

We PORR ians

are doing our part
for the economy, society
and the environment.



Highlights 2018



> 95,000

Training hours

14%

Female workforce

Thanks to a comprehensive range of measures, PORR managed to increase the percentage of female PORRians year-on-year (2017: 11.8%).



+62.0%

Efficient reporting system

Raising awareness of occupational safety has led to a sharp rise in reporting hazardous situations.



»PORR is committed to ongoing HR development – in line with the principle of lifelong learning.«

+18.0%

Production output:
EUR 5,593m

+11.5%

Record order
backlog:
EUR 7,100m

+7.3%

Average staffing
level: 19,014

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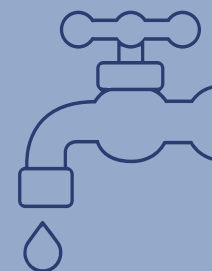
CDP rating,
Climate Change, B

+23.2%

Increase in
hazardous waste
treated

-7.9%

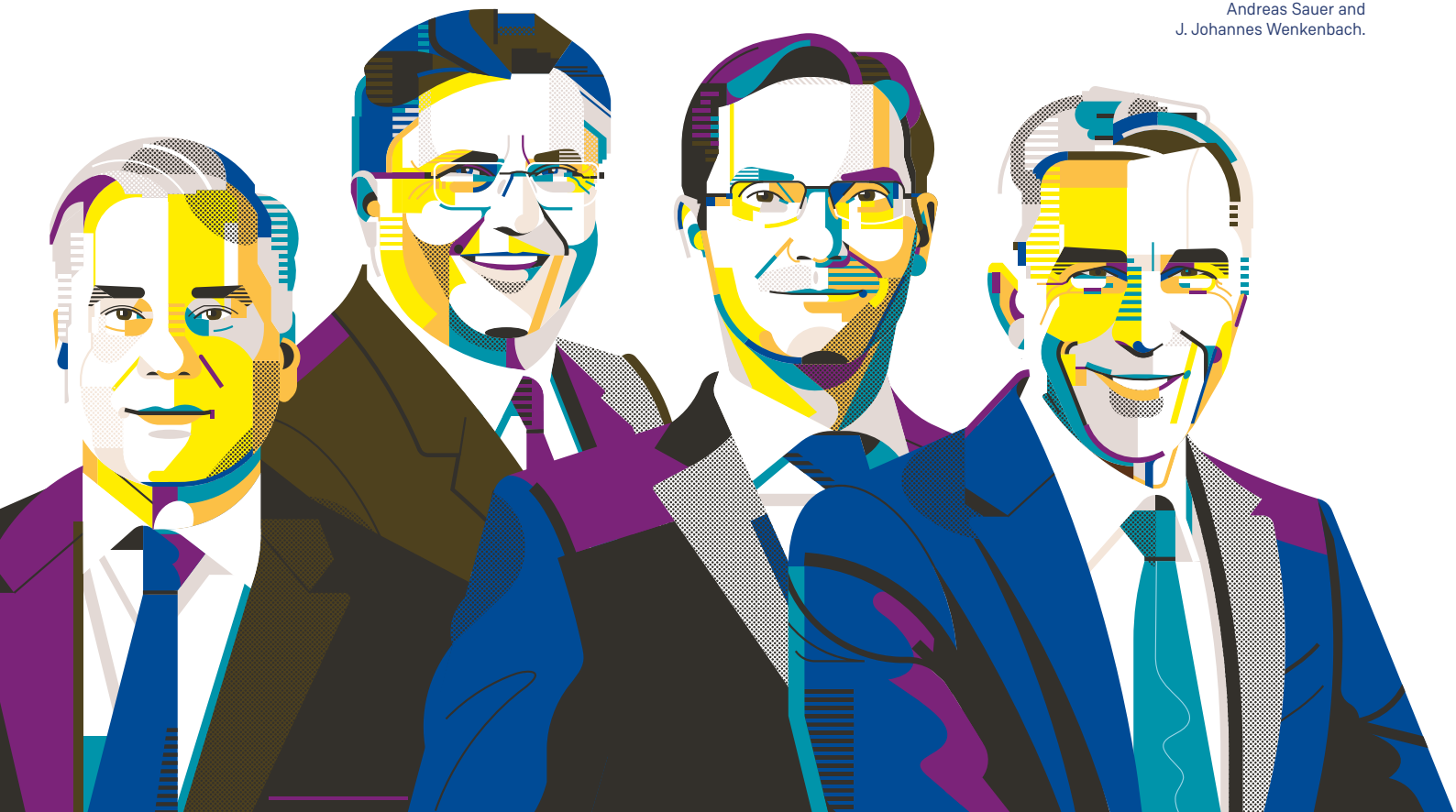
Decrease in paper used



PORR Water Policy
introduced

“ We know how success is born. With passion. After all, we never compromise when it comes to construction. The best minds come together to provide the best solutions for our clients.

The PORR Executive Board team (from left):
Thomas Stiegler,
Karl-Heinz Strauss,
Andreas Sauer and
J. Johannes Wenkenbach.



Bound by our values – for 150 years

GRI
102-14

We PORRians build for the future – and have been doing so with great success for 150 years. We create worlds to live and work that span generations. Our works are the best proof of embodying sustainability at PORR. And for this we rely on the diversity of our staff members.

Our success rests on our five strong principles. These principles connect us in all our Group-wide diversity. Together they form our corporate culture, namely “Home of Construction”. They are reflected in our three action fields – adding value, recognising value, preserving value. These continue to serve as the maxims of our business activity. “Passion” allows us to rise to every economic challenge. Our “Pioneering Spirit” enables us to act as a trailblazer, particularly on environmental issues. The entire team stands “Shoulder to shoulder”, while “Appreciation” for the best performance provides motivation and inspiration. “Reliability” is the solid foundation on which our services are built.

This year’s Sustainability Report has been produced in accordance with the standards of the Global Reporting Initiative (GRI) and audited by an external assurance provider for the first time. We are particularly proud of that.

We have revised our materiality matrix in light of the requirements of the Austrian Sustainability and Diversity Improvement Act and the GRI standards. It is now even more focused on compliance as well as on environmental, social and employee affairs and the related issues.

Furthermore, the report focuses on the significant, specific management approaches, which have been presented with greater clarity this year.

In addition to the clear commitment to the principles of the Global Compact of the United Nations, we have now underlined our commitment once again to the relevant Sustainable Development Goals (SDGs). We have adopted them in the report for the first time and placed them in the appropriate context.

Diversity and our strong commitment to preserving value is also shown in the range of measures implemented in the 2018 reporting period in order to make a greater contribution to sustainability. We particularly welcome the fact that we have been awarded a score by the Carbon Disclosure Project (CDP) for the first time, achieving a B grade in Climate Change.

The emphasis we place on recognising the value of our staff is reflected in all of the measures promoting occupational health and safety. Enhanced awareness of occupational safety issues has led to a sharp increase in reporting hazardous situations. In the field of further education and training there has also been a rise in the average number of training hours. We are especially pleased to see that women now account for 14% of the workforce, an increase on last year.

As you can see, it has been a busy year for us with regard to sustainability. In the coming year we will continue to work on improving our KPIs. We look forward to hearing any feedback you might have.



Thomas Stiegler
COO



Karl-Heinz Strauss
CEO



Andreas Sauer
CFO



J. Johannes Wenkenbach
COO

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Corporate Profile and Sustainability Strategy

“ Reliability is our foundation. It provides a solid base on which to build our success. We all pull together as one and bring our projects to their successful conclusion. We PORRians are building for the future.

About PORR

GRI
102-1, 102-2, 102-3,
102-4, 102-5, 102-6,
102-7, 201-1



LEADING CONSTRUCTION COMPANY

PORR is Austria's leading construction company and is one of the industry's most important players Europe-wide – especially on the home markets of Germany, Switzerland, Poland and the Czech Republic.



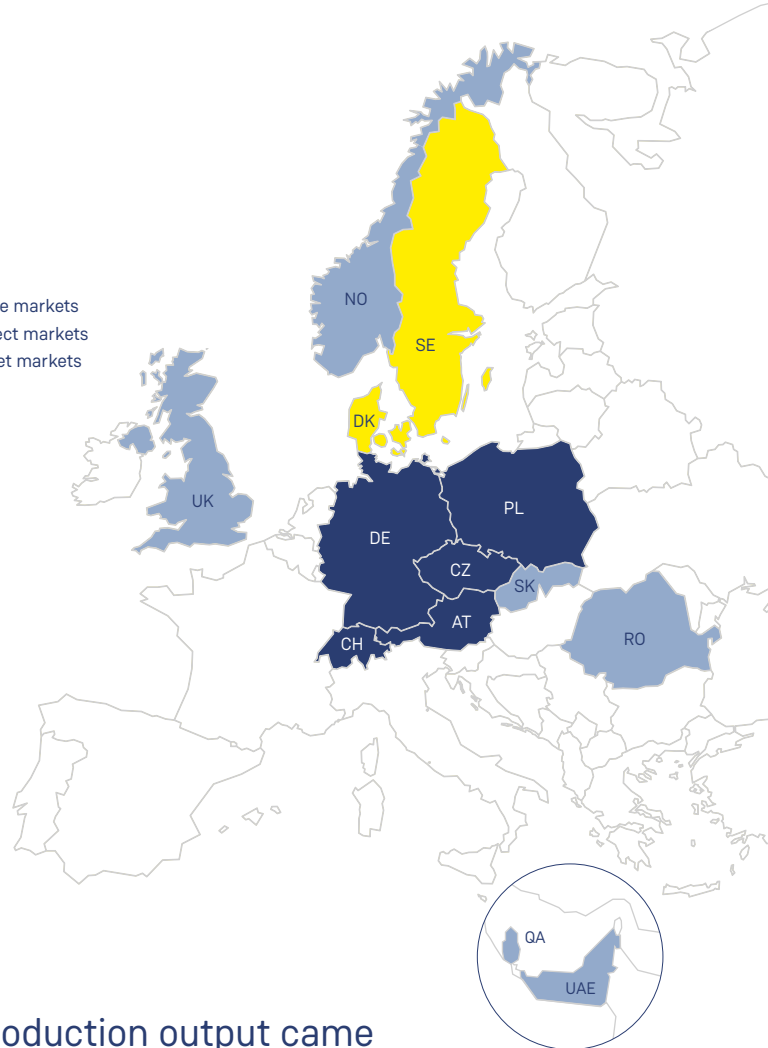
FIVE HOME MARKETS IN EUROPE

PORR's focus on the five European home markets of Austria, Germany, Switzerland, Poland and the Czech Republic remains in place unchanged.

STABLE CORE SHAREHOLDERS

With core shareholders that take a long-term approach, PORR has a stable ownership structure that consistently supports the company's strategy. The Strauss-Ortner syndicate holds 53.7% of the shares, the remainder are in free float.

- Home markets
- Project markets
- Target markets



88.0% of production output came from Austria, Germany, Switzerland, Poland and the Czech Republic.

Core competency – construction

PORR has been successfully realising complex construction projects in building construction and civil engineering for 150 years. As one of the few infrastructure specialists on the five home markets, the company covers the entire value chain for infrastructure projects. The goal is to continue to expand the company's leading position as a design-build contractor. Furthermore, as a technology leader, PORR increasingly applies networked and innovative solutions to construction and is proactively driving forward digital advances. PORR's strategic growth requires integrated networks and cooperation that extends beyond the Group – while ensuring the best-possible use of resources.

Economic performance (in EUR m)

	2018	2017	Change
Production output	5,593	4,738	18.0%
Order backlog	7,100	6,367	11.5%
Order intake	6,326	6,301	0.4%
EBITDA	219.5	200.7	9.4%
EBIT	92.3	90.2	2.3%
EBT	88.1	85.3	3.3%
Consolidated profit	66.2	63.7	3.9%
Equity (incl. non-controlling interests)	618	597	3.6%
Equity ratio	19.9%	20.7%	-0.8PP
Net debt	-150	-147	1.9%
Average staffing levels	19,014	17,719	7.3%

GRI
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Sustainability strategy

Responsible corporate management across the entire value chain is a priority. A future-focused approach to resources forms the backbone of PORR’s sustainable mindset.

GRI
102-16, 102-31

PORR is a construction company that operates internationally. The impacts its business activities have on society and the environment are highly diverse due to the high consumption of energy and resources and require a global, forward-looking mindset. Safety, security and prevention are other pillars of the business activities. The principles of sustainable corporate management are anchored in the sustainability strategy, which has been developed in coordination with the Executive Board. This strategy is regularly evaluated and adjusted wherever necessary. The latest version is available on the PORR website.

Corporate Social Responsibility (CSR) staff unit. Together with the CSR project team – a cross-departmental network of experts from the fields of Quality Management, Environmental Protection, Human Resources, Technology Management, Strategy, Occupational Health and Safety, Procurement, Group Management and Accounting, Risk Management, Equipment Management, Energy Efficiency and Waste Management – the ongoing sustainability measures are evaluated and adjusted and, wherever necessary, new sustainability projects are developed in direct relation to the core business. The sustainability network was further extended in the year under review, 2018, with the introduction of responsible officers in countries and divisions.

GRI
102-18, 102-19,
102-20, 102-31, 102-32

Responsibility and control

Responsibility for sustainability lies with the Executive Board. The report is checked and approved by the Executive Board and the Supervisory Board. The sustainability strategy and the defined targets with the accompanying set of measures are determined by the Executive Board in cooperation with the

The staff unit is in regular contact with the PORR stakeholders as the coordinating unit and involves them by means of various activities such as workshops, lectures, training sessions or live questions at events promoting sustainability activities. This allows the issue to be proactively promoted and ensures the right level of awareness among stakeholders.

GRI
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SDG 16

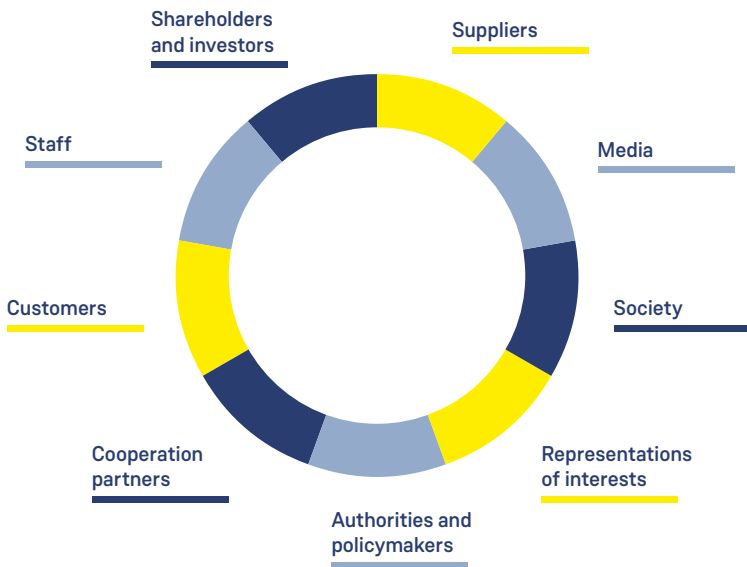
GRI
102-16

OUR VISION

- We strive for sustainable economic success and want to operate in a way that is fair and just to society and the environment.
- We create a positive and inclusive work environment characterised by respect and support.
- We rely on regular exchanges with our stakeholders in our quest to find solutions for global challenges.
- We intend to strengthen our resilience against the current and future consequences of climate change.
- We want to make a valuable contribution to preserving our natural resources for current and future generations.
- We advocate for an improvement in environmental performance throughout the entire value chain.
- We want to replace resource-intensive methods that damage the environment by developing innovative and sustainable products and services.

Stakeholder management

Our stakeholder groups



internal evaluation of staff mental health and the survey on needs for childcare and nursing care. Stakeholders receive information about the company in various ways such as general media reports, the PORR website, newsletters, corporate publications such as the Annual Report or the Sustainability Report, the staff magazine rePORRt, as well as circulars or the intranet.

Initiatives and memberships

PORR is a member and/or supporter of numerous initiatives and sector-specific organisations. These include the following institutions:

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102-12,
102-13

GRI
102-40, 102-42, 102-43

Both internal and external stakeholders are proactively involved in PORR's CSR activities. The relevant stakeholders were identified and prioritised in a workshop with key PORR personnel, whereby peer-group and SWOT analyses were also applied. Recognising the needs of the material stakeholder groups, i.e. groups of people in a direct relationship with the company, who influence it or are influenced by it, opens up new perspectives. Securing economic success long-term is only possible if the company's own activities are aligned with stakeholder needs.

Multifaceted communication

PORR engages in regular dialogue with its stakeholders. Exchanges take place in the company through networks, roadshows, conferences, shareholder meetings, trade fair appearances and workshops, as well as in the course of realising projects. Stakeholders are included in key decisions via online surveys, such as those used in the production of the materiality matrix for example, along with the

Federation of Austrian Industry, VIBÖ (Association of Austrian Industrial Construction Companies), DWA (German Association for Water, Wastewater and Waste), IDM (Institute for the Danube Region and Central Europe), IG Life-cycle, Minergie Switzerland, NNBS (Sustainable Construction Network Switzerland), SGNI (Swiss Sustainable Building Council), Austrian Association for Recycling Construction Materials, Association to Promote Fairer Conditions in Construction, Achilles (prequalification platform), CDP (Carbon Disclosure Project), DGNB (German Sustainable Building Council), FEhS (Institute for Research in Building Materials), Mineral Resources Forum, German Water Partnership, Ludwig Boltzmann Society, ÖGNI (Austrian Sustainable Building Council), Railway Business Forum, STUVA (Research Association for Tunnels and Transportation Facilities), Business for Integration, United Nations (UN) Global Compact, Diversity Charter, respACT (Austrian Business Council for Sustainable Development), Companies for Families, Global Reporting Initiative (GRI).

GRI
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Material topics

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102-48, 102-49

SDG 16

Materiality analysis

The CSR topics of relevance to PORR were determined in a comprehensive materiality analysis conducted in 2016. The analysis was based on the GRI G4 reporting guidelines in force at that time as well as the topics of the relevant sustainability rating and the peer group. The topics ascertained were then condensed into 16 core topics in the course of a workshop. In a further step they were transferred to an online questionnaire in which each topic could be assessed in terms of relevance. The materiality matrix was produced based on the results of the survey and then went on to serve as the foundation for the PORR sustainability strategy.

The importance of the topics was based on how relevant the topics were for stakeholders (Y axis of the materiality matrix). In 2018 the matrix was extended with a risk and impact analysis (X axis). The relevance to the business is reflected in the size of the circles. This led to a slight difference in the relevance of the material topics compared to the Sustainable Value Report 2016/2017.

Material topics

The most relevant issues remain unchanged, namely safety, security and prevention, the environmentally sound use of materials, and energy and emissions. The topics long-term economic success, customer satisfaction and risk management are judged as very important by the company, even though their impact has been categorised as lower in the current

depiction. Despite the lower weighting in the materiality matrix, PORR continues to focus on the issues of diversity and equal opportunities, innovative technologies, and ecological products and services in light of their impact for the future. An update to the materiality analysis is planned for 2019 on the basis of a stakeholder survey and an assessment of the relevance for the business.

