

Approach to human rights at HOCHTIEF

Position Paper

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Commitment to observing human rights at HOCHTIEF

HOCHTIEF is an international building and infrastructure construction group that takes responsibility for its social and natural environment.

HOCHTIEF is aware of its duty of care and is committed to respecting and observing human rights and actively avoiding human rights violations. As a company that operates globally, social maxims and principles are an inherent part of our corporate culture and our internal standards. The Group's expectations are incorporated in the HOCHTIEF Vision, the Corporate Principles and the Code of Conduct.

HOCHTIEF's human rights principles are grounded in the UN Global Compact, the Conventions of the International Labour Organization (ILO), the United Nations' Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, and the OECD Guidelines for Multinational Companies.

At the same time, we also see our obligation to human rights as a contribution toward sustainable risk management within the Group.

Internal implementation

We have incorporated our obligation to respect human rights in the **HOCHTIEF Code of Conduct**, which is binding on all employees. The key points here are respect of human dignity, the rejection of child labor, the rejection of forced labor, equality of opportunities and the prohibition of discrimination, safety and health, the right to organize in labor unions, and the right to take collective action.

Our employees can rest assured that HOCHTIEF will do all that is necessary to secure these rights. The wording in our Vision is as follows: "The knowledge, dedication, and commitment of our employees are the basis for our success. We provide them with safe, challenging and fulfilling jobs."

This is reflected, most notably, in the following **key themes of HR work:**

- Employee rights: HOCHTIEF cultivates cooperation with labor representation organizations. The company's management expressly advocates the right to organize labor unions. Individuals are elected at all HOCHTIEF locations to represent employee interests.

- **Personal development:** In order to best accompany employees' personal development, HOCHTIEF practices a policy of open communication—by means of structured employee interviews, for instance, or the active transfer of knowledge within the Group. HOCHTIEF encourages life-long learning and has put various instruments in place to facilitate continuing education.
- **Diversity:** Because HOCHTIEF cultivates a culture of diversity, we employ people from all over the world. We promote diversity—with varying focal points—in the HOCHTIEF Europe, HOCHTIEF Americas and HOCHTIEF Asia Pacific divisions.
- **Occupational health and safety:** A comprehensive health and safety policy is paramount for HOCHTIEF. We take preventive measures in an effort to eliminate or minimize risks arising out of work-related illnesses and accidents. This also applies to our contractual partners and subcontractors for whom we are legally responsible.

In addition to the Code of Conduct, we have defined standards in this area in the Group Directive Occupational Safety, Health, Environmental and Climate Protection which form the basis of the Occupational Safety and Health and Environmental Protection (OSHEP) organization at HOCHTIEF. The non-financial performance indicator of “Lost Time Injury Frequency Rate” (LTIFR)—number of accidents per million hours worked—which was introduced in 2015 underlines the importance of occupational health and safety as a central principle at HOCHTIEF. The Code of Conduct is developed and complemented by **Directives and other internal regulations** within the HOCHTIEF Group.

Choice of markets for business activities

HOCHTIEF delivers the majority of its services in North America, Australia and the European Union. These countries are characterized by a functioning rule of law and have a low corruption risk according to Transparency International's Corruption Perception Index. In addition, they have signed up to the UN's human rights conventions and ILO agreements (for instance those on eliminating the worst kinds of child labor, abolishing forced labor, on the right to form labor unions, and the right to collective bargaining).

Monitoring observance

Observance of human rights' standards is monitored within the scope of **project audits** conducted by internal Auditing. Case by case, individual audits include elements such as monitoring legally-compliant remuneration (minimum wage), and occupational health and safety issues. A "Quick Check" on human rights is used by Corporate Auditing within the framework of audits in order to identify possible risks.

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The HOCHTIEF Group's **Compliance organization** effects the organizational measures to ensure proper conduct on the part of the company, its organs and its employees, and to reduce risks. Preventive measures are geared to prevent violations altogether or to enable early detection.

Complaints procedure and process in the event of violations

Where standards are violated, the HOCHTIEF Group's Compliance organization is the first port of call. It also provides access to a complaints procedure. Several ways of reporting violations of internal rules or laws are provided: an internal and an external tip hotline and an e-mail contact address through which HOCHTIEF employees may give notice of possible crimes or non-compliance with statutory or company regulations. External third parties (e.g. clients or subcontractors) may also make use of the tip hotline. This opens up a further way of informing HOCHTIEF of legal violations.

Where it is proven that an employee has violated the rules set out in the Code of Conduct, disciplinary action is taken and may lead to termination of the individual's contract of employment.

Implementation when working with business partners

To best secure the observance of human rights' standards and to minimize human rights' risks along our supply chain, our activities also include monitoring our business partners and working in tandem with them. Within the scope of risk-based business partner compliance due diligence, we check the integrity and reliability of our business partners.

The **HOCHTIEF Code of Conduct for Business Partners** requires our business partners to observe international human rights' standards. These include, most notably, respect of human rights, the rejection of forced labor, the rejection of child labor, the rejection of discrimination, the guarantee of occupational health and safety, and the observation of fair working conditions.

Action is taken in the case of proven violations and may lead to exclusion as a business partner of HOCHTIEF Aktiengesellschaft.