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Foreword

Ladies and Gentlemen,

Bilfinger is a market leader in many areas in Germany and Europe. We are the partner that our customers trust, especially when it comes to solving complex tasks.

Sustainability is an integral part of our corporate culture, permeating all work processes and the entire range of services. With our technologies and our competences, we help our customers to operate sustainably and to ensure that their production processes are both energy and resource efficient. For Bilfinger, sustainability is not just a commitment, but also a key component of business development.

We invested heavily in the training of our employees again in the 2014 financial year, and in addition to professional training, focus in particular on the topics of occupational safety and compliance. A further increase in the percentage of women in the company and in management positions was also achieved. We are working intensively to expand our reporting through environmental key figures and to convince investors of the sustainability of our activities. In this context, in 2014 we participated for the first time in the CDP, the most important global benchmark for sustainable business operations.

This year, we will be conducting a stakeholder survey in order to position our sustainability strategy for the coming years. Together with customers, partners, employees and representatives of the capital market, scientific institutions and social groups, we intend to identify sustainability-related issues that are of particular relevance for our company. Bilfinger will concentrate on these topics in the future and will report on the progress that is made.

Bilfinger has been a member of the United Nations Global Compact (UNGC) for many years, and consistently implements the ten principles of business ethics. We protect human rights, support the abolishment of discriminatory labor and social practices, improve environmental protection and fight all forms of corruption.

Sincerely yours,

Herbert Bodner
Chief Executive Officer
1

Report profile

Creating transparency

Reporting structure
Dialog with target groups
Memberships
Integrating sustainability into the way we think and act is the key to the future. With our Sustainability Report, we make our activities in financial year 2014 transparent.

Reporting structure

Reporting period

This Sustainability Report covers the period from January to December 2014. All data reflects the status as of December 31, 2014, unless stated otherwise. The Sustainability Report appears annually, the previous year’s report was published on June 10, 2014.

To date, the Sustainability Report has been published exclusively online. For financial year 2014, we are providing you with an interactive PDF document which is available for download on our homepage. We view the decision not to print the report as a contribution to resource conservation.

Scope and limitations of the report

The information presented is primarily based on data that the Group regularly collects and analyzes. In many of our subsidiaries there are certified environmental management systems from which sustainability relevant facts can be taken directly. However, due to factors that include the decentralized organizational structure of the Bilfinger Group as well as features specific to certain countries, it is not yet possible to provide complete information on all of the performance indicators requested by the Global Reporting Initiative (GRI).

All of Bilfinger’s business segments as well as each fully consolidated company in Germany and abroad were included in the report. The data provided generally relate to aggregate, Group-level figures. If the data is available, and such a disclosure is reasonable, it is additionally provided at the business segment level.
With the agreed sale of the Construction division at the end of the reporting year to Swiss construction company Implenia, we have parted with significant portions of the former Construction business segment. Offshore Systems was put up for sale in 2015. They are presented under “discontinued operations” in the consolidated financial statements for 2014. The key figures for the Group – unless stated otherwise – have been adjusted accordingly.

Apart from that, this Sustainability Report does not contain any significant changes in terms of scope, reporting limits or the methods of measurement applied as compared to previous reporting periods. The presentation of the information is based on the structure of last year’s report. We have clearly indicated those areas in which the depth of information has changed.

Determination of report content

The content and structure of the report follow the GRI guidelines. The third-generation GRI guidelines (G3) were used as a basis in creating this report. In accordance with these guidelines, we adhere to the principles of balance, comparability, accuracy, timeliness, clarity and reliability of data in presenting the contents of the report.

In addition to the content recommended by GRI, we also orient ourselves to the requirements of other sustainability indices and initiatives. We provide supplementary explanations and examples of measures in many areas in order to make our approach to sustainability reporting more understandable.

To facilitate the search for those disclosures required by GRI, we have provided an index that reflects the requirements structure of GRI and that is linked to the relevant page of the online report. Bilfinger also indicates whether it fulfills each of the requirements completely, partially or not at all. According to our own estimates, Bilfinger reaches application level B. The report has not been reviewed by an external third party.
Open dialog creates trust. We therefore seek a constructive exchange with people and institutions.

Dialog with target groups

As a company, we aim to be transparent and to consider the requirements of society. We maintain an active dialog in particular with those stakeholder groups that are especially relevant for our company. The discourse and the feedback in relation to our activities helps us to position Bilfinger and its range of services in a way that makes economic success, social benefits and ecological sustainability compatible. Sustainability issues thus have an important role to play in our internal and external communication. In 2015, as part of a materiality assessment, we will conduct a stakeholder survey to more clearly identify the sustainability issues that are most relevant for our company.

Employees

Employees are kept up to date on events in the Group on a daily basis via the Bilfinger intranet. In the case of important events, the supply of information is complemented by telephone conferences and livestreams which support the exchange of information and provide a platform for a dialog with the Executive Board. The employee magazine Bilfinger World appears twice a year in three languages (German, English and Polish) and a circulation of 60,000 copies and is complemented by an online magazine with a range of dialog functions. Half of Bilfinger’s Supervisory Board consists of employee representatives. Further, the Executive Board – and the Labor Director in particular – maintains a regular exchange with the works councils.
Clients

The concerns of our clients are the focus of Bilfinger’s business activities. Direct contact to them is key to the success of our company. Our employees therefore seek out direct and regular contact on site and also maintain an exchange with clients at regular meetings within the scope of joint projects. Many solutions and innovative ideas are developed collaboratively. In the management of key accounts and particularly complex projects, the operating units are supported by our Corporate Key Account Management which provides an extensive range of expertise.

Partners and suppliers

We often share a long and intensive cooperation with our execution partners. They support us with the development of innovative solutions for our clients and help us to efficiently link processes. The performance of our business partners is monitored through a uniform supplier management system and through regular measurement. A great deal of emphasis is placed on ensuring that they meet Bilfinger’s ethical standards. We expressly communicate this requirement and ensure it is contractually agreed.

Capital markets and shareholders

The goal of our strategy is to achieve an increase in the value of Bilfinger over the long term. Ongoing and open communication with institutional and private investors and analysts is
therefore extremely important. We describe to them the development of the company, the key financial figures and our business strategy. We foster a direct dialog with our investors through individual discussions, roadshows, conferences and the Annual General Meeting. In addition, we maintain an intensive exchange of information with sustainability-oriented ratings agencies and investors. We value their impetus, which helps us to shape our services portfolio and our processes more sustainably.

Media and society

In order to provide the public with information about Bilfinger in a timely manner, we maintain close contacts with the business editors of news agencies, print and online media. In our quarterly and annual reports, press releases, conference calls and press conferences, we provide information on the Bilfinger Group’s business situation. We make extensive information available in the Internet and offer diverse possibilities for dialog through our social media channels. We maintain a direct exchange of information and ideas with our stakeholders at our locations. At both the local and Group levels, we value the dialog with non-governmental organizations and other initiatives which bring together and formulate social issues. They help us to understand expectations and necessities which can be very different in our various markets.

Associations, politics and science

Business, science and politics must network and establish a joint set of priorities in order to respond to the most urgent ecological, economic and social issues of our time. For this reason, we are involved in associations and organizations in the world of business and maintain contact with all established political parties at both a regional and a national level. We are in close contact with scientific institutions with which we exchange ideas and information and which we support. Together with partners from the world of business, science and politics, we are involved in research projects for more sustainable processes, technologies and products.
Involvement in initiatives and associations strengthens our company and contributes to the shaping of our society.

Memberships

At Bilfinger, both the holding company and its subsidiaries are members in numerous associations and interest groups at the international, domestic and regional levels. These include, in particular, the German Business Association for Industrial Service (WVIS), the European technical association VGB Powertech, the German Facility Management Association and the German Construction Industry Association.

In the area of sustainability, we make a particular commitment to the following initiatives:

**United Nations Global Compact:** The UN Global Compact is a global initiative to uphold human rights, labor standards, environmental protection and to counter corruption.

**German Sustainability Code:** The voluntary application of the German Sustainability Code is recommended by the Council for Sustainable Development and serves to enhance transparency, commitment and comparability in the sustainability performance of companies.

**German Corporate Governance Code:** The German Corporate Governance Code was created by a government commission of the Federal Republic of Germany and gives recommendations for good and responsible corporate governance.

**Initiativkreis Korruptionsprävention (German Corruption Prevention Initiative):** This initiative was founded by several German federal ministries, associations and companies. It gives tips and recommendations for the prevention of corruption.

**Alliance for Integrity:** Alliance for Integrity is an international business-driven initiative which promotes moral behavior in our economic system.

In order to further advance the development of sustainable products and services, we are also members of the German Industry Initiative for Energy Efficiency (DENEFF), the European Industrial Insulation Foundation (EiiF) and the German Sustainable Building Council (DGNB).
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Strategy

Setting goals

Organizational profile
Corporate governance
Sustainability strategy and organization
Management approach
Bilfinger is an international engineering and services group. We occupy a leading position in our markets.

Organizational profile

As an engineering and services group, Bilfinger SE develops, constructs, maintains, and operates facilities and structures for industry as well as for the energy and real-estate sectors. A major share of the company’s services are provided in the areas of efficiency enhancement, lifecycle optimization and resource conservation. Bilfinger is a stock corporation listed on the MDAX with its registered office in Mannheim, Germany.

At the end of 2014, Bilfinger employed 69,132 people Group-wide and generated an output volume of €7.7 billion. Its market capitalization amounted to approximately €2.1 billion as of December 31, 2014.

At the end of 2014, institutional investors made up 62 percent of Bilfinger’s shareholders. 34 percent of the shares could not be identified; a portion of these were held by private investors. Four percent of our shares are currently held as treasury stock.

The Group’s range of activities is divided into three business segments: Industrial, Power as well as Building and Facility.

Industrial

Bilfinger provides services for the design, construction, maintenance and modernization of plants, primarily in the sectors oil and gas, refineries, petrochemicals, chemicals and agro-chemicals, pharmaceuticals, food and beverages, power generation, steel and aluminum. The range of services covers consulting, engineering, project management, piping and component engineering, plant assembly, mechanical engineering, electrical, instrumentation and control technology, process engineering, insulation, scaffolding and corrosion protection. Key regions include Europe, USA and Asia.
Building and Facility
Bilfinger is one of Europe’s leading providers of integrated real-estate services for the entire lifecycle of a property. Our specialists for design, construction and operation implement energy-saving and value-optimizing real-estate projects. We manage facilities of all kinds and provide consultancy and real-estate services for fund, asset, property and facility management. In Germany, Bilfinger offers development, design and management services as well as services for construction and construction logistics. Global services in water and wastewater technology fill out our portfolio.

With the agreed sale of the Construction division at the end of the reporting year to Swiss construction company Implingen, we have parted with significant portions of the former Construction business segment. The Offshore Systems division was put up for sale in 2015. This report therefore only includes activities of the Industrial, Power and Building and Facility business segments.

Power
Bilfinger is active in maintenance, repair, efficiency enhancements, service life extensions and demolition of existing plants as well as in the design, manufacture and assembly of components for power plant construction with a focus on boiler and high-pressure piping systems. Services include engineering, delivery, assembly and commissioning of power plant facilities throughout their entire lifecycles (construction, operation, demolition). Key regions include Europe, South Africa and the Middle East.
Bilfinger is active in over 50 countries. Europe accounts for 80 percent of output volume. Despite the increased internationalization of business activities, Germany is by far the most important market by output volume with 37 percent of the total.
### KEY FIGURES

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<th>2014</th>
<th>2013¹</th>
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<tr>
<td>Employees (at year-end)</td>
<td>69,132</td>
<td>71,127</td>
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<tr>
<td>Output volume (in € million)</td>
<td>7,690</td>
<td>7,552</td>
</tr>
<tr>
<td>EBITA adjusted² (in € million)</td>
<td>270</td>
<td>415</td>
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<tr>
<td>Return on output (EBITA adjusted) (in %)</td>
<td>3.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Adjusted net profit from continuing operations² (in € million)</td>
<td>175</td>
<td>251</td>
</tr>
<tr>
<td>Cash flow from operating activities (in € million)</td>
<td>65</td>
<td>210</td>
</tr>
<tr>
<td>Adjusted earnings per share from continuing operations (in €)</td>
<td>3.96</td>
<td>5.69</td>
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<td>Dividend per share (in €)</td>
<td>2.00</td>
<td>3.00</td>
</tr>
<tr>
<td>Equity (in € million)</td>
<td>1,917</td>
<td>2,165</td>
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<tr>
<td>Return on equity (adjusted net profit) (in %)</td>
<td>8.6</td>
<td>12.3</td>
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¹ The figures have, insofar as it is relevant, been adjusted for the discontinued activities of the former Construction business segment and Offshore Systems, which were put up for sale in 2014.

² Adjusted for exceptional items from profits from the sale of investments and from one-time restructuring expenses.

³ Adjusted for exceptional items in EBITA and tax expense as well as for amortization of intangible assets from acquisitions and goodwill impairment.

Bilfinger put up significant portions of the Construction business segment for sale in the reporting period, and Offshore Systems was put up for sale in 2015. All of the figures presented in this report relate, unless otherwise stated, to the Group’s continuing operations; the figures for the prior-year period have been adjusted accordingly.

For more information on completed acquisitions and our strategy, please see the Annual Report.