UN Global Compact

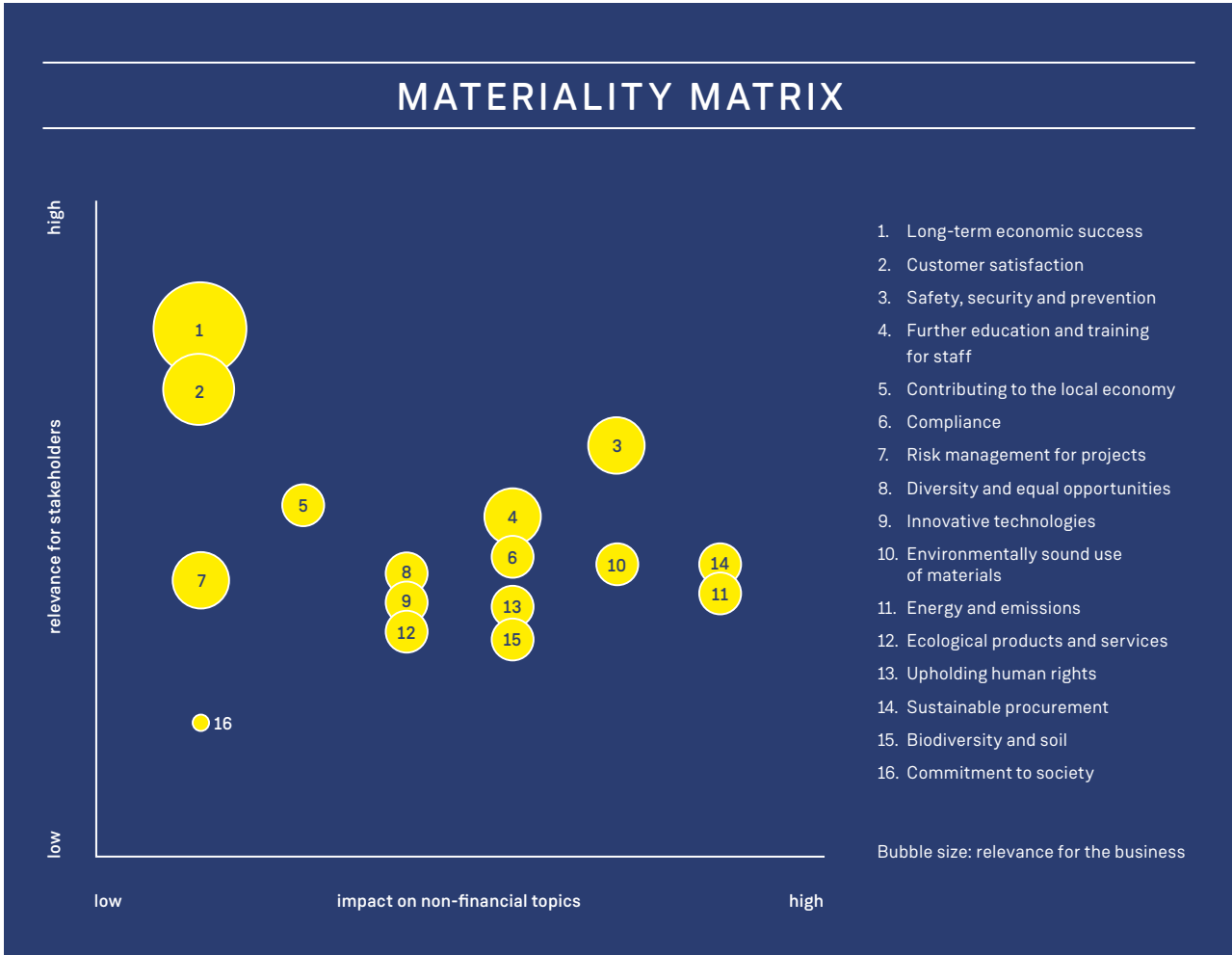
As an international construction company PORR is confronted by issues such as high consumption of energy and resources, high labour input and building up land areas. The company supports the measurable Sustainable Development Goals (SDGs) defined by the UN General Assembly in 2015 through various projects and initiatives. PORR is a signatory to the UN Global Compact 2017 and is fully committed to the Guiding Principles for Business and Human Rights. When implementing its targets and strategy, PORR incorporates the principles relating to human rights, labour, environment and anti-corruption. The projects and KPIs are evaluated in terms of their contribution to the SDGs. The SDGs are also cited in relation to the most important aspects of the report wherever PORR can make a contribution to meeting them.

As a first step, PORR contributes to meeting ten of the 17 SDGs through its measures and programmes. The relevance of individual goals results from the materiality analysis, leading to a breakdown into three categories.

GRI
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GRI
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Priority 1

The goals 7 “Affordable and Clean Energy”, 8 “Decent Work and Economic Growth”, 12 “Responsible Consumption and Production” and 13 “Climate Action” are especially relevant as the company can have the greatest influence in these areas given its high consumption of resources. GHG emissions should fall and dependency on fossil fuels should be reduced by introducing energy-efficiency measures and using renewables. The focus on comprehensive recycling measures makes an additional contribution to environmental protection and reducing disposal costs. These measures are described in detail in the chapter on preserving value. Occupational safety is also a top priority, as are the regular checks to ensure that human rights are being upheld throughout the supply chain. These topics are addressed in the chapters adding value and recognising value.

Priority 2

With regard to goals 3 “Good Health and Well-being”, 4 “Quality Education”, 9 “Industry, Innovation and Infrastructure” and 11 “Sustainable Cities and Communities”, PORR makes important contributions, especially in the areas of further education and training and occupational health. These measures are summarised in the chapter recognising value. In addition, PORR is striving to improve local transport logistics and to identify efficiency measures in the fields of transport and building infrastructure. Promoting buildings with sustainability certificates also falls under this category, as does reducing emissions caused by transport, pollution, and limiting any negative social and environmental impacts.

Priority 3

Goals 15 “Life on Land” and 16 “Peace, Justice and Strong Institutions” are also significant for the business activities, even though they are accorded lower priority. PORR focuses on products that come from sustainable sources and is committed to recycling and reusing materials. Furthermore, a Code of Ethics has been implemented alongside the relevant local tax and trade practices and comprehensive compliance and anti-corruption measures. These measures fall under the areas of adding value and preserving value.

The impacts of goals 5 “Gender Equality”, 6 “Clean Water and Sanitation” and 10 “Reduced Inequalities” have been given a lower weighting in the materiality matrix. That said, PORR has already implemented the first steps in the area of diversity and equal opportunities with the internal diversity initiative “We@PORR” and, on the issue of water, implemented a dedicated water officer and water policy. These aspects are addressed by measures in all three action fields.

Overview of action fields

Three pillars of sustainability






























PORR’s sustainability strategy rests on the three pillars of adding value, recognising value and preserving value – reflecting the three sustainability aspects of economy, ecology and society and derived from the results of the materiality analysis. The material action fields, the goals and the appropriate measures have been defined on the basis of these three pillars. What’s more, PORR promotes an integrated approach, i.e. an interlinking of the three sustainability aspects.

Adding value forms the foundation of every economic activity within PORR. Here the company is involved in constant dialogue with its stakeholders, makes an important contribution to local economic development and strives for long-term economic success. Every member of staff upholds the company’s values as laid out in various mission statements and the Code of Ethics. In addition to complying with laws, fair competition is the overriding priority here. When choosing business partners, suppliers etc., PORR applies the principles stated in the Code of Ethics and guarantees their complete observance across every business activity.

Recognising value encompasses every measure and initiative whose goal is the wellbeing of every single staff member. The permanent changes and challenges of the modern world of work require a forward-looking corporate culture. With this in mind, the focus is on nurturing and enhancing the performance and skills of personnel. On the other hand, all measures related to safety, security and human rights are reflected in this area along with the major issue of occupational health. With its multifaceted and personalised diversity concepts, PORR has shone a spotlight on the topic of work-life balance in the past two years as well as on a well-balanced and fulfilling work environment.

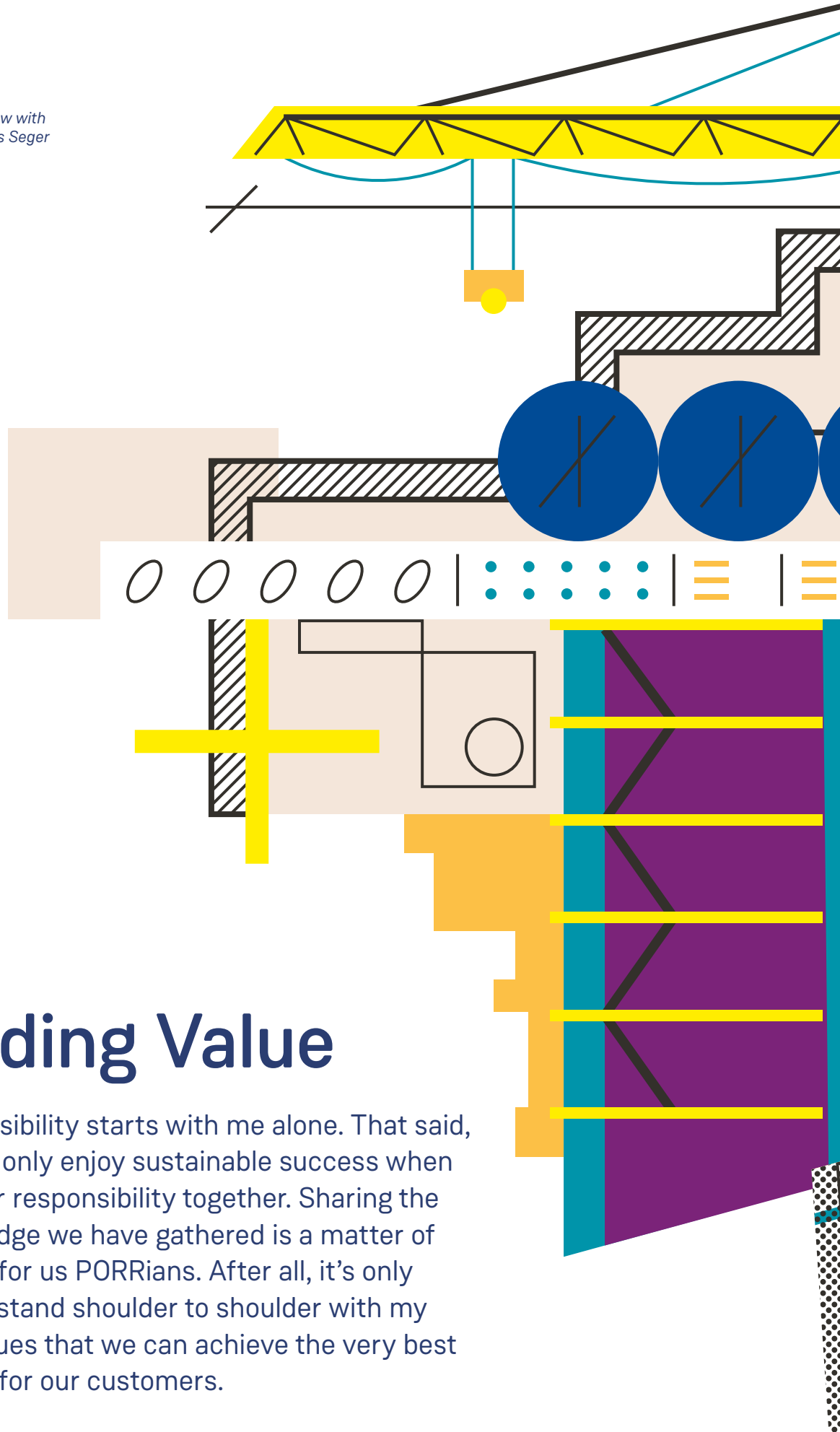
Preserving value refers to the responsible approach to ecological resources. PORR strives to minimise any damaging impact on the environment and to continuously improve its measures to protect the environment. Its proactive climate strategy allows the company to react to the greatest challenges of our time – climate change and mitigating its negative consequences. Measures to increase energy efficiency, the use of renewables and the application of ecological products and services all serve to reduce harmful emissions. The growing scarcity of resources and the related rise in prices are being countered by means of recycling and the careful use of resources.

SUSTAINABILITY GOALS

ACTION FIELD	ASPECT	SHORT TO MEDIUM-TERM MEASURES	STATUS QUO 2018
ADDING VALUE	Long-term economic success	<ul style="list-style-type: none"> Implementing the strategic plan for the further digitalisation of corporate, labour and construction processes Exploiting economic benefits through the increase in resources saved 	 
	Customer satisfaction	<ul style="list-style-type: none"> Group-wide rollout of standardised feedback sessions with clients Introduction of a regular stakeholder forum 	 
	Compliance	<ul style="list-style-type: none"> Further developing the high compliance standards Conducting regular audits to receive certification Continuing with Group-wide anti-bribery and compliance training 	  
	Sustainable procurement	<ul style="list-style-type: none"> Group-wide rollout of SAP MM Evaluating an SAP-based supplier management system Set of criteria for high environmental and social standards Introduction of ISHAP documentation system with complete coverage Responsible sourcing 	    
RECOGNISING VALUE	Health, safety and prevention	<ul style="list-style-type: none"> Group-wide saturation with the “Vision Zero” campaign: reducing the accident frequency to <10 by 2020 Continuing with training on occupational health and safety Introduction of workplace health promotion with complete coverage 	  
	Further education and training	<ul style="list-style-type: none"> Promoting e-learning Implementing the digIT LearningMap and thereby increasing the average length of training Rollout of the porr_academy for employees on the home markets Strengthening the competencies of women to increase the percentage of women at every level of the hierarchy Increasing the percentage of apprentices to 5% 	    
	Upholding human rights	<ul style="list-style-type: none"> Protecting and promoting international human rights 	
	Diversity and equal opportunities	<ul style="list-style-type: none"> Diversity as a fixed focal topic in training for future managers and establishing it in the general educational programme Rollout of “We@PORR” to all PORR markets Raising awareness of diversity-related issues through communication, network meetings, role models etc. 	  
	GRI 102-11	Energy and emissions	<ul style="list-style-type: none"> Reducing primary energy consumption by at least 1.5% annually by 2020 Reducing the specific GHG emissions by at least 1.5% annually by 2020 Continuing with energy-efficiency measures in the fields of equipment, fleet and building management Increasing the percentage of renewable, environmentally sound energy to over 10% by 2020 Adhering to the binding climate strategy through regular monitoring and an annual progress report Intensifying cooperation with climate-related representations of interests bodies Decarbonising the construction process by 21% by 2030 versus 2014
PRESERVING VALUE	Environmentally sound use of materials	<ul style="list-style-type: none"> Further developing methods that conserve resources in foundation engineering, building construction and civil engineering Further increasing the percentage of recycled construction materials Focused risk analysis with regard to environmental impacts Cutting contaminated fractions through advances in waste treatment and recovery techniques General reduction in waste 	    

 Achieved
  Underway
  Planned

- 14 *Straight talking on the construction site - interview with Construction Manager Inès Seger*
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- 21 Focus on value



Adding Value

“ Responsibility starts with me alone. That said, we can only enjoy sustainable success when we bear responsibility together. Sharing the knowledge we have gathered is a matter of course for us PORRians. After all, it’s only when I stand shoulder to shoulder with my colleagues that we can achieve the very best results for our customers.



Inès Seger, Construction
Manager on the Baloise
Park Basel mega-project

INTERVIEW WITH CONSTRUCTION MANAGER INÈS SEGER

Straight talking on the construction site

It's only when we talk openly about our problems that we can develop and propose targeted solutions. Our construction manager Inès Seger reflects on what makes her work successful and what motivates her.

You're currently working on the office project Baloise Park Basel. What's the greatest challenge you face on the current construction site?

Meeting all of the tight deadlines we have set is the biggest challenge for sure. At the same time we have to apply the high quality requirements and fulfil the individual demands of the developers. Every decision often involves highly complex approval processes.

What makes a project a success?

There are lots of factors at play. But the most important for me is successful cooperation on the construction site. This is part of the good communication in the team, i.e. between the whole project management team, designers and construction managers – and of course externally as well. Trust-based cooperation with the designers and planners, developers, client representatives and all subcontractors is crucial. And naturally there has to be a clear division of responsibilities within the project team. That's the only way that every individual can embrace responsibility for his or her own activities.

How strongly do you identify with each project?

I feel a great degree of responsibility for my work and get deeply involved with every project. This is often very stressful especially if projects are subject to delays or everything doesn't go completely to plan. In any case, I feel an incentive to give it my all. The sheer joy when a project is successfully finished is simply immeasurable.

At the end of the day, the joy felt by a customer should also be immense. What difference can you personally make to customer satisfaction – a key success factor in the construction business?

Clear and transparent communication with clients is particularly important to me. Especially in critical project phases. After all, it's only when we honestly call problems by their real name that we can develop and propose targeted solutions. What's more, this strengthens the basis of trust needed to address problems openly.

You're working in a heavily male-dominated sector? What is an average work day like in this environment?

I like the industry. People deal with problems quickly and directly and you get to the point more effectively. However, I do have the feeling that I have to achieve much more as a young woman. I need to fight harder for respect than my male colleagues. But I also try to make the best out of the situation. And I'm certain this will prove highly beneficial in the long term.

Why is standing shoulder to shoulder with colleagues so important in the construction process?

The whole process of construction requires a wide range of different competencies and the accompanying knowhow. Everyone has their own strengths and weaknesses and can contribute to success. In addition, it's good to share your experience with others so that you can reap the mutual benefits. This exchange should also be expanded beyond the scope of the project where possible.



01

Baloise Park, Basel: office project, PORR lot B, shown on the right

02

Baloise Park, Basel: rendering office project

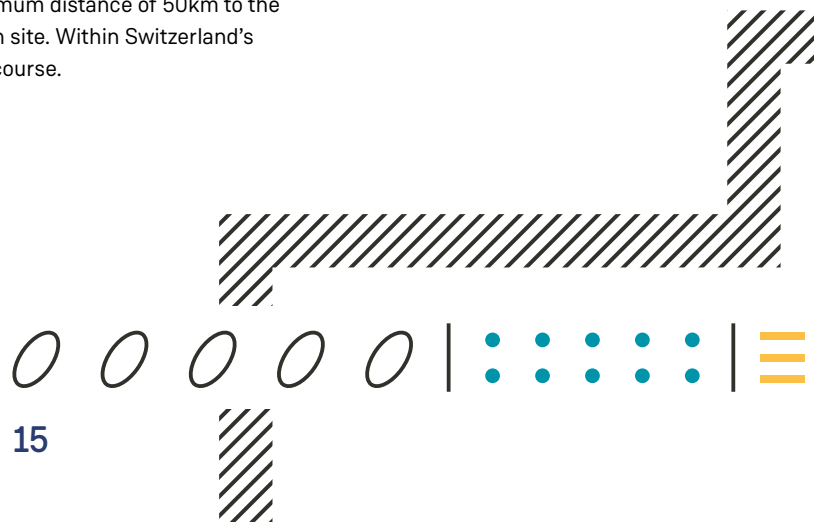
How does PORR ensure sustainability not only on the construction site, but also the supply chain?

Every product used on the construction site has previously been checked for compliance with sustainability criteria by means of data sheets. Here we also work together with specialists from the different divisions. At the start of the project we had an internal training session to raise awareness of sustainability issues. That helps us a lot when evaluating individual products.

What specific sustainability aspects relate to the Baloise Park project?

Resource consumption on construction sites in Switzerland is generally an important issue. That's why we use construction concrete that

contains a high percentage of recycled material for example. And especially on the Baloise Park project, regional value creation has been a top priority. We have awarded at least 50% of the contract volume for building costs to regional companies. This includes municipalities that are either in the statistically defined MS region or at a maximum distance of 50km to the construction site. Within Switzerland's borders, of course.



Economic success

As one of Austria's leading construction companies and a renowned international player, PORR focuses on its core competency of construction and on a well-balanced risk profile.

GRI 103-1, 203-2

Management approach

Doing business sustainably is a key component of the PORR strategy and provides a clear competitive advantage in calls for tender. PORR has international branch offices, invests in research and development, gives preferential treatment to local suppliers and makes an important contribution to the development of the local economies on its relevant markets. As an employer, PORR is also responsible for jobs at home and abroad and thereby for purchasing power through wages and salaries. By paying taxes and charges, PORR supports public infrastructure and makes a contribution to financing communities. PORR also focuses on the satisfaction of its customers and takes into account the interests of its shareholders.

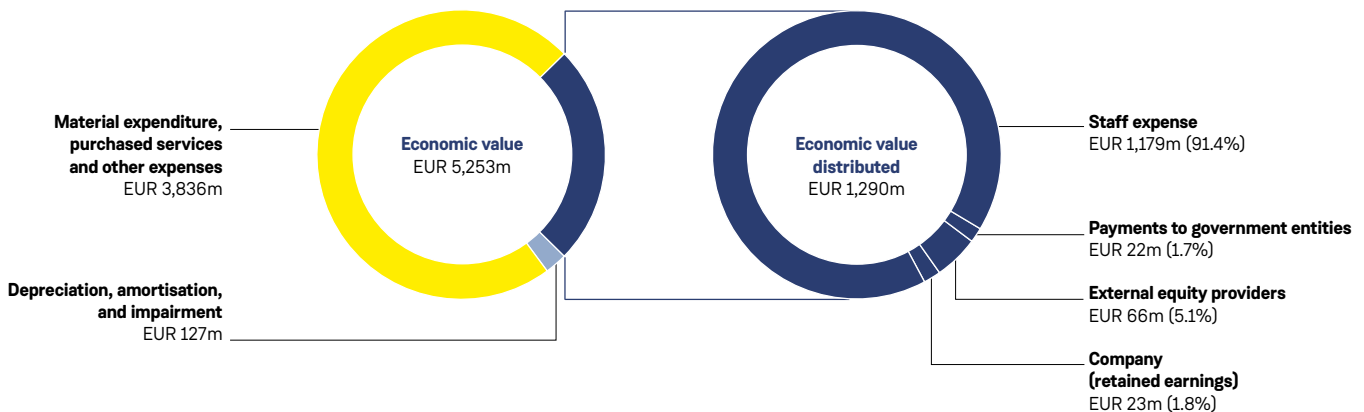
PORR is striving to increase digitalisation in corporate, labour and construction processes. This should be reflected long-term in greater efficiency and streamlined processes. Additional key topics include greater resource savings in the environmental sector, developing innovative solutions and carrying out regular audits in order to receive certification such as ISO, as well as efficient stakeholder engagement.

