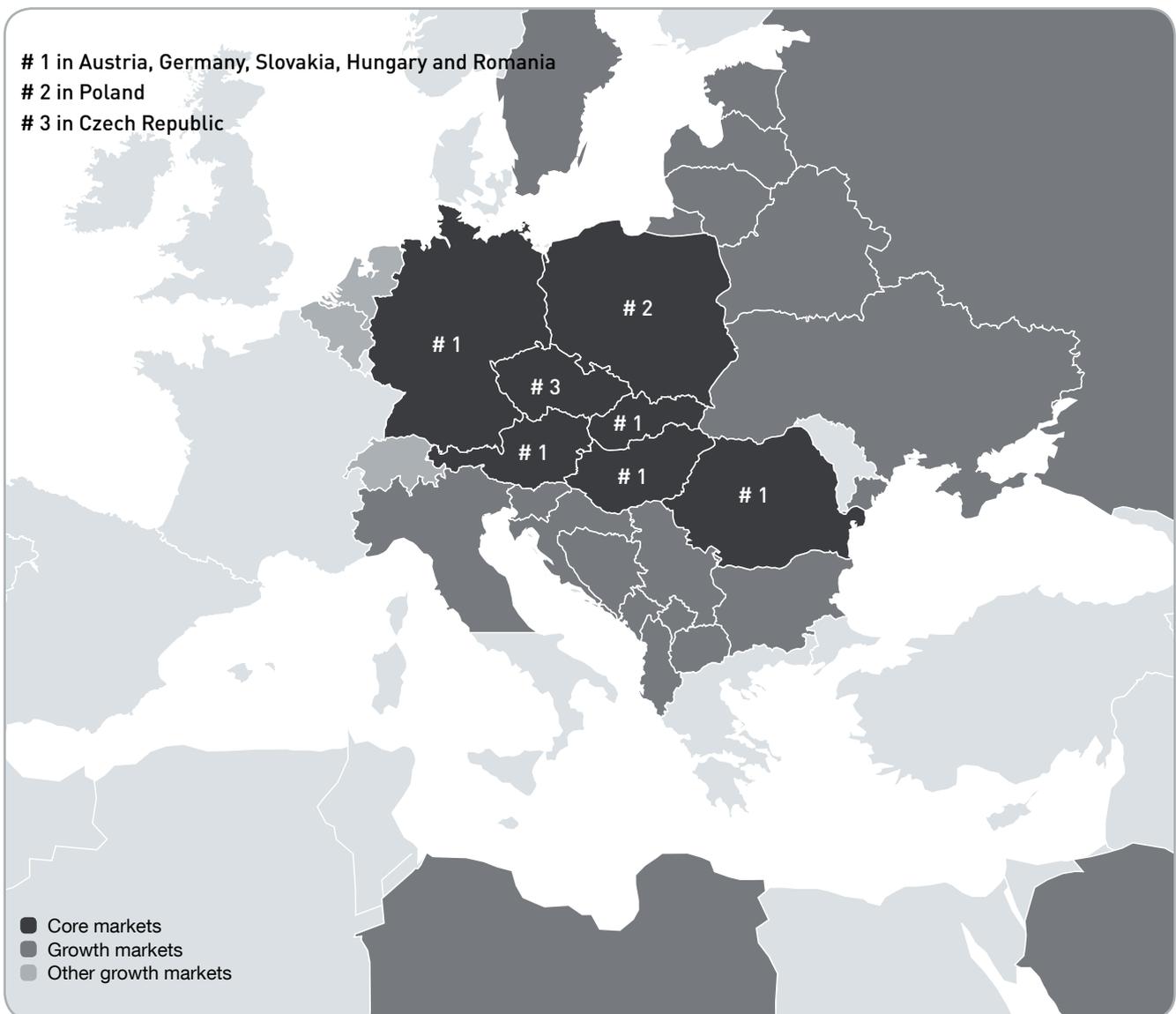


What we cover, in a nutshell:
the entire value chain in construction.

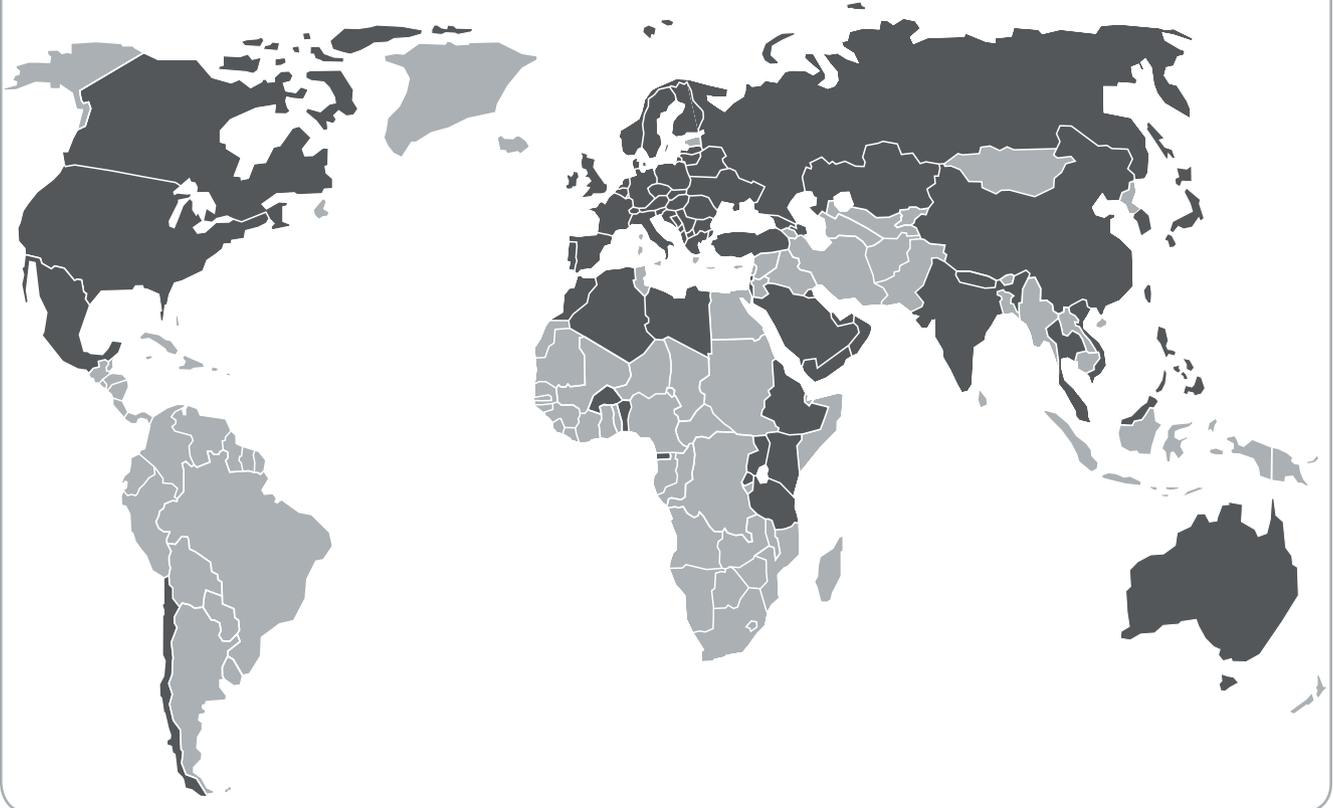
Market positions

STRABAG SE is one of the leading construction groups in Europe. With some 75,500 employees, we generated a construction output volume of € 13.0 billion in the 2009 financial year. From our core markets of Austria and Germany, we operate via a large number of subsidiaries in the countries of Eastern and South-East Europe, in selected markets in Western Europe and increasingly on other continents. We

generated more than 80 % of our output volume in markets in which we hold one of the top three positions, such as the Czech Republic, Hungary, Slovakia, Poland and Romania. We offer our services under five main brands: STRABAG, DYWIDAG, Heilit+Woerner, Möbius and Züblin. These services span all fields of the construction industry and cover the entire value chain in the sector.



International project business



Albania	Ethiopia	Malaysia	Slovakia
Algeria	Finland	Mexico	Slovenia
Australia	France	Moldova	South Korea
Austria	Georgia	Montenegro	Spain
Azerbaijan	Germany	Morocco	Sweden
Belarus	Greece	Nepal	Switzerland
Belgium	Hungary	Netherlands	Taiwan
Benin	India	Norway	Tanzania
Bosnia-Herzegovina	Ireland	Oman	Thailand
Bulgaria	Italy	Poland	Turkey
Burkina Faso	Japan	Portugal	Uganda
Canada	Kazakhstan	Qatar	UK
Chile	Kenya	Romania	Ukraine
China	Kuwait	Ruanda	United Arab Emirates
Croatia	Latvia	Russia	Vietnam
Czech Republic	Libya	Saudi Arabia	Yemen
Denmark	Lithuania	Serbia	
Equatorial Guinea	Macedonia	Singapore	

Business activity

The business activity is divided into three segments. They represent the main pillars of STRABAG SE. In these three segments, we cover the entire value chain in construction.

Building Construction & Civil Engineering

The building construction business comprises the construction of commercial and industrial properties, office and administration buildings and residential real estate as well as the production of prefabricated elements. Medium-sized and large-scale projects – predominantly from private clients – form the core of the business activities. In the field of civil engineering, we are engaged in the construction of complex infrastructure projects, in the strongly growing business field of power plant construction, in large-scale bridge building as well as in the field of environmental technology.

Transportation Infrastructures

The Transportation Infrastructures segment covers asphalt and concrete road construction as well as any remaining construction activities associated with road construction, such as earth-moving, canalisation, railway construction, waterway construction, dyking, paving, the construction of sport

and recreational facilities, safety and protective structures and small-scale bridge projects. In the last few years, railway construction and hydraulic engineering were added as important fields of expertise. The Transportation Infrastructures segment also includes the production of construction materials such as asphalt, concrete and aggregates to supply the group and external clients.

Special Divisions & Concessions

The Special Divisions & Concessions segment includes, on the one hand, the tunnelling and specialty foundation engineering business, where we possess leading know-how that allows us to operate at some of the world's largest construction sites. The concessions business, on the other hand, represents a further area of business, with global project development activities in transportation infrastructures in particular. The real estate business, which stretches from project development and planning to construction and operation and also includes the property and facility services business, completes the wide range of services of the segment and of the group. Since 1 January 2010, our services in non-European markets are also bundled in the Special Divisions & Concessions segment.

Output volume 2009 by segment

Total output volume: € 13,021.01 mln. million



- 37 % Building Construction & Civil Engineering
- 46 % Transportation Infrastructures
- 16 % Special Divisions & Concessions
- 1 % Others

Employees 2009 by segment

Total employees: 75,548



- 44 % Transportation Infrastructures
- 36 % Building Construction & Civil Engineering
- 13 % Special Divisions & Concessions
- 7 % Others

Operational structure

A number of legally independent subsidiaries operate under the roof of the parent company STRABAG SE in their respective national markets. The top level of organisation is the segment, each of which is headed by a technical and a commercial management board member. This “four-eyes” principle applies not only at the management board level but at all management levels, and the dual management structure is an important aspect of internal control and risk management.

The management board of STRABAG SE exercises the coordinated management of the group, is responsible for maintaining its financial balance, and determines its strategic goals. During the execution of these tasks, the management board is supported by staff divisions, central divisions (service companies) and the group divisions.

The division managers coordinate and steer their sub-divisions and report directly to the management board member responsible for their division. The division managers manage their business independently and on their own responsibility within the framework of the group’s business policy, i.e. it is their responsibility to reach the objectives laid out in the strategic and operative planning and to realise the specified measures.

The operating business is managed by the sub-divisions, which in turn are organised into individual business units. They are responsible for the greatest possible success in their regional markets and are – as a rule – managed, coordinated and controlled by the division manager.

The central divisions are one of the main ingredients for the group’s success. They handle group-internal services in the areas of accounting, treasury, controlling, risk management, personnel development, technical development, equipment management, quality management and logistics. The central service companies support the operating units so these can concentrate on the core business and deliver their services to the clients in an efficient manner. The uniformity of the organisation creates economies of scale and results in standardised controlling and reporting.

The central staff divisions are responsible for legal matters, contract management and internal audit, and report directly to the CEO. In order to maintain an overview of the entire group, we have developed a management information system that helps us to ensure that the same standards apply in all regions in which STRABAG operates. Clear criteria for the assessment of new projects and control systems serve as filters to avoid loss-making projects.

STRABAG

SOCIETAS EUROPAEA

CEO – Dr. Hans Peter Haselsteiner

5 Board Members

<p>Building Construction & Civil Engineering 9 Divisions</p>	<p>Transportation Infrastructures 11 Divisions</p>	<p>Special Divisions & Concessions 6 Divisions</p>
---	---	---

Divisions

Sub-divisions



Central Divisions



Central Staff Divisions

<p>Legal Affairs</p>	<p>Contract Management</p>	<p>Internal Audit</p>
-----------------------------	-----------------------------------	------------------------------

Last updated: 1.9.2010

1) BRVZ Bau- Rechen- und Verwaltungszentrum
 2) BMTI Baumaschinentechnik International
 3) BLT Baulogistik und Transport
 4) TPA Gesellschaft für Qualitätssicherung und Innovation

Governance bodies



Board of Management

(left to right)

Dr. Thomas Birtel

(Commercial Responsibilities for Building Construction & Civil Engineering)

Ing. Fritz Oberlerchner

(Deputy CEO, Technical Responsibilities for Transportation Infrastructures)

Dr. Peter Kramer

(Technical Responsibilities for Building Construction & Civil Engineering since 1 January 2010)

Dr. Hans Peter Haselsteiner

(CEO, Responsibilities for Central Staff Divisions and Central Divisions)

Mag. Hannes Truntschnig

(Commercial Responsibilities for Transportation Infrastructures and Special Divisions & Concessions)

Mag. Wolfgang Merlinger

(Commercial Responsibilities for Transportation Infrastructures until 31 August 2010, not pictured)

DI Roland Jurecka

(Technical Responsibilities for Special Divisions & Concessions)

Supervisory Board

Dr. Alfred Gusenbauer

(Chairman, free float representative)
CEO of Gusenbauer Projektentwicklung & Beteiligung GmbH

Mag. Erwin Hameseder

(Vice Chairman)
Director-General of Raiffeisenholding Niederösterreich-Wien

Mag. Kerstin Gelbmann (member)

Co-Managing Director of E. F. Grossnigg Finanzberatung und Treuhandgesellschaft m.b.H

Andrey Elinson (member)

Director of Corporate Governance and Internal Control of the Basic Element Group

Dr. Gottfried Wanitschek (member)

Member of the Board of Management of Uniqa Versicherungen AG

Ing. Siegfried Wolf (member)

Chairman of the Board of Directors of GAZ Group (as of April 2010), Russian Machines OJSC and Glavstroy Corporation (as of September 2010)

Employee representatives on the Supervisory Board

Miroslav Cerveny (member)

P. Magdolna Gyulaine (member)

Wolfgang Kreis (member)

Andreas Batke (member)

Gerhard Springer (member)

Shares of STRABAG SE

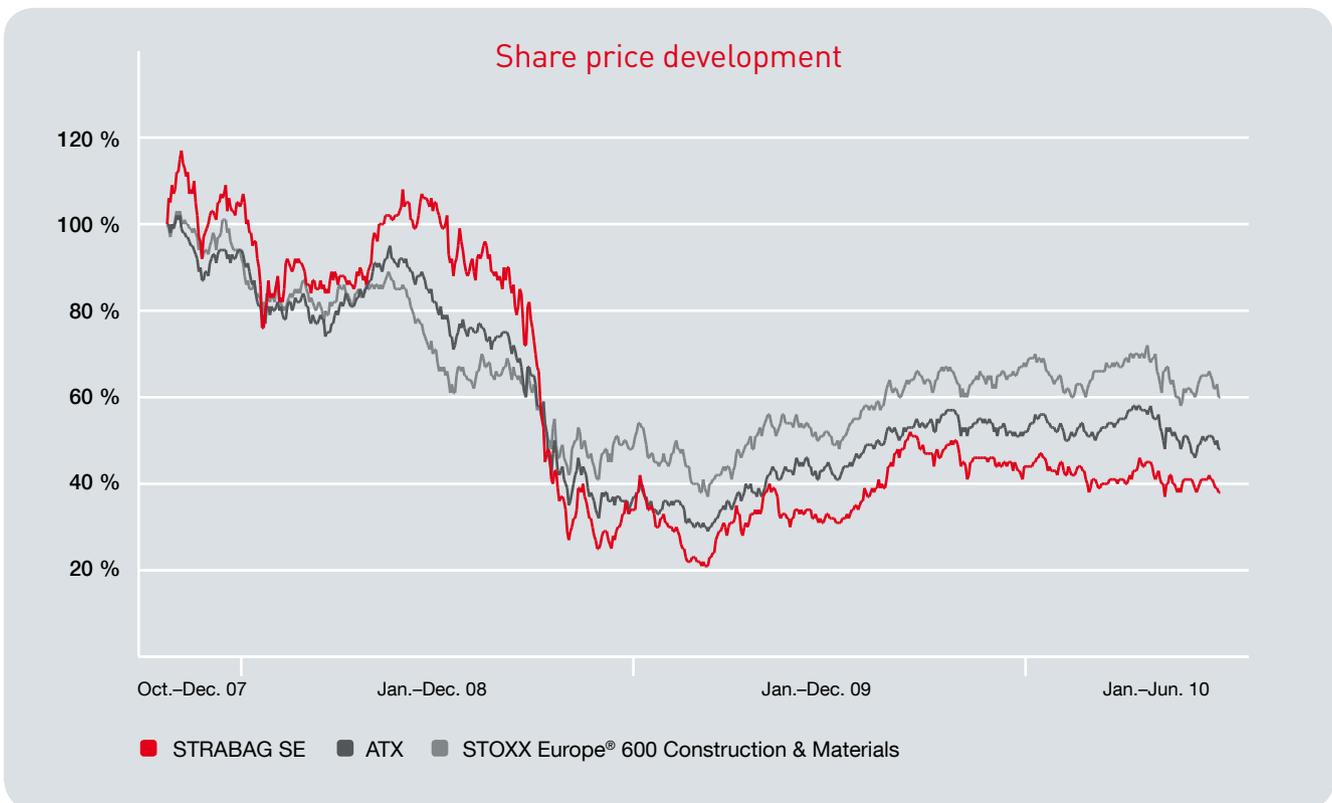
STRABAG SE went public in October 2007, issuing 114,000,000 shares at € 47 a piece. At the time, three core shareholders held: Haselsteiner Group 25 % minus 3 shares, Raiffeisen/UNIQA Group 25 % plus 1 share, and Rasperia Trading Ltd. 25 % plus 1 share. The free float stood at 25 % plus 1 share.