For further information on the Group’s organizational profile as well as Bilfinger’s economic key figures, please refer to the company website and the Annual Report.
Bilfinger attaches great importance to good corporate governance. The principles of good and responsible corporate governance guide the actions of the management and supervisory bodies of Bilfinger SE. The term ‘corporate governance’ refers to the entire management and control system of a company, including its organization, its business management principles and guidelines as well as the internal and external monitoring and control mechanisms. Good and transparent corporate governance ensures the responsible, value-oriented and sustainable management and control of the company.

Structure of corporate governance

Bilfinger SE is a European stock company located in Germany and is subject to European SE regulations, the German SE Implementation Act and the German Stock Corporation Act. The company has a dual management and monitoring structure consisting of the Executive Board and the Supervisory Board. The third body of the company is the Annual General Meeting.

The Annual General Meeting is convened at least once each year. The Executive Board presents certain documents to the Annual General Meeting, including the company and consolidated financial statements as well as the combined management report for Bilfinger Berger SE and the Bilfinger Group. It decides on the appropriation of profits and on approving the actions of the Executive Board and the Supervisory Board, elects the members of the Supervisory Board representing the shareholders, and the external auditors. In addition, decisions are made on amendments to the Articles of Incorporation and in certain other cases as specified by applicable law or the Articles of Incorporation. Each share entitles its holder to one vote at the Annual General Meeting.

For more information on the company’s management structure, the practices of the monitoring boards and committees, the members of the Supervisory and Executive Board as well as their remuneration, please see the Declaration of Corporate Governance and the Annual Report.
Value-oriented corporate governance

We comply with legal requirements, the regulations set out in the Articles of Incorporation of Bilfinger SE and the recommendations of the German Corporate Governance Code, which we fulfill with the exceptions specified in the statement pursuant to § 161 AktG. Furthermore, our corporate governance practices take into consideration the company’s Code of Conduct, a key component of our compliance system. Bilfinger is aware that the interests of the company, its employees and its partners can only be effectively guaranteed with responsible dealings and adherence to ethical principles.

Bilfinger has been a member of the UN Global Compact since 2008. Members of this global cooperative of more than 12,000 participants from roughly 150 countries have committed themselves on the basis of ten principles to supporting the protection of human rights, abolishing discriminatory labor and social practices, improving environmental protection and fighting corruption in all its forms within their scope of influence. Bilfinger’s Sustainability Report underlines the company’s support of the initiative and clarifies the measures that the company has developed as a result of the ten principles of the UN Global Compact.

Compliance system

For Bilfinger, compliance represents an essential element of successful business management and good corporate governance. With this in mind, we have established our compliance system. It meets increased global requirements and international standards, and we continuously review and develop it.

The basis for the compliance rules valid on a Group-wide basis is a Code of Conduct which lays out the general principles of our actions. The corresponding Group guidelines include concrete instructions on the central issues of integrity, competition and dealing with business partners. The new compliance
regulations are distributed to all employees in more than 20 languages. We deepen this content by means of on-site training, webinars and an internally-developed e-learning program.

We revised our compliance guidelines in 2012 and trained roughly 48,000 employees accordingly in 2013. Since then, every new employee goes through the training process. We conducted compliance courses for special target groups and application areas in 2014 with the existing broad basis of materials. To date, roughly 400 management personnel and employees from Procurement and in positions close to sales have participated in these trainings. We also train external partners such as sales intermediaries and agents to ensure that these business partners know and apply the Bilfinger compliance guidelines. This training will also be continued and expanded in 2015.

The Chief Compliance Officer, the Compliance Officers in the Group that report to him and the central and local Compliance Managers deal with all compliance-relevant processes. The Chief Compliance Officer reports directly to the Chairman of the Executive Board. The compliance team works closely with the Group’s Executive Board, the management of our affiliates and with executives; it reviews cases in which compliance is doubtful and assists employees in adhering to internal requirements. The Chief Compliance Officer is supported in the design and further development of the compliance system by a Compliance Committee, which convenes regularly and is composed of the heads of the Corporate Legal & Insurance, Corporate Internal Audit and Corporate HR departments.

Thanks to the immediate reporting of serious cases and the Chief Compliance Officer’s quarterly reports, the Executive Board, the Audit Committee of the Supervisory Board and the Plenum of the Supervisory Board are given detailed updates on developments in the compliance area. The control systems we have implemented to ensure that compliance regulations are adhered to include routine and special audits by Internal Auditing and the Compliance organization. Bilfinger paid a fine of roughly €23 million in 2013 pursuant to an agreement with the U.S. Department of Justice in connection with a bribery
case in Nigeria dating back some time, and was required to further optimize its compliance system through the participation of an independent consultant (Compliance Monitor).

Bilfinger has an international reporting center for suspicious events which can be reached via Web and telephone. 29 reports of suspicious events were received this way in 2014. Suspicious events are addressed and investigated. In case of an investigation, we cooperate with the responsible authorities. Any misconduct that is discovered will result in personal consequences for those involved and will lead to preventive organizational measures.

Important business partners, especially including sales intermediaries, joint venture and joint venture partners, are obligated to adhere to the Bilfinger compliance standards and are subjected to an integrity audit using the IT tool TPCheck (Third Party Check). Approximately 4,800 third parties were reviewed using TPCheck by the end of 2014.

For information on Bilfinger’s compliance system, please also refer to the Corporate Governance Report in the Annual Report, the Declaration of Corporate Governance and on our homepage 🌐.

**Risk management system**

Effective management, recording, control, transfer and audit systems are in place for the timely identification, evaluation and responsible handling of risks. Together, these form Bilfinger’s risk management system. The elements of our risk management system are strategic business planning combined with a detailed and up-to-date reporting that serves as an internal early-warning and monitoring system. Our risk management system has been designed with the strong international focus of Bilfinger’s business activities and the specific characteristics of the project and service business in mind.

The Group’s collective risk management function is exercised by the Executive Board and headquarters and monitored by the Supervisory Board. In the past financial year, we did not identify any individual risks whose occurrence, either alone or in combination, would have jeopardized the continuing existence of the Group or one of its significant Group companies. If unpredictable, exceptional risks should arise, the possibility that they would have an impact on our output volume or earnings cannot be excluded. From today’s perspective, however, no risks can be identified that could threaten the existence of the Group or one of its significant Group companies.

For further information on the risk management system and an overview of identified risks, please refer to the Annual Report 🌐.
Successful entrepreneurial endeavor is intrinsically linked to the principle of sustainability.

Sustainability strategy and organization

Highlights 2014

• Reduction in accident frequency
• Increase in percentage of women
• Participation in the most important global benchmark for sustainable business operations (CDP)

Our understanding of sustainability

We derive our understanding of sustainability from the Brundtland Report. The report, published in 1987, provides the basis for the majority of international environmental agreements: “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

As a company with a corporate history of over 130 years, we feel we have a special connection to this principle. We see ourselves as a part of society and willfully accept accountability for making an active contribution to the conservation of resources, protecting the environment, to our employees and to society.
As a result, Bilfinger does not base its company policy solely upon short-term goals but focuses on medium- and long-term success. Such success can only come about, in our opinion, if our business activities consider the needs of employees, customers, suppliers, shareholders and further social groups. It is our goal to define ourselves according to quality, to set standards with the services we offer and to further expand our market position with innovative products and continued growth in our range of services. In the process, we focus on the conservation of resources and consistently orient our activities on the lifecycle approach.

Our understanding of sustainability is firmly integrated into the Vision Statement and the Code of Conduct. It is also expressed in other internally initiated commitments such as adherence to the German Corporate Governance Code, the declaration of compliance with the German Sustainability Code and membership in the UN Global Compact.

We challenge our employees to recognize their responsibility toward society and the environment and to act according to this responsibility. Our goal goes beyond merely addressing the topic of sustainability and aims at achieving ongoing awareness throughout all levels of the organization, independently of positions and hierarchies.

In the course of our work, we seek out and maintain dialog with various interest groups in society, who provide us with valuable information for the commercial positioning of the company and for the continued development of our approach to sustainability. We ensure that our efforts with regard to sustainable business are transparent. We work according to internationally accepted practices in sustainability reporting as well as the need for information of sustainability-oriented investors.

Organizational basis

Bilfinger’s sustainability strategy is formulated by the Executive Board and is implemented together with Corporate Communications. Executive Board member Joachim Enenkel is responsible for sustainability reporting, while Group Technology & Development is responsible for the preparation and implementation of the reporting. The Sustainability Report is produced together with Corporate Communications.

A network made up of representatives from diverse specialist departments and corporate units provides impetus for the further development of sustainability activities and coordinates the systematic expansion of the reporting system. Especially the departments of Investor Relations, Communications, HSEQ, Procurement, HR, Compliance and Business Development & Key Account Management are integrated.
Bilfinger pursues a comprehensive approach which harmonizes economic, environmental and social issues.

Management approach

It is our intention to firmly anchor sustainability both within our core values and within Bilfinger’s range of services, and to create transparency through appropriate activities. In 2013, the Executive Board adopted a plan of measures to continue developing sustainability reporting. They include the expansion of existing systems for the management and development of sustainability activities as well as the systematic expansion of reporting with relevant key figures.

In 2014, we participated in CDP for the first time. Over the next few years, our goal is to achieve a rating that is higher than the MDAX companies’ average. In 2015, within the scope of a materiality assessment to identify relevant sustainability issues, we want to conduct a comprehensive stakeholder survey and further develop our sustainability strategy. In the medium term, Bilfinger is also seeking inclusion in sustainability indices.

We divide our sustainability activities into the areas of economy, ecology, employees, society as well as products and services. We have developed appropriate management approaches for each of these areas.

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<th>GOALS UNTIL 2020</th>
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<td>Initial participation in CDP</td>
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<td>Carry out a materiality assessment</td>
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<td>Strategic concept for positioning as sustainability services provider</td>
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<tr>
<td>Gradual introduction of a Group-wide reporting system for key environmental figure</td>
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<tr>
<td>Expansion of CO₂ emissions reporting</td>
</tr>
<tr>
<td>Percentage of women in management positions increased to 15 to 20 percent*</td>
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</table>

* Our goal for the year 2020 in the area of the promotion of women will be reviewed and targets for the year 2017 will be announced in the coming year. We thus comply with the law passed in Germany in March 2015 on the full and equal participation of men and women in management positions in the private and public sectors.
Economy

Following the transformation to an engineering and services group, Bilfinger has entered a new phase in its corporate development. We introduced the “Bilfinger Excellence” program in 2013, with which we want to enhance our efficiency and improve our competitiveness. A key element of this program is the promotion of organic growth through a lean, efficient corporate structure and through more intensive cooperation among Group units. At the same time, we want to accelerate our work by reducing decision-making levels and increase the profitability of Bilfinger through a reduction of general administrative expenses.

We are optimizing the company’s structures and processes and repositioning ourselves from an organizational perspective: after disposing of the former subgroup structure, customer-group oriented divisions have been heading the operating units since the beginning of 2014. Administrative functions formerly located at Group headquarters and in the subgroups have been streamlined in terms of their processes and merged.

For further details on our goals, services, opportunities and risks as well as our financial results, please refer to the Annual Report.

Ecology

We want to reduce the negative environmental impact of our business activities and expand our sustainability requirements along the value chain. Areas of action particularly include the careful selection of materials used as well as the reduction of CO₂ emissions, water consumption and waste levels. We have firmly established the protection of the environment in our HSEQ principles. Many company units also have relevant
certifications in the areas of environmental, quality and energy management.

In order to make our company’s environmental footprint measurable, we are working on standardized recording of important key figures as well as the systematic expansion of the reporting of these figures. We also want to be ready to present the relevant key figures on energy and emissions throughout Europe by 2016.

Information on the measures we have taken and their results in the area of ecology can be found in the chapter Ecology.

Employees

Bilfinger’s Vision Statement and Code of Conduct lay out our expectations of fairness in the way we deal with one another: Bilfinger sees to its employees’ well-being; we treat one another with mutual respect and tolerance. At Bilfinger, all employees enjoy the same opportunities in terms of hiring, remuneration and ongoing development. Bilfinger supports its employees in exercising their rights of co-determination, and believes that it is important they receive fair compensation in line with market rates.

We strive to provide optimum working conditions. Occupational safety is an important component of this. It is for this reason that we commit to workplace safety at all levels of the Group and jointly strive to achieve the goal of “Zero Harm”.

We pay particular attention to development opportunities for women in order to promote equal opportunity. We intend to increase the percentage of women in management positions in the coming years. We will review our goal for the year 2020 and announce targets for 2017 in the coming year. We thus comply with new legal requirements.

Information on our measures and results in the area of employees can be found in the chapter Employees.

Society

The activities of Bilfinger in society result from our identity as a sustainable company. We are aware that we affect society and can make positive changes through our products and
methods, through our personnel policy, our environmental management and many other factors.

Bilfinger develops its involvement based on this experience. We use our strength as an employer, our presence at many locations around the world and our technical knowledge to make an individual contribution to the development of society. Accordingly, we do not see our donation and sponsoring activities as the sole manifestation of our involvement in society, but rather as a accompanying measure.

It goes without saying that we actively combat every form of illegal employment and unfair employment contracts and that we work toward adherence to international minimum labor standards at all of our locations.

Information on our corporate citizen projects can be found in the chapter Society.

Products and services

It is our desire to expand our range of sustainable services and to help our clients reach their own sustainability goals. In this respect, we intend to make our sustainability services on behalf of our customers measurable and to provide the corresponding key figures.