GRI 103-2

In order to do justice to the great responsibility to its stakeholder groups, PORR operates an Integrated Management System (IMS) in all of its business units and subsidiaries. This is consistently developed and adjusted to the requirements of interest groups, the markets, policymakers and international standards (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 31000:2009, ISO 19600:2015 and ISO 37001).

GRI 103-3

Value added statement 2018



GRI 102-2, 201-1, 203-1

SDG 9

Contributing to the local economy

The value added statement shows the direct financial value created by PORR for the relevant interest groups as the result of its economic activities. The company also contributes to public infrastructure through projects in road construction, tunnelling and bridge building, while making an important contribution to communities through building construction projects such as housing, schools or hospitals.

Quality management

The implementation of the Integrated Management System (IMS) facilitates the transformation of corporate objectives into operational targets and the definition of relevant key processes. A uniform process map promotes understanding, assigns clear responsibilities and optimises cooperation in the company. Quality assurance is also part of operational project management. The process primarily consists of the design phase, monitoring and determining deviations and finally implementing correctional measures as part of defect management. All three process steps are documented appropriately. The type, scope, frequency and responsibilities of the respective inspection are laid out in test plans. Target and actual quality criteria are compared in test records, whereby the status of any deviations is determined and the requisite correctional measures are applied. Their implementation is then checked once again.

Risk management

Recognising risks and opportunities from the operating business in good time and proactively managing them is a decisive factor in PORR's sustainable success. Efficient risk management and an internal control system (ICS) are critical for the company. Quantitative opportunity and risk analyses are conducted as part of a risk assessment process and are applied to standard risk checklists as well as risk evaluation in the course of project planning. PORR is observing new advances in light of increasingly stringent regulations. Furthermore, it maintains close contact with regulators and NGOs via the energy efficiency officers and the sustainable building unit, as well as through active participation in standardisation bodies, advisory groups, voluntary initiatives etc. The internal control system is based on the standards mandatory in the EU since 2009 and covers the assessment of operating risks as well as the adequate implementation of organisational norms and processes throughout all accounting and reporting activities. The goal is to mitigate any risks related to the markets, financing, liquidity, interest rates, currency, procurement, loans and capital in every company in which the Group holds an interest. More information on these topics is given in the PORR 2018 Annual Report from page 61. In the same way, decisive action should also be taken against potential risks related to quality, the environment, society, safety and security, for example the shortage of skilled labour, wage and social dumping, human rights breaches and increased accident figures.

Operational project risks are identified and assessed already in the tendering and calculation phase. A detailed overview of the material risks and impacts on non-financial issues in accordance with the Austrian Sustainability and Diversity Improvement Act can be found from page 54 of this report.

In the environmental sphere, the main risks relate to the impacts of climate change. These include regulatory risks tied to energy efficiency. PORR puts an emphasis on environmentally sound planning right from the start, especially when selecting energy sources, materials and water disposal options. Extreme weather has a significant impact on business activities. Weather phenomena such as heavy rain, high heat and strong winds can put a complete stop to progress on a construction site. Furthermore, occurrences such as hail or flooding can cause significant damage to buildings or construction equipment.

Customer satisfaction

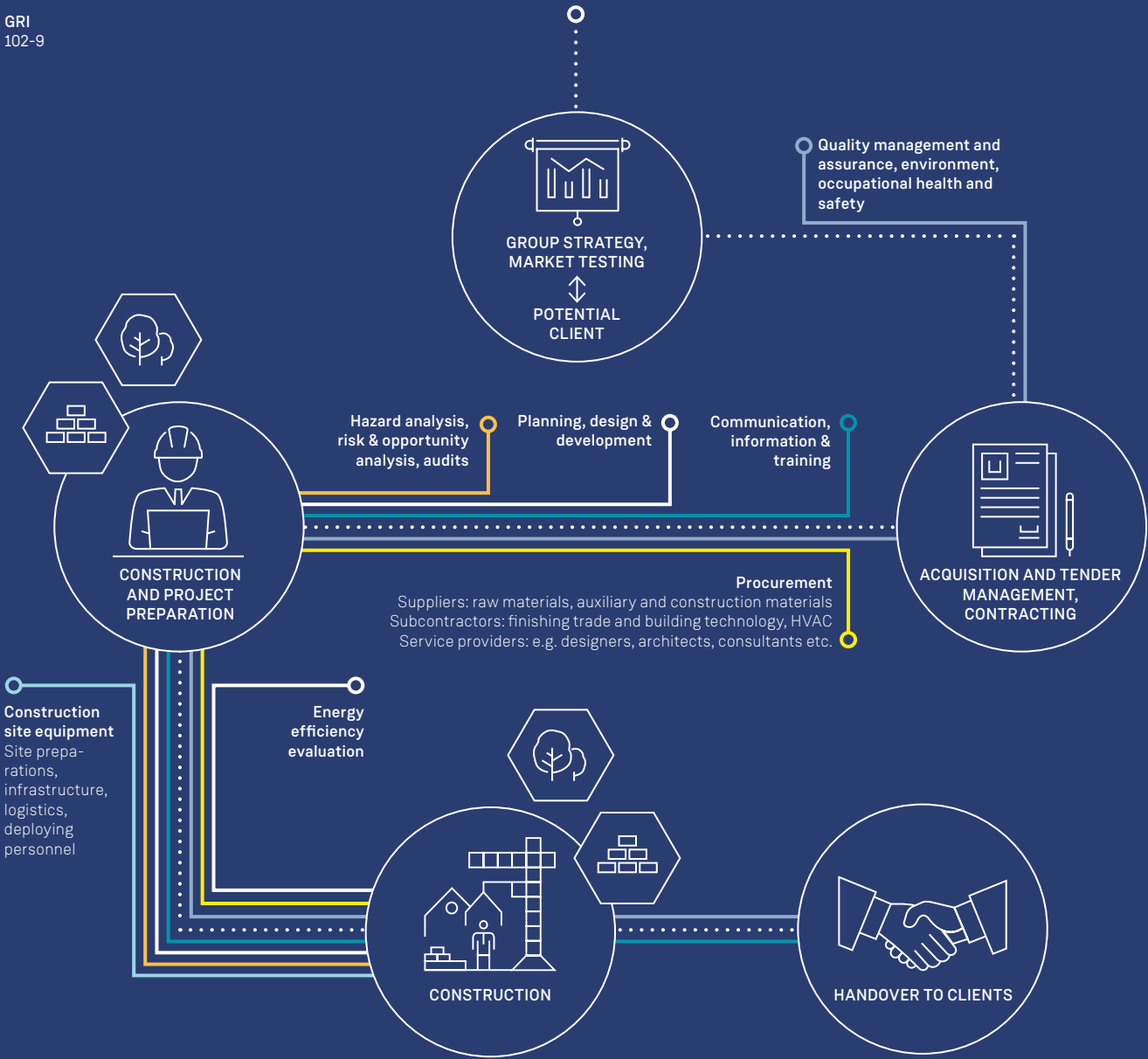
Guaranteeing customer satisfaction is firmly anchored in the PORR management system as a standardised process. Aspects such as adherence to deadlines, process and product quality, meeting budget specifications and good communication are all key success factors in the construction industry. What's more, long-term relationships with clients also demand cooperative project realisation and upholding quality and safety standards. Satisfaction assessment is carried out at multiple project stages. When managing and/or handing over projects, satisfaction is surveyed using questionnaires. That said, the central instrument remains talking to customers. Issues covered here include the aspects of occupational safety and environmental protection, staff performance and competencies on the one hand and adherence to deadline-related, qualitative and other contractual agreements. Various communication platforms and associations open up additional opportunities for evaluation. These include work on industry-specific committees, participation in standardisation bodies, representations of interests and trade associations, as well as construction site discussions with the developers.

GRI
102-11,
201-2

GRI
102-15, 102-30

VALUE CHAIN

GRI 102-9



PORR relies on closer collaboration with cooperation partners to ensure sustainability in the supply chain.



Products and energy sources used

- Raw materials and construction materials: cement, steel, gravel, bitumen, wood, water, formwork, insulation materials, scaffolding, plasterboard etc.
- Materials recycled in-company: including rubble from asphalt and concrete
- Energy sources: fuels, gas, electricity, district heating



Auxiliary products specific to the environment

- Consumption of raw materials
- Packaging material
- Noise, dust, emissions, wastewater, waste
- Temporary use of space for construction site equipment and infrastructure

Sustainable procurement

Upholding social, environmental and quality standards is essential across the entire supply chain. This is guaranteed by the supplier management system and ongoing optimisation of processes throughout the value chain.

GRI
102-9, 103-1

Management approach

Supply chains in the construction industry are complex in light of the high number of suppliers and subcontractors. This brings with it the danger of a lack of transparency and failure to adhere to internal corporate social, environmental and quality standards, which can in turn have negative impacts on society.

GRI
103-2

SDG 8

An effective staff protection policy is important for PORR, as is preserving the environment within its sphere of influence. Here the focus is on stable long-term relationships in the value chain – with strict attention paid to quality, occupational health and safety, the environment and human rights. When choosing materials, PORR only has limited scope for action as it is dependent on client specifications. In order to increase quality and trust in regional suppliers, PORR is committed to reducing the number of suppliers along with encouraging the use of lead buyers for primary goods groups such as ready-mixed concrete, energy and operating materials or temporary labour. In addition, PORR has introduced a system for recording and verifying workers' documentation (ISHAP, see chapter on human rights).

GRI
103-3

Any supplier certificates are recorded via the basic datasheet for suppliers. This datasheet also references the Code of Ethics, which is mandatory for all suppliers. Environmental incidents and/or deviations in the environmental and social sector are recorded in the supplier database and evaluated using a traffic-light system. Failure to adhere to applicable standards, which are laid out in multiple documents including the procurement guidelines, can lead to a ban on further commissioning. The supplier management system and its accompanying database serves as the control instrument for this. The evaluation process involves annual performance reviews with supply companies. The basic supplier datasheet, the procurement guidelines and the Code of Ethics are regularly

checked and, where necessary, revised in cooperation with the CSR project team.

Focus on local procurement

GRI
204-1

SDG 8

Establishing stable long-term relationships to suppliers and subcontractors is thereby an urgent priority and allows the company to mitigate the aforementioned risks through longstanding framework contracts. The focus here is on cooperation with local suppliers, whereby local is defined as within the country or metropolitan area of the respective PORR site plus/minus 150km. Depending on the country, between 60% and 95% of purchases involve local suppliers. The sole exception is Qatar in view of the complexity of the project and the lack of availability of local construction materials. This is why PORR Qatar as part of the joint venture supports the “Local Industry Participation Plan”, whose goal is to increase support of local industry.

Impacts on the supply chain

GRI
308-2

SDG 9

The negative impacts on the environment emanating from the supply chain mainly relate to transporting construction materials, which produces high levels of air pollution. The stronger cooperation with local suppliers and better transport logistics should counteract this environmental impact. Other negative effects specific to the environment can come from the spillage of oils and construction materials in transport accidents and from the use of materials such as insulation that is neither recyclable nor biodegradable. PORR has committed to focusing on companies that operate sustainably when selecting suppliers. For example, a business relationship in Romania was brought to an end as a competitor was able to achieve better fundamentals in terms of waste sorting and recycling.

With the exception of Switzerland, no negative social impacts were identified in the respective supply chains of the countries included in the report. In the case of Switzerland, the breaches related to minimum wage requirements and were also the reason for ending a supplier relationship.

GRI
414-2

SDG 5

Compliance

PORR is fully committed to fighting against corruption and unfair competition. The goal of the compliance management system, which is obligatory for all staff members, is to guarantee lawful behaviour.

GRI
103-1

Management approach

Fair and transparent behaviour is a top priority at PORR, as unfair competition and dishonest business practices can not only damage the company's image, but also have a negative impact on the business location. The complex supply chains make upholding compliance guidelines even more important. The PORR compliance management system is in use at every branch office. It covers all relevant aspects such as anti-corruption, social dumping or disseminating information. PORR operates in countries with a good ranking on the Corruption Perceptions Index – CPI. PORR does not operate in any countries with high levels of corruption.

GRI
102-17, 103-2
SDG 16

Compliance lectures as well as anti-corruption and issuer-compliance trainings aim to raise awareness among staff in relation to compliance issues. The PORR Code of Ethics is also mandatory for all members of staff. Adherence to the guidelines is monitored by the Compliance Officer of the Risk Management/Compliance unit, who works closely with the Internal Audit and Legal departments. An internal whistleblower system in accordance with Section 32 of the MAR and pursuant to ISO 37001 is also in place, along with a notification procedure that allows any breaches relating to money laundering or financing terrorism to be reported anonymously.

GRI
103-3

The efficiency of the compliance management system is consistently evaluated. The Internal Audit department conducts regular spot checks of every PORR business site and business process and carries out additional inspections where required. These reports are discussed with the Executive Board. PORR Internal Audit is also subject to obligatory regular external audits. PORR is certified in accordance with national (ONR 192050) and international (ISO 19600, ISO 37001) standards for its compliance management system.

Anti-corruption and fair competition

GRI
205-1

The focal points of the PORR compliance organisation include preventing corruption and anti-trust violations. Out of a total of 240 business sites, 50 were assessed for corruption risks in the period under review.

Training

GRI
205-2
SDG 16

In 2018 a total of 479 staff members underwent training on the topic of anti-corruption. In addition, 15,099 employees were informed about the anti-corruption guidelines. In order to raise awareness of the issue of compliance, there was a dedicated compliance info stand with 400 participants at the Management Conference.

Investigations and proceedings

GRI
206-1,
419-1

Investigations have been underway by the responsible authorities since the start of 2017 into a range of civil engineering companies, including PORR Bau GmbH, on suspicion of anti-competitive arrangements. The PORR AG Executive Board immediately launched an internal investigation into this issue. This investigation has not yet been concluded. The company is cooperating fully with the authorities.

There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations.

The PORR Guidelines on advertisements, sponsoring, donations and promotion ensure that the rules governing cooperation across the Group are upheld.

FOCUS ON VALUE

Our five principles

PORR HOME OF CONSTRUCTION

We developed the new corporate philosophy of PORR – PORR Home of Construction – as part of a broad-based project on our internal values and it now applies across the Group. Five principles emerged from this process: passion, pioneering spirit, reliability, standing shoulder to shoulder and appreciation. These make up the shared corporate culture and are the foundation and the pillars of the PORR Home of Construction.

GRI 102-16, 102-17

SDG 8, 16

CODE OF ETHICS

The Code of Ethics forms the basis for all of the company's business activities. It provides a foundation for the morally, ethically and legally unimpeachable behaviour of everyone involved in the business process and is binding for all members of staff, service providers and suppliers. One objective of the Code of Ethics is the constant development and optimisation of processes within PORR in regard to quality assurance, environmental protection and occupational health and safety.



Reliability

Commit – don't command.
Responsibility starts with me.
Rules are not a matter of personal choice.



Shoulder to shoulder

Dare to go beyond your silo.
No lone wolves, please.
Information & knowledge should be shared.



Appreciation

Diversity – definitely.
I am not the centre of the universe.
Fairness is a point of honour to us.



Passion

Working together for the best solution.
No compromises when it comes to construction.
The best minds at PORR.



Pioneering spirit

Always one step ahead.
Entrepreneurs at heart.
Mistakes are a learning opportunity.

Passion, pioneering spirit, reliability, standing shoulder to shoulder and appreciation make up our shared corporate culture. They are the foundation and the pillars of the PORR Home of Construction.

- 24 *Respect and appreciation are important for me - interview with apprentice Ali Rezaie*
- 26 Safety, security and prevention
- 30 Further education and training
- 32 Upholding human rights
- 33 Diversity and equal opportunities
- 34 Employment



Recognising value

“ At the moment I’m learning how to build a solid foundation. I look forward to the time when I will be able to calculate a building’s statics. Appreciation is really important to me in everything I do. And that’s guaranteed at PORR. It gives me confidence in my work and motivates me to do my best.



Ali Rezaie, Apprentice
Civil Labourer/Paver

INTERVIEW WITH APPRENTICE ALI REZAIE

Respect and appreciation are important for me

Our apprentice Ali Rezaie gives us a highly personal insight into his everyday work. He explains why PORR was definitely the right choice for him.

People from over 70 nations work at PORR. Have ethnic or social background ever played a role in your job?

I was very warmly welcomed into the PORR team right from the start. Cooperation between all of us staff works seamlessly. Mutual respect and appreciation form the basis for our cooperation and are reflected in everything we do.

You are one of 15 asylum seekers or beneficiaries in Austria who are getting an education at PORR. What has your time as an apprentice been like?

I really like the work at PORR. In our team we all help one another. The fact that I have fled my homeland has never been a big issue at work. Even though there has been a lot of interest in my personal story from colleagues in general.

Why did you choose an apprenticeship in the construction business?

For me this training is a major opportunity to integrate successfully in Austria. PORR provides me with a safe job that pays well. What I also really like is that every individual can determine their own career through their own personal efforts. What's more, we have a huge range of further education options available.

You have chosen a two-pronged apprenticeship as a civil labourer and paver. What appeals to you most in this area?

Handling construction machinery and paving. As well as the fact that I can see the results of my work every day.

Does PORR benefit from the diversity of its staff? Or is this more likely to create a backdrop for conflict?

Diversity means that every person is nurtured as an individual. It also gives us the confidence to be creative and to solve problems in different ways with our own ideas. The things that make people different are the same things that increase productivity.

The topic of occupational health and safety is playing an ever more important role in the construction industry and also in the tendering process. Do you feel well-versed in safety issues?

Occupational health and safety measures are absolutely essential and sensible when doing practical work. They help to prevent accidents and protect our health. My construction sites have always been very safe and care is taken that nothing can go wrong. We constantly undergo training on different areas related to occupational health and safety.

Which occupational health and safety measures do you appreciate most on construction sites?

I'm really happy that there has been a Group-wide smoking ban in place since 2018. You can only smoke outdoors. When a smoker needs a cigarette, they leave the office, container or vehicle and smoke outside. The measures applied during hot spells are also very helpful for us. We start work as early as possible and all of the heavy work is finished in the early



01



02



03

01

Brünsteinstraße construction project, Kiefersfelden: laying a wastewater pipe

02

Austria Campus construction project, Vienna: paving the entrance area

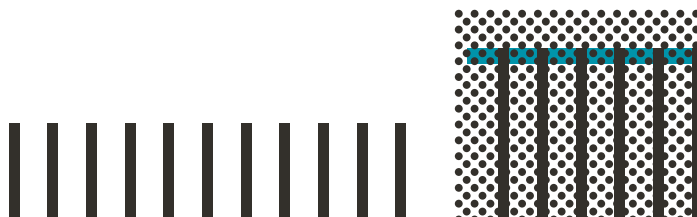
03

The right way to lift and carry loads: training

morning. Additional short breaks and drinking a lot of water also help. When temperatures exceed 35 degrees, we leave the construction site for heat reasons – manual labour at these temperatures is simply no longer possible.

What do you hope for your future personally? Where do you see yourself once you finish your apprenticeship?

I hope to complete my apprenticeship successfully and then be able to apply the skills I have acquired in the company. My personal dream is to be a foreman. Depending of course on whether I'm allowed to stay in Austria.



Safety, security and prevention

Our focus lies in preventing accidents through safe operations at construction sites and workplaces. In addition to the health aspects, safety is a topic of great relevance during the tendering process and is a major competitive factor.

GRI
103-1

Management approach

The heightened risk of accident and injury is common to the industry and means that safety is a topic of huge importance for PORR. Poor safety and circumstances that can endanger health can lead to illness, accidents at work, physical or mental stress and subsequently to increased absenteeism and early retirement. In certain cases there is a threat to the company of criminal proceedings and, more broadly, damage to the firm's image and to its ability to compete. What's more, accidents at work can impact the progress on projects. Further issues here include adverse effects on neighbours in the course of construction work, as well as transport safety during construction site

operations. These topics are of great importance in the tender award process, especially in Northern Europe.