The year of the IPO was marked by significant share price fluctuations. The records on the international stock markets in the first half of the year were quickly forgotten as the markets responded to the US sub-prime crisis with significant losses in the second half.

By the time the US investment bank Lehman Brothers collapsed in September 2008, marking the start of the global financial crisis, there had already been increasing signs of

an economic cooling-off. Accompanied by declining real economic growth rates and a rising inflation pressure, the stock markets began a downhill slide. Shares of STRABAG SE have exhibited a clear underperformance to the Austrian index of leading shares ATX and to the construction sector ever since.

Despite their smooth transition into the friendly stock market environment of 2009, shares of STRABAG SE remained behind the development of the ATX and of the STOXX Europe® 600 Construction & Materials, which measures share price movement in the construction sector. At the end of June 2010, shares of STRABAG SE were trading 62 % below the IPO price, compared to a minus of 52 % on the ATX and a decline of 40 % on the STOXX Europe 600 Construction & Materials.



In the course of the economic crisis, core shareholder Rasperia Trading Ltd., a company owned by Russian entrepreneur Oleg Deripaska, had to sell its stake to the other core shareholders. He received the option to buy back the share package in October 2010.

In January 2010, we commissioned a shareholder ID to learn more about the distribution of our free float. The analysis revealed that 4.3 % of STRABAG SE shares were held by investors in continental Europe, followed by investors in the UK and Ireland (3.6 %), North America (1.9 %) and Austria (1.7 %). As far as we know, no investor other

than the core shareholders holds more than 5 % of the company. Our road shows give the institutional and private shareholders the opportunity to speak in person with our Investor Relations team and the company management.

The General Meeting, which all shareholders are invited to attend, is held once a year. [\[More information about our road show calendar and about the Annual General Meeting is available at \[www.strabag.com\]\(http://www.strabag.com\) > Investor Relations.\]](#)

The shareholder structure on 31 December 2009 was as follows:

Shareholder structure



- 33.7 % Haselsteiner Group
- 43.3 % Raiffeisen/UNIQA Group
- 11.7 % Institutional free float
- 11.3 % Other free float

Geographical distribution of institutional free float (11.7 %)



- 4.3 % Continental Europe (excl. Austria)
- 3.6 % UK & Ireland
- 1.9 % North America
- 1.7 % Austria
- 0.2 % Others

Communication with stakeholders

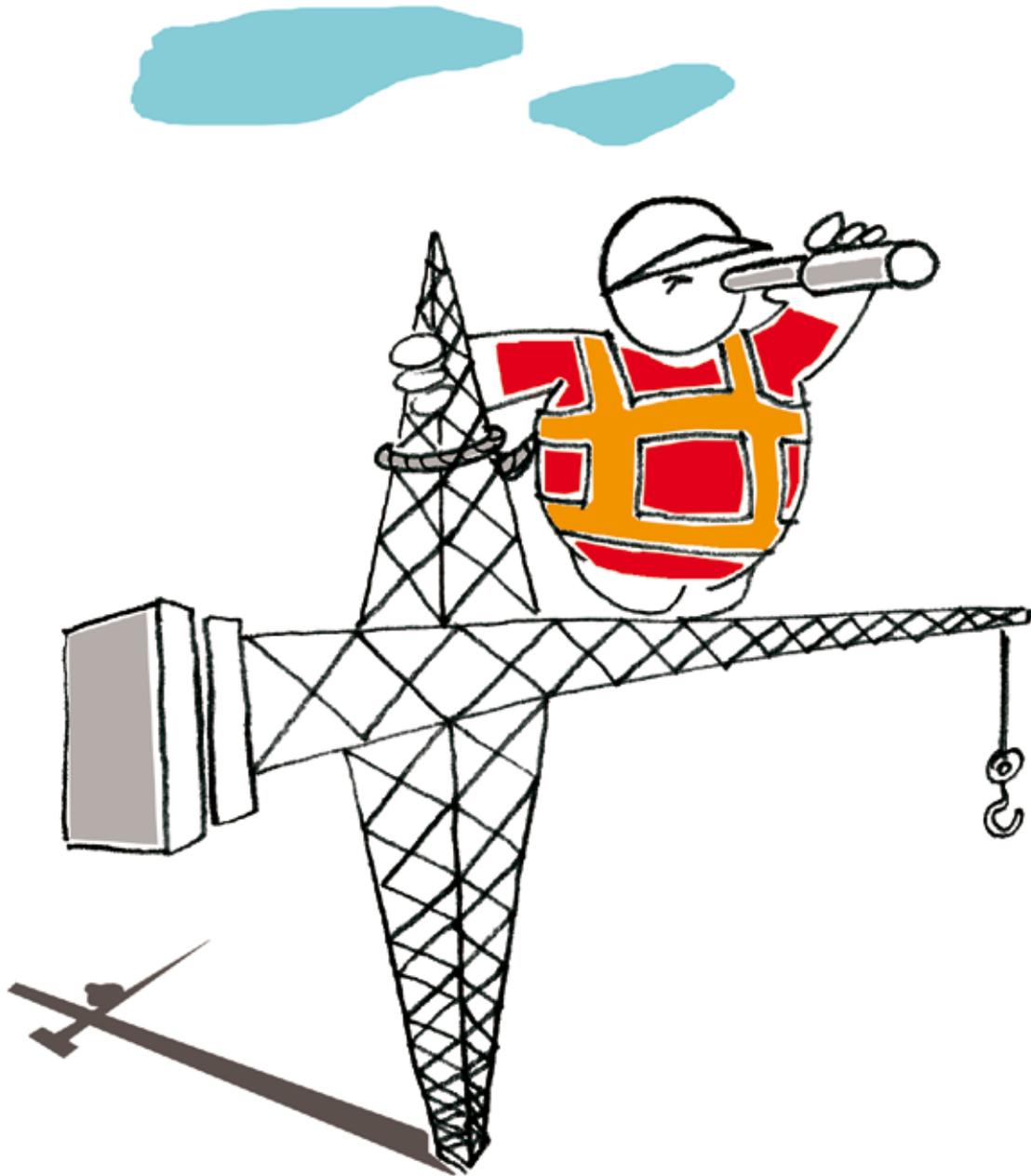
For STRABAG SE, active communication with stakeholders is a matter of course. Our stakeholders include employees, customers, suppliers and business partners, shareholders, governmental and regulatory agencies, non-governmental organisations, the media, research institutions and society in general. Our communication activities are designed specifically to meet the needs and expectations of each stakeholder group. The overriding principle in our dealings with the different stakeholders is to maintain a constructive, transparent and open dialogue guided by respect and professionalism. We take every concern seriously and will always respond within our possibilities.

We maintain a close dialogue with institutional investors and financial analysts. Provided with regular information, they understand our strategy and financial situation as well as events which could impact our performance.

The other stakeholder groups are treated with the same openness and transparency. The following table lists our stakeholder groups and gives examples of how STRABAG reaches the individual groups and communicates with them.

Stakeholder group	Information	Page(s)
Employees	Employee recruitment and development opportunities, employee events	38-48
School-age and university students	Cooperation with schools and universities, career opportunities	43-44
Customers	Activity profile, brochures, customer satisfaction	7, 29-30, 59
Suppliers and business partners	Supplier selection	60-61
Shareholders, investors and analysts	Annual General Meeting, road shows, share development, reports	11-12, 15-19
Media, journalists, local residents	Projects, newsletter, financial information	5-10, 19-21, 23-28, 33-36
Governmental and regulatory agencies	Compliance	16-18
Non-governmental organisations, research institutions	Support of / participation in initiatives, research and development activities, special interest groups	33-34, 46, 50-53
Rest of society	Employer qualities, economic development, social charities	43-49, 50-53, 55-57

Responsible management



"Future, ho!"

Strategy

Management approach

In order to fulfil our responsibility towards all our stakeholders (shareholders, customers, employees, sub-contractors, government agencies, competitors, the media, society as a whole), it is necessary to work profitably, maintain a strong financial basis and keep any risks at an appropriate level.

A key factor to achieving sustainable profitability is the constant development and consistent application of our instruments for the early detection and avoidance of economic risks (“flop avoidance”) in all phases of construction.

As one of Europe’s leading construction groups, our strategy is to achieve constant growth and development based on the following five strategic fields:

1. Expansion of the market position
2. Secure access to resources
3. Public-private partnerships and concession projects
4. Expansion of the service business and niche segments
5. Strict cost and risk discipline

[You can find out more about how we intend to reach these objectives in our 2009 Annual Report as well as on our website at www.strabag.com > STRABAG SE > Growth drivers.]

[More information about our risk management is available in our 2009 Annual Report on our website at www.strabag.com > Investor Relations > Reports.]

Management system

STRABAG SE and its subsidiaries maintain an integrated management system based on the group strategy. Our management manual and other group rules are complemented by national rules and rules specific to each entity. The system integrates the subjects of quality management, health and safety, environmental protection, risk management and other aspects arising out of specific requirements laid out in international, national and industry standards.

[More information can be found in the STRABAG SE 2009 Annual Report at www.strabag.com > Investor Relations > Reports.] The effective application and further development of our management system is evaluated by independent outside experts and confirmed through certification.

ISO 9001 is a standard certification for quality management systems. It is available in our core markets and most

of our growth markets, followed by ISO 14001 certification (environmental management systems). Certification as a Safety Certificate Contractor (SCC) for contractors that have safety management systems in place with consideration of relevant health and environmental aspects is available in several countries in which the group operates. These are complemented by certification and permits according to industry-, customer- and project-specific requirements. The following table shows the group certification in various countries.

Industry-, customer- and project-specific certifications include the NATO Allied Quality Assurance Publications (AQAP) in Poland, SA 8000 certification for social accountability system and ISO 27001 (information security management system).

Certification in the core countries	ISO 9001	ISO 14001	OHSAS 18001	SCC	SA 8000	ISO 27001	AQAP NATO
Austria	x	x		x			
Benelux	x	x		x			
Bulgaria	x	x	x			***	
Croatia	x						
Czech Republic	x	x	x				
Germany	x	x		x			
Hungary	x	x	x				x
Italy	x		x				
Poland	x						x
Romania	x	x	x		x	x	
Russia				x			
Slovakia	x	x	x				
Switzerland	x						

ISO 9001	Quality management system*
ISO 14001	Environmental management system**
OHSAS 18001, SCC	Occupational health and safety management system**
SA 8000	Social accountability system**
ISO 27001	Information security management system**
AQAP	NATO Allied Quality Assurance Publications**

* usually nationwide certification

** often certification only for individual entities

*** in preparation

Commitment to corporate governance

We are committed to the Austrian Code of Corporate Governance (Österreichischer Corporate Governance Kodex, ÖCGK). The Austrian Code of Corporate Governance is a body of rules, in line with international standards, which outlines good and responsible corporate governance and supervision on the Austrian capital market. First introduced in 2002, the code has become an indispensable part of the Austrian system of corporate governance and of Austrian

business life. Both investors and issuers recognise the code as an effective instrument to promote confidence and as a standard for good corporate governance and supervision. [\[More information, e.g. the formal declaration of obligation expressing the company's commitment to the code, the corporate governance report and the corporate governance evaluation report are available on our website at \[www.strabag.com\]\(http://www.strabag.com\) > Investor Relations > Corporate Governance.\]](#)

The STRABAG SE ethics model

The STRABAG SE ethics model, which applies to the entire group, forms an important part of the foundation of our business activity. Our ethics model consists of a set of ethics guidelines, a code of ethics and a set of special guidelines for the sensitive area of agency and consultancy agreements. The STRABAG Code of Ethics contains guidelines and instructions based on laws and legislation, human values and moral judgement. Compliance with these rules and guidelines is mandatory for all employees. A group ethics coordinator – independent and not bound by instructions – serves as the central contact person for all matters regarding ethically correct behaviour within the group. The group ethics coordinator is supported in his advisory capacity and supervisory activities by regional ethics representatives.

Employees can report non-compliance with laws, rules, guidelines and the code of ethics to internal and external employee interest representatives. Non-compliance with these values and principles results in us taking relevant action, e.g. by setting employment measures. Legal consequences are also possible.

In addition to STRABAG's company inspection mechanisms, the internal audit department systematically reviews projects and business areas, particularly for the determination and treatment of problem areas related to accounting, internal control and final audit. Given its technical and commercial competence, the internal audit department forms an important part of the group's risk management and internal control. An audit plan is drafted once a year to determine the main areas to be reviewed, such as quality and claims management, job estimate, correct settlement and keeping of schedules. The audit encompasses projects and business areas from all segments and in all countries to cover as much of the group as possible.

The task of the internal audit department is to monitor compliance with the law and with company-wide guidelines in the technical and commercial area of all relevant business areas, and to monitor the functional capability of the compliance organisation. This is performed through periodic, unannounced inspections of the lawfulness and regularity of actions, and

by bundling inspection of individual company areas through the inclusion of various internal company institutions. With its comprehensive approach, the use of uniform auditing standards and the neutral reporting, the internal audit department also contributes to the standardisation of processes and structures in the entire group. In 2009, the internal audit department conducted some 200 audits across the entire group.

Corruption

During the drafting of the annual audit plan, the audit department takes into account the Corruption Perceptions Index, issued annually by Transparency International, for the country in which a business segment operates. In Summer 2010, we pledged to the Construction Sector Transparency Initiative (CoST), a global initiative to fight corruption, raise the level of transparency and encourage a heightened sense of responsibility in the construction sector. [\[More information about the CoST and our statement of support can be found on our website at \[www.strabag.com\]\(http://www.strabag.com\) > STRABAG SE > Code of Ethics.\]](#)

[\[Further information is also available at \[www.construction-transparency.org\]\(http://www.construction-transparency.org\)\]](#)

Anti-corruption policy issues are integrated in the ongoing employee training programmes on ethics and compliance.

At the time of publication of this sustainability report, investigations were ongoing into all suspected cases of non-compliance with our ethics model, rules, regulations and the law.

STRABAG and public policy

In our core markets, we maintain membership in various national industry associations and committees in the construction sector. We are not affiliated with a specific political party. **[More information about projects and initiatives supported by us can be found in the chapter on social responsibility on page 54.]**

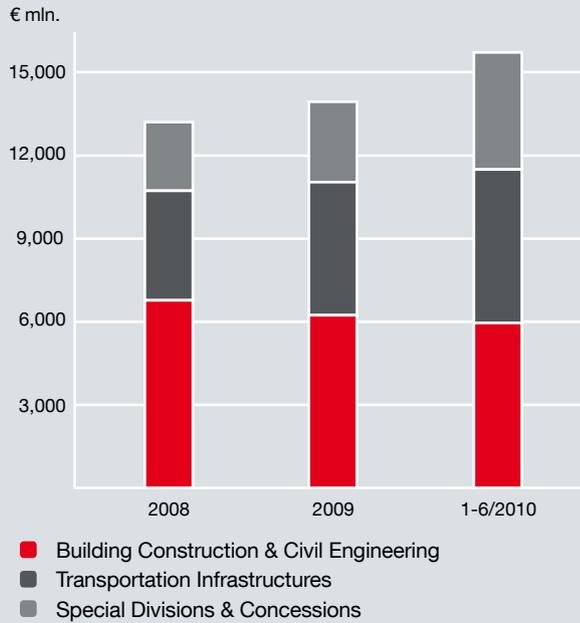
Human rights

The STRABAG core markets are situated within the EU, i.e. in regions in which human rights are politically and socially accepted and usually guaranteed. We see the respect for human rights and the promotion of the common good as a responsibility towards society that must also apply to markets in which the observance of human rights is not a matter of course. In these markets, the regional ethics representatives assist in establishing project-specific measures to guarantee compliance with the above-mentioned values.