We place high importance on our procurement processes and the assurance of our suppliers’ integrity. We ensure the quality of our own services with management systems, many of which are certified in accordance with the relevant standards.

We want to create innovations that are targeted toward climate protection, lifecycle extension and the conservation of resources.

Information on our sustainable range of services can be found in the chapter Products and services.
3 Ecology
Acting responsibly

Management systems
Materials
Energy and emissions
Water and wastewater
Waste
Biodiversity
Management systems help us confront complex environmental challenges.

Management systems

Bilfinger recognizes its responsibility for the environment and has integrated this responsibility into its Vision Statement and its Group HSEQ principles. We strive to use materials, energy and water as efficiently as possible and minimize our waste to make an active contribution to environmental protection and conservation of biodiversity. Our demands go well beyond the fulfillment of legal requirements.

We require subcontractors and suppliers, in a code of conduct, to comply not only with statutory environmental standards but also to minimize the overall impact of their activities on the environment. We also call on them to enforce the principles of the Global Compact Initiative and the provisions of our Code of Conduct for Suppliers and Subcontractors in their own supply chains.

To measure and reduce the impact of our corporate activities on the environment, our business units have management systems subject to sometimes differing national, industry, and customer-specific requirements. The systems are monitored through regular management reviews. Audits ensure compliance with both external and internal requirements.

Many of Bilfinger’s business units are certified in accordance with the environmental management standard ISO 14001 or have environmental targets within the context of other management systems. The number of our business units with DIN EN ISO 14001 certification rose again in 2014 and continues to grow. Individual companies were certified in 2014 pursuant to DIN EN ISO 50001.

The member of the Executive Board responsible for health, safety, environment and quality (HSEQ) is Pieter Koolen. The Executive Board is immediately informed of any serious HSEQ incidents. A uniform, Group-wide reporting system is in place. No serious environmental accidents occurred in 2014.

We record environmental key figures decentrally. The data are recorded by the operating units to varying degrees of detail. We will introduce a Group-wide system by 2016 for the centralized recording of relevant environmental key figures in order to systemize data collection step-by-step and to thus be in a position to report more data from Group level.
We want to do more with fewer resources.
Our aim is to utilize materials economically and efficiently.

Materials

What kind of materials we use and how they are processed has a significant influence on Bilfinger’s environmental footprint; that is, on the quantities of energy and water consumed and the waste we generate. Our aim is to utilize materials economically and efficiently. In pursuance of that goal, the Group Guideline on Procurement specifies certain requirements: we look at local availability in order to keep transport distances as low as possible. In the selection of materials, we consider the entire lifecycle, taking into account issues such as ease of maintenance, durability, health hazards and recyclability. With our customers we discuss various alternative materials and their effects on health and the environment.

Group-wide, we purchased raw materials, auxiliary materials, supplies and goods valued at approximately €1.3 billion in 2014. The main commodity groups are steel, concrete and insulation material. Central data on the share of recycling material in the percentage of material used is not kept. In the Group there are initiatives at all levels to minimize the use of resources and to bring such use in line with environmental concerns. We avoid the use of rainforest woods and use FSC-certified paper throughout the Group.

Bilfinger Grit

Ann Coyne and Simon Hope of Bilfinger Salamis have developed a particularly environmentally-friendly material for surface blasting. “Bilfinger Grit” is a blend of recycled glass and blast furnace slag. It is now increasingly used at Bilfinger in place of the usual garnet sand to clean steel structures prior to re-coating. Demand is several thousand tons per year.

Garnet sand is found only in certain regions of the world and, due to long transport routes alone, is not an environmentally sensible option. In addition, material consumption is about 20 percent higher than that of Bilfinger Grit.

www.salamis.bilfinger.com
The careful and intelligent use of energy is one of our most important goals. It is the only way to reduce emissions.

Energy and emissions

Energy consumption at Bilfinger is driven in large part by ongoing engineering and service projects, the operation of real estate, and business trips. Our own energy production plays a subordinate role. Project-related energy consumption is directly dependent on the number and type of projects as well as on the respective project phase.

At 37 percent, Bilfinger generated a significant part of its output volume for 2014 in Germany. The total energy consumed there in the form of electricity, natural gas and district heating amounted to 169,297 MWh (previous year: 183,044 MWh).

Our objective is to expand reporting of energy consumption and CO₂ emissions that arise in connection with our vehicle fleet as well as airline travel, rental cars and train travel to cover our entire European operations by 2016.
**CO₂ emissions**

The Greenhouse Gas Protocol, an internationally recognized reporting standard for companies, is used as the basis for calculating CO₂ emissions at Bilfinger. According to this standard, we divide our emissions into three scopes: Scope 1 covers all direct emissions released by the company itself with the combustion of fossil fuels. Scope 2 accounts for all purchased energy such as electricity and district heating, and Scope 3 covers emissions generated in conjunction with the production and transport of raw materials, products and waste, as well as with employee business trips.

**Scope 1:**
CO₂ emissions in 2014 from the direct energy sources of natural gas and fuel for the vehicle fleet (under 3.5 tons) amounted to 52,822 tons (previous year: 58,359 tons)

For our vehicle fleet we have defined guidelines that specify staggered CO₂ values and encourage the use of low emission vehicles with a bonus/penalty system. Our goal is to further reduce CO₂ emissions from fuel consumption and continuously reduce CO₂ benchmarks.

In 2014, Bilfinger had only a few systems for the generation of electricity. Information regarding the amount of resulting CO₂ emissions is available decentrally.
Scope 2:
The quantities of energy in the form of electricity and district heating purchased by us in 2014 caused \( \text{CO}_2 \) emissions amounting to 51,488 tons (previous year: 54,781 tons).

Scope 3:
In 2014, \( \text{CO}_2 \) emissions caused by business travel amounted to 7,184 tons (previous year: 7,014 tons). This value includes our travel by train, airplane and rental cars.

The Group Guideline on Business Travel was revised in 2013. It encourages employees to increase the use of audio and video conferences and use trains instead of hop flights for short trips.

Other \( \text{CO}_2 \) emissions in connection with the manufacture and transport of materials and waste are not currently calculated at Group level due to the complex nature of the task. Other emissions, such as nitrogen oxides (\( \text{NO}_x \)), sulfur-containing emissions (\( \text{SO}_x \)), and other greenhouse gas emissions such as carbon monoxide, methane and chlorofluorocarbon are also not reported due to their negligible relevance to our business.

Energy optimization in real estate

In order to optimize energy consumption at properties used by Bilfinger and reduce \( \text{CO}_2 \) emissions, we take advantage of the experience of our own experts in the field of buildings and facilities. Their optimization measures range from analysis of existing values, energy monitoring and various efficiency measures to energy upgrades and the use of alternative sources of energy, such as photovoltaics and wind.
Bilfinger HSG Facility Management has been certified in accordance with DIN EN ISO 50001 since 2013 and, in this regard, has begun with the implementation of an energy management system in its real estate that is uniform throughout the world. In 2013 the system was introduced initially at five locations in Germany, resulting in substantial savings potentials. In 2014, a reduction in consumption of 12,500 kilowatt hours of gas and 9,300 kilowatt hours of electricity was already achieved through the application of relevant measures. At the same time, additional Bilfinger HSG FacilityManagement companies in Germany and Austria were audited. The savings that were subsequently implemented there amount to 280,000 kilowatt hours of electricity and 195 cubic meters of water each year. In 2015, further properties in Ireland, Germany and Switzerland will also be audited.

Outside Europe, we also reduce energy consumption in our buildings. Bilfinger Deutsche Babcock Middle East, headquartered in Abu Dhabi, has for many years been optimizing its electricity consumption. In 2013, all of its office buildings were equipped with energy-efficient lighting – energy-saving lightbulbs and LEDs – which has reduced power consumption by approximately 26 percent. In 2014, lighting in workshops was also changed, which brought another 14 percent decrease in consumption.
Water is essential for both people and economic growth. We conserve this important resource.

Water and wastewater

Our goal is the most efficient use of water possible in carrying out our service and maintenance activities in industrial facilities, power plants and real estate, as well as in construction site management.

We use drinking water and industrial water in particular in connection with the operation of buildings. The fresh water used primarily comes from the public water supply. In accordance with legal guidelines, wastewater is disposed of, most of it through the public sewer system.

At our production sites we strive for efficient water management. We achieve this by keeping water in the cycle as long as possible, re-treating it, or by using lower quality water, such as surface runoff, to replace drinking water.

Data regarding water consumption and wastewater disposal are recorded decentrally.

New conveyor dishwasher saves water  Bilfinger ProfiMiet is a service provider in the non-food catering business providing, among other things, glasses, porcelain and cutlery for large events. At its location in Cologne, the company has now modernized its conveyor dishwashing system and significantly reduced its water consumption. A mere 270 liters of water is needed to wash about 9,000 dishes. The old system required about a quarter more water to wash considerably fewer dishes.
Waste management begins with the efficient use of resources. When selecting materials, we consider the type and amount of resulting waste.

Waste

Where it is not possible to avoid waste, we try to reuse materials or initiate a recycling or recovery procedure. To this end, we plan relevant collection and disposal concepts at an early stage.

Bilfinger records and reports levels and types of waste in accordance with applicable statutory provisions. Since 2012, we have centrally recorded all hazardous waste generated by Bilfinger at locations across Europe. We plan to expand the scope of this data collection in the coming years.

**DANGEROUS WASTE (IN T), 2014**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>963</td>
<td>1.103</td>
<td>1.243</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>547</td>
<td>430</td>
<td>448</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.510</strong></td>
<td><strong>1.533</strong></td>
<td><strong>1.691</strong></td>
</tr>
</tbody>
</table>

The data collected covers 80 percent of the operating units in Germany and more than 60 percent of our units in the rest of Europe.
Bilfinger is carrying out projects for waste prevention at many of its sites. We test alternative materials and modify procedures and processes. Employee campaigns and recycling initiatives also make a significant contribution. Our subsidiary Bilfinger Deutsche Babcock, a company based in Abu Dhabi, is raising awareness of environmental concerns among its employees. A program to reduce the number of disposable bottles has been underway for several years. As an incentive, employees receive high-quality drinking bottles that can be filled at water dispensers in the offices.

In 2014, the company implemented a new environmental program to separate waste based on the German model. Different materials such as paper, plastic, organic waste, toner cartridges and batteries will now be collected separately and taken to a suitable recycling facility.

**Waste separation in Abu Dhabi** Bilfinger Deutsche Babcock is conducting a pilot project with the waste specialists at EcoSmart. The goal is complete recycling of all waste. The project is underway in the Eindhoven branch and will be expanded to include other locations.
Protecting and maintaining nature in all its diversity is a global challenge. We carry out our work with this in mind.

Biodiversity

The protection of biodiversity – the variety of ecosystems, plants and animals – is one of the greatest challenges of our time. And it is these natural systems that our society and economies depend on for their development and continued existence. This awareness is an important cornerstone of our business activities.

As early as the planning and work preparation stages, specific precautions are taken to reduce noise, vibrations, dust and emissions. Throughout every phase of our projects, we strive for low-impact processes and environmentally friendly technologies. Waste is avoided or separated so that the highest possible proportion can be recycled. To protect soil and water we take special care when dealing with substances that contain pollutants.

We place substantial value on effective measures for environmental protection when establishing temporary work sites and in the context of our work in industrial facilities, power plants, and properties, as well as in construction site management. This applies to the storage and preprocessing of materials as well as to the construction of access roads. When we develop property for our own use, we do so wherever possible in areas that are already developed. This helps us avoid sealing natural surfaces.

We operate with particular care in conservation areas or regions with sensitive ecosystems, where we keep the effects of our activities on air, water, soil, climate, animals and plants to an absolute minimum. Where such an impact cannot be avoided, we take renaturation measures for the area as soon as possible after completion of the construction project.
4

Employees

Realizing potential

- Bilfinger as an employer
- Personnel structure
- Equal opportunities
- Employee representation
- Remuneration management and additional benefits
- Training
- Work-life balance
- Occupational safety
The commitment of its employees is what makes Bilfinger successful. We create an environment in which our employees can thrive.

Bilfinger as an employer

We develop our employees’ skills, promote their performance and treat each other with respect, fairness and loyalty. This is why we have been perceived as an attractive employer for many years by both our employees and by the general public.

Surveys and rankings attest to the excellent image we enjoy among students and employees. We are still determined to continue to increase our attractiveness and intensify competition for the best talent – talent we want to see join our ranks.

At Bilfinger, the Chairman of the Executive Board, Roland Koch, also served as Labor Director until he left the company on August 8, 2014. Dr. Jochen Keysberg, member of the Executive Board, has since been appointed to this position.

2014 Trendence Graduate Barometer
The Trendence Institute has been conducting its annual “Graduate Barometer” study since 1999. In 2014, Bilfinger ranked 23rd among the most attractive employers for engineers. In the study, 32,000 students nearing their final exams in the fields of business, engineering and IT were surveyed. Approximately 12,000 of these students were studying engineering.

Universum TOP 100 employer rankings in 2014
In the company ranking conducted by the consultancy group Universum, Bilfinger was ranked 32nd by engineering students. Approximately 30,000 students in Germany were asked to rate the performance of companies as employers.
It is important to us that our employees identify with the company and we foster their loyalty.

