

# Implenia AG

Industry: **Construction & Domicile: Switzerland**

Marketcap. **898 mm. USD**  
Ticker: **SWX:IMPN**

Employees **7,639**

## ESG Summary

### Overall Performance

<p><b>86</b> <b>Overall ESG Score</b></p> <p>Leader Outperformer Average Performer Underperformer Laggard</p>	<p><b>2 out of 61</b> <b>Relative Position</b></p> <p>Leader</p>	<p><b>98<sup>th</sup></b> <b>Percentile</b></p> <p>Leader</p>
<p><b>82</b> <b>Environment</b></p> <p>Leader</p>	<p><b>86</b> <b>Social</b></p> <p>Leader</p>	<p><b>88</b> <b>Governance</b></p> <p>Leader</p>

### Relative Performance

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### Historical Performance

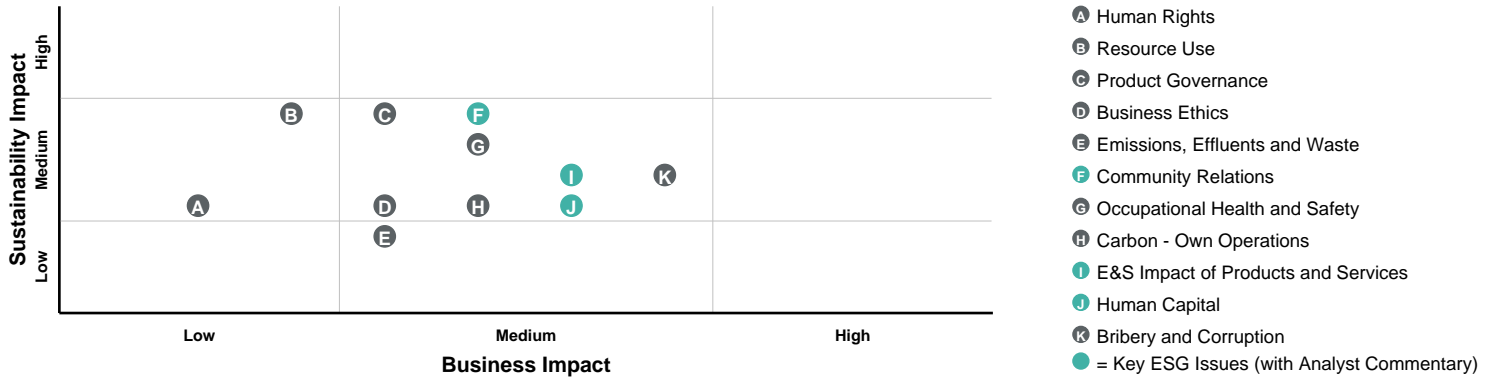


### Qualitative Performance - Controversies

<p><b>1</b> <b>Highest Controversy</b></p> <p><b>Customer Incidents</b> Quality and Safety</p>	<p><b>1</b> <b>Low</b></p> <p><b>Customer Incidents</b> Quality and Safety</p>	<p><b>2</b> <b>Moderate</b></p> <p>None</p>	<p><b>3</b> <b>Significant</b></p> <p>None</p>	<p><b>4</b> <b>High</b></p> <p>None</p>	<p><b>5</b> <b>Severe</b></p> <p>None</p>
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## Overview of ESG Issues - Non-Residential Construction

The Materiality Matrix presents, from the perspective of the industry, the most material ESG issues from a business impact and/or environmental/social impact perspective. ESG issues can be interpreted as the most important management areas, i.e. the issues that could cause the most significant business and/or environmental/social impacts if not managed well. The location on the matrix indicates the relative importance of the ESG issue, with those located in the top right corners being the most material for the industry as a whole. The graph also highlights the 2-3 ESG issues that, for the company under consideration, our analysts have identified as the most relevant to comment on in more detail. This selection takes into account company specific factors such as business model, geographic presence, product offering, as well as important recent developments and trends (e.g. incidents, announcements of new initiatives, management changes). Analyst commentary on the latter ESG issues is provided in relevant sections further below.



## Analyst Commentary

The company is considered a leader on ESG issues compared to its industry peers. This stems from its leading position on environmental, social and governance issues. The company has been implicated in no significant ESG-related controversies.

Based in Switzerland, Implenia primarily engages in construction activities. It is organized into four divisions: civil engineering (47.4% of FY2022 consolidated group revenue), buildings (44.9%), specialties (3.8%) and real estate (3.6%). In FY2022, 50.5% of revenue was derived in Switzerland and 47.9% in other countries in Europe. Implenia offers integrated construction and real estate services, mainly in Switzerland and Germany, in addition to tunnelling services in other countries.

