HOCHTIEF's Sustainability Plan 2025

HOCHTIEF is one of the **world's leading infrastructure** groups with respect to **sustainability**.

Sustainability is one of our guiding principles for how we approach and manage our business and a cornerstone of our strategy.

We are listed in the **Dow Jones Sustainability Index** by S&P Global for 16 years, which represents **the global sustainability leaders in the world.**

HOCHTIEF has also been awarded strong ratings by other institutions, such as **MSCI**, **Sustainalytics** or **CDP**.

Photo: ® Euan Brownlie

We are building the world of tomorrow. HOCHTIEF

Sustainability already an integral part of our activities

1/3
of our revenue with green buildings and green infrastructure

1200+
green buildings by Turner, world's leading company in this segment

16
years listed in Dow Jones Sustainability Index

20+
sustainability rankings and memberships

1990
HOCHTIEF starts active Environmental Management

2001
First Environmental Report

2007
HOCHTIEF co-founder of German Sustainability Council DGNB

2021
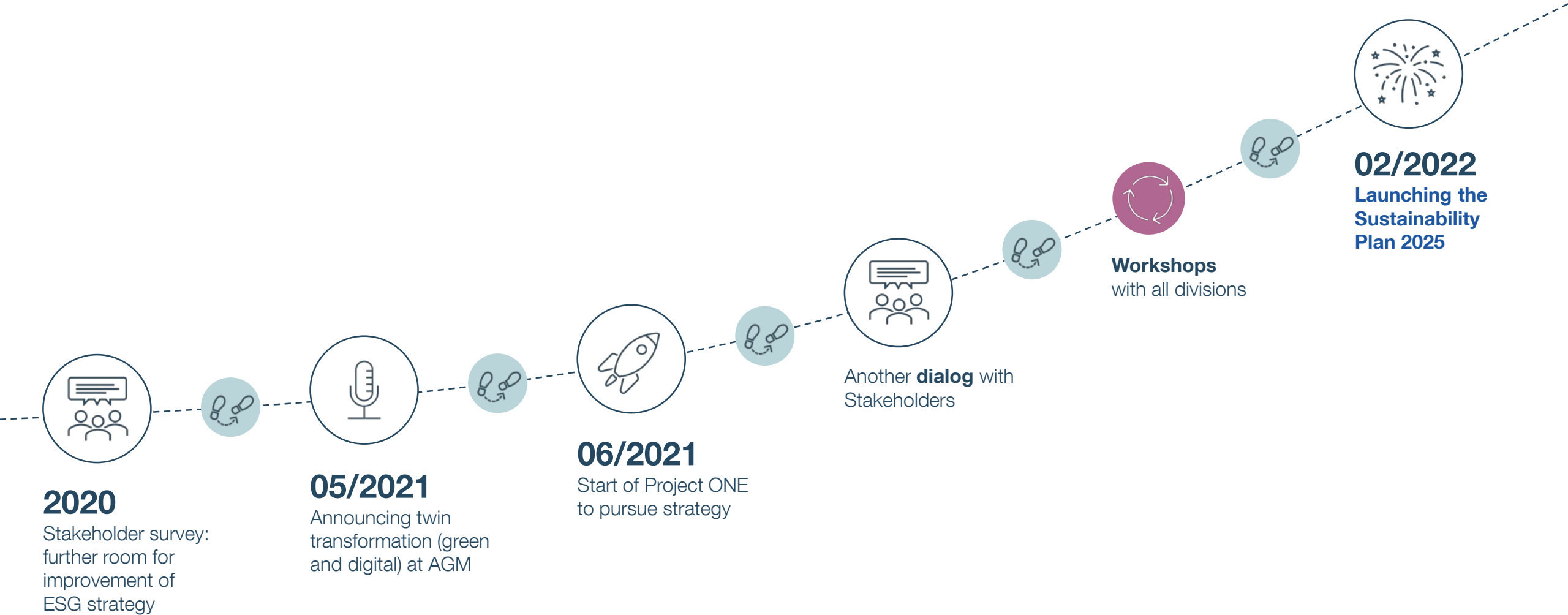Green and digital transition of HOCHTIEF announced

Now we are taking another major step forward by strengthening our **environmental**, **social and governmental** sustainability.

We are going to further enhance our leading role in relation to ESG and thus ensure HOCHTIEF's long-term business **success**.

To this end, all business units have developed our **Sustainability Plan 2025**.

HOCHTIEF

Our roadmap towards our Sustainability Plan 2025

02/2022
**Launching the
Sustainability
Plan 2025**

Workshops
with all divisions

Another **dialog** with
Stakeholders

06/2021
Start of Project ONE
to pursue strategy

05/2021
Announcing twin
transformation (green
and digital) at AGM

2020
Stakeholder survey:
further room for
improvement of
ESG strategy

"

Our sustainability plan comprises among others carbon reduction targets in order to support the goals of the Paris Agreement to **stop global warming.**

The sustainability plan has also a social and a governance dimension: We not only care about all the people who work for us. We also attach great importance to ensuring that **our high standards extend to the entire supply chain and that human rights** apply to everyone who works on our projects. We only work with partners who are committed to our values.

On the following pages, we will show you what we are going to do and how we are going to achieve our goals.

Martina Steffen
Member of the Executive Board
Chief Sustainability Officer

Shaping our sustainable future

Creating Value with our Sustainability Plan 2025

Our Sustainability Plan 2025 is based on three pillars: **Environmental, Social and Governance (ESG)**.
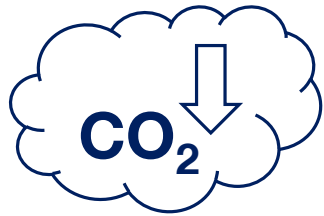
Within each pillar, we have defined the most **relevant lines of action** and respective KPIs that will guide our daily work at HOCHTIEF.

Collaboration, **digitalization** and **innovation** are crucial to accomplish our sustainability plan.
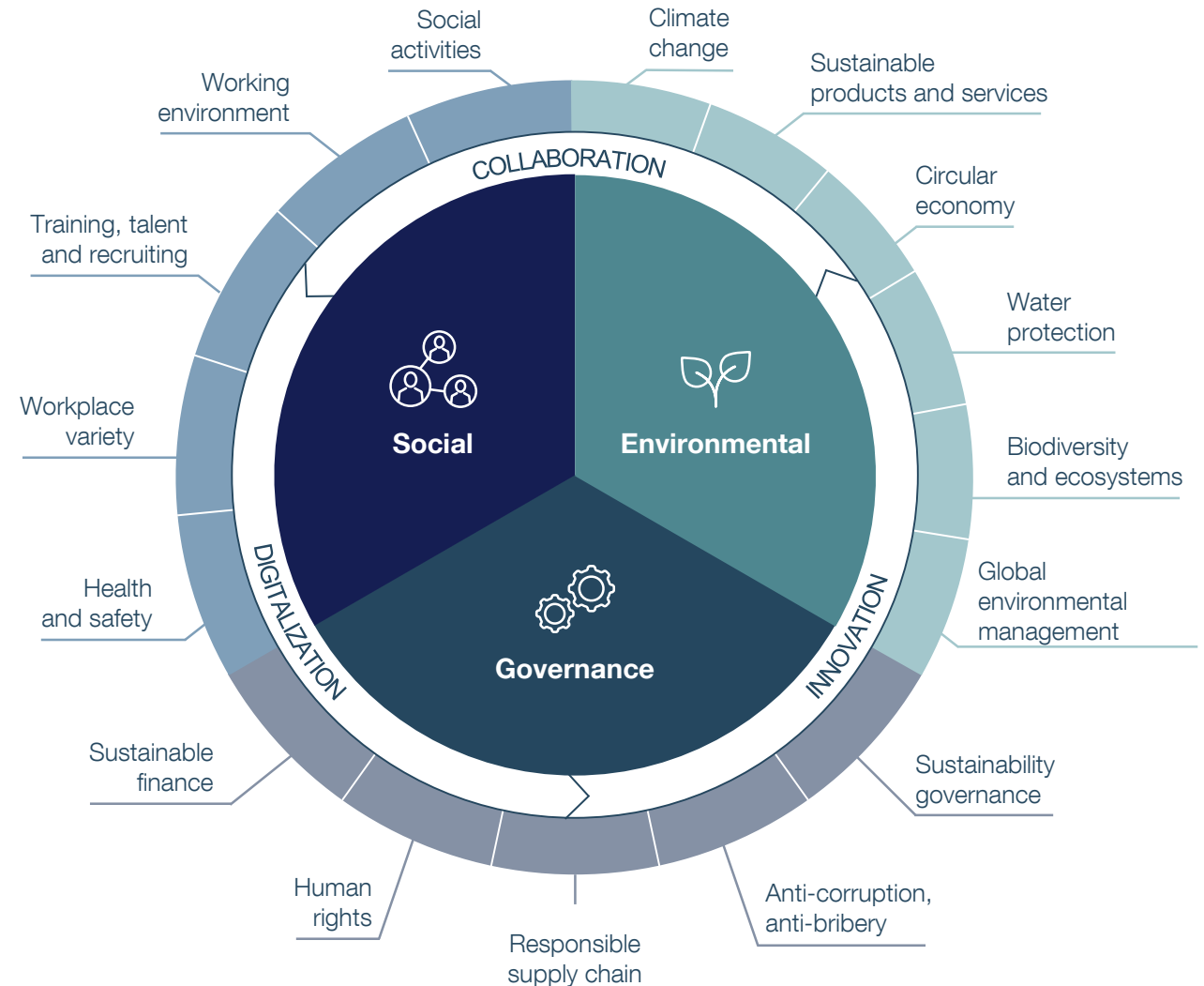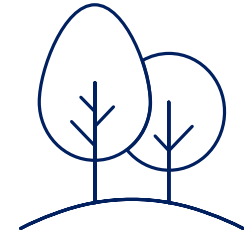
Building the world of tomorrow
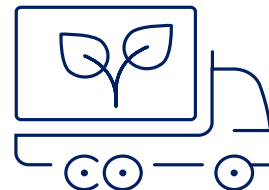
Being climate-neutral by 2045

Integrating ESG criteria into financial decisions

Moving towards a circular economy, while protecting water and biodiversity

Improving sustainable operations and managing a responsible supply chain

Fostering a culture of inclusion and diversity

With everything we build, we change the environment and influence our landscapes. That is why HOCHTIEF has made it its goal to operate **not only in nature**, **but also for nature**.