Personnel structure

Bilfinger employed a total of 69,132 employees at the end of 2014. The number of employees dropped by 2.8 percent as compared to the previous year (not including discontinued operations). Industrial is the largest business segment in terms of employees with 33,016, followed by Building and Facility with 23,712 employees.

As an internationally active company, Bilfinger is represented in many countries around the world. In 2014, employees in Europe accounted for 82.8 percent of the workforce, with 35.3 percent of all employees based in Germany.

91.9 percent of all employees (not including apprentices) have permanent employment contracts. Industrial workers account for 57.9 percent of the Group workforce, with the remaining 42.1 percent made up of salaried employees.
The average length of service in the Group is 8.0 years, while the average age is 42.3.

Bilfinger conducts annual staff appraisals based on a standardized Group-wide concept. At the Bilfinger Academy, managers are obliged to take part in an e-learning course on interview and staff appraisals skills. The appraisal meetings offer for employees and executives the opportunity to discuss in detail the working relationship over the last year and to define common objectives the year ahead. An essential part of this meeting is to discuss compliance regulations and analyze compliance risks based on the employee’s responsibilities and position.

### NUMBER OF EMPLOYEES BY REGION

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2013</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>24,408</td>
<td>25,015</td>
<td>-2</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>32,864</td>
<td>32,908</td>
<td>0</td>
</tr>
<tr>
<td>North America</td>
<td>3,963</td>
<td>3,820</td>
<td>+4</td>
</tr>
<tr>
<td>South America</td>
<td>155</td>
<td>174</td>
<td>-11</td>
</tr>
<tr>
<td>Africa</td>
<td>1,777</td>
<td>2,246</td>
<td>-21</td>
</tr>
<tr>
<td>Asia</td>
<td>5,800</td>
<td>6,816</td>
<td>-15</td>
</tr>
<tr>
<td>Australia</td>
<td>165</td>
<td>148</td>
<td>+11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>69,132</strong></td>
<td><strong>71,127</strong></td>
<td><strong>-3</strong></td>
</tr>
</tbody>
</table>

### EMPLOYEES – SALARIED AND INDUSTRIAL 2014

- Industrial: Germany 35%, Rest of Europe 48%, Asia 8%, South America 3%, Africa <1%.
- Salaried: Germany 35%, Rest of Europe 62%, Asia 38%, South America 52%, Africa <1%.
Our employees’ commitment is important to us. For this reason, we have developed numerous measures with the aim of increasing identification with the company. These include the Bilfinger Junior Management Prize, the “Bilfinger’s Best” award and, since 2012, an employee share program in Germany.

**Bilfinger Junior Management Prize** It can take up to three days to inspect an air conditioning system. Large properties usually have twenty or more air conditioning systems rather than just one. Manuel Arnold from Bilfinger HSG Facility Management has developed a software program which is designed for the automatic energy assessment inspection of air conditioning systems. “The new tool will enable us to become far more efficient”, says Arnold. He was awarded with the Bilfinger Junior Management Prize for this innovation in 2014. The prize, which comes with a cash award of €10,000, is given to young employees for outstanding achievements outside the day-to-day business. This software is now to be developed further so that it can be used in the entire Group.

www.facilitymanagement.bilfinger.com/en/
The diversity of our employees is an asset – and an important success factor for our company.

Equal opportunities

The Bilfinger Group is an international company that offers a range of highly diversified services. We depend on employees who bring a broad range of experience, qualifications and perspectives to their jobs and thus help us to successfully meet business challenges with their individual competences.

At Bilfinger, all employees enjoy the same opportunities in terms of hiring, remuneration and ongoing development. There can be no discrimination based on ethnicity, gender, sexual orientation, religion, ideology, disability or age. The standard that we also apply internationally is the German General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz). That is why our compensation system is geared solely towards the requirements of the position, individual performance, the conditions and competition in the local market as well as pay scale agreements.

As of December 31, 2014, a total of 14,007 women were employed by the Bilfinger Group. This represents 20.3 percent (previous year: 19.2 percent) of our global workforce and 30.5 percent (previous year: 29.3 percent) of employees in Germany. While the percentage of women in the Industrial and Power business segments is relatively low, female employees account for at least 40 percent of the workforce in the Building and Facility business segment as well as at headquarters and in the other units. The share of female employees in management positions (management levels 1 to 3) stood at 8.6 percent worldwide at the end of the year. At present, there is no female member on the Executive Board; there is one woman in the Supervisory Board.

In 2011, we launched the project “Women at Bilfinger” to increase the percentage of women in the total workforce and to raise the percentage of women in management positions to
Mentoring for women  Bilfinger cooperates with companies in the Rhine-Neckar metropolitan region and the Rhine-Main area to even the playing field for women seeking management positions. The so-called “X-Company” mentoring program pairs ambitious female employees at Bilfinger with a mentor from another company for one year. The managers communicate with their mentees and support them in their career development. In return, they gain insight into the expectations of young female managers. “We want to encourage a cultural change,” comments Dr. Jochen Keysberg, member of the Executive Board at Bilfinger.

between 15 percent and 20 percent by 2020. Key focal areas are the compatibility of career and family, more flexible working conditions as well as special personnel development measures. Our goal for the year 2020 in the area of the promotion of women will be reviewed and targets for the year 2017 will be announced in the coming year. We thus comply with the law passed in Germany in March 2015 on the full and equal participation of men and women in management positions in the private and public sectors.

PERCENTAGE OF WOMEN 2014

PERCENTAGE OF WOMEN IN GERMANY 2014
Development measures for female employees already working at Bilfinger include specific training opportunities and cross-mentoring programs that are in high demand and have been expanded further in 2014. We are active as an exhibitor at career fairs aimed specifically at women with professional experience. Through an internal network of women in the company that was founded in 2012, female employees can stay up to date on career topics and exchange experiences with other participants.

**Outstanding integration management**  Four years ago Norbert Niehus at Bilfinger Scheven became ill and could no longer work as a pipeline technician. “I was not left on my own though”, comments Niehus. He was given the opportunity to pursue a different career path in the company and now works as a training supervisor at Bilfinger.

Bilfinger Scheven has been committed for many years to helping people with severe disabilities and those who are no longer able to perform their jobs due to illness or injury. In 2014, the company was recognized for its outstanding integration management program by the Rhineland regional authority. From approximately 220 employees, over 7 percent have a severe disability.
Employee rights and employee participation in commercial decisions are high priorities for Bilfinger.

Employee representation

Respecting employee rights and giving staff the opportunity to have a say are a matter of course at Bilfinger. All corporate units pay attention to safeguarding employees’ co-determination rights. By joining the UN Global Compact in 2008, the Group has undertaken to ensure employee freedom of association and fair treatment of its employees throughout its global operations.

Respect and open communication form the foundation of trust-based collaboration. To this end, Bilfinger promotes intensive, regular dialog between corporate management and employee representatives.

The works councils are consulted on human resources decisions; collective agreements signed with them apply to all employees. While their specific tasks vary from country to country, their key functions always include supervision to ensure compliance with legislation, regulations, collective bargaining agreements, works agreements and safety guidelines.

The local works councils form the basis of employee representation. They represent employees’ rights in dealings with the management teams of Bilfinger subsidiaries. Topics that affect all Group units in Germany are discussed in the Group works council; topics that are relevant to several EU countries are handled by the Bilfinger SE works council.

The responsibilities of the SE works council also include the nomination of employee representatives for the Supervisory Board which, in accordance with the German Co-Determination Act, has equal representation at Bilfinger. Accordingly, six of the twelve members of the Supervisory Board are employee representatives.

Further information on employee representation at Bilfinger can be found in the Annual Report.
Commitment and performance should be rewarded. Our remuneration system motivates and creates incentives.

Remuneration management and additional benefits

Fair, market-based compensation fosters the outstanding commitment of our employees and, in turn, our company’s success. It is crucially important to us that our remuneration system meets the statutory requirements as well as market standards. Moreover, we align it to common country- and industry-specific benchmarks. We pay special attention to ensuring that such factors as gender or age are not used as the basis for unfair remuneration.

The basic salary is based on job-specific requirements, an employee’s individual performance as well as local market conditions and competition for talent in the local market. Managers and employees in key positions usually receive variable remuneration in addition to their fixed salary as a means of honoring their above-average commitment. The variable component should take account of specific local circumstances and job-specific requirements, but must be geared to business development as well as key performance indicators and the employee’s contribution to achieving agreed targets.

Detailed information on the remuneration system for members of the Executive Board and the Supervisory Board can be found in the Annual Report.
Company pension plan

The company pension plan at Bilfinger is subject to different arrangements in the segments. In many cases, it consists of two components in Germany: in the case of an employer-funded pension plan, the employer pays a fixed annual amount into each employee’s pension account or an insurance product in addition to the employee’s salary. The amount depends either on the employee’s wage or salary group or is stipulated in an individual contract. An employee-funded pension plan supplements the statutory and company pension plans by means of deferred compensation. In this context, employees select a portion of their salary to be added to their pension account or an insurance product.

Employee shares

In order to foster employee loyalty and increase their identification with corporate goals, Bilfinger launched an employee share program in Germany in 2012. In 2013, this program was awarded with the Global Equity Organization (GEO) prize for its particularly creative approach. In 2014, over 3,000 employees took part in the program. At December 31, 2014, 17.7 percent of the more than 27,000 employees who are entitled to participate in the program held employee shares. About 80 percent of the participants had their voting rights transferred to the association of employee shareholders. The association represents the combined votes of its members at the company’s Annual General Meeting. The program will be continued in 2015.

Hardship funds

In 2010, Bilfinger set up a hardship fund to offer quick and non-bureaucratic support to employees who find themselves in an emergency. A committee made up of members of the Group Works Council decides on the fund’s allocation. In 2014, employees launched a stem cell matching campaign from the DKMS (German Bone Marrow Donor Center), which was supported by this fund, to find a stem cell donor for an employee suffering from leukemia. It was thus possible to find a donor.
We secure the future of our company by nurturing talent and developing potential.

Training

Vocational training

We believe that well-qualified young talent ensures the company’s long-term success. Our vocational training system aims to help newcomers successfully take their all-important first step on the career ladder and helps us embrace our corporate social responsibility. In financial year 2014, we employed 1,568 apprentices worldwide, of which 899 were in Germany. Outside Germany, we offer career starters vocational training that often goes far beyond national standards. Every apprentice receives regular performance appraisals and career development reviews.

Why maths is important

Tommy Kåsene prefers working with his hands rather than sitting at a school desk. The 19-year old is an apprentice at Bilfinger Industrial Services Norway. He started his apprenticeship as part of a special training program organized for young people who find school difficult.

This means that Tommy Kåsene spends four years at Bilfinger without having to go to a vocational college. “I now know why you need maths,” he says.
The professions in which we provide training reflect Bilfinger’s wide-ranging service portfolio – covering everything from plant mechanics, electronic engineers, industrial business administrators to industrial insulators, mechatronics engineers and industrial mechanics, construction mechanics and office administrators as well as diverse BA study courses.

Employee training and development

Skills that were acquired at the start of a professional career are nowadays not usually sufficient to last an entire working life, as working environment requirements are becoming increasingly more complex. To secure the success of our company, it is essential that our employees are committed to life-long learning. Bilfinger promotes this commitment by offering a wide range of employee training and development programs that are bundled together in the Bilfinger Academy. Important seminars, workshops, e-learning and development programs for the entire Group are combined under this virtual umbrella and are intensively used by employees. In 2014, more than 10,000 employees took part in our e-learning courses alone.

Trainees working on the sculpture trail

The Cultural Association of Aarbergen near Wiesbaden, Germany, has designed and built a sculptural trail with modern art. It relies on sponsors and the active support of others. The fifth station along the trail is inspired by the former silver mining in the region. Local artists designed the sculpture of a miner. Karl-Heinz Gilbert, Head of the Training Workshop of Bilfinger Water Technologies in Aarbergen and his apprentices were then brought in to help: the trainees transformed the sketches into reality using Auto CAD software, plasma cutters and welding equipment. The result is an almost life-sized sculpture of a miner which is being exhibited in the district of Daisbach.
In 2014, we further internationalized the Bilfinger Academy program. A systematic approach was applied to the qualification of skilled workers and industrial employees, and the management development program was also restructured. The new ‘Leadership Performance Program’ brings together young managers from across the Group. The objective is to enhance their performance and leadership skills and to establish strong international networks.

Alongside in-house development courses, employees also take part in external and legally required training courses.

**Bilfinger knowledge network and know-how transfer**

The “Bilfinger Knowledge Network” is a unique search system with around 10 billion links that is accessible to all business units. The database combines expertise and project databases, standards and regulations, patent and intellectual property overviews, technical dictionaries and general information from the Group. In particular, the knowledge network promotes the

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**Doctoral funding** Pietro Scarpino, 39, Project Engineer at Bilfinger in Essen and Hannes Schwarzwälder, 28, Head of Development “Building Information Modeling” (BIM) at Bilfinger Building will both go back to university: they intend to study for their doctorate while continuing to work for Bilfinger.

Both employees focus on the digitalization and standardization of construction processes for buildings, a topic which is becoming increasingly important for planning and implementation, also for Bilfinger. The company releases both engineers from their work duties one day a week while they continue to be paid to complete their doctorates.