Implenia operates in Europe, where customers demonstrate increasing concern for the carbon footprint of the projects they commission. An inability to include sustainable materials and green buildings in its offering may result in a loss of business opportunities and reduction of market share. Moreover, Implenia's success relies on a vast and diversely skilled workforce with employees ranging from architects and engineers to construction workers. Failure to attract and retain qualified personnel could lead to skill shortages and delays in fulfilling contractual agreements. In addition, the company develops and constructs large-scale infrastructure projects that can have big impacts on surrounding communities. Any negative effects on the surrounding community or environment can potentially lead to tensions and disrupt the smooth implementation of the project.

Based on its operations, we consider E&S Impact of Products and Services, Human Capital and Community Relations to be the company's notable ESG issues. Implenia publishes an annual Sustainability Report, written in accordance with GRI guidelines, in line with best practices, demonstrating strong accountability to investors and the public with respect to ESG issues. The company also has a sustainability committee chaired by a member of the executive committee, suggesting that ESG matters are integrated into its core business strategy. Implenia exhibits strong management of nine out of 11 of its material ESG issues, including those with the highest risk exposure for the subindustry, which are environmental and social impact of products and services, human capital, and bribery and corruption, thus allowing it to sit among the industry's top performers. It demonstrates average management for only two issues out of 11, community relations and resource use, with these two issues being the highest contributors to its overall risk rating.

The company's overall management of ESG issues is strong.

## E&S Impact of Products and Services

There is increasing global customer demand for sustainable, high-performance buildings that are designed and constructed to reduce adverse impacts on the environment and human health throughout the building's life cycle. Implenla derives almost all its revenue from the European market, where demand for green buildings and energy-efficient solutions is especially growing, and regulations to achieve GHG reduction targets are increasingly being implemented, with building codes catching up with them. Failure to respond to these trends could lead to a loss of contracts and market share.

In FY2022, Implenla constructed around 50 projects with sustainability certificates in Switzerland and Germany, representing around 45% of its buildings' division revenue or 20% of the group's total revenue. The company is also involved in key green building industry initiatives, such as the Sustainable Construction Network in Switzerland, and it participated in the development of the Swiss Sustainable Building Construction Standard. The company manages environmental risks from its supply chain by adopting a strong green procurement policy. Implenla gives preference to subcontractors that are ISO 14001 certified and to suppliers that develop sustainable products. It reports on a qualification process that awards higher scoring for partners with better environmental and social performance, thus giving them a higher chance of winning contracts.

Considering its preparedness measures and involvement in controversies, we view the company as having Strong management of E&S Impact of Products and Services.

## Human Capital

Implenla's competitiveness relies greatly on its employees' expertise in various areas such as architecture, engineering or field management (7,639 FTEs as of year-end 2022). As competition for qualified staff in the construction industry is high, the company might face difficulties in attracting and retaining such professionals. Labour shortages could lead to project delays and associated financial losses for Implenla. In addition, strained labour relations could lead to strikes, derailing project schedules and potentially leading to penalties for failure to deliver on contract deadlines.

In FY2022, Implenla reported that a collective bargaining agreement covers 75% of its employees. The company offers skills development opportunities for its employees through its digital eCampus, where training and e-learning courses are available, and leadership development and networking programmes for managers. With skill shortage risks facing the construction industry, Implenla actively tries to recruit young talent by offering apprenticeships for recent graduates and retain its talent base by offering health and pension programmes. The company also has programmes specifically targeting women to support their careers in construction and commits to eliminating discrimination and providing equal opportunities. The company could further improve its diversity programme by offering related training or encouraging diversity networks and groups.

Considering its preparedness measures and involvement in controversies, we view the company as having Strong management of Human Capital.

## Community Relations

Implenla derives the majority of its revenue from its civil engineering division – active in various countries around Europe, offering infrastructure and road construction projects, and tunnelling and special foundation – and secondly from its buildings division. Construction projects traditionally can lead to tensions between the community and the implementing companies over issues such as noise, dust, vibrations (especially with excavations), waste and environmental impact, or quality and safety issues, especially in the construction of infrastructure.