Environmental

Environmental and climate protection are integral parts of our mission as a sustainable, global infrastructure group.
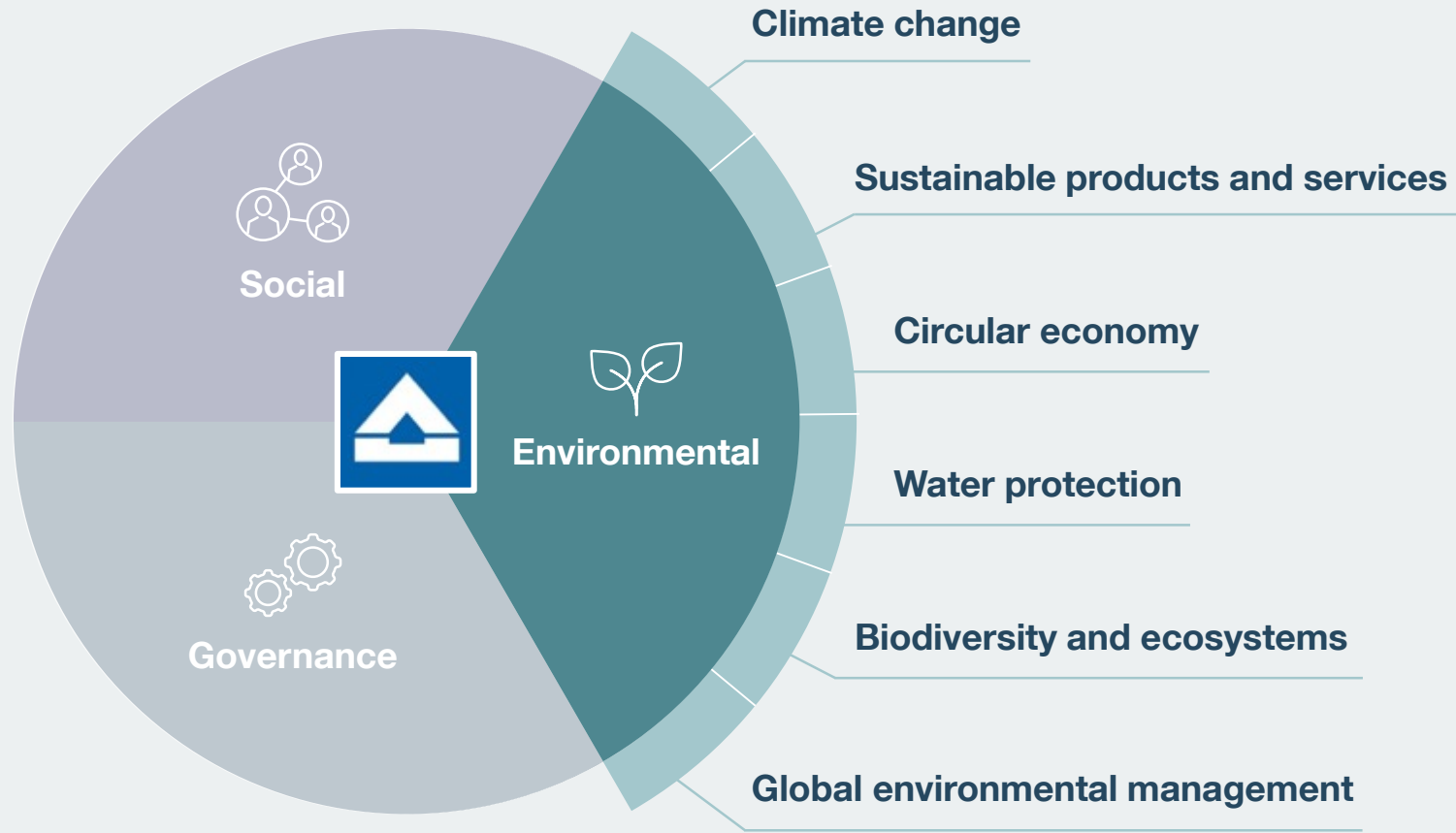
Our aim is to prevent negative impacts on the environment and offering **solutions for sustainable and resilient infrastructure**.

We will achieve this by increasing awareness and using our **expertise along the life-cycle** of our projects.

Photo: © Costas_Mitropoulos

We take responsibility

Environmental Pillar

We support the goal of the **Paris Climate Agreement**. Our commitment brings us in a **leading position** and gains recognition from clients, investors and employees. We will reach this target in **close cooperation** with our clients, business partners and suppliers.
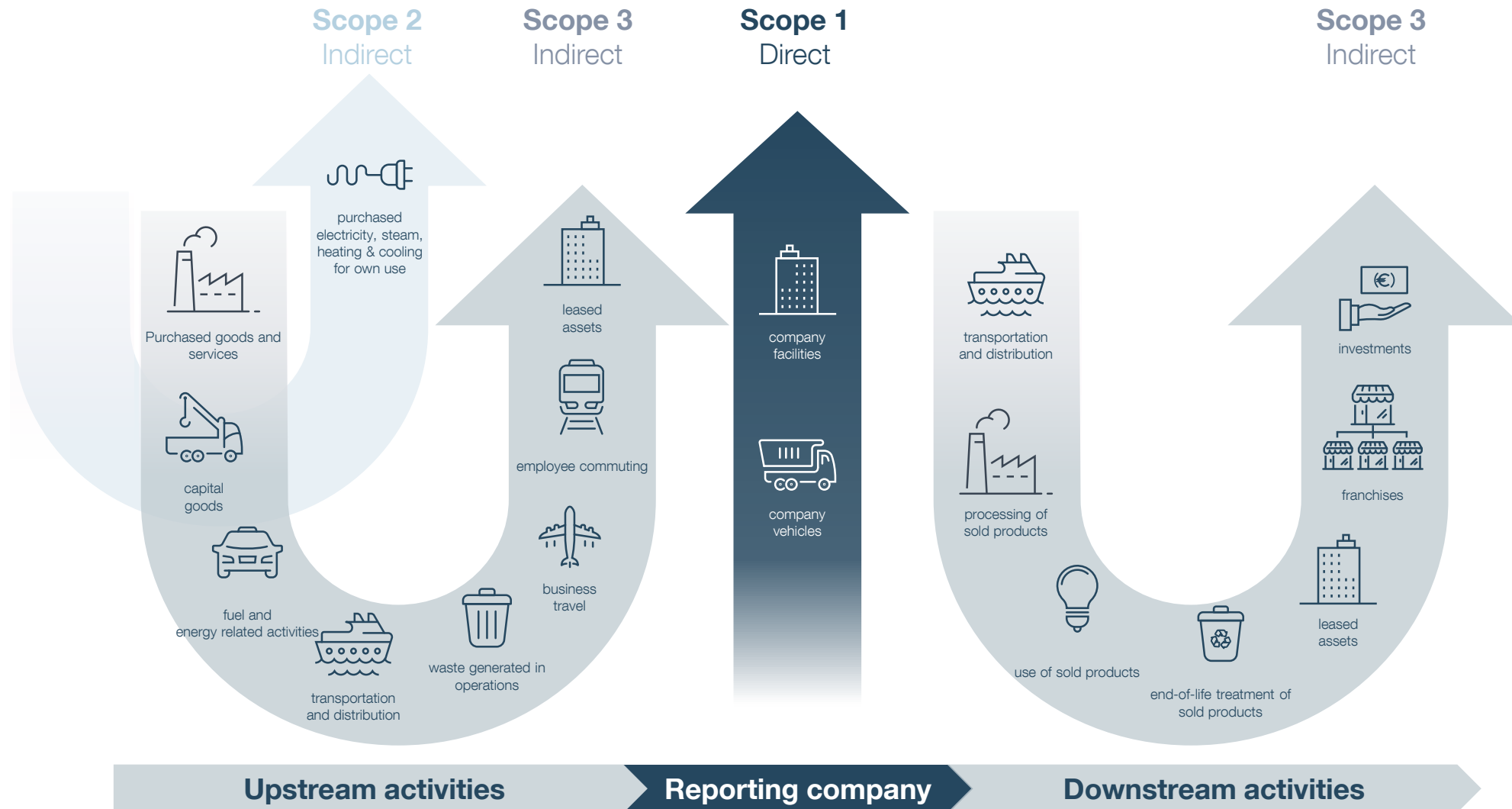
Our Commitment
- **Achieve climate neutrality ("Net Zero") by 2045**