We are committed to the principle of equal opportunity regardless of race, national origin, sex, sexual orientation, religion, disability or age. The company's managers and executives must set an example in this regard. Human rights violations involving the freedom of association, child and forced labour have never occurred at STRABAG. **[Additional information on the subject can be found in our code of ethics available on our website at www.strabag.com > STRABAG SE > Code of Ethics.]**

Key figures*

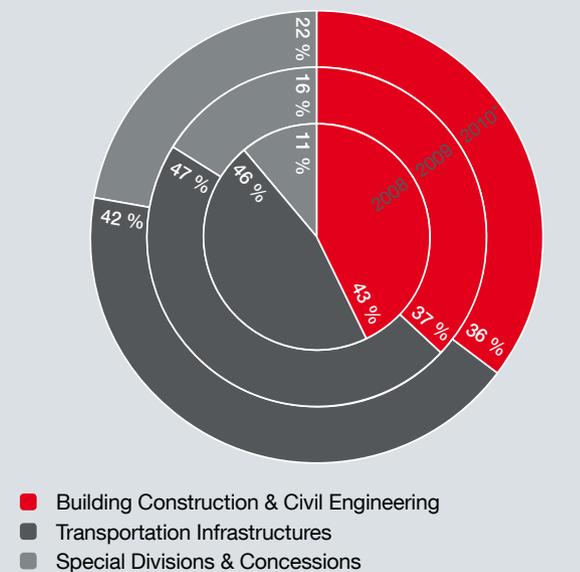
Order backlog development by segment



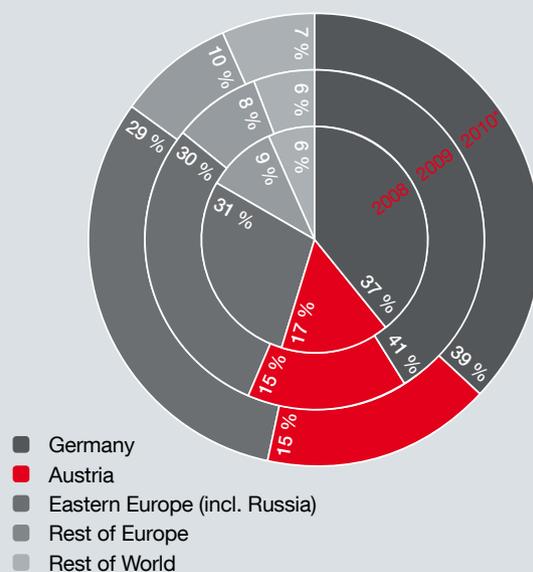
Order backlog development by region



Output volume development by segment



Output volume development by region



* The figures for 2010 are limited to the period from January–June 2010.

Important events (selection)

2008						
January	February	March	April	May	July	September
Modernisation of the urban infrastructure of Tajura, Libya	100 % takeover of Czech bridge-building specialist JHP spol. s r.o. Acquisition of a majority stake (51 %) in Albanian builder Trema Engineering 2 sh.p.k. 100 % takeover of Bologna, Italy-based construction firm Adanti S.p.A.	Acquisition of a majority stake in F. Kirchhoff AG in Germany	Planning and modernisation of a terminal at Sochi International Airport in Russia 82.3 % acquisition of Swedish construction company ODEN Anläggning-treprenad AB, Stockholm 80 % takeover of KIRCHNER Holding GmbH in Germany	Construction of second extension of the Algiers Metro line 1 in Algeria 100 % takeover of Swiss StraBAG Group Acquisition of a substantial package of shares just below a majority stake in EFKON AG, Raaba, Austria Complete acquisition of the M5 motorway concession in Hungary	Development, assembly, delivery, installation and start-up of biogas production for biogas plant in Dassow, Germany Acquisition of Frankfurt, Germany-based Deutsche Telekom Immobilien und Service GmbH (DeTe Immobilien) and renaming as STRABAG Property and Facility Services GmbH Acquisition of shares in STRABAG AG, Cologne, by STRABAG SE	Construction of a drinking water purification facility in Resita, Romania Turnkey construction of a sludge treatment plant in Brest, Belarus

2009					2010
August	September	October	November	December	January
Building of the Neues Thier-Areal shopping gallery in Dortmund, Germany Construction of the Al Amarat Heights dam in Wadi Aday, Oman Modernisation of lot 2 of the Ushiroombo-Lusahunga road (110 km between Isaka and Lusahunga) in Tanzania STRABAG expands its product portfolio to include amine gas treatment for the processing of biogas to natural gas quality using the BCM® process	Civil engineering order in Doha, Qatar to plan and build a utility tunnel with a total length of 8.6 km Building of a trial gravity foundation as part of the realisation of planned wind parks in the North Sea, Germany	Construction of the first tunnel under the Brenner Pass in Austria Building of a turnkey fermentation plant for biological waste for Berlin's waste management company BSR, Germany Construction of the 8.8 km Rohtang Pass Highway Tunnel in India Founding of Mikrobiologische Abfallbehandlungs GmbH	Start of construction on new Vienna Central Station, Austria STRABAG SE increases stake in EFKON AG, Raaba, to 54.30 %	Construction and operation of Nairobi Bypass in Kenya as part of a Public-Private-Partnership Building and commissioning of Al Heracles SCR unit for a hydrogen plant in Rotterdam, Netherlands	Acquisition of a 50 % interest in Czech builder Viarmont DSP Denmark: planning and construction of 26 km of the M51 motorway from Kliplev to Sønderborg and operation for 26 years Construction and rehabilitation of water supply and waste water systems in Karlovac, Croatia

- Projects
- Acquisitions

2009						
December	February	March	April	May	June	July
<p>Building / reconstruction works at Bratislava Airport, Slovakia</p> <p>Product launch for ZÜBLIN Umwelttechnik GmbH: ZÜBLIN Biotrickling Filter</p> <p>Takeover of facility management business of Hypo-Vereinsbank AG by STRABAG Property and Facility Services GmbH</p> <p>Takeover of 43 % stake in h s energieanlagen GmbH in Austria and Germany</p>	<p>Realisation of a turnkey mechanical-biological waste treatment plant (dry fermentation) in Brest, Belarus</p>	<p>Accident during construction of the Cologne underground, Germany; Ed. Züblin AG with 33 % share in construction consortium</p> <p>STRABAG Environmental Technology expands competences to include flue gas treatment systems</p>	<p>Concession agreement for a 60 km section of the A5 motorway between Baden-Baden and Offenburg, Germany (PPP project)</p> <p>Order to build the first phase of the new Gaženica port facility in Zadar, Croatia</p>	<p>In situ rehabilitation of a former petroleum and lubricant refinery in Peine, Germany</p>	<p>Delivery of fluidised bed steam generator as part of construction of an energy-from-waste combined heat and power plant in Linz, Austria</p> <p>Largest order in company history: construction of the second segment of the A2 toll motorway between Nowy Tomyśl in western Poland and Świecko and operation until 2037 (PPP project)</p>	<p>Construction of two airports in Oman: first phase of construction of the new Sohar Airport and the expansion of the Adam Airport</p> <p>Order for groundwater remediation using hydraulic remediation techniques plus in situ chemical oxidation in Bürstadt, Germany</p> <p>Acquisition of the bitumen emulsion activities of France's Colas Group in Germany</p>

February	March	April	May	June
<p>Construction of Kalsk-Mitomlyn section of S7 Expressway, Poland</p>	<p>Construction of the new Galeria Kaskada shopping centre in Szczecin, Poland</p> <p>Full rehabilitation of the Gazela Bridge in Belgrade, Serbia</p> <p>Construction of the De Rotterdam high-rise project in Rotterdam, Netherlands</p> <p>STRABAG founds new solar power business unit with offices in Vienna and Munich</p>	<p>Two new orders in Saudi Arabia: warehouses at the industrial port and a coker unit at the refinery in Jubail</p>	<p>Construction of phase II of the new Gaženica ferry terminal at Zadar, Croatia</p> <p>Construction of phase II of sewerage works in Batumi, Georgia</p>	<p>STRABAG and Lafarge merge their cement activities in a joint holding company, Lafarge Cement CE Holding GmbH, with headquarters in Austria</p> <p>Construction of the non-process buildings for the expansion of the Takreer Refinery in Ruwais, Abu Dhabi</p> <p>Rehabilitation, partial new construction and operation of several schools in Mülheim, Germany as part of a Public-Private-Partnership</p> <p>Construction and operation of a waste water treatment plant in Al Raqua, Syria</p>

Environmental protection and resource conservation



Because we live in the world
we are building.

Management approach

In light of our responsibility towards humankind, society and the environment, we conduct our business sustainably – with an eye on future generations – and take the aforementioned principles into account when making business decisions. In working to achieve this goal, our actions always reflect the sense of responsibility we have towards our environment. Furthermore, we regard our ethical standards to be an exemplary contribution to the healthy development of the international construction market.

Accordingly, we respect cultural differences and believe in fair competition, adhere to all applicable laws and regulations, and act in an environmentally friendly manner when it comes to energy, raw materials, waste and emissions. This is documented in regular intervals by an external institution in the form of a sustainability report.

Protecting the environment through well thought-out construction projects

Environmental and climate protection are important issues and ones that will have a determining influence on our business activity in the future. As an internationally active construction company, an industry which creates a great amount of dust, dirt and waste, we are especially interested in setting an example in this regard. Compliance with environmental laws, regulations and regulatory requirements forms the foundation for the measures that must be taken. Additionally, we pledge to constantly develop and improve our environmental services. We see three ways in which our activities can actively contribute to protecting the environment.

One possibility is to build buildings which generate a low level of emissions during both their construction and their operation. We are placing special emphasis on energy efficiency in the building lifecycle, with decisions in this regard made during the pre-planning phase already. After all, 80 %

of building-related expenses arise during operation and only 20 % during construction. This makes the planning so important for the future eco-friendliness of the building. We are also developing solutions for existing buildings, which harbour significant potential to reduce energy use and CO₂ emissions.

Our environmental activities begin with the construction planning for building and transportation infrastructure projects. Project targets in the form of key figures are defined in order to make structures comparable and to optimise their energy balance. In coordination with the planners, concepts are elaborated to contribute to the sustainable construction and operation of the building. Environmentally friendly solutions during the construction phase include well thought-out and architecturally challenging façade designs with external, electronically controlled sun shading systems. Intelligent control systems help to considerably reduce the building energy

requirements. Further examples are the use of pH-neutral and non-toxic injection material to protect the groundwater, the inclusion of amphibian passages under roads to protect biodiversity, or the installation and use of geothermal systems (in our own group real estate as well as for client projects). The following projects illustrate our activities in the field of sustainable construction.

DGNB and ÖGNI certification

STRABAG has been a member of the German Sustainable Building Council (DGNB) and the Austrian Society for a Sustainable Real Estate Industry (ÖGNI) since 2009. A cooperation agreement exists between the two non-profit organisations to promote sustainable construction and the efficient, resource-friendly use of energy in buildings. STRABAG's Technology Centre for Sustainable Construction certifies our buildings and those of clients on the basis of established systems. This makes the quality of properties measurable and comparable.

STRABAG employees are trained to become auditors to assess building quality. Specific objectives are set during project planning for both new and renovated buildings. These are based on the six qualities to be assessed: environmental, economic, socio-cultural, technical and process quality as well as the quality of the location.

The two main criteria are technical quality and process quality. They deal with the technical realisation and with the quality of the planning and of the construction itself. Economic qualities include the lifecycle costs and the property's performance in economic terms. The socio-cultural and functional criteria are focused on user comfort and the quality of the design. Locational quality is assessed separately and does not form part of the overall evaluation. Currently there are 49 criteria. The implementation of the objectives is monitored throughout the entire planning and construction process. A final audit of the building follows the completion of the construction work. If all requirements have been fulfilled, the building receives a gold, silver or bronze seal of approval. The STRABAG office building in Molzbichl received silver certification in June 2010, making it

STRABAG's first building in Austria to be certified according to the ÖGNI sustainability criteria and one of the few projects to have been certified according to both systems. The Z-zwo office building of STRABAG subsidiary Züblin in Stuttgart was the first STRABAG project to win silver certification and one of the first buildings to be certified according to sustainability criteria in Germany.

The following projects currently under construction or in the certification process are being built and certified according to the DGNB and/or ÖGNI sustainability criteria:

- Justice centre in Heidelberg, Germany (planning guideline: silver)
- Dancing Towers Hamburg in Hamburg, Germany (initial estimate: silver)
- Alnatura distribution centre in Lorsch, Germany (pilot certification with objective: gold)
- Taunusstraße office building in Munich, Germany (pre-certification: bronze)
- Drehbahn in Hamburg, Germany (initial estimate: bronze)
- Donnersberger Höfe in Munich, Germany (pre-certification: silver)
- Arcotel ONYX in Hamburg, Germany (pilot certification with objective: gold)

STRABAG Haus

The central division in charge of real estate management and marketing services is also a specialist for the design and construction of group properties (especially office buildings, administration buildings, laboratories and warehouses). During the pre-planning phase, certain targets are defined in the form of key figures (e.g. auxiliary area factor, construction costs/m² gross floor area, ratio of building envelope to volume, m² area/employee) in order to make the properties comparable and to optimise them.

During the pre-planning and planning phases for the STRABAG Haus, the architects, planners and building engineers considered the sustainable use of energy with resource-friendly lifecycle costs. The goal was to build a building which produced low CO₂ emissions despite its size and use.

In order to reach this goal, the decision fell on a heat pump system. The heat pump moves heat from the earth into a compressor filled with a liquid refrigerant which absorbs the energy and becomes vaporised. In its gaseous state, the refrigerant is passed to the condenser and condensed into a high-pressure, high-temperature liquid using electricity as an energy source. The hot gas transfers its heat to the heating water and returns to a liquid state. The fluid refrigerant vaporises once more and the cycle begins again. The heat pump is used for both heating and cooling and makes a significant contribution to a sustainable energy supply.

Heat pumps heat with low operating costs. About 75 % of the energy comes from the ground; the rest is complemented by conventional forms of energy. Heat pumps also do not require any special equipment rooms, chimneys or tank and storage rooms. CO₂ emissions are about 30 % lower than with gas or oil heating systems.

In addition to the innovative heating solution, the building makes use of well thought-out and architecturally challenging façade designs with external, electronically controlled sun shading systems. In combination with intelligent control systems, these help to sustainably reduce the building's energy needs. Innovations can also be found inside the building. The use of partitioning systems helps to maximise flexibility in space use. Active building components help to support the heating and cooling processes and offer the STRABAG employees a comfortable working atmosphere.

Most of the technologies were developed by the group's Central Technical Department. The close cooperation and experience exchange between the real estate department and the Central Technical Department yields excellent results in building operations and lays the foundation for system improvements and further optimisation during future projects.

Geothermal energy is used not only at the group's large and prestigious locations such as the central headquarters in Vienna, the national headquarters in Bratislava, Slovakia, and Pruszków, Poland, or at the offices in Leipzig and Karlsruhe,



*We get our heat from the Earth.
With a geothermal system for our
corporate headquarters.*

Germany, and Molzbichl, Austria. Heat pumps have also been installed at smaller locations in Austria, Germany and Croatia. And we pass on the technological competence achieved in this field to our customers as required.

Use of innovative technology at the STRABAG Haus:

- Full glass facade with opening windows and sun shading
- Raised floor structure with vibration damping
- Cooling and heating using geothermal energy
- Cooling ceilings in offices
- Structured cabling
- Security installations, etc.

STRABAG Sustainable 2010

In cooperation with bauXund, we launched the project “STRABAG Sustainable 2010” in 2008 based on the STRABAG group principles and the environmental objectives contained within.

STRABAG Sustainable 2010 forms the framework for various sustainability projects, e.g. for the subproject “Low-Polluting Construction” developed by bauXund in coordination with STRABAG based on past experience in the field of chemical management.

The project was first implemented at four building construction sites in Vienna before being expanded in the spring of 2009 to the greater Vienna area. Our positive experiences then urged us to also implement the project in other regions in Austria. The central element of the project is to reduce the use of solvents in on-site construction chemicals, especially regarding primers, adhesives, colours and lacquers, substantially reducing interior air contamination while minimising the effect on the user and on the environment.

