

SUSTAINABILITY REPORT 2009

QUALITY SECURITY OF SUPPLY REFURBISHMENT AND UPGRADING
BUILDING DIAGNOSIS WIND POWER HYDROPOWER PARTNERSHIP
INNOVATION TRUST INITIATIVE REVITALIZATION VISIONARY PROJECTS
ENERGY MANAGEMENT INFRASTRUCTURE GREEN BUILDING SUSTAINABILITY GEOTHERMAL ENERGY
SUSTAINABLE PRODUCTS AND SERVICES ACTIVE CLIMATE PROTECTION ATTRACTIVE WORKING ENVIRONMENT
CORPORATE CITIZENSHIP COMPLIANCE AND ETHICS MANAGEMENT RESOURCE PROTECTION
CONSTRUCTION MANAGEMENT FACILITY MANAGEMENT QUALITY SECURITY OF SUPPLY REFURBISHMENT AND UPGRADING
PREFAIR CODE OF CONDUCT WIND POWER HYDROPOWER PARTNERSHIP INNOVATION TRUST INITIATIVE AND UPGRADING
BUILDING DIAGNOSIS WIND POWER HYDROPOWER RESPONSIBILITY ECOLOGY REDUCTION OF CO₂ EMISSIONS
REVITALIZATION VISIONARY PROJECTS GREEN BUILDING SUSTAINABILITY
ENERGY MANAGEMENT INFRASTRUCTURE ATTRACTIVE WORKING ENVIRONMENT
ACTIVE CLIMATE PROTECTION RESPONSIBILITY ECOLOGY REDUCTION OF CO₂ EMISSIONS
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HYDROPOWER PARTNERSHIP INNOVATION TRUST INITIATIVE
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RESPONSIBILITY ECOLOGY REDUCTION OF CO₂ EMISSIONS
INFRASTRUCTURE ENERGY MANAGEMENT
PREFAIR
CODE OF CONDUCT
WIND POWER
BUILDING DIAGNOSIS
SECURITY OF SUPPLY
REFURBISHMENT AND UPGRADING
ENVIRONMENTAL AND SAFETY MANAGEMENT
FACILITY MANAGEMENT
SUSTAINABILITY
GEOTHERMAL ENERGY
SOCIALLY RESPONSIBLE
CORPORATE CITIZENSHIP
COMPLIANCE AND ETHICS MANAGEMENT
ACTIVE CLIMATE PROTECTION
ENERGY MANAGEMENT
INFRASTRUCTURE
VISIONARY PROJECTS
WIND POWER
BUILDING DIAGNOSIS
REVITALIZATION
PREFAIR
CONSTRUCTION MANAGEMENT
SUSTAINABLE PRODUCTS AND SERVICES

Turning Vision into Value.



HOCHTIEF

HOCHTIEF

communicates openly with all stakeholders

Sustainability in business is increasingly a focus of public interest. We meet this interest with open and transparent communication with stakeholders. Our active information policy not only serves to uphold confidence and understanding with regard to HOCHTIEF. Ongoing dialog helps us find innovative ways of sustainably doing business. Our communications activities are tailored to the needs of each stakeholder group. The table below contains examples of how we address and communicate with the groups concerned.

Stakeholder group	Examples of communications activities	Page
Clients and decision makers from the worlds of business and politics	Trade shows, client events and customer magazine, image surveys	19–21
Representatives of German government, states and municipalities	Trade events, PPP models	21, 75–76
Investors, shareholders and analysts	General shareholders' meeting, business results press conference, roadshows	9, 84
Journalists	Press conferences, background interviews	84
Associations, NGOs and other organizations	Memberships, committee work and representatives	12–13, 17, 63, 82, 83
Neighbors and local residents	Open house, newsletters, neighborhood hotline	73
Subcontractors	Supplier portal	83
Students, graduates and scientists	University fairs and cooperation with universities	33, 70
Employees	Annual appraisal interviews, employee publications, People.Index, Ideas Room, action days	54–55, 56, 63

HOCHTIEF strives for continuous improvement in stakeholder dialog. To this end, we have posted a questionnaire online (www.hochtief.com/sustainability) for you to rate our Sustainability Report. We thank you for your support.

For links to all HOCHTIEF companies, please see our website, www.hochtief.com.

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In this Sustainability Report, we have opted to present a relatively brief synopsis of the relevant topics. For more detailed, up-to-date information, please go to www.hochtief.com/sustainability. The report covers the period between November 2007 and September 2009 and follows on from the Sustainability Report published in November 2007. We publish a sustainability report every two years. The reporting periods for key figures are stated separately.



Wherever you see this symbol in the report, you will find links to institutions whose URLs are indicated on the relevant pages.

Our Company at a Glance in 2009



Corporate Headquarters

HOCHTIEF Americas Division

The Americas division coordinates the activities of HOCHTIEF companies in the Group's construction and services modules in the US, Canada and Brazil.

Through its subsidiary Turner, HOCHTIEF is the leading general builder in the USA, the world's biggest construction market. Turner is No. 1 in the growth segments of education, healthcare and office properties. It likewise leads the increasingly important green building segment, which has grown to become a market driver in the US.

HOCHTIEF's subsidiary Flatiron is a frontrunner in the US infrastructure sector. Flatiron is also a major pillar of our activities in the growth segment of public-private partnerships for infrastructure projects in the USA and Canada.

Subsidiary HOCHTIEF do Brasil has been among the leaders on the Brazilian construction market for several decades. Alongside building and infrastructure construction, the company also offers facility management services.

HOCHTIEF Asia Pacific Division

The Asia Pacific division orchestrates our activities in Australia and Asia. HOCHTIEF leads the Australian market through its majority share in the Leighton Group. Leighton's capabilities include building, infrastructure construction, mining and concessions, project development and industrial services.

Leighton spans the entire construction value chain with its operational units comprising Leighton Contractors, Thiess, John Holland and Leighton Properties in Australia, plus Leighton Asia, Leighton International, and the company's interests in the Al Habtoor Leighton Group in the Gulf region.

Besides taking a top spot in the infrastructure and project development segments, Leighton is systematically expanding its global leadership position as a mine operator and manager in contract mining. Strongly positioned in the Australian market, Leighton is stepping up its activities in selected Asian countries and in the Gulf region.

Leighton has its own group policies and code of ethics in line with its specific regional circumstances.

HOCHTIEF Concessions Division

HOCHTIEF Concessions and its two subordinate companies HOCHTIEF AirPort and HOCHTIEF PPP Solutions preside over the development and implementation of concessions and operation projects in the Concessions division. The division's business segments include airports, toll roads, social infrastructure/public buildings, and further public-private partnership (PPP) projects.

HOCHTIEF AirPort's business portfolio includes interests in Athens, Budapest, Düsseldorf, Hamburg, Sydney and Tirana airports. These six airports served a combined total of around 90 million passengers in 2008. Paving the way for further profitable growth, HOCHTIEF AirPort teamed up with major investors in 2005 to establish HOCHTIEF AirPort Capital. A targeted portfolio expansion strategy places the emphasis on long-term investments.

HOCHTIEF PPP Solutions designs, finances, builds and operates public building and transportation infrastructure projects on a public-private partnership basis. The portfolio embraces seven toll road projects with a total length of more than 700 kilometers along with 89 schools serving over 60,000 students, two town halls, a community center and one barracks. The company is also masterminding Germany's first two wholly privately financed geothermal power plants.

*For further information on the HOCHTIEF divisions, please see www.hochtief.com.



(management holding company)*

HOCHTIEF Europe Division

The Europe division pools HOCHTIEF's expertise in its core building business under the leadership of HOCHTIEF Construction. This takes in building construction together with civil and structural engineering in selected European countries including Germany, the UK, Austria, Poland, the Czech Republic and Russia. The company also operates as a property developer focused on high-quality residential real estate. HOCHTIEF Construction additionally serves as a general contractor on major projects outside Europe. A large share of construction work is done under partnership-based business models such as PreFair.

HOCHTIEF Construction provides preconstruction, construction and post-construction services, with comprehensive packages extending from building diagnosis through to location analysis. The company also boasts one of Germany's largest engineering consultants in HOCHTIEF Consult, which numerous clients turn to for major projects such as power stations.

Subsidiary Streif Baulogistik is a service provider for construction, construction-related infrastructure and logistics. Besides carrying out site installation, Streif Baulogistik coordinates and streamlines building site processes for HOCHTIEF companies and external clients.

HOCHTIEF Real Estate Division

The companies making up the Real Estate division develop, realize, market and manage real estate across the entire property life cycle.

HOCHTIEF Projektentwicklung performs integrated planning, development and marketing for large real estate projects such as hotel, office and residential buildings, urban developments and retail, logistics and special-purpose properties in Europe.

aurelis Real Estate is a jointly controlled entity 50 percent owned by HOCHTIEF since 2007. The company has some 24 million square meters of real estate close to city centers, mainly in large cities and metropolitan regions. Some of this real estate is marketed for project development. The remainder comprises portfolio properties which the company rents out to commercial users. There are currently some 4,500 leases on the books.

HOCHTIEF Property Management, Germany's leading property management provider, acts on behalf of real estate investors, representing ownership interests to secure sustained higher returns on investment.

In addition, we have many years' experience in managing and marketing large real estate portfolios in the asset management segment.

HOCHTIEF Services Division

The Services division is in charge of the facility management and energy management segments.

HOCHTIEF Facility Management is a leading provider of integrated facility management solutions in Europe. Sectors served include the automotive industry, chemicals/pharmaceuticals and electrical engineering/semiconductors, financial services/real estate investment, airports/aviation, healthcare, and event facilities. The company applies an integrated approach to buildings, properties, processes and facilities, packaging solutions that go beyond conventional facility management.

One of Germany's foremost energy contracting firms, HOCHTIEF Energy Management ensures the efficient operation of energy systems in industry as well as for public and private-sector buildings. The company operates, improves, finances and refurbishes systems for the generation and distribution of heating, ventilation and air conditioning, refrigeration, compressed air, electricity, light and water. In this way, HOCHTIEF reduces clients' operating costs.



Foreword

Dear Readers,

Welcome to HOCHTIEF! We are pleased to present our Sustainability Report with a wealth of information about the HOCHTIEF Group and about our progress in sustainability issues.

We set ourselves very high standards in this regard and take sustainability and all related obligations very seriously. As an international construction services provider, we owe a huge responsibility by virtue of our global projects which impact on large numbers of people and on the environment. We are conscious of HOCHTIEF's role as a corporate citizen, contributing to society in ways both big and small. Making all of this happen also calls for the right philosophy within the Group, and relies on the workforce supporting our guiding principles and making them a reality in their work. Accordingly, HOCHTIEF is strongly committed to sustainability as an employer. Through our compliance systems, we are ideally placed to deliver on that commitment. We additionally became a participant in the UN Global Compact in 2008 and are expressly committed to the Compact's ten principles. Our Sustainability Report also serves as our Communication of Progress (COP) for the purposes of the Global Compact.

As this Report also shows, sustainability today accounts for a major share of our operating business. Our strategy is about providing solutions at every link in the infrastructure project, real estate and facility life cycle. This integrated approach supplies the ideal framework for putting sustainability into practice. Because timely planning, project-based teamwork in construction and well-tuned project operation not only save money, but reap benefits in energy efficiency and climate protection. All over the world, we offer energy-efficient construction solutions and build power generation infrastructure using alternative energy sources. We have secured a large customer base by doing so. In the US, we lead the market in green building. As industry pioneers, we have had a major hand in shaping that market and setting standards.

Quantifiable standards are important to us because they allow fair assessment and comparison between projects. We work for this purpose with the national member councils of the World Green Building Council. In Germany, we continue to be active in the German Sustainable Building



**Dr.-Ing. Herbert
Lütkestratkötter,
Chairman of the
Executive Board**

Council, of which we were among the founder members in 2008. The first German sustainable building certifications were awarded in 2009.

We too wish to give our stakeholders a means of measuring and evaluating our performance. To this end, we not only publish facts and figures on our progress and contribution in terms of sustainability, we also have them appraised by public auditors. We closely adhere in our reporting to the Guidelines of the Global Reporting Initiative (GRI), which aims to make the sustainability performance of companies transparent and comparable.

We want to sustain our strong forward momentum. To make sure we do, we have once again set ourselves ambitious new targets and expect our performance to be measured by their attainment. We look forward to having you with us along the way.

We wish you an enjoyable read and will be pleased to hear your suggestions, ideas and questions.

*Sincerely yours,
Herbert Lütkestratkötter*

Dr.-Ing. Herbert Lütkestratkötter

The Company

Creating sustainable value

For further information on the HOCHTIEF Group, please see www.hochtief.com.

- **Sustainable projects increasingly the preferred choice of HOCHTIEF clients**
- **Sustainability as value driver**
- **CSR strategy integral to HOCHTIEF corporate strategy**

HOCHTIEF is a leading international provider of construction services, with integrated capabilities spanning the entire infrastructure project, real estate and facility life cycle. Serving the market for over 130 years, our company today offers a portfolio of services in four primary modules: development, construction, services, and concessions and operation. The established HOCHTIEF global network places us on the map in all of the world's major markets. We believe that sustainable development is attained through the interaction of economic, sociocultural and environmental factors. The challenge we face lies in convincing clients of the benefits and efficiency of sustainable solutions. Backed by HOCHTIEF's sustainable construction expertise, we are increasingly successful at mastering that challenge: Energy-saving and resource-conserving projects are the preferred option for increasing numbers of our clients. This trend can be clearly seen at our US subsidiary Turner, which is steadily expanding its green building activities.

Corporate strategy built on sustainability

By implementing our strategy, which embodies sustainability in many ways, we create value for investors, clients, trading partners and the company. The huge importance of sustainability in business corporations is confirmed in research by URS . This network of architects, engineers, technicians and natural scientists commissioned a survey of over 2,200 mergers and acquisitions experts to find out how investors rate companies that operate by sustainable principles. The findings leave no room for doubt: Over 80 percent of respondents believe that sustainability directly enhances value.

With high-margin services and a track record of delivering solutions tailored to the needs of each client, we invest in tomorrow's markets and drive ahead expansion in high-growth regions. Notable activity areas include renewable energy sources and energy efficiency. By maintaining clear

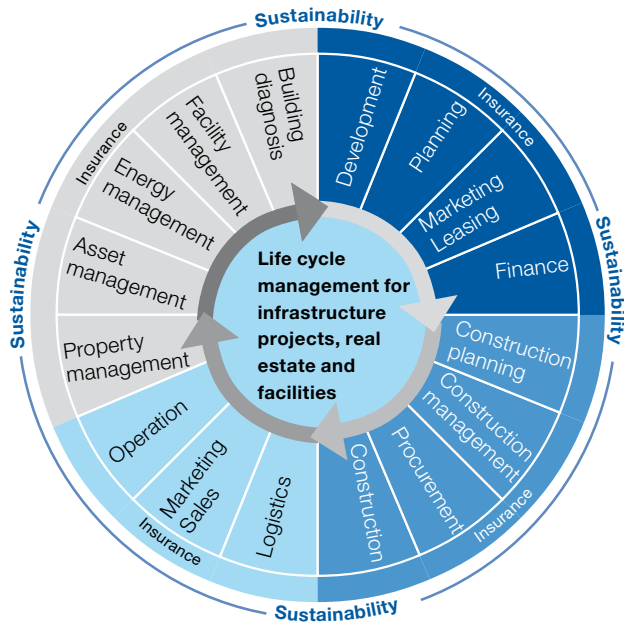
focus in this way, we lay the foundations to master new challenges.

Project life cycle solutions

A cornerstone of the HOCHTIEF strategy consists in providing service along the entire length of the infrastructure project, real estate and facility life cycle. Clients, HOCHTIEF and ideally the environment too consequently benefit from partnership-based dialog beginning long before the construction phase.

Life cycle management at HOCHTIEF is closely tied to the production process for our projects. To give some examples for each phase:

- **Development:** HOCHTIEF Projektentwicklung produces a real estate development plan, acquires the site and sets the planning approval procedure in motion. It is possible at this stage to positively influence the future operating costs, for example, in terms of energy consumption.
- **Planning:** Together with architects and the responsible authorities, the project is designed and planned incorporating investment and urban planning requirements.
- **Marketing/leasing/sales:** Working closely with reputable brokers, the space is rented out or sold to final investors.
- **Finance:** HOCHTIEF assembles a financing plan and helps implement it.
- **Construction planning:** HOCHTIEF Consult performs the structural calculations and is responsible for executing the plans.
- **Construction management:** HOCHTIEF Construction develops a site plan, ensuring such vital factors as health and safety and a smooth workflow.
- **Procurement:** HOCHTIEF's procurement function obtains materials, systems and services, and directly subcontracts other work.
- **Construction:** HOCHTIEF Construction builds the development, in whole or part.
- **Logistics:** HOCHTIEF's subsidiary Streif Baulogistik takes charge of functions such as site setup and access control, and may provide cranes and other construction machinery.



One-stop shopping: HOCHTIEF as a life cycle manager.
Our services are based on the principle of sustainability.

- **Operation:** HOCHTIEF Facility Management runs the developed property, ensuring smooth operation and monitoring system health along with energy consumption.
- **Energy management:** HOCHTIEF Energy Management helps clients make better and more efficient use of energy.
- **Asset management:** Asset management services include identifying and exploiting appreciation potential in the client's real estate portfolio.
- **Property management:** HOCHTIEF Property Management assumes owner responsibilities in a fiduciary capacity for the investor.
- **Building diagnosis:** This service helps bring a development approaching the end of its life cycle up to the latest energy and systems standards.
- **Insurance:** HOCHTIEF offers custom insurance for all Group operational units and outside project partners over the entire project life cycle. We insure risks such as fire and business interruption for clients, owners and end-users.

In many projects, HOCHTIEF clients use two or more services from our portfolio. Two examples of projects involving a broad cross-section of HOCHTIEF capabilities are Constantin Höfe in Cologne and WestendDuo in Frankfurt.

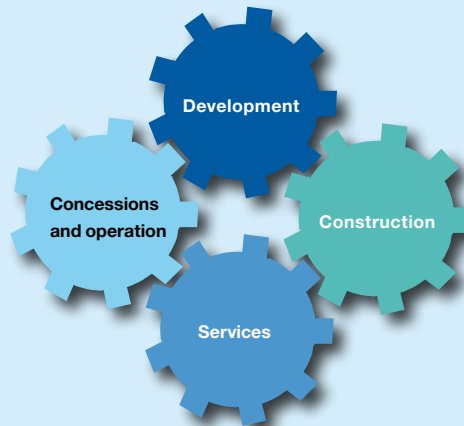
Our products and services

Development

This module encompasses real estate development, from planning and finance all the way to marketing, either as individual offerings or as an all-in package.

Construction

This module comprises traditional construction operations as well as construction management in the areas of building, civil engineering and infrastructure development.



All modules in the product and service portfolio are closely interlocked.

Services

The services module covers services in the pure sense, such as construction planning, logistics, asset management, facility management, energy management, property management and insurance. Construction management at fee is also included.

Concessions and operation

Included here are all activities aimed chiefly at managing business processes. This notably covers the work of our airport segment alongside our public-private partnership business in the roads, social infrastructure/public buildings and infrastructure ventures segments. Contract mining, with its focus on operation, is also assigned to this module.

*For further information, please see our printed Annual Report 2008 or www.reports.hochtief.com.

Further strategic initiatives

The HOCHTIEF strategy* also includes the following strategic initiatives:

- Expansion in high-growth regions
- Expansion of HOCHTIEF's products and services
- Stepping up the service business—in particular emphasizing sophisticated facility and energy management services
- Systematic leveraging of Group synergies to the benefit of clients and the company—for example, with our “one roof” policy of housing all units that are in the same locality in one shared building
- Positioning HOCHTIEF as an attractive employer.

Corporate social responsibility is our conviction

HOCHTIEF is a future-focused company and accepts responsibility toward society and the environment. Our vision provides the foundation for sustainable business:

“HOCHTIEF is building the future.—Along with our partners, we expand horizons, link people and organizations, create new ways to think and act, and continually enhance the values entrusted to our care.”

The realization of our vision is furthered by our guiding principles. These are based around four main areas and fully encompass the GRI criteria:

- Client-oriented service spectrum
- Successful employees
- Sustainability
- Value-oriented strategy

In November 2008, to underscore our commitment to responsibility and publicly highlight that commitment, we joined the United Nations Global Compact, the world's largest corporate responsibility initiative.

Organization of CSR initiatives and their goals

At HOCHTIEF, corporate social responsibility (CSR) and corporate strategy are closely interlinked. Management of sustainability issues is the responsibility of the CSR function within HOCHTIEF Corporate Development. This allows sustainability to be integrated organizationally into strategy development and innovation process design.

Our CSR Committee, established in 2007, is in charge of the HOCHTIEF CSR strategy's ongoing development and translates the strategy into targets and action items whose implementation it then goes on to initiate and monitor. The Committee makes use in its work of the Group's proven management systems, including the environment and safety management system and the compliance system with internal and external audits. For the purpose of adding substance to the CSR strategy, the Committee has defined six areas:

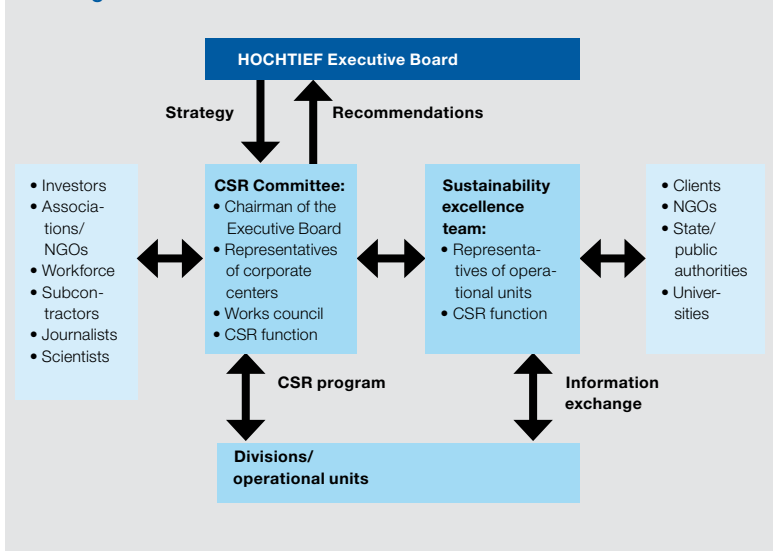
- Sustainable products and services
- Active climate protection
- Resource protection
- Attractive working environment
- Corporate citizenship
- Compliance and ethics management

These are of special importance in all of our activities and help us deliver on our social responsibility. We aim to meet the diverse challenges of sustainability by adding substance to these areas. To measure success against meaningful performance indicators, HOCHTIEF works constantly to enhance the quality and comprehensiveness of CSR data.

The CSR Committee reports to the Executive Board on CSR initiatives, providing advice and making recommendations. The Committee meets on a quarterly basis. HOCHTIEF employees can learn about all discussion topics and meeting outcomes on the corporate intranet.

April 2008 additionally saw the establishment of the sustainability excellence team, made up for the most part of employees from operational units. The task of the excellence team is to develop new sustainability-oriented products. This partly involves reinforcing integration and knowledge transfer within the company. The team meets regularly for this purpose at various HOCHTIEF locations. Close cooperation between the sustainability excellence

CSR Organization



team and the CSR Committee makes it possible to develop strategic ideas into sustainable products and services spanning the project life cycle and to take them to the market.

The rigorous alignment of our activities to stakeholder needs is also reflected in the composition of central decision-making bodies. Members of the CSR Committee, for example, include representatives of the Works Council and of the Investor Relations and Corporate Communications centers. Client interests are represented by the sustainability excellence team.

Strong scores in international rankings

The success of the consistently implemented HOCHTIEF strategy feeds through to substantially better-than-average performance in global corporate rankings. A case in point is the 2008 ranking of the world's largest construction companies published by the Engineering News-Record, a major industry periodical. HOCHTIEF ranked first in Top International Contractors and fifth in Top Global Contractors. No other company in the industry is as strongly international as HOCHTIEF.

Since February 2009, our company also features in the Global 100 Most Sustainable Corporations in the World, a ranking compiled by Canada's Corporate Knights media group in cooperation with Innovest Strategic Value Advisory. Our outstanding reputation is reflected in Fortune Magazine's 2009 global ranking, which places HOCHTIEF fifth among the most admired German companies.



Sustainability an asset on the capital markets

In September 2009, HOCHTIEF featured in the highly regarded Dow Jones Sustainability Indexes for the fourth time in a row. We remain the sole German construction services provider to receive this accolade. Our Australian subsidiary Leighton joined the same select group in March 2009 with a listing in the Dow Jones Sustainability Asia Pacific Index.

EXPERT OPINION



Michael Riley is a senior analyst at SAM Sustainable Asset Management AG, Zurich. SAM is an investor group focused on sustainable investments and licenses the Dow Jones Sustainability Indexes (DJSI).

Michael Riley on ...

... the growing importance of the DJSI

Any manager looking for a competitive advantage today will find that deploying sustainable business processes cuts risk and unlocks business opportunities emerging from long-term economic, environmental and social trends. So the Dow Jones Sustainability Indexes are a key means of appraising sustainability profiles for companies and investors alike.

... the DJSI rating and listing process

All economic, environmental and social criteria relevant to long-term value are assessed, mainly from a questionnaire, an analysis of generally available data and personal interviews with people at the companies concerned.

... the benefits of DJSI for companies and investors

The SAM assessment  for the DJSI lets a company quantify and rank its strengths and weaknesses on the sustainability front. This means companies find out how they can enhance value in the long term by building economic, environmental and social factors into their business strategy. And investors can use the DJSI as a decision making filter to hone in on the best performers in each sector.

... the potential for sustainable investments

We expect that in ten years, investments in sustainable projects will account for 15 to 20 percent of global assets under management. And after the financial crisis especially, we are going to see sustainability featuring more and more as a criterion in investment decisions.

 www.samgroup.com



HOCHTIEF secured Gold Class status in the Heavy Construction sector in the SAM Sustainability Yearbook 2009.

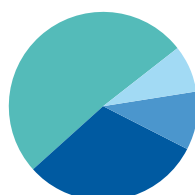
Key Figures

Extract from the Five Year
Summary in the HOCHTIEF
Annual Report 2008

		2004	2005*	2006	2007	2008
New orders	EUR million	15,587	15,599	20,565	23,509	25,284
Work done	EUR million	13,107	14,854	16,719	18,773	21,643
Order backlog at year-end	EUR million	18,715	21,096	25,134	29,894	30,922
Employees (average for year)	Total	36,409	41,469	46,847	52,449	64,527
	Of total: Domestic	9,423	9,761	9,639	10,152	11,004
	International	26,986	31,708	37,208	42,297	53,523
External sales	EUR million	11,944	13,653	15,466	16,452	19,103
Increase/decrease on prior year	%	13.4	14.3	13.3	6.4	16.1
Materials	EUR million	9,151	10,422	11,682	12,327	14,251
Materials ratio	%	76.6	76.3	75.5	74.9	74.6
Personnel costs	EUR million	1,835	2,162	2,584	2,807	3,266
Payroll ratio	%	15.4	15.8	16.7	17.1	17.1
Depreciation and amortization	EUR million	263	287	325	312	392
Profit from operating activities	EUR million	156	280	179	123	311
Net income from participating interests	EUR million	34	63	130	354	306
Net investment and interest income	EUR million	(3)	(6)	29	24	(97)
Profit before taxes	EUR million	187	337	338	501	520
Return on sales before taxes	%	1.6	2.5	2.2	3.0	2.7
Profit after taxes	EUR million	81	156	201	341	342
Return on equity	%	4.3	7.1	8.6	11.4	12.0
Consolidated net profit	EUR million	41	68	89	141	175
EBITDA	EUR million	490	652	652	852	1,068
Operating earnings (EBITA)	EUR million	227	366	327	539	676

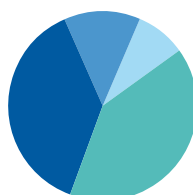
*Restated on first-time application of IAS 19

New orders by region



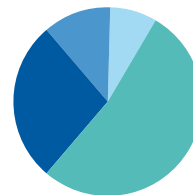
100% = EUR 25.28 billion

Work done by region



100% = EUR 21.64 billion

Order backlog by region



100% = EUR 30.92 billion

Limits of report coverage

Certain companies in HOCHTIEF's international business portfolio have management systems of their own. This precludes compiling standardized data for the entire Group. We indicate any limits of coverage in this report wherever they apply.