We are committed

Climate Change - Categorization of greenhouse gas (GHG) emissions

Scope 2
Indirect

Scope 3
Indirect

Scope 1
Direct

Scope 3
Indirect

purchased electricity, steam, heating & cooling for own use

Purchased goods and services

capital goods

fuel and energy related activities

transportation and distribution

leased assets

employee commuting

business travel

waste generated in operations

company facilities

company vehicles

transportation and distribution

processing of sold products

use of sold products

end-of-life treatment of sold products

investments

franchises

leased assets

Upstream activities   **Reporting company**   **Downstream activities**

Emissions according to Greenhouse Gas (GHG) Protocol

HOCHTIEF

Climate Change - Scope 1: Direct emissions from company facilities and company vehicles

Our Commitments

- **Achieve climate neutrality for scope 1 emissions by 2038**

- **Reduce scope 1 emissions by at least 20% until 2025 compared to base year 2019**

How do we get there

- Increased efficiency and technological developments

- Usage of low-carbon fuels

- Step by step transition to zero-emissions-drive (electric, hydrogen)

Photo: ® Tim Hoppe

Climate Change - Scope 2: Indirect emissions resulting from purchased electricity
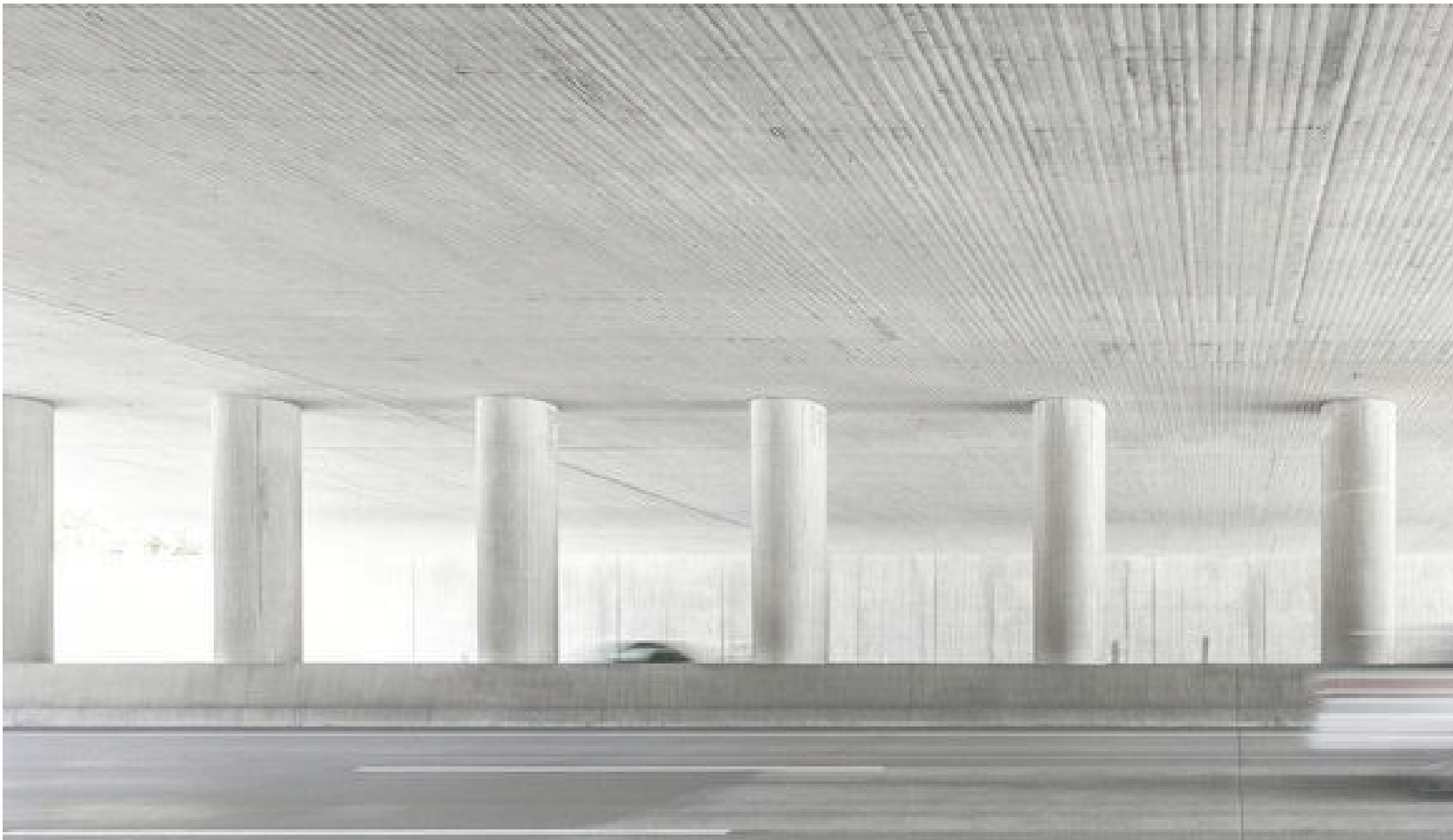
Our Commitments

- **Achieve Climate Neutrality by 2038**

- **Reduce scope 2 emissions by at least 35% until 2025 compared to base year 2019**

How do we get there

- Measure consumption and increase awareness

- Increased efficiency and technological developments

- Procurement of renewable electricity

- Generation of renewable electricity

Photo: ® Udo Thomas

Climate Change - Scope 3: Indirect extended emissions in the company's value chain

Our Commitments

- **Achieve Climate Neutrality for scope 3* emissions by 2045**

- **Verify Net Zero path – consistent with limiting temperature rise to 1.5°C – until the end of 2023**

How do we get there

- Collaborate with clients, designers, suppliers

- Provide climate-friendly solutions of construction materials and equipment

- Minimize waste: rethink, reduce, reuse, recycle

- Enhance low-emission transportation, logistics and mobility

Photo: ® HOCHTIEF

*relevant categories

Sustainable Products and Services

HOCHTIEF is already very experienced in green buildings and infrastructure.

We want to be a **leading provider of sustainable solutions** in the market. Most of our public and private clients will increasingly focus on sustainable projects.

Our Commitments

- **Stimulate innovation and develop sustainable products and services**

- **Provide sustainable solutions in bidding and/or preconstruction process of at least 50% of the construction projects by 2025**

- **Achieve at least 50% of total infrastructure and building revenue from certified construction projects by 2025**
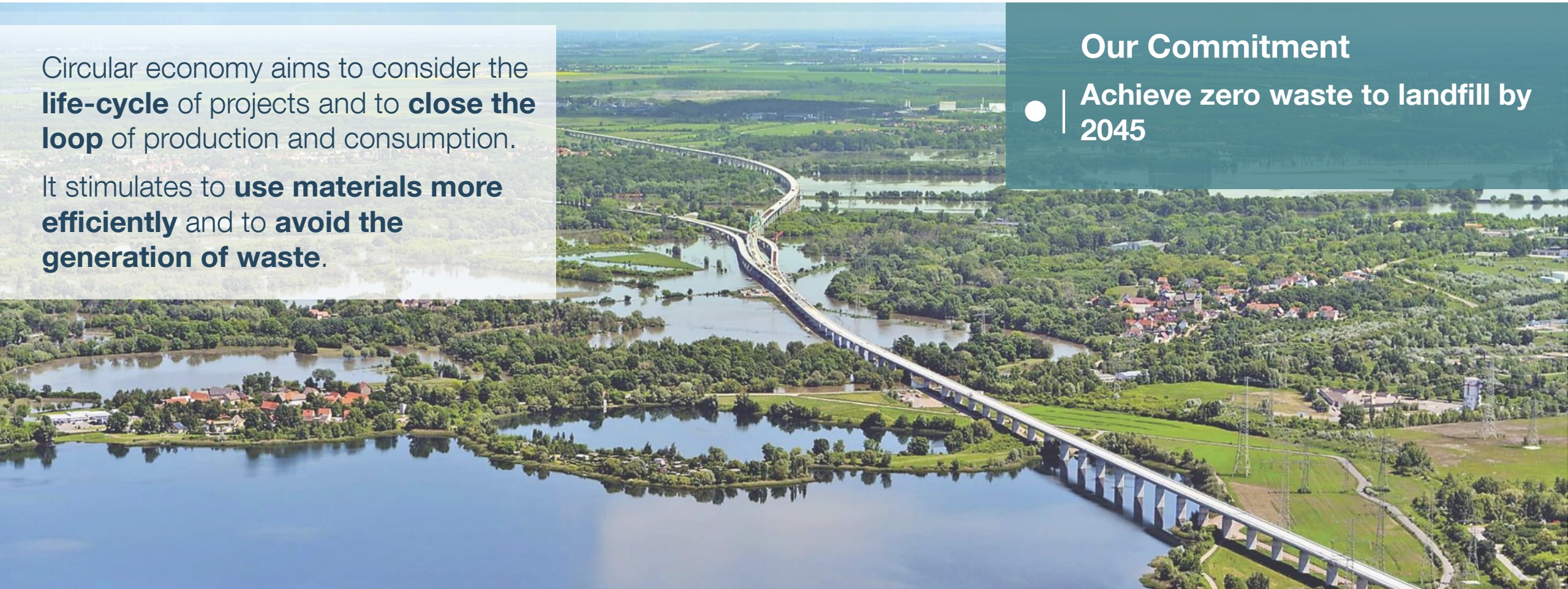
Photo: ® JohnnyGreig

Circular Economy 1/3

Circular economy aims to consider the **life-cycle** of projects and to **close the loop** of production and consumption.