With Vision Zero, i.e. the goal of reducing accident frequency to less than ten accidents per one million hours worked by 2020, PORR is pursuing a clearly defined prevention strategy. As a signatory to the Safety Charter in 2015, the Executive Board and Works Council are committed to proactive hazard prevention and health promotion. In order to meet these objectives in occupational health and safety, coordination meetings with the uppermost management are held four times a year. The Occupational Health and Safety staff unit coordinates, checks and evaluates all guidelines and measures. Furthermore, the project manager of Occupational Health Promotion, part of the CSR staff unit, is responsible for planning, implementing and evaluating behavioural and circumstantial measures to promote good health. In addition, PORR is engaged in close, cross-country cooperation with different working groups from different companies. This includes regular coordination meetings with the safety officers responsible for each country, in which Group-wide measures to promote occupational health and safety are planned.

GRI
103-2
SDG 3

Standard ISO 45001 is valid across the entire PORR Group and describes the requirements of a modern occupational health and safety management system; it replaces the former standard BS OHSAS 18001. In addition to safety at work, the aspect of promoting good health plays a particularly important role. The standard applies to all staff members, activities and jobs in the PORR Group including subsidiaries and companies in which PORR holds a majority interest. It does not cover employees in non-controlling interests, subcontractors or external service providers, as they have their own systems for health and safety protection.

GRI
103-3,
403-1,
403-8
SDG 3



01

Wind park, Edmundshof: foundation engineering

02

Bekkelaget, Oslo: wastewater plant, checking the installations



GRI 403-4, 403-7

SDG 3

Occupational health and safety Organisation

The objective of the staff unit for Occupational Health and Safety is to provide support in establishing a safe work environment through inspections, safety training and a notification system for near-misses and hazardous situations. In addition, it provides advice on occupational health and safety for issues such as raising awareness and selecting high-quality safety gear and clothing.

The staff unit for Occupational Health and Safety monitors the measures implemented in regular coordination meetings with the management. In the course of the European Occupational Health and Safety Meetings, the measures for all foreign subsidiaries are agreed by the international Health and Safety Managers. Furthermore, special meetings are held with occupational health and safety experts in Germany and Austria, while health and safety meetings with the country coordinators are conducted three times a year across the Group. PORR has had full-time safety officers in place since 2015. There are currently around 50 occupational health and safety experts deployed across the Group, who provide support to the construction sites together with the vocational health practitioners and the representative bodies responsible for health and safety in the workplace. The importance of occupational health and safety in

organisational terms is reflected in the fact that it has its own dedicated staff unit.

Early hazard identification

Measures to improve health and safety at work are determined on the basis of identifying and assessing risks in the course of a hazard analysis and under consideration of the client requirements. In addition, staff members should report any situational or work-related hazards. They have a choice of reporting them to the responsible manager, to the staff representative or anonymously, by post. The incidents are then analysed by the construction or operations manager with the support of health and safety experts, after which appropriate measures are developed and implemented. To facilitate better planning for occupational safety programmes, the results of the analysis are included in the accident statistics.

Hazard identification, risk assessment and monitoring of the measures determined in the course of hazard and incident analyses is undertaken by the responsible person in the line organisation, construction managers, operations managers and management staff from the levels E1, E2, E3 and E4. Their regular Safety Walks are embedded in the management system. What's more, health and safety experts also identify hazards in the workplace during their walkarounds. All of the analyses are

GRI 403-2

SDG 3



collated and used in the hazard assessments for work equipment and processes, work instructions and briefings for staff. The efficacy of measures that have already been implemented is evaluated regularly. Generally speaking, staff members on construction sites receive intensive support through a network of safety experts.

Accident and injury statistics

The accident frequency is an important performance indicator in this field. It is presented in the service section from page 74. A good figure reflects a positive occupational health and safety performance and is a key competitiveness factor. While the rate of work-related injuries declined in Germany, Romania, Slovakia, the Czech Republic, Austria and Norway, the rate in Qatar was unchanged. Poland and Switzerland reported an increase. In light of the different calculation models resulting from varying client require-

- Most common types of injury**
- o Bruising
 - o Strains, sprains, torn ligaments
 - o Cuts and gashes
 - o Broken bones

GRI 403-9

ments and respective national regulations, determining a Group-wide figure for PORR is not possible at present.

Safety training

In the year under review PORR placed an even stronger focus on the issue of health and safety and developed its safety culture at work. Here operational staff were offered internal and external training. In addition, practice-based health and safety training is a fixed feature of apprentice education. Health and safety campaigns focusing on different aspects are regularly conducted across the Group.

GRI 403-5
SDG 3

Vocational health practitioners

At present the vocational health practitioners operate autonomously on the PORR markets. They regularly walk around different construction sites and check whether health and safety guidelines are being upheld. They introduce appropriate measures wherever necessary. Partnerships are in place on the different PORR markets with vocational health practitioners (e.g. Germany) as well as with vocational health service providers (e.g. Norway). Vocational health experts are represented on the PORR intranet. They are also a regular presence on construction sites in order to establish and maintain contact with operating personnel – longstanding workers as well as temps from manpower leasing agencies.

GRI 403-3
SDG 3

Workplace health promotion Measures

The working conditions on construction sites were improved in the period under review. For example, a Group-wide smoking ban was introduced, the existing construction containers had air-conditioning units retrofitted and ergonomic office chairs were made available. On top of this, PORR offers staff members different options related to sport/fitness, nutrition and mental health. For example, employees have access to training rooms at the headquarters in Vienna including personalised training plans. Subsidised sports (e.g. volleyball) are offered in other countries such as Germany. The range of food on offer at larger sites with their own canteens is regularly checked and a wide, nutritious menu of healthy foodstuffs is provided. Regular lectures are also held on topics such as mental health (e.g. in Germany and Austria), along with needs-oriented health days including those at the Austrian branch office in Premstätten or in Düsseldorf, as well as vaccination programmes and team sports events. The implementation of workplace health promotion was achieved along with an advisory centre for mental health and

GRI 403-4, 403-6
SDG 3



02

GRI
403-4,
403-6

conflict resolution. Workshops addressing mental health topics were also held.

Comprehensive communication

Staff members have access to different services via the PORR intranet and the newsletter, as well as the numerous health-related contributions and information in the employee magazine rePORRt. There, under the headings Health and Safety and Best Place to Work, a range of health and safety topics are explored such as how to deal with the heat, tips on not catching a cold, etc. In order to ensure that access to services is guaranteed for waged workers as well, the team for workplace health promotion (WHP) works closely with construction site managers. What's more, information from the Occupational Health and Safety unit is provided at construction sites by the vocational health experts as they are regularly out in the field.

WHP project team

The activities are managed via the WHP project team, which includes vocational health experts, the occupational psychologist, the head of

project development for healthcare and the head of CSR, the Works Council reps for salaried employees and waged workers, as well as those for occupational health and safety. The team meetings are held once every eight weeks. The Diversity Council and the Diversity Board – two decision-making bodies that have seniority over the WHP project team – are responsible for approving decisions on measures. In the reporting period, the team's competencies were expanded with the addition of an expert in sport and nutrition.

01

Business Run, Vienna:
PORRunners

02

Breakletics-Training, Vienna:
training room, PORR headquarters



01

Further education and training

PORR is committed to ongoing HR development – in line with the principle of lifelong learning. Nurturing individual strengths and competencies is the way to safeguard competitive advantages long-term.

GRI
103-1

Management approach

When faced with challenges such as demographic shifts or skilled labour shortages, PORR has made HR development a key focal point. By individually nurturing and developing strengths and competencies, the strong talent for innovation should be maintained in the Group, know-how safeguarded and competitiveness expanded.

GRI
103-2

SDG 4

The training platform installed by HR development is called porr_academy and provides access to educational opportunities for employees in Austria, Germany and Switzerland. In order to counter the prevailing lack of skilled labour, the appeal of the construction industry is highlighted already to schoolchildren in the course of career fairs or in the media. The focal points here are on nurturing talented individuals and on in-depth training of tomorrow's specialists. What's more, new digital media is

increasingly being used in HR development, for example webinars, e-learning etc. In this way, PORR is addressing the requirements of the world of work, as well as the needs of work methods and employees.

Training covers a broad spectrum of issues and ranges from communication basics and intercultural training to occupational health and safety through to legal issues such as employing foreign workers. Feedback forms are evaluated after every training course in line with the quality management standard, in order to gauge their effectiveness. Additionally, the company relies on mandatory performance reviews for all staff members, which serve as the basis for choosing appropriate further education and training programmes and evaluating progress made. The annual Group-wide implementation rate is determined and reported to the Executive Board.

GRI
103-3

GRI
404-1, 404-3

SDG 4

Measures

Increasing training hours

The number of training hours for female staff rose to 14.38 (2017: 12.73) in the year 2018 and to 12.66 for male staff (2017: 11.84). For performance reviews, the take-up rate among women was 85.4% (2017: 86.2%) and 83.3% among men (2017: 82.7%).

GRI
404-2

SDG 4

Focus on soft skills

In order to embed the issue of diversity firmly in the company, all German-speaking managers at Level 3 (department heads) – a total of twelve groups – were offered the diversity training “Diversity as Opportunity” as part of a mandatory two-day seminar. Another important offering from the training catalogue is “Managing teams of different generations”, available to managers from every level. Under the title “Strong leaders – the strength to lead”, neurophysiological approaches were explored for the areas of management, health, communication and motivation. All members of staff who have recognised their stress resistance and want to increase it, have been able to draw on “resilience training” since 2018. In the field of customer service, the goal of the training series “Sales for technical staff” is to become more familiar with the world of the client and be able to present and sell services and technical solutions in the best possible way.

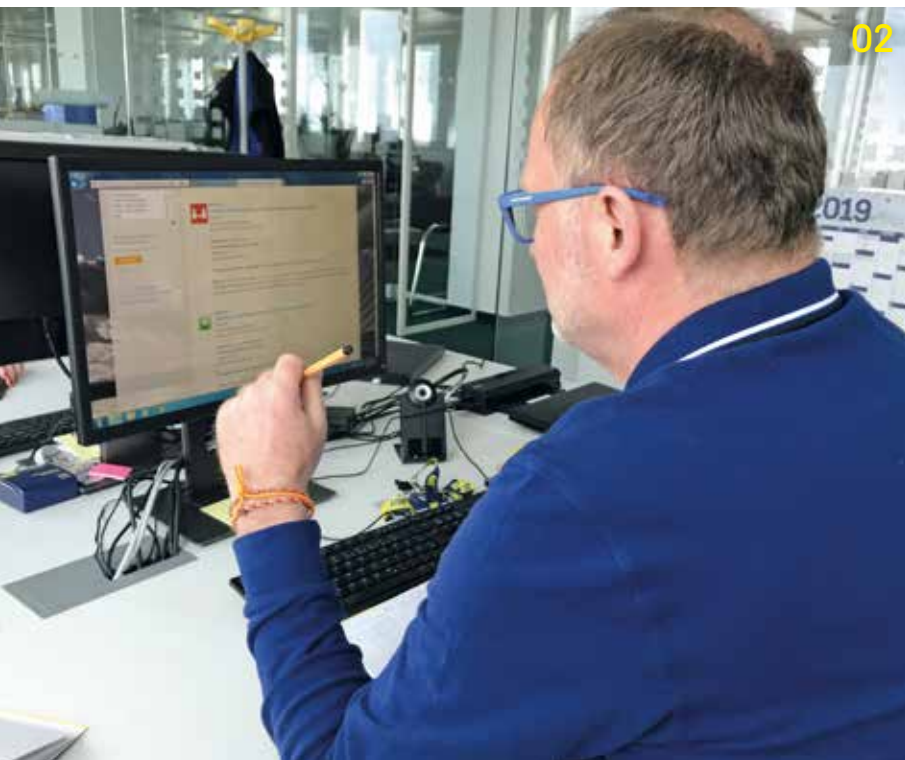
NEW since 2018: digIT LearningMap

In addition to training on digitalisation – with the key focal areas of EDM, iTWO, SAP MM, BIM and SharePoint – PORR is increasingly relying on digital media for the purpose of education and training.

The “digIT LearningMap” comprises PORR’s digital education programme and offers an overview of mandatory courses and optional training by function code from the field of digitalisation. This should ensure a uniform knowledge base in relation to applying the relevant IT tools by staff with certain function codes. The “digIT LearningMap” is subject to constant expansion and is published once a year with the latest training catalogue.

Recruiting and HR marketing

Recruiting measures aimed at school pupils and university students continued in the year under review – these included the events PORR@HAK, Business School Games/MINT Games, various construction site excursions and participating in numerous fairs to present the vocations. PORR continues to participate in Daughters’ Day and mentoring programmes. In the year under review the cooperation with the organisation “MTOPI – More than one perspective” continued. This is a programme aiming at the ongoing integration of highly-skilled, recognised refugees on the Austrian labour market. In addition, PORR helps selected refugees to enter the world of work as part of a job market service programme. These initiatives have enabled the company to recruit new staff and enter into a permanent working relationship with them.



01
Daughters’ Day 2018, Vienna

02
porr_academy:
training catalogue

Upholding human rights

A clear commitment to protecting human rights is indispensable for us.

GRI 103-1

Management approach

High construction output and the lack of skilled workers necessitate multiple levels of subcontractors. It is often hard to control this complex supply chain and that's why regulatory compliance is critical. Especially when it comes to labour migration, which is particularly prevalent in the Arabic region for example. Any breaches can lead to criminal prosecution, as well as having an impact on the award of tenders, recruiting, the corporate image and damaging the company as well as the business location.

GRI 103-2

SDG 4, 8

PORR has signed up to the principles of the UN Global Compact and the SDGs. The Code of Ethics valid across the Group also has to be upheld by everyone in the supply chain. Furthermore, the issues of child workers and forced labour are directly addressed in the basic data forms filled out by suppliers. PORR has introduced ISHAP, a system for recording and verifying workers' documentation, to facilitate better checks on foreign staff; the Group-wide rollout is pending. Any violations in the supply chain are recorded and evaluated in the supplier management system. Contact points on PORR markets can be local bodies such as the Norwegian Work Environment Board or contact partners from the departments of HR, Occupational Health and Safety or the European Central Works Council (responsible for countries without union representation), the mental health and conflict resolution unit and the CSR staff unit. Violations of human rights can additionally be reported directly to the compliance officer.

GRI 103-3

Annual checks are carried out on the Code of Ethics, supplier basic datasheets and internal standards to ensure that they are up to date, along with spot checks of company sites for any compliance breaches, all of which ensure adherence to the measures implemented.

Focus: Qatar

Local labour legislation, namely the Workers' Welfare Standards – under which selected welfare reps advocate for worker concerns at the monthly Worker Welfare Forum –, and the Dhaka Principles govern worker rights in Qatar. The PORR Qatar guidelines and procedures also address this issue. PORR Qatar informs the workforce about all legal occupational health and safety aspects. All workers have guaranteed freedom of movement, receive an original copy of their work contract and are in possession of their passport and other personal documents, which are kept in their own personal, lockable locker in their accommodation. In addition to bedrooms, their accommodation contains common areas with TV and internet, table tennis tables and a dining room. Different culinary and religious requirements are catered to in the choice of food. Alongside sports areas, facilities include a mosque and a shuttle service to the city centre. The Workers' Welfare organisation should identify possible problems early on and take proactive steps to solve them. For example, there are heat-sensitive warning systems on every construction site that are activated as soon as the temperature or humidity reach forbidden levels. Outdoor work then ceases immediately. Pay is composed of a basic wage and generally exceeds the minimum wage. In addition, accommodation, transport and food (three full meals a day) are provided. Furthermore, there is a complaint system via which any worker can register a complaint at any time.

Supply chain and disabled access

With the exception of a violation of minimum wage requirements by a supplier in Switzerland, with whom the cooperation was brought to an end, there were no breaches of human rights in the PORR Group in the period under review. In terms of disabled access, this is secured throughout for the new build of Group properties. When modifying or renovating properties, disabled access is also provided wherever structurally possible.

Diversity and equal opportunities

At PORR, diversity is the key to success. We advocate for equal opportunities and equal treatment in every one of our places of business.

GRI 103-1

Management approach

The construction industry is particularly strongly affected by demographic shifts. With the aim of establishing PORR as the best place to work, it is increasingly catering to the changing needs employees have of their employer.

GRI 103-2
SDG 5, 10

The diversity initiative “We@PORR” was implemented in the course of this target-setting exercise. The focus here is on securing a better work/life balance and addressing diversity-specific content such as gender equality, ethnic origin etc. The diversity projects are developed and implemented in the CSR staff unit. Issue-based, cross-country project teams are in regular contact with staff from different divisions and levels of the hierarchy via focus groups, surveys, test phases etc.

GRI 103-3

The set of measures determined is evaluated by the Diversity Board, an advisory committee made up of managers. Finally, these are approved by the highest decision-making body, the Diversity Council, with the participation of the Group Executive Board. Additionally, the HR department, the Works Council, and the

mental health and conflict resolution advisory service are always available for any questions related to equal opportunities. The set of measures and the management approach are regularly evaluated by the diversity project teams, the Diversity Board and the Diversity Council and adjusted wherever necessary.

Measures

PORR uses targeted measures to enhance the motivation and performance of its workforce as well as its potential for innovation and social skills. The first successes have already been recorded here. For example, women now account for 14% of the workforce, corresponding to an increase of 448 new female staff.

With programmes such as Home Office, sabbaticals and child-centred services and care options, PORR has put in place a more favourable framework for balancing one’s professional and private life. In addition to the diversity-specific awareness campaign involving contributions, newsletters, network meetings (“Women@PORR” and the “Diversity Table”) or diversity training for managers, there are training programmes for women and special mentoring initiatives. The set of measures is being rolled out to all markets step by step on a needs basis.

PORR Adventure Camp 2018: kids' construction site



Employment

Building is a people business. Our overarching goal is to retain skilled experts at PORR long-term. We uphold fair working practices and guarantee our staff members optimum transparency.

GRI 103-1

Management approach

Fair working practices and upholding legal stipulations is particularly important in the construction industry. Complex work processes incur an increased danger of a lack of transparency along with wage and social dumping. Any breaches of employee rights can lead to criminal prosecution, as well as having a negative impact on the award of tenders, recruiting and the corporate image. What's more, they damage the company and the business location. The prevailing shortage of skilled labour in the industry has a direct impact on construction output. It leads to delays and problems in realising buildings and

contracts as well as impacting the quality of the work. This makes it even more important to retain skilled experts in the company long-term.

PORR has a comprehensive Code of Ethics and guidelines on avoiding illegal hiring and social dumping. ISHAP has been introduced to facilitate better checks of foreign workers and will be rolled out successively in the future. The company places a strong focus on further education and training, whereby the key factor is highly qualified own staff, and has implemented an initiative to promote a better balance between one's professional and private life. The contact partners regarding employment are HR and the Works Council.

GRI 103-2
SDG 10

The HR department monitors the status quo using the KPIs such as fluctuation, length of sick leave, training figures etc. together with the employment-related divisions, i.e. the CSR staff unit, and updates the measures implemented where necessary following approval by the Executive Board.

GRI 103-3

Processing basic data with ISHAP



Staffing structure and growth

In the period under review PORR achieved further growth. Corporate takeovers led the company to have a workforce of 17,747 at the end of 2018, of which 16,419 were in the home markets. The PORR staff members originated from more than 73 countries.

GRI 102-8

The percentage of upper management recruited from the local area stood at 70.6% in Austria and 100% in Germany. In the other countries under review there is no corresponding management level.

GRI 202-2
SDG 8

PORR trusts in permanent staff. That said, the industry's prevailing lack of skilled labour necessitates cooperation with manpower leasing agencies on a project and company-specific basis, i.e. for follow-up orders or due to high project volumes. Depending on the country, there are weather-related fluctuations in the employment figures among vocational staff, that are, however, markedly decreasing each year. There have been no fluctuations in

countries such as Germany, Qatar or Norway. The data is gathered via standard evaluations from the respective payroll systems.

GRI 401-2

In order to accommodate the different personal situations of its staff members, PORR facilitates individual part-time contracts. More than 700 people – almost 4% of the workforce – work under conditions customised to their needs. When it comes to staff benefits, the company doesn't differentiate between full-time and part-time employment.