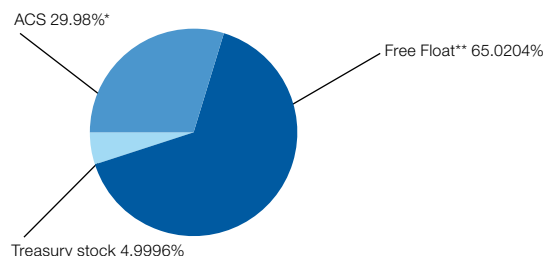
HOCHTIEF Worldwide



A selection of our numerous subsidiaries and associates underscores HOCHTIEF's global presence. For further information, please see www.hochtief.com.

HOCHTIEF Americas	HOCHTIEF Asia Pacific	HOCHTIEF Concessions	HOCHTIEF Europe	HOCHTIEF Real Estate	HOCHTIEF Services
Turner (USA) Flatiron (USA, Canada) HOCHTIEF do Brasil (Brazil)	Leighton Holdings (Australia) Leighton Contractors (Australia, New Zealand) Thiess (Australia, India, Indonesia) John Holland Group (Australia) Leighton International (Brunei, India, Malaysia, Qatar, Singapore, Sri Lanka, UAE) Leighton Properties (Australia) Leighton Asia (Cambodia, China, Hong Kong, Indonesia, Laos, Macao, Mongolia, Philippines, Thailand, Vietnam) Al Habtoor Engineering (Qatar, UAE)	HOCHTIEF Concessions (Germany) HOCHTIEF AirPort (Germany) HOCHTIEF AirPort Capital (Germany) HOCHTIEF AirPort Retail (Albania) HOCHTIEF PPP Solutions (Chile, Germany, Ireland, UK, USA) HOCHTIEF PPP Schools Capital (UK) Transport & Logistics Consultancy (UK)	HOCHTIEF Construction (Austria, Bulgaria, Chile, Czech Republic, Germany, India, Luxembourg, Poland, Qatar, Romania, Russia, South Africa, Sweden, UK, Ukraine) HOCHTIEF Global Trade (Germany) HOCHTIEF Procurement Asia (Hong Kong) Streif Baulogistik (Austria, Bulgaria, Denmark, Germany, Poland, Romania, Russia, Ukraine) Durst-Bau (Austria)	HOCHTIEF Projektentwicklung (Austria, Czech Republic, Germany, Hungary, Poland, Romania, Russia, Switzerland) HOCHTIEF Property Management (Germany) aurelis Real Estate (Germany)	HOCHTIEF Facility Management (Bahrain, Czech Republic, Denmark, Germany, Greece, Hungary, Ireland, Poland, Slovakia, Switzerland, UK) HOCHTIEF Energy Management (Germany)

Ownership structure (as of April 2009)

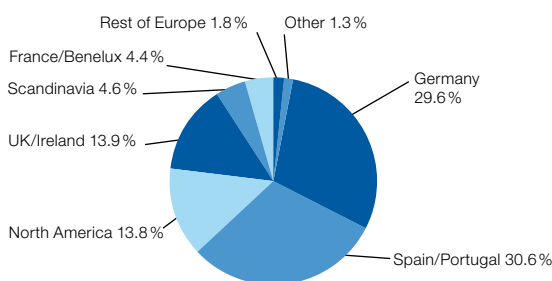


*ACS ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS S.A., Madrid, Spain

**Includes 4.9999 percent (corresponding to 3,499,950 shares) held by HOCHTIEF Pension Trust e.V.

For further information on the ownership structure, please see our Annual Report 2008 or the HOCHTIEF website.

Regional distribution of share ownership



Green Projects: Reinventing the Made in Germany Label

The German government's climate and energy package is designed to effect a 40 percent reduction in carbon emissions by 2020 as compared to 1990 levels. Professor Manfred Fischedick, Vice President and Director of the Wuppertal Institute for Climate, Environment and Energy, and Dr. Herbert Lütkestratkötter, Chairman of the HOCHTIEF Executive Board, spoke to the editorial team behind HOCHTIEF's Sustainability Report about climate change mitigation and related opportunities for industry and society.

Professor Fischedick, where do you think action is needed most in order to meet the German government's target?

Prof. Manfred Fischedick: The climate and energy package puts climate change mitigation on a faster track. But having said that, the real challenges will only start to emerge in 2020. We have to cut global greenhouse gas emissions by at least half, which means the industrialized countries have to slash their carbon emissions by as much as 90 percent by mid-century. In doing so, the energy systems in place today will have to be turned on their heads. At present, renewable energy makes up only seven or eight percent of overall energy supply. The ratio of renewables to fossil fuels must be reversed in the course of the next 40 to 50 years. An integrated optimization approach is needed if we are to achieve the climate change target without losing sight of other goals such as security of supply and economic viability. The key lies in an implementation and innovation initiative in which we put readily available ideas into practice and create the right conditions. Most of the technologies needed are already on hand. We have to see to it that we use them.

How does HOCHTIEF serve climate change mitigation?

Dr. Herbert Lütkestratkötter: For a start, there are numerous ways for the construction industry to get involved. When all is said and done, constructing and most of all operating buildings and other structures accounts for around 50 percent of primary energy resource consumption. This is where HOCHTIEF targets its climate change activities. Energy-efficient building modernization is a prime example. We are also committed to the use of renewable energy sources, for example, with hydroelectric power stations

but also more innovative approaches such as wind power alongside building and operating geothermal power plants and biogas facilities. However, renewables only provide for efficiency and security of supply if the energy is actually stored, as with pump storage power plants—another requirement that has much to do with building and construction.

What in your opinion are the most important measures in mitigating climate change?

Prof. Fischedick: There are five major strategies: greater use of renewables, increasing energy efficiency, sustainable production and consumption patterns, nuclear energy, and carbon capture and storage, which would make coal and gas more climate-compatible. Nuclear energy is by far the most controversial strategy and, in my view, it is not the best option in efforts to halt climate change.

What can HOCHTIEF do to improve energy efficiency?

Dr. Lütkestratkötter: We offer energy contracting services and devise integrated energy strategies for large buildings. These take in elements such as insulation, heat supply and systems efficiency. The energy-saving potential is tremendous. For example, Augsburg hospital saves some 17,000 metric tons of CO₂ a year. This is just one of many projects in which we help to cut emissions.

You work with energy and mobility structures. Can your findings be transferred to HOCHTIEF?

Prof. Fischedick: Many of them certainly can. Take greater system integration of renewable energy sources that offer a steady energy supply, like geothermal heat. Another key aspect involves boosting the implementation rate in areas such as energy-efficient building modernization and transfer of climate change technologies to other countries. This is all heavily linked to HOCHTIEF activities. The Wuppertal Institute can provide ideas, but it is up to industry to put them into practice.

Has HOCHTIEF adopted any mobility measures?

Dr. Lütkestratkötter: Yes, of course. They start at a very basic level. We have introduced driving courses to help users of company cars adopt a fuel-saving driving style. As an alternative to business trips, we are stepping up the use of video and conferencing services. A survey is currently

underway in which employees are being asked for their ideas on saving energy. In the district of Offenbach where we operate 50 schools on behalf of the local authorities, great quantities of energy are being saved because, for example, we have shown building users how to ventilate properly. We need ideas that work not just on paper but in practice, and we need facilitators who spread the word.

Prof. Fishedick: In the public domain, the issue of sustainable mobility is more or less limited to alternative fuels. While these help in halting global warming, they are not the only factor in creating a sustainable transport system. There are two other key factors: traffic reduction and traffic redistribution—the two big “Rs,” if you will. These involve making cities and towns more attractive to pedestrians and cyclists, improving transport systems and optimizing traffic management, all of which are vital in achieving sustainable mobility ...

Dr. Lütkestratkötter: ... which incidentally are also issues we are very much involved in. Take road construction. The A4 expressway we are expanding, for example, is routed so that fewer traffic jams occur. We also concentrate on developing attractive inner-city areas.

Let us return to facilitators ...

Prof. Fishedick: We can all help mitigate climate change by altering our behavior. Statistics show that, depending on how people heat their homes, the type of cars they drive and what they do in their free time, they produce somewhere between five and fifteen metric tons of greenhouse gases per capita per year.

Dr. Lütkestratkötter: I firmly believe there is an element of sportsmanship in us all. And I mean that in the positive sense. If we can tease out that competitive spirit, then we could achieve a lot more.

HOCHTIEF sponsors the Solar Decathlon, a competition in which students develop proposals for low-energy housing. Do such competitions really have an impact?

Prof. Fishedick: Yes they do, because they sensitize both students and the general public to the cause. This particular competition is important because it targets viable system solutions for buildings, which are responsible for around 50 percent of overall energy consumption. Interdisciplinary cooperation and integrated thinking within each team leads to multidimensional solutions. And they show that innovative approaches work in real life.



Dr. Lütkestratkötter: Let me put it this way: Talk takes the silver medal, while demonstration takes the gold. If things can be demonstrated, they have a greater chance of becoming reality. That is why we support this initiative.

In the end, making money is what counts. Does climate change mitigation contribute to economic development?

Prof. Fishedick: Climate change mitigation is not only an economic burden. It is also an economic opportunity, especially in the medium and longer term. But we cannot embrace it without investing up front. Germany's Renewable Energy Sources Act (EEG) shows the way in that it supports the market launch and ongoing improvement of key climate change technologies. The development costs are recouped later down the line as renewables become cheaper than coal, oil and gas. It is important to remember that cleaning up the damage caused by climate change would cost far more than efforts to prevent it. So reducing emissions is profitable. And from an industrial policy standpoint, climate change provides an opportunity for highly developed countries like Germany to develop and export new products and processes—macroeconomically speaking, it is the right answer to the financial crisis. We have the intelligence and the expertise to develop a sustainable, resource- and energy-efficient industrial society.

Dr. Lütkestratkötter: I fully agree. We must press ahead with structural change in industry, business and society. We have what it takes—in science and research, technology, education and industry. From experience, I can say that wherever we have tackled climate change, new products have emerged that are competitive on the global market. Green projects make up a growing share of our order backlog. I firmly believe that if we seize the opportunity now, we can take the Made in Germany label to a completely new level.

Climate change creates opportunities for industry:
Dr. Herbert Lütkestratkötter,
Chairman of the HOCHTIEF
Executive Board, talked
to Professor Manfred
Fishedick, Vice President
and Director of the Wupper-
tal Institute for Climate,
Environment and Energy.

Area 1

Sustainable Products and Services



The challenge: Through our projects, we design the spaces where people live and shape the environment for a long time to come. This brings with it an enormous responsibility. We embrace this responsibility, for example, by aiming to offer more sustainable products and services. This requires forward-looking innovation, the intensive acquisition and transfer of know-how between the divisions as well as our commitment to green building.

Our objective: We aim to become the global market leader in sustainable construction and construction-related services and to do so by extending our spectrum of offerings spanning the entire life cycle of infrastructure projects, real estate and facilities.



A prime example of sustainable construction: The Visionaire (photo, l.). This 35-story residential condominium in Manhattan combines high comfort for its inhabitants and new standards in the field of green building. This includes a state-of-the-art water treatment plant, optimized energy consumption throughout the building, use of sustainable lumber and sealants that are low in volatile organic compounds.

Charlie Whitney (photo, r.), Turner employee, appreciates living spaces of this type: A LEED Accredited Professional, he is responsible for certifying green buildings. In addition, he realizes projects that meet the LEED standard of the United States Green Building Council. His work benefits future generations and thus, his children, too.

Area 1

Sustainable Products and Services

- **Sustainability a long tradition at HOCHTIEF in Germany and internationally**
- **Clients benefit from focused R&D**
- **Compelling examples of green building and sustainable construction services**

Sustainable construction is increasingly widespread in Europe, the USA and Australia. The economic and financial crisis has heightened quality awareness and the need to cut building operating costs. Buildings not only account for up to 40 percent of total energy consumption, they also generate up to two thirds of urban carbon emissions. Sustainable or green building thus has many benefits and is becoming more and more attractive: It can lower operating costs, saves energy and helps conserve the environment. Building users enjoy a significantly more agreeable working and living environment. On the bottom line, all of this enhances rental potential and hence investors' returns. What is more, if sustainability aspects are properly integrated into the planning process, the construction cost need not exceed that of conventional buildings. According to recent findings from consultants Jones Lang LaSalle, over 40 percent of German companies plan to place greater emphasis on climate protection as a criterion when looking at new premises. In its Global Green Building Trends Report 2008, Naseba  forecasts that the number of green buildings will multiply at a "phenomenal" rate in the next ten years. The experts project high growth rates for Europe especially. Our US subsidiary Turner comes to similar conclusions in its Green Building Market Barometer 2008, reporting that 72 percent of potential investors think building the green way will raise the value of real estate. HOCHTIEF estimates that from 2010, hardly any major building contracts will be undertaken without some sustainability features.

Sustainability a tradition at HOCHTIEF

For HOCHTIEF, green building is far from a passing trend. We have long been designing and building to above-average environmental standards and applying an integrated approach spanning the real estate life cycle from end to end. This is illustrated by projects such as the Commerzbank headquarters in Frankfurt, which was completed as early as the beginning of the 1990s. The property was

constructed with health-friendly materials and set standards with trailblazing energy-saving ventilation and air conditioning systems. Sky gardens form a climatic buffer zone in the Commerzbank tower and provide inspiration for subsequent projects to this day.

We also promote sustainable, resource-conserving construction through systematic knowledge transfer across our global HOCHTIEF network. Such efforts are furthered by our "one roof" policy of housing all units that are in the same locality in one shared building. Having everything on one site enables constant interchange and makes it possible to join forces in solution development. Plus, our wide-ranging service portfolio is made fully visible to clients. Integrated, interdisciplinary ways of working also mean we can reap valuable synergies. A case in point is the new comprehensive school building under construction in Cologne's Rodenkirchen district. HOCHTIEF PPP Solutions is building the entire complex with up-to-the-minute environment-friendly features such as photovoltaics and heat pumps. HOCHTIEF Construction is erecting the building and HOCHTIEF Facility Management is in charge of running it. Innovative technology will ensure that the new, sustainable building secures energy savings of some 26 percent on electricity and cost savings of no less than 29 percent on heating despite an 18 percent larger space footprint than its predecessor. HOCHTIEF Facility Management is responsible for the school's operation until 2034. Knowledge and experience gained at Rodenkirchen will be put to constructive use in other HOCHTIEF PPP Solutions projects in the UK, Ireland and Germany.

International commitment

HOCHTIEF practices green building the world over. Our subsidiary Turner has established market leadership in US green building. Companies in the business portfolio of our subsidiary Leighton are likewise increasingly successful with green building in Australia.



Highest standards of sustainability

HOCHTIEF is among the pioneers in sustainable construction. More and more of our projects meet top environmental standards and are certified accordingly by independent institutions. We also play an active part in initiatives and organizations aiming to promote the construction of sustainable buildings.

In Germany, for example, our company is a founding member and is closely involved in the management of the German Sustainable Building Council (DGNB) . The DGNB aims to foster the sustainable construction and operation of buildings in Germany and internationally and the creation of sustainable living spaces. In June 2008, the DGNB marked a milestone with the presentation of the first German sustainable building certification for office and administrative buildings. The certification was developed jointly by the German Federal Ministry of Transport, Building and Urban Affairs and DGNB members, with HOCHTIEF playing a major part. The aim is to assess building quality fully and objectively. Outstanding projects are awarded gold, silver or bronze certification. Certification is granted to buildings for which emphasis has been placed from the design phase and during construction on criteria such as health and resource conservation. Economic, ecological, technical, sociocultural, functional and process quality factors make up the rating. A separate rating is also awarded for locational quality.

We are proud that our "smarthouse" office building in Munich and the Super C service building at the Rhineland-Westphalia Technical University of Aachen (RWTH) were among the first projects to be certified throughout Germany. The German Sustainable Building Council granted preliminary gold certification for the Munich building, while the service center for Aachen's students gained a bronze certificate. Super C, which was built by HOCHTIEF Construc-

EXPERT OPINION



Professor Bernhard Bürklin is Head of Corporate Projects at HOCHTIEF. He also sits on the presiding committee of the German Sustainable Building Council (DGNB).

Professor Bernhard Bürklin on ...

... HOCHTIEF's reasons for co-founding the DGNB

Like HOCHTIEF, the DGNB aims to raise public awareness of sustainable construction. Much public education work is still to be done. Very few people know, for example, that putting up and running buildings and other structures accounts for about 40 percent of total primary resource consumption. This means the construction industry is better placed than almost any other to play a decisive, socially relevant part in enhancing sustainability.

... the benefits of DGNB certification for investors, users and developers

The certification process brings together all parties in a building project from a very early stage. This makes it possible for users to secure high quality—for example, with an improved energy concept resulting in lower running costs. For users and owners, certification also signals excellent usability and an outstanding indoor environment. It gives investors early assurance that the building will fully meet all quality requirements on completion. Finally, DGNB certification can lend an export boost to our construction industry along the whole construction value chain, from design to execution.

... future challenges facing the DGNB

The Council is currently engaged in developing different versions of the certification for other types of building and for refurbishment and upgrading projects. After that, attention will focus on establishing DGNB certification in Germany and above all internationally.

"smarthouse" Munich:
Awarded DGNB preliminary
gold certification (left).

 www.dgnb.de

Super C in Aachen: Twice acclaimed for sustainability (left).


Built to LEED standards: University of North Carolina/Dole Foods research center.



tion, was also voted one of the Best LIFE Environment Projects 2007/2008 by the EU Directorate-General for the Environment.

At the beginning of 2009, HOCHTIEF began managing and assessing its own projects and those of clients to German Sustainable Building Council standards and submitting them for certification. Halfway into 2009, we have already had four professionals specially trained as auditors to offer this service.


 www.gbcaus.org

The German Sustainable Building Council is a member of the World Green Building Council, which works to promote sustainable construction and resource-conserving buildings worldwide. Our American subsidiary Turner, No. 1 in US green building according to the Engineering News-Record, is also a long-standing active member of the United States Green Building Council .

 www.usgbc.org

Our US subsidiary builds environmentally friendly, energy-saving major construction projects certified to the United States Green Building Council's LEED (Leadership in Energy and Environmental Design) standard. Turner is a pioneer in green building and can boast a total of more than 350 Green Building projects finished in recent years or currently under construction. Our subsidiary completed sustainable contracts worth more than EUR 2.2 billion in 2008 alone. Eco-friendly, resource-conserving buildings accounted for some 40 percent of Turner's entire order backlog as of January 2009. Of the contracts completed so far, 85 have been awarded LEED certification and a further 131 are in the list of registered green buildings. Turner's commitment to sustainable construction and to continue building its expertise in this segment is also illustrated by another statistic: More than 1,100 Turner staff have become

LEED Accredited Professionals. No other builder anywhere in the world has such a large pool of LEED experts.

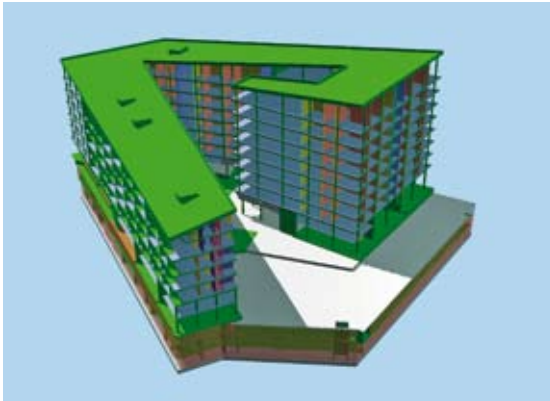
Through our subsidiary Leighton, we construct buildings certified to the Green Star rating in Australia. Demand for contracts undertaken along sustainable lines is growing in this region as elsewhere. Buildings are rated in Australia for environmental design and sustainability performance by the Green Building Council of Australia (GBCA) . Leighton already has 85 accredited auditors for this purpose.

Excellence through focused R&D

As one of the world's leading construction services providers, every project we do is unique—and we tackle some huge and challenging projects. This demands strong innovating capacity from HOCHTIEF. Almost every contract therefore involves a substantial amount of project-specific research and development (R&D). Most of this project-related innovation comes from R&D work done right on site or in design offices. We frequently also develop custom solutions in terms of technology or materials and logistics.

We are among the international leaders in environmentally friendly construction and consequently set ourselves exacting standards in all we do. HOCHTIEF is continually improving existing construction techniques, materials and processes and developing new ways of saving energy, conserving resources and safeguarding the health of occupants when running buildings. We also constantly add to our capability range with new services geared to enhancing sustainability in our projects.


Among these are the processes and technologies of HOCHTIEF ViCon, a spin-out from one of our innovation projects. In ViCon (Virtual Design and Construction), plans for a project are first created digitally. Systems, costs,



space utilization and work packages are incorporated into a three-dimensional model of the building, connected together and overlaid with the fourth, time dimension. In this way, any risks in design, construction and operation can be detected and eliminated even before work on a building or infrastructure project commences. This saves time, money and material.

In the future we also plan to use ViCon for sustainability analysis. To do this, we can utilize the building data in the model to compute carbon emissions or materials and energy requirements. This provides investors, clients and designers at an early stage with a reliable prediction as to which DGNB certificate their project can attain. Tracking material and component use during construction itself makes it possible to monitor project-specific sustainability targets on an ongoing basis and to support the entire certification process. The outcome is the 4D Eco-Footprint. This sustainability analysis provides a sound foundation for making the right decisions at all times throughout the building life cycle.

In the field of solar energy, we support research in initiatives such as the Solar Decathlon*.

The inHaus2  research building in Duisburg is used by HOCHTIEF Construction, HOCHTIEF Facility Management and HOCHTIEF ViCon in partnership with a number of others to test innovative ideas for smart building systems and sustainable materials on a commercial building. Innovations being trialed at inHaus2 include environmentally neutral building materials and resource-conserving heating, cooling and facade systems. Among other things, the house developed and built in cooperation with HOCHTIEF boasts thermoactive component systems and twelve geothermal probes extending to a depth of 120 meters. A current HOCHTIEF research project analyzes the building's



HOCHTIEF ViCon: Projects like Emporio in Hamburg shown here are planned down to the last detail in order to cut energy consumption (left).

Satisfied customer: Engelbert Rummel, head of facility management for the city of Cologne, has worked with HOCHTIEF PPP Solutions for many years. His testimonial: "We are true partners."

consumption by energy monitoring. An additional aim is to research energy consumption as a function of utilization and user behavior.

Innovation at HOCHTIEF is far from being restricted to major projects. In 2008, we opened a virtual Ideas Room on the corporate intranet. This provides employees with a platform for presenting their ideas.**

Customer focus

To secure the trust that long-lasting working relationships require and make certain that clients understand what we are doing at all times, we attach great importance to unreserved, transparent communications. There are a wide range of aspects to this.

Winning with added value

We want HOCHTIEF clients to gain lasting benefit from our working relationships and to receive nothing but the best. Accordingly, we work constantly through the life cycle of a project to fine-tune our broad portfolio of construction and other services and to add new innovative capabilities. Along the way, our clients profit from synergies from cooperation within the Group.

Building confidence

Quality creates trust: In our mainstream construction business, one measure of successful performance is the number of follow-up contracts from major clients. Our customer satisfaction levels are reflected, among other things, in a statistic from our US subsidiary: In 2008, Turner was generating as much as 66 percent of annual sales from business with repeat clients.

Trust is also important when entering into long-term contractual ties. Contracts in the services segment tend to run for multiple years. With PPP*** contracts, clients commit to

****For further information, please see pages 38 and 56.**

***For further information, please see page 33.**

 www.inhaus-zentrum.de

*****PPP: Public-private partnership**

Consense: HOCHTIEF is the main sponsor supporting the international congress and trade fair for sustainable building (left).

Expo Real, Munich: We present our capabilities every year at this major trade show.



us for up to 30 years, while terms of between ten and 15 years are common in energy management. June 2009, for example, saw Leighton Contractors, an arm of our subsidiary Leighton, secure a contract in partnership with another company to design, finance, build and operate seven schools in the Australian state of Queensland for 30 years.

Long-term relationships of this kind demand considerable mutual trust from all parties. We are proud that more and more clients opt for a long-term partnership-based working relationship with HOCHTIEF—and that increasing numbers of clients make use of multiple services from our capability range. For example, clients may use construction, facility and energy management alongside our property management services, either in combination on a single project or as repeat clients for different contracts.

PreFair contracting model

The PreFair contracting model enables us to compile bids that win over the long term by delivering top quality despite competitive prices. PreFair differs from other contracting models in that clients, architects, designers and HOCHTIEF begin working together from the very first phase of a project. The ability to take client needs and wishes into account from an early stage means all those involved can realize the scope for valuable savings and improvements. We are also able to develop custom solutions to raise the efficiency of a given project, for example with innovative ideas for energy and water supply. Our PreFair contracting model proves compelling for more and more clients—for refurbishment and upgrading projects as well as new buildings. Our many years of experience and full life cycle approach enable us to put forward ideas that significantly add to the quality and hence the value of a building. Plus, PreFair makes it possible to determine as early as the design phase which German Sustainable Building Council certification a building is intended to qualify for. We developed the PreFair

contracting model based on the preconstruction management approach successfully applied for many years by our US subsidiary Turner.

Partnership-based dialog

Close personal contact with existing and potential clients is one of the cornerstones of HOCHTIEF's sustained growth. We actively seek constructive, open dialog, both as part of and outside of ongoing business dealings. HOCHTIEF client events provide us with an opportunity to showcase our wide-ranging expertise and forge contacts that often lead to a long-term working relationship.

Presenting HOCHTIEF at trade shows

HOCHTIEF participates in key trade shows through its national and international Group companies. Examples include Expo Real in Munich, MIPIM in Cannes and the Consense international congress and trade fair for sustainable building in Stuttgart. We were the main sponsor of Consense in 2008 and 2009. Leighton will also once again be presenting its services at Coaltrans. This is one of the largest meetings of the international coal industry and is due to be held in Johannesburg, South Africa, in September 2009. Events attended by Turner this year include the Associated General Contractors of America, the Society for College and University Planning and Healthcare Design '09. This March, HOCHTIEF do Brasil took part in Ecogerma 2009, a trade show and congress on sustainable technologies.

Presence at trade events

HOCHTIEF specialists enjoy an outstanding reputation in the construction industry for their considerable expertise and experience. This is reflected in the number of HOCHTIEF speakers and podium guests invited to trade events such as the Betriebswirtschaftliches Symposium Bau (construction business symposium) in Weimar, Germany and Eurobuild in

Sustainable products and services

Active climate protection
Resource protection
Attractive working environment
Corporate citizenship
Compliance and ethics management



Betriebswirtschaftliches Symposium Bau, Weimar: HOCHTIEF experts contribute to the success of this construction business symposium (left).

Revitalization based on building diagnosis: This 1970s high-rise in Frankfurt has been turned into a modern office building.

the USA. HOCHTIEF experts make intensive use of these trade meetings to exchange experiences with their peers.