At the four trial sites, all concluded in 2009, we were able to save about 3,000 kg of solvents and 127,000 kg of CO₂ equivalents. This corresponds to the emissions from about 44,000 litres of petrol. In addition to protecting the climate and the environment, this also represents a benefit to our employees and to the health and well-being of the building users. To document the improved quality of the interior air – and to provide added quality control – the interior air is measured at least once and the “green” savings are assessed at the end of every STRABAG Sustainable 2010 project.

We have been working on 21 such projects so far in 2010, 8 of which are expected to be completed before the end of the year. STRABAG Sustainable 2010 is currently being expanded to ground-level and underground sites. Objects currently under construction as part of STRABAG Sustainable 2010 include:

- a meal and grain silo
- a day care centre
- a nursing home

- a hotel
- several office and residential buildings

Motorway construction in harmony with the region

The Kliplev Motorway Group A/S (KMG), a consortium of STRABAG SE and Züblin A/S, was awarded the tender in the spring of 2010 for Denmark’s first PPP project to plan, finance, build and operate the M51 motorway between Kliplev and Sønderborg. The consortium is taking a pioneering role in the development of sustainability concepts for construction projects. The concept encompasses, in addition to the construction itself, the environment and the local residents. Based on a detailed spatial and structural analysis, we have taken into account the impacts which the construction and operation of the motorway will have on the region. By applying these principles, KMG in the summer of 2010 became the first motorway concession in Scandinavia to be awarded the environmental management certification ISO 14001:2009 as well as OHSAS 18001:2007.

KMG’s sustainability concept consists of environmental, economic and social sustainability. The project partners introduced innovative concepts already in the planning phase in order to largely reduce the negative impacts on the landscape. The motorway’s placement allows it to optimally blend into its surroundings. For the most part, construction was carried out using regional material and local workers. KMG also offered local residents a chance to learn more about the project during an open day at the construction site.

An important aspect for KMG is the recycling of in situ soils through land improvement and soil stabilisation. By improving the land with lime, some 700,000 m³ of soil were prepared for construction. This avoids the need to transport suitable soils and protects local resources, not just between Kliplev and Sønderborg but also at the place of removal. The necessary construction material is brought to the region by rail and ship, if possible, and delivered using the group’s fleet of commercial vehicles. This helps to save 1.8 million road kilometres over the entire construction. KMG also uses renewable resources. The construction machinery is operated

with biodegradable hydraulic oils. A GPS-supported control system is used in all construction machinery, equipment and vehicles to provide telemetry information regarding fuel consumption, engine and hydraulics, equipment use, working hours, standstill times and distances covered.

The system is central to the life-cycle assessment of the entire project, minimises emissions and centralises the operational control over the entire construction site. All of these measures add up to a saving of approx. 4,000,000 kg of CO₂, which corresponds to a reduction of approx. 20 % of the CO₂ emissions compared to the original bid.

Respect for flora and fauna

Segment II of the A2 toll motorway in Poland, construction of which began in mid-2009, is the largest single project in STRABAG's company history. The motorway between Świecko and Nowy Tomyśl is being carried under a PPP model.

A non-negligible part of the costs is being spent on measures to protect the environment. The 105 km motorway crosses through several Natura 2000 protected areas. Natura 2000 is an EU-wide network of nature protection areas established under the EU Habitats Directive (92/43/EEC) and the Birds Directive (79/409/EEC). In order to fulfil all requirements from these directives, an environmental and social action plan was created even before construction began. This action plan combines all conditions and restrictions from the above-stated directives as well as from other norms, standards, laws, etc. in one document.

To assure that the motorway does not represent an insurmountable obstacle for the local fauna, a total of 14 animal bridges and more than 140 passageways were planned for small and medium-sized animals. Protective walls with a length of 2.5 km are to prevent a rare and endangered species of bat from crossing the roadway. The special requirements affect not only the planning, however; often the progress of construction must also be adapted to nature. Between January and July, the protected zone around bird breeding areas is extended from 200 m to 500 m. During the

migration of amphibians and reptiles in March/April and September/October, 50 cm high protective fences are erected along more than 18 km to prevent the animals from crossing the construction site. In the spring of 2010, over 10,000 animals were safely guided from the area of construction to their destination in this way.

To guarantee that all conditions are fulfilled, we established a system of constant monitoring of the flora and fauna from the beginning. The monitoring allows us to have constant control over the impacts of our construction on the environment. All incidents and measures are documented in monthly reports. The A2 motorway is one of the showcase projects in Europe in which environmental protection is high on the list of priorities.



- 1) STRABAG headquarters in Bratislava, Slovakia
- 2) STRABAG Haus in Vienna, Austria
- 3) STRABAG headquarters in Pruszków, Poland
- 4) Certified Z-zwo office building of STRABAG subsidiary Züblin in Stuttgart, Germany
- 5) Heat pump system in STRABAG Haus

Protecting the environment through innovative products and business fields

Another strategic measure with which we are contributing to protecting the environment and the climate is the development of environmentally friendly and low-CO₂ business fields. At STRABAG, this takes the form of new departments or companies specialised in this area. On the one hand, there is our Central Technical Department, which serves as the basis for new technologies, processes and products. The department recognises and bundles interdisciplinary synergies and generates competitive innovations. The primary goal of our innovations activities is to develop products and processes which give the group medium- to long-term competitive advantages. [\[More information about our Central Technical Department is available at www.zentraletechnik.com\]](http://www.zentraletechnik.com) But we are also focusing on new business areas such as STRABAG Environmental Technology. Founded specifically to provide consulting, planning and construction services for environmental plants, its activities also include the remediation of contaminated sites, waste and waste water treatment, the construction of flue gas treatment, drinking water treatment and process water treatment facilities as well as soil and air decontamination. A further innovative business field is that of renewable energies. [\[More information about the range of services provided by STRABAG Environmental Technologies can be found at www.strabag-environmentaltechnology.com\]](http://www.strabag-environmentaltechnology.com)

STRABAG Environmental Technology's goal is to reduce or avoid the environmentally damaging impacts that can result through our business activity. We strive to use energy and raw materials in a resource-friendly manner and to avoid emissions and waste in both the planning and execution of construction projects and services. Once built, the structures should contribute to reducing the environmental impact. STRABAG is a pioneer in the field of environmentally friendly business areas – especially when it comes to the use of regenerative sources of energy. Often, we develop the technology solutions for these activities by ourselves. We can cite seven areas as examples of where we operate in an environmentally friendly manner:

Biogas

STRABAG Umweltsanlagentechnik GmbH (STRABAG Environmental Plants) is one of Europe's leading companies in the production of biogas from a variety of sources such as liquid manure, waste or sewage sludge. Renewable resources such as plants or plant material can also be used. The company employs proprietary patented processes such as the proven wet fermentation process in the LARAN® loop reactor or the dry fermentation process in the LARAN® plug flow reactor. Depending on the input material, the biogas produced has an energetically usable methane content of 50 % to 70 %. The biogas is primarily used in cogeneration plants for combined heat and power production. Biomethane can also be fed into the natural gas network or used as a vehicle fuel (CNG). We have our own patented technologies and possess expert know-how in the field of biogas plants and the upgrading of biogas to biomethane. [\[More information can be found at www.strabag-umweltsanlagentechnik.com\]](http://www.strabag-umweltsanlagentechnik.com)

Biomass

h s energieanlagen GmbH, in which STRABAG holds a minority interest, builds turnkey power plants with high-performance steam generators and fluidised bed combustion under the BioCOM® brand name. Complete combustion is attained through the gradual injection of combustion air, resulting in a smaller amount of pollutants produced than with other processes. As the plants are for industrial use, their construction only makes sense given a thermal output of 20 to 100 MW or more. BioCOM® plants have already been built in Germany, Austria and Bulgaria. Our current focus is on Europe, but we also intend to focus more intensely on the global market. BioCOM® is the technology leader in this field.

The BioHPR® brand name stands for the conversion of biomass into hydrogen-rich gas for decentralised combined heat and power production. These plants are significantly smaller – with a minimum thermal output of 0.5 MW – which make them interesting for private clients and small businesses.

BioSealing

The STRABAG subsidiary Züblin Spezialtiefbau GmbH (Züblin Special Foundation Engineering) uses an innovative sealing method, called BioSealing, for groundwater flow and leakage. BioSealing is a combination of biochemical, chemical and mechanical processes. The process involves the introduction of sugar solution into the subsoil to stimulate bacteria growth. This accelerates the erosion processes in the subsoil and dissolves clayey minerals, which, together with the bacteria, are swept towards the leakage by the subsoil flow – the leakage becoming clogged as a result. After the bacteria die off, the clayey minerals remain and effectively plug the leakage. BioSealing is an economically optimised sealing process that offers an alternative to conventional methods for the post-sealing of earthworks with a minimal impact on the existing environment.

Geothermal

Our headquarters in Vienna was the first office building of its size in Europe to rely exclusively on geothermal energy for its thermal energy needs. Some 68 km of geothermal pipes installed in bored piles provide the necessary heat exchange between the ground and the heat pumps in order to heat and cool the entire building. The only power that is drawn from the public grid is that which is required to operate the heat pumps. As a result, 4.6 GWh of heating and cooling energy can be produced using just 1.7 GWh of electricity. The investment paid off within less than four years. The positive experience encouraged us to install such geothermal facilities at several other group buildings. [\[More information about the geothermal system in the STRABAG Haus can be found on page 24.\]](#) Geothermal energy can also be used in tunnels as well as bridges and road construction projects (Energietübbing®).

Photovoltaics

Photovoltaics involve the direct conversion of solar radiation into electricity. The resulting electrical energy is either used in isolation or fed directly into the public grid. A team of STRABAG Group engineers has been working on the development, deployment and operation of photovoltaic power plants since 2009. In 2010, several photovoltaic installations were built and put into operation in Germany, Italy and the Czech Republic.

Hydropower

STRABAG has already built gigantic constructions for run-of-river power plants on all of the world's continents. These include the cavern powerhouse for the Kopswerk II plant in Vorarlberg, Austria; the Central Quilleco hydropower station in Santiago de Chile; the Kaiserstuhl power plant in Giswil, Switzerland; and the Middle Marsyangdi hydroelectric project in Udiapur, Nepal. With run-of-river power plants, the water level differences between headwater and tailwater can range from a few metres to over 150 m. The construction of hydropower facilities is one of the most demanding and challenging engineering tasks, in terms of both planning and actual building. With our tremendous technical and operating know-how, we are extremely well-positioned in this field.

Wind power

For ten years already, we have been active in the field of wind power. The competence centre for this area of business is our subsidiary DYWIDAG International. DYWIDAG builds wind turbines capable of achieving a power output of up to 7.5 MW. A state-of-the-art development is DYWIDAG's gearless turbine with an output of 4.5 MW and a hub height of 124 m. The towers are built turnkey, which means that the turbine manufacturer can install the plant components immediately after completion of the tower. Thanks to innovation, quality and on-time delivery, DYWIDAG stands out above the competition. In a period of just ten years, the company has efficiently erected some 150 pre-stressed concrete towers for wind turbines in Germany.

Protecting the environment through individual action

The third way in which we can protect the environment and the climate is through the active contribution of our employees. Every measure taken counts – no matter how small. First and foremost, waste separation is taken seriously at all group locations. Recycling bins and waste containers are made available in all offices to assure the proper separation of the waste. Reducing electricity use is another important aspect. In the past few years, we have partly made the switch to renewable energy – for example, through the use of geothermal energy in several of our group buildings, making the burning of oil or gas unnecessary. We also increased the efficiency of our vehicle fleet through simple technical measures and by reducing vehicle weight and sizes, resulting in a lower resource use. And we set up video conferencing systems in our buildings in order to minimise the need for business travel.

Green IT

The many ways of reducing electricity use gave us the idea to search for saving potential with our computer and server systems. One focus has been on new technologies. These include visualisation, in which virtual computers are used, as well as blade systems, in which large servers are replaced by small, energy-saving computer systems. At the company headquarters in Stuttgart, Germany, we have replaced 42 large servers with blade servers. The new blade servers use only about 150 watts an hour, compared to about 700 watts an hour for the older servers. The high procurement expenditure pays off after about one year. Another focus was the development of intelligent cooling solutions for server rooms. At our corporate office buildings in Spittal, Austria, the heat produced by the servers is fed into the heating system via heat exchangers and used to heat the building. In this way, we reduce the need for fossil fuels.

Waste management

The construction sector produces a large proportion of the overall waste volume in the form of excavated earth and rocks, rubble and debris, construction site waste, etc. The past few years have seen the development of methods to recycle certain wastes. Most modern construction materials, however, are non-recyclable and must be properly disposed. We are aware of the fact that we create waste; however, we can use our know-how to reduce, remove and recycle waste.

The resource of the future

We see waste as the resource of the future. There is an increasing willingness and necessity to include waste in the value chain. Ever greater amounts of waste are being used to produce heat, electricity or recycling materials. In this way, doing business and protecting the climate go hand in hand. Efficient waste management requires highly developed processes attuned to the relevant waste problem. From waste preparation and separation to biological treatment or thermal use; from waste reduction and disposal to composting, biogas production, recycling or power generation – we offer the optimal solution.

With STRABAG Environmental Technology, we are one of the leading companies in the field of mechanical-biological waste treatment. The waste treatment plants built by us stand out for their profitability and operational safety. In the past 30 years, we have planned, built and put into operation some 70 waste treatment plants. The courage to innovate and deliver a wide range of services makes us a reliable partner for project-specific solutions in waste treatment.

Waste management at STRABAG

We have been practicing economic and environmental waste disposal at our construction sites for several years now. Currently, we are working on expanding these activities to all the countries in which the group operates and we are conducting regular training on the subject of waste separation. The three core elements of the waste management on the construction site are:

- Waste avoidance: our employees must avoid waste in their work as much as possible.
- Waste recycling: non-avoidable waste must be recycled in cooperation with the local recycling specialists, if it is at all possible from a technical and economic point of view and if there is a market for the recycled materials.
- Waste disposal: non-recyclable waste must be disposed properly in accordance with the Austrian Waste Management Act (Abfallwirtschaftsgesetz, AWG) as last amended.

Depending on the volume of the construction activity, we conduct differentiated waste logistics to maintain an overview of the wastes we produce. In order to sensitise our employees to this issue, regular training sessions are held in which company waste representatives are brought up-to-date on the latest laws and technology so they can pass this information on to the employees. Another environmental factor is water use, which is almost exclusively relevant in the utilisation phase. In some projects in Austria, we also remediate the water contaminated during concrete production to allow its use as process water. This measure reduces the overall amount of water used.

In our office buildings, we focus as much on waste avoidance as we do on its proper disposal. Our employees are asked to separate recyclables at the workplace such as paper, glass, plastic and metal from the residual waste. Colour-coded recycling bins are made available in every office. At irregular intervals, we conduct an internal waste analysis to reduce the amount of waste produced and to lower the cost of waste disposal. Thanks to the rising willingness to separate waste, we have seen a positive trend in waste separation in the past few years.

Project: STRABAG PFS as a prime example

STRABAG Property & Facility Services (PFS), a subsidiary of STRABAG SE, is active in the facility management business. The company set itself the goal of achieving a sustainable reduction in municipal waste (office waste). In 2008, the administrative buildings of STRABAG PFS produced a total of 1,107 tonnes of mixed municipal waste. In 2009, the company reduced the total amount of mixed municipal waste by 8 %, significantly exceeding its target of 5 %. For 2010, the reduction target has been set at 3 %. Target achievement is verified by the concomitant reduction in paper use by comparing paper procurement in 2008 and 2009 in number of sheets. The reduction in 2009 amounted to around 27 %. One measure which contributed to target achievement was the expansion of electronic interfaces between STRABAG PFS with its customers and suppliers. The concrete analysis of the waste development – as a significant part of waste management and an important factor for sustainability – is one of the competences of STRABAG PFS that sets it apart from the competition and one which it also offers to its customers.