In addition, corporate agreements have been reached on continued remuneration when looking after a close relative while on nursing care leave (Germany and Austria), sabbaticals (Austria and Poland) and Home Office (Austria).

A new insurance model has been developed together with the Vienna Insurance Group. In case of serious illness, staff members covered by insurance are entitled to a one-off payout of EUR 20,000 – in case of death this amount is paid out to family or a specified beneficiary. The monthly insurance premium is EUR 5.00 for both employees and PORR. The initiative was launched in Austria in July 2018 with more than 5,000 people joining the scheme.

Remuneration and benefit plans

Salaries in most countries are governed by collective bargaining agreements and exceed the legal minimum wage requirements. For example, in Switzerland the starting salary is determined by the collective agreement and the construction union agreement. Extra pay is provided on the basis of additional qualifica-

tions. Remuneration is based on the principle of equal opportunities, i.e. there is no difference in pay due to gender. There were no salary increases for the highest paid employees in any country.

GRI 102-41, 405-2

With minimal exceptions, for which provisions are formed in the balance sheet, there are no Group-wide performance-based benefit plans. However, there are defined benefit pension plans in place in Germany, Austria and Switzerland.

GRI 201-3



GRI 202-1
SDG 5, 10

GRI 102-8, 401-1, 401-3, 404-1

Staffing structure

	2018	2017
Workforce ¹	17,747	17,279
of which women	14.0%	11.8%
New hires	2,343	4,756
Left the company	2,385	1,035
Average training per staff member in hours	13.5	12.1
Parental leave women	181	149
Parental leave men	116	118

¹ Effective date: 31 December

38 *Together for a better environment –
interview with Environmental Protection
Officer Thomas Kasper*

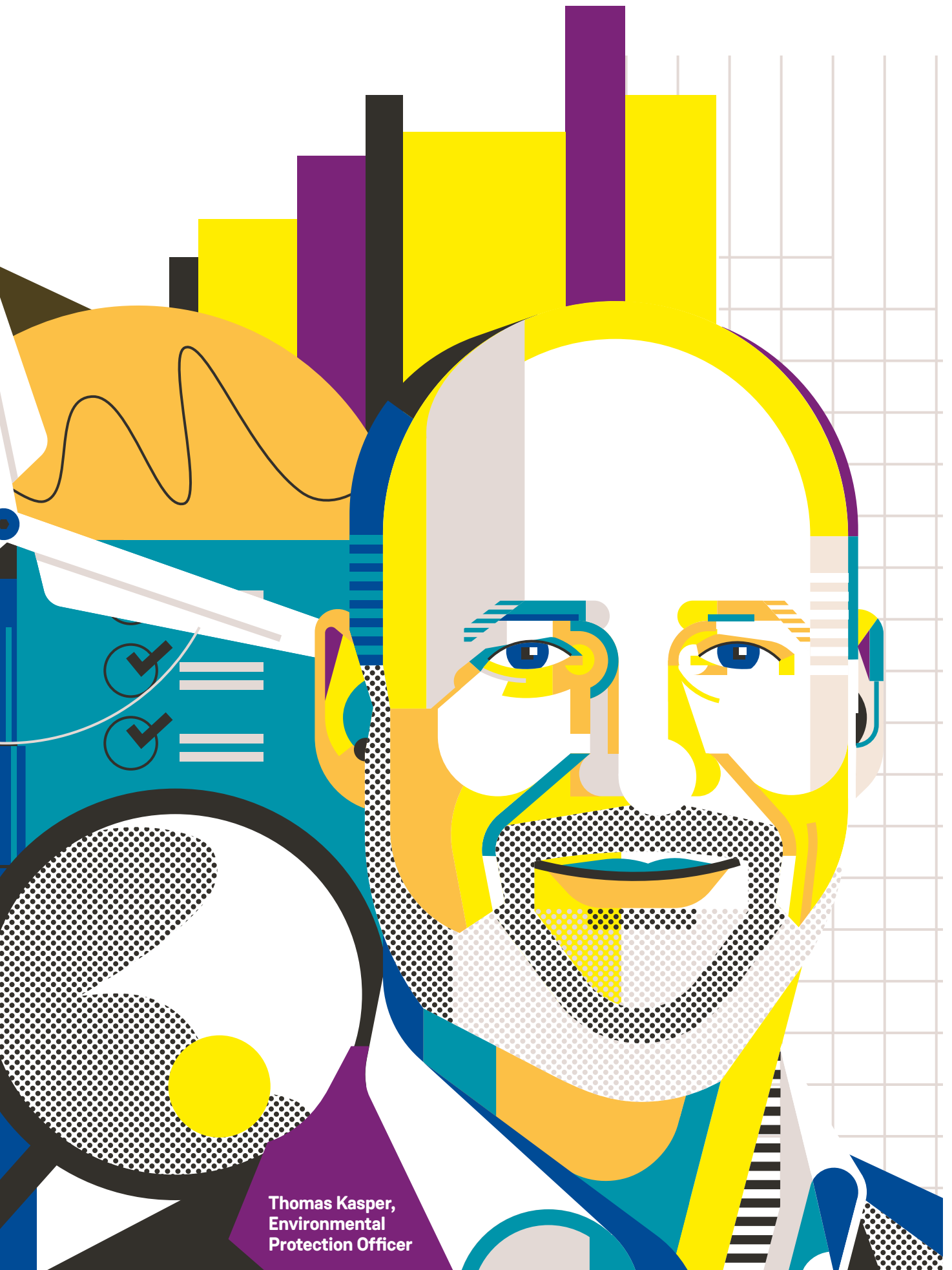
40 Energy and emissions

44 Resource management



Preserving Value

“ I like to be where change happens. At heart, I’m an entrepreneur who loves to take the initiative. New opportunities and ways of achieving sustainable change are constantly arising in the environmental sector. With the right pioneering spirit, you’re always one step ahead.



Thomas Kasper,
Environmental
Protection Officer

INTERVIEW WITH ENVIRONMENTAL PROTECTION OFFICER THOMAS KASPER

Together for a better environment

The power to innovate and a pioneering spirit require space to grow and opportunities to develop. It is only when all stakeholders work together that we can develop new approaches to improve our environment and optimise our use of resources.

Mr. Kasper, which issues are you dealing with at the moment?

One of the issues that I'm currently puzzling over in terms of disposing of demolition waste is the question of how to dispose of insulation materials like mineral wool or XPS boards in an environmental way. We have various research projects underway together with Montanuniversität Leoben to address the issue.

That's a very specific topic. What do you see as the greatest environmental challenges we face in general?

The construction industry is on the verge of a paradigm shift. It makes all of its decisions in the field of tension that lies between consuming resources and promoting sustainable construction methods, at the same time as user demands are rising. Here it's necessary to constantly keep on making advances and to develop tomorrow's models today. This is what PORR does, on the one hand in the fields of demolition, recycling and waste management, on the other in the area of developing brand new, sustainable construction methods and more efficient construction processes.

Why does PORR need a dedicated environmental protection officer?

By having an environmental protection officer, PORR does justice to the growing importance of environmental protection. The construction sector is an industry through which huge streams of materials flow and are used. The largest waste streams are created during demolition and excavation, which usually

precede a new build – accounting for more than 70% of total waste generated. This means that construction activities have a very large environmental footprint in terms of both resources used and waste produced.

Without innovation there can be no advances. Why do you believe it's so important to try new things, to develop new perspectives?

We are currently on the precipice of a global upheaval in how we treat our environment, as the conditions, such as the availability of raw materials or energy, are undergoing a massive change. In this situation our task is to examine every area for alternatives and improvements. That's why new perspectives and innovations are always in demand and immensely important.

In which areas has PORR already realised pioneering work?

There are countless trailblazing projects we could point to. Take the field of environmental clean-up and the method developed by PUT for securing contaminated sites and purifying the groundwater, for example. There is also a range of plants in the Group, in PUT and in the area of PORR Bau GmbH for demolition and recycling construction waste along with using the recycled construction materials produced. Last but not least, the area of geothermal energy has grown sharply in recent years. This field has also become more interesting in economic terms as ever more developers are opting for this sustainable heating option that is exceptionally environmental and robust.



01

Hospital, Baden: demolition of existing building

02

Recycled tile granulate



How can PORR make sure it's always one step ahead here?

Taking resources and staffing “into our own hands” to address this issue in good time, before others have done it. We must develop solutions and processes to be the first to use these tools. We want to lead the way for the industry.

What can policymakers do to support the construction industry in implementing measures to protect the environment?

Here one really important step is within our reach. Annex 1 of the Construction Products Regulation (EU Regulation) lays out the “Basic requirements for construction works” in seven items; these are mandatory for all member states. Item 7 describes the “Sustainable use of natural resources” but has not yet come into force. This specifies that construction works must be designed, built and demolished in such a way that the use of natural resources is sustainable. Construction materials must be reused or recycled after demolition. Construction works must be durable and be built with environmentally compatible raw and secondary materials.

To what extent do you use your own pioneering spirit in your day-to-day work?

As head of the Process Development department and President of the Austrian Construction Materials Recycling Association, together with an extremely ambitious and highly skilled

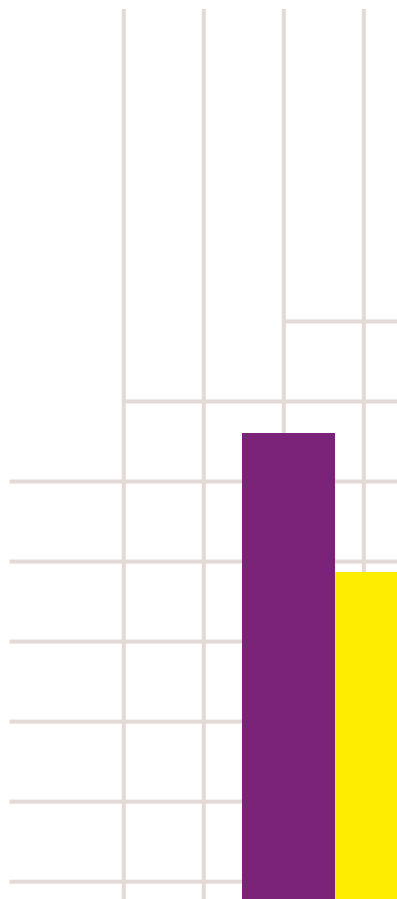
team, I deal with the challenges of the management and secondary use of waste, its creation and the related legal matters. Here we collaborate closely with our construction sites and branch offices to determine which questions to ask and to work on finding tomorrow's solutions. As you can see, pioneering spirit is a normal part of our day.

What role does environmental protection play in your daily life?

Environmental protection and environmental awareness are complementary factors – also in my daily life. This starts with the question of reducing waste when doing your daily shop, choosing ecological products from the local region and extends to the question of separating waste and reusing items like children's toys or sports equipment. When building my own home, I also used ecological construction materials.

If you could wish for any one thing related to your work, regardless of whether it is actually feasible or not, what would it be?

All of the things I have mentioned can't be achieved by PORR alone. Here we are just one player in the whole system. That's why I would wish for greater solidarity between all stakeholders and participants. With the mutual goal of improving our environment, we need to develop new approaches together in order to overcome the aforementioned changes.



Energy and emissions

PORR's objective is to continuously reduce energy consumption and emissions. PORR is setting new standards in climate protection with forward-looking buildings.

GRI 103-1, 102-11

Management approach

Resources such as energy and raw materials are not endlessly available. With the UN Climate Conference in Paris, discussions related to sustainability gathered momentum again at the end of 2015. The international Sustainable Development Goals have set new benchmarks. The construction and real estate industry has particular responsibility in light of the importance to society and the high resource consumption with its related negative impacts on the environment. The sector's high energy consumption, including the use of fossil fuels, largely results from construction site operations, transporting goods and the administrative infrastructure. PORR is committed to continuously improving its energy efficiency and thereby reducing its energy demand.

GRI 103-2
SDG 7, 9, 13

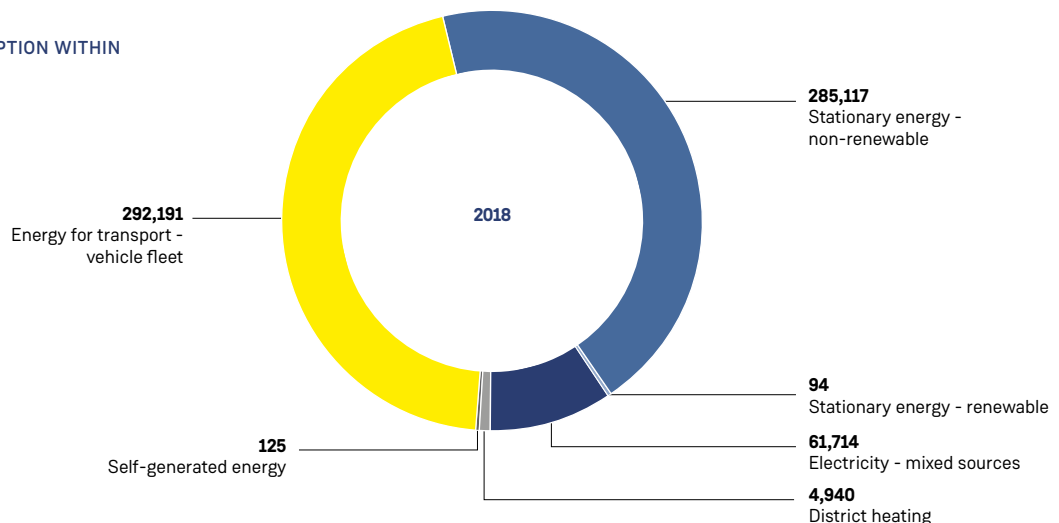
With buildings that are fit for the future, PORR is setting new standards in environmental and climate protection – in the interests of its customers and for the generations to come. How climate-friendly a project is is determined by the client. There are particularly stringent requirements for Green and Blue Building

projects. PORR also demands sustainability from its suppliers and proactively advocates for forward-looking construction standards. The focus here is on the greatest possible degree of climate neutrality. By using alternative drive systems and energy sources, deploying a centrally controlled equipment and fleet park management system, using next-generation construction machinery, modernising old production facilities and optimising its construction site logistics, there has been a continuous increase in energy efficiency and a steady fall in GHG emissions. PORR has set itself the goal of cutting its primary energy consumption and specific GHG emissions by at least 1.5% annually by 2020. This corresponds to a 7.5% reduction for the period 2015 to 2020.

Environmental protection should be seen as a continuous process. That's why the PORR environmental and energy officers evaluate the targets and measures every year and apply any adjustments necessary. Furthermore, PORR is committed to further developing certification systems, implementing the energy efficiency guidelines as well as conducting regular energy audits, for example in line with ÖNORM EN 16247-1, on the basis of the Austrian Energy Efficiency Act and the EDL-G in Germany.

GRI 103-3

GRI 302-1 ENERGY CONSUMPTION WITHIN THE PORR GROUP (in MWh)



GRI 305-1, 305-2, 305-3
DIRECT GHG EMISSIONS RELATED TO ENERGY¹
 (in t)
2018

	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Direct GHG emissions related to energy (Scope 1)	136,738	9,969	24,460	2,175	19,022	3,322	672	308	10,826	65,984
Indirect GHG emissions related to energy (Scope 2)	24,124	3,181	68	29	14,709	779	114	75	493	4,676
Other indirect GHG emissions (Scope 3) ²	2,034	582	13	306	11	38	22	1	0	1,061

¹ Calculations are based on the legal, country-specific calculation key.
² Data relate to flights, rail travel and car rentals.

GRI 302-1
 SDG 7, 9, 13

Energy consumption and emissions

The energy data shown covers the energy consumption of PORR locations including production sites (majority-owned) as well as construction machinery and equipment. Recording the energy consumption on construction sites is a work in progress. In 2018 the company consumed 644,179,620.44kWh (2017: 545,675,668.00kWh). Energy consumption in relation to production output stood at 0.117kWh/EUR. The most important energy source by far was diesel – followed by gas, electricity and heating oil. The key focus of

the measures to increase energy efficiency therefore lies in the area of construction vehicles and construction machinery along with decarbonising construction processes, i.e. optimising construction operations.

In light of the overwhelming use of fossil fuels, the GHG emissions showed a similar trajectory to the energy consumption. In 2018 a total of 136,738 tonnes of CO₂ equivalent was generated by operations (2017: 116,869 tonnes).

Ongoing replacement of the fleet, which is characterised by a reduction in fuel consumption, along with the use of next-generation construction machinery, improvements in production facilities, as well as staff training, video conferences and the use of low-pollution products should lead to a reduction in GHG emissions.

For the indirect GHG emissions (Scope 3), PORR reports emissions generated by flights, train travel, the use of rental cars and business travel. Emissions already covered by Scope 1 are excluded. The respective GHG emissions for 2018 amounted to 2,034 tonnes compared to 2,666 tonnes in the previous year.



GRI
305-5
SDG 7, 9, 13

Energy efficiency

In addition, measures that aim to reduce energy and subsequently GHG emissions are being consistently applied in the plant engineering of asphalt and concrete mix plants as well as gravel processing facilities. At the same time, the new construction and refurbishment of the buildings used by the operating business is contributing to cutting emissions. With this in mind, just as much attention is paid to upholding the highest environmental construction standards as on fitting photovoltaic systems (PV systems). The energy produced is used not only for heating and lighting, but also for operating electric vehicles.

The new construction and refurbishment of existing buildings used for operations as part of the new world of work has also been realised in line with environmental principles. Here a huge priority for PORR is low energy consumption for heating, cooling and lighting. The introduction of shared printers on each floor rather than each desk has led to additional energy efficiency increases in office work.

Other measures included further developing the centralised management of construction machinery and setting up a photovoltaic plant with charging points for electric vehicles.

Equipment and fleet management

PORR's equipment management is bundled in PORR Equipment Services (PES). The goal of PES is to increase energy efficiency at the same time as reducing airborne emissions in equipment management. One additional measure is defining technical standards for equipment and vehicles that apply Group-wide. A corporate acquisition in the Czech Republic meant that the rollout to the Polish market had to be postponed. The standardisation process has already been completed in Austria, Germany and the Czech Republic.

In 2018 PES and its subsidiaries operated construction machinery with total engine power of 195,920kW; in 2017 the value was 129,646kW. In order to reduce energy consumption on construction sites, when acquiring new construction equipment, PORR only buys off-road equipment (construction equipment) that conforms to the best available emissions standards on the market. All equipment with an operator seat has been fitted with an automatic start-stop function, significantly reducing idle time and operating hours. This has also led to an extension in the intervals needed for maintenance, meaning that equipment can

be operated in a more economical and energy-efficient way. The use of electric-powered construction equipment was also monitored. In order to reduce energy consumption for on-road equipment (cars, pick-ups and light commercial vehicles), PES has cut the timeframe for replacing cars from seven years or 240,000km to four years or 140,000km.

The results of recent years show that the consistent implementation of measures for on-road equipment has proven a success. With total emissions of 1,101.5 tonnes of CO₂, the emissions generated by the equipment and fleet park in Austria, Germany, Poland and the Czech Republic declined by 4.9% compared to the reporting period 2017.

In order to compare the emissions of ozone-depleting substances (HC) and other significant airborne emissions (CO, NO_x, PM), the relationship between each kW and the respective pollutant is shown. In terms of ozone-depleting substances, no noteworthy quantities were generated.

As of 1 September 2018 the exhaust gas and test procedure (test cycle) for passenger cars by the NEDC (New European Driving Cycle) was superseded by the WLTP (Worldwide Harmonised Light-Duty Vehicle Test Procedure), which will have an impact on the data for 2019. Since that time all new vehicles require type approval under the measurement methods of WLTP. The WLTP method determines vehicle consumption under more realistic conditions, so that the average consumption values are expected to rise by around 20%. Light commercial vehicles will also have to be type-approved under the new measuring methods in the future. This will probably lead the average value reported in this area to rise by around 20%. The goal of the changeover is to make it easier to compare vehicles in terms of their consumption – and thereby their CO₂ emissions.

GRI
305-6

GRI
302-4, 305-5
SDG 7, 9, 13



01
Forestry Education Centre,
Traunkirchen

02
Orhideea Towers, Bucharest:
office building

GRI
102-11,
302-5

SDG
7, 11, 13

Environmental products and services

PORR is setting new standards in environmental and climate protection with its forward-looking buildings and construction methods. The objective is designing buildings in a way that focuses on their whole life cycle, thereby reducing environmental impacts caused by emissions. Here, the life cycles of buildings should be optimised at the same time as achieving maximum climate neutrality and closed loops for resources.