Acclaimed customer magazine

We send out our twice-yearly “concepts by HOCHTIEF” customer magazine to clients, partners and decision makers in industry and government. The magazine partly serves to showcase new projects of special interest. It also provides information on sustainability, for example with regard to environment protection innovations and climate change, and covers topics such as anti-corruption measures and social commitment. The magazine has already received several prizes in Europe’s largest corporate publishing competition, the Best of Corporate Publishing Award. In 2008, the competition’s board added “concepts by HOCHTIEF” to its hall of fame of the best in corporate publishing .

Regular image surveys

To keep abreast of opinion on HOCHTIEF, we regularly survey our target group and analyze the findings for development potential in our business segments. The 2009 survey results underscore the high regard accorded to our Group. All respondents in Germany at least recognized the HOCHTIEF brand by name. Cited strengths include international reach, the Group’s size, good range of services, reliability and strong financial standing. As regards sustainability, major growth potential is attributed to segments such as green building, energy management, and wind and geothermal energy.

Sustainability in services

With our services, we aim to create and lastingly increase value for our clients. As well as using environmentally friendly and energy-saving materials, components and technologies in the construction phase, we also provide sustainable services to support real estate and infrastructure projects throughout their entire life cycle*. Our energy management service, for example, increases the efficiency of client energy systems to cut operating costs and carbon emissions.**

Building diagnosis

Some 75 percent of German commercial and residential buildings are over 30 years old. Many of these fall short of modern energy efficiency and climate protection standards. With our HOCHTIEF building diagnosis service, we have laid the foundations for a strong place in the expanding revitalization and energy upgrading segment. This is an increasingly important market: Market researchers from Euroconstruct expect investment spending upwards of EUR 531 billion in 2011.

In building diagnosis, we incorporate future operating costs into planning. This life cycle analysis opens the door to lasting growth in value. A diagnosis starts with an analysis of a building’s current technical condition and business case. Based on this information, our experts develop a number of scenarios for fine-tuning the property’s refurbishment. They compute the investment outlay and the associated returns as a reliable decision tool for the client.

*For further information, please see page 6.

**For further information, please see pages 28–41.

 www.hochtief.com/concepts

SPOTLIGHT

Well-tempered: Concrete core activation ensures ideal indoor conditions all year round at Portikon, Zurich (left).

Green elements: The Unilever building in Hamburg's HafenCity has energy-efficient lighting throughout and is supplied with geo-thermal energy.



We are constantly adding to the list of green buildings we have completed around the world and to our range of sustainable services. The projects on this and the following pages showcase HOCHTIEF's technological and architectural prowess in meeting—in some cases voluntary—high standards of sustainability.

Office and commercial buildings

In the fall of 2009, HOCHTIEF Development Switzerland hands over Portikon, so far the largest project built to the criteria of the Swiss Minergie-P standard and to electromagnetic compatibility principles. Electromagnetic radiation is minimized during construction to create an agreeable working environment. Concrete core activation ensures a well-tempered indoor climate in summer and winter. Windows can be opened for natural ventilation.

The new Unilever building developed in Hamburg's HafenCity by HOCHTIEF Projektentwicklung not only stands out for its trailblazing energy technology: The Unilever headquarters mirrors its occupants' corporate culture of flat hierarchies, multifunctional teams and open, transparent communication. In June 2009, the architecture received the BEX Award for its sustainability, innovation and efficiency. BEX (Building Exchange) is a conference program staged jointly with the World Green Building Council.

The old Unilever headquarters is undergoing sustainable revitalization by HOCHTIEF Construction on contract to Union Investment Real Estate, with the addition of a new building to create the Emporio development. This is another project where sustainability and energy efficiency are a priority. Emporio is designed to have at least 64 percent lower heating and ventilation costs than the old building, for example. Carbon emissions are to be cut by some 2,100 metric tons a year. Our PreFair contracting model provides much of the basis for attaining these ambitious

goals. Emporio was already awarded preliminary silver certification by the German Sustainable Building Council at the beginning of 2009.

The end of September 2008 brought the start of construction on HOCHTIEF Projektentwicklung's Lindley Carrée development in downtown Hamburg. This office building likewise follows ecological principles. As a result, the seven-story structure meets the conditions for certification under the LEED green building rating system.

The Marximum office complex developed by HOCHTIEF Development Austria similarly received GreenBuilding certification from the Austrian Energy Agency in advance of the opening day. Compelling arguments for the Energy Agency included 86 percent space efficiency and energy consumption some 25 percent below that of comparable new buildings. The complex in Vienna's St. Marx district scored on its construction, which is so far unique to Austria. Special features include thermoactive ceilings that use heated or chilled water to provide a draft-free, dust-free air-conditioned working environment for the approximately 3,000 occupants. Certification of the building makes HOCHTIEF Development Austria a new partner in the EU GreenBuilding program from June 2009.

Our subsidiary Turner Construction Company converted the corporate headquarters of office furniture makers Haworth Inc. into a green building while Haworth continued operating from the site. Despite a 20 percent increase in floor area, One Haworth Center in Holland, Michigan, uses 30 percent less energy than it did prior to renovation. The building has one of the largest modular green roofs in North America. Seventy-eight percent of captured rainwater is recycled, cutting water consumption by about a third. Ninety percent of employees have a direct outside view. Ninety-seven percent



of the old building's materials were recycled. The Haworth headquarters is registered for LEED Gold certification.

The ECO Berrini office building being erected in São Paulo by HOCHTIEF do Brasil has been preliminarily awarded LEED Gold certification—a major step towards the coveted seal of quality. The auditors' decision was based, among other things, on the use of sustainable or recycled materials extracted or produced within an 800-kilometer radius of the site. An environment protection plan helps prevent air and soil pollution during construction. Ventilation in the building is effected using a range of sizes of air conditioning and fan systems.

Completed in 2008 by our Australian subsidiary Leighton, the Green Square North Tower is one of the largest office parks in Brisbane. The complex was the first building in Queensland to be awarded a 6 Star rating by the Green Building Council of Australia. This success is due in part to a combined heat and power (CHP) plant that cuts greenhouse gas emissions by 71 percent relative to conventional buildings. The innovative system generates power from gas directly on site. The North Tower also scores excellently on energy efficiency—as does the South Tower of the complex, which was likewise built by Leighton.*

The Ark office tower in Sydney is being built by Thiess, a subsidiary of our majority-held Australian company Leighton. The 21-story building is due for completion in spring 2010 and is set to receive at least a 5 Star Green Star rating from the Green Building Council of Australia.




Without interrupting operations: Office furniture manufacturer Haworth Inc. had its headquarters in Holland, Michigan converted into a green building (left).

Benchmarked to the Green Guide for Health Care: The new Salem Hospital building in Oregon creates a center for top-caliber health services.

The Flanders Business Park in Warsaw is planned on completion to meet energy efficiency standards and to be issued with the Polish energy performance certificate. Our Polish subsidiary HOCHTIEF Polska delivered the excavated earth to a farming operation, for example.

Healthcare buildings

Turner is carrying out building work for Salem Hospital in the US state of Oregon in compliance with the Green Guide for Health Care . As much material as possible is recycled and the systems installed—such as heat pumps and water recycling technology—are economical on energy and water. Long-life materials cut maintenance effort and expense. Recent research findings are being put into practice to create surroundings that impact positively on the physical well-being of patients and staff alike.

HOCHTIEF Construction served as general contractor in building Universitätsklinikum Hamburg-Eppendorf (UKE), a university hospital in Hamburg. The hospital is laid out for maximum convenience, provides for state-of-the-art patient care with supreme operating efficiency and is regarded as one of the most advanced healthcare buildings in Europe. The new building in the middle of the UKE campus posed major construction logistics challenges that HOCHTIEF mastered in partnership with the client. A key goal of the hospital operators was to reduce the length of patients' hospital stays.

HOCHTIEF do Brasil has been contracted with the second and third construction phases of the Albert Einstein Hospital in São Paulo. All phases of the project fully comply with LEED certification requirements. For example, the company mainly uses recycled or reusable materials, 40 percent of which come from the region around the hospital.

 www.gghc.org

***For further information, please see page 36.**

SPOTLIGHT

Community approach: HOCHTIEF partners with nursing care experts to create quality living spaces for senior citizens (left).

Top standards of assisted living: The Ingleside senior citizens' residence in Rockville, Maryland is one of the region's largest retirement communities.



Nursing homes and senior citizens' residences

Our sustainable services are far from being restricted to construction and related areas. HOCHTIEF also rises to the societal challenge of providing living space for people needing care. Such projects place the emphasis on upholding dignity, self-determination and self-responsibility.

In cooperation with care service providers BeneVit, HOCHTIEF Projektentwicklung develops nursing homes resembling residential housing that blend into the surrounding built environment. The homes are run in accordance with the BeneVit community-living philosophy. They are divided into self-contained apartments each with its own kitchen and accommodating up to 14 occupants who live together with the support of carers. Nursing care is provided up to the highest level on a non-institutionalized basis within the home in such a way that it does not dominate the daily routine. We have already completed the first of these homes. Energy is saved among other things by triple-glazed windows. Future projects will additionally have a solar hot water heating system.

A modern senior citizens' residence, in this case built by HOCHTIEF subsidiary Turner, is the Ingleside continuing care retirement community in Rockville, Maryland. The seven-story complex is one of the largest retirement community apartments in the area with 244 independent living units, 43 assisted living units, 16 skilled nursing units and ten dementia places. Built along sustainability lines, the complex also includes restaurants, a swimming pool and sports facilities.

Residential real estate

HOCHTIEF Projektentwicklung is developing the Marco Polo Tower in partnership with another company as part of Hamburg's HafenCity. Sustainable features include solar collectors which harvest energy to regulate the indoor climate in the 58 condominiums. An innovative facade design likewise helps reduce energy consumption.

HOCHTIEF Construction specializes in high-quality residential real estate under its FormArt brand. Clients benefit from the services of experienced HOCHTIEF specialists with a range of capabilities including tried and tested ideas for energy economy, environmental compatibility, technical innovation and safety.

Education buildings

Turner has set itself exceptionally ambitious sustainability goals for the School of Forestry and Environmental Studies building it is erecting for Yale University in New Haven: The new Kroon Hall is planned to qualify for a Platinum LEED rating, the United States Green Building Council's top award. Key sustainability aspects include demolition of a fossil-fueled power plant. Underscoring its superb energy efficiency, Kroon Hall's systems exceed the standards of the American Society of Heating, Refrigerating and Air-Conditioning Engineers by 60 percent. This outstanding energy economy is achieved among other things using a geothermal system with four wells, an innovative displacement ventilation system for warmed and cooled air, and a central control system with occupancy sensors and climate data. This makes it possible to monitor and fine-tune energy consumption on an ongoing basis. Hot water is provided by solar water heating panels. Finally, the timber for the interior is FSC-certified.



Kroon Hall at Yale University in New Haven: Another milestone in green building (left).




A school in Offenbach refurbished and operated by HOCHTIEF: Sustainably renovated schoolrooms for a better learning environment.

HOCHTIEF PPP Schulpartner, a project company, has a public-private partnership contract to refurbish, finance and operate 50 schools in and around Offenbach in Germany. The contract runs to 2019. Our energy management services deliver major energy and cost savings on electricity, water, heating and cooling. As a result, with 13,000 square meters of additional net floor area, extended opening times and new power-hungry computer rooms with air-conditioned server closets, power consumption increased by only two percent. Heat energy requirements dropped by more than 30 percent since 2004. Water consumption fell by nearly 24 percent. Carbon emissions came down by almost 23 percent.

A consortium led by Leighton Contractors has secured a design-finance-build-operate contract for seven schools in the state of Queensland, Australia. All buildings are to qualify for the Green Building Council of Australia's 4 Star rating. The client in this public-private partnership is the Queensland Department of Education and Training.

HOCHTIEF PPP Solutions (UK) is carrying out various schools projects, including four in North Ayrshire, Scotland. At one of these, St. Matthews School, high-quality insulation and energy-efficient electrical systems keep both operating costs and carbon emissions to a minimum. Advantage is taken of the average wind speed where the school is situated—eight kilometers an hour—to provide ventilation for the building.

Public buildings

In October 2008, the Experimental Media and Performing Arts Center (EMPAC)  built by HOCHTIEF subsidiary Turner was judged Best Cultural Project in the 2008 "Best of" awards, a program sponsored annually by the New York Construction trade periodical. Compelling arguments cited by the jury included special acoustic insulation enabling all 24 performance spaces in the building to be used simultaneously. Turner also fitted the first heated glass curtain wall system to be built in the USA. The curtain wall incorporates steel mullions that carry heated water, insulating the interior from the winter. A special displacement ventilation system pushes hot air through registers beneath the audience seating. EMPAC even has provision for environmentally friendly travel with an on-site filling station selling alternative fuel.

 www.empac.rpi.edu

The new Elbe Philharmonic Hall being built by HOCHTIEF Construction is not only a new landmark for Hamburg. It also marks a milestone in the use of renewable energy sources, among other things with a large-scale photovoltaic installation to supply energy to the two concert halls, a hotel, 43 apartments and integrated catering establishments. HOCHTIEF Facility Management's efficient service will contribute to the building's sustainability.

A photovoltaic installation is also a feature of the new North Rhine-Westphalia (NRW) Crime Investigation Authority building in Düsseldorf. HOCHTIEF Construction's goals in this large-scale project include optimizing construction and operating costs and conserving resources by applying sustainable energy precepts. One such feature is concrete core activation, in which hot or cold water is piped through walls, floors and ceilings to make better use of energy and improve the indoor environment. A near-surface geothermal energy system works in combination with a heat pump to ensure the ideal indoor air temperature.

SPOTLIGHT

Benefits of PPP: The new Moers town hall reaps major savings for the city (left).

A further eco-friendly HOCHTIEF airport project: The new terminal at Sacramento Airport.



The city of Moers has commissioned a new town hall under a PPP contract with HOCHTIEF PPP Solutions. The contract includes construction of a new building, refurbishment of the heritage-protected existing town hall and the building of a cultural and education center. HOCHTIEF Construction is performing the building work. HOCHTIEF Facility Management will operate the buildings for 23 years. We also provide all furniture, fixtures and fittings. Significant savings have been achieved by efficiently dovetailing design, construction and operation.

Turner is building a Readiness Center for the Army National Guard in Arlington, Virginia. The 23,000-square-meter complex is set to qualify for LEED Silver certification.

In 2008, HOCHTIEF PPP Solutions secured the contract for the first PPP building project to be awarded by the German federal government. The contract is to design, finance, refurbish, build and operate the Fürst Wrede barracks in the north of Munich. This is also Germany's first PPP-based defense building project. As some of the existing buildings can be preserved, only a small number of new buildings are needed for the refurbishment project, which will serve some 1,600 personnel. The complex consists of 37 barracks, offices and training buildings plus motor pools and sports facilities.

Airports

Our American subsidiaries Turner and Flatiron, working in partnership with another company, are expanding Terminal 2 at California's San Diego International Airport. Additions include a three-story extension, ten extra gates, a new check-in zone and further retail space. The work also includes new taxiways and jet parking. The project is expected to secure LEED Silver certification. Our two US subsidiaries are also modernizing and extending Sacramento International Airport. The goal on this project is likewise LEED certification. The two contracts are the latest successful outcome of close cooperation between Turner and Flatiron and provide further testimony to the excellent integration among all units in the HOCHTIEF Group.

HOCHTIEF AirPort, too, proceeds in conformity with sustainability objectives when modernizing and expanding airport capacity. Our primary goal here is to fulfill people's desire for mobility. In doing so, however, we observe the need to safeguard people, the environment, water resources, the atmosphere and the cultural heritage. In our airports portfolio, for example, Sydney Airport is framing an environmental strategy that is to be implemented up to 2015—but will first undergo a citizens' consultation process. One aspect of the strategy deals with efficient and cost-effective use of clean energy to cut carbon emissions.

Sustainable Products and Services

Our overarching objective:

We aim to lead the global market for sustainable projects in the construction and construction-related services segments. We therefore constantly add to our range of services spanning the infrastructure project, real estate and facility life cycle.

Goal	Action 2009–2011	Status September 2009
Increase HOCHTIEF global presence in sustainable construction	Increase the number of certified green buildings with HOCHTIEF involvement in America	USA (LEED): Certified projects: 85 Registered projects: 131 Accredited auditors: 1,186
		Brazil (LEED): Certified projects: 0 Registered projects: 2 Accredited auditors: 0
		Australia (Green Star): Certified projects: 3 Registered projects: 0 Accredited auditors: 85
	Increase the number of certified green buildings with HOCHTIEF involvement in Europe	Europa (LEED): Certified projects: 0 Registered projects: 2 Accredited auditors: 2
		Europa (Minergie): Certified projects: 1
		Europa (DGNB): Certified projects: 1 Projects with preliminary certification: 2 Accredited auditors: 4
Deepen integration between divisions	Build and refurbish Turner office buildings to LEED standards	Certified office buildings: 4 Registered office buildings: 2
	Continue to hold HOCHTIEF Lounges for exchange between divisional representatives	Quarterly meetings at corporate headquarters; HOCHTIEF Lounges at regional level
	Compile listing of sustainability contacts within the Group and English translation	German edition printed (1,000 copies) and distributed
Develop new sustainable products and services along the life cycle	Implement “one roof” policy at more HOCHTIEF locations in Europe by creating corporate real estate management unit	Three or more HOCHTIEF operational units under one roof at nine locations in Germany
	Retain sustainability excellence team	Kick-off meeting April 22-23, 2008, eight meetings held by September 2009
	Extend ViCon with ecological footprint analysis for buildings	Planning phase
Enhance customer satisfaction	Expand integrated services/sustainable airports consulting service	Innovation project approved, pilot project started in Budapest
	Develop online customer portal with feedback structure	Planning phase

Area 2

Active Climate Protection



The challenge: Properties account for about 40 to 50 percent of energy consumption worldwide. For several years, HOCHTIEF companies such as HOCHTIEF Construction and HOCHTIEF Facility Management have been contributing to a long-term reduction in this inordinate amount. Green building—or sustainable construction—has a long history at HOCHTIEF. Through innovative energy management and the promotion of renewable energies, we are helping to both cut greenhouse gas emissions and reduce our project operating costs. As a result of the Ideas Management project introduced in 2008, we have received numerous suggestions from our employees on how we can save energy. Many of these ideas have now been put into practice.

Our objective: We aim to save CO₂ emissions together with our clients.



Harnessing the vast energy potential of offshore winds: Lillgrund, Sweden's biggest offshore wind farm (left). The heavy foundations posed a special challenge which was successfully mastered by HOCHTIEF Construction. The demanding project includes 48 large wind turbines and a transformer station.

Today, the wind farm generates 350 gigawatt-hours a year—enough electricity to serve a community of 60,000 households (right). Round-the-clock use of this renewable energy source saves 300,000 metric tons of carbon emissions a year compared with conventional energy.

Area 2

Active Climate Protection

Renewable savings: The photovoltaic installation at Düsseldorf International Airport will save almost 2,500 metric tons in carbon emissions over a 20-year period.

***For further information, please see page 21.**

 www.greenhouse.gov.au

 www.cdproject.net

 cdproject.net (www.ret.gov.au/energy/efficiency/eeo)

- **Ambitious energy saving targets at all HOCHTIEF companies**
- **Renewable energy as growth driver**
- **International examples from our capabilities portfolio**

Energy efficiency in its many facets is increasingly a major focus for HOCHTIEF, not least in connection with climate change. In many of our corporate units, we offer specific services based around sustainable construction, improving the energy efficiency of buildings* and resource-saving ways of doing business. We will continue to step up these efforts to actively protect the climate.



Clear commitment to climate protection

The Chairman of the HOCHTIEF Executive Board joined ranks in July 2008 with counterparts representing over 80 other leading international companies to sign the CEO Climate Policy Recommendations to G8 Leaders. As endorsers of the CEO Recommendations, we are actively committed to help fight climate change. Our Australian subsidiary Leighton has also endorsed the Recommendations. One of HOCHTIEF's priorities is to cut carbon emissions from its vehicle fleet. In the first quarter, average carbon emissions across the fleet of 2,244 company cars in Germany stood at 154 g/km. We aim to cut this figure a lot further by incentivizing the choice of company cars with low emissions. We also encourage staff to use public transportation. Nearly a quarter of the workforce make use of the HOCHTIEF public transportation ticket plan in the region around our Essen headquarters alone. Additionally, we cover the cost of using local public transportation for shareholders traveling to our General Shareholders' Meeting.

In the USA, Turner was the first national company in the construction industry to take part in the United States Environmental Protection Agency's Climate Leaders Program in 2006. Turner aims to cut its carbon emissions by



five percent by 2011, and three years ago adopted targets to become more eco-friendly in its own operations. One Turner office building already has LEED Gold certification.

Climate protection is a similarly high priority for companies in the Leighton business portfolio—for example, Leighton Contractors and Thiess. Both of these have signed up to the Greenhouse Challenge Plus program  launched by the Australian government. In 2008, Leighton Holdings was singled out for acclaim by the Investor Group on Climate Change. In the context of the Carbon Disclosure Project 6 Report  the company played a leading part in reporting to investors on a wide range of climate change topics relevant to investment. Thiess also participates in the Australian government's Energy Efficiency Opportunities program .

The Leighton Contractors Energy Efficiency Opportunities Report 2008 describes various measures to trim the company's ecological footprint. One target area is information technology: Leighton Contractors has adopted a Green IT Initiative, elements of which include establishing a baseline for current IT energy consumption. On the basis of this initiative, a partnership has been established with Hewlett-Packard to implement green office equipment and services. For example, Leighton Contractors exclusively uses laser printers that produce less heat and consume half as much electricity as standard printers. The company also partners with e3k to benchmark the energy efficiency of haul trucks and further lower carbon emissions. e3k performs research and development on innovative engineering products and prototypes.



Generating power from summer 2010: Geothermal power plant in Dürrenhaar, Bavaria (left).

La Confluencia hydropower station, Chile: Up to 400,000 metric tons of carbon emissions to be saved each year.

HOCHTIEF AirPort is likewise committed to environment protection and aims to implement sustainability-oriented measures at its airport holdings. A joint position paper drawn up in consultation with all European HOCHTIEF airports identifies climate protection opportunities. The internal paper also cites measures already in place, such as emissions trading.

Growth opportunities in renewable energy

Intensive focus on renewable energies is a key part of our commitment to active climate protection. Dwindling fossil fuel reserves make harvesting solar, wind, hydroelectric and geothermal energy a necessity. Renewable energy sources harbor considerable and lasting economic and environmental potential. We recognize the importance of this growth market and have integrated it into our range of capabilities. As a result, our clients have numerous options for deploying renewable energy in their projects, including photovoltaic installations on buildings, wind farms, hydropower and geothermal power plants.

Geothermal becoming a major energy source

Driven ahead by a favorable operating environment, the German geothermal energy market continues to grow apace. The German Renewable Energy Sources Act (EEG) provides a permanent guarantee that minimum prices will be paid for electricity generated from geothermal energy. The purpose of these guaranteed feed-in tariffs is to help attain the target by which renewable energy sources are to account for 30 percent of all electricity generated in Germany by 2020. According to German Geothermal Association experts, geothermal energy could become Germany's most important source of heat in the medium term.

HOCHTIEF PPP Solutions and HOCHTIEF Construction have already adopted geothermal energy as a new area of business. At the end of 2007, they joined forces with a number of partners to launch a geothermal energy project company. Süddeutsche Geothermie-Projekte Gesellschaft GmbH (SGG) develops what are known as hydrothermal geothermal power plants. These pump water at a temperature of 130 °C from some 4,000 meters below ground. Up on the surface is a power plant where thermal energy from the water is transferred to a medium with a low boiling point. The medium vaporizes and drives turbines that generate electricity. The residual heat can be used for a district heating network. Each individual SGG power plant will generate four to five megawatts—enough for about 10,000 single-family homes.

SGG benefits from HOCHTIEF's all-round experience in designing, building and operating complex infrastructure projects. This means that, as with other activities, the focus in geothermal power plants spans the entire construction value chain. HOCHTIEF PPP Solutions is therefore involved as an infrastructure services provider alongside HOCHTIEF Construction Energy Europe with its expertise in power plant construction, which operates the drilling equipment. This in turn is supplied by HOCHTIEF subsidiary Streif Baulegistik.

Fund invests in wood-fired power plants

HOCHTIEF Energy Management has teamed up with NMI Capital to serve a new market in renewable energy. NMI, an issuing house specializing in alternative energy sources, plans to launch its New Energy Holz investment fund targeting wood-fired power plants in 2011. The plants generate both heat and power using untreated freshly cut wood from municipal landscape and woodland management.

 www.sgg-bayern.de

 www.eeg-aktuell.de

Marine generation: High average offshore wind speeds make for a huge, so far very poorly utilized source of energy (left).

Marine construction: Special vessels like this one (computer simulation) will be developed and operated by the newly launched Beluga HOCHTIEF Offshore.



The HOCHTIEF subsidiary will design, build and efficiently operate the power plants under a full-service contracting model. We consequently have a share in an environmentally friendly investment and can profit from a steady long-term revenue stream under the German Renewable Energy Sources Act.

Hydropower the leading renewable energy source

Hydropower involves the use of machinery to harvest mechanical energy from the kinetic energy of flowing water. In most cases these days, the mechanical energy is converted into electrical energy in a hydroelectric power plant. Hydroelectricity accounts for 16 percent of all energy generated worldwide—more than nuclear power or petroleum. This makes hydropower today the most important form of renewable energy used to supply electricity for the world's population. The remaining renewable energy sources—solar, wind, geothermal and biomass—so far account together for only 2.1 percent of all generated energy. Hydropower has the great advantage of easy, nearly loss-free energy storage combined with short-notice availability. While most suitable hydroelectric power sites in Germany are already taken, experts point to strong potential for expansion in many other countries.

We have been involved in building hydroelectric power plants and dams in many parts of the world, including projects in Africa, China, South America, Canada and Scotland. In Chile, HOCHTIEF Construction is part of a joint venture currently building a 160-megawatt hydroelectric power plant at a site 1,100 meters above sea level 150 kilometers to the south of Santiago. We are designing and building a turnkey powerhouse with two turbines, two river diversions and tunnels with a total length of 19 kilometers in difficult mountainous terrain. The power plant will avoid up to 400,000 metric tons of carbon emissions a year and on completion will supply 386,000 households with electricity.

High level of investment in wind power

The EU Commission expects to see over EUR 200 billion invested in offshore wind power by 2030. People have been using wind energy for centuries, among other things to perform mechanical work with the aid of windmills and water pumps.

Offshore wind farms represent a further advancement on the basis of existing technologies. High average offshore wind speeds make for an ample source of energy that is increasingly being harvested. Energy utilities are thus building offshore wind farms in growing numbers. HOCHTIEF has been in the rapidly expanding offshore market since 2001. Our capabilities include designing, building and replacing concrete foundations, subsurface surveys plus installation, maintenance and assembly of met masts and wind turbines.

HOCHTIEF Construction not only has the many years of experience and expertise needed to reliably master challenging large-scale maritime assignments. We are equipped for future major projects with the Odin jack-up platform upgraded in spring 2009 and a second jack-up platform, Thor, which is currently under construction. We completed one such project with the Lillgrund wind farm in 2007.

A new company, Beluga HOCHTIEF Offshore, aims to serve the growing demand for special-purpose vessels needed for the construction of offshore wind farms. Together with Beluga Shipping, a project and heavy-lift shipping company, HOCHTIEF Construction plans to develop and operate a new type of vessel suitable both for chartering by third parties and for use in projects of our own. Using the new platform, it will be possible to assemble offshore turbines with heights of over 100 meters and outputs upwards of five megawatts. The first of the series of spe-



cial-purpose vessels could be ready for deployment by 2012.