It stimulates to **use materials more efficiently** and to **avoid the generation of waste**.

Our Commitment

Achieve zero waste to landfill by 2045

Photo: ® DB-AG

Circular Economy 2/3

Photo: ® HOCHTIEF

Our Commitments

● Achieve annual recycling rate for waste of at least 80% until 2025 and increase the rate consecutively afterwards

● Reduce self-generated hazardous waste to less than 1% of total waste by 2030

● Promote reuse and increase the rate of recycled building materials steadily

Circular Economy 3/3

Photo: ® BB-Hebenstreit20200929002

Our Commitments

● Promote life-cycle/circularity analyses by actively engaging clients and carry out this analysis in at least 200 construction projects by 2025

● Increase the share of construction projects recording building materials digitally (BIM 6D) by at least 10% from year to year

Water Protection

We are committed to making a substantial contribution to the **conservation of water**.

Our Commitments

- Promote water protection on all projects

- Measure and monitor water consumption on all projects by 2023

- Implement water protection plans and execute corresponding measures in 100% of the projects in water-stressed areas by 2023

- Implement measures to reduce water consumption and achieve an annual water recycling/reuse rate of at least 10% of total water withdrawn

Photo: ® HOCHTIEF

Biodiversity and Ecosystems

Photo: ® Flatiron

Biodiversity is the basis for functioning and stable ecosystems: a rich variety of species is vital to provide food, fresh water and clean air for all living beings. It is our **responsibility to protect, conserve or restore biodiversity**.

Our Commitments

- **Create awareness and preserve biodiversity and ecosystems on all projects**

- **Implement biodiversity management action plans in 100% of the projects in nature-sensitive areas by 2023**

- **Establish and implement long-term initiatives to proactively preserve ecosystems and increase biodiversity**

- **Establish a methodology to monitor, measure and quantify impacts on biodiversity by 2024**

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Global Environmental Management 1/2

Professional environmental management creates the **foundation to deliver sustainable projects** and to **manage** environmental **risks and opportunities**.

Raising awareness, defining processes and training employees are key tasks for us at HOCHTIEF.

Our Commitments

- **Increase the percentage of total employees covered by Environmental Management System Certification (ISO 14001) to at least 90% in 2025**

- **Increase awareness and knowledge regarding relevant environmental topics through trainings of at least 50% of the employees by 2025**

- **Zero environmental incidents with severe environmental damage**

Photo: ® PeopleImages/iStock

Global Environmental Management 2/2

Our Commitments

- Increase accountability by defining and implementing a uniform environmental accounting and reporting standard until the end of 2022

- Increase frequency of internal consumption disclosure to semi-annually on corporate and project level until the end of 2022

- Establish environmental governance and management framework and adjust corporate strategy regarding business activities until the end of 2022

Photo: ® iStock©Farknot_Architect

HOCHTIEF

Next Steps

Alexander Neumann

Project Lead:
Environmental

Michael Kölzer

Our strength in providing **sustainable solutions** to our clients will make us **more competitive**. The **environmental commitments** will help us to **sharpen our mindset** and to **give guidance** for the future.
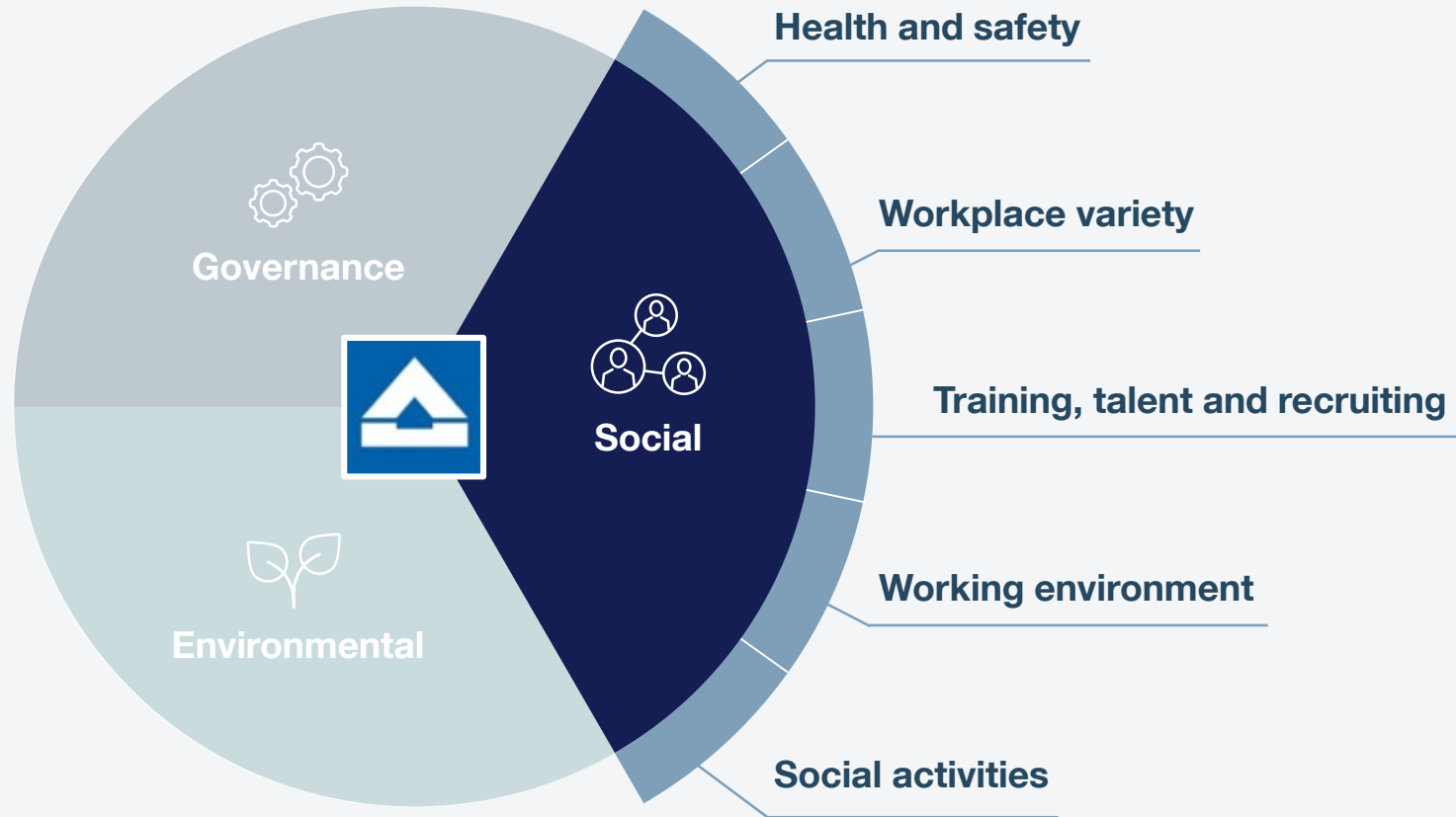
HOCHTIEF's **most valuable asset is its employees**. Their knowledge, commitment and talent have shaped the company into what it is today.

That is why **we put our employees' health, safety and job satisfaction first**.

Social

Social Pillar

Health and Safety

Health and safety of those that work for us is a **top priority** for HOCHTIEF.

Our Commitments

- **Accident-free project delivery. 0 fatalities in all activities for own employees and subcontractors**

- **Lost Time Injury Frequency Rate (LTIFR) of 1.04 by 2025, with long-term objective of 0.9 by 2030**

Photo: ® HOCHTIEF

HOCHTIEF

Health and Safety

Our Commitments

- **100% of new hires trained on health and safety by 2023**

- **Improve the accident rate of contractors by increasing training and awareness of contractors in Health and Safety issues by 2025**

Training and **awareness** are key to improve the accident rate.

