

# SUSTAINABILITY STRATEGY



**PORR**



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

## Our vision

PORR strives for sustainable economic success through socially and environmentally sound action.

- Sustainable value chain
- Proactive stakeholder engagement
- Climate protection and adjustment of the business model
- Circular economy and related innovation
- Preserving natural life resources for generations
- High occupational safety and workplace health promotion
- Securing an inclusive and appreciative work environment where everyone is valued
- Strengthening resilience

## Economic

The long-term success of the company forms the foundation of every economic activity within PORR. The company thus engages in constant dialogue with its stakeholders, makes a significant **contribution to local economic development** and aims for long-term economic success. Integrated sustainability is a guarantor for a successful business model and is among other things significantly driven by the EU Taxonomy Regulation. Through its criteria, this enables the measurability of the environmental sustainability of economic activities and promotes private investment in green and sustainable projects.

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

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

The topic of **risk management** is trained by group-wide information campaigns to provide early identification and controlling of performance, environmental, safety and financial risks. Top priority is given to our stakeholders in the customer segment and their satisfaction. A central measure here is the Group-wide, digital survey on customer satisfaction. **Customer-oriented action** is expressed at PORR through the quality of execution (of the project, product or service), adherence to deadlines, flexibility, cooperative project management, professional and social competence,

and the technical and economic fulfillment of objectives. In the selection of its business partners, suppliers etc. and in the reduction of downstream risks in the value chain, PORR focuses on full compliance with the principles set out in the **Code of Conduct for business partners** which is checked by means of a supplier audit. **PORR liaises closely with its suppliers and service providers**, enabling it to implement positive and sustainable changes throughout the entire value chain.

## Objectives 2025

- Group-wide rollout of SAP MM and SAP ARIBA
- Implementing an energy database for purchasing
- Introduction of ISHAP with complete coverage (personnel documentation system)
- Update supplier evaluation system
- Group-wide implementation of price-trend database with focus on sustainability
- Sustainability training for lead buyers and local buyers
- Further strengthening compliance awareness
- Expanding training programme on anti-corruption and antitrust law in all of the Group's languages
- Increase spot checks at branch offices and sites by 35%
- Certification of the management system to prevent money laundering and terrorist financing
- Leveraging economic benefits through resource efficiency
- Maintaining and optimising good sustainability ratings
- Stronger focus on regional purchasing and local cooperation

## Objectives 2030

- Increase volume of sustainable materials purchased by 20%
- Implementing a subcontractor database
- Closer checks on sustainability criteria when conducting supplier audits
- Consortia projects to automate construction site processes using robotics technology in the Center Construction Robotics
- Development projects to automate construction documentation and performance records
- Expanding public sustainability engagement

## Environment

The company is clearly committed to environmental protection and focuses heavily on **research and development** in the interest of climate protection. With our regularly updated **climate protection strategy**, we want to contain and avert the greatest challenges of our time - climate change and its negative consequences - sustainably and effectively. **Climate-related risks** are systematically analysed and managed by **risk management**. In addition, the climate reporting recommendations for companies and investors of the **Task Force on Climate-related Financial Disclosures (TCFD)** are being implemented step by step.

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

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

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

### Objectives 2025

- Group-wide ISO 50001:2018 certification
- Adherence to climate strategy through monitoring and progress report
- Cutting contaminated fractions by developing waste recycling methods
- Further improving waste sorting in order to optimize opportunities for recycling
- Further increase the reuse and recycling of construction materials
- Focused risk analysis addressing environmental impacts
- Increasing water efficiency in the construction phase and for end use
- Water recirculation systems for construction materials recycling, soil washing and gravel washing plants
- Increasing the share of own-use buildings with sustainability certificates by 30% versus 2018
- Mandatory environmental training for construction managers and project managers

### Objectives 2030

- Reducing primary energy consumption by 35% versus 2020
- Cutting specific GHG emissions by 55% versus 2020
- Increasing percentage of renewables to at least 40%
- Decarbonising construction processes by 21% versus 2014
- Intensifying cooperation with climate activists
- Stronger focus on circular economy
- Greening measures applied to all corporate real estate
- Treatment and increased use of rainwater and grey water

## Social

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

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

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

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

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

## Objectives 2025

- Workplace health promotion with complete coverage
- Group-wide saturation with the "Vision Zero" campaign:
- Reduce accident frequency <10
- Group-wide rollout of occupational health management system
- Group-wide awareness-raising campaign
- Further education offensive for standardised calculation, design and planning software Group-wide
- Securing skilled labour through Group-wide apprentice management
- Expanding the porr\_academy and PORR Campus as Group-wide centre of excellence also for skilled workers
- Group-wide LEAN Construction training sessions and safety courses
- Implementing a broad age & generation management approach
- Increasing the share of women in training for future managers to 25%
- Increasing the percentage of women overall and women in management in the same ratio

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

Vienna, 18 March 2021

A handwritten signature in black ink, appearing to read "K. Strauss".

Karl-Heinz Strauss, CEO

A handwritten signature in black ink, appearing to read "A. Sauer".

Andreas Sauer, CFO

A handwritten signature in black ink, appearing to read "J. Pein".

Josef Pein, COO

A handwritten signature in black ink, appearing to read "J. Raschendorfer".

Jürgen Raschendorfer, COO