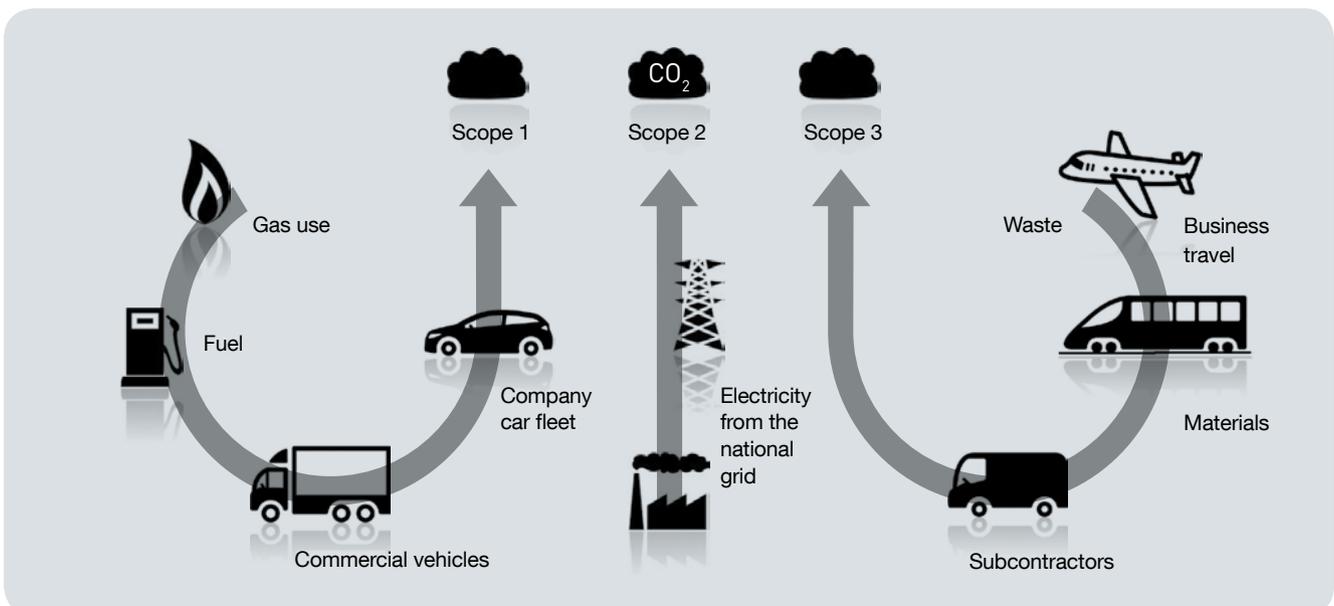
Life cycle assessment of STRABAG SE

The current climate situation and the limited availability of energy and resources dominate not only the political discussions. STRABAG, too, is giving the matter of future supply strategies considerable thought. We see that the political demands are aimed at raising energy efficiency and the share of renewable energy, and the seriousness of these goals is becoming increasingly clear. In the tendering process, public-sector clients are starting to reward companies which can prove that they accept responsibility and transparently present and intend to reduce the energy use of their products and processes.

The energy-intensive construction industry is responsible for 42 % of the final consumption of energy and 35 % of all greenhouse gas emissions in Europe. For this reason, the sector must especially save resources and become more sustainable in order to take advantage of the high savings potential. Furthermore, international and national efforts to counter climate change lead, among other things, to the push for lower CO₂ emissions of group processes and products. This requires making them measurable. At STRABAG, we must also identify all relevant CO₂ producers and sources.

The goal of life cycle assessment is to comprehensively determine and assess the environmental impacts of a product, process, service or project.

This goal is being pursued by a STRABAG project team consisting of employees from our Central Technical Department, TPA (Company for Quality Assurance and Innovation) and Corporate Communications. In summer 2010, the team started the life cycle assessment of the STRABAG Group. The first step was a major inventory to determine all CO₂ emissions across the group – how much fuel and electricity is used and, subsequently, how much waste and waste water is produced. This information is to be used to measure the resulting CO₂ pollution. The results, which form the basis for the improvement of process and resource efficiency, will be presented to the management board. The board will use the information to set a strategic direction with precise targets for emissions reduction. The life cycle assessment of STRABAG SE is performed in accordance with the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).



Membership in ENCORD

Through our subsidiary Ed. Züblin AG, we are a member of ENCORD, the European Network of Construction Companies for Research and Development. Founded in 1989, ENCORD is a network of currently 22 leading European construction enterprises whose aim is to help shape construction research in Europe in terms of content and strategy.

The ENCORD Council is a forum for discussion and debate on research and development (R&D) priorities and the development of the construction sector. Common research issues, European R&D funding and project proposals are discussed within the Council. ENCORD members regularly organise workshops on topics of high priority for construction companies. Participants represent the whole European research community, including construction companies, suppliers, end users, research institutes and universities.

Construction logistics and transport

In 2008 we founded the Logistics and Transportation Central Division (BLT), responsible for the development of reliable, economical and environmental logistics solutions and for the supply of all operating units and service companies with construction material and equipment. Industry studies have shown that 30 % of the overall costs in the group can be influenced by logistics processes. Cooperative planning and management with optimised logistics processes therefore are fundamental to an efficient construction process and form an important basis for competitiveness. Efficient planning processes and resource use help us to minimise material waste and transport distances, leading to reduced costs and lower emissions.

Our main goal is a central logistics system which allows the transport of material all the way from the quarry through the various intermediate production steps to the construction site. In addition to the enormous time and cost savings resulting from a central logistics system, the reduction of emissions is another important reason to invest in this system.

We transport about 100 million tonnes of material a year to some 17,000 recipients (construction sites, asphalt and

cement works, etc.). 60 % is stone and gravel, 30 % concrete and asphalt, 10 % prefabricated parts, construction material, individual items and miscellaneous. 70 % was transported in Germany, Austria, Poland, the Czech Republic and Hungary.

Shifting transport from road to rail

Our own logistics system is focused on all available methods of transport to move construction material and equipment. In addition to our fleet of more than 1,590 trucks, we also use some 650 rail freight cars. On rail, we can transport material and equipment at least three times farther than with trucks for the same amount of energy used. Especially in Germany and Poland, this concept is a complete success.

In 2009 alone, we transported 1,703,000 tonnes (2008: 895,000 tonnes) of construction material and equipment with our own and with third-party railway transport companies in Germany and Poland. This corresponds to approximately 608 million tonne-kilometres (2008: 276 million tonne-kilometres). In 2009, we avoided around 28,000 tonnes (2008: 13,250 tonnes) of CO₂ emissions compared to the transport by road alone.

Project: Rail transport in motorway construction

In 2009, we were awarded the contract for the largest project in company history: the construction of the A2 motorway in Poland with a contract value of about € 1 billion. This major project offers sufficient opportunities to prove our competence in logistics optimisation. The planning of a complex logistics system was a particular challenge as the project involves a total of about 4 million tonnes of raw material to be transported over great distances in a period of two years. The project managers, working together with BLT, developed a solution which led to great amounts of CO₂ emissions and energy being saved. The logistics optimisation allowed us to properly utilise the capacities of delivery sites and logistics centres in order to generate savings and make the transport more efficient.

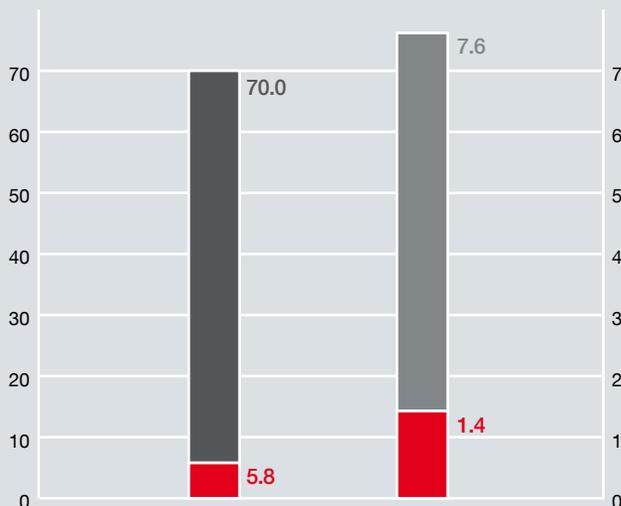
Thanks to logistics optimisation, significant amounts of emission are being avoided in the construction of the A2 motorway in Poland. The geographic location of the construction project and of the raw materials (stone, gravel, slag) results in great transport distances. The development of an optimal logistics network in which most of the material is transported by rail and only the final delivery to the

construction site is by road allows us to not only reach the environmental targets; we are also setting new environmental standards. In 2010, we will move around 2 million tonnes of material over average distances of 200 km for this project. By shifting the transport from road to rail, we avoided CO₂ emissions of nearly 17,000 tonnes in 2010 alone (a 75 % reduction) compared to the transport by road alone.

Project: Logistics for biodiversity protection

The supply of our cement plant in Pécs presented a particular logistical challenge. The main raw material source is located near the plant – the situation is complicated by the presence of a bird sanctuary and watershed around the area, however, necessitating compliance with strict environmental regulations and special requirements regarding the mining and transport process. Our own state-of-the-art logistics solutions have helped us to nearly completely avoid dust and noise pollution and to protect the surrounding nature reserve. The material is transported almost exclusively by rail, bringing CO₂ emissions and noise pollution to a minimum. In this way, some 1.3 million tonnes of premix (an aggregate in cement production) are transported every year in an environmentally friendly manner. Compared to

Transport volume and performance 2009



70.0 million tonnes of construction material and equipment were transported in 2009, of which 5.8 million tonnes (8.3 %) were transported by rail.

The transport performance stood at 7.6 billion tonne-km, with rail accounting for 1.4 billion tonne-km (18.4 %) of the total.

The statistics include Germany, Austria, Poland, the Czech Republic and Hungary.

- Total transport volume in mlns. of tonnes
- Total transport performance in billion tonne-km
- Rail

the transport by road, we can reduce nuisance problems for local residents such as noise, dust and smells and avoid nearly 10,000 tonnes of CO₂ emissions each year when running at full capacity. This corresponds to a reduction of about 60 %.

The supply with further raw material will also largely occur by rail and, for very long distances, by inland waterway if possible. Additionally, energy use will be kept as low as possible in the new cement plant by using hot waste gas to dry various materials.

Materials used

In times of diminishing resources, it is especially important to reduce, reuse and recycle materials where possible. Recycling materials helps to save resources in the Transportation Infrastructures segment in particular. The recovery rate of residual construction materials recuperated during dismantling stands at an estimated 90 % in Transportation Infrastructures. In asphalt production, we are betting on the highest possible rate of recovery of reclaimed asphalt pavement through hot recycling. From 2008 to 2009, the amount of recycled asphalt in the asphalt mix grew by a total of 15.9 % in a survey of Germany, Austria, Poland,

Hungary, the Czech Republic and Slovakia, which account for more than 90 % of the group's asphalt production.

On average, the percentage of recycled materials stood at 10.1 % in 2009, with the total amounts in the individual countries limited by regulations and availability. In 2009, we were able to save some 1.7 million tonnes of raw material (stone, bitumen) across the group.

The materials and energy used have developed as follows:

Materials used	2008	2009	1-6/2010
Stone/gravel	59.3 mln. tonnes	65.7 mln. tonnes	23.0 mln. tonnes
Asphalt	15.3 mln. tonnes	15.1 mln. tonnes	4.1 mln. tonnes
Concrete	6.0 mln. m ³	5.2 mln. m ³	2.3 mln. m ³

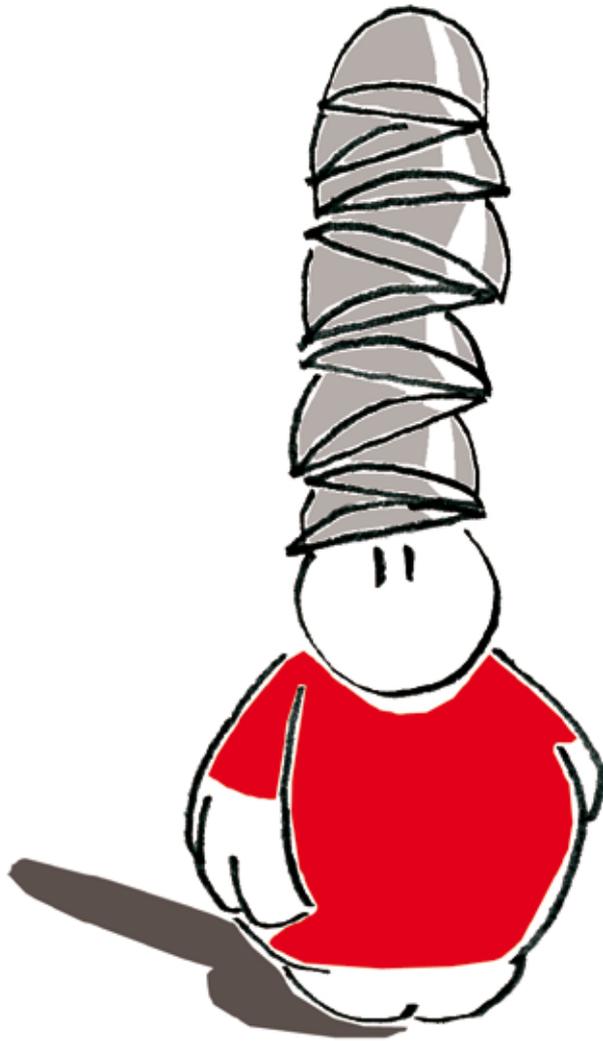
Energy used

Energy used	2008	2009	1-6/2010
Total fuel	€ 188.1 mln.	€ 145.4 mln.	€ 65.0 mln.
Natural and liquid gas	€ 28.7 mln.	€ 24.8 mln.	€ 10.1 mln.
Heating oil	€ 27.5 mln.	€ 15.7 mln.	€ 5.7 mln.



- 1) Waste treatment facility in Lille, France
- 2) SNOX OMV refinery in Schwechat, Austria
- 3) Photovoltaic power plant (2.0 MWp) in Lanžhot, Czech Republic
- 4) Waste water treatment facility in Stavenhagen, Germany
- 5) Remediation of the former hazardous waste landfill in Kölliken, Switzerland

Employees



Look at what they can do. Hats - er - helmets off!

Management approach

The skills and abilities of our employees, in conjunction with their capacity and readiness for interdisciplinary teamwork, form a central element of our corporate success.

We see ourselves as a “learning organisation” in which not only existing knowledge is shared across generations, but where new knowledge is constantly acquired and passed on as well. A fundamental aspect of our leadership principles is for each individual employee to have a heightened sense of personal responsibility.

We are open and honest in our communication with one another, engage each other on the basis of mutual trust and respect, point out perspectives for personal development opportunities within the company, and ensure a timely and open information policy.

We actively support preventive measures for the health and safety of employees at the workplace.

We also provide our employees with appropriate support should they get into difficulties through no fault of their own.

We rely on the skills and abilities of our employees to achieve our corporate targets. Through regular and open communication, we promote their personal and professional development. The quality of the cooperation between supervisors, colleagues and all employees is of great importance for the company's success. Our interaction with each other is therefore characterised by respect and openness in order to avoid unfair actions and behaviour.

Our employee-employer relationship is based on the following basic principles:

- We respect and comply with ethical and legal standards.
- We create a working environment that is attractive for qualified employees, supports them and binds them to the company.
- We strive to have a working environment free from discrimination, harassment or reprisal.
- We practice an open-door policy which grants all employees access to the management.
- We maintain a performance-based culture with a competitive system of remuneration and periodic, objective, individual performance appraisals that take into account the individual contribution to the reaching of objectives and to the team effort.

Employee figures

Because of the usual slowdowns in construction during the winter, STRABAG is subject to seasonal fluctuations in employee numbers. For this reason, the number of employees

– as is usual in the construction industry – can only be stated as an annual average*.

Geographic breakdown	2008				
	Blue-collar	White-collar	Men	Women	Total
Germany	11,361	10,077	19,095	2,343	21,438
Austria	7,296	3,786	10,222	860	11,082
Eastern Europe (incl. Russia)	13,504	9,781	19,405	3,880	23,285
Rest of Europe	2,669	1,238	3,530	377	3,907
Rest of World	11,154	2,142	12,498	798	13,296
Total	45,984	27,024	64,750	8,258	73,008

Geographic breakdown	2009				
	Blue-collar	White-collar	Men	Women	Total
Germany	11,312	13,695	21,828	3,179	25,007
Austria	6,841	3,946	9,780	1,007	10,787
Eastern Europe (incl. Russia)	12,615	9,876	18,681	3,811	22,492
Rest of Europe	2,707	1,346	3,698	355	4,052
Rest of World	10,812	2,398	12,353	857	13,210
Total	44,287	31,261	66,339	9,209	75,548

Geographic breakdown	1-6/2010				
	Blue-collar	White-collar	Men	Women	Total
Germany	10,772	13,484	21,171	3,085	24,256
Austria	5,730	3,967	8,729	968	9,697
Eastern Europe (incl. Russia)	11,242	9,800	17,415	3,627	21,042
Rest of Europe	2,457	1,416	3,433	440	3,874
Rest of World	9,632	2,233	11,087	778	11,865
Total	39,834	30,900	61,836	8,898	70,734

* The use of average values may result in rounding differences.

Since 2005, the number of employees has grown annually by around 14 %.

This is due above all to the strong growth in Eastern Europe and enterprise acquisitions in Germany, where we have greatly expanded our employee basis in recent years.