Photo: ® HOCHTIEF
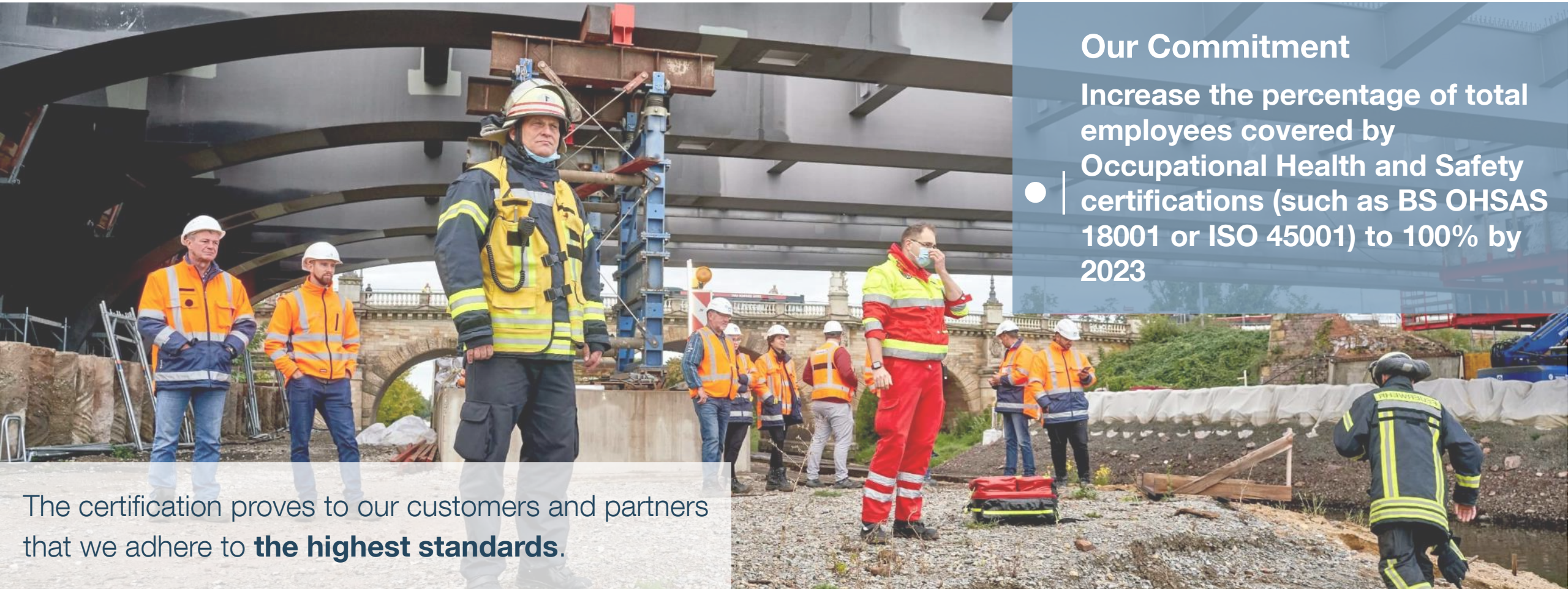
Health and Safety

Our Commitment

Increase the percentage of total employees covered by Occupational Health and Safety certifications (such as BS OHSAS 18001 or ISO 45001) to 100% by 2023

The certification proves to our customers and partners that we adhere to **the highest standards**.

Photo: ® Jochen Zick

Workplace Variety

Photo: ® HOCHTIEF

Our Commitments

- Increase the presence of women in senior management positions by 50% until 2025 compared to 2019

- At least 35% of female technical trainees among new hires by 2025 worldwide (mirroring the employment market)

Workplace Variety

We value every employee, regardless of their ethnicity, nationality, gender, religion or beliefs, disability, age, or sexual identity. At HOCHTIEF we foster a culture built on openness and **respect for one another**.

Our Commitments

- Encourage generational diversity in the teams, fostering close collaboration between older and younger professionals by 2025

- Analyze each subsidiary's gender pay gap to ensure fair remuneration in line with market conditions by 2022
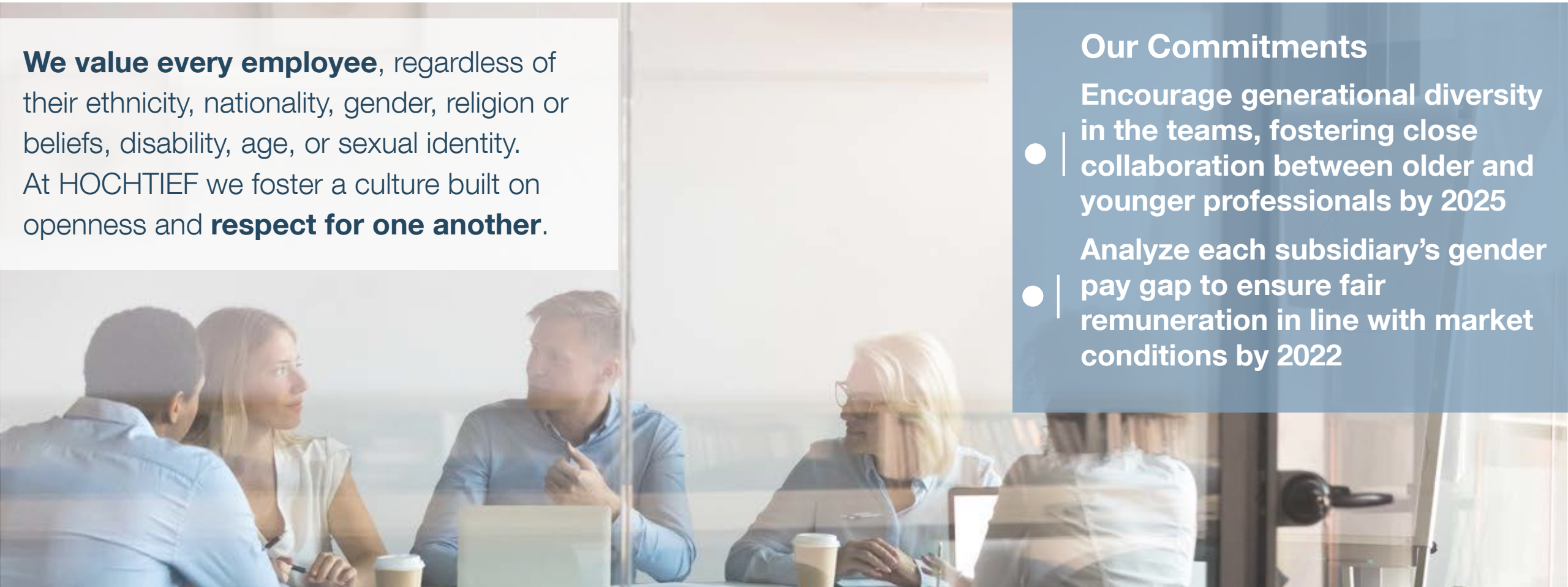
Photo: ® iStock©fizkes

Training, Talent and Recruitment

Our Commitments

- Increase the training hours per company to at least 20 hours per person by 2023

- Increase annually the employee training on sustainability-related topics

- Promote specific training programs for young talent to facilitate their promotion within the company

Photo: ® HOCHTIEF

HOCHTIEF

Working Environment

Our Commitment

- **Further turnover ranges are determined in the Group companies and will be monitored**

We promote and maintain a positive atmosphere in which everyone feels valued. We are convinced that a **positive work environment** improves employee job satisfaction, boosts staff loyalty and morale, and **increases productivity**.

Photo: ® CIMIC

HOCHTIEF

Social Activities

HOCHTIEF supports communities not only with its construction and engineering expertise, but also its **social commitments**. Together, we can achieve real social impact through donations, sponsorships and corporate volunteering initiatives.

Our Commitments

- **Increase the budget for donation and sponsorship by 3% annually until 2025. Started in 2022**

- **Improve the monitoring of volunteer projects developed, implementing methodologies that allow us to measure the positive impact on the community – 2025**

- **Promote specific training Promote corporate volunteering initiatives**

Photo: ® Alexandra_Roth

Next Steps

Project Lead:
Social

Kirsten Degenhardt

Intensifying our efforts in the social dimension will have a direct impact on **employee well-being** and **safety** within the working environment.
Our activities relating thereto need to be a controllable part of our sustainable business.
Thus, we will expand the **attractiveness** of HOCHTIEF on the labor market and significantly contribute to safe working places along our value chain.

Sustainable business at HOCHTIEF begins with good corporate governance. **We take a firm stand against corruption, bribery and human rights abuses** and are committed to a responsible supply chain.