Implenla reports on initiatives to involve local communities in its construction projects in Switzerland, through information events, site visits and targeted dialogue, especially for its SEED-certified projects. While such initiatives can manage ESG risks stemming from community relations, best practices in the industry suggest formal programmes that include, for example, consultation guidelines, appointing a specific officer or department responsible for community relations, a process for mapping stakeholders or identifying them and conducting consultations systematically before and during project implementation. The company also reports on community development initiatives, mainly its partnership with Smiling Gecko in Cambodia. Such initiatives can be complemented by community development targets and deadlines, as well as monitoring and reporting according to specific KPIs.

Considering its preparedness measures and involvement in controversies, we view the company as having Average management of Community Relations.

## Key ESG Issues For This

Key ESG Issue	Indicator Name	Company Score (out of 100)	Peer Group Average	Leading Practice Average	Leading Practice Gap
E&S Impact of Products and Services	Green Procurement Policy	100	52	98	●
	Recycled Material Use	Contact Your Client Advisor	--	--	●
	Sustainable Products & Services	80	44	98	●
	Green Building Memberships	100	52	100	●

Key ESG Issue	Indicator Name	Company Score (out of 100)	Peer Group Average	Leading Practice Average	Leading Practice Gap
<b>Human Capital</b>	Freedom of Association Policy	Contact Your Client Advisor	--	--	●
	Working Hours Policy	Contact Your Client Advisor	--	--	●
	Discrimination Policy	50	57	100	●
	Diversity Programmes	50	52	86	●
	Collective Bargaining Agreements	Contact Your Client Advisor	--	--	●
	Employee Turnover Rate	Contact Your Client Advisor	--	--	●
	Percentage of Temporary Workers	Contact Your Client Advisor	--	--	●
	Human Capital Development	Contact Your Client Advisor	--	--	●
<b>Community Relations</b>	Community Involvement Programmes	Contact Your Client Advisor	--	--	●
	Indigenous Rights Policy	Contact Your Client Advisor	--	--	●
	Community Development Programmes	Contact Your Client Advisor	--	--	●

● A negative to +25 point gap or Event Category 0-2 ● A 26-74 point gap or Event Category 3 ● A 75+ point gap or Event Category 4-5

30

Environment Weight

82

Environment Score Leader

3 out of 61

Relative Position

97<sup>th</sup>

Percentile

## Environment - Preparedness

### Environmental Policy

E.1.1

75

Raw Score: 75  
Weight: 1.30 %

→ Weighted 0.98

#### The company has a strong policy

- Commitment to monitor the company's environmental performance
- Commitment to implement an environmental management system
- Approved by senior management or the board of directors
- Commitment to environmental protection
- Commitment to create environmental awareness
- Commitment to reduce emissions, releases and waste
- Commitment to use natural resources or energy more efficiently
- Commitment to report regularly on environmental issues
- Commitment to consult with stakeholders on environmental issues

### Environmental Management System

E.1.2

100

Raw Score: 100  
Weight: 1.82 %

→ Weighted 1.82

#### The company has a very strong EMS

Implenia reports that 87% of its business units were ISO 14001 certified in FY2022.

- Environmental performance records
- External environmental audits
- Managerial or board level responsibility for environmental issues
- Monitoring and measurement
- Internal environmental audits
- Training and awareness programmes for employees
- Corrective actions to stimulate continual improvement
- Environmental programmes
- Assigned roles and responsibilities
- Identification of products, activities and services that have significant impacts on the environment
- Internal and external communications on environmental management issues
- Objectives, targets and deadlines
- Compliance with environmental regulation

### Hazardous Waste Management

E.1.3.2

25

Raw Score: 25  
Weight: 1.82 %

→ Weighted 0.46

#### The company has a weak programme

- Monitoring and measurement
- Targets and deadlines
- Commitment to reduce hazardous waste
- Initiatives to reduce hazardous waste

### Non-GHG Air Emissions Programmes

E.1.3.3

50

Raw Score: 50  
Weight: 1.82 %

→ Weighted 0.91

#### The company has an adequate programme

- Non-GHG air emission monitoring
- Commitment to reduce non-GHG air emissions
- Targets to reduce non-GHG air emissions
- Identification of relevant non-GHG air emissions
- Deadlines to reduce non-GHG air emissions
- Initiatives to reduce non-GHG air emissions

### Water Management Programmes

E.1.3.4

**25**

Raw Score: **25**  
 Weight: **1.82 %**  
 → Weighted **0.46**

#### The company has a weak programme

- Managerial responsibility for water use
- Initiatives to reduce fresh water use
- Water reduction targets and deadlines
- Water use reporting
- Policy commitment to reduce water use
- Water use monitoring and measurement