Solar energy increasingly important in residential property

The sun delivers more energy to the Earth in one hour than the whole human population can use in a year. Solar energy is therefore an important alternative to energy obtained from fossil fuels and in many countries its use attracts state subsidies. These are governed in Germany by the country's Renewable Energy Sources Act, considered to be the most advanced piece of energy legislation in the world. The act sets out the additional costs incurred in the use of solar energy and aims to share these costs across all consumers of electricity. Energy utilities are also required to purchase all electricity that is generated from renewable energy sources and to pay for it at prescribed rates. This makes it attractive for anyone having a house built to make use of solar energy. According to Solar-Trendstudie 2009, a survey of solar trends, half of the 1,144 homeowners questioned have considered solar heating or solar power and one in five are actively thinking of having them installed.

One way HOCHTIEF supports solar energy research is by sponsoring the 2009 Solar Decathlon. The challenge in this international collegiate competition staged by the US Department of Energy is to build an Energy Plus house designed for living in the year 2015. For the 2007 event, HOCHTIEF and Turner sponsored and provided extensive know-how for teams from Darmstadt Technical University and the University of Maryland. The Darmstadt team secured first place and the University of Maryland team came second. The jury singled out the outstanding energy balance and the innovative integration of photovoltaic installations in the Darmstadt project. Experience from the re-

EXPERT OPINION



Professor Manfred Hegger
 Faculty of Architecture,
 Darmstadt Technical
 University

Sponsored by HOCHTIEF:
 Teams in the Solar Decathlon, an international collegiate competition, build Energy Plus houses.

Professor Manfred Hegger on experience gleaned from the Solar Decathlon competition for other research projects

Now that it has been shown to meet the Energy Plus criteria in the competition on the National Mall in Washington DC, the house has to keep up this standard in monitoring on our campus for a period of several years. The project's success gives us and many others new impetus in our efforts to create energy-generating buildings.

... impacts of what has been learned on specific projects

We are working on further refinements in our house for the 2009 Solar Decathlon. We have several similar projects in progress, including a carbon-neutral factory. And we are pleased about the influence we have on architects and engineers in developing carbon-neutral or energy-generating buildings.

... benefits of solar energy for the construction industry

Integrated into buildings, solar technologies are not only aesthetically pleasing and environmentally friendly, they also have hard economic benefits. They furnish the building industry with a value-creating opportunity to offer emotionally appealing products and lead by example.

... Energy Plus houses as energy sources of the future

Energy-efficient buildings—new or refurbished—are essential to securing our future. Whether they use solar, geothermal, wind or a judicious mix of energy sources tailored to the location, Energy Plus buildings will form a key part of the energy supply in energy-generating cities and regions.

Less is more: Thanks to HOCHTIEF Energy Management, flat glass manufacturer Saint-Gobain Glass systematically has reduced its energy consumption (left).

Fully acclimatized: At Hagenbeck's Zoo, our energy-efficient and environmentally friendly heating and cooling system makes sure animals feel at home.



For detailed information on energy contracting, please see www.hochtief.com/energyefficiency.

search project will also be put to use in the development of future homes.

Leighton Contractors, too, is working with two international technology companies on projects to make efficient use of wave power and solar energy. We are jointly developing a new technology to harness wave energy off Australia and New Zealand.

Rapid expansion in energy management

Heating, air conditioning and running buildings accounts for a third of German carbon emissions. There is huge scope for savings in this area. With electricity prices on the rise, energy efficiency is also an increasingly important cost factor in industrial facilities as well as public and private-sector properties. HOCHTIEF was quick to recognize the potential of energy efficiency and positioned itself accordingly.

2008 saw the launch of HOCHTIEF Energy Management, pooling the previous capabilities of HOCHTIEF Facility Management Energie with those of an acquisition, Vattenfall Europe Contracting. With a workforce of over 200, the company is now among the leading German providers of energy management and contracting services. According to industry association research, the German energy contracting market has a potential total size of some EUR 20 billion. Only seven percent of the total has so far been developed. The growth rates are set to comfortably exceed ten percent a year through to 2015.

Energy contracting helps cut costs and boost energy efficiency. HOCHTIEF plans, implements and finances appropriate energy-saving measures for public and private-sector clients. Our services also include continuous monitoring of system status and energy consumption. Measures to cut energy consumption are refinanced either through contractually guaranteed savings (energy performance

contracting) or by supplying useful energy such as hot water alongside services such as air conditioning, heating or compressed air (energy supply contracting). In many cases, the two models can be combined for an optimum solution.

Compelling potential for savings

In energy supply contracting, the company can procure primary and secondary energy such as gas and electricity on request to meet the client's requirements. In full-service contracting, the range of capabilities provided is extended to include technical and infrastructure services. Many clients from the industrial and public sectors make use of this approach to obtain financial savings and render their energy costs more reliably budgetable in the long term. At the same time, HOCHTIEF helps relieve the environment of harmful carbon emissions by investing as a contractor in modern systems technology. HOCHTIEF Energy Management helped clients reduce their carbon emissions by a total of 86,500* metric tons in 2008 alone.

HOCHTIEF ViCon also provides an energy service with its 4D Eco-Footprint. This is a method of computing a building's carbon emissions before construction begins, making it possible to anticipate potential savings and integrate them into the operating cost budget at an early stage.**

*Source for CO₂ conversion factor: Genius 4.5

**For further information, please see page 19.

SPOTLIGHT



Smart control systems:
 Bamberg's Bruderwald Hospital has achieved cost savings of EUR 1.37 million a year thanks to HOCHTIEF (left).

Made possible by photovoltaics and geothermal energy:
 The new Volksbank Karlsruhe headquarters is a zero-energy building.

For HOCHTIEF, climate protection and sustainability are not a necessary duty but an active commitment. This can be seen in numerous projects on all continents and in all areas of business. We apply energy-saving criteria across the entire life cycle.

Office buildings

HOCHTIEF Construction has built a new headquarters for Volksbank in Karlsruhe. Features include the use of geothermal energy and photovoltaics. Beneath the underground garage is a near-surface geothermal energy system consisting of 75 probes extending 35 meters into the ground and connected by pipework to a high-efficiency heat pump. This system is supplemented by 120 large solar panels with a peak output of 58 kilowatts. The electricity generated is fed into the public grid. Approximately the same amount of electrical energy is needed to run the heat pump in the heating and air conditioning seasons. The energy balance for the year shows it to be a zero-energy building.

We are designing and building a new headquarters for wind turbine manufacturers Nordex in Hamburg. By using renewable energy—for example, in the form of photovoltaics—the building surpasses the requirements of the German Energy Saving Ordinance by more than 20 percent. HOCHTIEF Construction aims to obtain silver certification for the building from the German Sustainable Building Council.

Healthcare buildings

Bamberg's Bruderwald Hospital also harbors scope for energy savings. Measures implemented have cut carbon emissions by 51 percent. Over 8,800 metric tons of carbon emissions were saved in this way in the first year, equivalent to the emissions of 770 private individuals. Hospital energy costs are down by EUR 1.37 million. HOCHTIEF

Energy Management programmed a smart control system that analyzes an online weather data and forecast feed to exactly match the hospital's heating and air conditioning needs.

The contract also included modernizing air conditioning, ventilation and fan drives. Heat recovery ensures that heat generated stays in the building. HOCHTIEF Energy Management installed a combined heat and power plant, a low-temperature boiler and a steam converter to supply the hospital with energy. As a result, hot water and steam are produced more energy-efficiently than before. The Bamberg hospital's lighting systems represent a further opportunity for savings: 2,000 new sustainable lamps provide brighter light while using some 40 percent less energy.

This particularly innovative healthcare project was selected for the Contracting Award 2008 by a jury consisting of the German Heat and Power Association (AGFW), the German Energy Agency (dena), investment fund issuers BVT Holding and publishers Verlag Energie & Management. The parties to the project are HOCHTIEF Energy Management, the Bamberg municipal services corporation and Sozialstiftung Bamberg, the foundation which runs the hospital. The project once again clearly demonstrates the innovative potential in our company and the great economic and environmental value of applying a professional approach to energy efficiency.

Education buildings

HOCHTIEF Energy Management is also successful with education buildings. Our subsidiary has been commissioned to provide energy performance contracting for seven schools in Bremen. In the next ten years, the company will reduce the schools' energy costs by a total of EUR 319,000 a year. We guarantee annual cost savings of 35 percent.

SPOTLIGHT

Trailblazer among commercial buildings: Brisbane's Green Square South Tower was the first office park to secure a 5 Star rating from the Green Building Council of Australia (left).

Efficiency through energy performance contracting: Bergisch Gladbach town hall saves 35 percent of energy costs each year.



The United States Green Building Council granted Platinum LEED certification to Ohlone College Newark Center for Health Sciences and Technology. Turner's San Jose office was general contractor for the project, which since its completion at the start of 2008 has cut both gas and electricity consumption by some 70 percent. In the period April to August 2008, the college even attained net zero energy consumption. This is partly due to the biggest photovoltaic installation in terms of area yet seen in Silicon Valley, with an electricity output of 710 megawatt-hours per year. A horizontally drilled geothermal energy system additionally heats and cools water before it is fed into the heating and air conditioning system.

Public buildings

In 2007, the Green Square South Tower built by Leighton in Brisbane became the first commercially utilized building to gain a 5 Star Green Star rating. The tower achieves energy savings of over 410,000 kilowatt-hours a year. Specially selected lamps, chillers and power sources help cut carbon emissions for Brisbane City Council by some 390 metric tons annually. Water savings were a further major focus of attention in this project. Rainwater harvested from the roof is collected in a 90,000-liter tank for use in sanitary facilities and to water the grounds.

HOCHTIEF Energy Management has been working since June 2009 to reduce the energy costs and emissions of 18 properties belonging to the state of Berlin. The buildings include the city's Red Town Hall, court buildings, inland revenue offices and other state-owned buildings. Energy performance contracting for these buildings can save some EUR 4.5 million over the next ten years (21 percent of prior costs) and cut carbon emissions by a total of 22,000 metric tons. Attainment of these targets is made possible by advanced heating and boiler systems. In the future, the properties will also be supplied with energy

from combined heat and power (CHP) systems. We will erect six modern CHP plants, maintain them and control, monitor and track their energy-efficient operation.

In Bergisch Gladbach, HOCHTIEF Energy Management has cut the energy costs of city buildings by 35 percent a year under energy performance contracting since July 2008. The company and the city of Bergisch Gladbach entered into a five-year contract for the purpose. The energy performance contracting covers seven city properties including the town hall, school buildings with sports facilities and a library. This reduces pressure on the environment as well as on the city budget: Carbon emissions from the public buildings are set to fall by 800 metric tons a year.

Among measures to guarantee the energy savings, we refurbished central boiler units, improved lighting systems and installed modern building control systems. HOCHTIEF will centrally monitor, control and record the energy-efficient operation of heating and ventilation systems. In one Bergisch Gladbach school, for example—Albertus-Magnus-Gymnasium—the company is replacing the old one-pipe heating system with a modern control system that ensures a precisely regulated heat supply. If rooms are needed outside normal hours, say for a parent-teacher evening, automatic room-by-room control units with occupancy sensors operate the heating.

HOCHTIEF airports

We have an ongoing commitment to climate protection in our airport holdings. HOCHTIEF Airport has appointed an excellence team dedicated to sustainability in airport operation. The cross-cutting team advises HOCHTIEF's and other airports on questions, improvements and innovations relating to energy supply and energy efficiency. We are currently developing a long-term energy strategy for Budapest Airport with the aim of furnishing the entire airport



Planned sustainability: Streif Baulogistik's sophisticated site planning cuts carbon emissions during extension work at Frankfurt Airport (left).

Commitment to climate protection: Athens International Airport has been participating in the EU GreenBuilding program for three years to pinpoint potential energy savings and implement them.

with a sustainable energy supply as well as saving gas and electricity.


Budapest Airport already began implementing an Energy Saving Program (ESP) of its own in 2008. One of the first steps was to replace the energy-intensive apron lighting with an innovative, electricity-saving alternative. Emissions from the heating plant were cut by lowering the input temperature for the district heat network. For the purpose of operating the heating plant, the airport holds a carbon trading permit awarded by the Hungarian government for a three-year period under the framework of EU climate targets.

In 2008, a large photovoltaic installation was brought into operation on the roof of a new hangar at Düsseldorf International Airport. The 1,269-square-meter installation can supply over 2.7 million kilowatt-hours of electricity over a 20-year period. Carbon emissions will be reduced over this period by more than 2,000 metric tons.

Other measures at Düsseldorf Airport include replacing conventional lighting with energy-saving components. These cut carbon emissions by 1,000 metric tons a year. We have also decided not to heat or air-condition passenger boarding bridges. The operating schedule for the air handling systems has additionally been optimized. These two initiatives deliver a further 1,200 metric tons a year in carbon savings.

The terminals and Airport Plaza at Hamburg Airport likewise place emphasis on modern energy use and eco-friendly technologies. Reduced electricity consumption is ensured by a roof designed to let in daylight. The size and number of skylights relative to the closed ceiling area is designed to provide optimum lighting while minimizing the heating effect of sunlight. A further effective system for

cutting carbon emissions is the thermolabyrinth with which the Airport Plaza makes use of the geothermal effect in the basement floor of Terminal 1. This cuts the power rating of the air conditioning system to reduce carbon emissions by 400 metric tons a year. Hamburg Airport additionally saves 175 metric tons in carbon emissions annually by running baggage trucks on natural gas.

Athens International Airport has been taking part in the EU GreenBuilding program for three years to identify further scope for energy savings. The central control system for the air conditioning has already been adjusted to operate more precisely for an annual 3,550-metric-ton reduction in carbon emissions. The airport was accorded first place in the European Commission's GreenBuilding Awards 2008 for its energy efficiency and emission reductions. The Greek capital's airport has also taken part since June 2009 in the Airport Carbon Accreditation scheme  —a further step in turning the airport's intentions regarding climate change into concrete action.

In 2008, Sydney Airport signed the Global Aviation Industry Commitment to Action on Climate Change. The airport has also determined its carbon footprint* in accordance with the World Resources Institute's Greenhouse Gas Protocol (2005) and ISO 14064. Computing the carbon footprint is part of the airport's Carbon Neutral Strategy adopted in 2008.

 www.airportcarbonaccreditation.org

***The carbon footprint relates to the carbon emissions generated by a given activity.**

SPOTLIGHT

Freshly upgraded: The Odin jack-up platform is currently in use at Germany's first offshore wind farm (left).

Carbon-free power generation: The Glendoe Hydro Scheme supplies up to 250,000 households with electricity.



 www.glendoe.co.uk

Geothermal energy

For further information on our geothermal energy business, please see page 31.

HOCHTIEF Facility Management also gains experience with geothermal energy pumps in its building operation activities. An example is the Lufthansa Training & Conference Center, which is supplied with heat by an eco-friendly geothermal energy system.

Solar thermal power

In partnership with MAN Solar Millennium, Leighton Contractors is developing solar thermal power plants for Australia. These convert direct solar radiation into heat to generate large quantities of electricity. The environmentally friendly power plants have an output of up to 250 megawatt-hours per year and can generate electricity for approximately a million people.


Wind farms

Our Odin jack-up platform is currently in use on the construction of "alpha ventus," Germany's first offshore wind farm north of the island of Borkum. Sixty-meter jack-up legs permit work at depths of up to 45 meters. A permanently installed 300-metric-ton crane makes it possible to work safely and efficiently from the water. We have further extended the potential siting radius for wind turbines with our new Thor jack-up platform. Eighty-two-meter jack-up legs allow this platform to serve at depths of up to 50 meters. A huge payload and large deck area make for maximum operating efficiency even in stormy conditions.

***For further information,**
please see page 48.

****For further information,**
please see page 56.

Hydroelectric power plants

The Glendoe Hydro Scheme  built at the southern end of Loch Ness is projected to generate 100 megawatts of electricity for up to 250,000 households. Glendoe was opened by the Queen in June 2009. The power plant, which HOCHTIEF Construction completed in February 2009, retains the water behind a dam. Mechanical energy from water allowed to flow out of the dam is converted into electricity—a very environment-friendly method of power generation with no carbon emissions. Two environmental engineers made sure that high environmental management standards were observed throughout the construction process. Specialists were also on hand to provide advice on ecology, forestry, ornithology and landscape architecture.*

HOCHTIEF do Brasil has implemented a range of measures to minimize environmental impact when constructing small hydroelectric power plants. An example is the Irarà hydro plant in Brazil's mid-west. The project was completed in November 2008 and has a capacity of 30 megawatts, as do two further hydroelectric plants in the state of Goiás. Local environment protection measures included controlled fire clearing, monitoring of soil changes as well as reforestation of karst areas and sloping land.

Activities within the Group

Since spring 2008, the previous in-house suggestion scheme at HOCHTIEF has been replaced by the "Ideas Room."*** In the fall of 2008, a special campaign was launched in this connection with the focus on saving energy and protecting the climate. HOCHTIEF staff submitted a large number of ideas. Based on the potential savings, the subsequent review produced three action areas: Changes in user behavior relating to energy consumption, fuel consumption and the use of communications media. Employee awareness of these issues is fostered in various ways.



New design, less fuel: The new wheel loaders used by Leighton Contractors deliver ten percent better fuel economy (left).

Money-saving idea: The new timer-controlled stirrers at the Gotthard Tunnel.

For example, staff are reminded via their computers to turn out the lights when leaving the office. On the corporate intranet, all HOCHTIEF employees are given tips on economical driving. Travel-related costs and energy consumption are reduced by making better use of communications media, such as telephone and video conferences. A climate protection day is to be launched at HOCHTIEF in November 2009 to underscore the issue's importance within the Group. It is planned to provide employees with further information on how they themselves can help combat climate change.

One employee suggestion from the Ideas Room cuts energy costs in tunnel construction: Savings of EUR 100,000 a year can be achieved by using a timer to considerably shorten the operating time of the stirrers for the bentonite suspension used as a support medium in shield tunneling.

Our US subsidiary Turner provided an example of in-company initiative in energy efficiency when refurbishing its Seattle office. The new workplace is not only made greener by using energy-efficient technology: Employees themselves are to set an example and cycle to work where possible. Newly installed showers are designed to encourage acceptance of the plan. The office has also purchased five bicycles and a hybrid car for transporting small loads. The Seattle office's new trucks purchased in addition to the existing fleet run on biodiesel.

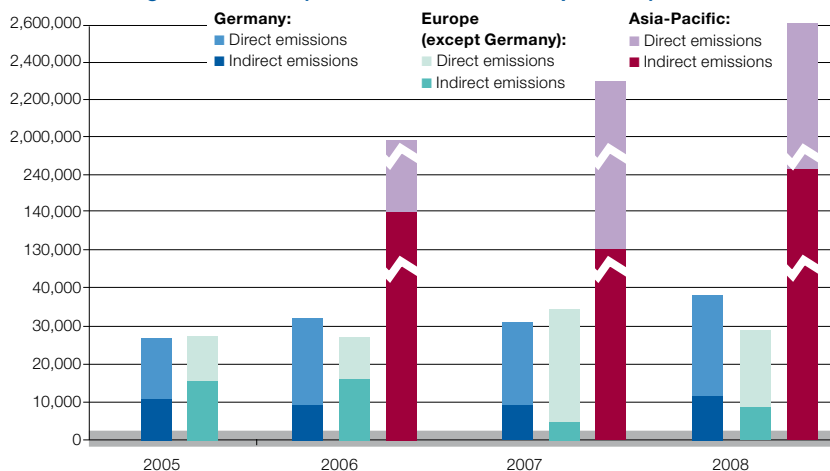
A further measure relates to the Leighton Contractors vehicle fleet serving the mining business. Engineers changed the design of wheel loaders to reduce their weight. The result is higher capacity and lower fuel consumption. Compared with their predecessors, the new wheel loaders use ten percent less fuel. Management expects to cut carbon emissions by 2,960 metric tons in the long term. Energy-saving lamps have also been installed in branch offices,

site offices and depots. Once this measure has been implemented throughout the company, carbon emissions can be cut by 250 metric tons a year.

Energy-efficient lighting is also a focus at HOCHTIEF Construction's Polish subsidiary. Energy-saving lamps are used on construction sites to minimize carbon emissions. In site containers, employees use electronic heaters with thermostats to reduce energy consumption. The containers have also been given better thermal insulation, allowing heaters to be run at a lower setting.

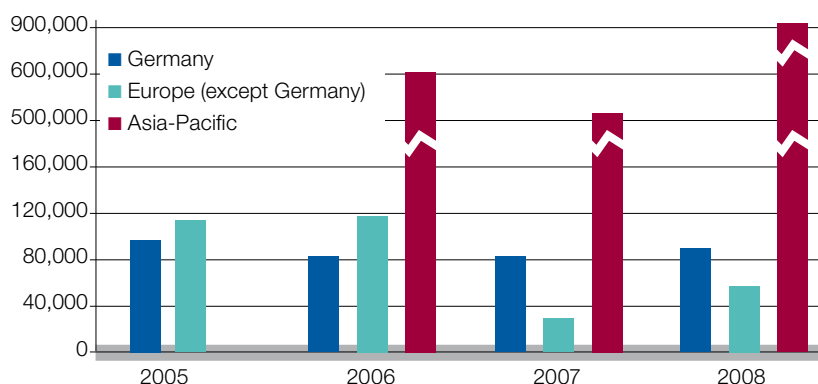
Key Figures

Greenhouse gas emissions (metric tons of carbon equivalent)*

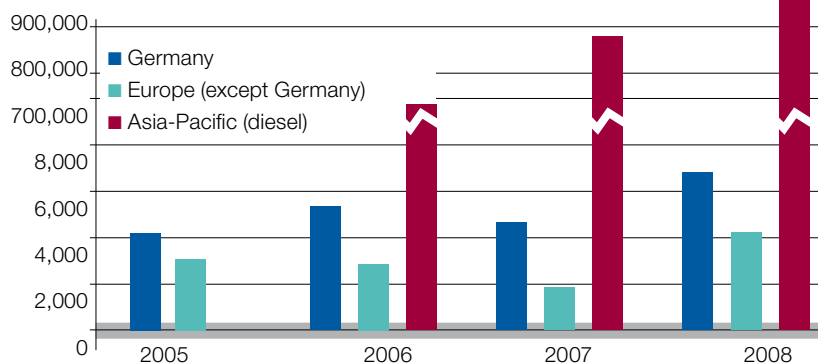


*Source for CO₂ conversion factors: Gemis 4.5; for electricity: Greenhouse Gas Protocol

Electricity consumption (GJ)



Fuel consumption (1,000 l)



The key figures shown relate to the energy consumption and carbon emissions of the main corporate units in Germany, Europe and Australia. The German and European data is estimated from material-specific cost types assuming average prices.

Energy consumption levels and the greenhouse gas emissions inferred from them directly depend on the nature and scale of the projects in progress. A tunneling project with a tunnel boring machine, for example, generates far greater indirect carbon emissions than a building site or a facility management project. The trend in the key figures therefore indicates very little as regards actual climate protection activity.

HOCHTIEF companies included in data:

Germany:

HOCHTIEF Airport
HOCHTIEF Construction
(all German business units)
HOCHTIEF Facility Management
GmbH Germany
HOCHTIEF PPP Solutions
HOCHTIEF Projektentwicklung
HOCHTIEF Property Management
Starkenberger Baustoffwerke
(2006 and 2007)
Streif Baulegistik Germany
DeBauSie

Europe (except Germany):

HOCHTIEF Construction (Bulgaria,
Romania and Hungary business
units)
HOCHTIEF Czech Republic
HOCHTIEF Facility Management
Luxembourg (fuels only)
HOCHTIEF Facility Management
Polska
HOCHTIEF Hellas
HOCHTIEF Hungaria Facility
Management (fuels only for 2005)
HOCHTIEF Luxembourg
HOCHTIEF Polska
HOCHTIEF Russia (fuels only for
2006 and 2007)
HOCHTIEF (UK)
Durst-Bau GmbH

Asia-Pacific:

Leighton Contractors
Thiess

Active Climate Protection

Our overarching objective:

We aim to save carbon emissions together with our clients.

Goal	Action 2009–2011	Status September 2009
Increase share of energy efficiency services	Further expand the energy contracting business	Over 86,500 t CO ₂ -e saved for clients in 2008
Cut carbon emissions	Cut company carbon emissions by five percent in next five years by lowering office power consumption and saving fuel at Turner (2006 base year)	22,000 t CO ₂ -e generated in 2006 base year
	Cut company carbon emissions by five percent by 2011 by lowering office power consumption and saving fuel in Germany and the UK (2008 base year)	Climate protection campaign launched in Germany, energy needs analysis performed at major HOCHTIEF office locations in Germany
	Switch major office locations in Germany fully over to green power	Contract for 2010 to 2012 in preparation
	Offer green power for construction sites	Proposals in preparation
	Cut number of business trips by 2.5 percent by 2011 through greater use of communications technology	Equipment upgrade initiated for meeting rooms; information and training campaign in planning
	Implement energy efficiency initiatives in projects at Thiess and Leighton Contractors in Australia	Potential energy savings determined, energy efficiency initiatives identified and energy efficiency report compiled
Enhance data quality in CO ₂ reporting	Select and implement Group-wide web-based data collection and validation software	Planning phase complete, preselection made
Geothermal energy business models	Operate five geothermal power plants in southern German part of Molasse basin through SGG (geothermal power plant construction and operating company)	Second SGG project launched in September 2008; ongoing innovation projects
Wind energy business models	Increase share of wind farm construction projects	Company to build and operate wind farms launched; ongoing innovation projects
Solar energy business models	Support the Solar Decathlon	Sponsorship and expertise transfer with Darmstadt University
	Use knowledge from Solar Decathlon in market-ready residential developments	Cooperation agreement signed with Darmstadt Technical University
Biomass-to-energy business models	Design, build and operate wood-fired power plants	Investment fund used for finance

Area 3

Resource Protection



The challenge: Construction projects require a huge amount of materials; they use and largely seal off whole areas of land, and produce considerable amounts of waste. Resource protection is therefore of particular importance to us. At inner-city sites, for example, HOCHTIEF endeavors to use derelict land and gaps between existing buildings or to refurbish older properties. Waste separation and recycling are standard practice worldwide, as is renaturation. Our Australian company Thiess, for example, is at pains to ensure that, once excavated, mines are partly filled and reforested.

Our objective: We aim to conserve natural resources and optimize the use of resources.



Going the extra green mile takes innovative ideas: When it came to traversing the Pamlico-Tar River on the Highway 17 Bypass project near Washington, N. C. (left), HOCHTIEF's American subsidiary Flatiron developed a novel bridge building method that is minimally intrusive on the environment.

Our innovative technique creates less disturbance to the fragile wetlands that are home to the blue crab and other animals than do conventional approaches to bridge building. The crab species inhabits the Pamlico-Tar River and its tributaries. An excellent example of caring for resources.

Area 3

Resource Protection

- **Waste management strategies conserve the environment**
- **HOCHTIEF projects safeguard water supplies**
- **Biodiversity in focus**

In all projects, national as well as international, HOCHTIEF actively meets the challenges and obligations of protecting the environment. This requires heightened workforce awareness and knowledge of the issues involved. We see exercising responsibility toward the environment and conserving finite resources as part and parcel of our business. We aim to identify the environmental impacts of all projects and activities at an early stage and to reduce those impacts to a minimum. HOCHTIEF adopted a Group-wide environmental directive and environmental policy as early as 2003. More than 60 percent of our operational units are certified to the ISO 14001 international standard. For many projects, HOCHTIEF prepares detailed environment strategies and applies innovative ideas.