In 2009, the number of employees grew by about 3 % to an average of 75,548 employees (44,287 blue-collar and

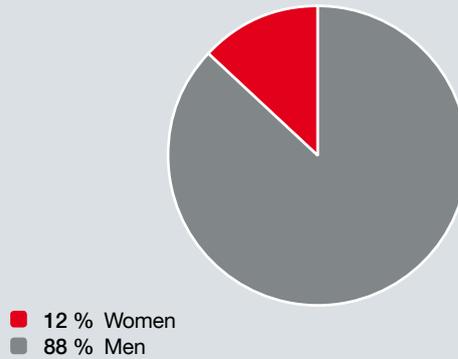
31,261 white-collar). Of these, 1,000 persons (2008: 904) were blue-collar apprentices and 213 (2008: 196) were white-collar trainees. Traditionally, the construction industry overwhelmingly employs men. Nevertheless, the percentage of women employed within the group was 13 % in the first half of 2010 (2009: 12 %, 2008: 11 %). Within group management, the percentage of women was 10 % in 2009 (2008: 8 %). At STRABAG, women have the same opportunities as men to rise to a management position. In

this regard, we are pleased that Mag. Kerstin Gelbmann was appointed to the supervisory board during the Annual General Meeting in June 2010.

Absenteeism due to illness in 2009 – expressed as a ratio of sick days to workdays – stood at 4.7 % (5.9 % among blue-collar, 3.2 % among white-collar). The accident rate – expressed as the ratio of lost days due to accidents to workdays – was 0.5 % (0.8 % among blue-collar, 0.1 % among white-collar). [The accident statistics can be found in the chapter on occupational health and safety on page 52.]

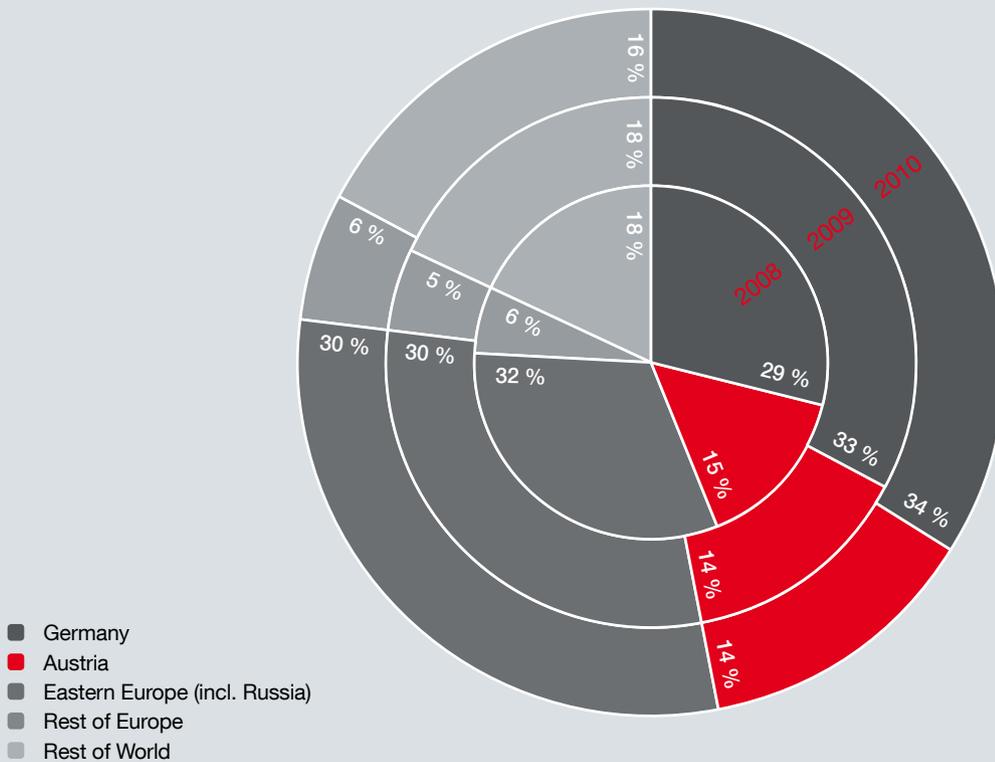
Percentage of women in entire group 2009

Total employees: 75,548



Change in employee numbers by region 2008-2010*

2008 total: 73,008
 2009 total: 75,548
 2010* total: 70,734



* The figures for 2010 are limited to the period from January-June 2010.

Employee turnover

Employee turnover resulting from termination by the employer or resignation on the part of the employee averages about 10 % over the past three years in Central and Western Europe among white-collar and between 10 % and 15 % among

blue-collar workers. Due to the more “dynamic” labour market in Eastern Europe (incl. Russia), the turnover there is about 16 % for white-collar and around 18 % for blue-collar workers.

Geographic breakdown	2008		2009	
	Blue-collar	White-collar	Blue-collar	White-collar
Germany	9.1 %	9.0 %	9.2 %	8.7 %
Austria	15.4 %	10.6 %	16.5 %	9.1 %
Eastern Europe (incl. Russia)	17.8 %	17.2 %	18.1 %	15.3 %
Rest of Europe	8.9 %	10.3 %	10.2 %	9.0 %
Rest of World	19.0 %	17.4 %	16.4 %	13.4 %
Total	14.5 %	12.6 %	12.7 %	9.6 %

The international management structure

Management structure	2008		2009		on 30.6.2010	
	Total	Women	Total	Women	Total	Women
Business unit management	888	10.7 %	886	11.2 %	893	11.0 %
Sub-division management	260	5.0 %	273	6.2 %	267	6.4 %
Division management	52	5.8 %	58	5.2 %	60	6.7 %
Group management	7	-	7	-	7	-
Management total	1,207	9.2 %	1,224	9.7 %	1,227	9.7 %

Age structure of management

Age	2008	2009	on 30.6.2010
< 30	11	5	4
30-39	232	241	228
40-49	506	509	529
50-60	388	400	401
> 60	70	69	65
Management total	1,207	1,224	1,227

Payment and employee benefits expense

The approximately 1,227 employees (2009: 1,224, 2008: 1,207) in the first four management levels within the group management receive a remuneration comprised of a fixed and a performance-based portion.

Our employees receive performance-based bonuses to increase motivation and reward good performance. These can take the form of monthly performance bonuses for blue-collar workers or annual bonuses for white-collar employees who reach certain targets.

Collective wage agreements apply for workers in Germany, Austria and some Eastern European countries. We abide by the minimum wage requirements in all countries in which we operate.

The following table shows the employee benefits expense of the STRABAG Group:

in mln. EUR	2008	2009	1-6/2010
Employee benefits expense	2,575	2,823	1,304

Human resource development

Due to the human-resource-intensive production processes in the industry, workers in the construction sector have a significant influence on the success of the company. At the same time, they are a critical bottleneck factor. For this reason, we place great value on strategic human resource planning and on the constant and continuous training and further education of our employees. Our human resource development processes are mapped using IT resources and further supported by an applicant database which assists in recruitment as well as a training database containing the seminars on offer for employees.

The applicant database has already been successfully deployed in Austria, Germany, Hungary, Croatia, the Czech Republic, Slovakia, Belgium, Poland, Romania and Russia. The training database is already being used in Austria, Germany, Hungary, Croatia, the Czech Republic, Slovakia, Poland and Russia; in Romania, the training programme is still in development.

The development and introduction of an employee database is proceeding according to plan. This database contains information on the qualifications and know-how of group

employees as well as personal and individual development analysis using defined targets.

Recruitment

Due to the constant growth of our group, personnel recruitment is no longer handled centrally, but instead relies on human resource representatives in the individual countries in which the group operates. The applicant database was adapted to the decentralised realities in order to shorten the recruitment process and make it more efficient and targeted.

Our recruitment decisions are validated using an IT-supported aptitude diagnostics process. This so-called behaviour profile analysis assists us in recognising an applicant's most important behavioural characteristics at the workplace. An internal IT-supported alert system ensures that employees who are freed from their previous tasks are reported to the group's internal placement early on. University graduates and trainees form the basis for our qualified junior professional and management staff. We successfully engage qualified young people in the field of higher education and the vocational training sector and hope to convince them to work for us.

Project: Apprenticeship drive in Austria

In 2010, the Transportation Infrastructures and Building Construction & Civil Engineering segments, together with the group's Central Division Construction Equipment International (BMTI), launched an Austria-wide standardised apprenticeship programme to secure the right number of excellent trained specialists necessary to continue to provide quality work in demanding construction projects of all sizes for the near future. Starting with the already good level of 230 apprentices, the aim is to have around 300 apprenticeship positions available across Austria by the year 2013. The apprenticeship programme was designed primarily for the building trades of mason/bricklayer, groundworker and concrete formwork carpenter for training at one of the many sites in Austria. Further apprenticeship trades include pavement layer, construction mechanic and plasterer. The apprenticeship drive is focused on the trainers and their apprentices and involves accompanying public relations measures to improve the image of a career in construction.

The programme's first focus is on the trainers, mostly construction foremen within the company, who teach the apprentices the trade by passing on their years of practical experience to them. The quality of the training is assured through a series of seminars in which the trainers learn how to deal with young people and are shown the best way of passing on their knowledge and know-how to the apprentices.

Standardised selection tools, including entrance examinations and work placement days, help to test the aptitude of the young applicants. Then the apprenticeship begins, a period of usually three years in which the young people are trained to become skilled workers. We take advantage of the usual winter slowdowns in the construction business to convey expert knowledge, cover possible deficits and further improve skills through seminars and practical exercises. In this way, the apprentices develop into excellent skilled workers and, subsequently, into construction foremen. We are also working on modernising the image of construction through targeted public relations measures in order to create an increased interest for a job in construction among young people.

The image measures (brochures, a website and cooperation with places of training) are focused on improving the public image of the construction professions. [\[More information about the apprenticeship offer is available at www.lehrling.strabag.at\]](http://www.lehrling.strabag.at)

We must begin to train tomorrow's workers today if we want to secure the right number of specialists necessary for the future. The apprenticeship programme guarantees that our construction projects can continue to be carried out by outstanding, qualified employees.

Project: Training centre in Bebra, Germany

In response to the constantly rising number of commercial trainees at all of our German group companies, and to secure the existence of a qualified training scheme in the long term, we established a "Commercial Training Centre" at our central location in Bebra, Germany. In five modular, one-week courses, the trainees learn about the group's structure and organisation as well as the existing IT systems and are provided with additional material relevant for commercial training as required by the vocational training regulations. Using optimally tailored teaching methods and materials, the aim is to secure an efficient knowledge transfer in terms of both quality and time away from the work routine as an "add-on" to the daily training.

Trainee programme for young talents

In order to discover and support suitable young talents and tie these more strongly to the company, we have introduced a uniform trainee programme for young skilled employees and executive staff in all countries in which we or one of our subsidiaries operate.

The measures include an international trainee exchange programme to better accommodate the increasing internationalisation of the group, as well as increased cooperation with selected universities in order to tap the next generation of qualified leaders early on. We regularly advertise in the relevant print and online media, take part in university career fairs, hold presentations at tertiary educational facilities,

organise company tours, offer internships and work placement, and sponsor diploma theses.

Personal appraisal interviews

Once a year, personal appraisal interviews take place between employees at all levels and their supervisors. This confidential one-to-one interview is our central management instrument to agree employee objectives, which are targeted to the employee's specific field and career, in line with their personal skills, qualifications and own ideas. To assess the existing potential of our employees, we also use the behaviour profile analysis. Based on these personal appraisal interviews or – if necessary – additional talks, our employees receive extensive feedback from their supervisors to the behaviour profile analyses.

Group academy for further training and education

Internal and external experts develop training events for the group academy that meet the needs of the employees, support them in their job, and allow them to gain additional expert and methodical know-how. The target-group-oriented training is divided into basic, expert and method training. It includes training in technology, law, business, IT, methodological and social competence, and intercultural issues. The content is conveyed in classical classroom seminars at different locations in the specific countries in which the group is active, i.e. always as "close to the customer" as possible.

[Information about occupational health and safety training is available on page 52.]

The promotion of the employees' personal development through training and further education takes place within the context of the annual appraisal interview. Employees in Austria, Germany, Hungary, Croatia, the Czech Republic, Slovakia, Poland and Russia have access via the STRABAG Intranet to the "workshop list" of the group academy as part of the training database and can register online for the further training events decided upon with their supervisors.

Information channels for employees

Employees interested in changing their career can find all available group-wide job offers in the group intranet. The intranet also offers employees information as to important company decisions and press releases as well as information about the group and the individual divisions and subdivisions. Another important source of information is the twice-yearly employee magazine "inform", which reports on and profiles new projects, organisational units and employees. Employees are informed of significant changes within the company promptly and without delay via the "Stranet" intranet system or through employee memos.

Seminars offered by the group academy by country

A total of 34,299 employees took part in 4,051 internal seminars during the period under report.

Country	2008		2009		2010*	
	Seminars	Participants	Seminars	Participants	Seminars	Participants
Germany	489	2,984	396	3,326	422	3,422
Austria	362	3,581	311	2,851	410	2,828
Croatia	50	343	29	173	18	128
Poland	222	1,889	218	2,288	224	2,106
Romania	-	-	-	-	16	112
Russia	32	291	19	92	22	206
Czech Republic/Slovakia	260	1,928	110	979	132	1,450
Hungary	140	969	93	1,153	76	1,200

* Projection

STRABAG employment and social fund

Ten years ago, the STRABAG Group set up an employment and social fund to provide assistance to employees who are experiencing financial difficulties through no fault of their own, e.g. as a result of accidents, illness, natural disasters, etc. The foundation was endowed with € 3 million in the year 2000. In response to the rising number of employees, this amount was raised to € 10 million by 2010. The application for financial assistance can be submitted by the employees, their supervisors or an employee representative.

A socially appropriate decision regarding applications is made by the foundation's board (four employer and four employee

representatives). The board is chaired by an employee representative. Financial assistance is granted primarily as monthly payments for an employee's dependent children, but may also take the form of one-off payments for a specific purpose.

In the period under report, the assistance paid out by the STRABAG employment and social fund amounted to:

	2008	2009	1-6/2010
Gross total in thousand EUR	132	134	94
Number of recipients	47	39	37

Cooperation with employee representatives

The excellent partnership culture fostered between STRABAG's management and its workers is based on the principle of working together and of maintaining a timely and qualitative communication of information. The employee representation organisations in the various countries, in which the group operates, assist in disseminating communication from the management organisation. Group or central works councils represent the joint interest of the divisions and corporate bodies in the group countries.

The top international employee representation body is an SE works council established on the basis of an agreement with the SE management to look after and represent employee interests at the international level.

Knowledge management

As we see ourselves as a learning organisation, it is important for us to share existing knowledge across generations and to constantly acquire new knowledge. Given the group's size, it is not possible to always access the enormous amounts of potential information and knowledge that is available. Our staff magazine "inform" and the group-wide intranet represent attempts at a constant flow of information and knowledge; it is not always possible, however, to ensure that this information and knowledge reaches each and every employee. The aim of our knowledge management is

to optimise these channels of communication or to set up new platforms to improve the ways in which our employees network with each other.

We are currently working on a strategy to catalogue the knowledge which already exists. This will be followed by the development of new channels to disseminate and access knowledge, which will allow us to better network employees within the group in order to learn from one another and increase the speed, flexibility and efficiency of our work.

Events for employees

STRABAG sports

The employees of STRABAG and its subsidiaries regularly show their enthusiasm for participating in the company's various sports activities. Football tournaments in Germany and Croatia or volleyball and ski tournaments in Austria give employees an opportunity to prove their athletic prowess. Great feats were also accomplished at the first international motorcycle meet of STRABAG bikers in Germany or during the ascent of the highest peaks in Slovenia, Austria and Switzerland. Sportsmanship is also high on the list of priorities among the many participants of running events held in Germany and Austria. For years, our employees have been regular participants in the JP Morgan Chase Corporate Challenge in Frankfurt, Germany, the world largest charity run. In 2009, 127 runners from across the STRABAG Group took part in the race.

In 2006, STRABAG employees organised the first STRAtria in Vienna, Austria. Every year since, new records have been set in the disciplines of swimming, cycling and running by colleagues from our group entities in Germany, Italy, Poland, Russia, Slovenia, the Czech Republic, Hungary and Austria. A record number of 241 participants took part in the games in 2009. The aim of STRAtria is to offer employees a way

to balance out their professional lives by making a positive contribution to their work-life balance.

Speed dating at the STRAcafé

In the summer of 2010, STRABAG held its first "speed-dating" event in Austria as a casual yet efficient way for employees to get to know each other better. The aim was to improve collegial relations and reduce bureaucracy as a result. The STRAcafé event brought together some 80 employees from various locations and different group entities. Participants were given six times 15 minutes to meet with four unknown colleagues and talk about private and professional matters in a coffeehouse atmosphere.



