

SUSTAINABILITY REPORT 2023

Environmental, Social and Governance (ESG)

Who we are



We plan and build for a future worth living.

As a leading engineering and design company, Gruner offers a comprehensive service portfolio for public- and private-sector clients. It advises and supports its clients in the Business Areas of Buildings, Infrastructure, and Energy – from strategic planning through commissioning and management to the dismantling and reutilisation of buildings and infrastructure. Expertise, knowledge, and experience gained in many years of involvement in complex construction projects set us apart. Gruner – all according to plan.

Dear readers,

According to a recent survey by the WEF, climate change remains the greatest risk for people in the medium term, followed by social issues such as misinformation, the consequences of AI, polarisation and migration. Companies like Gruner must therefore recognise their responsibility in sustainability issues and report on them.

Gruner employs 1,100 people at 30 locations. We need mobility, space, electricity, heating and ventilation for our work, use many computers and rely on the best employees. In a national and international context, we work a lot with state institutions and in complex structures. In doing so, we rely on correct and risk-aware processes. Our corporate culture supports these endeavours.

But our responsibility goes further. In an industry with a very large footprint and sometimes difficult working conditions, it is not enough just to reduce our own emissions. Depending on the project, we have a greater or lesser impact on the built environment as a whole. The respectful use of resources and the avoidance of emissions have therefore always played a central role in our projects. We are committed to environmentally friendly construction solutions, are strong in the renovation business, offer environmental services and promote a culture of innovation that fosters sustainable services. Our membership of associations such as swisscleantech and the Klimaplattform der Wirtschaft (Climate Platform for Business) emphasises our commitment.

Our employees are at the heart of Gruner. We rely on flexible working models to support the work-life balance, as well as opportunities for part-time work and working from home. We provide targeted prevention and counselling measures. Initiatives such as Future Women and Next Generation strengthen diversity in our company and contribute to a lively working environment. At Gruner, we also endeavour to establish a culture of lifelong learning and continuous improvement. Our employees also pass on their knowledge as lecturers at universities in order to build a bridge between theory and practice. With external training programmes such as the BIM methodology, we encourage specialists to work more efficiently and effectively. With innovative services such as ReUse, HYPOS and TETHYS, we are constantly expanding our offering and responding flexibly to new customer needs.

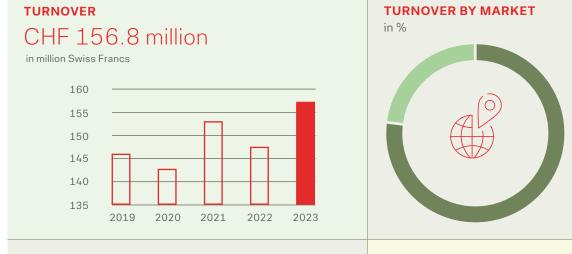
Our commitment to sustainability is firmly rooted in our corporate culture. We will continue to do everything we can to optimise our processes, develop innovative solutions and make a positive contribution to the environment and society. Together with our partners from business, politics, society, and the environment, we are working towards a future worth living.

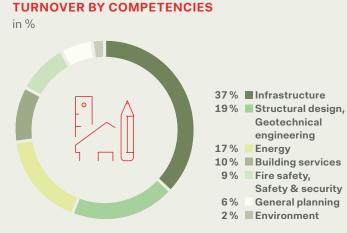
This report is not only a testimony to our successes to date, but also a clear commitment to our ongoing engagement in the areas of Environmental, Social and Governance. I hope you enjoy reading this report and thank you for your interest.