Waste: Reduce, reuse, recycle

A prime example is waste management and recycling. We are actively committed to returning waste to the economic cycle. Accordingly, separating waste is standard practice, not just in offices but on all HOCHTIEF construction sites throughout the world. In Germany, we achieve around a 90 percent recycling rate for construction waste. With infrastructure projects, we devise strategies at an early stage to minimize and reuse excavated material. One way we do this is by using material from tunnels in concrete for road-building and other transportation projects.

In office, production, warehousing and laboratory facilities, HOCHTIEF Facility Management provides bins for waste separation. Our personnel check the bins and deliver the separately collected waste to an environmental services center where it is sorted on for later reuse. For this purpose, HOCHTIEF Facility Management is accredited in Germany as a waste management operator.

Our Australian subsidiary Leighton likewise works in many ways to reduce, reuse and recycle. One area the company slated for improvement was packaging, where it had too big a share of unrecoverable waste. The waste mountain has shrunk markedly with the use of recyclable materials. In many Leighton operating locations, such materials in-

clude paper, aluminum, copper wire and other scrap metal. Office workers are required to use less paper, for instance, by sending faxes online and preferentially printing on both sides. Waste paper is disposed of in separate bins.

Protecting the environment is also a priority at Leighton Asia. In August 2007, the company signed a charter in this connection enshrining a total of seven commitments and eleven measures. Workers are required to turn off the engine on unused construction machinery, for example, as well as use less environmentally harmful solvents and paints.

Our US subsidiary Turner similarly adopted an efficient waste recycling program for all building projects in January 2005. Since 2008, waste management in Turner projects is geared to the company's sustainability target, with at least 50 percent of waste on every project reused or recycled. Green building projects can achieve waste diversion rates of up to 95 percent.

All airports in the HOCHTIEF AirPort portfolio today have established standards for waste separation. Since 2008, a specially developed waste management strategy has made sure waste is recycled at Tirana Airport . The airport is a pioneer in Albania on this count. Disposal costs have been slashed as airport staff can now recycle 25 to 30 percent of material. The same goes for Budapest Airport , where a waste management strategy has been under implementation since January 2009. Management is targeting a 60 percent recycling rate in the next few years; the average for Hungary is five percent. For the airport serving the Hungarian capital, this reduces the burden on the environment by four metric tons of waste a day and helps save resources.

Resource-saving, efficient mining

HOCHTIEF is the world's biggest contract miner: Working on contract to mine owners, the Group extracts resources across Australia and Asia in quantities exceeding 100 million metric tons a year. We place special importance in mining on efficiency, with satellite-controlled blasting, precise transport sequencing and modern extraction methods to secure maximum yield. Where clients require, mine sites are subsequently rehabilitated.

 www.tirana-airport.com.al

 www.bud.hu/english



Safeguarding water supplies

Clean water is a scarce resource. Water supplies are consequently a major concern for growing numbers of people. HOCHTIEF improves water supplies as part of its project activities and helps enhance the quality of life for thousands of people in the process. We modernize existing supply pipework and sewerage, develop water infrastructure as well as build water treatment and desalination plants.

Leighton subsidiary Thiess, for example, secured an alliance contract in January 2007 to upgrade three wastewater treatment plants in Perth. The five-year contract will significantly boost plant capacity.

Reducing land take and conserving habitats

In building construction, we aim to apply our experience and expertise in developing and redeveloping infill and brownfield sites. We conserve natural habitats by refurbishing existing buildings and by putting roads and supply infrastructure underground. Asset managers at HOCHTIEF Property Management, for instance, compile sustainable property utilization plans and analyze refurbishment projects for economic viability. HOCHTIEF Energy Management brings wide-ranging expertise to bear in implementing energy strategies that save money and resources, and also offers innovative contracting solutions. In a building diagnosis, experts from HOCHTIEF Construction analyze what improvements can be made to a building in order to reduce costs and consumption as well as to enhance quality. To ensure sustainable operation and energy supplies, specialists from HOCHTIEF Facility Management assess and maintain building services.



Waste separation is standard practice on HOCHTIEF construction sites the world over: The recycling rate in Germany is approximately 90 percent.

Relocation plan: HOCHTIEF Construction provided the sand lizard with a new home.

HOCHTIEF's commitment to biodiversity

Maintaining and utilizing biodiversity is not just an environmental issue—it is fundamental to key industrial production processes and to our own living surroundings. Ensuring the continued availability of balance-preserving ecosystems and genetic resources is critical to society, government and industry. From a societal perspective, sustainable management of biological resources helps sustain habitat quality, which is vital to human health. HOCHTIEF begins working to preserve biodiversity on and around project sites well before construction starts. We draw up project-specific strategies to limit environmental impacts. In many projects, we also accept responsibility from the outset for rehabilitating the affected areas and ensure the conservation of native flora and fauna.

A prime example is the relocation of sand lizards found in a brickyard in Gerresheim, Düsseldorf. HOCHTIEF Construction planned to erect several residential buildings on the site. The project team invested EUR 40,000 in a major relocation plan for the lizards, which are a protected species. Biologists transferred the animals to a specially created biotope on a 2,200-square-meter plot.

SPOTLIGHT

A4 expressway upgrade near Gotha: Rerouting the road creates an ecological network that helps restore the natural link between Hainich National Park and the Thuringian Forest (left).



Biomonitoring at Hamburg Airport: A beekeeper tests the quality of the honey to measure environmental pollution.



Mines

Coal mining is the economic mainstay of the Hunter Valley in Australia. Thiess is in charge of coal extraction here as a contract miner and extracts six million metric tons a year from the one mine alone. While the diggers carve coal out of the ground on one side of the gigantic hole, trees already grow on the other thanks to a rehabilitation program. By the time extraction ceases in 2017, Mt Owen is planned to have five times as much forest as before mining began. Ample space, in other words, to provide habitats for the native flora and fauna. Thiess is familiar with sustainable site rehabilitation and has many years of experience. The company makes protecting the environment an integral part of its management system and working methods to ensure mining activities have minimum impact on eco-systems.

Airports

Biomonitoring at HOCHTIEF's Düsseldorf and Hamburg airports makes it possible to trace their effects on the surrounding environment. Between April and August, 350,000 honey bees forage the airport sites for food. The bees, whose hives are located near the airports, take up pollutants from the water, the air, pollen and the nectar of local plants. These substances can then be identified in the honey. Independent labs therefore continually analyze honey from the airport grounds for pollutants such as heavy metals and polycyclic aromatic hydrocarbons (PAHs). With encouraging results: To date, the honey complies fully with food safety standards.

Roads and tunnels

In partnership with another company, HOCHTIEF PPP Solutions is undertaking the first expressway contract on a public-private partnership basis in eastern Germany. The A4 upgrade between Gotha and the Hesse state border scores especially well in terms of sustainability. Half the

previous road is being torn up and the land rehabilitated by HOCHTIEF Construction and its consortium partners. The reclaimed material goes into the new roadway. Rerouting the A4 also creates an ecological network restoring an unbroken natural link between Hainich National Park and the Thuringian Forest.

The consortium including HOCHTIEF PPP Solutions carrying out the "Y" project in Austria has devised a special landscape ecology mitigation scheme. The road contract takes in a 51-kilometer section of the Vienna northeastern bypass. A total of 510,000 new plants are to line the finished route. Alongside bushes and shrubs indigenous to the locality, they will include 1,200 trees, 15,000 climbers, 30,000 aquatic perennials and even 250 fruit trees. A class of fourth-graders from Grossebersdorf north of Vienna helped re-plant a field with 150 new plants in November 2008. All earth excavated in the project—a total of 9.3 million cubic meters—is reused, some of it in noise barriers.

Leighton companies Thiess and John Holland are both in the consortium performing one of Australia's biggest transportation infrastructure contracts. The major undertaking consists of three individual projects in Brisbane: The Airport Link, the Northern Busway and the Airport Drive Connection. The Airport Link, which the consortium has the contract to design, finance, build and operate, is a fully electronic toll road and includes more than five kilometers of tunnel—making the section concerned the longest road tunnel on the continent and relieving the surface environment. Over 5,000 trees and a million new plants will additionally enrich the Airport Link's surroundings from mid-2012.

In the East Link project in Melbourne, Thiess and John Holland have been part of Australia's largest ever urban road development scheme. The works include a 45-kilo-



meter, mostly three-lane expressway, 88 bridges, 17 intersections and a tunnel. There is ample provision for other forms of mobility, too: The project encompasses over 35 kilometers of connected cycle paths and walkways, and is also notable for quality in landscape architecture. More than three million new plants now line the route. Felled trees are mulched for use in landscaping. The contractors have used recycled concrete where possible. Noise and vibration levels have been kept at a minimum to cause least disruption to residents and adjoining businesses.

Construction of the Ballina Bypass in the Australian state of New South Wales—a Leighton Contractors roadbuilding project—is likewise accompanied by numerous environmental measures. Employees check water quality in surrounding rivers and streams, test air and soil quality, measure noise levels as well as actively protect flora and fauna. Geotextile silt barriers are used to prevent loss of water quality. Two environment monitors on the construction site additionally watch that the work is carried out to predefined environmental standards.

In California, Flatiron used about 300,000 metric tons of recycled aggregate on the Interstate 5 improvement contract. The contractors used transportable crushing equipment to turn old roadway material into aggregate for use in the new concrete surface. In this way, the team saved time and money for transportation, cut material costs and reduced the impact on the environment.

EXPERT OPINION



Gabriele Sartori is Manager for Greenhouse and Energy at Leighton subsidiary Thiess in Australia. She represents the company in numerous official and industry groups.

Gabriele Sartori on ...

... the environmental relevance of mining

Mining activities are energy and fuel-intensive. Mining also intrudes heavily on the natural landscape. The mining business therefore imposes special obligations on all concerned.

... Thiess's work on limiting environmental impacts

We undertook an energy efficiency assessment and identified various energy and fuel saving initiatives. One example is load optimization on haul trucks. By implementing these initiatives at all our mining projects, it is estimated that we will save 10,600 metric tons of carbon per annum with a payback period of less than two years. To reduce our mining operations carbon footprint, we are actively researching the major alternative fuels and technologies relevant to a mining environment.

A good example of the sort of effort Thiess puts into protecting the environment is the Mt Owen Coal Mine. Thiess has progressively worked to rehabilitate the area since mining started at Mt Owen in 1995, which has involved backfilling the pit with overburden to restore the landscape contours. Thiess then applied a layer of topsoil saved from native forest areas cleared ahead of mining, which provides a foundation for restoring the ecosystem. It's very exciting to see the progress of these areas toward becoming sustainable ecosystems—especially the areas Thiess rehabilitated just three or four years ago, that rare frogs and other animals are already repopulating. Mt Owen is an inspiration and guide for other mine sites in the region to launch similar programs.

Experience in rehabilitation: In Australia, Thiess ensures the ecological restoration of the Mt Owen Coal Mine (left).

SPOTLIGHT

Caring for the environment: An elaborate construction technique is used to protect the nature reserve in building the Saale-Elster Viaduct (left).

Bouquet for the Queen: Official opening of the Glendoe Hydro Scheme in the Scottish Highlands in late June 2009.




 www.glendoe.co.uk

Bridges

Flatiron engineered a new way to build bridges that minimizes environmental impact. The company designed a gantry that drives piles, lays prefabricated road segments and places girders. Once one segment is done, the gantry shifts forward to work on the next. This eliminates the need for large cranes and temporary access trestles in the fragile wetlands throughout the site. The novel system effectively turns the work of building an entire bridge into a production line. Flatiron first used the new method on the Highway 17 Bypass near Washington, which traverses a nature reserve. We secured the contract in competitive bidding with selection criteria that included environmental compatibility alongside construction cost. For helping to develop the innovative bridge building technique, Flatiron Vice President Elie Homsy was honored by US trade magazine Engineering News-Record with a Top 25 Newsmaker award for 2008.

A joint venture including HOCHTIEF Construction faced similar challenges in building the Saale-Elster Viaduct. Part of the new Erfurt-Leipzig/Halle rail link, the viaduct has a length of over 8,600 meters, making it the biggest of its kind in Germany. South of Halle, the rail link crosses the Saale and Weisse Elster river floodplains which have a number of nature reserves, among them sites classified under the European Habitats Directive and Birds Directive. Along two stretches of the new line, vehicles are unable to access the site for conservation reasons. The project team therefore erected the 704-meter main span stretching either side of the Weisse Elster using a top-down construction technique. The building work, which will go on until 2012, also halts for several months during the spring breeding season in the bird reserve.

Power generation

In construction of the Glendoe Hydro Scheme  situated in peaty moorland in the Scottish Highlands, a large protected area, HOCHTIEF Construction complied with stringent environmental stipulations. The region is home to numerous protected animal species including the golden eagle and the otter as well as rare species of plant. Throughout the project, two on-site environmental engineers made sure all those involved acted responsibly and trained construction staff in environmental matters. A notable example of species conservation resulted from much of the work being in areas with active colonies of water vole, a species whose habitats are protected by law in Scotland. The environmental specialists located vole colonies, mapped them and marked their locations around the site so access tracks and construction works could be made to skirt around them. Turf and glacial till removed when creating tracks was later reused in site rehabilitation. The project team also devoted a great deal of care to conserving the rare Bryum muehlenbeckii moss species. The few locations in Scotland where this species is found include rocks beside the Tarff, a river dammed in construction of the reservoir. A bryologist was responsible for its transplantation. Rock extracted in tunneling was carried off site by a conveyor system, enabling the project team to avoid the use of vehicles.*

The Swanbank Waste Management Facility is a green project by Leighton subsidiary Thiess in which waste is turned to energy in a process called ReOrganic Energy. The facility has the potential to cut carbon emissions by 364,000 metric tons a year. It can generate enough energy to supply 9,400 homes. The project is the first privately operated landfill in Australia. It is the second of its kind in the world to use landfill gas for electricity generation. The facility also uses leachate recirculation technology to accelerate the production of landfill gas. The landfill gas is then harnessed and pumped

*For further information, please see page 38.



Waste to energy:

Newhaven Incinerator in the UK has the capacity to supply 16,500 homes (left) and Swanbank, Australia's first privately operated landfill power station, provides 9,400 homes with electricity.

to the adjacent Swanbank Power Station where it is converted into electricity via a modified boiler.

HOCHTIEF Construction is part of the consortium building the Newhaven energy recovery facility on the southeast coast of England. Planned to enter testing in spring 2011, the facility was designed with two incineration lines, each with a capacity of 14.5 metric tons per hour. It treats 210,000 metric tons of waste a year, generating electricity for 25,000 homes. Minimizing groundwater contamination posed a particular challenge which was mastered using a construction technique specially developed by the project team.

Desalination

In July 2007, John Holland undertook to design, build, operate and maintain a desalination plant in Kurnell, a suburb of Sydney. Australia has suffered severe drought for a number of years and water resources for the population are limited. Water restrictions prohibit people in the region from washing cars with tap water, for example, or running garden sprinklers on a daily basis. Tap water has so far been sourced from large rainwater tanks. However, rainfall is decreasing with climate change and the tanks soon run low. One solution is the Kurnell desalination plant. Since September 2009, this has supplied Sydneysiders with 250 million liters of water a day, making it the second largest such facility in the world. As a major sustainability feature, the plant runs on renewable energy. It also gives consideration to biodiversity: No less than a third of the Kurnell site is designated as a reserve for the indigenous frogs and bats.

Wastewater treatment

Since January 2008, HOCHTIEF Construction has been building a wastewater treatment plant for the Bulgarian city of Rousse, close to the Romanian border. It will treat waste water for a population of 240,000 from the beginning of 2010. The plant is based on a three-stage system comprising initial physical and then chemical and biological processes.

The consortium including Thiess which built the Bundamba Advanced Water Treatment Plant worked at record speed, completing Stage 1 in under ten months. This furnished Swanbank Power Station with a supply of treated water sooner than planned. The plant was further expanded in Stage 2, allowing it to treat water from the existing Oxley and Wacol wastewater treatment plants. The plant has the capacity to deliver up to 66 million liters of purified water a day. It is the first of three advanced water treatment plants and part of Australia's largest water recycling scheme.

Groundwater remediation

HOCHTIEF Facility Management provides a cost-effective means of treating contaminated groundwater at Hamburg Airport: LoNiOt, a mobile in-situ ethanol dispensing system that purifies groundwater by using ethanol to stimulate bacteria into breaking down chlorinated hydrocarbons.

Dams

The Leighton Contractors team building Shannon Creek Dam in southwestern Australia had to comply with strict environmental stipulations imposed by the local administration. Specially designated exclusion zones minimized impacts on the sensitive surroundings. The project team also cleared as few trees as possible along access tracks and limited tree clearance on the land to be flooded. A site environmental officer watched that trees were felled to a

Shannon Creek Dam, Australia: Habitats of native fauna safeguarded by strict environmental stipulations.




preset schedule in order to retain the largest possible habitat for native fauna.

Building refurbishment and upgrading

One of many examples of refurbishment and upgrading projects is the heritage-protected former Scheidt textile factory in Kettwig, Essen, undertaken in a joint venture with HOCHTIEF Construction. The building, which dates back to 1724 and has been vacant since 1988, is now being turned into some 36 premium condominiums in close consultation with the heritage authorities.

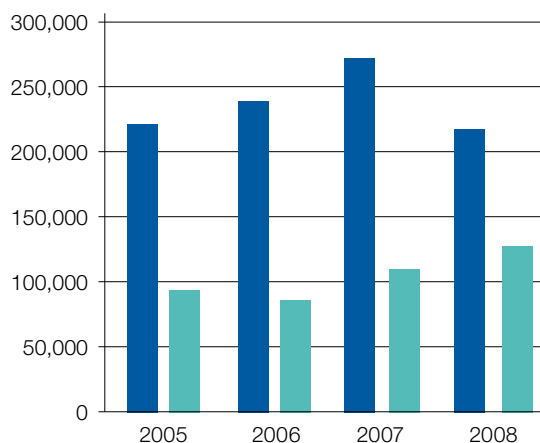
Biodiversity

Another form of species conservation was provided by the Leighton Asia team building a new aviation fuel supply facility at Hong Kong's Chek Lap Kok Airport. Hydraulic hammers used to drive piles for a jetty would normally cause considerable underwater noise. Although the project is located in industrial surroundings, the jetty area is a habitat of Chinese white dolphins, which are on the IUCN Red List of Threatened Species . To protect them, the team designed a bubble jacket—a kind of sleeve that goes over the outside of each pile. Compressed air is injected at the base of the pile, with the effect of minimizing underwater noise and protecting the dolphins from high noise levels.

 www.iucnredlist.org
(IUCN: International Union for Conservation of Nature and Natural Resources)

Key Figures

Water consumption (m³)



■ Germany

■ Europe (except Germany)

The data is estimated from material-specific cost types assuming average prices.

Environmental damage

In 2003, HOCHTIEF initiated a reporting system for environmental damage to be applied across all divisions. No environmental damage was caused in the period under review.

Our subsidiary Leighton classifies environmental incidents into three levels:

- Level 1: High severity, irreversible detrimental effect on the environment
- Level 2: Medium severity, persistent but reversible detrimental effect on the environment
- Level 3: Low severity, detrimental effect can be reversed in less than three months

No high-severity incidents were recorded in fiscal year 2006/2007 or 2007/2008. For further information, please see www.leighton.com.au.

Resource Protection

Our overarching objective:

We aim to conserve natural resources and optimize the use of resources.

Goal	Action 2009–2011	Status September 2009
Reduce waste and increase recycling rate	Implement measures to improve waste separation on construction sites and improve quality of waste volume reporting	Web-based waste volume reporting system implemented at Turner
Avoid harm to the environment by raising environmental awareness	Provide intranet-based e-learning with achievement tests for German corporate units	Web-based e-learning modules selected
	Train occupational safety and health officers in environmental matters	Planning phase
	Train HR managers in environmental matters	Training introduced through further education program in Germany; training programs adapted to local law launched at international corporate units
Ensure application of all relevant environmental rules and regulations	Integrate environment protection into internal and external audits at HOCHTIEF Europe and HOCHTIEF Facility Management (HTFM)	Project launched to develop and implement integrated quality, occupational safety/health and environment protection management system at HTFM
	Standardize environmental protection processes and increase external certification	HOCHTIEF Europe management system updated and implemented in new web-based technology; 62 percent of corporate units certified worldwide
	Develop uniform EU-compliant (REACH) hazardous substances management system and make available to all EU corporate units	Database compiled
Use recyclables-based office supplies	Introduce green line for office supplies in HOCHTIEF KaufPilot procurement platform	Product selection completed
Support environment impact analyses on infrastructure projects	Develop expertise and promote international exchange of experience	Initial contacts made at international level
Minimize and reuse excavated material	Compile project-specific strategies for recycling of excavated material	100 percent of excavated material recycled in A5 (Vienna) and A4 (Gotha) PPP expressway projects

Area 4

Attractive Working Environment



The challenge: HOCHTIEF employs almost 65,000 people worldwide and works with around 50,000 subcontractors every year. We aim not only to offer them the highest standard of occupational health and safety, but also to do all we can to create the best possible working conditions for them. In addition, we need to implement efficient measures to tackle demographic change and the shortage of specialist and managerial staff.

Our objective: We aim to further boost our position as a sought-after employer and, over the long term, establish ourselves among the most attractive employers in the industry.



Occupational safety rules supreme at HOCHTIEF. Like their peers throughout the Group, employees at HOCHTIEF Facility Management (left) must comply with the strict HOCHTIEF safety standards. By living up to its role as a responsible employer in this way, the company provides a safe workplace to help enable a fulfilling life outside of working hours.

Area 4

Attractive Working Environment

- **HOCHTIEF a top-ranking employer**
- **Ongoing professional development**
- **Moving early to win new talent**

HOCHTIEF is an attractive employer—something that is borne out by the many applications we receive each year. HOCHTIEF's central Applicant Management department took in over 34,000 applications from across Germany in 2008 alone. Some 35 percent of applications are unsolicited. Our American subsidiaries are similarly popular. Turner recorded 6,242 and Flatiron 8,654 applications in the same space of time.

We have streamlined the Job Opportunities section of our website with a clearer layout so applicants experience even better, faster service.

HOCHTIEF's attractiveness as an employer also shows in labor market rankings. A 2008 study by Universum rated HOCHTIEF among the top German employers for construction engineers. The company scored similarly well in a 2008 study of top engineering employers by CRF. HOCHTIEF took first place in a survey by the Immobilienzeitung trade magazine asking students of real estate to name their preferred employer. In a global ranking by Fortune Magazine, HOCHTIEF came fifth among the most admired German companies.

Turner, too, has earned repeated accolades as an attractive employer. By way of example, Turner recently took 37th place in the Black Collegian magazine Top 100 Employers ranking for the class of 2009.

Within the Group, employees demonstrate their satisfaction with HOCHTIEF through loyalty and long service. The average length of an employment contract with us in Germany is 12.2 years. We do similarly well internationally, with 12.1 years at HOCHTIEF Luxembourg, 11 years at HOCHTIEF Polska, 10.8 years at HOCHTIEF CZ in the Czech Republic and 7.6 years at Turner.

Employee feedback is key

HOCHTIEF employees have regular opportunities to report on their experience and satisfaction with the company. Among these is the structured annual appraisal interview held between each employee and their superior. The purpose of the interview, which is divided into a review, an appraisal and an outlook section, is joint assessment and analysis of past performance along with the discussion of personal development measures. The interview provides a platform for open dialog between employee and superior. To give it binding effect and make sure the measures decided are put into action, we have introduced a monitoring arrangement under which the relevant human resources manager receives a document with the agreed targets each year.

Regular employee surveys deliver a company-wide view of mood, satisfaction and current workforce concerns as well as helping to pinpoint scope for improvement. One 2008 survey targeted the workforce of HOCHTIEF Property Management, where over 280 employees had been taken over from companies such as Allianz Immobilien under outsourcing projects. The survey aimed to measure progress on integration within HOCHTIEF. The People.Index benchmark used for the purpose was evaluated externally and served as a dialog and management tool. The survey earmarked distinct areas for improvement. Over 70 percent of HOCHTIEF Property Management staff took the survey and anonymously completed the 50 questions. The main finding: HOCHTIEF Property Management is an employer with whom much of the workforce would like to shape their career future. Alongside clear support and commitment to the company, the survey also identified potential for improvement, for example, as regards job content. Employees handed out especially good marks on team working atmosphere, mutual trust and dependability.

The Management Board of HOCHTIEF Property Management presented to the workforce both the survey findings and the action areas at seven nationwide events. The findings and action items were openly discussed and implemented accordingly.





Work-life balance: Michael Girmscheid from HOCHTIEF Construction is one of many young men to take parental leave—something little Carlotta appreciates (left).

More time for the kids: In 2008, Flatiron staged a families day for the workforce who built a new bridge over the Mississippi in record time.

Starting in fall 2009, the same employee feedback tool is deployed under the name HOCHTIEF People.Index for regular Group-wide measurement of workforce satisfaction, with divisional surveys at half-yearly intervals. Participation is voluntary and anonymous and, in most cases, the questionnaire can be filled in online. As the survey uses identical questions every time, results can easily be compared and trends are clearly visible. Any changes can consequently be quickly spotted and evaluated. The central aim of the survey is to provide the workforce with a facility for ongoing feedback and to secure improvements across the entire HOCHTIEF Group by implementing joint action based on the survey outcomes. A workforce survey was also carried out at Turner in October 2008.

Our Australian subsidiary Leighton has introduced similar surveys. The Your Say staff survey conducted once a year since 2006 covers 15 dimensions, among them safety and health, job satisfaction, engagement as well as training and career development. Prime emphasis was given to safety and health, setting Leighton apart from other Australian organizations.

Work-life balance

We acknowledge our responsibility for ensuring an acceptable work-life balance for our employees, and we deliver on that responsibility in innovative, individual ways. HOCHTIEF is continuously refining the options for workplace flexibility and variable working hours, partly by using modern information technology. Employees are also offered help with finding qualified and professional childcare and nursing care. Versatile return-to-work arrangements enable a smooth transition back into working life after parental leave or illness. A prime example in this regard is Burton Coal Mine in Queensland, Australia—a Thiess project where nearly half the managerial staff are women. Through its Enginhearing program, Thiess supports female engineers in returning to

work. The program provides various ways for women with children to resume their careers, including part-time working and home offices.

In 2008, our American subsidiary Flatiron worked 24/7 to build the St. Anthony Falls Bridge in Minneapolis, USA in record time. Keeping to such an ambitious schedule left workers very little time for their families. For this reason, Flatiron organized a families day for 200 relatives to visit the site and join in with a special program of activities.

The Hertie Foundation, a German charity, has awarded HOCHTIEF its “berufundfamilie” (work and family) certificate. In connection with this award, HOCHTIEF has committed to taking further action in specific areas such as professional development and childcare by 2010.

As a further highlight, HOCHTIEF now offers holiday action days for employees’ children at a range of locations. Depending on the age group, activities at the Easter holiday action days in 2008 and 2009 included visiting a building site or doing scientific experiments. The idea was extended to Yuletide in 2008 with 90 children of employees in Essen enjoying a visit from Santa Claus. Finally, fun was had by all at the Streif Baulogistik families day on the Blue Site Park activity building site in Essen.

Good ideas pay: The best suggestions submitted in 2008 earned awards and congratulations from Dr. Herbert Lütkestratkötter, Chairman of the Executive Board (photo left, center).

Lifelong learning: Turner employees train from their desks.