### GHG Reduction Programme

E.1.7.0

**75**

Raw Score: **75**  
 Weight: **1.04 %**  
 ↑ Weighted **0.78**

#### The company has a strong programme

- Interim targets
- Initiatives in place to reduce emissions
- Demonstration of how initiatives put in place close the emissions gap between current performance and the targeted emissions reduction
- Initiatives are linked to wider TCFD reporting
- Adoption of key mitigation technologies
- GHG emissions monitoring and measurement
- Regular GHG audits or verification
- GHG reduction target
- Emissions reduction coverage
- Net Zero and Science Alignment

### Green Procurement Policy

E.2.1

**100**

Raw Score: **100**  
 Weight: **4.16 %**  
 → Weighted **4.16**

#### The company's green procurement initiatives are strong

- Policy addressing product related requirements
- Policy or initiatives addressing office products
- Policy addressing process related requirements
- Engagement with suppliers to improve environmental performance

## Environment - Quantitative Performance

### Sustainable Products & Services

E.3.1.1

**80**

Raw Score: **80**  
 Weight: **5.21 %**  
 ↓ Weighted **4.16**

#### Between 10% and 24.99% of the company's annual revenue is derived from sustainability-related products or services

Implenia's main share of revenue from sustainable products and services comes from green buildings, among others. In FY2022, Implenia's Division Buildings generated around 45% of its revenue from certified building construction projects, which constitutes around 20% of the group's total revenue.

## Environment - Qualitative Performance - Controversies

### Operations Incidents

E.1.12

**100**

Raw Score: **100**  
 Weight: **6.00 %**  
 → Weighted **6.00**

#### No evidence of relevant controversies

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## Environmental Supply Chain Incidents

E.2.2

**100**

Raw Score: **100**  
Weight: **2.00 %**

**No evidence of relevant controversies**

→ Weighted **2.00**

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## Product & Service Incidents

E.3.2

**100**

Raw Score: **100**  
Weight: **3.00 %**

**No evidence of relevant controversies**

→ Weighted **3.00**

**40** Social Weight

**86** Social Score  
Leader

**3** out of **61** Relative Position

**97<sup>th</sup>** Percentile

**Social - Preparedness**

**Discrimination Policy**

S.1.2

**50**  
Raw Score: **50**  
Weight: **2.63 %**  
⬆️ Weighted **1.31**

**The company has an adequate policy**

- Reference to the ILO conventions
- List of the types of discrimination the company is committed to eliminate
- Commitment to ensure equal opportunity

**Diversity Programmes**

S.1.3

**50**  
Raw Score: **50**  
Weight: **2.13 %**  
➡️ Weighted **1.06**

**The company has an adequate programme**

- Diversity monitoring or audits
- Initiatives to recruit from diverse talent
- Employee affinity groups, diversity councils, or networking groups
- Mentorship programmes
- Managerial or board level responsibility for diversity initiatives
- Training and guidance regarding diversity
- Initiatives supporting a diverse workforce
- The company has a programme that applies to less than 50% of operations

**Health and Safety Management System**

S.1.6.2.1

**100**  
Raw Score: **100**  
Weight: **4.13 %**  
➡️ Weighted **4.13**

**The company has a very strong management system**

Implenia reports that almost 100% of all business units had ISO 45001 certification in FY2022.

- Reporting on health and safety programmes and performance
- Procedures for hazard identification and risk assessment
- Targets to reduce health and safety incidents
- Internal or external health and safety audits conducted at least every three years
- Formal health and safety policy commitment
- Managerial responsibility for health and safety issues
- Operating guidelines or procedures that are relevant for the industry
- Performance monitoring and measurement
- Regular health and safety training programmes for employees
- Emergency preparedness procedures

**Health & Safety Certifications**

S.1.6.4

**100**  
Raw Score: **100**  
Weight: **3.63 %**  
➡️ Weighted **3.63**

**90% or more of the company's facilities have received external certification**

Implenia reports that almost 100% of all business units had ISO 45001 certification in FY2022.