Yours sincerely,

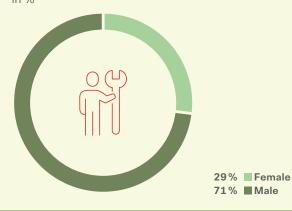


Olivier Aebi CEO Gruner

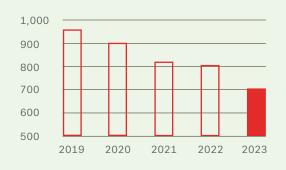




EMPLOYEES BY GENDER in %

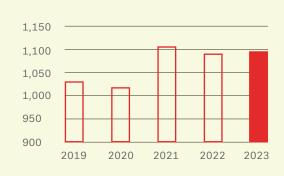


ELECTRICITY CONSUMPTION IN MWh -26% in 5 years

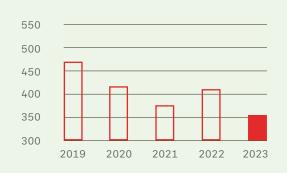


77 % Switzerland 23 % Rest of world

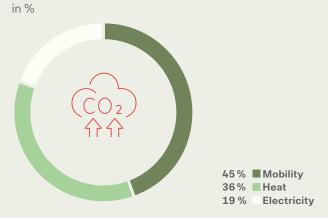
EMPLOYEES 1,083



EMISSIONS IN T CO₂ -24% in 5 years



CO2 EMISSIONS BY ENERGY TYPE



4

Gruner assumes responsibility

Gruner is a renowned engineering and planning company that was founded in 1862 in Basel, Switzerland, where it still has its headquarters today. As an independent company owned by the founding families and employees, Gruner, with its 1,100 employees and around 30 locations, shapes its environment in many ways. The workplaces directly require heat and electricity, the construction sites are reached by various means of transport, and the employees undergo continuous training, earn their living at Gruner and contribute to society by paying taxes.

Influence of Gruner services

However, Gruner's diverse involvement in construction projects worldwide has a much greater impact: on the (natural) environment as well as the social, technical and legal environment. The construction sector, which includes the construction, operation, renovation and dismantling of buildings and infrastructure facilities, is responsible for almost 40% of global CO₂ emissions and consumes numerous non-renewable resources. It therefore makes a significant contribution to climate change. In addition, millions of people worldwide are employed in the construction industry. As an active company in this sector, Gruner therefore has a major responsibility towards the environment, climate and society. Gruner's vision, "Building a future worth living in", emphasises its claim to take a holistic view not only of buildings as "work results", but also of construction processes, environments and uses. Gruner therefore focuses on sustainable materials, resource-conserving processes, efficient building technology as well as refurbishment, reuse and recycling in the construction industry.

Environmental services

For decades, Gruner has also offered targeted environmental services, including environmental construction supervision, environmental planning, radon consulting or "sustbl", a tool for efficient sustainability management. One of Gruner's particular strengths is its ability to implement conceptual approaches and technological developments in the construction process and building design, which sets the company apart from pure environmental and sustainability consultancies. In 2021, Gruner founded the Sustainability Competence Centre, which pools and strengthens existing expertise and applies it to specific projects. It brings together expertise in sustainable design and construction as well as the development of innovative and sustainable energy solutions. Inhouse new developments such as Early Stage Design, Gruner ReUse with its own component platform and sustbl focus specifically on sustainability in the construction industry.

Building and society

Gruner intensively analyses the impact of construction on the society, the economy and the environment. Among others, the company is known worldwide for the design, development and realisation of hydropower plants that are designed for the long term, are CO_2 -neutral in operation and are powered by renewable resources. However, such projects can significantly change the environment and can have an impact on the residents. Sustainability must therefore be an integral part of a project from the outset. Risks such as legal compliance and corruption are also carefully evaluated.

Customer requirements and sustainability

More and more customers are demanding sustainability criteria that have a positive impact on their ecological footprint. Gruner has the expertise to support customers in reducing greenhouse gas emissions and the consumption of grey energy. Sustainability is also enshrined in the Swiss Federal Constitution and forms the basis for ecological, economic and social behaviour in environmental, competition and labour law. In the area of compliance, Gruner is committed to Corporate Social Responsibility in order to fulfil the expectations of stakeholders and society – not only in Switzerland, but in all projects worldwide.

Networking and commitment

Gruner is part of many engineering communities and a member of over 140 associations and organisations. This networking enables employees to ensure dialogue within and outside the industry and to demonstrate their commitment to important issues for the company and society. Gruner employees also train young talent at various universities, award prizes for outstanding theses and are involved in research. Last but not least, Gruner supports various social projects. In this way, we want to play an active role in shaping the future of engineering.