Comprehensive induction

Most new employees go through an induction program after signing with HOCHTIEF. The type of program depends on individual needs, for example, with separate programs for commercial and engineering talent. Our Blue Chip program pitches university graduates straight to where the action is with job rotation, mentoring and attendance at events to aid new recruits in building their own personal network. Our subsidiaries Turner, Leighton and HOCHTIEF do Brasil have similar programs. These help new employees and trainees in our international units make an ideal start and become well integrated into their teams. We also aim for effective transfer of knowledge between older and younger, experienced and new employees. Since 2009, new recruits in Germany are offered induction events giving them a heads-up view of the company from the outset. New employees also receive a manual with key information on topics such as the workplace, company rules and directives as well as occupational safety and health.

Ongoing innovation

Ceaseless innovation and keeping ahead of rivals are key to HOCHTIEF's success. In recognition of this, we created the Ideas Room, where colleagues at HOCHTIEF can table and discuss suggestions for process innovations, business models and sustainability or workplace improvements. No fewer than 405 employee suggestions were received in 2008 alone. The best were singled out for award.

Continuing professional development

At HOCHTIEF, learning accompanies employees throughout their careers. We consider lifelong learning a necessity. Along the way, we aim to help our workforce move forward with the demands made by their jobs—demands that are continually changing as new products, techniques and technologies emerge.

HOCHTIEF provides employees across the Group with opportunities to boost existing personal strengths and build their potential. Professional development offerings in Germany encompassed 276 events during 2008 and took up a total of 60,600 hours of working time (compared with 36,000 in 2006). Choices ranged from general training—on subjects such as negotiation skills and languages—through to specialist seminars. Employees needing very specialized knowledge are also able to attend seminars outside the company. A total of 3,725 employees attended in-house professional development events during 2008 in Germany.

Expert workshops have been integral to the HOCHTIEF professional development program in Germany since 2009. They target employees on expert career tracks who lead and support projects in a professional capacity and are endowed with specialist knowledge. The workshops consist of three modules on the expert as process consultant, tools for experts as well as cooperation and conflict. In this way, specialists receive training to strengthen them in their role even if they do not hold a managerial post. Retaining these top professionals is important to us. Consequently, expert career bands correspond in pay structure to the executive bands for managerial employees, including performance-linked compensation.



Work-study balance: Employees studying engineering at the HOCHTIEF Academy. Degrees for facility managers were added in 2008 (left).

Turner School of Construction Management: A training program specially for minority, women and disadvantaged business owners.

A further important task is that of training employees to meet new requirements. In the first half of 2009, for example, four members of the HOCHTIEF workforce qualified as auditors with the ability to set up projects that comply with standards introduced in 2009 by the German Sustainable Building Council.

Specifically to counter the skills shortage and secure a pool of talent with the training and knowledge to meet company needs, we established the HOCHTIEF Academy in 2000. To this day, the Academy remains an institution unique to our industry. Trade employees can study there on a part-time basis to gain a qualification as state-accredited HOCHTIEF Engineer or Bachelor of Engineering. Some 104 employees have taken advantage of this opportunity so far. The courses were additionally opened up to outsiders in 2008. To meet the needs of the facility management business, we also added a Bachelor of Business Administration in Facility Management degree in 2008. The new degree course is already being taken by 41 employees. In all courses, in-house lecturers ensure strong practical relevance.

Another important part of our professional development activities is a doctoral program giving committed and ambitious employees the opportunity to complete a doctorate at a university over a three-year period. Alongside this full-time option where employees are given sabbatical leave for the duration, there is now also the possibility of part-time doctoral study. The program ties highly qualified individuals to HOCHTIEF while helping to reinforce our links with universities. Bringing together academia with business and theory with practice in this way is highly beneficial for both sides.

Fostering upcoming talent is a Group-wide priority. At Turner, employees can learn from their desks—in online courses from Turner University. The broad study spectrum ranges from software training to the history of the company. The courses are highly popular. More than 117,000 hours of working time were invested in education and training in 2008. Each new recruit at Turner is also provided with a specially devised personal development program. At Flatiron, more than 26,000 hours went on training in 2008. Our companies at Leighton and in our European units also offer professional seminars.

The Turner School of Construction Management (TSCM) holds courses specifically targeting minority, women and disadvantaged business owners among subcontractors. The school celebrated its 40th anniversary this year and offers training on topics such as green building, developing a business plan or building law. All Turner offices participate in offering the TSCM program in some 70 cities.

Flatiron, our American civil engineering subsidiary, applies a three-pillar approach to professional development in its O³ program. The three O's stand for on-the-job training, online and on-campus education.

Leighton cooperates with the University of New South Wales to train employees in project management. In continuing to do so, the company has resisted the trend among many of its peers to cut down on workforce training opportunities in an economic slowdown.

Literacy program at Brazilian building sites: Workers hired at HOCHTIEF do Brasil can learn to read and write in eight months (left).

Social responsibility: Vocational training is important at HOCHTIEF. We provide traineeships in 31 recognized occupations in Germany.



Human resources activities at Thiess, a Leighton subsidiary, include an accreditation program for project managers, furnishing them with knowledge about the latest technologies, entrepreneurial skills and effective leadership style. The aim is for project managers to exceed customer expectations across the entire spectrum of a project.

The goal of education for all employees lies behind Programa Alfabetização HOCHTIEF (PAH), a free literacy program first implemented by HOCHTIEF do Brasil on a residential building project in October 2005. Workers hired for a project learn to read and write in eight months. So far, 73 employees have taken part in the program and earned a certificate. In November 2008, PAH came among the top three finalists for the social responsibility category in Brazil's fourth top people management awards. The award honors dedicated and promising examples in the fields of people management and corporate social responsibility.

HOCHTIEF employees also have the possibility of working abroad. Our contracting business makes temporary, project-based foreign assignments an attractive proposition—and the company benefits from having the right people with the right skills on location. So that employees can see at a glance where there are vacancies in international projects, we plan to open a Marketplace of Opportunities on the corporate intranet. Besides spotlighting the vacancies themselves, the platform will provide information about the country where each project is located, the culture and special features of the project.

A measure to counter the shortage of skilled and managerial personnel is the Employees Recruit Employees campaign, in which HOCHTIEF staff recommend friends or acquaintances for vacant posts. The initiative is successful—HOCHTIEF gained 80 new employees via this route in 2008.

Occupations with a future: Vocational training at HOCHTIEF

We attach great importance to exercising our responsibility as an employer not only toward our established workforce, but also in the community at large. This includes giving young people a start in their working careers and offering them ideal conditions to build their personal future. We provide traineeships in 31 recognized occupations in Germany, with 555 trainees as of August 31, 2009. Trainees have particularly bright prospects in the segments we have developed relatively recently, HOCHTIEF Property Management and HOCHTIEF Facility Management. Innovative lines of work always play an important part. In 2009, for example, we introduced a traineeship in mining technology with a special focus on deep drilling. We currently have 319 trainees in trade occupations, 64 in technical occupations and 172 in commercial occupations.

Our dedication in vocational training has been rewarded on multiple occasions. Thiess, for example, garnered the Award for Excellence for Employers of Australian Apprentices from the country's Ministry of Education, Employment and Workplace Relations.

The Berlin branch of HOCHTIEF Facility Management won an award from the Berlin Chamber of Industry and Commerce for excellence in vocational training. In granting the award, the Chamber honored the company's commitment and exceptional service to vocational training for young



people. HOCHTIEF Facility Management is among the top 50 companies in Berlin on this count.

Starting early: Interns and graduates

We greatly value on-the-job training for the university graduates in our workforce, many of whom begin as trainees at HOCHTIEF. Over 100 new graduate employees were taken on in Germany during 2008 alone, first and foremost in technical disciplines. We support them with a personal development program and in other ways, for example, with the option of getting to know a number of very different parts of the company. We also foster internal networking among graduate employees with meetings and in-house workshops.

We work hard to win the enthusiasm of high-flying graduates for HOCHTIEF as early as possible. This is made all the more vital by the skills shortage in construction professions, as a result of which rivalry for the best talent starts early on. Activities such as participation in university fairs are consequently an integral part of our human resources work. We are to be found at campus events, career fairs and recruiting days throughout Germany. Internationally, of course, Turner, Flatiron and Leighton are on the ground at universities, colleges and schools to tell students and graduates about their businesses. Flatiron, for instance, has developed an early talent management strategy to secure high-caliber recruits for the company at the earliest possible stage.

Subject to personal consent, we keep a watch on young people such as interns who gain work experience with us and stand out through good performance. Our Blue Step loyalty program for former interns ensures that we stay in touch and support them through their studies. We offer




Straight to where the action is: 100 university graduates joined us during 2008 in Germany alone (left).

Training in Asia: In cooperation with the Somaiya organization, disadvantaged young people are made ready for working life.

them opportunities to gain new experience, for example, in a work placement abroad.

The Bridge program for interns at Turner gives college students a chance to gain exposure to a construction profession during vacation time. This includes initial and further training courses. Turner likewise supports good interns during their studies through to graduation.

The same applies for Leighton companies. Thiess, for example, operates a targeted graduates program to link up with potential candidates from an early stage.

Leighton International has joined forces with Somaiya , a non-governmental organization, to take further key steps in countering the huge shortage of skilled labor in Asia. A specially developed training package has been put together and is mainly geared to sparking the enthusiasm of disadvantaged young people. Trainees first learn the theory in four to six-month courses which are taught partly by Leighton experts. They then start work on construction projects and acquire practical training on the job. The program has the ambitious target of training 50,000 new workers over the coming years.

 www.somaiya.edu

Women in engineering professions are still a rarity in Germany. To help change this, the University of Duisburg-Essen organizes a Germany-wide Summer University once a year. HOCHTIEF took part for the sixth time in 2009. The University's Academic Counseling Center invites girls in secondary education to attend the Summer University with the aim of encouraging them to study natural sciences or engineering with a whole week of researching and experimenting. A highlight is the Kontaktikum day when girls gain an inside view of working life in a company like HOCHTIEF.


Technology kits for school: Used by teachers to bring engineering to life for young children (left).

Great potential: Diversity is a strength and enriches our corporate culture—a philosophy shared across all HOCHTIEF companies.




 www.business-at-school.de

Getting kids into technology

For the last five years, we have taken part in the business@school  education initiative launched eleven years ago by Boston Consulting Group (BCG). In the 2009 event, more than 2,000 schoolchildren developed their own business ideas for the nationwide competition. The education initiative helps interested high-schoolers learn from first-hand experience as well as information about how things link up in business. Under its social responsibility as a corporate citizen, HOCHTIEF supports such initiatives that benefit the next generation.

The motto of this year's Technology Day was "Project Future." Numerous companies opened their doors to technology fans all over Germany. HOCHTIEF showed off its innovative prowess to scores of interested visitors at the inHaus2 project in Duisburg. Events like this help young people develop their interests in technical professions.

 www.wissensfabrik-deutschland.de

The Wissensfabrik  (knowledge factory) initiative was set in motion under the patronage of German President Horst Köhler. Its aim is to better prime Germany as a business location for the challenges of the future and to ready the next generation for the global competitive arena. HOCHTIEF supports the initiative and has contributed in the fields of construction and engineering. We devised a "technology box" for teachers to help bring elementary science lessons to life and open children's eyes to construction and engineering from an early age.

In cooperation with the German Employment Agency and an Essen-based construction industry training center, we have launched a project to better prepare hard-to-place upcoming school leavers for the option of training in a construction-related profession. The program is split into various phases and has a strong practical bias. For example,

participants complete two work placements and job application training.

HOCHTIEF once again opened its doors to Essen school classes when it took part in the Kids Day event in the fall of 2008. Fourth-graders visiting a large-scale construction project experienced the hive of activity on site with their own eyes and asked numerous questions.

Building on diversity

Wherever people of widely differing backgrounds and experience work together, the outcome is an enormous reservoir of potential. We promote diversity out of conviction and employ people who differ—in gender, age, marital status, ethnicity, sexual orientation, religion and views. The diversity of talent and experience, ways of thinking and working methods across the Group positively impacts both operating performance and corporate culture.

We actively manage diversity to create an environment in which every individual enjoys respect and individual advancement. Equal opportunities are enshrined at HOCHTIEF not only through relevant legislation, they are part of our guiding principles. We strictly ensure that these principles are put into practice. In the event of discrimination or workplace bullying, all employees—both those affected and their workmates—can turn to an in-house conflict advisory service and speak to someone on the works council or a human resources officer. Likewise at Turner, where an affirmative action program helps make sure minorities have the same chances in recruitment as other applicants. The company gives similar consideration to minority and women-owned businesses when selecting subcontractors.*

*For further information, please see pages 73 and 83.



In summer 2008, by also signing the Diversity Charter published by the German government, we committed to creating a working environment free of prejudice.

Flexibility in working hours

The length of the working week for HOCHTIEF employees depends on laws, collective bargaining agreements and workplace-level agreements in effect at each location. The working week varies from division to division around the world from 35 to 48 hours. Employees who opt for part-time working can work from one to five days a week with varying numbers of hours.

Social benefits

HOCHTIEF's social benefit packages nearly everywhere exceed national statutory requirements. Many of our companies provide additional voluntary benefits. Social provision for our employees is part and parcel of our corporate culture. In many of our German companies, we have long offered a company package comprising an old-age pension, reduced earning capacity pension and dependents pensions. This comprehensive package is based on three complementary, matching modules (basic coverage, profit contribution and deferred compensation). The pension obligations are fully covered by HOCHTIEF Pension Trust e.V. and pension liability insurance, and are backed by sound assets. Pension payments are made out of the ongoing business and refunded by HOCHTIEF Pension Trust at the year-end.

Pensions and life insurance are among the employee benefits provided to HOCHTIEF staff in the Czech Republic. Health insurance is offered to employees in Poland. In Brazil, HOCHTIEF employees have life insurance through HOCHTIEF and salaried personnel additionally receive health insurance. Benefits at HOCHTIEF PPP Solutions in the UK include payment of the premiums for private health cover. Staff members can also pay into the company pension plan with benefits including a lump sum in the event of occupational fatality and dependents pensions.

Turner offers employees a flexible insurance package with various options: Staff can choose between two different health insurance plans with differing levels of contributions and benefits. In all plans—which are additionally open to family members—Turner meets a large part of the cost of medical consultations, hospital stays, laboratory tests and prescriptions. Alongside general health cover, the company also offers a range of preventive healthcare provision. The Turner Retirement Investment Plan (TRIP) furnishes employees with a two-part benefits package for old age. This consists of a savings plan that includes earnings-based contributions and employer matching contributions alongside health provision to supplement health insurance benefits.

Following a company tradition maintained since 1910, Turner pays the workforce a holiday bonus at the year-end. In a further program, Turner recognizes exceptional service by individual employees with a special bonus and a staff award.

Collectively agreed wages

HOCHTIEF adheres strictly to the collectively agreed wage levels and statutory minimum wages prevailing in the German construction industry and does not undercut them. We condemn both wage and social dumping and advocate universally applicable collective agreements. Our company also supports the investigative efforts of the competent authorities.

Employee integration

We have strong expertise in integrating new employees into the HOCHTIEF Group. 2008 saw the integration of an approximately 2,500-strong workforce following the acquisition of Flatiron. At HOCHTIEF Facility Management, we also took over 40 employees from the Abbott pharmaceuticals group. Based on best-practice examples, an integration team develops solutions for future organizational structures and working patterns.

Kids Day: Site tours for youngsters spark early interest in our trade.

Online chat with employees on Occupational Safety Day: A company doctor, representatives of the OSHEP center and the BG Bau statutory accident insurance institution as well as a member of the Management Board of HOCHTIEF Facility Management (left).



Safe working practices: Occupational safety is likewise high on the agenda at John Holland, a Leighton subsidiary in Australia.



Intensive in-house communications

Timely and open information for employees throughout the Group is an essential part of HOCHTIEF's corporate culture. Accordingly, we report everything that is important to our workforce in numerous employee publications, newsletters, the HOCHTIEF intranet, in meetings and via a multitude of other channels.

Social responsibility in workforce reductions

As a matter of principle, any redundancies are effected in a socially responsible manner. Where layoffs are unavoidable, we help people find new jobs in various ways, for example, through counseling and training. Before we part with a member of staff, we see if they can switch to another unit or division within the Group. A total of 561 employees left HOCHTIEF in Germany in the first half of 2009.

Constructive relations with works councils

Our employees everywhere have the right to elect their own representatives to uphold their interests. In Germany, 94 percent of the workforce are represented by works councils. Employee representatives also sit on the Supervisory Board of HOCHTIEF Aktiengesellschaft. The Executive Board places strong emphasis on integrating employee concerns into business processes to the best possible extent and, accordingly, is committed to constructive relations with works councils. Management meets with employee representatives once a month, or more frequently in times of major change within the company. HOCHTIEF expressly welcomes the right of HOCHTIEF employees to union membership. Works council members also take part in regular meetings of occupational safety and health committees, in which over 90 percent of the workforce are represented Group-wide.

Integrated environment and safety management

We consider it our clear duty to provide employees with a safe working environment and the best possible protection for their health. Throughout the Group, our workforce can rely on us doing the utmost to ensure occupational safety and health. HOCHTIEF has comprehensive systems dedicated to this purpose.

Our competence center for occupational safety, health and environmental protection (OSHEP) ensures that the issues it covers are given the high priority they demand across the entire HOCHTIEF Group.* The OSHEP center improves the integrated Group-wide environment and occupational safety management systems on an ongoing basis and makes sure HOCHTIEF companies apply them. In this way, we have cut accident rates across the Group by over 50 percent since 2003. In 2008, the figure was down to 7.2 accidents per 1,000 employees.

In increasing numbers of contracts, we are coming ever closer to our goal of zero accidents. In August 2009, Turner achieved two million hours worked without a lost-time accident in the Carolinas region. This superb accomplishment is an outcome of preplanning, effective training and open coordination among the trades. By December 2008, Leighton Asia's Masbate EPC Gold mining project in the Philippines had worked for three million man-hours without lost-time injury.

In June 2008, HOCHTIEF was among the signatories to the Seoul Declaration adopted prior to the XVIII World Congress on Safety and Health at Work. The declaration aims to motivate governments, organizations and industry to strive consistently toward reducing work-related accidents and diseases.

*For further information, please see page 80.

Each HOCHTIEF company puts together a workforce occupational safety program to meet its own needs. Streif Baulogistik, for instance, has launched a drive to reduce occupational accidents when erecting and dismantling cranes. Since spring 2008, crane fitters have been given special training on rescue at height. A newly produced video helps trainers relate the teaching of life-saving details to practical situations. In another example, John Holland, a Leighton subsidiary, has so far invested EUR 1.73 million for 1,600 staff to participate in its Passport to Safety Excellence Program. Employees now have the knowledge, skills and behaviors to perform their tasks safely.

Employees recently celebrated an outstanding occupational safety achievement in construction of the Australian Embassy in Phnom Penh. Thanks to ongoing safety management by Leighton Asia throughout the project, the workforce notched up a million man-hours without lost-time injury.

Similarly strong emphasis is placed on thorough first aid and fire safety training for employees, active participation in company sports programs, and workplace-related preventive check-ups. Another issue we pursue is self-defense for women, as with a program for female members of the workforce at Flatiron in California. The aim here is for women to feel safe on construction sites—including when they are on their own—by training them to stay in command in unpleasant situations.

Each year, the OSHEP center stages an Occupational Safety Day. This is a joint event by all divisions to further promote safety awareness in the workforce. Discussion rounds and activities serve to help prevent work-related accidents and diseases and improve on existing standards. We have launched a provocative poster campaign, “Be wise—don’t improvise,” to direct people’s attention to hazards both on site and in the office. To ensure that occupational safety issues remain in focus and continue to be taken seriously, employees are now encouraged to use the Ideas Room to highlight areas for improvement.

EXPERT OPINION



Fiona Murie is Director of Health and Safety at Building and Wood Workers' International (BWI), a global union federation.

Fiona Murie on ...

... the extraordinary relevance of occupational safety in the construction industry

The construction industry accounts for around seven percent of the world’s employment but 30 to 40 percent of the world’s fatal work-related injuries. Construction clients, consultants, contractors and workers should share the view that health and safety of the workforce is a paramount concern in construction, recognizing the clear ethical and legal responsibilities to prevent deaths, injuries and ill health.

... cooperation with labor unions on health and safety

Trained trade union safety representatives and joint management/union health and safety committees are fundamental elements of regulatory strategies to achieve more systematic management of workplace risks. Formal union negotiations and worker activism have been found in many studies to be the most important determinants of an effective health and safety program.

... future challenges for multinational corporations like HOCHTIEF, which want to ensure occupational safety

Risk management can be improved by taking health and safety into account right from the design or bidding stage. It is also essential to consider, at an early stage in the project cycle, the flow down responsibilities and requirements on all specialized contractors and sub-contractors, and how they will be controlled.

Order and tidiness are half the battle when it comes to safety, most of all on building sites. To hone awareness on this front and train employees, the OSHEP center and HOCHTIEF ViCon have produced a movie illustrating HOCHTIEF Construction's philosophy for site safety. The video serves as an aid in initial and refresher training both for HOCHTIEF staff and for subcontractors.

The safety of our employees on the road is a further key concern. All users of company cars at HOCHTIEF attend a full-day driver safety training course.

In April 2009, HOCHTIEF appointed an interdisciplinary pandemic crisis team to monitor the progress of and the threat posed by swine flu. The team keeps employees up to date on the current situation, decides individual action if there is a possible infection and is geared to procuring large quantities of antiviral drugs in an emergency. Precautions will be instituted at short notice if the situation further deteriorates. We are consequently able to offer the workforce, their families and our clients maximum security and maintain continuous business operations.

HOCHTIEF is also active in the German Environmental Management Association (B.A.U.M.). Members of the OSHEP center additionally sit on bodies including the German Construction Industry Federation (HDB) environment committee, the HDB expert advisory council on prevention and occupational safety, the German Federal Institute for Occupational Safety and Health (BAUA) committee on hazardous substances, and the BAUA committee for workplaces.

Our American subsidiaries support occupational safety issues in various ways. Turner's Albany, Syracuse and Buffalo offices take part in a federal program to improve occupational safety and reduce work-related accidents. For the second time, Flatiron has donated EUR 3,400 to an American Society of Safety Engineers Foundation scholarship to support and advance careers in safety and health. In March 2008, the two companies secured Construction Safety Excellence Awards from the Associated General Contractors of America. Turner gained a first place award in the Building division and Flatiron in the Highway division.

HOCHTIEF is also among the winners in Sweden. The HOCHTIEF Oden Tunneling joint venture received an occupational safety award for safe working conditions in tunneling from the Swedish ministry in charge of road transport.

Key Figures

Number of fatal accidents in the HOCHTIEF Group

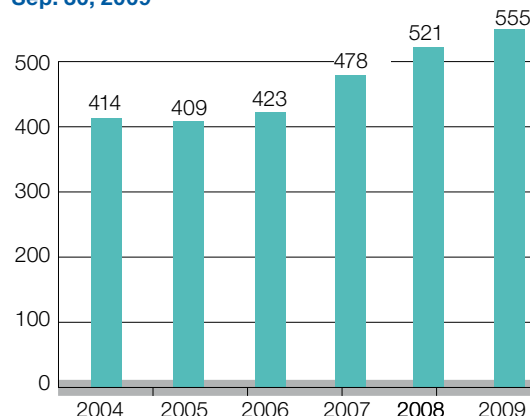
Region	2005	2006	2007	2008
Africa	0	0	0	0
Americas	0	0	0	1
Asia/Pacific	3	3	5	8
Germany	0	1	0	0
Europe (except Germany)	1	0	0	2
HOCHTIEF Group total	4	4	5	11

Subcontractors (in Europe) are not included in the table. However, they must comply with the safety standards that apply to HOCHTIEF.

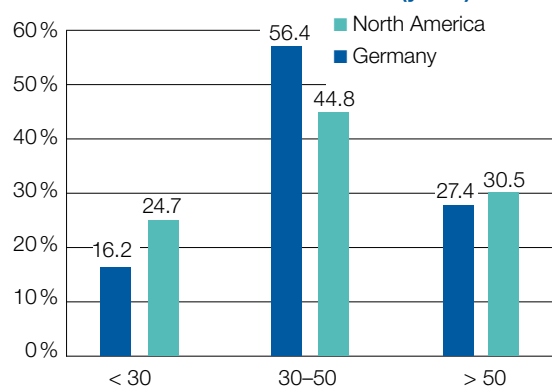
Obituary

We deeply regret that employees have died during their work. We extend our condolences to their families.

Number of trainees at HOCHTIEF in Germany as of Sep. 30, 2009

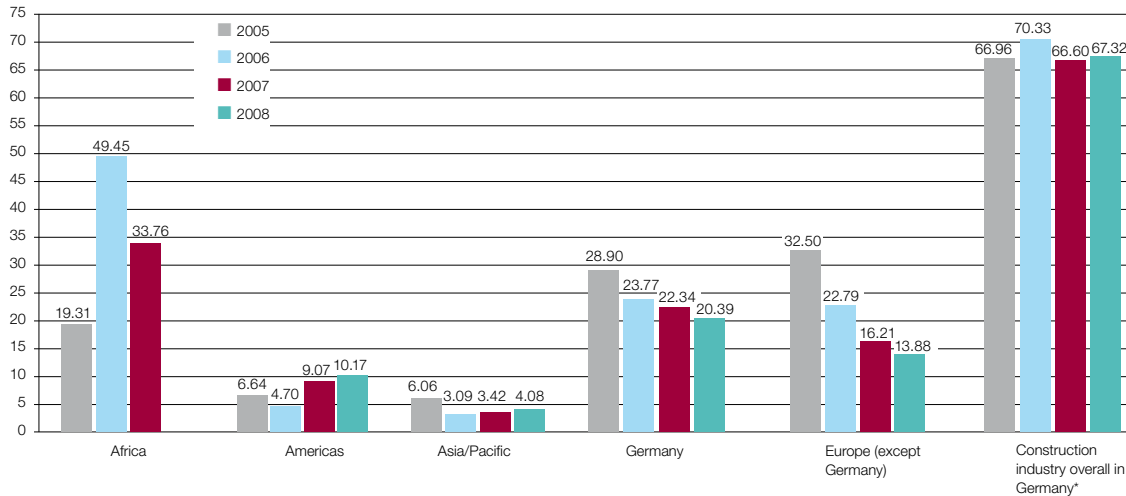


Age structure at HOCHTIEF in Germany as well as at Turner and Flatiron in North America (years)



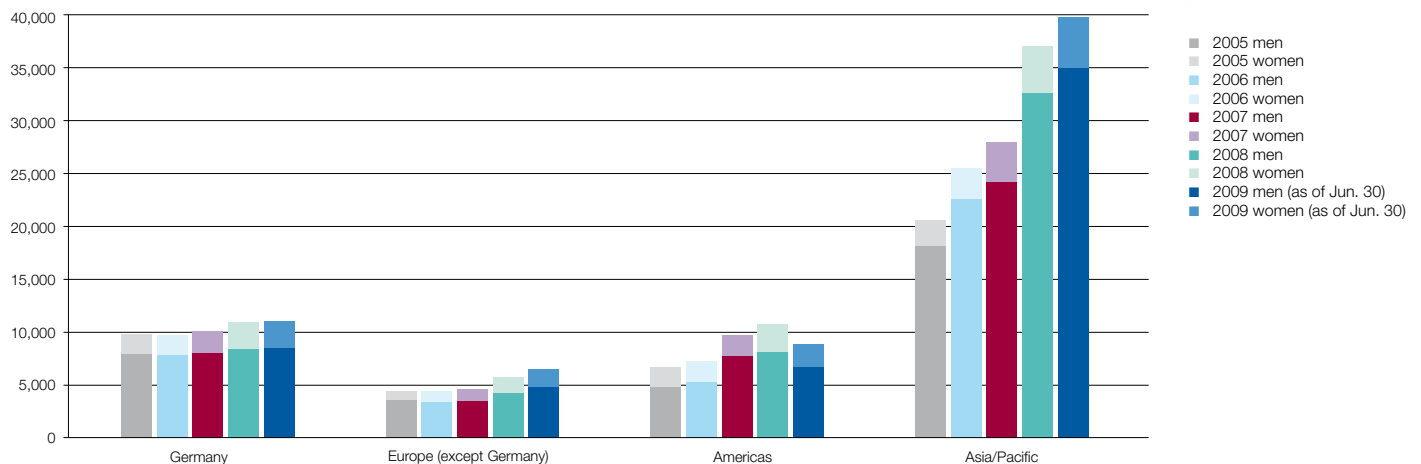
Data as of Jun. 30, 2009

Accidents per 1,000 employees

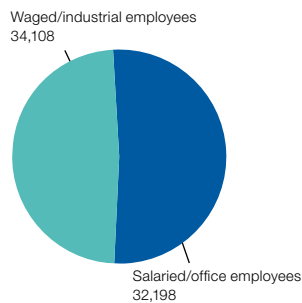


*Source: Annual accounts of German institutions for statutory accident insurance and prevention

Key figures on employees in the HOCHTIEF Group

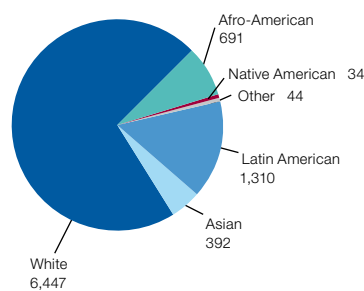


Workforce structure



As of Jun. 30, 2009

Employees by ethnic group in North America



Data as of Jun. 30, 2009

HOCHTIEF workforce structure

The average age of the HOCHTIEF workforce in Germany is 42.5 years. This figure has barely changed since 2004. The average age at HOCHTIEF companies elsewhere in the world is 39.1 years. Women continue to make up an increasingly large share of the workforce. The percentage of women in the Group workforce is currently 16.6 percent overall and is at its highest in Europe at 25 percent and Germany at 22.8 percent.