**Scope of Social Supplier Standards**

S.2.1

**50**  
Raw Score: **50**  
Weight: **1.09 %**  
➡️ Weighted **0.55**

**The company has adequate social supply chain standards**



- Addresses maximum working hours
- Addresses non-discrimination
- Addresses child labour
- Addresses corporal punishment/disciplinary practices
- Addresses minimum living wages
- Addresses health and safety
- Addresses freedom of association and the right to collective bargaining
- Addresses forced labour
- Addresses acceptable living conditions

### Supply Chain Monitoring

S.2.2

100

Raw Score: 100  
Weight: 3.13 %

→ Weighted 3.13

**The company has a system to monitor supplier compliance with social standards**

### QMS Certifications

S.3.2.1

100

Raw Score: 100  
Weight: 3.13 %

→ Weighted 3.13

**90% or more of the company's sites has received external certification**

Implenia reported that almost 100% of all business units were subjected to the ISO 9001 continuous improvement process in FY2022.

### Human Rights Policy

S.4.2.1

40

Raw Score: 40  
Weight: 4.13 %

→ Weighted 1.65

**The company has a weak policy**

- Commitment to monitor and report on human rights impacts
- Commitment to communicate the policy to personnel and external stakeholders
- Commitment to apply human rights due diligence or conduct risk assessments
- Commitment to adopt programmes to address industry-specific human rights exposure
- Stipulation of the company's human rights expectations of third parties
- Approved at the most senior level of the business enterprise
- Stipulation of the company's human rights expectations of personnel
- Commitment to adopt grievance mechanisms
- Commitment to respect human rights following international standards
- Commitment to provide remedy to correct negative impacts

## Social - Quantitative Performance

### Activities in Sensitive Countries

S.4.1

100

Raw Score: 100  
Weight: 0.01 %

→ Weighted 0.01

**There is no evidence of involvement in high risk industries of sensitive countries**

## Social - Qualitative Performance - Controversies

### Employee Incidents

S.1.7

100

Raw Score: 100  
Weight: 6.00 %

→ Weighted 6.00

**No evidence of relevant controversies**

## Social Supply Chain Incidents

S.2.3

**100**

Raw Score: **100**  
Weight: **3.00 %**

**No evidence of relevant controversies**

→ Weighted **3.00**

## Customer Incidents

S.3.3

**99**

Raw Score: **99**  
Weight: **2.99 %**

**1**

### Category 1 -Low

Anti-Competitive Practices  
Data Privacy and Security  
Marketing Practices  
Media Ethics  
Quality and Safety

→ Weighted **2.96**

## Society & Community Incidents

S.4.3

**100**

Raw Score: **100**  
Weight: **4.00 %**

**No evidence of relevant controversies**

→ Weighted **4.00**

30

**Governance Weight**

87

**Governance Score**  
Leader

4  
out of  
61

**Relative Position**

95<sup>th</sup>

**Percentile**

## Governance - Preparedness

### Bribery & Corruption Policy

G.1.1

100

Raw Score: **100**

Weight: **1.50 %**

→ Weighted **1.50**

#### The company has a very strong policy

- Prohibition of bribery
- Definition and prohibition of facilitation payments
- There is no evidence of a formal policy but the company has a general statement addressing the issue
- Definition of conflicts of interest and commitment to minimize these
- Guidelines of what is considered acceptable behaviour
- Definition of bribery or corruption

### Bribery & Corruption Programmes

G.1.1.1

75

Raw Score: **75**

Weight: **3.00 %**

→ Weighted **2.25**

#### The company has a strong programme

- Managerial responsibility for bribery and corruption
- Regular training on bribery and corruption
- Internal monitoring system to detect corruption
- Annual signoff of the policy on bribery and corruption by employees
- Regular bribery and corruption risk assessments
- Operating guidelines addressing record keeping, approval procedures and appropriate behaviour
- Mechanisms for employees to consult on ethical issues

### Whistleblower Programmes

G.1.2

75

Raw Score: **75**

Weight: **2.50 %**

↑ Weighted **1.88**

#### The company has a strong programme

- Possibility for anonymous reporting and reports are treated confidentially
- An independent, reporting hotline available 24/7
- Available to suppliers, customers and other third parties
- Proactively communicated to employees
- Available in local languages
- Non-retaliation policy
- Structures in place to process whistleblower reports
- Disclosure on the number of reports received, the types of misconduct and measures taken

### Global Compact Signatory

G.1.3

0

Raw Score: **0**

Weight: **1.00 %**

→ Weighted **0.00**

#### The company is not a signatory to the UN Global Compact

### Green Building Memberships

G.1.3.4

100

Raw Score: **100**

Weight: **1.00 %**

→ Weighted **1.00**

#### The company is a member of key industry initiatives

## Board Leadership

G.2.8.1

70

Raw Score:	70
Weight:	2.25 %
→ Weighted	1.57

### The company's board leadership structure is significantly above average

The presence of an independent leadership role on the board of directors provides a conduit for accountability.