- 1) STRABAG employees at the JP Morgan run in Frankfurt am Main, Germany
- 2) STRABAG employees on summit Piz Palü (3,901 m), Switzerland
- 3) Speed dating at STRACafé in Vienna, Austria
- 4) STRABAG protective workwear
- 5) BAUfit: qualified trainers demonstrate the right way to lift heavy objects on the construction site



Integration of new employees

The numerous enterprise acquisitions of the past few years have resulted in a strong increase in our employee numbers. [\[Details on the individual acquisitions are available on pages 20-21.\]](#) The acquisitions were aimed at expanding our know-how in various niche segments of the construction sector in order to offer our customers a complete range

of services from a single source. In addition to expanding our competences, top priority is given to the recruitment and rapid integration of new employees into the group. Our staff magazine “inform” and the group-wide “Stranet” intranet allow each and every employee to remain up-to-date with the latest information.

A note of thanks to our employees

Thanks to the commitment and dedication of its highly competent workforce, the STRABAG Group can look back on many years of positive business developments. For this, the board of management would like to thank all of the company's employees. The management also thanks the works council and its members for the trusting and constructive collaboration and its readiness to support the necessary integration processes. Without the committed collaboration of all involved, such a successful development of the company would not have been possible.

Occupational health and safety

Management approach

We work to guarantee compliance with the applicable laws and regulations as well as the relevant accident avoidance and healthcare standards.

All construction sites, permanent establishments (including their premises and installations), operating procedures, plant and equipment (including their construction or procurement, use and maintenance) must comply with the applicable legislation, occupational medical standards and accident prevention regulations.

The health and safety of our employees is a matter of concern for us. At the construction site or in our offices, our employees have the right to a safe workplace. For this reason, we have launched a number of additional initiatives in the past few years to guarantee the long-term health of our employees. Working together with a team of occupational physicians, STRABAG has expanded the range of occupational medical services to include vaccination campaigns (TBE, tetanus, hepatitis, influenza, travel vaccinations, etc.), check-ups and follow-ups (hearing and vision tests, pulmonary function, etc.) as well as spinal screenings. Employees are also given the possibility of eye, stress and preventive examinations.

The gradual implementation of more initiatives is planned to help us address our employees' specific needs even better. Together with occupational psychologists, we are planning a burnout prevention campaign in the next few years to help employees recognise excess stress and take the proper corrective measures early on.

Individual measures at the workplace include special training conducted ahead of the construction activity as well as ongoing safety and medical inspections in which employees receive instruction in and are sensitised to issues of occupational health and safety. Managers and site supervisors are called upon to pass on the acquired knowledge to their workers and to instil into them the motivation for safe and responsible action.

The group's occupational health and safety activities are designed by internal health and safety experts who advise the management in this regard; implementation is monitored by group health and safety committees. The tasks of the central and regional health and safety committees include the mutual exchange of information and experience; the improvement of health, safety and working conditions; the discussion of all matters of occupational health and safety; the promotion of internal cooperation; and the drafting of principles for the further development of occupational health and safety activities within the company. Around 150 health and safety experts across the group are currently engaged in the implementation of these activities. STRABAG is a member of numerous national and European initiatives for the prevention of occupational accidents. Some examples of these initiatives are:

- STRABAG health and safety experts in Austria are working in national committees to help shape the EU's occupational health and safety strategy. They are actively involved in the national task forces led by the Austrian Ministry for Labour, Social Affairs and Consumer Protection to draft viable legislation regarding the EU OSH Strategy 2007-2012.
- STRABAG holds the vice chair on the construction task force within the AUVA Prevention Forum of the Austrian Workers' Compensation Board (AUVA), and is working on pioneering and above all practicable solutions for the Austrian construction sector. The annual Prevention Forum is the most important event in the field of prevention in Austria. The health and safety experts present new developments, report on regulations, showcase campaigns for health and safety at the workplace, and organise a number of workshops.
- STRABAG is a member of the Austrian Standards Institute committee on occupational health, ergonomics and safety technology.

Occupational accidents

At STRABAG, the welfare of our employees is one of our prime concerns; after all, they contribute the most to our success. For this reason, in 2009, we carried out an analysis of accident causes and the most common injuries. The results of the analysis show that the most common causes of construction accidents are slips and falls (27 %). 21 % of all occupational accidents are caused by manual load movements and falling objects, while another 21 % result from the improper use of tools and equipment. With 29 %, most accidents result in injuries to the head area (eyes, ears, teeth, neck), followed by the fingers, hands and wrists with a combined total of 21 %. Noise-induced hearing loss from construction noise, categorised as a head injury, is the most common construction site-related injury.

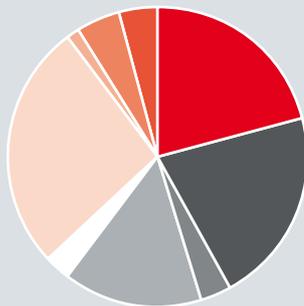
This information helps us to take targeted action to reduce the number of occupational accidents. The most important issues for us involve noise audiometry; proper lifting and carrying; proper use and handling of scaffolding, ladders and formwork;

and general cleanliness on the construction site, which contributes its share to occupational health and safety. BAUfit, a pilot project launched in association with AUVA and the Austrian Pension Insurance Administration (PVA), is a prevention programme to maintain the work ability and promote the health of blue-collar workers.

Project: BAUfit

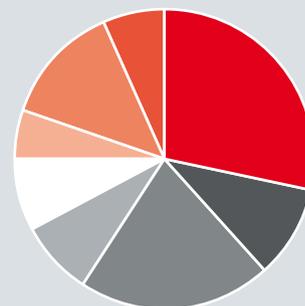
Our contribution to the initiative “Fit into the future – Maintaining work ability” was the implementation of the BAUfit prevention programme at several pilot construction sites in Austria. Under this programme, trained coaches show the on-site construction workers exercises to make the work easier, avoid accidents and boost their general well-being. The exercises include stretching, strengthening and mobilising exercises as well as exercises to balance out one-sided strain. Also demonstrated and practiced are proper lifting without hurting one’s back, the ergonomic movement of heavy loads, and the proper way of working on a ladder. After the 30-minute exercise, the trainer observes the employees

Occupational accidents by cause



- 21 % Tools and equipment
- 21 % Manual load movements; falling objects
- 3 % Pointed or sharp-edged cutting objects
- 15 % Eye injuries (regardless of cause)
- 2 % Injurious substances and influences
- 27 % Slips and falls
- 2 % Work machines; electrical equipment
- 5 % Mechanical load movements; transport
- 4 % Other causes

Occupational accidents by type of injury



- 29 % Head (incl. eyes, hearing, teeth, neck)
- 10 % Shoulders, arms (without hand, wrist)
- 21 % Fingers, hand, wrist
- 8 % Back, spine
- 8 % Pelvis, hips, legs (without knees, feet)
- 5 % Knees, meniscus
- 13 % Ankle, feet, toes
- 6 % Trunk; multiple injuries

at work and corrects any improper posture. Positive impacts can be seen after a short time already: minor accidents such as tripping and slipping as well as injuries such as sprained ankles were prevented.

Accident statistics

For the collection and detailed evaluation of occupational accidents, we created a uniform system of classification in all countries in which the group operates. The registration of accident statistics began in Austria, Germany and Switzerland and was gradually expanded from there. The information allows for group-wide comparisons and benchmarking, making it easier for management to plan accident prevention and healthcare for our employees in a targeted and focused manner. The group's accident rate is displayed in the table below. A positive trend can be seen in the development of the accident rate per thousand employees: from 2008 to 2009, the accident rate fell by 14.2 % as a result of the successfully implemented internal measures. A further reduction of around 19.0 % is forecast for 2010. The company regularly organises training sessions on the issue of occupational health and safety.

The seminars on offer include:

- training to become a company safety officer
- training to become an SCC manager
- training on the subject of construction site safety in transportation
- training in hazard identification and analysis

Additional presentations and training sessions are available at the operating entities in special areas of responsibility, such as training to become a tower crane, mobile crane or forklift operator, etc. Newly employed site managers, engineers and construction foremen attend special training sessions to become company safety officers. In 2008 and 2009, respectively 27 and 26 courses on the subject of occupational health and safety were held in Austria alone with a total of 1,138 participants. An additional 2,808 site managers and construction foremen attended occupational health and safety training in 2009. STRABAG also offers first aid courses in a number of countries in which the group operates.

Accident rate*	2008	2009	2010**
Building Construction & Civil Engineering	45	38	35
Transportation Infrastructures	37	34	25
Special Divisions & Concessions	98	68	35
Service companies	36	22	26
Group total	42	36	29

Fatal accidents	2008	2009	1-6/2010
Building Construction & Civil Engineering	0	3	0
Transportation Infrastructures	8	3	4
Special Divisions & Concessions	0	0	0
Service companies	1	0	2
Group total	9	6	6

* Accident rate = number of "notifiable" accidents per 1,000 employees ** Projection

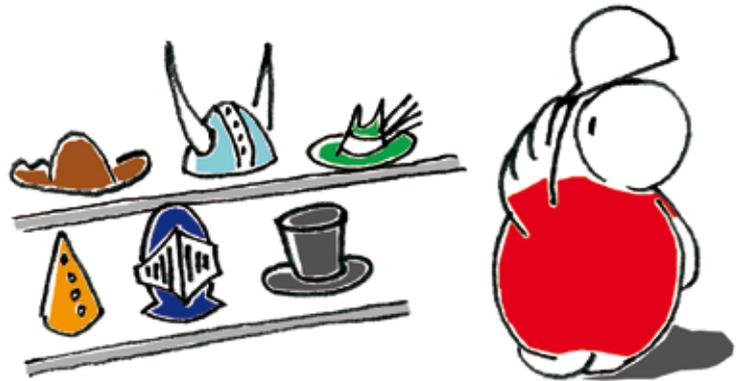
Internal STRABAG projects

In addition to our compliance with the law and the realisation of the prescribed training, we have initiated several projects relevant to the subject of occupational health and safety. These include:

- “accident free” signs showing the number of days a construction site has gone without an accident
- an internal manual on construction site safety in transport
- a manual and instructional folder for youth/apprentices/summer interns
- a special folder for occupational safety and health at the workplace and on construction sites that serves as a set of guidelines for site managers and foremen to guarantee the proper occupational safety and health measures on construction sites.

Protective gear & workwear

Another important aspect for improving occupational health and safety is the uniform workwear and protective clothing which we provide for our employees. In addition to the legally prescribed protective gear for the head, feet, eyes and face and the respiratory and body protection, we have also developed workwear to meet our own internal standards. Our workwear not only offers high visibility, but has also been certified for its UV blocking function that gives our employees the latest in state-of-the-art UV protection. Besides the UV protective clothing, we also offer and distribute skin and sun protection products. Currently, we are in the development phase for special application of fire and heat protective clothing, and we are developing our own STRABAG safety shoes, specially designed for our workers in an extensive testing and selection procedure to fulfil the unique requirements in the construction industry. The special feature of the shoes is the sophisticated overall concept that offers an optimal balance between protection and comfort. By applying the latest technologies, such as a functional lining and textile protective midsoles, we have replaced the steel sole and can offer improved thermal protection. The new sole technology affords the STRABAG safety shoe a longer life and better heat resistance (up to 220 degrees Celsius).

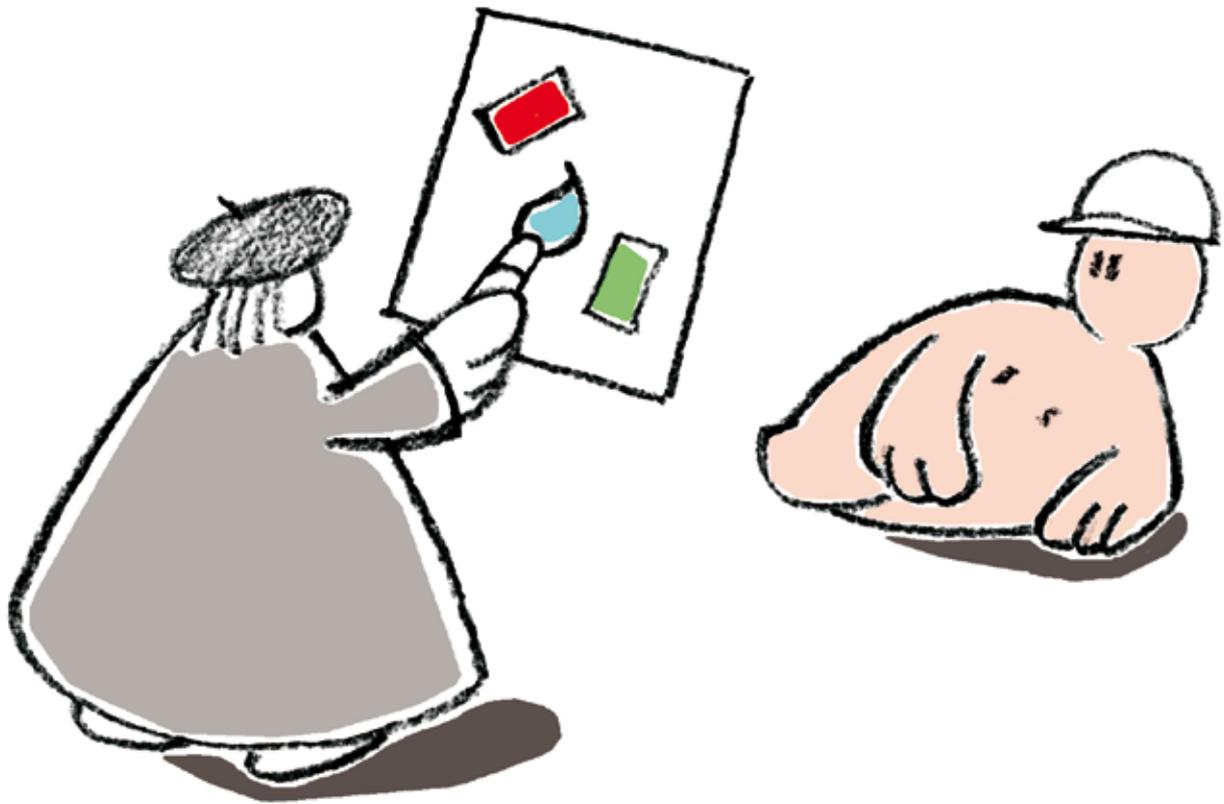


It's what's on your head that matters.

We work in close cooperation with the work councils and employee representatives in all areas of occupational health and safety, especially in the definition, selection and development of protective gear and workwear. Special agreements exist with regard to workwear and working hours.

In memory of those employees who have lost their lives while doing their jobs, we would like to take this opportunity to offer our condolences and express our deepest sympathies to their families and loved ones.

Social responsibility



Everything for the arts: the STRABAG Kunstforum.

Management approach

We promote activities of public interest by supporting selected organisations and institutions with humanitarian, social, charitable, educational and cultural aims.

It is our goal to actively contribute to social equality not just in Austria, but also in the other countries in which the group operates. We want to help maintain the social standards in Austria and Europe and improve them in the other countries. It is only fair to pass on to society a part of the corporate success. For this reason, we support selected organisations and institutions with humanitarian, social, charitable, educational and cultural aims and are committed to projects which have a lasting impact. We are increasingly providing social assistance in countries which are especially affected by poverty. We want to see these countries become economically attractive for investors by virtue of their own efforts in order to escape the cycle of poverty.

Inherent parts of our social and societal activities include the support of youth projects, charitable institutions and the arts.

Concordia

Fr Georg Sporschill has been caring for abandoned children and orphans in Romania since 1991, when he opened his first children's home in Bucharest. Over the years, he has expanded his range of services and has extended his activities to Moldova and Bulgaria. In addition to the social centres and children's homes, Concordia offers learning workshops and assisted living communities for older orphans. STRABAG actively supported Concordia in building its "City of Children" in Ploiesti and continuously supports its activities.