People with severe disabilities comprised 3.25 percent of the HOCHTIEF workforce in Germany as of December 31, 2008. As this is below the statutory five percent quota, HOCHTIEF pays a compensatory levy.

Attractive Working Environment

Our overarching objective:

We aim to further boost our position as a sought-after employer and, over the long term, establish ourselves among the most attractive employers in the industry.

Goal	Action 2009-2011	Status September 2009
Increase employee satisfaction	Introduce People.Index—regular, systematic workforce surveys—as active management instrument (in Germany and Europe); develop action plans at Flatiron in the USA based on the Fortune “100 Best Companies to Work For” survey	Introduction due for November 2009 Over 360 Flatiron staff have taken part in survey and subsequent focus groups.
Promote mobility within the Group	Set up Marketplace of Opportunities on intranet—a confidential platform for interested staff to apply for projects at home and abroad	Planning phase
Adopt Group-wide basic principles for human resources management	Compile and apply Group-wide human resources directive setting out a framework, values and human resources mission statement, including anti-discrimination guidance	Planning phase complete, final consultation in progress
Ensure availability of future specialists in facility management	Introduce and maintain additional bachelors degree in facility management as part of degree program	Experience evaluated from first intake in 2008; second intake to start in 2010
Improve integration of and transfer of expertise with older employees	Targeted recruitment of older employees; promote inter-generational partnerships in projects and flexible work phase approaches	Planning phase; pilot project launched
Recruit and promote managerial talent	Launch global recruitment program	Planning phase
	Continue and expand doctoral program	Doctoral program expanded to business-related subjects, involvement in EU research projects, five thesis projects in progress and five more in preparation
Avoid work-related accidents involving HOCHTIEF employees and subcontractors	Continue annual Occupational Safety Day and occupational safety poster campaign at all European and American units	Occupational Safety Day 2009 held in Germany, across Europe, at Turner and at HOCHTIEF do Brasil
	Launch subcontractor innovation award for best practice solutions in occupational safety	Planning phase
Avoid repeat accidents	Investigate work-related accidents and near-accidents more intensively and perform statistical analysis of causes	New central database of work-related accidents and near-accidents in Germany installed; database also allows aggregated accident analysis; implementation in Germany by year-end 2009, then European rollout

Goal	Action 2009-2011	Status September 2009
Improve occupational safety knowledge	Offer training for selected subcontractors	Subcontractor training provided on contract-specific basis, e.g. construction of Walsum power station
	Provide intranet-based e-learning with achievement tests for German corporate units	Web-based e-learning modules selected
	Systematically train HR managers in environment protection and occupational safety and health	Training introduced through further education program in Germany; training programs adapted to local law launched at international corporate units
Improve occupational safety structures	Integrate occupational safety into internal and external audits at HOCHTIEF Europe (HTE) and HOCHTIEF Facility Management (HTFM)	Project launched to develop and implement integrated quality, occupational safety/health and environment protection management system at HTFM
	Standardize environmental protection processes and increase external certification	HOCHTIEF Europe management system updated and implemented in new web-based technology; 61 percent of corporate units certified worldwide
Foster shared Group-wide occupational safety culture	Promote international exchange of experience on occupational safety	Modern communications media used for regular exchange of experience on occupational safety/health and environment protection
Improve emergency planning	Refine pandemic plan and coordinate with international units	Central crisis team appointed; central pandemic plan implemented; adaptation to operating level in progress
Extend workplace health promotion in Germany	Continue vaccination advisory service; launch healthy diet information campaign; continue ergonomics workshop	Nationwide preventive influenza inoculation campaign in Germany in 2008 (over 700 participants); ergonomics workshop initiated

Area 5

Corporate Citizenship



The challenge: HOCHTIEF operates—and therefore sees itself as a local partner—in all four corners of the globe. It is standard practice for us to employ mainly local people and subcontractors. We also promote a work-life balance as well as support social and cultural initiatives. Here, the two areas we focus our support on are education/nurturing young talent, and modern/Bauhaus architecture-related projects.

Our objective: We aim to get involved in the community wherever our company is at work.



The largest single contract in HOCHTIEF Construction's history: The Barwa Commercial Avenue (left) is being built on the southern edge of Doha, the capital of Qatar. HOCHTIEF ViCon used innovative virtual construction technology in planning the project and developed a tailor-made, complex 3D model of the shopping center. One plus was the capability to calculate the exact quantities of building materials required.

Education enabled by HOCHTIEF: The Barwa Commercial Avenue project executives started the German School in Doha. HOCHTIEF arranged start-up financing, the lease of the school building and the remodeling of the existing facility. The school caters not only to the children of German HOCHTIEF employees; pupils of other nationalities, with or without German language skills, also benefit from our company's commitment.

Area 5

Corporate Citizenship

Partner Sponsor of



- **Sponsoring Bauhaus and modern architecture**
- **Systematically promoting education and supporting young talent**
- **Assuming social responsibility**

As a corporate citizen, HOCHTIEF not only promotes environmental sustainability but also embraces social and community responsibility wherever we are at work. In line with the sponsoring directive we developed in 2007, our efforts focus chiefly on Bauhaus and modern architecture. Our second focal point in this directive is promoting education and training initiatives for teens and adults. We normally concentrate on locations where the company is doing business. If emergency help is required after a disaster or other unforeseen event, we are there to lend a hand. It also goes without saying that we choose local subcontractors and staff for our projects.

We are proud that many of our employees share HOCHTIEF's convictions and act accordingly. They actively support social, community and charity issues outside the workplace and take responsibility—a mindset that carries over into the company and enriches our corporate culture.

Sponsoring Bauhaus and modern architecture

The Bauhaus school of art and architecture, to which HOCHTIEF has always felt a connection, is the focus of our sponsorship.*

HOCHTIEF's sponsorship of modern architecture doesn't stop at Germany's borders. Our American subsidiary Turner, for example, endows the annual Henry C. Turner Prize. Named after the company's founder, this prize has been awarded by the National Building Museum in Washington since 2002 to recognize outstanding innovations in construction technology. The 2008 recipient was Charles H. Thornton, founder of the ACE Mentor Program** and co-founder of the international engineering firm Thornton Tomasetti.

*For further information, please see page 63.

**ACE: Architecture, Construction and Engineering Mentor Program

***For further information, please see page 59.

Commitment to the 2010 European Capital of Culture

Essen and the Ruhr region have been selected as the RUHR.2010 European Capital of Culture. A wealth of initiatives, projects and events throughout the cultural capital year are designed to make the Ruhr region better known and illustrate how the structural change in the region was successfully managed. Our company's headquarters have been in Essen since the 1930s. We have joined many other German companies in supporting the cultural capital initiative. HOCHTIEF is a sponsor and technical manager of the RUHR.2010 European Capital of Culture. As such, we have allocated the services of two HOCHTIEF Facility Management project managers to the organizational team for over a year, to contribute their event-related technical expertise. We also support individual projects such as the medieval exhibition "AufRuhr 1225!" in Herne, where we will help recreate a medieval motte. Another project sponsored by HOCHTIEF is the innovative paper house at the Zollverein Coal Mine Industrial Complex, the hub of the many RUHR.2010 events. Constructed mainly of recovered paper, this house has already won the "mobile working spaces" architectural competition. In the cultural capital year, one of its uses will be as an event location. What's more, our airport holding Düsseldorf International is the airport of the RUHR.2010 European Capital of Culture. As the attractive gateway to the Ruhr region, the airport is also backing the year's events as a sponsoring partner.

Systematic support for education and young talent

One of the cornerstones of our social and community involvement is helping young people prepare for their careers, honing both hard and soft skills. That is why we fund educational institutions and initiatives, and launch programs of our own at the same time. HOCHTIEF focuses chiefly on technical professions and courses of study.

Cooperating with universities around the globe

As an innovative, forward-looking company, we work closely on research and development with prestigious German and international colleges and universities. Students reap the benefits of this cooperation as well. Our experts share their knowledge with students during specialist events and lectures. And HOCHTIEF benefits by fostering early relationships with interested candidates.***

OUR CONTRIBUTION TO THE ANNIVERSARY YEAR



Analogous to the color star with seven color contrasts and twelve hues by Johannes Itten (1921): The exhibition's designers arranged the chronological and thematic development of Bauhaus in "Bauhaus. A Conceptual Model" using color gradations.

As an international construction services provider, HOCHTIEF has a commitment to contemporary architectural history. So Bauhaus and modern architecture are key sponsoring and promotion areas for the Group. In the 1990s, the company completely restored the Kandinsky/Klee Masters' House built by Walter Gropius in Dessau, Germany, to its original form. And we have supported renowned exhibitions—not least by providing objects from the Group's own Bauhaus collection. The company's acquisitions include a "Bauhaus Meistermappe 1923" containing works by Kandinsky and Klee, and masterpieces by Feininger and Mücke. This is more than social engagement on the part of HOCHTIEF; these activities help intensify dialog with clients, employees and the general public beyond the scope of construction as such. Our aim here is to make the art of Bauhaus accessible to as large an audience as possible.

Ninety years of Bauhaus

Bauhaus turned 90 in 2009 with a number of high-caliber exhibitions supported by HOCHTIEF. These include:

"Bauhaus. A Conceptual Model" HOCHTIEF was a major sponsor of this exhibition in the Martin-Gropius-Bau in Berlin. It is the largest Bauhaus show ever assembled. Following the exhibition in Berlin, the objects will be presented by the cooperation partner—the renowned Museum of Modern Art (MoMA) in New York—to commemorate its 80th anniversary. The exhibition focuses on a thematic timeline of major works and trend-setting developments in design.

"Walter Gropius: America 1928" is the title of another HOCHTIEF-sponsored exhibition in this anniversary year. The photographs taken by the Bauhaus founder and architect were first shown in the Bauhaus-Archiv in Berlin, and then moved to the Galerie im Kolkmannhaus in Wuppertal.

Additional showcases for this exhibition are the Deutsches Architekturmuseum in Frankfurt and Columbia University in New York.

"In the surrounding area—Bauhaus in Jena." This exhibition at the Stadtmuseum Jena in summer 2009 was dedicated to the close relationship Bauhaus and its masters had with the city of Jena. In addition to the artworks, the buildings erected in Jena and links to industry were also spotlighted. HOCHTIEF provided the exhibition with 28 loans from the company collection, including postcard motifs. We also supported the show featuring paintings, drawings and graphic printing by Wassily Kandinsky at the same venue.

"The Bauhaus Comes from Weimar." This exhibition presented by the Klassik Stiftung Weimar (Foundation of Weimar Classics) provided an overview of the early years of the legendary design school. HOCHTIEF loaned three works from the company collection for the presentation at the Goethe Nationalmuseum in Weimar.

In addition to the five exhibitions, we also supported the publication of the book **"Bauhaus-Mythen"** ("Bauhaus Myths") to mark this 90th anniversary. The work documents the current status of Bauhaus research and takes a new look at the myths surrounding the legendary design school today.

Sustained commitment to Bauhaus

HOCHTIEF will remain closely connected with Bauhaus after this anniversary year has come to an end. For additional information on initiatives past, present and future, please see www.hochtief.com.

Turner Youth Force 2020:
The program is all about a good education for young people (left).

Youth Dialog 2009: High school students jumped at the opportunity to “grill” HOCHTIEF's Chairman of the Executive Board.



In order to spark interest in our industry among the next generation of graduates while they are still working toward their degrees, we provide student grants. Recipients include students at the three neighboring universities in Bochum, Dortmund and Duisburg-Essen which make up the University Alliance Metropolis Ruhr.

We are also involved in an internship program with the Goethe-Institut which offers students from Southern and Eastern Europe internships at our company lasting several months.

In 2004, Leighton Holdings established the Leighton Holdings Limited Engineering Rural Scholarship initiative, which awards two scholarships a year in the Bachelor of Engineering program at the University of New South Wales. The successful students also receive on-the-job training through our operating companies.

Intensive efforts for youths and students

Turner created the Turner Youth Force 2020 program in all the regions where the company is represented. Its objectives are to convince young people of the importance of a good education and at the same time guide teens toward careers in the construction industry. The program offers college scholarships to students majoring in engineering. Our US subsidiary also awards a number of internships. The program has been running since 1989. Another key element in this effort is the Adopt-A-School initiative. This program aims to bring awareness of technical professions to students at an early age. Working with its sister company Flatiron, Turner is also engaged in the ACE Mentor Program, a national organization that mentors high school students interested in pursuing careers in architecture, construction management and engineering. Our employees give lectures and presentations at local schools in communities where the company operates.

To provide college students with the opportunity to pursue their studies further, Turner in partnership with the Associated General Contractors of America (AGC) runs the annual AGC Turner Scholarship Program designed to reward academic excellence among students in construction or civil/construction engineering programs.

HOCHTIEF takes part each year in the youth business project “Youth Dialog,” initiated eleven years ago by the Initiativkreis Ruhr. Its aim is to make business topics appealing to local students completing their final years of school.

To interest young people in technology using hands-on projects and to prepare the next generation of engineers for their professional start, HOCHTIEF participates in the Association of German Engineers (VDI) “Sachen machen” initiative. The “VDI Elevate” program offers free seminars, internships and mentoring. In 2009, “Sachen machen” awarded HOCHTIEF the Best Practice Award 2009 in the “Promoting innovation” category for the progressive inHaus2 facility in Duisburg.

Taking responsibility for the community

HOCHTIEF considers itself an integral part of the communities in which we work on projects and shape people's environments. That is why we focus on these areas and engage in a variety of community and social activities. In this way, the company assumes long-term responsibility and maintains open dialog with the people who live near our projects and company locations—something which holds true for all national and international Group units and companies.

 www.sachen-machen.org

 www.inhaus-zentrum.de



Intensive dialog with locals

It is part of the HOCHTIEF philosophy to establish contact early on with the people who live where we work. We take the legitimate interests of local stakeholders into account when planning, building and operating our projects. For particularly complex or lengthy projects, we develop detailed plans from the very start to ensure ongoing communication. These may include regularly published information and gatherings for residents.

Another example of a forum for open dialog is the open house held by Via Solutions Thüringen in June 2009. The joint venture between HOCHTIEF PPP Solutions and another construction company is designing, financing, building and operating the A4 freeway between the Hesse state border and Gotha. A community festival gave locals a peek behind the scenes and an update on construction status, and there were also plenty of activities to keep children entertained. A regular newsletter published specially for the project provides residents with additional information.

The Kowloon Southern Link project run by Leighton Asia in Hong Kong has also given community relations high priority. The project executives set up a hotline there to answer residents' questions on the project quickly. The Considerate Construction Site Award 2007/2008 in bronze recognized these successful local communication efforts.

Partnering with regional industry

We award contracts to local subcontractors wherever possible. We also make every effort to hire locals for vacant posts.

But regional criteria are not the only factors in HOCHTIEF's choice of partner companies. For example, our American subsidiary Turner has for years been successfully pursuing the strategy of expanding its pool of subcontractors head-



Community relations: An open house gives residents detailed information on the A4 freeway project (left).

Taking action near the airport: HOCHTIEF AirPort developed a historic ruin in Tirana as a tourist attraction.

ed by members of ethnic minorities and women.* Since the program's inception in 1979, Turner has awarded contracts worth a total of some EUR 9.8 billion to such companies. It even managed to surpass its 2008 target, awarding 2,850 contracts totaling EUR 710 million to minority and women-owned business enterprises. Turner plans to intensify this commitment, boosting the capacity utilization of such companies and helping them ensure their future viability. The Turner School of Construction Management (TSCM) training and mentoring program also helps to enhance these business owners' technical, administrative and managerial skills.

Activities near our airport holdings

Local residents often view the construction, redevelopment or expansion of an airport skeptically. Public concerns include the fear of increased noise, poor air quality and potential danger due to air traffic. An airport can only prove economically efficient when its operators respect socio-economic and environmental aspects and take action accordingly. HOCHTIEF AirPort is well aware of this and respects the legitimate interests of local residents. We support sustainable environmental policies across the board at our airport holdings as well as the development and utilization of new, green technologies and noise abatement strategies.

In addition to environmental protection, HOCHTIEF AirPort is committed to social responsibility. One example is the innovative waste management plan HOCHTIEF AirPort initiated at Tirana Airport in Albania. The construction of the first privately owned wastewater treatment plant in Albania is another instance of how our airport holding treats the environment with care and respect. The airport underscores its commitment to social issues with contributions to non-profit organizations and projects. For instance, we provided assistance to employees whose houses had been dam-

*For further information, please see pages 60 and 83.

EXPERT OPINION

Voluntary noise abatement program at Budapest Airport: Neighboring communities receive soundproof windows and ventilation systems.



Andrea Gebbeken is Chief Executive Officer of Tirana International Airport.

Andrea Gebbeken on... ... the significance of social responsibility for Tirana International Airport (TIA)

TIA is committed to the social, economic and environmentally compatible progress of the community around the airport. As a company that acts sustainably and responsibly, we have developed guidelines and programs to protect health, safety and the environment. Testimony to our efforts is our receipt of the Albanian Leadership 2008 award, conferred only on companies which demonstrate outstanding social responsibility and whose managements uphold high ethical standards.

... support for social and cultural projects

We at TIA make a concerted effort to live up to our responsibility for the community and support culture and the arts in the region. We have sponsored a great many cultural events, such as a jazz festival which was enormously popular with audiences, our employees, passengers and the media.


... benefits for employees and suppliers in the region—particularly those resulting from the expansion of the airport

As a result of its strong growth, the airport is expanding its scope and working on complex development projects that involve numerous companies. We feel it is crucial to create jobs for local residents and harness local suppliers. Applications from locals receive preferential treatment, which means that today some 30 percent of our employees come from towns near the airport. This way, we are helping to boost the development of the entire region.



aged by an explosion at an ammunition plant near the airport. HOCHTIEF also developed an old ruin to stimulate tourism in the area.

In summer 2007, HOCHTIEF AirPort launched a voluntary noise abatement initiative at Budapest Airport. Residences in a neighboring community were equipped with soundproof windows and silent ventilation systems. The initiative achieved its aims and is being implemented in another community. Under the guidance of HOCHTIEF AirPort, an excellence team comprising HOCHTIEF employees is developing a concept to provide sustainable sources of electricity, gas and heat for the airport in order to ensure its long-term operations while saving energy. When this has been successfully established, HOCHTIEF AirPort plans to set up similar teams at other airport holdings. Other airports are also harnessing HOCHTIEF AirPort's expertise, commissioning such projects as environmental impact assessments and master plans incorporating socioeconomic aspects.

Our airport holdings in Athens, Düsseldorf, Hamburg and Sydney also succeed through a variety of initiatives that facilitate their harmonious coexistence with the communities where they are located .

In addition to each airport's many programs, HOCHTIEF AirPort has launched its own company-wide sponsoring initiative. Since 2001, we have been supplying modern PCs and related equipment each year to schools in the regions where airports in which we hold a stake are located. But sometimes the needs are more basic. That is why HOCHTIEF AirPort used the funds available in 2008 to renovate a school in urgent need of refurbishment near Tirana Airport so classes could once again be taught productively. With projects like this, the company invests in a better learning

 www.hochtief-airport.com



environment for local schoolchildren and in its relationship with the communities as a whole.

Employees engage locally

HOCHTIEF companies and their employees tailor their efforts to the needs of the regions where they work. That yields a wide spectrum of activities.

In Doha, the capital of Qatar, our company is in the midst of two major projects involving 120 HOCHTIEF employees. Many HOCHTIEF staff relocated to the site with their families, but the existing local schools are already bursting at the seams. So HOCHTIEF Construction mobilized. The company secured start-up financing for a German school with an adjoining day-care center, leased a suitable building and organized the renovations. Employees also contributed toward finding teachers. Since its opening in October 2008, the new school has been teaching the elementary schoolchildren of HOCHTIEF families and from the local population. Classes are based on a recognized German curriculum. The aim in the coming years is to expand the school to include the higher grades until it is possible to take the international school leaver's exam.

Another program focused on helping children is receiving support from HOCHTIEF Construction in a South African township: the Liebenhaus Boys' Home, a facility for children who previously had very little hope of making their way in society. An education program is designed to promote literacy and numeracy among the boys, and we have also contributed computers and software. All this started when our local project manager, who is currently working on the expansion of the South African port of Ngqura, was made aware of the boys' home by his twelve-year-old son. The boy and his classmates do what they can for the Liebenhaus as well, collecting clothing, food and books and even getting Christmas presents for their less privileged peers.



Better opportunities:
 HOCHTIEF is helping to educate the boys at the Liebenhaus home in South Africa (left).

A school gets a facelift:
 Ursula Keppeler, principal of a secondary school in Cologne, proudly displays her school following its refurbishment by HOCHTIEF.

It's never too early to foster environmental awareness. Which is why the Turner company Lathrop mobilized 40 volunteers to provide a day of "green" education at Hawkins elementary school in Toledo, Ohio. The company is involved in the construction of several schools in the city, all of which were designed with the environment in mind. The "Generation Green" schools program initiated by Lathrop employees aims to foster a responsible attitude to resources, encourage eco-friendly behaviors and teach the children how their future green schools will help protect the environment. Plans for Hawkins Elementary, for example, foresee reducing energy consumption by 20 percent and water use by 50 percent.

Supporting public welfare

Our projects create living and working spaces and contribute to the well-being of the people who use them as well as the people who live in the surrounding area.

A number of schools are among the many projects financed, refurbished and operated by HOCHTIEF in Germany and the UK on a public-private partnership basis. So these locations are also benefiting from HOCHTIEF's efforts to create a beneficial learning atmosphere. Ursula Keppeler (see page 75), principal of a secondary school we refurbished in Cologne, reported enthusiastically, "It was so exciting to see almost every day how our 40-year-old, dilapidated school building transformed into a beauty. Now we're proud to be able to learn and work in a refurbished educational institution that's up to modern standards."


*For further information, please see page 24.

www.leben-beginnt-hier.de

As a construction company dedicated to doing business responsibly, and one whose business includes building roads, Leighton Contractors developed an initiative to school young drivers in safe practices behind the wheel. The Youth Drive Safe program is designed to make secondary school students safer drivers. Following its launch in 2008 at various company locations around Brisbane, the program was expanded in 2009.

Reacting to new developments promptly

We take the social responsibility that characterizes our project management seriously. That's why we are tackling issues today that will gain in importance in the future and pose challenges for tomorrow.

Among these developments are demographic shifts. They trigger changes in people's requirements of their living spaces, which are being used by a growing number of older people and fewer young people. HOCHTIEF Projektentwicklung is responding to this trend in many ways, such as through our collaboration with BeneVit, an operator of care facilities. This partnership is producing progressive special-purpose properties* based on a community-living philosophy. HOCHTIEF Projektentwicklung is working on the Quartier 21  project in the Barmbek district of Hamburg, designed to provide multi-generational living and working space.

Key Figures

www.reports.hochtief.com/ar06/

*Prior-year (2005) figures restated in accordance with IFRS due to a change in the method of accounting for pension provisions in the 2006 consolidated financial statements.

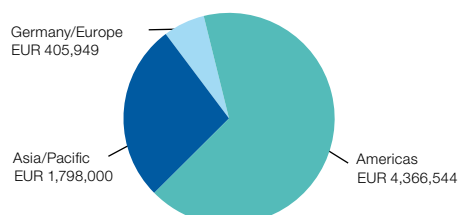
**The total dividend amount stated for 2006 is based on the number of shares in circulation on December 31, 2006. The actual amount determined on the day of the General Shareholders' Meeting (May 9, 2007) may differ due to interim purchases and sales of own shares.

Distribution of value added

	2006		2007		2008	
	EUR million	%	EUR million	%	EUR million	%
Employees*	2,576.0	86.3	2,798.7	82.2	3,261.8	82.0
Lenders	69.9	2.3	105.5	3.1	195.3	4.9
Minority shareholders	112.3	3.8	200.3	5.9	167.1	4.2
HOCHTIEF shareholders**	72.3	2.4	90.9	2.7	88.2	2.2
Public authorities*	136.7	4.6	160.3	4.7	177.9	4.5
HOCHTIEF*	16.8	0.6	49.8	1.4	86.9	2.2
Net value added	2,984.0	100.0	3,405.5	100.0	3,977.2	100.0

Value added analysis shows how HOCHTIEF generates added value for the economy and how it is distributed to the various stakeholder groups.

HOCHTIEF donations and sponsorship figures broken down by region (2008)



Corporate Citizenship

Our overarching objective:

We aim to get involved in the community wherever our company is at work.

Goal	Action 2009–2011	Status September 2009
Promote educational projects and nurture young talent	Maintain membership in the VDI “Sachen machen” and “Elevate” programs and the “Wissensfabrik” (knowledge factory) in Essen and expand it to other locations in Germany	Selected elementary schools in Essen using the “technology box”; additional recipients of Elevate grants chosen; enthusiasm for technology generated during “Easter holiday action days”
	Continue cooperation with vocational schools, National Employment Agency, etc., to provide early internships or a job-preparation year prior to starting an apprenticeship	Extension of positive experience to selected secondary schools in planning stages
Promote projects to support modern architecture and Bauhaus	Support current Bauhaus show in Jena; involvement in RUHR.2010	Jena show open, two HOCHTIEF employees allocated for RUHR.2010
Intensify and structure stakeholder dialog	Implement reporting on stakeholder dialog	Survey all company units on stakeholder dialog, integration into CSR database planned
Promote work-life balance	Implement objectives from “berufundfamilie” certification by the Hertie Foundation at HOCHTIEF Aktiengesellschaft management holding company	Implementation underway
	Arrange “action days” for families and children	Held “Easter holiday action days” 2009 in Essen, Frankfurt and Munich, family day in Hamburg
Promote equal opportunity for women and minorities	20 percent of Turner’s contract volume awarded to minority and women-owned business enterprises (M/WBEs)	14 percent of Turner’s contract volume awarded to M/WBEs in 2008 fiscal year
	Continue Turner School of Construction to educate minorities and women in competitive business practices and qualify them as Turner subcontractors	Over 15,000 graduates of program to date

Area 6

Compliance and Ethics Management



The challenge: HOCHTIEF operates in countries with differing political and value systems. Compliance—with all internal and external regulations—and ethics management therefore play a major role at HOCHTIEF. All employees are obliged to adhere to our high management standards and Code of Conduct.