- The company has a general statement regarding board / committee responsibility to design a succession plan for the Chairman or CEO.
- The Chair is independent.
- The company's board does not include a Senior or Lead Independent Director.
- The Chair and CEO roles are separate.

## Board Independence

G.2.9.1

80

Raw Score:	80
Weight:	2.75 %
→ Weighted	2.20

### The company's level of board independence is strong

A board with a substantial portion of independent directors can provide oversight for management and protect shareholder and stakeholder interests.

- The level of board independence exceeds market practice.
- The board is one-tiered with executive representation.
- No nominally independent directors are affiliated with the company/ controlling shareholder/ the CEO or other insiders.
- Two thirds or more of the board members are independent.

## Governance - Disclosure

### ESG Reporting Standards

G.2.1

100

Raw Score:	100
Weight:	2.75 %
↑ Weighted	2.75

### The company's ESG reporting is very strong

Implenia's Sustainability Report 2022 is written in accordance with the GRI Standards (Foundation 2021).

## Governance - Qualitative Performance - Controversies

### Business Ethics Incidents

G.1.5

100

Raw Score:	100
Weight:	4.00 %
→ Weighted	4.00

### No evidence of relevant controversies

### Governance Incidents

G.2.13

100

Raw Score:	100
Weight:	3.25 %
→ Weighted	3.25

### No evidence of relevant controversies

### Public Policy Incidents

G.3.4

100

Raw Score:	100
Weight:	6.00 %
→ Weighted	6.00

### No evidence of relevant controversies

## Customer Incidents

1

Category 1  
Low

### Related Events

1 2 3 4 5

Quality and Safety

Anti-Competitive Practices None

Data Privacy and Security None

Marketing Practices None

Media Ethics None

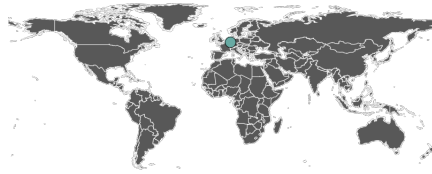
Overall Controversy Level

Based on our event level assessment of impact and risk as low, the company has been assigned an overall controversy assessment of category 1.

### Quality and Safety

1

Category 1  
Low



Locations: Cologne, Germany  
Tags: Services Quality and Safety

Impact ●●○○○○○○○○

Risk ●●○○○○○○○○

### Settlement following 2009 fatal building collapse in Cologne

Construction Index -30 June 2020

Arge Los Süd, a joint venture in which Bilfinger Berger has 33% stake, agreed to pay the City of Cologne and the Cologne Public Transport EUR 600 million (USD 674 million) to settle claims related to the 2009 fatal collapse of Cologne's archives building. The metro works March 2009 collapse fatally injured two residents in an apartment block and destroyed records in an archive building dating back to medieval times. Bilfinger Berger and the other two companies forming the joint venture agreed to pay EUR 200 million (USD 225 million) each as the final out-of-court settlement to cover all outstanding claims with regards to the project. Implenia acquired the construction division of Bilfinger in 2015.

All data in this report is based on information found in the following sources. Events have their sources referenced where they appear in the report.