New goals and measures

Gruner has just formed an internal working group to draw up new strategic guidelines on sustainability – economic, environmental, social and ethical – in 2024. Based on the many initiatives already in place, the main thrusts will be aligned with the current internal and external situation and implemented in the form of further measures. Specific targets and KPIs as well as the form of reporting will be further developed.

Further improvements

As a major player in the construction industry, Gruner has an unavoidable and significant impact on the built environment (see page 5). With over 1,100 employees at more than 30 locations as well as project offices in Europe, Asia and Africa and thousands of construction sites, some of which are remote, Gruner strives to minimise its own energy and space consumption as well as CO₂ emissions per employee and project. Ways to reduce emissions and conserve resources are continuously sought in all processes, at every site and when travelling.

Development 2023

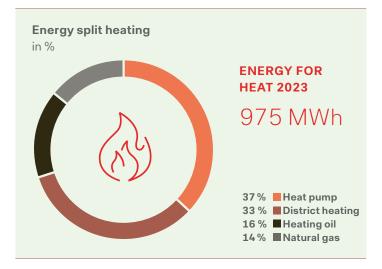
Once the coronavirus pandemic has subsided, 2023 can once again be considered a "normal year" in terms of the workplace, working from home and travelling. Gruner has not added any new locations, the number of employees has risen slightly, and office space has remained virtually unchanged. The potential for densification appears to have been exhausted, overcrowding can be observed at some locations and some expansions are being planned. The space requirement per employee was 18.6 m² compared to 19.4 m² in the previous year. Around 11 percent of workstations were unoccupied, compared to 17 percent in the previous year.

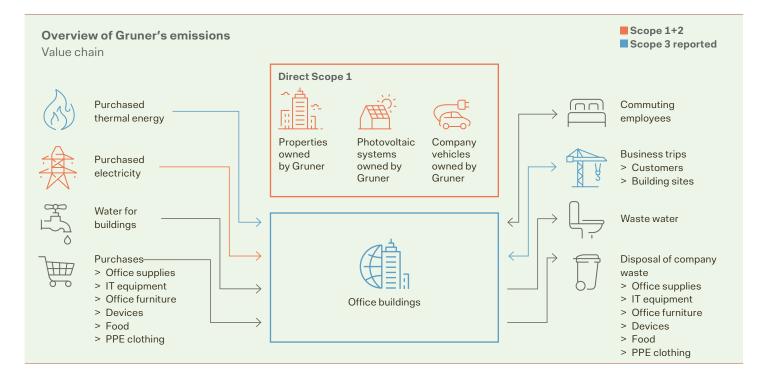
Heating

Annual heat consumption rose by 3.0 percent to 975 MWh/a in 2023, with demand being reduced at the St. Gallen, Zurich, Oberwil, Basel and Zug locations. Thanks to a more favourable energy

mix, CO_2 emissions from heat consumption remained roughly at the previous year's level.

As Gruner only owns few buildings, the options for reducing consumption are therefore limited. However, newly rented premises are selected according to resource-saving criteria, such as better insulation, no fossil-fuelled heating and more efficient use of space.





Heat consumption per workplace rose minimally by 0.5 percent. 70 percent of heat is now generated by non-fossil energy sources (heat pumps, district heating), compared to 63 percent in the previous year.

Electricity

Gruner consumed 706 MWh/a of electricity last year, a decrease of 12.3 percent compared to 2022. The Zug, Zurich and Basel locations made a particular contribution to this reduction. Consumption per workplace even fell by 14.4 percent. Gruner uses green electricity at all locations. As in the previous year, the photovoltaic systems in Köniz, Oberwil and now in St. Gallen cover 6.1 percent of Gruner's electricity consumption. The solar cells on the roof of the Gruner building in Basel do not contribute to Gruner's consumption.

Various measures to save electricity were implemented in 2023, including shorter settings for motion detectors in stairwells and storage rooms as well as signs to switch off lights and appliances. All workstations were also equipped with energy-saving mice to switch off standby devices with a single click when they are not in use. In Basel and St. Gallen, the free-standing luminaires were converted to LED.