[www.hochbau.bilfinger.com](http://www.hochbau.bilfinger.com)
Training in South Africa  Jaco van Deventer has been recognized as "Young Welder of the Year" in South Africa and will now represent his country in the international competition to find the world’s best young welder. His Training Manager at Bilfinger Power Africa, Jeffrey Tshabalala, is particularly proud of Jaco’s achievement. He recognized and nurtured the 22-year old’s talent from an early age.

There is a significant lack of specialists in South Africa which is why Bilfinger trains many of its 2,000 employees itself. The company has three training academies in Pretoria, Bethal and Vaal. In 2014, 40 apprentices completed the two-year program and, in addition, 76 young people took part in an abbreviated, six-month welder training.

Another key tool for sharing knowledge and experience that goes beyond individual business segments and encourages company-wide research activities is the annual two-day Technology Conference TECCO at which participants present and discuss outstanding technical projects, innovations and Group activities.
Work, family and health: personal satisfaction and enjoyment serve as key performance drivers

Work-life balance

Reconciling the demands of work and private life tops the wish list of most people. Many years ago, Bilfinger began its search for solutions that help employees balance their professional and private needs, and set about improving the compatibility of work and family as a primary Group objective. Solutions include, in particular, flexible working time models as well as programs for the looking after of children and relatives who require special care as well as health promotion programs.

Career and family

Bilfinger offers various working time models and home office options that go well beyond those required by law. Maternity leave and parental leave at Bilfinger are in line with statutory provisions. In addition, a number of individual arrangements are made as well.

In 2014, 12.4 percent of our employees worldwide worked part-time. The details of part-time work are agreed on an individual basis between the employee and their line manager.

Summer camp for children of employees For over 50 years, Bilfinger has organized a summer holiday camp. Every August, the company invites children of employees in Germany to spend part of their summer holidays in the town of Schönau in the Odenwald. All employees’ children aged between seven and twelve are eligible to participate. Experienced supervisors organize a diverse program of games, fun and sporting activities. An excursion to the Bilfinger headquarters in Mannheim is a fixed item on the agenda as is a boat trip on the River Neckar and a visit to the Heidelberg Castle. Bilfinger assumes the costs for the summer camp. Travel to and from the camp is organized centrally.
The aim is to best align the employee’s individual needs with duties at work. Employees who work part-time enjoy proportionate entitlements to the employee benefits.

At the corporate headquarters in Mannheim as well as in certain subsidiaries, the works council and the Executive Board have agreed on a trust-based flexitime model. Employees do not have to clock-in as such, but record their working hours themselves. Employees and their line managers agree upon overtime compensation.

To allow a greater compatibility of career and private life, we have been offering care services for children in Germany since 2012. We work closely with the external family service pme. Bilfinger assumes the cost of the consulting sessions and the arrangement of care provision, plus a maximum six days’ emergency child care a year. This service was used over 100 times in 2014.

Health promotion

We go to great lengths to maintain and promote our employees’ health as stipulated in the HSEQ Group principles. Bilfinger works hard to prevent company-related illnesses. This includes regularly inspecting workplaces and working conditions as well as a wide range of sport and fitness programs.

Our health management system covers in-house sporting activities, medical checkups and occupational health examinations, stress management and healthy lifestyle seminars, the

Woman power  Julia Wagner was responsible for Human Resources at Bilfinger Ahr Healthcare and Services until she was promoted in 2014 to the Head of Human Resources at the Facility Services division. She now manages the human resources work for approximately 17,000 employees. “I have had to learn how to work extremely efficiently in order to balance two daughters with my career”, says the 46-year old, “and my team is always there to support me.”

The best moment of her career so far was when Bilfinger Ahr Healthcare and Services was ranked as one of the hundred best employers in Germany. This was the finding of an anonymous survey amongst employees conducted by the Great Place to Work Institute. “Employee satisfaction depends on respect, value and trust”, says Wagner.
integration of the topic of health into management seminars and mandatory standards for canteens and kiosks. Health Days at various sites offer employees the opportunity to find out more about healthy lifestyles in various programs.

As part of the “Fit & Healthy” fitness program, more than 1,000 employees and their families have signed up and have been using one of the 700 health and fitness studios in Germany and Austria with which Bilfinger has signed a cooperation agreement. Health checks for managers have also been in high demand. These checkups under the motto “sustained efficiency” combine long-term ECGs with in-depth workshops on “stress and resource management” as well as individual coaching.

We work closely with the trade associations and public health insurance organizations that complement our measures with a comprehensive range of training, presentations, workplace programs and examinations. Many locations organize sports groups that are supported by the company through the provision of trainers and premises. Bilfinger also supports employee participation in competitions such as the BASF Company Cup.

BASF Company Cup  Each year in July, runners and inline skaters take over the Hockenheimring, a Formula 1 racetrack, at the BASF Company Cup. In 2014, over 16,500 athletes took on the challenge with their colleagues. With more than 300 participants, Bilfinger once again had one of the largest teams. Especially ambitious employees from the Mannheim area improved their fitness once a week from the beginning of April in the Bilfinger running group. They counted on a ninety-minute interval training that was ideally suited to both beginners and advanced runners.
We protect and maintain our employees’ health and are committed to workplace safety.

Occupational safety

Our HSEQ corporate department is responsible for health, safety, environment and quality. The vital importance of occupational safety is defined in our HSEQ Group principles: “We are convinced that it is possible to completely avoid accidents. Consistent compliance with safety requirements by all employees, the responsibility of each individual for themselves and the community, and acting as a role model for others are an integral part of our safety awareness and our safety culture.”

A management software tool is used in Group-wide HSEQ reporting to help record and process HSEQ events at Bilfinger based on uniform standards. This software is supplemented by a system for recording near-miss accidents. In 2014, further safety inspections and inspection management components were added to the HSEQ tool. For example, managers can use a special application to determine the risk of accidents on site.

The accident ratio LTIF (Lost Time Injury Frequency: the frequency of occupational accidents which result in more than one day of lost time based on 1 million working hours) has been calculated Group wide since 2009. Since 2012, our increased efforts – in particular the Safety Works! program – have made a significant contribution to the occupational safety culture. In 2014, the number of accidents was reduced by a further 19 percent. A significant reduction of 24 percent was already witnessed in the previous year. Despite these improvements, accidents occurred in 2014 that resulted in injury or even death. Bilfinger will continue pressing forward with its campaign for even more safety at the workplace. We continue to concertedly pursue our aim of “Zero Harm.”
The SafetyWorks! campaign

Accidents can only be prevented if we succeed in consistently raising employee and manager awareness of the importance of occupational safety. For this reason, Corporate HSEQ implemented a behavior-oriented safety program (SafetyWorks!), which has been gradually introduced. During the development of the safety program, Bilfinger worked closely with EU-OSHA (European Agency for Safety and Health at Work), where Bilfinger has been a campaign partner since 2012.

The program builds on the existing standard of work safety in the individual units and aims to raise awareness of safe behavior. If everyone lives up to this objective, we will create a work culture focused on safety and health protection as top priorities. Several seminars were held in 2014 on the topic of HSEQ in the operating companies, including on the topic of “safety inspection by managers”.

Zero accidents for seven and a half years Tebodin, a Bilfinger Group company, has been working for the Dutch oil company NAM for over ten years as part of a joint venture. Services include engineering, procurement, implementation and operation services for all onshore projects of NAM in the Netherlands.

In April 2014 the project team was recognized for its exemplary occupational safety performance – for seven years without an accident which resulted in lost work time. In technical terms, this is referred to as a zero LTI (lost time injury) result.
Occupational safety on stage  Sonet Jordaan heads up the Training division at Bilfinger Power Africa. As part of a Human Capital Management initiative, Sonet and her team developed “Industrial Theater”, a very different kind of training program. Each year, a team of dedicated young industrial theater professionals are sent on a tour through the production plants with a different enactment in order to increase awareness of aspects related to corporate culture, safety and compliance.

In 2014, the subject was “SafetyWorks!”, Bilfinger’s occupational safety program. No lectures were made from the stage to get the point across – the play was created as a quiz-show: an informational piece of entertainment for the employees in the audience, whose own knowledge on occupational safety became a part of the production.

Safety management system

The HSEQ corporate department creates the right conditions for the Group-wide implementation of effective HSEQ management with a central governance function that includes guidance, auditing and reporting elements as well as a number of other measures. In addition, the corporate department offers various services that can be drawn upon via request as needed. Examples of these include expertise and support for projects on specific topics.

The occupational safety measures devised by Corporate HSEQ are reflected in Group-wide guidelines which in some cases go far beyond the respective national legislation and regulations. To ensure local working conditions are taken into consideration, local unit managers are responsible for adherence to occupational safety standards. A Group occupational health and safety officer and a network of occupational safety managers support the operating units in complying with and fine-tuning the programs and measures. In many locations, supplementary regulations and systems are in place which are based on the HSEQ principles and guidelines of the Group.
Workplace safety is the subject of the HSEQ quarterly report that is submitted to the Executive Board. The report includes all Group companies and thus covers all Bilfinger operations worldwide. The Executive Board is immediately informed of any severe accidents.

Occupational safety committees have been established in all independent organization units in the relevant countries in accordance with the legal provisions. These safety committees meet regularly and are tasked with addressing topical occupational health and safety issues, making decisions and providing impetus for further development. In addition, topics relating to occupational health, safety and environment are discussed at least once a year at the highest decision-making level in management reviews and are considered in regular meetings.

**Certifications**

The effectiveness of our systems for occupational safety is verified by certifications in accordance with the standards OHSAS 18001 and SCC, whereby approximately 60 percent of our units have at least one of these certificates. We conduct audits on all levels through internal and external agencies in order to continually analyze and improve our occupational safety measures.

“**Order of Distinction**” Three Group companies have been recognized by “Royal Society for the Prevention of Accidents” the (RoSPA) in the UK. The coveted “Order of Distinction” was awarded to Bilfinger Industrial Services UK and Bilfinger Industrial Automation Service.

Only companies that have complied with the RoSPA criteria for 15 years in succession and can testify to an “excellent management system for health and occupational safety” are allowed to hold this award. Bilfinger Europa Facility Management has fulfilled the criteria for the last six years and was therefore awarded a “Gold Medal”.

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Bilfinger Sustainability Report 2014  58
Awards

The Bilfinger Safety Awards were presented for the third time in March 2015. They are given to Group companies for exemplary performance in reaching a particular level of safety (“best performer”) and for extraordinary commitment (“best improver”) in the previous year. A team award for an outstanding safety initiative is also presented. The awards are hosted by the Executive Board as part of Bilfinger’s largest management conference. Some business units also host their own awards.

Many of Bilfinger’s operating companies received awards for successful performance in the area of occupational safety from their public- and private-sector clients.

Bilfinger Safety Awards

In 2014, six subsidiaries received the Bilfinger Safety Award for their excellent achievements in occupational safety. The winners of the in-house competition are Bilfinger Industrier Norway, Bilfinger HSG Russia, Bilfinger Deutsche Babcock in the United Arab Emirates, Bilfinger Industrial Services in Switzerland, Centennial Contractors Enterprises in the USA and Bilfinger HSG Facility Management in the UK. These companies recorded a zero LTIF rate. The LTIF rate describes the frequency of occupational accidents which result in more than one day of lost time based on 1 million working hours.
5 Society
Meeting obligations

Approach and focus
Empowerment
Good neighbors
Low carbon economy
The social activities of Bilfinger are based on our identity as a sustainable company.

**Approach and focus**

Economy and society are interdependent. As a company, we profit from good social conditions: a strong education system, stable political processes, a healthy environment and social balance. At the same time we are aware that we have an influence on and can positively change society through our products and technologies, our human resources policy, our environment management and many other factors. Our social commitment is built upon these experiences.

Bilfinger uses its influence as an employer, its presence at many locations worldwide and its technical knowledge to make its own individual contribution to social development. By focusing on these aspects, we comply with the established sustainability reporting indices. These require that companies demonstrate their general benefit to society beyond sponsoring activities and that they develop their social commitment using their core competences as a foundation.

We thus see our donation and sponsoring activities not as the sole expression of our social commitment, but as supplementary measures.

**Donations and sponsoring**

Donation and sponsoring activities are part of Bilfinger’s social commitment. In terms of social responsibility, Bilfinger supports a range of institutions throughout the world with donations, payments in kind and the personal commitment of its employees. Sponsoring activities also serve to enhance the image of the company.
The Executive Board decides on the donation strategy. Milestone projects are managed and supported by Corporate Communications. The local business units decide which regional projects should be funded. Donations and sponsoring are subject to the compliance guidelines of Bilfinger. Donations to politicians, political parties and political organizations must first be approved by the Executive Board.

Technology and knowledge transfer  The Education & Training department at Bilfinger VAM Anlagentechnik in Wels, Austria, specializes in education projects in emerging and developing countries. The focus is on dual-training programs in automotive, electrical and welding technology as well as mechanics and mechatronics. For this purpose, the company equips training centers in countries such as Vietnam, China, Sri Lanka, Bosnia-Herzegovina and Ghana with the necessary technology, and develops curricula and educates trainers.

Bilfinger plans the projects on behalf of local government institutions or in cooperation with international companies that require well-qualified local employees. The training facilities are mainly financed by development aid loans from the Oesterreichische Kontrollbank. Over the last few years, Bilfinger VAM Anlagentechnik has provided training to more than 60,000 trainers.
We foster equal opportunity and promote education and development

Empowerment

We want to help people unleash their potential and recognize their opportunities. We therefore have a different focus in the developed countries than in the emerging and developing countries. Our commitment is focused on specific local needs and opportunities to contribute to a sustainable improvement in living conditions.