With the help of Life-Cycle Assessment (LCA) data, these emissions are calculated across the entire life cycle – for production, operations and end of life – and evaluated by applying benchmarks. The environmental problems caused by emissions are reflected in the environmental performance indicators (EPis) such as greenhouse gas potential, ozone depletion potential, acidification potential and overfertilization potential.

The building's LCA should be applied wherever possible already in the design phase. Here it can serve as a key instrument for optimising the environmental quality of the building. The basis for calculating the building's LCA is DIN EN 15978.

In 2018 the structures designed and built by PORR in the course of building construction projects were on average 17% more efficient in terms of CO₂ than the industry average. Their demand for non-renewable primary energy sank by around 53%.

GRI
416-1

SDG 3

All legal stipulations related to user health and building security are upheld on PORR's construction projects. The requirements are

even more rigorous for projects with sustainability certificates.

After the end of the reporting period, a Schuldscheindarlehen worth EUR 203m was placed. The issue also includes a "Green Tranche" totalling EUR 31.5m, which was issued in line with the Eligible Green Principles. You can find more details on page 141 of the Annual Report 2018.





Resource management

PORR embraces a responsible approach to resources. Recycling serves to counteract the growing scarcity of resources. What's more, bundling the activities in resource management also enhances the efficiency of the measures taken.

Environmentally sound use of materials

GRI
102-11, 103-1

Management approach

In the construction industry the demand for construction materials has the greatest impact on the environment, alongside energy consumption. The sustainability strategy thereby focuses on high resource efficiency, better use of materials, the development of new construction materials and methods, as well as more efficient construction site logistics – a significant cost and competitiveness factor in the construction business. Last but not least, reusing raw materials can mitigate procurement risks such as those related to supply bottlenecks or cost of materials.

PORR has thereby set itself the goal of reusing as many materials as possible. Here the percentage of recycled construction materials should be steadily increased and methods that preserve resources should be advanced. To this end PORR has a number of plants in which recycled construction materials and secondary materials can be produced in guaranteed quality. These plants are continuously developed. In order to realise synergies and thereby achieve optimum results, the Group's entire knowhow in the field of technology-based environmental protection is bundled in PORR Umwelttechnik (PUT) and in the centre of

GRI
103-2

SDG
15

excellence for resources. PORR also promotes the issue of recycling in the research and development sector.

GRI 103-3

Environmental management is part of the Integrated Management System (IMS), which is certified to 14001:2015 at the SGS (reg. no. 40247). The goal of the system is to implement environmental standards Group-wide, taking into account all legal specifications. Here the incorporation of environmental aspects into all relevant processes and into entrepreneurial decision-making should be secured and monitored at regular intervals. The focus of environmental management and the environment experts lies in optimising the use of resources – in particular by steadily increasing recycling rates and reducing waste volumes – and in the annual assessment of the measures implemented with any adjustments made where necessary.

based construction rubble – especially from asphalt, concrete, rubble and natural stone. Furthermore, in 2018 around 190,000 tonnes of construction rubble and excavated material was processed into recycled construction materials on various construction sites. Quality assurance is a critical factor in terms of environmental credentials and construction properties and that is why it is overseen by accredited testing and inspection bodies.

The majority of the construction rubble recycled by PORR is reused on construction sites and asphalt mix plants, whereby demand for primary raw materials has declined considerably. In the production of asphalt, 27,000 tonnes of stone was substituted for recycled rubble in the Czech Republic in 2018, along with 52,000 tonnes each in Austria and Poland.

GRI 301-2
SDG 12, 15

Focus on recycling

For materials that have previously been classified as waste and thereby sent to landfill, PORR strives to transform them into valuable construction materials. At the same time, the company is working on innovative methods to improve the construction properties of recycled materials.

The Group-wide total amounts of recycled waste stood at 1.3m tonnes for PORR in 2018. This figure is subject to sharp fluctuations that can depend on the application options on large-scale projects for example, as well as the various levels of contamination of mineral-based construction rubble – for example excavated material – which is used as a feedstock.

PORR currently has 17 sites in Austria at which construction materials are recycled. In 2018 around one million tonnes of recycled construction rubble was produced here from mineral-



01
Recycled construction rubble from asphalt

02
Recycled construction rubble from concrete

03
Mobile crushing and screening plant

Waste management

GRI
103-1

Management approach

Every construction activity – especially the demolition and refurbishment of buildings – incurs a great deal of construction waste, most of which is mineral waste. Here construction and demolition waste, together with soil excavation, represent 75% of all waste volumes. In addition to damaging the ecosystem, these high volumes of construction waste also lead to significant disposal costs. That is why PORR is committed to avoiding or reducing negative environmental impacts insofar as they relate to waste from secondary raw materials.

GRI
103-2, 306-2

SDG 12

PORR operates waste recycling and treatment plants for processing mineral construction rubble, industrial waste and contaminated soil. Specific techniques for recycling a wide variety of waste types with different contamination levels are developed in the environmental lab. The goal here is to limit harmful reactions and ensure the proper disposal of any waste that cannot be recycled. What's more, targeted R&D methods are developed for special issues. Nonetheless, the choice of disposal ultimately lies with the respective certified disposal provider. The largest waste amounts by volume related to municipal waste, metal and wood.

GRI
103-3

The environmental and waste network in Austria provides an efficient platform for sharing experiences and for knowhow transfer. Every department is proactively involved in reducing waste volumes long-term and the network should thereby be rolled out across the Group.

Waste reporting

Reducing waste volumes is a key focal point in optimising the use of resources. 25,981 tonnes or 96.8% of the Group's total waste volumes were categorised as non-hazardous in the period under review. Major renovation works at two office sites led to a sharp rise in waste volumes compared to 2017. The PORR waste reporting covers sites used for the company's own business in Austria, Germany, Czech Republic, Norway, Poland, Romania, Slovakia, Switzerland and Qatar. Not included here are waste amounts at sites where PORR has rented office space and waste disposal is handled on a communal, property-specific basis. Traceable documentation of waste volumes was not possible at these sites owing to joint disposal arrangements with other companies. In the year under review there were no significant leaks of hazardous materials.

GRI
306-3

Rehabilitating and making safe contaminated sites

Making safe and rehabilitating contaminated sites is a key focal point of PORR's business. On the project "contaminated site N12 Kapellerfeld" in 2018 only material to finish the surface was backfilled. A rehabilitation facility has been in place there since the start of 2018. At an operating site in Vienna Simmering with a total area of 120,000m², the contaminated site – tar and tar products were responsible for the contamination – has been made safe by means of a being enclosed in cut-off walls with five filter windows and additional measures in the form of seven safety wells and a groundwater purification unit. Rehabilitation of the contaminated site is continuously underway. The filter window is filled with active charcoal and purifies the groundwater that flows through it at a rate of around 4 l/s (14.4m³/h) or approximately 125,000m³ a year. Additional measures mean that around 3 l/s (10.8m³/h) or approximately 95,000m³ a year of groundwater that has previously been pumped uphill is purified using an active charcoal filter.



01
Recycling Centre Himberg, Himberg

02
Velký Rybník waterworks, Kutná Hora:
rehabilitating a historic water basin

Water

GRI
103-1, 303-1

Management approach

Construction activity and production sites (e.g. concrete mix plants) produce varying levels of water consumption and wastewater, as does the demolition of buildings (to minimise dust emissions). Groundwater and mountain water may be accessed in the course of excavation works or underground construction (tunnelling). In building construction and civil engineering, water is mainly used as an ingredient in fresh concrete. This is why PORR has integrated water as a raw material into its internal resource management.

GRI
103-2
SDG 6

Wastewater is fed into the public sewage network or properly disposed of via reservoirs. Water on construction sites, depending on the location and size of the construction project, is provided by means of water hydrants, wells or surface water, which are jointly used by all companies working on site. For these reasons it is currently not possible to calculate the valid levels of water consumption. PORR has currently restricted itself to recording water consumption at its offices and production sites. The company's internal water policy provides a key working basis in this respect.

GRI
103-3

The water officer evaluates the water consumption of the PORR Group together with the centre of excellence for resources. Solutions for reducing water use are then developed along with measures for recycling water. Together with their networks, the water officers assess the

status quo of the measures implemented at regular intervals and where necessary revise the approach and the internal water policy.

Water consumption

PORR operates wastewater treatment plants and soil-washing plants including water treatment units. In general, the principle of minimising water consumption and usage intensity is pursued. The goals set for water consumption are determined in cooperation with the responsible authorities. They are also influenced by natural science considerations, technological aspects and new developments.

GRI
303-5
SDG 6

The issue of water as a precious resource is particularly acute in Qatar. This is why PORR has developed a Water Resource Plan (WRPlan). The recommendations of the EIA report (Environmental Impact Assessment Report) are implemented under this plan. This stipulates that construction activity must not deviate from any environmental profile that forms the basis of water management. The WRPlan contains specifications to be upheld both by the company and by its suppliers.

Water recirculation

Wastewater is fed into the public sewage network, whereby the standards for wastewater discharge on PORR markets are subject to statutory provisions. In the period under review there were no bodies of water that were significantly affected by wastewater discharge. The total volume of wastewater discharged in the period under review stood at 113.45m³. As a general rule, PORR does not introduce any foreign substances into the wastewater. It follows the principle of maximising wastewater quality and minimising wastewater quantity. To this end, new methods are consistently developed and implemented.

GRI
303-2,
303-4
SDG 6

The PORR Group is not aware of any incidents involving the breach of specified discharge levels.



Biodiversity

GRI
103-1

Management approach

Biodiversity is of critical importance, not only in sociocultural terms, but also economics. As a construction company, PORR contributes to building up and using the surface of the earth and paving over areas, which reduces biodiversity. By upholding environmental protection specifications and carrying out environmental impact assessments (EIA), it is possible to prevent potential (high-cost) proceedings to restore areas, construction delays and the subsequent project costs hikes, as well as damage to the corporate image. On EIA projects, landfills and stone quarries compensatory measures are often laid out. Furthermore, the greening of rooftops creates replacement areas and retention basins for the rain. In general, PORR's sphere of influence over biodiversity is limited, as sustainable building already starts at the level of urban planning and zoning. Here the local (construction) authorities are ultimately responsible in coordination with the developers.

GRI
103-2
SDG
15

PORR Umwelttechnik (PUT), the environmental lab and the internal environmental officer are the direct contact partners when it comes to protecting the environment. They are responsible for a range of services covering determining and investigating contaminated sites, including taking samples and studying them, through to building fish ladders and undertaking renaturation, as well as rehabilitating areas that have been contaminated by third parties.

GRI
103-3

Environmental management is part of the Integrated Management System (IMS), which is certified to 14001:2015 at the SQS

(reg. no. 40247). The goal of the system is to implement a Group-wide environmental policy, taking into account all legal specifications. Here the incorporation of environmental aspects, including biodiversity, should be secured for all relevant processes and into entrepreneurial decision-making and monitored at regular intervals.

Measures

PORR's business premises are generally in commercial areas and not in places with high levels of biodiversity. This means that an indirect negative impact is generally caused by transporting materials – including in the course of bridge building in Norway. Road construction also affects the environment. However, this is the responsibility of the commissioning authority. The application of comprehensive protective measures meant that no living organisms were endangered in the respective regions in the period under review.

GRI
304-1,
304-2

SDG 15

The renaturation of habitats is undertaken on behalf of and commissioned by a third party. As a rule, specialised experts assist and oversee the measures. However, the properties are and remain under the ownership of the client/developer.

GRI
304-3

PORR has installed bee hives and insect colonies at its own properties in order to nurture biodiversity. As part of the “bee@porr” initiative, there is also a dedicated partnership with the “bee love” charity at the PORR headquarters.





Dump truck, Brenner Base Tunnel

Innovative technologies

Developing innovative solutions is an indispensable part of both design and planning as well as in the build phase. PORR also promotes the issue of recycling in terms of research and development. Here recycling methods for various waste types with different levels of contamination are developed in the environmental lab. The challenge lies in the ever evolving combinations of pollutants. This calls for investments in both new analytical equipment and in developing new techniques to improve efficiency, as well as making economically and environmentally sound decisions.

Innovations in special civil engineering

Two projects are currently underway related to civil engineering. In the course of the ideas contest on “occupational health and safety”, the lifting of IBO anchor rods should be optimised, thereby contributing to reducing the accident frequency. As of July 2018, the first “new shanks” were tested, showing an improvement in occupational health and safety and drilling performance. Another innovation related to the jet grouting process. With so-called “Progel”, the stability of the drill hole is increased when drilling and of the soil when the nozzles are turned up, while the washing out of the suspension is significantly reduced for groundwater

flow rates. What’s more, the suspension is not washed out by flows in the subsurface. The tensile strength of the jet grouting pillars remains practically unchanged.

Increasing the potential for recycling in tunnel excavation

On lot H51 of the Brenner Base Tunnel, one significant factor that led the tender to be awarded to the consortium PORR-Hinteregger-Condotte-Itinera was the maximum exploitation of the recycling potential of the material excavated from the tunnel. Scientific research projects conducted in advance yielded important findings that were of great benefit later on. Various parameters were determined in good time to facilitate the establishment of a quality management system. This led to the creation of a decision matrix that made it possible to significantly increase the wealth of recyclable excavated material to promote sustainability. This could not only potentially facilitate the production of high-quality concretes, but also lead to the creation of new product groups, such as grout with drainage properties.

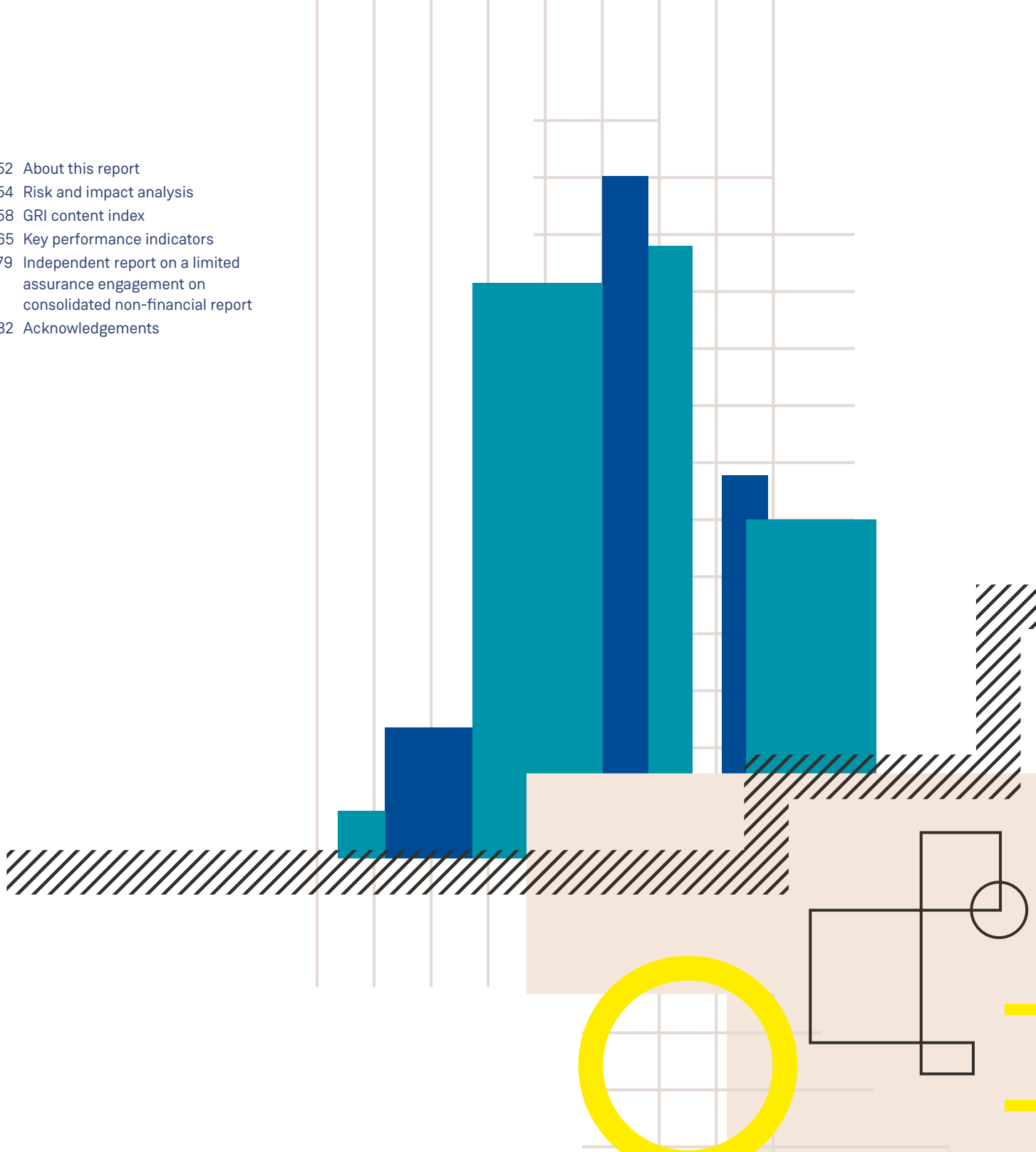
In 2018 PORR received EUR 6,214,000 in public subsidies for research and investments.

GRI
301-2

SDG 9

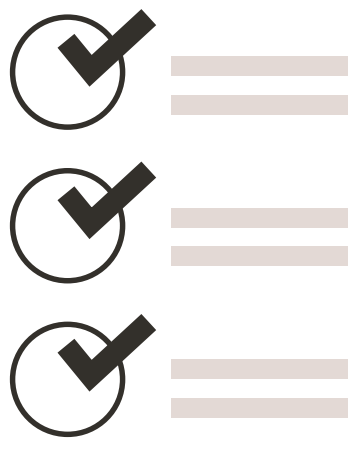
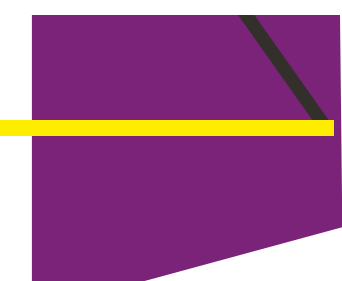
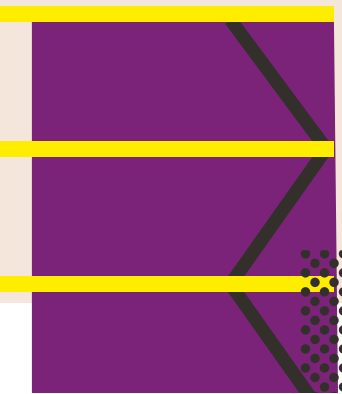
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Service Section





About this report

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Reporting practices and framework

Since 2008 PORR has issued regular reports on its Corporate Social Responsibility (CSR) activities, published at least once every two years. The last report came out in April 2018 and was based on the GRI G4 reporting guidelines in force at that time.

GRI
102-46, 102-54

This 2018 Sustainability Report is a non-financial report pursuant to Section 267a of the Austrian Commercial Code. It is targeted at all stakeholder groups of PORR AG and covers the business activities in 2018 – from 1 January to 31 December. It has been produced for the first time in accordance with the GRI standards of the Global Reporting Initiative (GRI), “Core” option. Parallel to this, PORR has shown how the material topics and corresponding measures stand in relation to the Sustainable Development Goals (SDG). The measures have been evaluated in terms of the contribution they have made to the SDGs and are cross-referenced in the report. The PORR Sustainability Report will be published annually from now on.

GRI
102-45

The most significant share of production output – 88% – is generated on the home markets Austria, Germany, Switzerland, Poland and the Czech Republic. In light of this, the home markets are the focus of this report. Other markets are included in the report if their production output accounts for more than 1%. This includes the project markets Qatar, Norway, Romania and – for the first time in the 2018 reporting period – Slovakia. In comparison to last year’s Sustainability Report, there has thereby been a change in the consolidated group.

Great Britain and the United Arab Emirates fall below the production output threshold and are not included in the report. On these markets PORR is currently engaged in tunnelling projects (the Humber Crossing in Great Britain and the Deep Tunnel Stormwater System in Dubai), which are governed by stringent regulations concerning the environment and occupational health and safety, as well as being subjected to regular audits. Around 30 to 60 people are employed there, whereby the projects have no significant impact on economic or social affairs in the countries and/or on the environment. In addition, the United Arab Emirates represents a completely new market. On the Deep Tunnel Stormwater System project in Dubai the focus in the reporting period was on design and planning works, permit procedures and temporary preparatory work. The major construction works with tunnel boring machines did not begin until February 2019.