Mobility

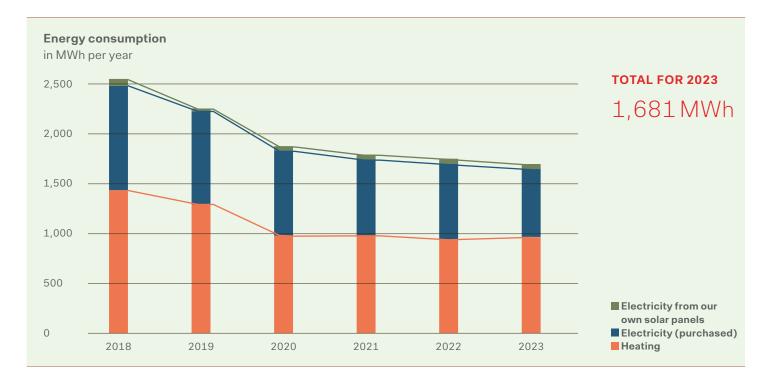
Gruner promotes the use of public transport and encourages employees to use it whenever possible. In Switzerland, for example, employees receive REKA vouchers for half-fare travelcards, including for private journeys. According to SBB's emissions report, Gruner avoided the emission of 78 tonnes of CO₂ in 2023. Thanks to a new contract with Mobility, Gruner employees do not pay an annual fee to use the largest car-sharing provider in Switzerland and can invoice both business and private journeys directly.

The company's own fleet comprises 98 vehicles, 10 of which are electric. For new purchases, energy efficiency class A models are prescribed for both the fleet vehicles and the personal cars.

Emissions are to be reduced through the further expansion of emobility. Gruner also owns bicycles and an increasing number of e-bikes for short and medium distances. In the reporting year, the Gruner fleet travelled 1.45 million kilometres, a decrease of 3.8 percent compared to 2022, demonstrating the efforts to shift transport to low-emission or public means.

CO₂ emissions

 CO_2 emissions fell by 14 percent to a total of 357 tonnes in 2023 despite an increase in sales and slight staff growth. Heat consumption caused just under 130 tonnes of CO_2 , which is on a par with the previous year despite higher consumption. Electricity



consumption caused 69 tonnes of CO_2 , 12 percent less than in the previous year. The decrease in kilometres driven led to a disproportionate reduction in CO_2 emissions by almost a quarter to 159 tonnes.

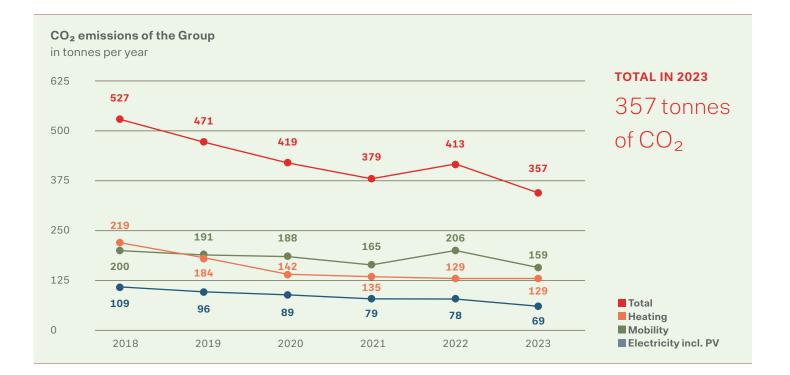
Over the last six years since the start of the survey, CO_2 emissions have fallen by 32 percent in total. Emissions from heat production have fallen by 41 percent since 2018, those from electricity generation by 37 percent, while emissions from mobility have decreased by 21 percent.

Further measures

Gruner has initiated numerous measures to permanently reduce its environmental impact. Waste is consistently separated in all office buildings. Packaging from suppliers is returned without exception and consumables are disposed of properly. Materials that are no longer used, such as furniture and computers, are donated as part of social initiatives or sold to be used again.

Outlook

The current reductions in electricity consumption and CO_2 emissions from mobility are a step in the right direction. In future, more active measures will be introduced to reduce Gruner's ecological footprint. This relates in particular to the further reduction of fossil fuelled heating and mobility with combustion engines. In addition, new working models and technologies will be used that can reduce the need for on-site presence (in offices, on construction sites).