Photo: ® HOCHTIEF

Governance

Governance Pillar
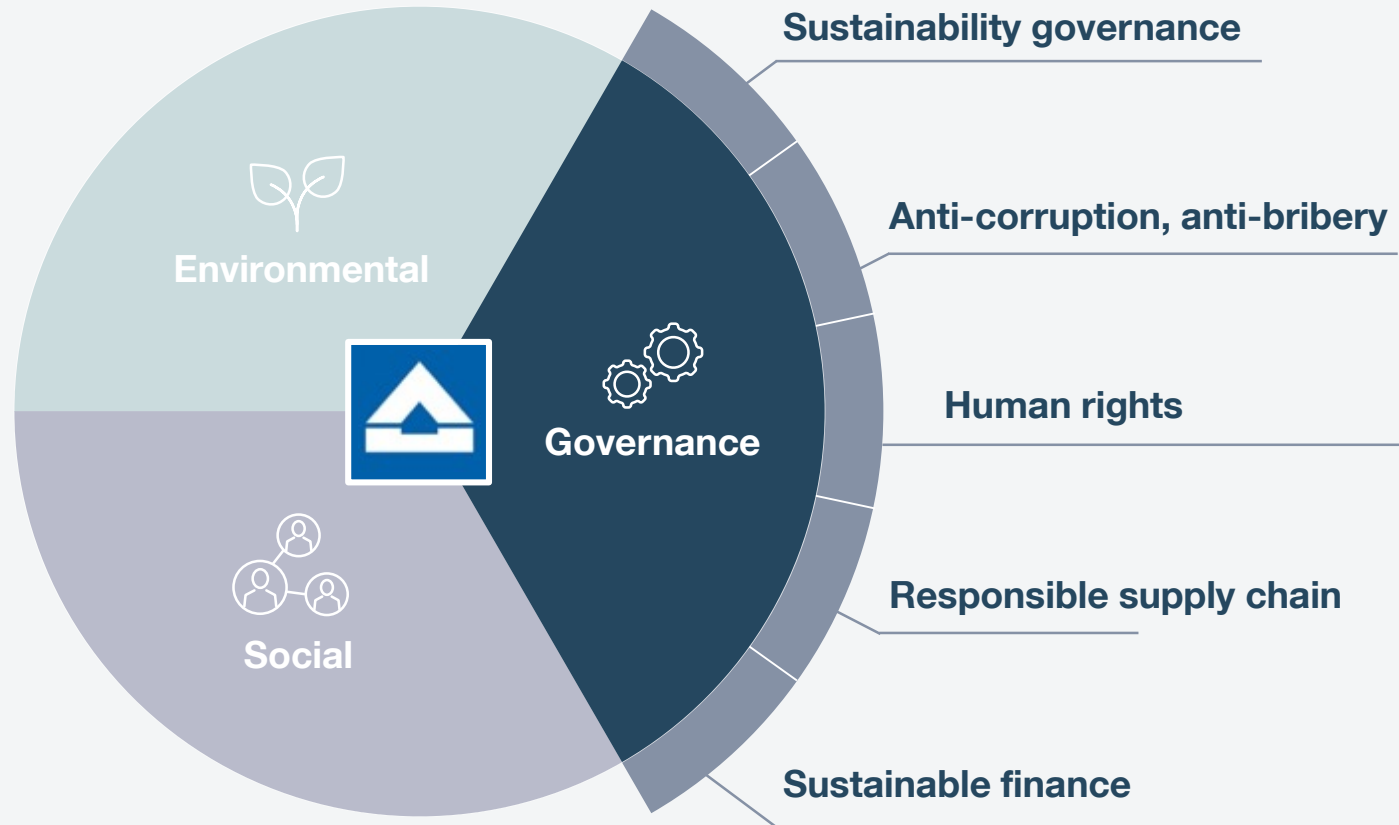
Environmental

Governance

Social

Sustainability governance

Anti-corruption, anti-bribery

Human rights

Responsible supply chain

Sustainable finance

HOCHTIEF

Sustainability Governance

Our Commitment

- **Integrate ESG targets in the compensation of the Executive Board and executives Group-wide, by 2025**

We integrate ESG matters into all our operations. **Sustainable success** will be part of our remuneration system.

Photo: ® nd3000/iStock

Sustainability Governance
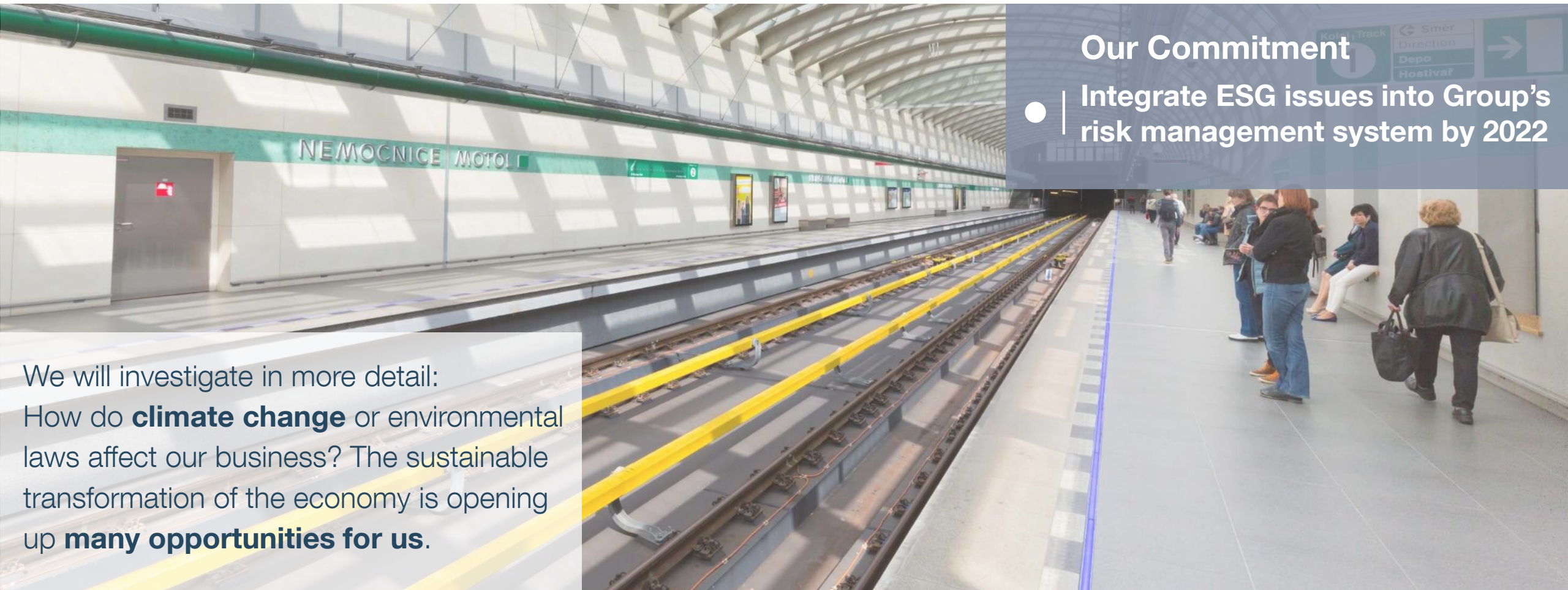
Our Commitment

● | **Integrate ESG issues into Group's risk management system by 2022**

We will investigate in more detail:
How do **climate change** or environmental laws affect our business? The sustainable transformation of the economy is opening up **many opportunities for us**.

Photo: ® HOCHTIEF

Anti-corruption and Anti-bribery

Our Commitment

Maintain 100% of the employees trained in compliance, including all new hires

We pursue an ambitious approach to prevent bribery and corruption. We have implemented **adequate compliance measures** throughout HOCHTIEF to prevent violations of company regulations, and to sensitize employees to these issues.

Photo: ® HOCHTIEF

Human Rights

Our Commitment

- **Train 100% of the employees in Human Rights Risks by 2025**

The Universal Declaration of Human Rights is the foundation of our modern society. As responsible members of society, we at HOCHTIEF ensure that our **Human Rights Corporate Management System** is being implemented and is up to date in accordance with all applicable laws.

Photo: ® Turner Construction Company

HOCHTIEF

Responsible Supply Chain

Our Commitments

- **Include ESG criteria in 50% of the significant suppliers selection process (based on procurement spend), by 2025**

- **50% of all significant suppliers receive a systematic post project assessment that includes ESG issues after the contract is completed, by 2025**

At HOCHTIEF we take **responsibility along the entire supply chain**—from procurement of primary materials to the finished construction.
Sustainability will be an integral part of our supplier management as we integrate environmental, social and governance variables into our procurement processes.

Photo: ® Falcon Crest Air

Sustainable Finance

Our Commitment

- **Integrate the EU Sustainable Finance Action Plan / Taxonomy and/or ESG criteria into financial decisions**

We encourage long-term investments in **sustainable economic activities** and projects. By taking environmental, social and governance (ESG) considerations into account when making financial decisions, we promote sustainable development and innovation.

Photo: ® HOCHTIEF

Digitalization and Innovation

Photo: ® HOCHTIEF

Our Commitment

● 50% of R+D+I projects in sustainable-related projects by 2025

Next Steps

Dr. Alexandra
Albrecht-Baba

Project Lead:
Governance

David Rodrigo
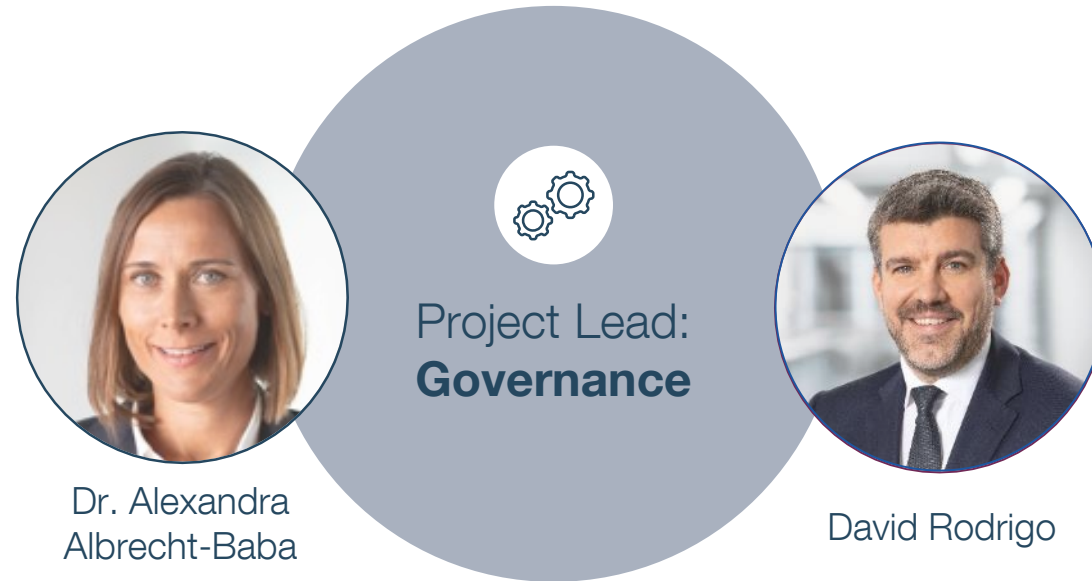
A robust **governance structure** is one key for the successful integration and **effective management of sustainability**—not only to act lawfully but also to **promote a good life for all**, now and far into the future.