In Germany, we make a particular contribution to the provision of technical and business knowledge. We work together with numerous universities. We offer internships to young people, get involved in teaching events and assist students with their scientific dissertations.

Special Olympics At the start of May 2014, over 4,800 athletes arrived in Düsseldorf to compete in 18 different sporting disciplines at the Special Olympics. Bilfinger not only provided financial support to the national summer games for people with mental disabilities: 80 trainees worked as voluntary helpers to ensure the smooth running of the competitive events. They assisted as table tennis umpires, track marshals for the cycling events and assistants for the awards ceremonies. www.specialolympics.de
Knowledge Factory  Knowledge is the driving force behind society: this is the motto behind the cooperation of Bilfinger with the “Knowledge Factory – Companies for Germany”. 120 companies and foundations belong to this association which attempts to motivate children and young people to become interested in technology, sciences and economics.

Bilfinger is involved in projects such as “KiTec – Children Discovering Technology” in approximately 30 primary schools in Mannheim and the surrounding region. The program is intended to attract children to technical topics using building and practical activities. Bilfinger provides the tools and material. “The school pupils discover new talents which they would otherwise not be able to explore,” comments Patricia Gläser-Bender, teacher at the Diesterweg School in Mannheim, Germany.

www.wissensfabrik.de

Bilfinger is one of the sponsors of the Deutschlandstipendium (Germany Scholarship) of the German Ministry of Education and Research, the Bronnbacher Scholarship of the Association of Arts and Culture of the German Economy, the German National Scholarship of the Roland Berger Foundation and the Knowledge Factory of Companies for Germany. We recognize outstanding dissertations in the field of engineering with the Bilfinger Prize.

We commit to equal opportunities at all our company locations and create apprenticeships and jobs for young unemployed people who struggle to find jobs and for employees with health disabilities. Last year in Germany, we made a significant contribution to disabled sport with our commitment to the Special Olympics.
As a company, we benefit from good social conditions. We strengthen local structures and networks wherever we are active.

Good neighbors

We regard ourselves as a development partner for regions in which we are economically active and we are committed to the environment in which we work. Our contribution ranges from regional development, cultural and educational funding as well as charitable projects that are often suggested by our employees.

Bilfinger has its corporate office in Mannheim. We have a special bond to the Rhine-Neckar metropolitan region and actively work on the development and strengthening of this area; this loyalty is reflected in our particular commitment to the region. In addition to our broad range of activities in support of schools, universities and culture, this also includes strengthening the region as a business location.

Foundation professorship in Mannheim  In association with partners from the metropolitan region, Bilfinger has funded the Foundation Professorship for Business Administration at the University of Mannheim’s College of Business Administration since 2009. In 2014, the Foundation Professorship for Procurement was created and 70 students were enrolled to this program for the winter semester 2014/2015. The faculty focuses on purchasing and procurement issues. These include risks and problems in the supply chain, the design of supplier relations, innovations in organization networks and sustainability in purchasing.

http://procurement.bwl.uni-mannheim.de/en/home/
In developing and emerging countries, we particularly contribute to imparting basic knowledge, technical know-how and training standards. For example, Bilfinger has set up its own training center in Diepsloot near Johannesburg, South Africa, where the company teaches basic skills in welding and certifies these skills in a theoretical and practical examination.

Training for residents of the townships  Diepsloot is a heavily-populated township near Johannesburg with about 500,000 residents, many of them without education or jobs. The Bilfinger Group company Steinmüller Africa built a training center here in 2011 where between 10 and 20 young people each year receive basic welding training. Jeffrey Tshabalala, welding instructor at Steinmüller, tests and qualifies the course leaders who also come from Diepsloot and are nominated by representatives of the townships. The teaching materials and curricula are also developed by Bilfinger.

With the knowledge gained through this instruction and with a certificate in their pockets, graduates of the program can set up small companies in Diepsloot and create jobs for others. The project is supported by other companies and the South African government.
We promote viable technical solutions that contribute to sustainable social development.

Low carbon economy

Numerous aspects of growth must be reconsidered. Climate protection, energy efficiency and resource conservation are topics that will shape the decades to come. The search will be for technologies and products that make economy and ecology more compatible than in the past. Bilfinger promotes new solutions in response to these demands.

We see our particular task in increasing energy, process and resource efficiency while at the same time reducing harmful emissions. We do this by incorporating the expertise from our core business. We pursue in-house projects (e.g. under the motto “Reduce, Reuse, Recycle”), support research projects and establish networks with partners from the fields of economy and politics.

Over the last years, Bilfinger has significantly invested in business units that make innovative contributions to reducing CO₂ emissions and cutting energy and resource consumption: founded in 2012, Bilfinger Venture Capital supports technologically oriented start-ups with the development of products in the areas of clean tech, energy efficiency and process optimization and helps to position products on the market. Acquired in the same year, the consulting and engineering company

Cradle to cradle Dopper is an initiative based in the Netherlands that is involved in the protection of waters and the reduction of plastic waste. One incentive is a lightweight, reusable drinking bottle. The bottle has not only been awarded with the RedDot Award for product design but also with a Cradle to Cradle certificate (C2C) to certify its sustainability. The Bilfinger subsidiary Tebodin has supported Dopper in the development of resource-preserving production processes and certified the bottle.

C2C is one of the most stringent environmental certificates for industrial processes and products. Products and processes are regularly re-evaluated. http://dopper.com/
Tebodin analyses and optimizes the production processes of major industrial customers under the aspect of eco-effectiveness: the flow of all materials is planned to avoid waste and inefficient energy consumption. Founded in 2013, Bilfinger Efficiency analyses the energy systems of buildings and industrial facilities and optimizes them from a sustainability perspective.

We incorporate the know-how from our core business into society by offering university courses on the topics of CO₂ reduction, energy efficiency and resource preservation. We also apply our technical knowledge, for example in the field of water and wastewater treatment, to directly improve living conditions.

Resource management in Namibia  In Namibia, 40 percent of the population has no access to clean water. In the north of the country, the “CuveWaters” initiative implements a pilot project in the village of Outapi which not only helps to save water and use it sustainably but also makes a long-term contribution to the transfer of knowledge. Bilfinger Water Technologies is involved in this project.

CuveWaters takes a transdisciplinary approach: knowledge and technology are combined with the everyday and practical know-how of the local people. The applied technologies include rain and floodwater harvesting, solar-operated decentralized desalination of groundwater, underground water storage and a wastewater and sanitation concept with subsequent water reuse. The purified wastewater is used for field irrigation and electricity is generated in a biogas plant from sewage sludge and agricultural waste.

The people of Outapi were integrated into the decision-making processes of the construction of the facilities and are also trained in its management and in agriculture. In this way, inhabitants are encouraged to take responsibility for their own community and unemployment and poverty are also reduced.

www.cuvewaters.net
Products and services

Creating value

Product responsibility, quality and innovation
Renewable energies
Environmental engineering
Energy and process efficiency
Sustainable real estate
Bilfinger links sustainability with profitability. We offer products and services that enable our customers to create lasting and reliable value.

Product responsibility, quality and innovation

With comprehensive technological expertise and the experience of its approximately 70,000 employees, Bilfinger offers customized services for industrial facilities, power plants and real estate. Our spectrum of sustainable products and services focuses in particular on the areas of renewable energies, environmental engineering, energy and process efficiency as well as sustainable real estate. We aim to set standards with our services.

Our offerings are based on the lifecycle concept, which means that we consider all phases in the lifecycle of objects and processes in order to increase their efficiency and conserve resources.
We also ask our suppliers to require their own subcontractors and suppliers to adhere to these principles. If there are reasonable grounds to believe that a subcontractor or supplier has violated this Code of Conduct for Subcontractors and Suppliers or if a subcontractor or supplier, when a suspicious case arises, fails to sufficiently meet its obligations to resolve the case and to cooperate, Bilfinger can end all business relations with the subcontractor or supplier with immediate effect.

In addition to a standardized supplier evaluation in line with our supplier management system, since the end of 2012, Bilfinger has also used the IT tool TPCheck (Third Party Check) to review the integrity of particularly important business partners and all sales intermediaries. By the end of 2014, about 4,800 third parties had been tested using TPCheck.

### Quality and customer satisfaction

Our customers’ concerns are at the heart of our business activities. We support them on topics of innovation and, together with them, develop solutions to meet their specific needs. We generally work at the customer’s site and therefore receive direct feedback on their satisfaction. Some of our companies also conduct customer satisfaction surveys.
Our customers receive premium services from us. We rely on a comprehensive quality management system for this purpose. It starts with the operating units, which are responsible for the quality of their products and services and monitor these accordingly. They are supported in this regard by the quality management of superordinate divisions and by the Corporate HSEQ department. Through system requirements and internal audits, they both work toward the continued development of quality standards. At the same time, the operating units carry out comprehensive training and education measures for quality assurance. These measures are supplemented with Group-wide offerings from the Bilfinger Academy.

Management systems based on DIN EN ISO 9001 certification are in place in most Bilfinger business units. Our processes and units are audited and certified by external companies; we work closely with the German Society for Quality (DGQ), the European Organization for Quality and technical inspection associations.

We make all information required by law available to customers in the course of our work. In particular, this includes information on the impact of our activities on the environment and health. Our products and services are – where necessary – certified by independent third parties.

We use advertising, among other things, to draw attention to our services. As a business-to-business company, we pursue a different strategy to consumer-driven enterprises. Our messages are generally content-related, fact-based and aimed at a professional audience. In addition to the relevant laws and regulations, our advertising activities also adhere to generally

Robot documents quality Every year Bilfinger Rosink produces around 250 heat exchangers, which are calculated using internally developed design programs and constructed using modern computer technology. Until now, the heat exchangers were welded exclusively by hand: hundreds of finned tubes and bends per unit. Now, Matthias Tebbel and his team from the research area have patented a system for automated welding which makes work and quality assurance significantly easier.

A robot checks the pipes and determines the exact positions of welding head and cold wire. With its four arms it copies the complex manual procedures. At the end, it documents the quality of every single seam.

www.rosink.bilfinger.com/en/
recognized ethical and cultural standards which are set out in our Code of Conduct.

Research, development and innovation

In the reporting year, Bilfinger pursued about 200 research and development projects with a total expense of approximately €15 million. The focus of these activities was on the search for environmentally-friendly technologies for energy, real estate and industry. In addition to internal developments, we also enter into cooperations with leading universities and research institutes.

Innovations on the basis of targeted research and development activities are the building blocks of growth and success in our Group. At the same time, we help our clients to achieve practical and economic solutions. In the reporting year, Bilfinger’s innovation management was aligned with the new structure of the operational business. Issues that are important for the future and which sustainably support our business and move it forward, should be identified in the divisions at an early stage and pursued. These range from technologies for the intelligent handling of energy, to networked maintenance concepts in the context of Industry 4.0 and also include complex virtual design models. At a Group level, those responsible for innovation in the divisions, together with the Corporate Technology & Development department at headquarters, form a network for the exchange of information and ideas on current and future projects.

Expertise from magnet technology

In 2014, Bilfinger developed a prototype for a superconducting flywheel generator, which goes into test operations in 2015. This kind of generator is particularly well-suited for guaranteeing an interruption-free supply of electricity, which is exactly what hospitals and data centers need.

The technology is based on the principle of the conservation of energy in the form of rotational energy in a flywheel. The device uses the law for the conservation of angular momentum and continues to turn and provide energy in this manner, even after a power outage. By utilizing superconductivity, the rotating centrifugal mass is stored contact-free and frictionless in a suspended state; the generator’s high efficiency and low power loss in standby operation, in addition to its rapid energy allocation, speak to the technology involved. www.bng.bilfinger.com/en/
RESEARCH AND DEVELOPMENT EXPENSES
2014 BY INNOVATION AREA

- **28% Environment**
  - 1% Reduction
  - 27% Separation
  - < 1% Disposal

- **4% Real estate**
  - 2% Design & construction
  - 2% Operation
  - < 1% Revitalization

- **9% Industry**
  - 6% Engineering & assembly
  - 3% Operation & maintenance
  - < 1% Optimization

- **59% Energy**
  - 40% Generation
  - 16% Transport
  - 3% Storage

Award from Procter & Gamble  The US company Bilfinger Industrial Services Inc., with its headquarters in Ballwin, Missouri, received an Excellence Award for 2014 from Procter & Gamble. The prize is awarded for continuing outstanding cooperation. 58 award recipients were selected from more than 75,000 suppliers. For more than 60 years, Bilfinger has been active on behalf of Procter & Gamble as a partner in engineering services and for construction and maintenance operations. www.is-usa.bilfinger.com

Detailed information on our research and development activities can be found in the Annual Report.
In recent years, the expansion of renewable energy resources has accelerated worldwide. They play an essential role, especially in Europe where renewable energy development was fostered early. Renewable energy will account for a total of 27 percent of the energy mix in the European Union by 2030. As a partner to the energy and process industries, Bilfinger is actively helping to shape the process of change. Bilfinger’s commitment comprises the full scope of renewable energy, from its generation, transport and distribution, through to its storage. We don’t just manufacture and install components that allow for renewable energy resources to be tapped, we also develop and maintain instrumentation and control technology to manage growing renewable energy capacities in such a way that fluctuations in the energy network are compensated for and energy surpluses are used in the most economical way possible.
Generation

For the production of renewable energy, Bilfinger offers comprehensive services that range from the engineering and manufacturing of components through to facility operation.