Creating a productive and liveable environment

In addition to challenging and meaningful tasks, Gruner's aim is to provide its employees with a good and safe working environment. In this way, Gruner aims to **attract and retain the best talent** in order to offer the best possible customer and construction solutions.

The topic of employees is one of Gruner's four strategic thrusts. As a result, numerous measures are developed and implemented across the entire **Employee Life Cycle**: from recruitment and talent management to departure or retirement. In 2023, various initiatives were launched or continued on the way to becoming an "Employer of Choice", which we report on below.

Report 2023

The **Welcome Day** for new employees in Switzerland was revised and expanded to include a tour of Basel with visits to major Gruner projects. The annual **Apprentice Day** was also introduced as part of the Next Generation programme, which strengthens the network of young employees. In addition, a new application platform for apprentices was introduced on YOUSTY.

In Switzerland, **holiday entitlement** has been harmonised and slightly increased. All employees now receive at least 25 days' holiday per year, with additional days depending on company affiliation, function and age. This regulation complements the generous conditions already in place, such as parental leave, which exceed the statutory minimum.

Gruner fulfils its **duty of care** as a modern company and invests in the physical health of its employees. From 2024, training in occupational safety and health protection will be stepped up and offered on a new digital platform. In 2023, Gruner implemented the SUVA bicycle safety campaign at all Swiss locations. An internal awareness campaign on the importance of healthy sleep was also implemented in all offices. In addition, Gruner promotes individual sporting activities and equips all workstations according to ergonomic criteria.

The **mental health** of our employees is just as important. In 2023, the awareness-raising campaign on personal protection was continued. Topics such as resilience and stress relief were specifically addressed in various Business Units. Gruner also maintains a partnership with the counselling company MOVIS to support employees if necessary.

Gruner is committed to a **respectful working environment** that is free from discrimination and harassment. Clear processes are defined for suspected cases. Employees can only develop freely in an atmosphere characterised by respect and tolerance. Gruner is dependent on the expertise and confidence of its employees. Gruner's effective **training and development regulations** include three training days per year per employee as well as generous support services. Customised courses are offered internally, such as the project management course, which has been completely revised in 2023, as well as other training courses such as for assistants, managers and site managers.

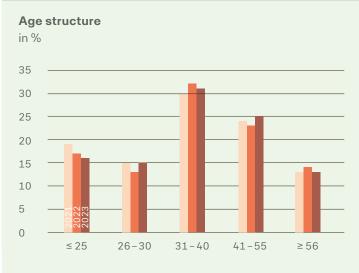
Gruner promotes **diversity** and supports initiatives to increase the proportion of women in the construction and technology sector. The newly launched internal Future Women initiative also aims to promote the network and careers of women within the company. With new offices in Milan and Paris, Gruner is also aiming to recruit international specialists and thus achieve further internationalisation.

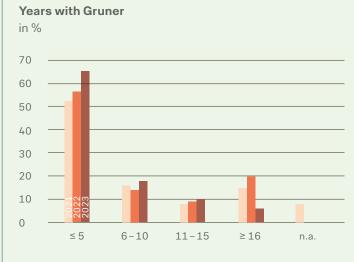
To publicise Gruner as an **attractive employer**, three short videos were made in the reporting year in which employees – project managers and executives – present their personal stories at the company. Participation in university fairs supported their efforts to bridge the gap between education and practice and publicised Gruner's services and the company.

A new initiative to **sharpen the employer brand** will be launched in 2024. The focus will be on the German market, which is currently growing strongly.

Key figures of 2023

The number of employees at Gruner rose slightly in 2023. Due to organisational adjustments in some company units, the number of management positions increased disproportionately. The proportion of female managers grew marginally but is still below the target value. The increasing internationalisation of the business is also reflected in the employee structure. After the pandemic, further training opportunities were increasingly utilised again.