Your Project Leads for E-S-G

Project Lead:
Environmental

Alexander
Neumann

Michael
Kölzer

Project Lead:
Governance

Dr. Alexandra
Albrecht-Baba

David Rodrigo

Project Lead:
Social

Kirsten
Degenhardt

"

We are looking forward to taking the road towards a sustainable tomorrow with you!

Together we create our sustainable future

JOIN US BUILDING OUR SUSTAINABLE FUTURE!

Photo: ® IakovKalinin-iStcok

Glossary

Concept	Definition
BIM	Building Information Modeling, also known as BIM is a digital planning and execution approach that interconnects everyone involved in a project using a 3D digital model. It can be supplemented with additional data, such as on timing (4D) and costing (5D). BIM 6D adds data on lifecycle properties to the BIM model. This data may include information on material, component manufacturer, installation date, maintenance requirements, lifespan expectations and instructions for optimal performance.
Biodiversity	The diversity (number and variety of species) of plant and animal life within a region.
Biodiversity management action plans (BMP)	Is a practical specific document, developed and used by the project management team to preserve biodiversity values and ecosystems during the construction and operational phase. A BMP should focus on identifying, evaluating, conserving (and if possible, enhancing) the relevant aspects of biodiversity and ecosystems.
Biodiversity initiatives	The initiatives with a positive impact on biodiversity can be very diverse, here are some examples: building knowledge and conservation of biodiversity and ecosystems, collaboration with stakeholders to enhance biodiversity near the project, create awareness, monitoring of biodiversity on projects, restoration and compensation of habitats, wildlife protection, vegetation protection.
Carbon neutrality ("Net Zero")	"Carbon neutrality" refers to the idea of achieving net zero greenhouse gas emissions by balancing those emissions, so that they are equal (or less than) the emissions that get removed through the planet's natural absorption; in basic terms it means we reduce our emissions through climate action".
Certified green buildings	Buildings certified by relevant organizations for satisfying sustainability criteria in design, construction, and operation (BREEAM, DGNB, Green Star and LEED).
Certified green infrastructure	Infrastructure projects certified by relevant organizations to deliver efficiency and resource conservation standards (CEEQUAL, Greenroads and ISCA).
Circular Economy	The circular economy is a model of production and consumption, which aims to maintain the value of products, materials and resources as long as possible; while avoiding waste and other negative environmental impacts.
Climate Change	Climate change is a change in the statistical distribution of weather patterns when that change lasts for an extended period. The overwhelming scientific consensus is that human activities are the primary driver of global climate change since the mid-20th century.
CO_2e	The universal unit of measurement to indicate the global warming potential (GWP) of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.
Ecosystems	The dynamic interactions between plants, animals, and micro-organisms and their environment working together as a functional unit. A community of living organisms.
Employee Commitment Index	Relative measure of employees' engagement, effort and enthusiasm for the organization.

Glossary

Concept	Definition
Environmental Damage	Category 1: high severity impacts on the community and/or environment or may have irreversible detrimental long-term impacts.
	Category 2: moderate severity impacts on the community and/or environment (1 to 3 months) but is fully reversible in the long term.
	Category 3: low severity impacts on the community and/or environment in the short term (<1 month) and is fully reversible with no residual impacts. Includes nuisance level impacts.
Environmental management system (EMS)	A set of processes and practices that enable an organization to reduce its environmental impacts and increase its operating efficiency. The most widely used standard on which an EMS is based is the International Organization for Standardization (ISO) 14001.
Environmentally sensitive area	Environmentally sensitive areas are landscape elements or places which are vital to the long-term maintenance of biological diversity, soil, water or other natural resources both on the site and in a regional context. They include wildlife habitat areas, steep slopes, wetlands, and prime agricultural lands.
ESG	Environmental, Social and Governance
Greenhouse Gases (GHG)	Are both natural and anthropogenic gaseous in the atmosphere that absorb and emit radiation within the infrared radiation emitted by the Earth. GHGs are the six gases listed in the Kyoto Protocol: carbon dioxide (CO_2); methane (CH_4); nitrous oxide (N_2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and Sulphur hexafluoride (SF_6).
Greenhouse Gas Protocol	GHG Protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.
Green Bonds	Are issued to exclusively finance or re-finance, in whole or in part, new and/or existing eligible Green Projects.
Green Loans	Are any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects.
Hazardous Waste	Hazardous waste refers to various types of waste with defined hazardous properties that are harmful for the environment and/or human health. Hazardous waste includes waste that is oxidizing, flammable, toxic, ecotoxic, carcinogenic, mutagenic, corrosive or infectious.
Life-cycle/circularity analysis	Life cycle assessment (LCA) is a method which is being increasingly used to evaluate the potential environmental impacts of products and services and their resource consumption. A LCA in construction normally involves evaluating its whole life cycle. This means including all of the stages in the assessment – raw material supply, manufacture of construction products, the construction process stage, use stage, demolition and when the materials are disposed of or recycled. The most used standard is the ISO 14040 and 14044.

Glossary

Concept	Definition
LTIFR	Represents the number of accidents per million hours worked. Under international standards, accidents are counted from the first working day lost.
OSHEP	The HOCHTIEF Group's occupational safety, health, and environmental protection organization.
Paris Agreement	The first universal, legally binding global climate change agreement, adopted at the Paris climate conference (COP21) in December 2015. The Paris Agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C.
Recycling	Any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes.
Recycled building materials	Any building material, which is made completely or partially from old building material. The term 'recycled building materials' mainly refers to concrete, asphalt, steel, wood or glass.
Reuse	Any operation by which products or components that are used again for the same or a different purpose.
Scope 1 emissions	Direct GHG emissions from sources that are owned or controlled by an organization.
Scope 2 emissions	Indirect GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organization.
Scope 3 emissions	Other indirect GHG emissions that occur outside of the organization, both upstream and downstream emissions along the value chain.
Self-generated hazardous waste	Hazardous waste, which is self-generated by HOCHTIEF's activities only. Hazardous waste substances from already existing building materials (such as asbestos) and/or contaminated soil are not accounted, since not influenceable by HOCHTIEF.
Sustainable Development Goals (SDG)	A collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030 ("2030 Agenda").
Sustainable Finance	Sustainable finance refers to the process of taking environmental, social and governance considerations into account when making investment decisions, leading to more long-term investments in sustainable economic activities and projects.
Sustainable products and services	Products and services that provide measurable environmental, social and economic benefits and create long-term value for our stakeholders and society.

Glossary

Concept	Definition
Sustainability	Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. I tdescribes the consistent combination of economy, ecology and social affairs in the overall operating activities aimed at securing the future viability of the company. The concept of sustainability is composed of three pillars: economic (governance), environmental, and social.
Taxonomy	The EU taxonomy for sustainable activities is a classification system established to clarify which investments are environmentally sustainable, in the context of the European Green Deal. The aim of the taxonomy is to prevent greenwashing and to help investors make greener choices. Investments are judged by six objectives: climate change mitigation, climate change adaptation, the circular economy, pollution, effect on water, and biodiversity.
Waste	Any waste streams [hazardous and non-hazardous; inert, organic and inorganic] resulting from construction, renovation and demolition activities. Construction waste contains several materials, often related to cut-offs or packaging waste. We classify waste into the following categories: 1) soil/ excavation material 2) demolition waste (concrete, brickstones, ceramics) 3) construction waste (mixed construction waste, metals, plastics, paper, wood, road demolition) 4) other waste (scrap, residential waste, paint colors, etc.).
Water Protection plans	A strategy or combination of strategies for reducing the consumption of water, reducing the loss or waste of water, improving or maintaining the efficiency in the use of water, increasing recycling and reuse of water and protecting its quality.
Water-stressed area	Ability, or lack thereof, to meet the human and ecological demand for water (CEO Water Mandate, Corporate Water Disclosure Guidelines, 2014). Water stress occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use. "Baseline water stress" used in the World Resource's Institute (WRI) Aqueduct tool is one possibility to identify water-stressed areas. It measures the ratio of total water withdrawals to available renewable surface and groundwater supplies.