PORR is committed to comprehensive, Group-wide reporting on sustainability issues. All PORR markets should be reported on in the business year 2019 analogously to the Annual Report.

In light of the change in countries included, the changeover to GRI standards and the presentation of new indicators, full comparability of the data with that from the year 2017 is not available. Wherever possible, a longer time period has been shown in order to present the information in a transparent and relevant way that also facilitates comparisons.

GRI
102-56

External assurance

This report has been submitted for an external audit for the first time by Wirtschaftsprüfungs- und Steuerberatungsgesellschaft BDO Austria GmbH. Alongside this report, PORR provides information on corporate responsibility in the Annual Report and online at porr-group.com/csr.

Additional information

The CSR topics of relevance to PORR were determined in a comprehensive materiality analysis conducted in 2016. The analysis was based on the GRI G4 reporting guidelines in force at that time, as well as the topics of the relevant sustainability ratings and the peer group. In the year under review, 2018, the materiality matrix was revised in light of legal requirements in non-financial reporting. The assessment of materiality was thereby extended in relation to the impacts on environmental issues, social issues, employee affairs,

upholding human rights and battling corruption and bribery. This led to a slight difference in the weighting of the material aspects in comparison with the Sustainable Value Report 2016/2017.

The risk assessment corresponds to the requirements of the Austrian Sustainability and Diversity Improvement Act (ASDIA). The risks identified in the course of workshops have been assessed in terms of implications and probability of occurrence, evaluated, consolidated and finally entered into a matrix. Appropriate countermeasures have been identified for the items listed as top risks, some of which have already been implemented.

GRI
102-53

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Risk and impact analysis

GRI
102-15

ASDIA ¹ topics	Material topics	Risks	Impacts on PORR
Respecting human rights	Upholding human rights	Human rights violations in business activities and the supply chain	<ul style="list-style-type: none"> • Consequences under criminal law • Negative impacts on tendering process • Recruitment problems • Damage to image
Employee and social affairs	Safety, security and prevention	Impact on physical/mental health in business activities and the supply chain	<ul style="list-style-type: none"> • Prosecutions (e.g. corporate liability, administrative sanctions) • Decreased competitiveness (e.g. tender process, recruiting) • Increased project costs • Enhanced external controls
	Further education and training	Shortage of skilled labour in business activities	<ul style="list-style-type: none"> • Problems in realising contracts • Lack of quality • Work pressure increases error frequency • Knowhow loss => technological stagnation • Sustainability criteria: pre-qualification
	Diversity and equal opportunities	Intercultural problems in business activities	<ul style="list-style-type: none"> • Lack of teamwork makes it harder to realise projects • Communication problems and potential for conflict • Endangering the international standing • Decreased innovation potential by failing to utilise diversity
	Contribution to the local economy		<ul style="list-style-type: none"> • Knowledge of conditions improves contract realisation • Simplified communication with business partners
Combating corruption and bribery	Compliance	Unfair competition and corruption in business activities and the supply chain	<ul style="list-style-type: none"> • Damage to image • Legal consequences • Distortion effects/exclusion from tender processes • Share price • Limited financial options

¹ Austrian Sustainability and Diversity Improvement Act

Impacts on non-financial topics	Concepts/Due-diligence processes/measures	Contribution to SDGs
<ul style="list-style-type: none"> • Violation of fundamental rights (child labour, forced labour etc.) • Loss of democracy and freedom • Physical and mental health problems • Social tension • Damage to the economy 	<p>p. 8 et seq. p. 11 p. 19 p. 32</p>	<p>8 16</p>
<ul style="list-style-type: none"> • Increased cost to economy • Increase in accidents at work • Early retirement on the grounds of physical/mental stress • Damage to infrastructure (e.g. power lines) • Damage to neighbours' health => particulate matter, noise and vibrations • Impact on transport safety => entering and exiting construction sites • Impact on road users => construction vehicles turning 	<p>p. 11 p. 26 et seqq.</p>	<p>3</p>
<ul style="list-style-type: none"> • Lack of opportunities for promotion • Loss of competencies and education • Increased financial output • Increased mental stress due to lack of skills • Lower transferability to the labour market • Hampers innovation and advances • Disadvantageous for the location • Decreased ability to contribute to local economy 	<p>p. 11 p. 30 et seq.</p>	<p>4</p>
<ul style="list-style-type: none"> • Conflicts/social tension => different values • Discrimination against minorities • Encouraging the formation of slums and ghettos 	<p>p. 11 p. 33</p>	<p>5</p>
<ul style="list-style-type: none"> • Impairing local purchasing power • Decrease in economic value generated • Endangering local jobs through migration 	<p>p. 16 et seq. p. 19 p. 20 et seq.</p>	<p>8 10</p>
<ul style="list-style-type: none"> • Damaging the business location • Subverting the rule of law • Loss of tax revenue • Wasting of public funds • Increase in public legal fees 	<p>p. 11 p. 19 p. 20</p>	<p>16</p>

ASDIA ¹ topics	Material topics	Risks	Impacts on PORR
Environmental affairs	Innovative technologies	Lack of innovation potential in business activities	<ul style="list-style-type: none"> • Decreased chance of being awarded tenders • Costs incurred by buying in knowhow => increased dependence • Higher investment costs • Not fit for the future due to not exploiting technological advances
	Environmentally sound use of materials	No blanket environmental standards in the value chain for business activities and the supply chain	<ul style="list-style-type: none"> • Loss of contracts • Prosecutions (e.g. due to environmental damage, compliance breaches) • Longer permit procedures through overregulation • Increased environmental impact => cost increases for fuel, energy • Production interruptions/higher costs through temporary bans/protected areas • Increase in costs caused by not exploiting material properties • Higher disposal costs for non-recyclable material
	Energy and emissions		
	Ecological products and services		
	Biodiversity and soil	Environmental damage in business activities and the supply chain	<ul style="list-style-type: none"> • Prosecution • Expensive/time-consuming procedures for site remediation • Damage to image • Construction delays => higher project costs
Sustainable procurement	Supply chain violations relating to human rights, environmental, employee or social affairs	<ul style="list-style-type: none"> • Prosecutions, e.g. for human rights violations, environmental damage • Increased project costs caused by construction delays • Damage to image • Increased external controls • Pressure at work => lower quality and increased error frequency • Negative impacts on tender process • Increased environmental impact => increased costs for fuel, energy • Higher costs caused by temporary driving bans/protected areas • Cost increases caused by remediation of contaminated soil 	

¹ Austrian Sustainability and Diversity Improvement Act

Impacts on non-financial topics	Concepts/Due-diligence processes/measures	Contribution to SDGs
<ul style="list-style-type: none"> • Outdated processes => resource inefficiencies, environmental damage, damage to health • Decrease in standard of living • Endangering the business location 	<p>p. 11 p. 44 p. 49</p>	<p>8 9</p>
<ul style="list-style-type: none"> • Damage to the ecosystem/bodies of water => exhausting resources • Impacting the ecosystem => environmentally unsound materials • Increase in waste generated => single-use products • Preventing circular economies 	<p>p. 11 p. 44 et seq. p. 46 p. 47</p>	<p>15</p>
<ul style="list-style-type: none"> • Damage to the environment caused by emissions (CO₂, exhaust fumes, particulate emissions) • Light emissions • Higher energy consumption for production and because of inefficient logistics • Greater climate change 	<p>p. 11 p. 40 et seq.</p>	<p>7 13</p>
<ul style="list-style-type: none"> • Building up natural areas hampers natural heat regulation => longer heatwaves • Damage to health => noise, dust, vibrations • Impact on the environment by construction activity • Damaging habitats/cultural treasures • Increased risk of extreme weather events/natural hazards => e.g. soil erosion • Cost to the economy when failing to adhere to standards 	<p>p. 11 p. 43 p. 46</p>	<p>3 7 11 12 13</p>
<ul style="list-style-type: none"> • Damage to habitats, protected areas, species diversity • Decrease in usable arable land • Decrease in primary production • Loss of climate regulation through factors such as urban hotspots • Impact on ecosystem performance 	<p>p. 11 p. 47 et seq.</p>	<p>3 6 13</p>
<ul style="list-style-type: none"> • Violation of fundamental rights (child labour, forced labour, fair pay etc.) • Increased number of accidents at work/early retirement • Increased mental stress due to lack of skills • Damage to health (noise, dust, vibrations) • Damage to infrastructure (e.g. power lines) • Impairing transport safety/road users • Impeding local economic performance • Wasting or squandering resources • Increased use of environmentally unsound materials and waste generated • Damage to the environment caused by emissions (CO₂, exhaust fumes, particulate emissions) • Light emissions • Higher energy consumption, e.g. cement production, long transport routes • Building up natural areas hampers natural heat regulation => longer heatwaves • Environmental impact through construction activity • Increased climate change • Damaging habitats and cultural treasures • Increased risk of extreme weather events/natural hazards • Preventing circular economies 	<p>p. 11 p. 19</p>	<p>3 8 13 15</p>

GRI content index

GRI
102-55Page reference: Sustainability Report 2018
AR = Annual Report 2018

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CUSTOMER PRIVACY 2016			
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304-2	Significant impacts of activities, products, and services on biodiversity	48		15
304-3	Habitats protected or restored	48		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		No endangerment of protected species	
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408-1	Operations and suppliers at significant risk for incidents of child labor		No risk identified
FORCED OR COMPULSORY LABOR 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		No risk identified
HUMAN RIGHTS ASSESSMENT 2016			
412-1	Operations that have been subject to human rights reviews or impact assessments		One assessment

Key performance indicators

GENERAL DISCLOSURES

GRI 102-8 INFORMATION ON STAFF

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total staff	17,747	2,876	815	108	2,036	319	239	86	852	10,416
Total male staff	15,257	2,364	748	79	1,638	243	200	63	701	9,221
Permanent male staff	14,271	2,253	748	41	862	243	177	63	663	9,221
Temporary male staff	986	111	0	38	776	0	23	0	38	0
Full-time male staff	15,112	2,332	748	79	1,629	241	194	63	698	9,128
Part-time male staff	145	32	0	0	9	2	6	0	3	93
Total female staff	2,490	512	67	29	398	76	39	23	151	1,195
Permanent female staff	2,312	473	67	19	284	76	35	23	140	1,195
Temporary female staff	178	39	0	10	114	0	4	0	11	0
Full-time female staff	1,932	403	67	26	385	75	36	23	140	777
Part-time female staff	558	109	0	3	13	1	3	0	11	418

Staffing levels: 31 December 2018

G4-10 2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
Average staff	17,279	2,703	1,617	58	1,590	298	266	762	9,985

GRI 102-38 ANNUAL TOTAL COMPENSATION RATIO¹

2018	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Annual total compensation ratio for staff in employment for the full year	3.8	8.3	3.5	11.4	15.1	2.9	9.9	10.4	25.5

¹ Annual total compensation ratio of the highest paid person to the median annual total compensation for staff in employment for the full year
Higher median values in AT and RO: Group Executive Board in Vienna, management deployed abroad
No comparative figures as this indicator has been used for the first time in 2018

ECONOMIC

GRI 201-1 PORR GROUP ECONOMIC PERFORMANCE
(in EUR.m)

	2018	2017	Change
Production output	5,593	4,738	18.0%
Order backlog	7,100	6,367	11.5%
Order intake	6,326	6,301	0.4%
EBITDA	219.5	200.7	9.4%
EBIT	92.3	90.2	2.3%
EBT	88.1	85.3	3.3%
Consolidated profit	66.2	63.7	3.9%
Equity (incl. non-controlling interests)	618	597	3.6%
Equity ratio	19.9%	20.7%	-0.8PP
Net debt	-150	-147	1.9%
Average staff	19,014	17,719	7.3%

Figures include all PORR markets

STAFF COSTS BY COUNTRY
(in TEUR)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total workforce	18,393	2,993	1,189	404	2,279	376	301	133	840	9,878
Staff costs	1,154,451	220,035	54,910	27,995	71,419	8,531	32,877	2,704	26,097	709,883
Average staff costs per staff member	63	74	46	69	31	23	109	20	31	72

Average staffing level

No comparative figures as this indicator has been used for the first time in 2018

EXPENDITURE ON EDUCATION AND TRAINING BY COUNTRY
(in TEUR)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total workforce	18,393	2,993	1,189	404	2,279	376	301	133	840	9,878
Education and training costs	4,401	846	83	285	360	66	153	35	151	2,422
Average education and training costs per staff member	0.24	0.28	0.07	0.71	0.16	0.18	0.51	0.26	0.18	0.25

Average staffing level

No comparative figures as this indicator has been used for the first time in 2018

Service Section

GRI 205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

2018	Total
Internal communication on anti-corruption guidelines	15,099
Members of the highest governance body	12
Upper management employees	18
Middle management employees	499
Non-management employees	14,570
Members of the governance body (%)	48.0
Upper management employees (%)	100.0
Middle management employees (%)	32.1
Non-management employees (%)	90.1
Anti-corruption training	479
Members of the governance body	12
Upper management employees	18
Middle management employees	407
Non-management employees	42
Members of the governance body (%)	48.0
Upper management employees (%)	100.0
Middle management employees (%)	26.2
Non-management employees (%)	0.3

No comparative figures as this indicator has been used for the first time in 2018

ENVIRONMENT

GRI 301-1 MATERIALS USED (in t)

2018	Total	PL	CZ	AT
Materials used	1,400,204	606,200	236,682	557,322
Non-renewable materials	1,400,204	606,200	236,682	557,322
Renewable materials	0	0	0	0

Data relate to asphalt mix plants

No comparative figures as this indicator has been used for the first time in 2018

GRI 301-2 RECYCLED INPUT MATERIALS USED

2018	Total	PL	CZ	AT
Amount of recycled material (t)	131,189	52,291	26,749	52,149
Percentage of secondary material (%)	9.3	8.6	11.3	9.4

Data relate to asphalt mix plants

EN2 2017	Total	QA	PL	CZ	AT
Recycled construction material from asphalt	10%	-	10%	11%	9%

Service Section

GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION (in MWh)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Energy consumption within the organisation	644,180	48,366	99,526	12,165	98,934	16,751	7,318	1,697	49,629	309,794
Energy for transport - vehicle fleet	292,191	30,535	6,385	2,844	31,755	3,666	1,743	412	23,504	191,346
Stationary energy - non-renewable	285,117	10,580	93,141	6,008	47,004	10,709	975	841	25,184	90,674
Stationary energy - renewable	94	0	0	0	0	94	0	0	0	0
Indirect energy consumption	66,654	7,250	0	3,312	20,175	2,283	4,600	444	941	27,649
Power grid mix	61,714	6,870	0	3,312	20,000	2,283	4,600	444	941	23,264
District heating	4,940	380	0	0	175	0	0	0	0	4,385
Self-generated energy	125	0	0	0	0	0	0	0	0	125

Increase in energy consumption: corporate acquisition in CZ and expansion of entities included in the report

GRI 302-2 ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION (in MWh)

2018	Total	DE	QA	NO	PL	RO	CH	SK	AT
Energy consumption outside of the organisation	10,725	3,323	369	2,313	41	173	101	5	4,402

CZ: standardisation process for reporting underway

EN3 2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
Energy consumption	545,676	92,920	24,559	3,542	68,927	20,448	4,964	36,543	293,774

GRI 302-3 ENERGY INTENSITY

2018	2018	2017	Change
Total energy consumption (MWh)	644,180	545,676	18.1%
Production output (EUR)	5,489,982.00	4,676,548.00	17.4%
Energy consumption/production output (MWh/EUR)	0.117	0.117	0.6%

Service Section

GRI 303-3 WATER WITHDRAWAL (in Ml)

2018	Total	DE ¹	NO	PL	RO	CH	SK	CZ	AT
Total water withdrawal	857.84	561.31	130.05	32.69	5.80	7.00	10.81	13.22	96.96
Surface water – withdrawal	154.58	0.94	123.66	0.00	0.00	0.00	0.00	0.00	29.97
Surface water – fresh water	153.64	0.00	123.66	0.00	0.00	0.00	0.00	0.00	29.97
Surface water – other water	0.94	0.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Groundwater – withdrawal	464.28	431.80	0.00	4.34	0.00	0.00	10.00	0.00	18.14
Groundwater – fresh water	464.28	431.80	0.00	4.34	0.00	0.00	10.00	0.00	18.14
Produced water – withdrawal	116.96	116.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Produced water – other water	116.96	116.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water from third parties – withdrawal	122.02	11.62	6.38	28.35	5.80	7.00	0.81	13.22	48.84
Water from third parties – fresh water	115.69	11.62	0.05	28.35	5.80	7.00	0.81	13.22	48.84
Water from third parties – other water	6.34	0.00	6.34	0.00	0.00	0.00	0.00	0.00	0.00
Total water withdrawal from areas with water stress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

¹ DE: Radmer Kies GmbH & Co. KG

QA: water withdrawal based on properties, no detailed breakdown is therefore possible
No comparative figures as this indicator has been used for the first time in 2018

GRI 303-4 WATER DISCHARGE (in Ml)

2018	Total	DE ¹	NO	PL	RO	CH	SK	CZ	AT
Total water discharge	498.70	386.08	0.35	28.35	5.80	7.00	0.81	13.22	57.08
Discharged into surface water	0.25	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00
Discharged into surface water – other water	0.25	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00
Discharged into groundwater	385.00	385.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Discharged into groundwater – fresh water	385.00	385.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recirculated as water from third parties	113.45	1.08	0.10	28.35	5.80	7.00	0.81	13.22	57.08
Recirculated as water from third parties – fresh water	112.33	0.07	0.00	28.35	5.80	7.00	0.81	13.22	57.08
Recirculated as water from third parties – other water	1.11	1.01	0.10	0.00	0.00	0.00	0.00	0.00	0.00

¹ DE: Radmer Kies GmbH & Co. KG

QA: water withdrawal based on properties, no detailed breakdown is therefore possible
No comparative figures as this indicator has been used for the first time in 2018

GRI 303-5 WATER CONSUMPTION (in Ml)

2018	Total	DE ¹	NO	PL	RO	CH	SK	CZ ²	AT
Total water consumption	401.10	175.23	129.70	32.69	5.80	7.00	10.81	0.00	39.88
Total water consumption from areas with water stress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

¹ DE: Radmer Kies GmbH & Co. KG

² CZ: standardisation process for reporting underway

QA: water withdrawal based on properties, no detailed breakdown is therefore possible
No comparative figures as this indicator has been used for the first time in 2018

Service Section

GRI 305-1 DIRECT GHG EMISSIONS (SCOPE 1) (in t)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Energy-direct GHG emissions	136,738	9,969	24,460	2,175	19,022	3,322	672	308	10,826	65,984

Calculation basis: legal, country-specific calculation key

EN15 2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
Energy-direct GHG emissions	116,869	19,959	6,140	557	15,730	4,042	751	7,607	62,083

GRI 305-2 INDIRECT GHG EMISSIONS (SCOPE 2) (in t)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Energy-indirect GHG emissions	24,124	3,181	68	29	14,709	779	114	75	493	4,676

Calculation basis: legal, country-specific calculation key

EN16 2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
Energy-indirect GHG emissions	46,722	9,208	-	524	6,965	1,832	764	2,248	23,462

GRI 305-3 OTHER INDIRECT GHG EMISSIONS (SCOPE 3) (in t)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ ¹	AT
Other indirect GHG emissions	2,034	582	13	306	11	38	22	1	0	1,061

¹ CZ: The standardisation process for recording data is currently underway. Data relate to flights, rail travel and car rentals
Calculation basis: legal, country-specific calculation key

EN17 2017	Total	DE	QA	NO	PL	CH	AT
Air travel	1,906	455	242	72	14	24	1,100
Rail travel	7	2	-	-	-	-	5
Car rentals	141	105	-	2	-	-	34
Staff travel	612	-	-	-	-	-	612
Total	2,666	562	242	74	14	24	1,751

Service Section

GRI 305-4 GHG EMISSIONS INTENSITY

	2018	2017	Change
Total GHG emissions (t CO ₂)	162,896	166,257	-2.0%
Production output (EUR)	5,489,982,000.00	4,676,548,000.00	17.4%
GHG emissions/production output (t CO ₂ /EUR)	0.000030	0.000036	-16.5%

GRI 305-7 AIR EMISSIONS (in kg/kW)

2018	Total/weight	DE	CZ	AT
Carbon monoxide (CO)	2.60	2.82	2.04	2.57
Hydrocarbons (HC)	0.13	0.04	0.05	0.16
Nitrogen oxide (NO _x)	2.18	2.21	1.55	2.20
Particulate mater (PM)	0.12	0.13	0.07	0.12