In the Power business segment, we have built five new biomass-fired power plants in Germany alone since 2005. These reduce CO₂ emissions by more than 500,000 tons annually compared to conventional coal-fired power plants.

Our subsidiary Bilfinger EMS is a specialist in processing biogas into biomethane. Together with BASF, WINGAS and Wintershall, we have developed a procedure to purify biogas and process it into biomethane, because in the future biogas will be fed to a greater extent into natural gas grids.

The company sunfire, in which we are involved both as investor and project partner, is also active in the development of technologies for the generation and utilization of renewable energy resources. In 2014, sunfire put a pilot facility for the production of synthetic fuels from regenerative electricity into operation. For the construction of the so-called power to liquids facility, Bilfinger EMS was active in an advising role, while Bilfinger GreyLogix supplied the instrumentation and control technology. At the same time, sunfire also produces high temperature fuel cells for the generation of power and heat from diverse liquid and gas-based energy sources. All of these technologies deliver a valuable contribution to climate-neutral production and the conversion of synthetic fuels into electricity.

Heat and power for Thuringia

Bilfinger Efficiency GmbH has operated one of the largest biogas plants in Thuringia since 2014. Each year in Menteroda, around 63 million kilowatt hours of biogas are prepared and fed into the natural gas grid as biomethane – enough to supply around 3,200 households. Additional biogas is sent to the combined heat and power plants, which are also a part of the facility. An additional 4 million kilowatt hours of renewable electricity flows through the facility and into the power grid.

www.efficiency.bilfinger.com/en/
Transport and distribution

In the course of the energy transformation, increasing numbers of consumers are becoming power suppliers themselves. They supply electricity to the grid using their solar energy systems, windmills, combined heat and power units and biogas plants. However, the use of green electricity produced decentrally in local low-voltage networks by many small sources at different times of day complicates the design of distribution networks.

Bilfinger has its own technologies available and is involved in innovations that support the transport and distribution of renewable energy. The development of the Smart Energy Gateway (SEG) by Bilfinger GreyLogix is funded by the EU, for example. SEG is to become a component in a systems solution which allows for the intelligent networking of decentralized energy production plants.

Energy regulation tool The Smart Energy Gateway (SEG) from Bilfinger GreyLogix will become a component in a systems solution that will allow for the cost-efficient operation and intelligent networking of decentralized energy production plants, for example in combined heat and power plants as well as wind or solar energy systems. The SEG is put to use in areas where the current flow in electrical supply grids has to be regulated due to fluctuations in output. Customers include energy providers, utilities, industry and trade as well as residential construction.

http://greylogix.com/en
Bilfinger Mauell develops systems to monitor and control facilities involved in energy generation and distribution. This includes the outfitting of control rooms and control centers, as well as the development of network control technology for smart grids. The goal is the integration of wind parks, photovoltaic or biomass plants into existing networks.

In addition to the development of control technology, Bilfinger is also active in the construction of overhead power lines. Bilfinger FRB’s services include the planning, construction, rehabilitation and maintenance of high and ultra-high voltage overhead power lines.

Hermes award for the iNES smart grid solution
Bilfinger Mauell, together with the power company Mainova, network specialists SAG GmbH and the Bergisch University in Wuppertal, have developed the controlling system iNes. This smart grid solution is capable of measuring the quantity of electricity generated locally and of providing data for the optimal utilization of the network. With this technology, more power can be routed through the network.

iNes is positioned at local network stations, which regulate the supply of electricity to buildings in the area. The advantage lies in the fact that additional installations in households and companies are not necessary. In April 2014, the smart grid project received the Hermes Award, Hanover Trade Fair’s international technology prize.

www.mauell.bilfinger.com ©
Storage

As renewable energy sources continue to establish themselves, the importance of technologies for the storage and retrieval of the electricity produced also increases. Bilfinger provides numerous solutions to this end.

We are one of the few European companies that can deliver pumped-storage power plants from a single source. Our service portfolio ranges from the development and implementation of control technologies and the construction of pressure pipes and cut-off devices to the maintenance of entire power plant pools. Pumped-storage power plants allow for the quick and effective compensation of fluctuations in the energy network.

Additionally, we also develop and test new process technologies in the area of power-to-gas, and supply components to convert renewable power into methane gas. The methane gas gained from this can be fed directly into the natural gas network and stored there.

Power to gas  Electricity is increasingly being produced from renewable energy resources. Generating electricity in this way is subject to natural fluctuations, which are hard to compensate for in the power network. Methods for the most efficient short-term storage of electricity are being sought.

To this end, Bilfinger is focused on synthetic methane gas, which is produced from renewable energy by means of electrolysis and methanation. This methane gas can be stored in the existing gas network and distributed.

To achieve an especially high level of efficiency, Bilfinger EMS works together with the startup company sunfire. The startup possesses a technology that allows for profitability in the conversion of methane gas and increases efficiency from a previous level of 50 to 70 percent: a milestone.

www.ems.bilfinger.com/en/
Bilfinger also has a high degree of expertise in the planning, design, construction and commissioning of energy storage units for district heating. In Bilfinger VAM Anlagentechnik, the Group has one of the leading European providers for apparatus assembly and the construction of industrial facilities and piping. In recent years, the company has planned, supplied, assembled and commissioned diverse district heating accumulators, particularly in Germany, Austria and Italy.

**Malgovert pumped storage hydroelectric power plant**

Thanks to the volume of water from the Tignes Valley in Savoie, utility company EDF can supply 340,000 people with electricity within minutes. The water flows through 15 kilometers of tunnels before suddenly crashing down a steep slope in two-and-a-half kilometer long pipes. Every second, 50,000 liters flow over the turbines at Malgovert power plant. Recently, the pressure pipes had to be replaced and Bilfinger VAM Anlagentechnik received the order.

The task demanded the most stringent requirements for construction and logistics. For the installation of pipes as tall as a person and weighing up to 30 tons, stands for mobile cranes had to be built into the slope. With flexible casings of Bilfinger’s own design, the experts in steel construction ensure that the pipes will work for decades to come, despite geological motion on the slope.

www.vam.bilfinger.com/en/
Intelligent solutions set Bilfinger apart. We are market leaders in many areas of environmental engineering.

Environmental engineering

With the term environmental engineering, we summarize our processes and services that make a special contribution to the protection of the environment or the restoration of a balanced ecosystem. These include technologies for the reduction of pollutants at conventional energy plants as well as our comprehensive activities in the area of water technology.

Pollutant reduction

State authorities have enacted increasingly strict regulations on emissions and pollutants in recent years, not just in Europe and the USA, but increasingly in emerging and developing countries too. Bilfinger reacted early to these developments and concentrated on modernizing conventional power plants or making them capable of running on biomass fuels.

Flue gas desulfurization for Turow power plant
At Bogatynia in Poland, Babcock Noell, a subsidiary of Bilfinger, is retrofitting three flue gas desulfurization systems for PGE, Poland’s largest energy company. The systems will be integrated into the Turow power plant’s blocks 4, 5 and 6, which are fired with lignite and biomass.

Flue gas desulfurization is a core competence at Babcock Noell. It renders harmless 97.5 percent of the sulfur dioxide created in the burning process at the power plant.

www.bng.bilfinger.com/en/
We are active particularly in the optimization of combustion processes to achieve a higher level of energy efficiency and to reduce resource consumption. At the same time, we reduce emissions. Our process engineering solutions can be used for the reduction of SO₂, SO₃, NOₓ, HCl, HF, dust and other air pollutants. All components can be delivered as part of a turnkey solution. In particular, we are currently involved in the overhaul of major power plants in South Africa, the Middle East and Eastern Europe.

Better air quality for Lodz  Due to their age, a significant share of Eastern European power plants need to be retrofitted with modern technology. Bilfinger has been active in this market for years. In 2014, the subsidiary Babcock Borsig Steinmüller received a major order from energy provider Veolia to modernize its local thermal power plant in Lodz, Poland. The city's heat supply is to be secured and, at the same time, the air quality will be improved.

In future, the installation of two new steam generators with low-emission firing systems and the reduction of nitric oxide emissions will make compliance with the stipulated EU emission limits possible. The order has a volume of approximately €60 million. Work will be completed by the end of 2015.

www.bbs.bilfinger.com/en/
Water technologies

Bilfinger is an important provider of components and services in the area of water and wastewater technologies for industries and municipalities. We are active in water and wastewater treatment, the separation of solids from liquids and gases as well as vacuum technology, which we bring together to form complete solutions. Our range of services includes the treatment of coolant water and sludge as well as increasing the efficiency of wastewater treatment plants.

Millions of little helpers In the main sewage treatment plant in Wiesbaden, countless microorganisms purify around 50,000 cubic meters of wastewater each day. In recent years, Bilfinger Water Technologies has planned and realized various processing steps for the treatment plant, from fine screening and biological treatment to secondary clarification.

For the engineer Achim Bihr and his team, the tasks ranged from the optimization of the chamber filter presses to project planning for the new grit washing plants and step screens. www.bilfinger.com/en/water-technologies/
In order to improve operations at wastewater treatment plants, we have developed software for the management of measurement and control systems which is capable of achieving significant improvements in energy efficiency while reducing chemical agents added for the elimination of phosphates in wastewater.

With our specialist competencies in vacuum sewer systems, we are able to contribute significantly to water conservation and the environmentally-friendly disposal of wastewater. The technology is utilized particularly for areas with a high groundwater level where the laying of sewers should be avoided. At the same time, due to the small amount of water they need, vacuum sewer systems are suited to regions where water is especially scarce. We launched a relevant project in Namibia together with the Technical University of Darmstadt.

Sewer system with almost no water  Hooper is a small city on a peninsula on Utah’s Great Salt Lake surrounded on three sides by flood plains, the groundwater level is high. This is why a decision was made to use the Airvac vacuum sewer system, which was developed by Bilfinger Water Technologies and transports wastewater with the help of negative pressure. A single vacuum pumping station replaces 15 conventional pumping stations in Hooper. The costs are about 25 percent less than for a traditional disposal system.

Increasing the energy efficiency of industrial plants, power stations and buildings is one of Bilfinger's core competencies. We support our customers globally.

Energy and process efficiency

Energy and process efficiency are deciding factors for increasing a plant’s long-term profitability and optimizing it to address environmental concerns. Our services range from analyzing, consulting and planning to modernization and maintenance. By utilizing intelligent technologies that help to control complex processes and significantly optimize a facility's capacity utilization, a plant's efficiency will increase significantly. Bilfinger is active in automation technology and in the area of instrumentation and control technology. We supply compact reporting and automation systems as well as control systems, control rooms and control stations for the entire energy industry and for many other industrial sectors such as the oil, gas, chemical and pharmaceutical industries.

Our products in this area are successful because we consider all processes in an integrated manner, with the aim of increasing the overall efficiency of objects supervised by Bilfinger and at the same time reducing operating costs.

Analysis, design and consulting

In order to increase the efficiency of industrial facilities and power plants, the weak points must first be found. This is a complex task, since it’s rare that detailed data on energy flows for relevant control systems is collected and maintained centrally. However, this kind of information is essential if efficiency potentials are to be leveraged.

For the analysis of the current condition of the facility, Bilfinger provides its customers with a wide range of instruments and methods. These include energy potential diagnoses, energy efficiency analyses, energy and facility monitoring, simulations, CO₂ analyses and energy purchasing analyses. On this basis, we create energy and engineering concepts which include design and execution planning for all important trades.
We founded Bilfinger Efficiency GmbH in 2013, against the backdrop of the energy transformation. The company bundles the Group’s widely diversified services in the area of energy and process efficiency and comprehensively analyzes the potential for savings, especially for our customers in Germany. These services are complemented by contracting offers that guarantee specific savings and reduce long-term energy costs.

There is also major potential in insulating industrial facilities. Bilfinger, together with the European Industrial Insulation Foundation (EiIF) and its member companies, has developed a standardized consulting program called Tipcheck. By simply outfitting a steam boiler with new insulation at Wacker Chemie in Burghausen, for example, energy savings of 540,000 kilowatt hours per were achieved.

→ Bilfinger has eight certified Tipcheck engineers who identify the heat loss of industrial plants and calculate economically practical insulation options. Since 2011, using the Tipcheck analysis, we have been able to identify a total potential energy savings of over 30,000 megawatt hours and 9,000 tons of CO₂ for customers from a range of industries in Germany, Austria, Switzerland and Spain.

Bilfinger provides consulting services not only on topics of energy, but also when it comes to process optimization. To do this, we analyze process technology facilities, industrial procedures as well as the raw and auxiliary materials used and present our customers with recommendations for improvement.

Rethinking industrial processes Mariska von Dalen, as a Senior Consultant for Sustainability at the Bilfinger company Tebodin, advises companies in the Netherlands that want to make production more sustainable. She developed a concept for the Heineken brewery that helps local breweries save water and energy through recycling processes. She has been at Tebodin for 14 years, during which she has done some truly pioneering work. Cradle-to-cradle, the creation of a closed loop system for waste-free production, is one of the topics she deals with. “Basically, we all know that industrial processes have to be rethought in the future”, says the 44-year old.

www.tebodin.bilfinger.com
Pioneering work in this regard has come from our subsidiary Tebodin. Since 2013, the company has worked as a general assessor for cradle-to-cradle (C2C) in cooperation with EPEA, an international scientific and environmental research institute. The goal of the C2C concept is a closed loop system, in which no waste is produced. To this end, the flow of materials is planned to avoid waste and inefficient energy consumption. Tebodin advises companies regarding its implementation and can certify products and processes accordingly.

