

Our strategy for greater sustainability

As a 'people business' with a wide variety of ethnic groups and high consumption of energy and resources, the construction industry requires global and forward-looking thinking; in other words, we have to focus on the future when making today's decisions on economic, environmental and social aspects. Sustainable action is a key component of our social responsibility while simultaneously forming the basis for our success. The annually sustainability report provides detailed information about the progress of projects and the current status quo in the CSR report.

Our vision

- We are aiming for long-term economic success and want to act in a manner that is both socially responsible and ecologically sustainable.
- We create a positive and inclusive working environment that demonstrates full appreciation and support for our employees.
- We guarantee occupational safety and focus on workplace health promotion.
- We focus on maintaining regular contact with our stakeholders in finding solutions to meet the global challenges we face.
- We want to reinforce our resilience to current and future consequences of climate change.
- We want to make a valuable contribution towards conserving natural resources for current and future generations.
- We are committed to improving environmentally friendly performance along the entire value chain.
- We want to replace resource-intensive and environmentally harmful methods by developing sustainable and innovative products and services.

Our mission

As a full-service provider with nearly 150 years' experience in the design, development and execution of numerous domestic and international buildings, PORR commands outstanding expertise in all sectors of the construction industry. Sustainable thought processes and actions, planning and working, communication and implementation are the key priorities in our company and are anchored in the Group strategy. Implementing sustainability in the core business is only a success if it creates added economic, environmental and social value. PORR promotes an integrative approach; in other words, it creates a link between the three dimensions of sustainability and is committed to responsible corporate management. It is a matter of course for us to actively involve the internal and external stakeholders in our CSR activities and their further development.

Economic

The long-term success of the company forms the foundation of every economic activity within PORR. The company thus engages in constant dialogue with its stakeholders, makes a significant **contribution to local economic development** and aims for long-term economic success - integrated sustainability is a guarantee for a successful business model.

All PORRianers fully endorse our corporate values - which are to act in a morally, ethically and legally impeccable manner. The **five principles** reliability, shoulder to shoulder, appreciation, passion and pioneering spirit form the common corporate culture. The **PORR Code of Conduct**, which is binding for all employees, serves as an orientation aid. These are designed to prevent misconduct and to promote the guidelines laid out therein.

The focus is on interacting correctly with one another, with clients or partners and with the Group as a whole. In addition to **observing the laws** (i.e. strict adherence to local regulations, guidelines, standards, workers' rights or practices), **fair competition** is considered paramount. Breaches of competition and antitrust laws, as well as non-transparent and unfair business practice will not be tolerated. Furthermore, all forms of **corruption** and **bribery** will be strongly condemned and prosecuted; in other words, all staff members are strictly forbidden from offering or accepting benefits, whether directly or indirectly.

In addition to the topic of **risk management** - Group-wide information campaigns provide training on the early identification and controlling of performance, environmental, safety and financial risks - top priority is given to our stakeholders in the customer segment and their satisfaction. **Customer-oriented action** is expressed in PORR through the execution quality (of the project, the product or the service), compliance with deadlines, flexibility and meeting technical and economic objectives. In the selection of its business partners, suppliers etc. and in the reduction of downstream risks in the value chain, PORR focuses on full compliance with the principles set out in the **Code of Conduct for business partners**.

PORR **liaises closely with its suppliers and service providers**, enabling it to implement positive and sustainable changes throughout the entire value chain.

Objectives

- Implementing the strategic plan for the further digitalisation of corporate, labour and construction processes
- Economic benefits through resource efficiency
- Group-wide roll-out of standardised feedback sessions with clients
- Introducing a regular stakeholder forum
- Further developing the high compliance standards
- Conducting regular audits to receive certification
- Continuing with the Group-wide anti-corruption and compliance training
- Group-wide roll-out of SAP MM and SAP ARIBA
- Evaluating an SAP-based supplier management system
- Energy database procurement
- Sustainability criteria catalogue for procurement
- Comprehensive introduction of ISHAP documentation system
- Responsible Sourcing

Environment

The company is clearly committed to environmental protection and focuses heavily on **research and development** in the interest of climate protection. With our regularly updated **climate protection strategy**, we want to contain and avert the greatest challenges of our time - climate change and its negative consequences - sustainably and effectively.

Energy efficiency measures, using **renewable energy sources** and thereby substituting fossil energy sources, as well as the development and use of sustainable products and services, support us in our efforts to **reduce emissions**.

PORR takes into consideration all aspects relating to current environmental issues in its business decisions and in managing its resources and infrastructure. We counter the increasing scarcity of raw materials and the related price increase by employing **resource-conserving measures** and **recycling**.