CHANGE IN AIR EMISSIONS (in kg/kW)

	2018	2017	Change in %
Carbon monoxide (CO)	2.60	2.53	2.8
Hydrocarbons (HC)	0.13	0.16	-18.2
Nitrogen oxide (NO _x)	2.18	2.38	-8.4
Particulate mater (PM)	0.12	0.13	-8.6

CO increase caused by corporate acquisitions

GRI 306-2 WASTE BY TYPE (in t)

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total waste by waste type	26,839	1,945	7,916	744	165	1,087	222	43	217	14,500
Hazardous waste	857	88	131	55	10	0	50	0	1	522
Mineral oil	244	21	0	4	6	0	0	0	0	212
Workshop waste	294	67	5	50	4	0	0	0	0	168
Other hazardous waste	319	0	126	0	0	0	50	0	1	142
Non-hazardous waste	25,981	1,856	7,785	689	155	1,087	172	43	217	13,977
Household waste	5,992	470	3,857	95	-	511	-	30	102	926
Paper	595	434	-	5	-	0	-	3	0	152
Paper packaging	67	17	-	0	-	6	-	1	2	41
Plastic packaging	48	20	-	4	-	1	-	4	3	16
Glass	20	0	-	0	-	-	-	0	1	19
Metal	1,330	440	-	103	-	100	2	3	29	653
Wood or wood waste	4,914	170	3,787	472	-	90	100	2	49	244
Bulky waste	166	2	-	9	-	-	70	0	31	54
Other non-hazardous waste	12,849	304	141	-	155	378	-	0	0	11,872

Data relate to offices and production sites
QA, PL, RO, CH: waste disposal partly based on properties

Service Section

EN23	2017	Total	DE	QA	NO	PL	CZ	AT
	Municipal waste	2,500.35	265.27	403.93	21.98	640.64	182.28	986.25
	Paper	645.62	298.36	112.76	31.72	-	0.81	201.97
	Paper packaging	363.97	36.57	-	0.01	84.77	6.78	235.84
	Plastic packaging	217.42	18.55	69.00	0.02	97.47	3.03	29.35
	Glass	20.53	-	-	0.01	-	2.00	18.52
	Metal	971.06	100.39	47.04	51.41	68.71	17.39	686.12
	Wood	2,085.78	73.67	1,354.04	158.50	-	167.39	332.18
	Bulky waste	141.96	11.75	-	-	2.08	66.06	62.07
	Other non-hazardous waste	1,121.03	171.37	97.10	3.60	3.35	-	845.61
	Non-hazardous	8,067.71	975.92	2,083.87	267.25	897.02	445.74	3,397.91
	Mineral oil	219.15	22.43	2.30	-	5.63	-	188.79
	Workshop waste	61.46	23.54	-	8.23	0.71	0.21	28.77
	Other hazardous waste	264.59	12.31	160.75	-	0.50	0.78	90.25
	Hazardous	545.21	58.28	163.05	8.23	6.84	1.00	307.81
	Total	8,612.43	1,034.20	2,246.92	275.00	903.85	446.74	3,705.72

GRI 306-4 TRANSPORT OF HAZARDOUS WASTE (in t)

2018	Total	DE	QA	NO	PL	CH	SK	CZ	AT
Hazardous waste transported	4,305	88	131	55	10	50	0	1	3,970
Hazardous waste imported	0	0	0	0	0	0	0	0	0
Hazardous waste exported	0	0	0	0	0	0	0	0	0
Hazardous waste treated	61,248	0	0	0	0	0	0	0	61,248
Hazardous waste shipped internationally (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

RO: standardisation process for reporting underway

EN25	2017	
	Total hazardous waste transported	3,071
	Total hazardous waste imported	-
	Total hazardous waste exported	50
	Total hazardous waste treated	49,705

SOCIAL

GRI 401-1 NEW EMPLOYEE HIRES AND TURNOVER BY AGE GROUP, GENDER AND COUNTRY

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total new hires by age group	2,343	652	18	49	858	99	32	31	144	460
New hires aged below 30	851	194	3	16	311	24	14	5	49	235
New hires aged 30 to 50	1,102	308	15	28	411	52	15	21	67	185
New hires aged 50+	390	150	0	5	136	23	3	5	28	40
Total new hires by gender	2,343	652	18	49	858	99	32	31	144	460
New hires men	1,886	541	12	40	757	89	19	24	109	295
New hires women	457	111	6	9	101	10	13	7	35	165
Rate new hires aged below 30 (%)	36.3	29.8	16.7	32.7	36.2	24.2	43.8	16.1	34.0	51.1
Rate new hires aged 30 to 50 (%)	47.0	47.2	83.3	57.1	47.9	52.5	46.9	67.7	46.5	40.2
Rate new hires aged 50+ (%)	16.6	23.0	0.0	10.2	15.9	23.2	9.4	16.1	19.4	8.7
Rate new hires men (%)	80.5	83.0	66.7	81.6	88.2	89.9	59.4	77.4	75.7	64.1
Rate new hires women (%)	19.5	17.0	33.3	18.4	11.8	10.1	40.6	22.6	24.3	35.9
Total fluctuation by age group	2,385	416	725	36	520	105	13	10	210	350
Left the company aged below 30	656	76	190	7	159	21	4	3	96	100
Left the company aged 30 to 50	1,311	216	506	22	266	57	5	5	72	162
Left the company aged 50+	418	124	29	7	95	27	4	2	42	88
Total fluctuation by gender	2,385	416	725	36	520	105	13	10	210	350
Men who left the company	2,104	346	712	33	474	90	8	7	187	247
Women who left the company	281	70	13	3	46	15	5	3	23	103
Fluctuation rate aged below 30 (%)	27.5	18.3	26.2	19.4	30.6	20.0	30.8	30.0	45.7	28.6
Fluctuation rate aged 30 to 50 (%)	55.0	51.9	69.8	61.1	51.2	54.3	38.5	50.0	34.3	46.3
Fluctuation rate aged 50+ (%)	17.5	29.8	4.0	19.4	18.3	25.7	30.8	20.0	20.0	25.1
Fluctuation rate men (%)	88.2	83.2	98.2	91.7	91.2	85.7	61.5	70.0	89.0	70.6
Fluctuation rate women (%)	11.8	16.8	1.8	8.3	8.8	14.3	38.5	30.0	11.0	29.4

Basis for calculation: staff employed for the full year

LA1	2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
	New hires salaried employees and waged workers	4,756	814	1,617	53	719	137	67	155	1,194
	of which women	547	172	79	11	90	17	7	16	155
	Left the company	1,035	297	215	6	134	34	16	67	229

Service Section

GRI 401-3 PARENTAL LEAVE

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Total staff on parental leave	297	64	2	2	82	15	2	2	15	113
Male staff	116	36	0	0	49	3	0	0	1	27
Female staff	181	28	2	2	33	12	2	2	14	86
Total returned after parental leave	202	63	3	0	67	4	2	0	5	58
Male staff	110	36	1	0	48	1	0	0	1	23
Female staff	92	27	2	0	19	3	2	0	4	35
Staff retained after twelve months	124	45	2	0	15	4	0	0	3	55
Male staff	54	29	1	0	0	1	0	0	1	22
Female staff	70	16	1	0	15	3	0	0	2	33
Staff retention rate (%)	61.4	71.4	66.7	0.0	22.4	100.0	0.0	0.0	60.0	94.8
Retention rate male staff (%)	49.1	80.6	100.0	0.0	0.0	100.0	0.0	0.0	100.0	95.7
Retention rate female staff (%)	76.1	59.3	50.0	0.0	78.9	100.0	0.0	0.0	50.0	94.3

LA3 2017	Total	DE	QA	PL	RO	CH	CZ	AT
Women employed	149	23	1	49	5	1	2	68
who then left	4	-	-	1	-	-	-	3
Men employed	118	37	1	48	3	-	1	28
who then left	4	4	-	-	-	-	-	-

GRI 403-9 WORK-RELATED INJURIES

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Fatalities caused by work-related injuries	0	0	0	0	0	0	0	0	0	0
Serious injury (without fatalities)	4	1	0	0	0	0	0	0	0	3
Work-related injuries documented	556	84	6	2	30	1	6	0	5	422
Hours worked	46,460,822	5,514,615	16,900,302	758,984	3,543,112	522,122	455,488	107,128	1,374,819	17,284,252
Rate of fatalities caused by work-related injuries (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate of serious work-related injuries (without fatalities, %)	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Rate of work-related injuries documented (%)	12.0	15.2	0.4	2.6	8.5	1.9	13.2	0.0	3.6	24.4

Basis for calculation: staff employed for a full year

Calculation key QA: pro rata project volumes in accordance with the requirements of the Qatar Construction Standard 2014 and client specifications

Service Section

LA6	2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
	Fatal accidents at work	-	-	-	-	-	-	-	-	-
	Accidents at work	543	76	7	3	14	3	5	8	427
	Frequency of accidents	11	18	-	8	6	6	11	6	27
	Hours worked	48,064,112	4,245,595	22,834,314	385,618	2,454,348	514,122	435,254	1,328,101	15,866,760

GRI 403-10 WORK-RELATED ILL HEALTH

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Fatalities caused by work-related ill health	0	0	0	0	0	0	0	0	0	0
Documented instances of work-related ill health	4	0	0	0	0	0	0	0	0	4

Four cases of noise-induced hardness of hearing

LA6	2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
	Reports of occupational disease	-	-	-	-	-	-	-	-	-

GRI 404-1 AVERAGE HOURS OF TRAINING PER YEAR BY EMPLOYEE

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Training hours by gender	95,672.00	22,280.00	288.00	1,931.00	7,382.00	1,840.00	748.00	2,388.00	3,090.00	55,725.00
Men	65,538	15,084	135	1,569	4,511	1,112	604	1,135	1,926	39,463
Women	30,134	7,196	153	363	2,872	728	144	1,253	1,164	16,262
Training hours by management level	95,672.00	22,280.00	288.00	1,931.00	7,382.00	1,840.00	748.00	2,388.00	3,090.00	55,725.00
Upper management	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52.00
Middle management	26,612.50	5,155.00	93.00	655.50	5,293.00	1,584.00	197.00	454.00	1,481.00	11,700.00
Non-management	69,007.50	17,125.00	195.00	1,275.50	2,089.00	256.00	551.00	1,934.00	1,609.00	43,973.00
Average training hours by gender										
Men (h/staff member)	12.66	11.83	0.48	35.65	8.19	8.83	5.59	103.18	10.08	15.24
Women (h/staff member)	14.38	14.17	3.56	12.50	11.77	9.58	3.69	54.48	8.89	16.21
Average training hours by management level										
Upper management (h/staff member)	2.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.06
Middle management (h/staff member)	17.14	16.96	0.76	15.99	22.33	37.71	8.21	41.27	16.10	17.23
Non-management (h/staff member)	12.10	11.59	0.96	39.86	3.74	1.60	4.48	84.09	7.00	15.18

Upper management: E1-E2 (Executive Board, Managing Directors)
 Middle management: E3-E5 (heads of department, unit, group and team)
 Figures relate to salaried employees

Service Section

LA9	2017	Total	DE	PL	CH	CZ	AT
	Women	12.73	17.26	19.07	3.11	8.20	10.37
	Men	11.84	16.41	10.80	4.27	5.63	11.76
	Total	12.08	16.66	12.73	3.96	6.24	11.38

GRI 404-3 **PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS**

2018	Total	DE	QA	NO	PL	CH	SK	CZ	AT
Performance review by gender	5,188	914	309	45	681	126	54	315	2,744
Men	3,799	638	283	29	442	91	37	234	2,045
Women	1,389	276	26	16	239	35	17	81	699
Employees receiving regular performance and career development reviews by gender									
Men (%)	83.3	80.0	100.0	76.3	69.2	97.9	100.0	77.0	86.4
Women (%)	85.4	83.4	100.0	84.2	73.8	100.0	100.0	81.0	90.2

Figures relate to salaried employees
 RO: standardisation process for reporting underway

LA11	2017	Total	DE	PL	CH	CZ	AT
	Women	86.2%	85.0%	81.6%	93.3%	79.8%	89.0%
	Men	82.7%	84.9%	77.5%	97.3%	83.3%	82.7%

Service Section

GRI 405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

2018	Total	DE	QA	NO	PL	RO	CH	SK	CZ	AT
Male members of governance bodies (%)	92.0	100.0	0.0	0.0	100.0	0.0	100.0	0.0	100.0	83.3
Female members of governance bodies (%)	8.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.7
Members of governance bodies aged below 30 (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Members of governance bodies aged 30 to 50 (%)	28.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	50.0	33.3
Members of governance bodies aged 50+ (%)	72.0	100.0	0.0	0.0	50.0	0.0	100.0	0.0	50.0	66.7
Men in upper management (%)	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Women in upper management (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Men in middle management (%)	89.4	94.7	89.4	75.6	80.2	78.6	95.8	63.6	97.8	90.9
Women in middle management (%)	10.6	5.3	10.6	24.4	19.8	21.4	4.2	36.4	2.2	9.1
Men in non-management positions (%)	85.8	80.7	96.1	71.6	80.5	75.8	82.3	74.7	80.4	88.3
Women in non-management positions (%)	14.2	19.3	3.9	28.4	19.5	24.2	17.7	25.3	19.6	11.7
Upper management aged below 30 (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Upper management aged 30 to 50 (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Upper management aged 50+ (%)	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Middle management aged below 30 (%)	1.5	0.0	12.2	14.6	0.4	0.0	0.0	0.0	0.0	0.3
Middle management aged 30 to 50 (%)	57.3	49.3	71.5	80.5	58.2	85.7	62.5	54.5	44.6	56.4
Middle management aged 50+ (%)	41.1	50.7	16.3	4.9	41.4	14.3	37.5	45.5	55.4	43.3
Non-management aged below 30 (%)	20.8	17.5	29.5	17.9	27.3	12.3	24.2	9.3	13.9	20.7
Non-management aged 30 to 50 (%)	49.4	47.9	67.9	68.7	50.3	62.5	47.4	76.0	51.3	47.4
Non-management aged 50+ (%)	29.8	34.6	2.6	13.4	22.5	25.3	28.4	14.7	34.7	31.8

Service Section

LA12 2017	Total	DE	QA	NO	PL	RO	CH	CZ	AT
Executive Board	3	-	-	-	-	-	-	-	3
of which women	-	-	-	-	-	-	-	-	-
Supervisory Board	14	-	-	-	-	-	-	-	14
of which women	2	-	-	-	-	-	-	-	2
Management up to level 4 without Executive Board	663	171	11	1	29	7	6	13	425
of which women	40	7	1	-	9	2	-	-	21
aged below 30	-	-	-	-	-	-	-	-	-
aged 30 to 50	29	4	-	-	6	1	-	-	18
aged 50+	9	3	1	-	2	-	-	-	3
of which men	623	164	10	1	20	5	6	13	404
aged below 30	1	1	-	-	-	-	-	-	-
aged 30 to 50	330	88	6	1	11	3	5	7	209
aged 50+	292	75	4	-	9	2	1	6	195

GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (in EUR m)

	2018	2017
Revenue	4,959.1	4,292.9
Earnings from companies accounted for under the equity method	86.6	59.2
Other operating income	189.1	170.9
Income from financial investments and other current financial assets	18.5	16.0
Depreciation, amortisation and impairment	-127.1	-110.5
Cost of materials	-3,462.6	-2,944.0
Other costs to generate economic value	-373.9	-342.2
Economic value generated	1,289.7	1,142.3

DISTRIBUTION OF ECONOMIC VALUE GENERATED (in EUR m)

	2018	2017
Staff costs	1,178.8	1,036.1
Payment to government entities	21.9	21.6
Shareholders (dividends)	43.0	42.3
External capital providers	22.7	20.9
Companies (retained earnings)	23.3	21.4
Economic value generated	1,289.7	1,142.3

Independent report on a limited assurance engagement on consolidated non-financial report

The German text of the signed confirmation report, which refers to the German version of the non-financial reporting 2018, is the only legally binding version. The English translation has no legal effect. In particular, it cannot be used for interpreting the German text.

Subject matter of the contract

We have been appointed by PORR AG to perform procedures to obtain limited assurance (hereinafter “audit”) of the statements and data on the non-financial reporting of 2018 (hereinafter “reporting”) of PORR AG, based on the requirements according to Art. 267a UGB Sustainability and Diversity Improvement Act (Austrian Commercial Code, Nachhaltigkeits-und Diversitätsverbesserungsgesetz NaDiVeG) and the GRI Standards Core Option.

Our audit procedures were taken to achieve limited audit security as a basis for our assessment. The scope of audit procedures for obtaining audit evidence is smaller than the scope for sufficient audit security (such as for an annual audit), so that a low degree of audit security is given.

Clarification of the audit engagement

- We have not audited prior-year figures.
- The audit of forward-looking statements was not the subject of our engagement.
- Equally, neither the detection and clarification of criminal offences, such as embezzlement or other malicious acts, nor the assessment of the effectiveness and efficiency of management were the subject of our engagement.

Criteria

The information included in the report was based on the criteria applicable in the financial year 2018 (“the criteria”) consisting of:

Requirement according to Art. 267a UGB Sustainability and Diversity Improvement Act (Austrian Commercial Code, Nachhaltigkeits-und Diversitätsverbesserungsgesetz NaDiVeG) as well as the GRI Standards Core Option. We believe that these criteria are appropriate for the performance of our audit engagement.

Management responsibilities

The management of PORR AG is responsible for the preparation of this report and for the information contained therein, in accordance with the above criteria. This responsibility of management includes selecting and applying appropriate methods of non-financial reporting and making assumptions and estimates related to individual non-financial disclosures that are reasonable in the circumstances. In addition, management is responsible for internal control relevant to the preparation and fair presentation of non-financial statements that are free from material misstatement, whether due to fraud or error.

Declaration of independence and quality

We have complied with the Austrian professional provisions regarding independence as well as other ethical requirements. Our assurance engagement has been planned and performed in accordance with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board (IAASB).

Our responsibility

It is our responsibility to express a conclusion on the information included in the Report on the basis of the limited assurance engagement. Our assurance engagement has been planned and performed in accordance with Austrian generally accepted standards for other audits (KFS/PG 13) and the International Standard on Assurance Engagements (ISAE 3000 Revised). In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement and therefore less assurance is obtained.

Our procedures

The procedures selected depend on the auditor's judgement and are described as follows:

- Obtaining an overview of the business activities as well as the company's structural and process organisation;
- Interviewing employees responsible for materiality analysis on group level in order to gain an understanding of the procedure for identifying significant sustainability issues and the corresponding reporting boundaries of the company;
- Risk assessment, including a media analysis on relevant information about the company's sustainability performance during the reporting period;
- Interviews with company managers to identify and understand relevant systems, processes and internal controls
- Inspection of selected internal and external documents to determine whether qualitative and quantitative information is supported by sufficient evidence and presented fairly;
- Performing analytical procedures on Group level;
- Assessment as to whether the requirements were addressed appropriately according to Art. 267a UGB;
- Assessment as to whether the GRI Standards were consistent with the Core Option.

Conclusion

Based on the audit procedures performed and the audit evidence obtained, nothing has come to our attention that causes us to believe that the information relating to the defined report contents in reporting for the period from January 1, 2018 to December 31, 2018 are not in accordance with the criteria identified above.

Limitation of use

We issue this report on the basis of the engagement agreed with the PORR AG. It is not subject of our performance to consider the interests of third parties. It serves exclusively the contracting authority and their purposes. Thus, it is not aiming at and intending to serve third parties as basis of decision-making. We do not assume any responsibility towards third parties.

Terms of contract

The "General Conditions of Contract for the Public Accounting Professions", issued by the Chamber of Public Accountants and Tax Advisors, Version of April 18, 2018 are binding for this engagement. According to that, our liability is limited, and an accountant is only liable for violating intentionally or by gross negligence the contractual duties and obligations entered into. In cases of gross negligence, the maximum liability towards PORR AG and any third party totals EUR 726.730.

Vienna, April 18, 2019

BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

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Disclaimer

Every care has been taken to ensure that all information contained in every part of this Sustainability Report is accurate and complete. The figures have been rounded off using the compensated summation method. We regret that we cannot rule out possible round-off, typesetting and printing errors.

This report is a translation into English of the report issued in the German language and is provided solely for the convenience of English-speaking users. In the event of a discrepancy or translation error, the German-language version prevails.