In 2014, Tebodin had twelve accredited C2C auditors and seven C2C advisors. Since 2013, Tebodin has been involved in a total of 19 C2C projects and products in such places as China, Portugal, the Netherlands, Belgium, Poland, the Czech Republic, France and Germany. The industries range from the energy sector and beverage industry to the furniture industry.

Plant engineering and modernization

The construction and modernization of industrial facilities and power plants is an important part of Bilfinger’s core business.

From 2012 to 2014, we renewed and modernized power plant boilers in Poland, Macedonia and Germany. This has resulted in an annual reduction of more than 350,000 tons of CO₂.

Fine tuning in Belchatow

In Poland, the boilers in Belchatow are, at 120 meters high, part of the largest lignite-fired power plant in Europe. Bilfinger modernized nine blocks, making them more energy efficient and environmentally friendly. Sven Rüger’s task is to make adjustments on the two youngest giants.

To provide the perfect fire for the enormous boilers, a dozen processes have to be synchronized. “The temperature of the live steam for example,” says Rüger. “If the steam in the pipes in the upper part of the boiler doesn’t reach the required 560 degrees Celsius, we have to concentrate the release of heat further vertically,” explains the 47-year old. This is possible by making painstaking adjustments to the carbon dust, which is fed into the furnace at different heights and in various amounts. At the same time, Rüger has to find the optimal air intake. He and his team were busy for six months – always in consultation with the customer, the energy provider PGE, which expressed its satisfaction with the completed work.

www.bbs.bilfinger.com/en/
We support the energy industry in particular through the conversion of existing power plants. This includes the integration of technologically optimized components and boilers which increase output and reduce pollutants.

In the oil, gas and process industries, we support both large customers and medium-sized manufacturers. Our services range from component and piping construction to facility installation and the management of commissioning.

**Heat exchangers clean themselves** During the evaporation process for thermal desalinization, salt crystals may deposit on the surface of the heat exchangers and form hard layers. These hard layers decrease the efficiency of the facility and, because of the time needed for cleaning, lead to down-time. Chemicals are normally used to reduce the deposits. Now, Bilfinger Deutsche Babcock, in a pilot project with Bilfinger Venture Capital and Klaren International, has installed a self-cleaning heat exchanger in a seawater desalinization plant for the first time ever. At the beginning of 2014, the components at the power plant in Sabyia, Kuwait, were successfully tested. The technology is innovative and simple at the same time: a stable fluidized bed of circulating particles are brought into the heat exchanger and scrape the salt deposits from the inner walls. Additional chemicals are no longer needed in the process.

www.vc.bilfinger.com/en/
www.babcock.bilfinger.com
In the Arabian Gulf region, Bilfinger has been actively involved in the modernization of seawater desalination plants for decades. In 2014, as part of a pilot project in Kuwait, we installed self-cleaning heat exchangers for the first time in a desalination plant. This increases the facility’s efficiency and reduces the amount of effort needed to clean the pipes, where hard layers of salt crystals are deposited.

Optimization and maintenance

Bilfinger helps clients in the industrial and energy sectors to make the operation of facilities sustainable and profitable. We expand plant capacity, improve safety and availability and adapt components and processes to changing environmental requirements.

Our services include maintenance, inspection, repair and enhancements including the upstream and downstream trades. We consider the facilities and processes that we manage in a comprehensive manner, and optimize them with a view towards their entire lifecycle. For many of our customers, especially those in Europe and the USA, we manage major plant shutdowns, also known as turnarounds: plants are completely shut down, maintenance and repairs are performed and then they are started up again.

Hydroelectric power in Sweden  At the turn of 2014/15, Finnish energy provider Fortum brought Bilfinger Industrial Services on board for the operation of its hydroelectric power plants. In the future, the company will look after turbines, switchgears and generators in all 125 Fortum power plants in Sweden. 180 workers, who were previously employed by the provider, were transferred.

“In addition to efficiency and flexibility, we care about long-term cooperation with high quality standards”, explains Risto Andsten, Vice President for Renewable Energy at Fortum. Bilfinger impressed us with their professional concept and years of experience.”

www.is-sweden.bilfinger.com
For industrial customers, we developed the Bilfinger Maintenance Concept (BMC)® in 2014. With this comprehensive service offering, which comprises 16 modules, we become a systems supplier for our customers.

The core of the concept is facility maintenance with a view to value added. To this end, we bundle the knowledge we have gained from more than 400 maintenance analyses and optimization processes carried out at the customer and oriented toward international standards. More than 30 methods and tools can be individually adapted to the needs of the customer. The challenges we face differ from one order to the next.

Energy-efficient electric motors The largest energy consumers in industry are electric motors: they account for around two thirds of total electricity consumption. An analysis by Bilfinger Chemserv at an industrial park in Linz came to the conclusion that, of the 3,000 motors in use there, around 1,000 needed to be replaced. The potential energy savings were quantified at a yearly 6,200 MWh, or €370,000 per year. The investment will pay for itself within two years.

Bilfinger Chemserv is a leading provider of maintenance and engineering services in the process and manufacturing industries.

www.chemserv.bilfinger.com®
Bilfinger designs, builds and manages ecologically-sound buildings. The lifecycle concept is the key to sustainability.

Sustainable real estate

We build and manage office buildings, production facilities and public buildings on behalf of real estate users and investors. Our focus is on energy efficiency and long-term cost optimization. This is achieved through our comprehensive approach, which considers and integrates all phases of a building’s lifecycle.

Our lifecycle approach is represented by our own brand in the real estate sector, the lifecycle product Bilfinger One. In the planning stages, Bilfinger leverages the entire value chain available within the company in order to create a fully sustainable building. This includes energy efficiency and water conservation, as well as flexible building utilization options and user comfort. In the end, Bilfinger can calculate more than just design and construction costs for clients; it can also calculate energy consumption and operating expenses over a specified period. The approach is new in the real estate sector and is supported by a scientific research project at the Technical University of Darmstadt.

The operation of buildings contributes significantly to global CO₂ emissions. Important goals could be achieved here with the implementation of sustainability standards. That’s why

Bilfinger One “The more complex the situation, the more important it is to talk about content”, says Claudia Wießner. The engineer oversaw the construction of an administration building in Oberhausen using the Bilfinger One lifecycle concept. Design, construction and operation, combined with guaranteed cost security for the usage phase were brought together to form a comprehensive package. The goal was the construction of office spaces with flexible usage possibilities, a material selection process with a focus on sustainability and an efficient energy-management system. In June 2014, the building received the German Seal of Quality for Sustainable Construction in silver.

www.hochbau.bilfinger.com ©
Bilfinger is active on a variety of national and international committees for the ongoing development of sustainable buildings. We are a member of the Sustainable Construction Roundtable at the German Federal Ministry for the Environment, Nature Conservation, Construction and Nuclear Safety, as well as a member of the German Sustainable Building Council (DGNB), the German Green Building Association (GGBA) and the US Green Building Council (USGBC). Furthermore, we are on the Expert Panel at the German Private Institute for Sustainable Real Estate (DIFNI), and are collaborating with them to adapt the British BREEAM (British Research Establishment Environmental Assessment Method) system to the German market. We are also represented on the German Institute for Standardization’s Sustainability Committee.

Consulting, design and construction

Bilfinger accompanies its customers from the selection of environmentally friendly construction materials, the planning of a space-efficient construction process to the implementation of a building that guarantees energy-saving operation and optimal usage possibilities. We prepare operation and life-cycle cost estimates and analyze options to optimize the interaction between architecture, structural engineering, technical building equipment, facades and operation.

We employ the most modern technology; an example of which is 3D structural modeling. Here, with one of our advanced methods for building information modeling (BIM), we are in a position to describe almost all processes and interconnections for the comprehensive implementation of a construction proj-

Berlin’s greenest office building

On Alexanderufer not far from the main train station, Bilfinger is constructing HumboldtHafenEins. The seven-storey building ranks among the ten most sustainable office buildings in Germany. Specialists from a half dozen Group companies worked together closely with project developer OVG Bischoff to meet the demanding sustainability criteria.

The building achieves a particularly high level of energy efficiency by bringing together an integrated combined heat and power system and dual-gas condensing boiler, ventilation systems with 75 percent heat recovery, energy optimized cooling systems, a facade with the best insulation values as well as three-pane windows.

www.hochbau.bilfinger.com
ect. All specialist engineers and designers are involved in the project work simultaneously in the digital modeling program and input their planning status and specialist information. With this step, the availability of project data is increased to a maximum and the number of interfaces is drastically reduced. There are also considerable advantages to this system for the client: the effects from design changes can be analyzed quickly and thoroughly.

Certification

Thanks to our own accreditation for common certification systems such as the DGNB (German Sustainable Building Certificate), LEED (Leadership in Energy and Environmental Design) and BREEAM, Bilfinger is also able to provide its clients throughout the world with advice during the certifica-

Sustainability certification for a sports stadium

Stadium operations with high environmental standards is the goal of Stadion Frankfurt Management GmbH, in which Bilfinger has a 50 percent stake. The Commerzbank Arena, which is managed by the company, is the first football stadium in Europe to have been awarded BREEAM DE sustainability certification. The sustainability certification was carried out by Bilfinger Bauprecision. The first requirement was the adoption of a BREEAM rating system based on the unique features of stadiums. The label certifies the stadium with a performance rating of “very good”, taking into account both its operation as well as the quality of the building.

www.bauprecision.bilfinger.com ©
www.facilitymanagement.bilfinger.com/en/ ©
tion process and to support them in obtaining important certificates such as ecological accounting.

As of 2014, Bilfinger Building has twelve accredited auditors, of which five are approved for the certification system DGNB, four for BREEAM and three for LEED. In the period from 2007 to 2014, Bilfinger Building was involved in a total of 95 projects in new construction and redevelopment which were certified or registered in Germany. These included 33 BREEAM, 31 DGNB, and 13 LEED certificates as well as 18 registrations.

Additionally, we executed a project with a design certificate in accordance with the German evaluation system “Nachhaltiger Wohnungsbau” (NaWoh – Sustainable Residential Construction).

We intend to gradually expand the coverage of such projects by 2016.

SAP innovation center certified LEED gold  In May 2014, Bilfinger Bauperformance completed its second certification project for SAP AG, the SAP Innovation Center in Potsdam, which received the German Seal of Quality in gold for its LEED certification. In 2011, a successful audit of the SAP office building at the St. Ingbert location was completed. “Our experience in the area of energy efficiency, as well as in dealing with specific national requirements is particularly helpful for our customers”, says Kati Herzog, member of the Executive Management at Bilfinger Bauperformance. The company is active in Slovakia, Belgium, Switzerland and other European countries.

www.bauperformance.bilfinger.com
Management and operation

Bilfinger assumes responsibility for the commercial and technical maintenance as well as the operation of buildings for real estate owners and the public sector. As a German market leader in facility management, we advise and support customers on all issues relating to energy efficiency, energy savings and meeting sustainability requirements. Our services include the analysis of technical systems, the concepts and management of energy-efficient measures, energy measurement and control, the introduction of energy management systems in accordance with DIN EN ISO 50001 as well as ensuring sustainable building operation. Bilfinger provides integrated facility management including energy management and the assurance of sustainable building operations for customers such as IBM.

Furniture chain relies on LEDs  “Sustainability isn’t a buzzword, it’s a global economic target”, says Simon Hummel. “We have to live sustainably, otherwise there won’t be a future.” The 33-year old is head of the Energy Management department at Bilfinger HSG Facility Management in Switzerland and develops sustainable energy supply concepts for his clients. In 2014, he converted all of the parking garages from an international furniture retailer to LED lighting. At its nine Swiss locations, the company now has a total savings of 1,800,000 kWh or €300,000 per year. The amortization period is 28 months.

www.ch-fm.bilfinger.com/en/
In addition to administration buildings and production facilities, hospitals or schools, Bilfinger also handles the management of sensitive facilities such as data centers. The optimization of these facilities represents one of the modules that can make a significant contribution to a real-estate portfolio’s energy efficiency.

At the end of 2013, we took over the British real estate provider Europa Support Services with headquarters in Manchester, followed in 2014 by the real-estate specialist GVA, headquartered in London. Both companies are strongly focused on sustainability in building management.

L’Oréal reduces its energy consumption  Bilfinger Europa drastically reduced L’Oréal UK’s energy consumption at its distribution centers. Most of the energy needed was used to heat the high-bay storage areas and keep them at a temperature of 16° Celsius.

To reduce consumption, heating technologies and energy management systems were modernized and the personnel at the location was trained to use the new control systems. In 2014, savings of more than 490,000 kilowatt hours were realized, a 21.6 percent reduction year on year. The investment was thus amortized in less than 12 months.

www.uk-fm.bilfinger.com
## GRI-Index

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Fully  Partially  Not reported  AR = Annual Report 2014  n/a = not applicable
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Sustainability Report 2014

The Bilfinger Sustainability Report covers the period from January to December 2014.

The content and structure of the report follow the GRI guidelines (GRI G3). The information presented is primarily based on data that the Group regularly collects and analyzes. Unless stated otherwise, all information is up to date as of December 31, 2014.

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