PORR strives to minimise its environmental footprint and continuously improve its environmental measures. Environmental opportunities and risks are mitigated, the resulting effects analysed in detail and corresponding solutions and countermeasures drawn up and implemented. In doing so, PORR focuses on innovation and investment in technological solutions and **knowledge transfer** with **internal** and **external stakeholders**. To meet the current challenges, we undertake significant efforts in cooperation with local partners in particular to develop methods that have a maximum impact in the area of environmental protection.

Objectives

- Reducing primary energy consumption by at least 1.5% annually based on figures for 2015 - and by a total of 7.5% by 2020
- Reducing specific GHG emissions by at least 1.5% annually based on figures for 2015 - and by a total of 7.5% by 2020
- Comprehensive introduction of an energy management system
- Continuing with energy-efficiency measures in the fields of equipment, fleet and building management
- Increasing the share of renewable, environmentally friendly forms of energy to more than 10% by 2020
- Observing the binding climate protection strategy with regular monitoring and annual progress report
- Intensified cooperation with interest groups in the field of climate protection
- Decarbonisation of construction processes by 21% up to 2030 (based on 2014 figures)
- Further development of methods that conserve energy in foundation engineering, building construction and civil engineering
- Further increasing in the re-use and recycling of building materials
- Risk analysis with regard to environmental impacts
- Reduction of pollutant levels through further development of waste recycling methods
- General reduction in waste

Social

The permanent changes and challenges we face in our working environment demand a **modern, and forward-looking corporate culture** that focuses on the well-being of each and every member of staff.

The **We@PORR** diversity initiative was launched in order to integrate diversity in the corporate culture over the long term. The aim is to guarantee **equal opportunity** and **equal treatment** across all levels and countries, regardless of colour, nationality, social background, sexual orientation, political or religious persuasion, as well as of gender, marital status and age. The diversity of our about 20,000 colleagues from more than 70 countries should be leveraged to a greater extent and conditions created for a **better work-life balance**.

PORR advocates the development and implementation of the potential of each and every member of staff. Our broadly diversified range of **training and education courses** is the best evidence of this. The process of establishing targeted objectives such as mutual understanding and corresponding behaviour, environmental and safety awareness, as well as the company's awareness of its social responsibility, is supported by sector-specific road maps.

In the area of **occupational health and safety** we are committed to providing a safe and healthy working environment. We also adhere to strict safety regulations and practices. Awareness campaigns and learning from, for example, near-accidents help to avoid or reduce accident incidents and strengthen the preventative effects of the measures taken to prevent accidents. A wealth of physical and mental burdens impact on the health and well-being of PORR staff members in their everyday work. An individual's health can also be impacted positively or negatively by their private life. The change in economic conditions also demands greater flexibility and efficiency of people for coping with everyday life. Workplace health promotion is implemented as part of integrated quality assurance. Occupational health and safety measures and activities are established systematically, thus allowing a process-controlled analysis to be conducted.


PORR demonstrates **collaborative** and **social commitment** through its support of selected organisations and institutions that pursue humanitarian, social, charitable, educational or cultural goals.

Objectives

- Group-wide saturation with the "Vision Zero" campaign: reducing the accident frequency to <10 until 2020
- Continuing with occupational health and safety training
- Comprehensive introduction of workplace health promotion
- Promoting e-learning
- Continuation of the digIT LearningMap and thereby increasing the average training duration
- Roll-out of porr_academy for employees in the home markets
- Strengthening the competencies of women to increase the percentage of women at every level of the hierarchy
- General increase of the share of apprentices, specially in Austria to 5%
- Protection and promotion of international human rights
- Establishing diversity as a fixed focal topic in training for future managers and in the general educational programme
- Roll-out of "We@PORR" in all PORR markets
- Raising awareness of diversity-related issues through communication, network meetings, role models etc.

We will continue to pursue our commitment to sustainability and thereby strengthen the basis for the long-term success of PORR.

Vienna, 18 December 2019

A handwritten signature in black ink, appearing to read "K. Strauss", written over a light grey rectangular background.

Karl-Heinz Strauss, CEO

A handwritten signature in black ink, appearing to read "A. Sauer", written over a light grey rectangular background.

Andreas Sauer, CFO

A handwritten signature in black ink, appearing to read "J. Pein", written over a light grey rectangular background.

Josef Pein, COO

A handwritten signature in black ink, appearing to read "T. Stiegler", written over a light grey rectangular background.

Thomas Stiegler, COO