## Source Name

Implenia Annual Report 2022 (FY2022)	G.1.4, G.2.6, E.1.2.6.1
Implenia Code of Conduct, released March 2023	E.1.1, G.1.1, S.1.2, S.2.1, G.3.1, E.2.1, S.4.2.1, G.1.2, G.1.2.1, G.1.1.1, S.2.2.5, S.4.2.1.2
Implenia Corporate Website, Benefits, <a href="http://www.implenia.com">www.implenia.com</a> ; accessed 10 May 2023	S.1.5.2
Implenia Corporate Website, Board of Directors, <a href="http://www.implenia.com">http://www.implenia.com</a> ; accessed 21 June 2023	G.1.2.1
Implenia Corporate Website, Engagement, <a href="http://www.implenia.com">http://www.implenia.com</a> ; accessed 15 May 2023	S.4.2.11
Implenia Corporate Website, Whistleblowing Mechanism, <a href="http://www.implenia.com">www.implenia.com</a> ; accessed 10 May 2023	G.1.2
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LobbyFacts, <a href="http://www.lobbyfacts.eu">www.lobbyfacts.eu</a> ; accessed 10 May 2023	G.3.2
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Non-public documentation shared with Sustainalytics on 04 Feb 2021	G.1.1.1
Non-public documentation shared with Sustainalytics on 08 Jun 2023	G.1.2.1
Non-public documentation shared with Sustainalytics on 10 May 2023	S.1.6.5
Non-public documentation shared with Sustainalytics on 11 Apr 2022	S.4.2.1.2
Non-public documentation shared with Sustainalytics on 13 Apr 2016	S.2.2.5
Non-public documentation shared with Sustainalytics on 13 Apr 2021	S.2.1
Non-public documentation shared with Sustainalytics on 14 Oct 2015	G.1.1, G.1.2.1, G.1.2.1
Non-public documentation shared with Sustainalytics on 15 Aug 2019	G.1.2.1
Non-public documentation shared with Sustainalytics on 19 Apr 2022	S.3.2.1, E.1.3, E.1.2, S.1.6.2.1, S.1.6.4, G.1.2, S.3.1.9.1
Non-public documentation shared with Sustainalytics on 24 Apr 2023	S.1.2
Prior to research start, the company sent document on 10 March 2021	S.2.1
Prior to research start, the company sent documents on 10 May 2023	S.1.1.1, E.1.1, S.1.6.5, S.3.2.1, S.2.2.5, E.3.1.1, E.1.3, E.1.2, E.1.3.4, S.3.1.9.1, G.1.1
Prior to research start, the company sent documents on 15 April 2022	E.1.2.6.1, G.1.1, G.1.2, G.1.2.1
Sustainable Construction Network Switzerland, <a href="http://www.nnbs.ch">www.nnbs.ch</a> ; accessed 10 May 2023	G.1.3.4
The company provided feedback on 08 June 2023	E.1.6.2, S.1.2, S.1.3, S.4.2.1.2, G.1.1.1, G.1.1, G.1.2.1
The company provided feedback on 14 June 2023	S.2.2.6, S.4.2.2, G.1.1
The company provided feedback on 15 April 2021	S.3.1.9.1, G.1.1
The company provided feedback on 17 May 2022	E.1.6.1, E.1.6.2, G.1.1
The company provided feedback on 19 May 2022	E.1.6.1, G.1.1
The company provided feedback on 9 April 2021	S.1.1, S.4.2.1.2, S.3.1.9.1, S.1.5.2, S.1.3, G.1.1
The updated ESG Report was sent by email to Implenia on 26 May 2023	G.1.1
United Nations Global Compact, <a href="http://www.unglobalcompact.org">www.unglobalcompact.org</a> ; accessed 10 May 2023	G.1.3

# Report Parameters

## Settings

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The relative performance data in this report is based on the following settings:

Weight Matrix:	
Comparative group:	Peer Group
Reference Universe:	
Company type:	Public
Company type selection:	Combined
Template type:	Type B
Template type selection:	Combined

## Profile Log

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Annual Report:	2022
CSR Report:	2022
Latest Feedback Request:	May 2023
Company Response:	Jun 2023
Last Analyst Review:	Jun 2023

# Glossary of Terms

## Business Impact

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The magnitude of the potential impact that a key ESG issue may have on the financial performance of companies within an industry.

## Controversy

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An event or aggregation of events relating to an environmental, social and governance topic.

## Disclosure

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A company's transparency on its ESG preparedness and performance via sustainability reporting and its utilization of key reporting and verification standards.

## Event

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A series of incidents which pertain to a common theme. An event assessment is based on the highest impact or risk score assigned to the related incidents, alongside a broader assessment of event trend and company preparedness and response.

Category 5 – Severe (raw score of 0):	The event has a severe impact on the environment and society, posing serious risks to the company. This category represents the most egregious corporate behavior.
Category 4 – High (raw score of 20):	The event has a high impact on the environment and society, posing significant risks to the company. This category often reflects structural problems in the company.
Category 3 – Significant (raw score of 50):	The event has a significant impact on the environment and society, posing moderate risks to the company.
Category 2 – Moderate (raw score of 80):	The event has a moderate impact on the environment and society, posing minimal risks to the company.
Category 1 – Low (raw score of 99):	The event has a low impact on the environment and society, posing negligible risks to the company.

## Historical ESG Performance

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Historical scoring data over a rolling 36-month period. Note that the industry leader and industry average are based on Sustainalytics' full research universe and default weight matrix rather than customized portfolio settings or weights.

## Incident

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Company operations and/or products and services that have a negative impact on the environment, society and external stakeholders.