Our compliance system provides employees with channels to address any compliance or ethical issues in confidence. For anonymous reports, our employees and partners also have access to a confidential hotline if necessary. Compliance with our standards is reviewed on a regular basis.

Our objective: We aim to set standards in business ethics and do our utmost to apply those standards.



The entire HOCHTIEF workforce must comply with prevailing law, company rules and our guiding principles, no matter what type of contract is involved (left).

Actively promoting a diverse, open culture: HOCHTIEF regards itself as a responsible employer toward every individual in the workforce—in some cases going beyond current statutory requirements under equal opportunities and other legislation. For HOCHTIEF, what matters most is teamwork.

Area 6

Compliance and Ethics Management

- **Compliance a key priority at HOCHTIEF**
- **Many workforce training and awareness programs**
- **Numerous sources of transparent information**

Compliance at HOCHTIEF means full observance of prevailing law, company rules and our guiding principles. Compliance is a priority throughout the Group. HOCHTIEF established a dedicated compliance system in 2008.

HOCHTIEF compliance system

We augmented our corporate governance arrangements at the end of 2007 with a new compliance system to furnish all HOCHTIEF employees with training, advice and other support in avoiding breaches of the law and related risks. In cooperation with corporate centers in the HOCHTIEF holding company, the compliance system also delivers regular analysis of Group organizational structures and workflows to spot weaknesses, decide any need for action and reduce risk potential. In this way, compliance activities help protect HOCHTIEF's good reputation. The HOCHTIEF holding company compliance team—the Chief Compliance Officer and the Corporate Compliance Counsel—is counter-parted by a general compliance manager (GCM) in each division. The competence center for occupational safety, health and environmental protection (OSHEP) also puts up a compliance officer for each of the three areas it covers. We additionally have an in-house data protection system.

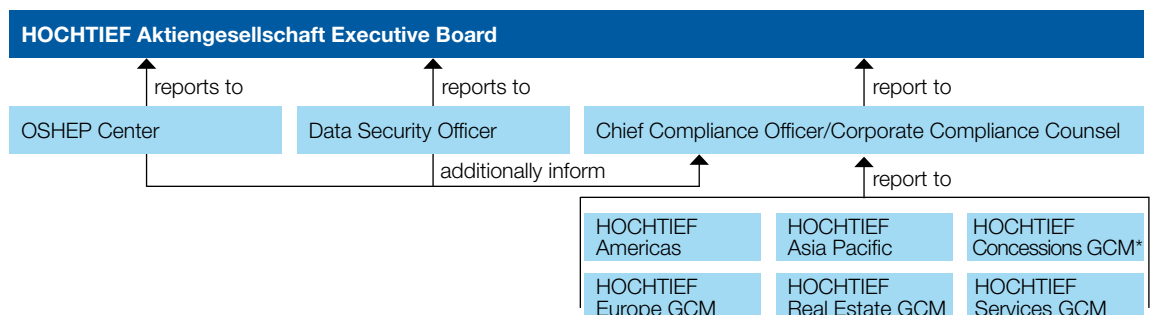
To underscore the high priority of compliance and ensure issues are followed through regardless of hierarchies, our compliance system reports directly to the Executive Board, which is kept regularly informed of all related developments.

Our American subsidiaries Turner and Flatiron each have a compliance program of their own, with internal compliance committees in place since 2008. Implementing the compliance program is the responsibility of compliance officers.

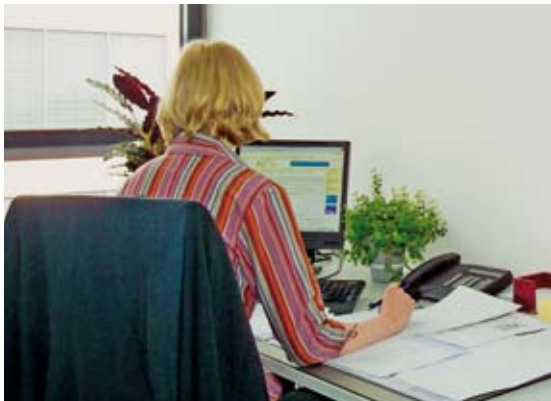
Compliance measures

Our compliance system embraces various means of making sure prevailing law and company rules are observed. A specially developed e-learning program on fighting corruption, for example, gives clear guidance on the law and on the kinds of tough choices that arise in working life. The program is available to the entire workforce on the corporate intranet and all managerial staff in Germany had to take the course in 2008 and 2009. Classroom-based instruction is also provided, for instance, at inductions, in training and at departmental consultations. To publicize the ethical requirements and application of the in-house rules, these are often made the subject of in-house communications activities: Articles in HOCHTIEF employee newsletters, interviews and a compliance section on the intranet help each member of the workforce navigate and understand the complex subject matter.

The HOCHTIEF compliance system



*GCM: General compliance manager



Teaching CSR: E-learning software gives employees greater confidence in dealing with compliance issues (left).

Shared foundation: The Code of Conduct applies throughout the Group.

Compliance is an active focus in companies throughout the HOCHTIEF Group. Turner, for example, has adopted a comprehensive ethics and compliance program. The company provides three different e-learning courses on its intranet, plus annual training in all offices. Additional special-purpose training is offered through an external provider to instruct employees in the special requirements of national procurement rules. There is also a similar program at Flatiron.


HOCHTIEF employees who breach company rules or the law are sanctioned accordingly. The main emphasis in the work of compliance officers, however, is on preventive advice and support so that infringements do not arise in the first place.


All employees are encouraged to report irregularities. The identity of the reporting individual is kept strictly confidential. Suspicions of misconduct should be discussed with direct superiors or local compliance officers where possible. An internal and an external hotline are also available for employees to bring attention to compliance issues confidentially. Similar services in our international units include an ethics hotline at Turner. Information may also be reported to the internal audit function. Of course, we acknowledge the danger of anonymous whistle-blowing resulting in individuals being falsely accused. We therefore approach the detailed investigation of each and every case with the utmost sensitivity and attentiveness.

Observance of all legal duties in operating activities goes without saying—from obtaining planning approval through to fulfillment of contractual obligations. Various instruments are in place to monitor such obligations. These include detailed project planning and control for all project phases.

HOCHTIEF Facility Management, for example, even makes its operator responsibility and organizational compliance program available for use by others. In this way, we help companies faced with the multitude of statutory rules and regulations determine what they must comply with and translate it into action. Services for HOCHTIEF Facility Management clients—building and facility owners, operators and lessors—include identifying statutory duties, advice on compliance with them, and timely notice of changes in the law.

HOCHTIEF codes

HOCHTIEF abides by the law of the countries in which it operates around the world. We also comply with non-binding recommendations, such as the German Corporate Governance Code* .

We have also adopted a code of our own at HOCHTIEF—the HOCHTIEF Code of Conduct, in which the main rules of conduct applicable for the Group are brought together in a single binding document. Alongside Group principles relating to business ethics, the Code has sections on conflicts of interest, confidentiality, insider rules, bribery and corruption, observance of antitrust rules, documentation of business transactions, donations and sponsoring, dealing with internal knowledge, as well as health and safety. The Code of Conduct applies throughout the Group. All employees in Germany, for example, sign it on signing their contract of employment. Some units, including Turner and Flatiron, additionally have their own codes of conduct. Our Australian subsidiary Leighton has likewise enacted clear rules of its own and also publishes an annual corporate governance report. .

 www.corporate-governance-code.de

***For further information on corporate governance at HOCHTIEF, please see page 16 of our Annual Report 2008.**

 www.leighton.com.au/verve/_resources/LHL_Corporate_Governance_2008.pdf

EXPERT OPINION

OSHEP in the desert: Careful attention is paid to occupational health, safety and environment requirements on the Barwa Commercial Avenue project in Doha—for example, with daily site inspections to check compliance.



Constanze Helmchen is the Network Focal Point of the German Global Compact Network organized by Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ).

*For our Communication of Progress (COP) for the purposes of the Global Compact, please see page 88.

Constanze Helmchen on the ideas and goals of the Global Compact

The Global Compact is a value-based platform that encourages businesses all over the world to join forces and help build up the social and environmental pillars of the global economy. It also aims to make sure everyone benefits from globalization. The initiative creates transparency and opportunities for dialog to promulgate and promote good practices which are rooted in universally applicable basic principles. The Compact contains ten principles drawn from binding international law and covering human rights, labor standards, the environment and anti-corruption.

... the role of the German Global Compact Network (DGCN)

The network today has over 150 participants including leading German companies, civil society organizations, academia and the public sector. Actively supported by the German government, the network has made its mark as a major CSR dialog platform.

... future challenges for Global Compact participants

The business participants in the Global Compact form a diverse cross-section. They have different products and organizational structures, and some are more international than others. So every business is confronted with different challenges. The fraught state of the global economy will give companies in general pause for thought. Some will see it is time to bring business practices into line with sustainable principles.



In 2008, we joined the United Nations Global Compact*. Consequently, we are actively committed to supporting the Global Compact's ten principles and to advancing them within the Group. The ten principles relate to human rights, labor standards, the environment and anti-corruption. The Global Compact is an international initiative in which businesses join forces with the United Nations, labor and civil society to further social and environmental principles.

In 2000, HOCHTIEF became the first construction company in the world to commit to compliance with the standards of the International Labor Organization (ILO). The ILO is a UN agency devoted to enabling women and men the world over to work in conditions of freedom, equity, security and human dignity. The work of the ILO centers around four basic principles: freedom of association and the right to collective bargaining, abolition of forced and child labor, and non-discrimination.


Our CSR function works closely with the Auditing corporate center to make sure we live up to our own standards worldwide. For example, on the large Barwa Commercial Avenue project in Doha, our auditors specifically targeted occupational safety, health and environment (OSHE) issues together with working conditions and human rights compliance. The auditors assigned good marks: The team in charge has put optimum structures in place to secure good working conditions for the 4,800 site employees despite the extreme climate. No fewer than 133 personnel had OSHEP-related responsibilities at the time of the audit in June 2009. Daily site inspections and weekly meetings further serve to raise safety standards. Provision is also made to ensure, for example, that employees are free to practice their own religion. Site amenities consequently include a mosque.

 www.ilo.org

 www.unglobalcompact.org

Fair play with trading partners and subcontractors

HOCHTIEF attaches great importance to fair play in business. Honesty in the competitive arena is our binding policy—both when bidding against rivals for new contracts and in ongoing business relationships. Objectivity and transparency guide contract awards.

Our subcontractors must meet the same high standards as we set ourselves in our Code of Conduct. A separate Code of Conduct has been specially compiled for subcontractors and suppliers and is available from our supplier portal . HOCHTIEF works exclusively with partners who accept the ethical, environmental and social standards set out in the Code and who encourage their own subcontractors and suppliers to adhere to them. We accordingly reserve the right to verify compliance or to have it verified independently without prior notice at any time.

We also work specifically to promote diversity. Turner, for example, has a long track record of actively awarding contracts to minority and women-owned businesses (M/WBES). Projects worth some EUR 9.8 billion have been undertaken on the basis of such partnerships since 1979. Over the years, Turner has received over 100 awards for its commitment to promoting M/WBES.*

In-house rules on specific topics such as customer events or company celebrations and parties ensure that we remain within appropriate bounds for events of this kind. The same applies to gifts to clients and trading partners, which must not go beyond set limits. Similarly, HOCHTIEF employees are not allowed to accept gifts above a clearly defined value limit of EUR 50.

Data protection a key priority

Our Code of Conduct also contains provisions on data protection. We are committed to paying special attention to privacy and to protecting data, both internally with regard to employees and externally as concerns trading partners and clients. Data protection safeguards individuals from infringements of their right to decide how their personal data should be used.




Responsible employer

HOCHTIEF regards itself as a responsible employer toward every individual in the workforce, in some cases going beyond current statutory requirements under equal opportunities and other legislation. We actively promote a diverse, open culture. For HOCHTIEF, what matters most is teamwork—in line with our internal guiding principles. Ngarda Civil & Mining, for example, a company in the Leighton

Contractors business portfolio, supports the employment of Aboriginal workers in Australia, with half of the 380-strong workforce now recruited from the Aboriginal community.


All HOCHTIEF companies encourage employees to emphasize partnership and responsibility. For instance, everyone at HOCHTIEF is called upon to make responsible use of the company's resources.

Transparency and anti-corruption



A corporate member of Transparency International  since 1999, HOCHTIEF has a longstanding commitment to transparency and fighting corruption. HOCHTIEF is the only German construction services provider to be a member. We are also active in Netzwerk Compliance , a German compliance network established in 2007. HOCHTIEF is additionally a member of the World Economic Forum Partnering Against Corruption Initiative .

We are involved in ongoing policy developments in Berlin through our lobbying and industry associations activities. Industry bodies such as the Central Federation of the German Construction Industry (HDB) and the Federation of German Industries (BDI) also represent our interests. It is HOCHTIEF policy not to donate to political parties or politicians. We work openly and above-board with all public agencies responsible for our projects.

Sustainable risk management

HOCHTIEF's comprehensive management system ensures clear delineation and management of responsibilities. A key factor within this is active risk management , which at HOCHTIEF includes not only the organizational tools and processes we use for timely risk identification, but also the development and implementation of suitable measures to counter risk. Measures of this kind include analyzing projects for health, safety and environment risks before contract signing. Our Group-wide early warning system is an integral part of the planning, control and reporting system. In this way, we ensure that all material risks are regularly surveyed, assessed and communicated. The resulting risk management activities are key to securing HOCHTIEF's ongoing success.

As a contingency for sudden crises, we have installed a crisis information system for crisis reporting and management. This defines key responsibilities and procedures in the event of a crisis. All employees have been provided with the crisis hotline number and, in many units, it has additionally been handed out as a telephone sticker.

 www.transparency.de
 www.hochtief.de/einkauf

 www.netzwerk-compliance.de

 www.weforum.org

***For further information, please see pages 60 and 73.**

 www.hochtief.com/riskmanagement

Open dialog: The HOCHTIEF Executive Board takes journalists' questions at the business results press conference (left).

General shareholders' meeting: Shareholders are provided with full information about their company.



Employees have already made use of the internationally available crisis hotline on several occasions. The process triggered in this way can help prevent crises or combat them in their early stages. For privacy reasons, the information reported by employees is not published.

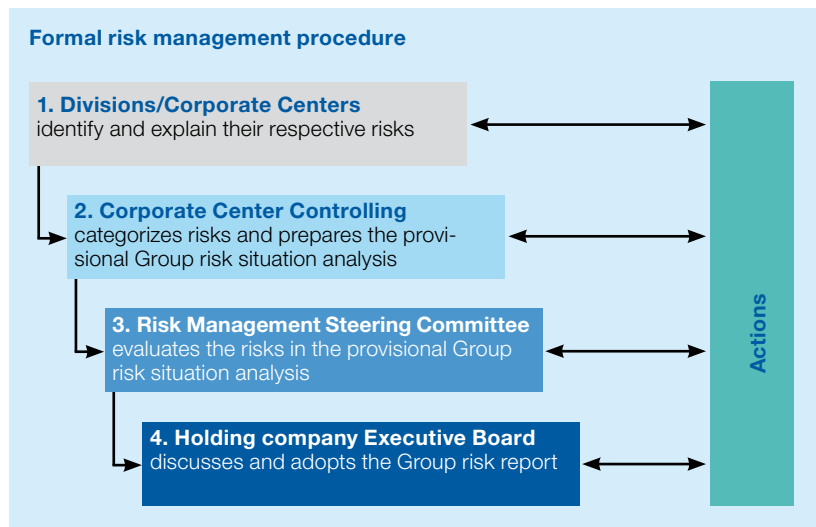
Open information culture at HOCHTIEF

Maximum transparency is also our aim in liaison with stakeholders, who rely on open, timely information to gain a picture of the company and make decisions. We work actively to meet their expectations.

Journalists who report publicly on HOCHTIEF through the media are provided with regular, timely and open information about company developments. This information is provided on request and also through regularly held events such as business results conferences, other press conferences and background interviews. We furnish the media with necessary information. Likewise analysts who cover

and rate our company: Specially prepared, up-to-date corporate information is available on our website at all times. Our investor relations team and the Executive Board also answer analysts' questions in one-on-one meetings. We provide further transparency through regular roadshows and conference calls. In 2008 alone, we explained our strategy at 26 roadshows as well as eleven investor and analyst conferences. We also take part in special events for retail investors.

To ensure that all those interested have access to the information about HOCHTIEF provided at conferences, recordings of current presentations and question-and-answer sessions from conference calls are always available for downloading from the investor relations section of the company website. For some years now, we have provided live webcasts of general shareholders' meetings and business results press conferences to keep shareholders fully informed. Alongside numerous awards for outstanding communications, we garnered a Platinum Award for our 2008 Annual Report from the highly regarded League of American Communications Professionals.



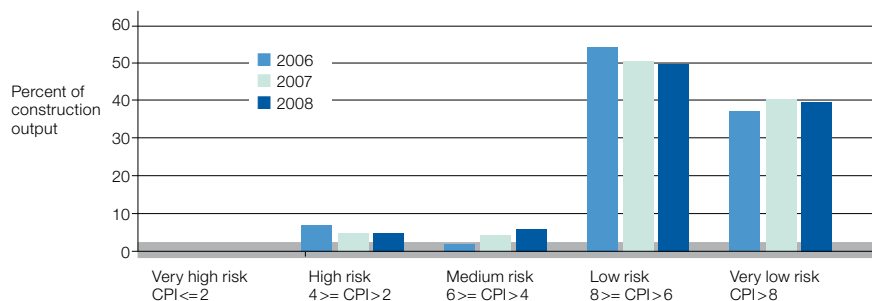
Compliance and Ethics Management

Our overarching objective:

We aim to set standards in business ethics and do our utmost to apply those standards.

Goal	Action 2009–2011	Status September 2009
Promote awareness and application of the Code of Conduct	Integrate Code of Conduct training module into existing further training units and management seminars	Binding use of e-learning tool introduced for all managerial employees; training and examination already taken by 95 percent
	Add potential compliance risks to training curriculum	Topics integrated so far: Illegal temporary work, wage dumping and abuse of self-employed status
	Add Global Compact principles to Code of Conduct	Planning phase
	Integrate material regional compliance risks into Group auditing	Pilot project conducted in Qatar
Demand and encourage sustainability and ethical responsibility in subcontractors and joint venture partners	Integrate Code of Conduct for Subcontractors and Suppliers into prequalification system	2,000 subcontractors and suppliers prequalified
	Compile guidance brochure on Code of Conduct for Subcontractors and Suppliers	Draft compiled
	Introduce self-disclosure for joint venture partners on basis of Code of Conduct	Planning phase
Extend compliance system	Unify and refine compliance system reporting	Standard reporting criteria under development

Corruption risk



Measured on Transparency International's Corruption Perception Index (CPI) , HOCHTIEF mostly operates in countries with low or very low corruption risk.

 www.transparency.de

Independent Assurance Report

This unofficial English translation of the German-language Independent Assurance Report has been prepared by HOCHTIEF and is provided for information purposes only.

To HOCHTIEF Aktiengesellschaft, Essen

We have been commissioned with a limited assurance engagement in relation to selected data in the Sustainability Report 2009 prepared by HOCHTIEF Aktiengesellschaft, Essen. In accordance with the terms of our engagement, our examination covered the sections “The Company—Creating Sustainable Value” (pages 6–11), “Area 1: Sustainable Products and Services” (pages 14–27) and “Area 2: Active Climate Protection” (pages 28–41).

Executive Board Responsibility

HOCHTIEF Aktiengesellschaft’s Executive Board is responsible for preparation of the Sustainability Report 2009, applying the criteria set out in the G3 Sustainability Reporting Guidelines published by the Global Reporting Initiative (GRI):

- Materiality
- Stakeholder inclusiveness
- Sustainability context
- Completeness
- Balance
- Clarity
- Accuracy
- Timeliness
- Comparability
- Reliability

This responsibility includes selection and use of appropriate methods for preparation of the Sustainability Report, the use of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances, and the design, implementation and maintenance of systems and processes relevant to preparation of the Sustainability Report.

Practitioner’s Responsibility

Our responsibility is to express a conclusion based on our work as to whether any matters have come to our attention which cause us to believe that the data in the “The Company—Creating Sustainable Value”, “Area 1: Sustainable Products and Services” and “Area 2: Active Climate Protection” sections of the Sustainability Report have not been prepared in accordance with the above-mentioned criteria of the GRI G3 Sustainability Reporting Guidelines.

We conducted our work in accordance with International Standard on Assurance Engagements (ISAE) 3000. This standard stipulates that we comply with ethical requirements and plan and perform the assurance engagement so as to express our conclusion with limited assurance.

In a limited assurance engagement, the evidence-gathering procedures are more limited than in a reasonable assurance engagement. Therefore, less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on the practitioner’s judgment. The procedures we followed in the scope of our work included:

- Inspection of the documentation of systems and processes relating to sustainable management.
- Inspection of the documentation of systems and processes for collecting, analyzing and aggregating sustainability data and random testing thereof.
- Discussions with employees of the Corporate Social Responsibility and Corporate Communications units commissioned with preparation of the Report and discussions concerning the analysis of data relating in particular to the thematic areas of building diagnosis, green building and HOCHTIEF Energy Management.

- Analysis of submitted documents, discussions with sustainability management employees and random testing to verify sustainability data at The Turner Corporation, Dallas, USA.
- Comparison of the financial key figures listed in the “The Company—Creating Sustainable Value” section with the corresponding information in the Company’s 2008 Annual Report.

Conclusion

Based on our limited assurance engagement, nothing has come to our attention which causes us to believe that the data in the “The Company—Creating Sustainable Value”, “Area 1: Sustainable Products and Services” and “Area 2: Active Climate Protection” sections of the Sustainability Report have not been prepared, in all material respects, in accordance with the above-mentioned criteria of the GRI G3 Sustainability Reporting Guidelines.

Recommendations

Without qualifying our conclusion above, we make the following recommendations:

- Integration of international units: HOCHTIEF should rigorously pursue the roll-out of the CSR strategy in its international units and the integration of its international units into the Group-wide CSR management and CSR reporting systems.
- CSR performance indicators: We recommend that HOCHTIEF define key indicators for the specified activity areas and standardize the specifications, systems and processes required to collect data for the indicators.
- CSR reporting: We recommend that the reporting processes be further refined and formalized and an end-to-end data validation process be designed and adopted.

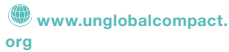
Essen, September 8, 2009

PricewaterhouseCoopers
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

[Signed] Andreas Bröcher
Wirtschaftsprüfer (German Public Auditor)

[Signed ppa.] Juliane von Clausbruch

UN Global Compact Communication on Progress



In 2008 we joined the United Nations Global Compact . We are consequently actively committed to supporting the Global Compact's ten principles, to advancing them within the Group, and to reporting annually on our progress in this connection.

	Systems	Activities in 2009
Principle 1: Support for human rights	<ul style="list-style-type: none"> • Group-wide guiding principles (page 8) • Code of Conduct (page 81) • Compliance system (page 80) • Integrated occupational safety management (page 62) 	<ul style="list-style-type: none"> • Establishment of separate compliance system (page 80, 81) • Occupational Safety Day (page 63)
Principle 2: No complicity in human rights abuses	<ul style="list-style-type: none"> • Code of Conduct for Subcontractors and Suppliers (page 83) 	<ul style="list-style-type: none"> • Integration of human rights concerns into Group auditing (page 82)
Principle 3: Freedom of association	<ul style="list-style-type: none"> • Group-wide guiding principles (page 8) • Group works councils (page 8, 62) • International framework agreement on the core ILO labor standards (page 74) 	<ul style="list-style-type: none"> • Integration of core ILO labor standards into Group auditing (page 82)
Principle 4: Elimination of all forms of forced and compulsory labor	<ul style="list-style-type: none"> • International framework agreement on the core ILO labor standards (page 82) 	<ul style="list-style-type: none"> • Integration of core ILO labor standards into Group auditing (page 82)
Principle 5: Abolition of child labor	<ul style="list-style-type: none"> • International framework agreement on the core ILO labor standards (page 82) • Donor/sponsorship activities targeting education projects (page 72) 	<ul style="list-style-type: none"> • Integration of core ILO labor standards into Group auditing (page 82) • Support and initiation of schools projects, e.g. in Qatar and South Africa (page 75)
Principle 6: Elimination of discrimination	<ul style="list-style-type: none"> • Group-wide guiding principles (page 8) • International framework agreement on the core ILO labor standards (page 82) • Diversity management (page 60, 61) 	<ul style="list-style-type: none"> • Contracts awarded to minority or women-owned businesses (page 73) • Turner School of Construction Management (page 57)
Principle 7: Precautionary approach to environmental challenges	<ul style="list-style-type: none"> • Group-wide occupational safety/health and environment protection directive (page 62) • Environment policy (page 41, 51) • Integrated environment management (page 62) • Innovation management (page 38, 56) 	<ul style="list-style-type: none"> • Development of sustainable buildings (pages 22–27) • Development of environmentally friendly techniques and technologies, e.g. for bridge building and power plant construction (pages 46–51)
Principle 8: Initiatives to promote environmental responsibility	<ul style="list-style-type: none"> • Energy efficiency and climate protection programs (page 41) • Resource conservation programs (page 51) • Waste management strategies (page 44) 	<ul style="list-style-type: none"> • In-house climate protection and resource conservation strategies (pages 30, 38, 40, 41, 51)
Principle 9: Diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> • Sustainability excellence team (page 8, 9) • Business models on basis of renewable energy sources, e.g. geothermal energy and wind power (pages 31–38) • Active membership of local green building councils (pages 17–18) 	<ul style="list-style-type: none"> • Innovation projects (page 18) • Construction and operation of sustainable buildings (pages 22–27) • Use of environmentally friendly techniques and technologies, e.g. in bridge building and power plant construction (pages 46–51) • Use of renewable energy sources (page 38, 39)
Principle 10: Anti-corruption	<ul style="list-style-type: none"> • Code of Conduct (page 81) • Compliance system (page 80) • Internal and external compliance hotline (page 81) • Membership of Transparency International (page 83) 	<ul style="list-style-type: none"> • Establishment of separate compliance system (page 80) • Compulsory training and knowledge tests for managerial employees (page 85)



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CoC: Code of Conduct, AR: Annual Report 2008, NA: not applicable, LR: Leighton Sustainability Report 2009
HT: www.hochtief.com/riskmanagement

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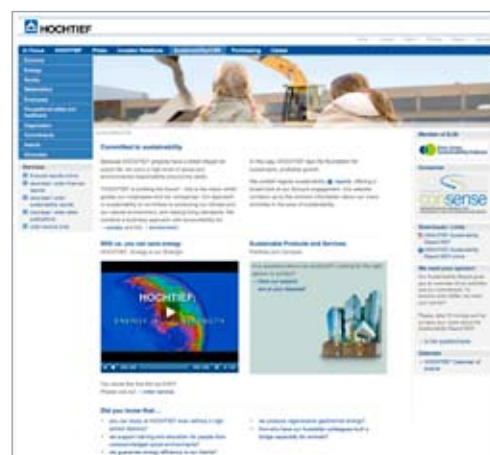
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