Employee structure

31.12.2023	Unit	2021	2022	2023
Employees	Number	1,104	1,083	1,096
FTE (full-time equivalents)	Number	963	947	971
Female employees	%	29	27	29
Leadership positions	Number	103	115	129
Female leadership positions	%	10	13	15
Part-time (<80%)	%	16	17	16
Apprentices, trainees	Number	94	78	78
	%	10	8	7
Nationalities	Number	38	40	49
Hours of training for each employee	Number	16.5	19.2	27.1

Focus on integrity

Gruner's success is not only based on the services provided, but also significantly on the manner in which these services are implemented. In the construction industry, the long-term perspective plays a decisive role, and trust forms the basis for efficient and sustainable customer relationships and construction solutions. The professional and personal integrity of employees as well as clear guidelines and processes are therefore essential to ensure the long-term success of the company.

Code of Conduct

Gruner has a Code of Conduct that is binding for all Gruner employees and is based on the following three principles:

- > Professionalism, integrity and quality of services
- > Respect for the law
- > Sustainable development

The Code of Conduct also includes instructions on how to act in the event of suspected misconduct so that it can have an impact in day-to-day business.

Whistleblower platform

Gruner promotes an internal and transparent culture of discussion and feedback and encourages employees to address even difficult issues first and foremost within the team and with their manager or HR. In certain incidents, however, it can be helpful to be able to report possible grievances, misconduct or even unlawful behaviour anonymously. Gruner has had the "Integrity Line" whistleblower system since December 1, 2023. This is a confidential platform, on which violations of legal requirements, unfair business practices, unethical behaviour or other irregularities within the company can be reported anonymously.

Risk management

Risk-based thinking and action is one of Gruner's core principles. Since the new auditing requirements came into force on 1 January 2008, the company has brought together its processes, rules and controls for compliance with guidelines and the prevention of losses under the umbrella of an Internal Control System (ICS). The continuous development of Gruner's Risk Management System (RMS) pursues the following main objectives:

- Managers and employees are aware of the importance of the RMS for the company's success. The RMS is firmly anchored in the organisation.
- > Responsibilities are clearly defined at all levels.
- Instruments for identifying and minimising risks and for risk control are in place and are used.
- Self-controls, internal controls and external controls are defined.

Gruner's business has a strong local dimension. Risk management activities therefore take place at all levels of the organisation. Workshops were held in 2023 to evaluate the potential challenges for 2024. The Business Units assessed the potential impact of these threats and opportunities on their planning for the 2024 financial year. The risks will be integrated directly into the business plans and thus directly into the budget process from the current year onwards. At Gruner, risks are structured into business environment risks, strategic risks, operational risks, environmental risks, social and societal risks, governance risks and financial risks. Risks are continuously assessed based on defined criteria (impact, probability of occurrence) and ongoing control activities are carried out to monitor the impact of the defined measures (risk map).

Annual summarised reporting to the Gruner Board of Directors concludes the annual risk cycle. Risk and ICS-relevant processes are integrated into the Gruner management system and contribute to risk minimisation if implemented correctly. In addition to the annual process, project managers at Gruner are always instructed to identify business risks, assess the social and environmental consequences and ensure ethical, legally compliant behaviour during the tender process and in ongoing projects.

Data protection

With the increased marketing of products and services in the digital world, the regulation of the handling of personal data has been strengthened. This is the only way to ensure protection against the misuse of information about private individuals. Gruner attaches great importance to the responsible handling of internal and external personal data. This is the only way to establish a trusting working relationship, which is one of the prerequisites for Gruner's successful development. As part of the entry into force of the new Data Protection Act in Switzerland on 1 September 2023, the "Directive on the Handling of Personal Data at Gruner" was introduced. Each organisational unit now also has a designated person to deal with such matters.







Gruner in Switzerland www.gruner.ch

Aarau, Appenzell, Basel, Berneck, Brugg, Degersheim, Flawil, Fribourg, Köniz, Lucerne, Martigny, Oberwil BL, Renens VD, Roggwil TG, Stein AG, St. Gallen, Teufen, Wil SG, Zollikofen, Zug, Zurich

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IMPRINT

Editor Cover image

Gruner Services Ltd Design/typesetting Projektbüro Martin Tuch dropZone-Productions GmbH Refurbishment of cantonal road and stream bed, flood protection in Reigoldswil BL/Switzerland

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