## Indicator Performance

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How a company performs on the indicators on which it has been assessed.

Key Indicator	Indicators that relate to an industry key ESG issue, provide considerable insight into a company's ESG preparedness/performance, and/or distinguish between leaders and laggards.
Raw Score	A score out of 100 assigned to an indicator based on a set of internal criteria.
Indicator Weight	The percentage of weight assigned to each indicator in an industry. Note: weight matrices are customizable.
Weighted score	The raw score multiplied by the weight assigned per indicator.
Trend Icons	Indicates if the raw score of an indicator improved, declined or remained unchanged over the last 12 months.

## Key ESG issue

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Key ESG issues identify the most important areas in which a company has potential to cause significant sustainability impacts or experience significant ESG-related business impacts, and that must therefore be managed effectively. To determine the most relevant ESG issues per industry, lead analysts assessed potential of each industry to cause significant sustainability impacts and, separately, the potential for these to impact corporate financial performance.

E&S Impact of Products and Services	E&S Impact of Products and Services refers to the management of environmental or social impacts of products or services, including: inherent characteristics of input materials, both positive and negative, and impacts during use, disposal and recycling. E&S Impact of Products and Services may include carbon impacts if MEI.8.PS Carbon – Products and Services is not regarded as a material ESG issue for the subindustry.
Human Capital	Human Capital focuses on the management of human resources. It includes the management of risks related to scarcity of skilled labour through retention and recruitment programmes, and includes career development measures such as training programmes. Additionally, it includes labour relations issues, such as the management of freedom of association and diversity issues, as well as working hours and minimum wages.
Community Relations	Community Relations focuses on how companies engage with local communities (including indigenous peoples) through community involvement, community development and/or measures to reduce negative impacts on local communities.

## Leader

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The score of the best performing company in the industry or any selected subset of companies.

## Leading Practice

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Leading Practice Average: For each indicator, the Leading Practice Average is the top quartile mean score among industry peers.

Leading Practice Gap: The Leading Practice Gap is the difference between the Leading Practice Average and the company's score for that particular indicator. The size of the gap is indicated by a colored dot.

## Outlook

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A forecast of how a controversy rating will change over the next 12 months.

Negative	The event is likely to deteriorate within 12 months, leading to a downgraded rating of the corresponding indicator.
Positive	The event is likely to improve within the next 12 months, leading to an upgraded rating of the corresponding indicator.
Neutral	The event is unlikely to change significantly within the next 12 months, and is not expected to undergo a change in rating of the corresponding indicator.

## Overall ESG Score

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Assessment of a company's overall ESG preparedness and performance. These scores are dynamic, depending on the weight matrix, comparison group and reference universe selected.

## Percentile

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The company's percentile rank within its industry or within another client-selected reference group.



## Preparedness

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A company's systems and policies to manage potential ESG impacts and risks. Key indicators of a company's ESG preparedness include policies, management systems, programs and targets.

## Qualitative Performance

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A company's ESG performance based on qualitative information relating to events and incidents that have resulted in negative ESG impacts.

Category 5 – Severe (raw score of 0):	The event has a severe impact on the environment and society, posing serious risks to the company. This category represents the most egregious corporate behavior.
Category 4 – High (raw score of 20):	The event has a high impact on the environment and society, posing significant risks to the company. This category often reflects structural problems in the company.
Category 3 – Significant (raw score of 50):	The event has a significant impact on the environment and society, posing moderate risks to the company.
Category 2 – Moderate (raw score of 80):	The event has a moderate impact on the environment and society, posing minimal risks to the company.
Category 1 – Low (raw score of 99):	The event has a low impact on the environment and society, posing negligible risks to the company.

## Quantitative Performance

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A company's ESG performance based on quantitative social and environmental metrics such as carbon intensity, number of fatalities, etc.

## Relative Position

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The company's performance classification is relative to its global industry peers, based on the company's absolute ESG score. Each industry has a fixed band of scores that links to a relative position range. Companies can fall in five categories: laggards, underperformers, average performers, outperformers and leaders. The industry specific bands are based on the rating scores of approximately 4,000 companies that are assessed under the Sustainalytics comprehensive ESG Ratings framework. The bands are reviewed and updated annually.

## Sustainability Impact

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The magnitude of potential sustainability impacts (measured in terms of depth, breadth, and duration) that may be caused by an industry's activities if not managed effectively.

## Tag

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A key word associated with a key ESG issue and linked to incidences to facilitate search functionalities.

## Disclaimer

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