External Commitments

1.1 GLOBAL ENVIRONMENTAL MANAGEMENT	Increase the percentage of total employees covered by Environmental Management System Certification (ISO 14001) to at least 90% by 2025
1.1 GLOBAL ENVIRONMENTAL MANAGEMENT	Increase awareness and knowledge regarding relevant environmental topics through trainings of at least 50% of the employees by 2025
1.1 GLOBAL ENVIRONMENTAL MANAGEMENT	Zero environmental incidents with severe environmental damage (category 1)
1.2 CLIMATE CHANGE	Achieve Carbon Neutrality "Net Zero" by 2045
1.2 CLIMATE CHANGE	Achieve Carbon Neutrality for scope 1 emissions by 2038
1.2 CLIMATE CHANGE	Reduce scope 1 emissions by at least 20% until 2025 compared to base year 2019
1.2 CLIMATE CHANGE	Achieve Carbon Neutrality for scope 2 emissions by 2038
1.2 CLIMATE CHANGE	Reduce scope 2 emissions by at least 35% until 2025 compared to base year 2019
1.2 CLIMATE CHANGE	Achieve Carbon Neutrality "Net Zero" for scope 3* emissions by 2045 *Relevant categories
1.2 CLIMATE CHANGE	Verify Net Zero path – consistent with limiting temperature rise to 1.5 °C* – until the end of 2023. *In line with Paris Agreement

External Commitments

1.3. CIRCULAR ECONOMY	Achieve zero waste to landfill by 2045
1.3. CIRCULAR ECONOMY	Achieve annual recycling rate for waste of at least 80% until 2025 and increase the rate consecutively afterwards.
1.3. CIRCULAR ECONOMY	Reduce self-generated hazardous waste to **less than 1%** of total waste **by 2030**
1.3. CIRCULAR ECONOMY	Promote life-cycle/circularity analyses by actively engaging clients and carry out this analysis in at least 200 construction projects by 2025
1.3. CIRCULAR ECONOMY	Increase the share of construction projects recording building materials digitally (BIM 6D) by at least 10% from year to year.
1.3. CIRCULAR ECONOMY	Promote reuse and increase the rate of recycled building materials steadily
1.4 WATER PROTECTION	Promote water protection on all projects. Implement water protection plans and execute corresponding measures in 100% of the projects in water-stressed areas by 2023
1.4 WATER PROTECTION	Implement measures to reduce water consumption and achieve an annual water recycling/reuse rate of at least 10% of total water withdrawn
1.5 BIODIVERSITY AND ECOSYSTEMS	Create awareness and preserve biodiversity and ecosystems on all projects. Implement biodiversity management action plans and execute corresponding measures in 100% of the projects in environmentally sensitive areas by 2023
1.5 BIODIVERSITY AND ECOSYSTEMS	Establish and implement long-term initiatives to proactively preserve ecosystems and increase biodiversity

External Commitments

1.6 SUSTAINABLE PRODUCTS AND SERVICES	Stimulate innovation and develop sustainable products and services.
1.6 SUSTAINABLE PRODUCTS AND SERVICES	Achieve at least 50% of total infrastructure and building revenue from certified construction projects by 2025
1.6 SUSTAINABLE PRODUCTS AND SERVICES	Provide sustainable solutions in bidding and/or during preconstruction processes* of at least 50% of the construction projects by 2025 * where possible according to procurement law
2.1. HEALTH AND SAFETY	Accident-free project delivery. 0 fatalities in all activities for own employees and subcontractors
2.1. HEALTH AND SAFETY	LTIFR of 1.04 by 2025, with long-term objective of 0.9 by 2030
2.1. HEALTH AND SAFETY	100% of new hires trained on health and safety, by 2023
2.1. HEALTH AND SAFETY	Increase the percentage of total employees covered by Occupational Health and Safety certifications (such as BS OHSAS 18001 or ISO 45001) to 100% by 2023
2.1. HEALTH AND SAFETY	Improve the accident rates of contractors by increasing training and awareness of contractors in Health and Safety issues by 2025
2.2. WORKPLACE VARIETY	Increase the presence of women in senior management positions by 50% until 2025 compared to 2019
2.2. WORKPLACE VARIETY	At least 35% of female technical trainees among new hires by 2025 worldwide (mirroring the employment market)
2.2. WORKPLACE VARIETY	Encourage generational diversity in the teams, fostering close collaboration between older and younger professionals 2025

External Commitments

2.3. TRAINING, TALENT AND RECRUITMENT	Increase the training hours per company to at least 20 hours per person by 2023
2.3. TRAINING, TALENT AND RECRUITMENT	Increase annually the employee training on sustainability-related (climate change, sustainability standards, circular economy in construction, environmental management, diversity, equality, inclusion, anti-discrimination, anti-harassment and anti-bullying, etc.) topics
2.3. TRAINING, TALENT AND RECRUITMENT	Promote specific training programs for young talent to facilitate their promotion within the company
2.4. WORKING ENVIRONMENT	Further turnover ranges are determined in the Group companies and will be monitored
2.5. SOCIAL ACTIVITIES	Increase the budget for donation and sponsorship by 3% annually by 2025. Started in 2022
2.5. SOCIAL ACTIVITIES	Improve the monitoring of volunteer projects developed, implementing methodologies that allow us to measure the positive impact on the community — 2025
2.5. SOCIAL ACTIVITIES	Promote corporate volunteering initiatives regarding SDG 4 Quality Education and SDG 11 Sustainable cities and communities

External Commitments

3.1. SUSTAINABILITY GOVERNANCE	Integrate ESG targets in the compensation of the Executive Board and Executives Group-wide, by 2025
3.2. ANTI-CORRUPTION AND ANTI-BRIBERY	Maintain 100% of the employees trained in compliance (including all new hires)
3.3. RESPONSIBLE SUPPLY CHAIN	Include ESG criteria in 50% of the significant supplier's selection process (based on procurement spend), by 2025
3.3. RESPONSIBLE SUPPLY CHAIN	Increase annually the percentage of suppliers receiving systematic post project assessment, with at least 50% of significant suppliers assessed by 2025
3.4. HUMAN RIGHTS	Train 100% of the employees in Human Rights Risks by 2025
3.5. SUSTAINABLE FINANCE	Integrate the EU Sustainable Finance Action Plan / Taxonomy and/or ESG criteria into financial decisions
4. DIGITALIZATION AND INNOVATION	50% of R+D+I projects in sustainable-related projects by 2025

Internal Commitments

1.1. GLOBAL ENVIRONMENTAL MANAGEMENT	Increase accountability by defining and implementing a uniform environmental accounting and reporting standard until the end of 2022
1.1. GLOBAL ENVIRONMENTAL MANAGEMENT	Increase frequency of internal consumption disclosure to semi-annually on corporate and project level until the end of 2022
1.1. GLOBAL ENVIRONMENTAL MANAGEMENT	Establish environmental governance and management framework and adjust corporate strategy regarding business activities until the end of 2022
1.2 CLIMATE CHANGE	Encourage construction projects to calculate their carbon footprint
1.3 CIRCULAR ECONOMY	Install experts regarding circular economy in the relevant operating companies by 2023 and ensure knowledge transfer among employees
1.4. WATER PROTECTION	Create awareness and protect water globally by measuring and monitoring water consumption on all projects by 2023
1.5 BIODIVERSITY AND ECOSYSTEMS	Install experts regarding biodiversity in the relevant operating companies by 2023 and ensure knowledge transfer among employees.
1.5 BIODIVERSITY AND ECOSYSTEMS	Establish a methodology to monitor, measure, and quantify (preferably also monetarized) impacts on biodiversity by 2024

Internal Commitments

2.2 WORKPLACE VARIETY	Analyze each subsidiary's gender pay gap to ensure fair remuneration in line with market conditions by 2022
2.2 WORKPLACE VARIETY	Increase women in top management to 20% by 2025
2.2 WORKPLACE VARIETY	Break down and analyze the workforce of all HOCHTIEF companies regarding nationalities and ethnicities of the employees to ensure diversity and inclusion until 2022, as far as legally possible
2.4. WORKING ENVIRONMENT	Increase employee commitment in all companies by 2025 compared to the last employee survey prior to 2020.
3.1. SUSTAINABILITY GOVERNANCE	Integrate ESG issues into the Group's risk management system, by 2022
3.1. SUSTAINABILITY GOVERNANCE	Implementation and monitoring of the 2025 Sustainability Plan
3.4 HUMAN RIGHTS	Implement and improve the HOCHTIEF Human Rights Corporate Management System in every division by 2030. Europe Division by 2021 Americas Division by 2022 Asia Pacific Division by 2030
3.4 HUMAN RIGHTS	Categorization of Human Rights Risks of all business partners (customers, suppliers and further contractual parties) by 2025
3.5. SUSTAINABLE FINANCE	Issue the first sustainable/green bond/loan with HOCHTIEF AG as issuing entity

Internal Commitments

4. DIGITALIZATION AND INNOVATION	Digitalization of processes *Digitalization = (1) 50% by 2024; (2) 90% by 2025 Processes are digitalized when they include "Digital capture and generation of data", "digital data structures", "digital interconnection of processes and / or data" and "digital & automatized process of data"
5. REPORTING AND COMMUNICATION	Improve the performance on HOCHTIEF's main ESG ratings
5. REPORTING AND COMMUNICATION	Implement a method to measure client satisfaction Group-wide in accordance with rating criteria, by 2022

Legal Disclaimer

This document includes forward-looking statements, such as prospects or expectations, that are based on views and assumptions of HOCHTIEF's management. Although HOCHTIEF believes that the prospects and expectations reflected in such forward-looking statements are reasonable, no assurance can be given that they will prove to have been correct since they involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements speak only as of the date on which they are made, and HOCHTIEF undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.