In 2007, we supported Concordia in the opening of social centres and soup kitchens for older people in need. Today, around 1,000 children live in Concordia's homes and living communities in Romania, Moldova and Bulgaria. For older people, there are 24 soup kitchens and ten social centres providing food to some 5,000 hungry people. [\[More information is available at www.concordia.co.at\]](http://www.concordia.co.at)

VinziRast-CortiHaus

STRABAG has supported the VinziRast-CortiHaus homeless shelter, which celebrated its fifth anniversary in 2009, from the beginning. VinziRast was opened in 2004 by the Vinzenzgemeinschaft St. Stephan and its chairwoman Cecily Corti. The goal was and is to offer homeless people emergency accommodation or a place in the halfway house. STRABAG helped to renovate the shelter in 2008 and has been one of the main sponsors ever since. The VinziRast-CortiHaus offers emergency accommodation for 55 people, including bed, dinner and breakfast, plus 16 apartments where up to 29 people can find a home, make a new start or grow old in dignity. [\[More information is available at www.vinzirast.at\]](http://www.vinzirast.at)

Festspiele Erl

In 1998, conductor and musician Gustav Kuhn founded the Tiroler Festspiele Erl with the goal of promoting young musicians. Since then, the festival has become an established event with international appeal. Today, the Tiroler Festspiele Erl is famed above all for its fantastic Wagner operas. STRABAG has supported the festival from the beginning. Gustav Kuhn, who directs and conducts the festival, offers his audience a varied programme of opera, concerts, musical evenings and children's theatre. [\[More information is available at www.tiroler-festspiele.at\]](http://www.tiroler-festspiele.at)

Komödienspiele Porcia

In 1960, a visit to Spittal an der Drau by Herbert Wochinz, Thomas Bernhard and Annemarie Siller led to the idea of hosting a theatre in the not yet renovated renaissance court of Porcia Castle. Just one year later, the first works were performed by the ensemble of Vienna's Theater am Fleischmarkt. Since then, the small theatrical circle born under difficult conditions has become a major cultural event that enjoys STRABAG's energetic support. Every summer, the theatre idealists tirelessly and consistently put on comedies from world literature as well as their own children's theatre. [\[More information is available at www.komoedienspiele-porcia.at\]](http://www.komoedienspiele-porcia.at)

STRABAG Kunstforum

The STRABAG Kunstforum opens up the world of contemporary art to employees and visitors at a number of locations in Austria and abroad, making STRABAG a forward-looking patron of the arts today. [\[More information is available at www.strabag-kunstforum.at\]](http://www.strabag-kunstforum.at) The activities of the STRABAG Kunstforum comprise:

Artaward – the art endowment award for artists under the age of 40 in the areas of painting and drawing, plus related acquisitions and exhibitions. STRABAG has presented the Artaward International since June 2009. The winner and four runners-up are selected from hundreds of entrants from four countries. Jan Vasilko of Slovakia won the first Artaward in 2009, followed in 2010 by Aurelia Gratzner of Austria.

Artcollection – a constantly growing, versatile and travelling collection, and – with over 1,700 works by contemporary painters and sculptors – one of the largest in Austria.

Artlounge – the spectacular two-storey exhibition space on the top floor of the STRABAG Haus in Vienna.

Gironcoli-Kristall – a multifunctional space for arts and events affiliated to the STRABAG Haus in Vienna, featuring a permanent exhibition of nine monumental sculptures by Carinthian artist Bruno Gironcoli, who died in February 2010;

three additional bronze and aluminium sculptures can be seen in front of the premises.

Artstudio – the studio at the STRABAG Haus, with 700 m² of living quarters and working space for artists from Austria and abroad.

Selective support of regional initiatives

In addition to large, international initiatives, STRABAG also supports a number of smaller regional projects. These activities may seem relatively small when compared to the size of the group, but they are of enormous importance for the regions in question. There are many ways in which STRABAG supports such initiatives: through sponsoring, via partnerships or by providing expert know-how.

The following are just a few examples of such regional projects:

- CliniClowns in Austria
- Aktion Kinderherz in Austria
- Vertrieb mit behinderten Menschen in Germany
- Blood donations for children in hospices in Poland
- Support for the Cologne Philharmonic building built by STRABAG AG, Cologne, Germany
- Support for the Child Development Society School in Kathmandu, Mahadev Besi, Nepal



- 1) The Porcia Comedy Festival, Carinthia, Austria
- 2) Concordia helps children in need
- 3) The STRABAG Artstudio at the STRABAG Haus
- 4) The Festival Hall in Erl, Tyrol, Austria
- 5) The VinziRast-CortiHaus with its chairwoman Cecily Corti



Customers and suppliers



Fair and friendly:
because we are customers and suppliers too.

Management approach: customers

We have designed our services in a way that fully corresponds with the demands and expectations of our customers.

In the spirit of working together as partners, we are open and transparent in our communication with customers. This helps us to establish long-term, trusting business relations without neglecting the necessary amount of business secrecy and discretion.

We answer the needs of the market with customer proximity, professionalism, a commitment to innovation and a good price/value relationship.

Customers

We were early to recognise that we must devote ourselves to the needs of our customers. As they help to set the market trends, we commit to continuously developing and improving our services. Our products and services are regularly brought up to date with the latest in state-of-the-art technology so that we can carry out construction orders for our customers to their satisfaction. As a modern company, our research and development department is constantly working on developing new products, processes, technologies and tools. This competence should be made visible to our customers and business partners.

Several years ago, we came up with the STRABAG teamconcept to foster a more intense cooperation among clients and contractors than is possible in conventional partnerships. The introduction of joint controlling and the early inclusion of the contractor in the planning phase help to minimise

the risk for both parties and offer increased security in terms of quality, costs and deadlines. The STRABAG teamconcept offers customers a successful business model which guarantees the greatest possible efficiency and security over the entire project life cycle. [\[More information is available at www.strabag-teamconcept.at\]](http://www.strabag-teamconcept.at)

We wish to thank all of our customers and business partners for their loyalty and their contribution to the positive development of our company.

Management approach: suppliers

In the interest of quality and cost-effectiveness, we draw upon selected, tried and tested subcontractors and suppliers in addition to tapping our own competences and resources when fulfilling our contracts.

Teamwork based on honesty, openness, integrity and fairness is a guarantee for long and successful partnerships.

Supplier selection

This includes the selection of reliable partners who comply with all environmental laws, regulations and regulatory requirements and are capable of offering innovative products that help to protect and preserve the environment. We only do business with environmentally and socially responsible suppliers, in line with our strategy for sustainable procurement. We urge our business partners to work according to similar environmental guidelines as our own and to make an active contribution to environmental protection.

We have developed our own system for selecting suppliers. Firstly, suppliers must fulfil project-specific qualification criteria and the materials must stand up to the technical specifications. Any past experience with the supplier and the cost effectiveness of the products or services also find their way into the decision-making process. Currently, around one quarter of our Austrian suppliers have ISO 14001 certification for environmental management systems.

Our suppliers must comply with the usual clearly determined minimum standards and with the environmental requirements. Compliance is regularly monitored, and effective measures to rectify problems are taken in cases of non-compliance. In extreme cases, this may also mean parting with a supplier. This

strategy for sustainable procurement is a fundamental component of our decision to select or keep certain contractors.

Our objectives for the qualification of our suppliers:

- tighten the standards of our sustainable procurement
- continue to develop and communicate standards for sustainable procurement
- promote and support educational and training measures on the subject of sustainable procurement
- monitor the sustainable procurement, including measures for product specification

Responsibility for compliance with matters of sustainability and for contractor monitoring is shared by the management and realised by all employees involved in the procurement process. The selection of subcontractors involves a further, social dimension: active efforts against unserious business practices and measures to prevent social fraud. Non-compliance with these criteria may result in a subcontractor being blacklisted for work with the group.

Procurement of material and supplies

We work with many suppliers and service providers in Austria and abroad to help us do the job. We are aware of our responsibility for the environmental and social compatibility of our activities. For this reason, we consider long-term trends in demand and market development, and observe technological innovations in our procurement planning and in setting our procurement objectives.

It is important for us that suppliers fulfil certain pre-defined criteria. We want to ensure a resource-friendly use of energy and raw materials in the preparation and delivery of our services. It is our goal that the materials used and the services delivered by us impact the environment as little as possible.

Sustainable procurement primarily means the efficient and responsible management of the supply chain with respect to economic, environmental and social opportunities and risks.

Products and services are procured under consideration of the following aspects:

- economic aspects: considerations as to the optimal price/performance ratio, e.g. price, quality, availability, functionality and service
- environmental aspects: the impacts which products or services have on the environment over their entire life cycle
- social aspects: the impacts on issues of poverty eradication, international equality in resource use, working conditions and human rights

In the procurement of materials and services, all steps must be considered from manufacture to transport to disposal.

Procurement of construction machinery, equipment and vehicles

The procurement of construction machinery, equipment, plant and vehicles takes into account the environmental compatibility of the procured items. The criteria considered include the age of the construction machinery, equipment, plant and vehicles as well as their fuel economy and emissions, service intervals and ease of maintenance. We basically follow the relevant national laws and regulations in this regard. For special construction tasks, we take further measures to minimise pollutant emissions.

Service



Everything you still want to know.

Glossary

AQAP	Allied Quality Assurance Publications
AUVA	Austrian Workers' Compensation Board, (Allgemeine Unfallversicherungsanstalt)
AWG	Austrian Waste Management Act, (Abfallwirtschaftsgesetz)
blade technology	energy- and space-saving computer systems
BLT	Central Division Building Logistics and Transport, (Zentralbereich Baulogistik und Transport)
BMTI	Central Division Construction Equipment International, (Baumaschinentechnik International)
ENCORD	European Network of Construction Companies for Research and Development
Energietübbing®	the geothermal use of machine-made tunnel walls
EU	European Union
GRI	Global Reporting Initiative
ISO 14001	Environmental Management System
ISO 27001	Information Security Management System
ISO 9001	Quality Management System
NATO	North Atlantic Treaty Organization
ÖCGK	Austrian Code of Corporate Governance, (Österreichischer Corporate Governance Kodex)
OHSAS 18001	Occupational Health and Safety Management System
PPP	Public Private Partnership
PVA	Austrian Pension Insurance Administration, (Pensionsversicherungsanstalt)
SA 8000	Social Accountability System
SCC	Safety Certificate Contractor, Safety and Health Management System
tonne-km	tonne-kilometre
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute

Targets

Previous target	Achievement	Future target
Economic objectives		
Profitable growth with a focus on East and South-East Europe; raise construction output volume by 15 % annually	The economic crisis has made it unrealistic to achieve our growth targets within the planned amount of time. The targets were deferred as a result.	Come through the economic crisis with stable business activities
Expansion of services in growth-oriented niche segments such as railway construction	Niche segments were expanded to include railway construction, property & facility management, waterway construction, etc.	Output growth in the niche segments
Expansion of business activities in the field of environmental technology	Addition of new business fields in the area of renewable energies	Maintenance of state-of-the-art and review possibility of activities in new business fields such as offshore wind
Implementation of standard procurement conditions ("Europe price") in central procurement	The economic crisis resulted in strong fluctuations in the price of raw materials and differences among the individual national markets.	We protect ourselves as much as possible against fluctuations in the price of raw materials
Appoint points of contact representatives to manage sustainability activities of the subsidiaries	Currently being implemented (points of contact have been appointed for certain regions and business areas as part of the life cycle assessment)	Management of the sustainability process from corporate headquarters and by representatives at the subsidiaries
Environmental objectives		
Deployment of alternative energy supply systems in STRABAG buildings	Already implemented and further in implementation (energy-saving technologies deployed at the STRABAG Haus and other group locations)	Ongoing deployment of alternative energy supply systems in new STRABAG buildings
Establishment of a group-wide coordination centre for environmental management	Currently being implemented (being elaborated in detail as part of the life cycle assessment)	
Raise environmental awareness among all employees through seminars and informational campaigns	Seminars taking place	Expand to include specific training measures on relevant environmental issues
Reduce emissions and waste at construction sites and at operating facilities	Already implemented in a number of projects	Introduce waste measurement/audit at construction sites as standard
Expansion of internal tender parameters to include environmental factors	Currently being implemented	
Take part in the "Fuhrpark der Zukunft" (Fleet of the Future) platform organised by the Austrian Ministry for Agriculture, Forestry, Environment and Water Management	Participated	Develop transport and logistics solutions via group's Central Division for Building Logistics and Transport (BLT)
Systematic life cycle assessment in accordance with international guidelines and step-by-step implementation	Concept design for group-wide implementation by the end of 2010	Life cycle assessment as standard process

Social objectives		
Increase number of internal specialists for occupational health and safety by up to 10 %	Implemented (October 2006: 117 internal occupational health and safety specialists; June 2010: approx. 150; plus of more than 20 %)	
Guarantee standardised training of specialists for occupational health and safety across the group	Implemented	
Uniform quality standards across the group for workwear and protective gear	Partially implemented and further in implementation	
Increase construction site safety through targeted training measures – lower accident rate per hours of work	Implemented and further in implementation (reduction from 2008 to 2009 by approx. 14 %, expected reduction from 2009 to 2010 by 19 %)	Further reduction of accident rate
Improve know-how transfer between the individual countries in which the group operates – increase mutual learning (knowledge management)	Currently being implemented	Implement pilot project
Improve cooperation with schools, universities and research institutions – create professional opportunities	Implemented and further in implementation	
Prevention of illicit work among subcontractors through expansion of STRABAG partner card concept to further countries in which the group operates	Implemented	
Continue funding of cultural activities – maintain STRABAG Art Awards for young Austrian artists	Implemented and further in implementation	

Emissions, effluents and waste

EN16 Direct and indirect greenhouse gas emissions
 EN17 Other greenhouse gas emissions by weight
 EN18 Initiatives to reduce greenhouse gas emissions 29-31, 33-35
 EN19 Emissions of ozone-depleting substances
 EN20 NO, SO and other significant air emissions
 EN21 Water discharge by quality and destination
 EN22 Total waste by type and disposal method 31-32
 EN23 Total number and volume of significant spills

Aspect: Products and services

EN26 Initiatives to mitigate environmental impacts of products and services 23-27, 29-30
 EN27 Percentage of products whose packaging materials are reclaimed –

Aspect: Compliance

EN28 Fines and sanctions for non-compliance with environmental laws and regulations 17, 23

Aspect: Transport

EN29 Environmental impacts of transporting products, goods and members of the workforce 34-36

7 Labour practices and decent work

Disclosure on management approach 39, 55

Aspect: Employment

LA1 Workforce by employment type and region 40-41
 LA2 Employee turnover 42

Aspect: Labour-management relations

LA4 Percentage of employees covered by collective bargaining agreements 43
 LA5 Minimum notice period(s) regarding significant operational changes 45, 46

Aspect: Occupational health and safety

LA6 Workforce representation in health and safety committees 50
 LA7 Injury, absenteeism and fatalities 51-53
 LA8 Training, counselling, control of serious diseases 50-53
 LA9 Health and safety topics covered in agreements 53

Aspect: Training and education

LA10 Hours of training per year 45, 52
 LA11 Skills management and lifelong learning 44-45, 47

Aspect: Diversity and equal opportunity

LA13 Diversity in governance bodies and among employees 39-41
 LA14 Salary of men and women by employee category

8 Human rights

Disclosure on management approach 18, 60

Aspect: Investment and procurement practices

HR1 Investment agreements that include human rights clauses
 HR2 Suppliers and contractors that have undergone screening on human rights 60

Aspect: Non-discrimination

HR4 Incidents of discrimination and actions taken 17-18

Aspect: Freedom of association and collective bargaining

HR5 Operations at risk and actions taken to support the freedom of association 18

Aspect: Child labour

HR6 Operations at risk and measures taken to contribute to the elimination of child labour 18

Aspect: Forced and compulsory labour

HR7 Operations at risk and measures taken to contribute to the elimination of forced labour 18

9 Society

Disclosure on management approach 55

Aspect: Community

SO1 Management of impacts of operations on communities

Aspect: Corruption

SO2 Business units analysed for risks related to corruption 17
 SO3 Employees trained in anti-corruption procedures 17
 SO4 Actions taken in response to incidents of corruption 17

Aspect: Public policy

SO5 Public policy positions and participation in public policy development 18
 SO6 Contributions to politicians, political parties and institutions 18, 55-56

Aspect: Compliance

SO8 Fines and sanctions for non-compliance 18

10 Product responsibility

Disclosure on management approach 59

Aspect: Customer health and safety

PR1 Life cycle stages in which health and safety impacts of products are assessed 59

Aspect: Product and service labelling

PR3 Principles of product labelling

Aspect: Marketing communications

PR6 Programs for adherence to laws and voluntary codes related to marketing communications

Aspect: Compliance

PR9 Fines for non-compliance with laws and regulations concerning the use of products and services

AR Annual Report

CGR Corporate Governance Report

KF Key figures in report

– Not applicable

Legal information and disclaimers

Owner and publisher

STRABAG SE

Triglavstraße 9, 9500 Villach, Austria

Company Reg No: FN 88983 h

Company register: Landesgericht Klagenfurt

Contact

STRABAG SE

Corporate Communications

✉ Donau-City-Straße 9, Vienna, Austria

☎ +43 (0)1 / 22 4 22 - 0

@ csr@strabag.com

🌐 www.strabag.com

In case of discrepancy, the German version shall prevail.

This sustainability 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.

Gender-neutral language was used as much as possible. For better readability, the text uses the masculine gender in isolated cases. However, all references to persons apply to both genders.

Concept and design: Schoeller Corporate Communications, 1060 Vienna, www.schoeller-corp.com

Printed by: AV+Astoria Druckzentrum GmbH, 1030 Vienna



If you have any questions, please contact our CSR department:

STRABAG SE

Corporate Communications

📍 Donau-City-Straße 9, 1220 Vienna, Austria

☎ +43 (0)1 / 22 4 22 - 0

@ csr@strabag.com

💻 www.strabag.com

This sustainability report is also available in German.