

# United Nations Global Compact Communication on Progress 2009



***Our vision: Building value. For a sustainable future.***

We at Wienerberger, the world's largest producer of bricks and roof tiles, view business as being an integral part of society and are very clear in our duty to serve people and create value for all. From our mission statement to the day-to-day activities of each worker, Wienerberger takes its role as a responsible member of society very seriously, and acts in accordance with economic, ecological and social principles at all times. I feel personally committed, on behalf of Wienerberger and as a proud member of the Global Compact, to working towards incorporating the 'ten principles' in the areas of human rights, labour rights, the environment and the fight against bribery and corruption, into our business policies – and it gives me great pleasure to confirm our goal to create sustainable values and natural products.

Heimo Scheuch, CEO

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Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
<p><b>1:</b> Businesses should support and respect the protection of internationally proclaimed human rights;</p>	<p>We support the protection of internationally proclaimed human rights within our sphere of influence.</p> <p>People are the cornerstone of the Wienerberger philosophy – after all Wienerberger’s business is to make bricks, but a brick’s ultimate purpose is to provide shelter, in all kinds of shapes and forms. Wienerberger uses its products and financial support as a means of helping people in need, and protecting them.</p> <p>Article 25 of the Universal Declaration of Human Rights states that everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. It also notes that motherhood and childhood are entitled to special care and assistance.</p> <p>In accordance with this article and our guiding principle that economy is an integral part of society, which is designed to serve people and to generate benefits for all, Wienerberger supports since 2006 children via the Corporate Funding Program of the Don Bosco Foundation. The program supports children who have to work with their family in humiliating circumstances in brick factories and rice paddy fields in Battambang, Cambodia by enabling them access to education for a better future. The Foundation provides school facilities, school materials, uniforms, food and health care. In 2010 Wienerberger donated 48.000 Euros for the Intensive Education program of 350 children, after which the students are reintegrated to government schools for further studies.</p> <p>More information: <a href="http://www.donboscohmer.org/">http://www.donboscohmer.org/</a></p>
<p><b>2:</b> and make sure that they are not complicit in human rights abuses.</p>	<p>Mutual respect is one of Wienerberger’s strongest corporate values. We firmly speak out against the abuse of human rights.</p>

<p><b>3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>We support freedom of association and the right to collective bargaining – and indeed Wienerberger has created a specific European Employees Council to handle these matters appropriately.</p> <p>Since 1996 the European Council annually holds a meeting. In 2008 26 delegates from 12 countries came together for three days in Austria to discuss Wienerberger relevant topics. In addition the European Council provides trainings for representatives of national works councils especially in Eastern Europe.</p> <p>With the signing of a social charter in 2001, the management of Wienerberger formally confirmed its intention to comply with the recommendations of the International Labor Organization (ILO) in Geneva and to follow the principles of social progress. This link gives information about the social charter we have signed with our European Employees' Council:</p> <p><a href="http://www.wienerberger.com/servlet/Satellite?pagename=Wien erberger/Page/CallArticle05&amp;cid=1120659586451&amp;sl=wb_com _home_en">http://www.wienerberger.com/servlet/Satellite?pagename=Wien erberger/Page/CallArticle05&amp;cid=1120659586451&amp;sl=wb_com _home_en</a></p> <p>Please also see attached document.</p>
<p><b>4:</b> the elimination of all forms of forced and compulsory labour;</p>	<p>We support the elimination of all forms of compulsory labour.</p> <p>As part of our focus on ensuring absolute consistency and surety about the make-up of our workforce, in 2007, Wienerberger introduced a group-wide Safety, Health &amp; Education (SHE) reporting system. The system compiles key statistics and profiles of the workforce, as well as work safety and training. The results of the first survey in 2008 were very informative and entirely positive. The relatively high average employment period of 11.3 years shows that Wienerberger is able to develop a commitment between the company and one of its most important resources – its employees.</p>
<p><b>5:</b> the effective abolition of child labour;</p>	<p>Child labour plays no part in the strategy, business ethics or philosophy of Wienerberger, as specifically stated in our social charter – and we vehemently speak out against all forms of child labour.</p>

	<p>Wienerberger cooperates with several charitable organisations all over the world. The different projects provide security and education to children and Wienerberger hopes that by supporting such activities it will help to prevent children being forced into situations where they are forced to work, or be ill treated in any way.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- CASA ABRAHMAM and Ferma Petru Copii (Farm of children) – learning with and from each other: During the past year Wienerberger provided donations in kind for the construction of the Farm of children and CASA ABARAHM, North of Bucharest, Romania – a further enlargement of the family centre started by Pater Sporschill 20 years ago, where orphans and socially deprived children of all ages are integrated in families. The farm of children provides education facilities and enables young people to learn a trade to improve their life chances.</li> </ul> <p><a href="http://www.concordia.or.at/">http://www.concordia.or.at/</a></p>
<p><b>6:</b> and the elimination of discrimination in respect of employment and occupation.</p>	<p>Wienerberger works to provide its employees with a safe, non-discriminatory, attractive and social working environment through training programmes, the constant improvement of working conditions, voluntary benefits and general support. Via questionnaires and constant feedback we retain real dialogues with our employees, helping to identify particular needs and ensuring a complete lack of discrimination.</p> <p>In order to provide quantifiable data on important issues relating to the workforce and the working environment, Wienerberger have introduced a group-wide Safety, Health and Education (SHE) reporting system. The database compiles statistics on the make-up of the workforce as well as work safety and training. In 2009, The Wienerberger Group invested more than €2 million in training programs for employees.</p> <p>Wienerberger has also joined the Investor in People programme, the internationally recognised quality standard for sustainable corporate success in the effective development of employees. In 2007, Wienerberger’s first step was to analyse the current situation in one operating unit, and certified IIP consultants interviewed employees in different areas of the companies and</p>

	<p>identified strengths and opportunities for improvement, resulting in recommendations for change. After the successful implementation of these measures the evaluation program has been rolled out in Austria, Switzerland, Croatia, Hungary, the Czech Republic and the Netherlands. In 2009 the evaluation was finalized in all countries and in the Netherlands the certification process has been started.</p>
<p><b>7:</b> Businesses should support a precautionary approach to environmental challenges;</p>	<p>‘Building value as a sustainable future’ is a one of our guiding principles and we support a protective approach to environmental challenges. Sustainability plays a major role in the Wienerberger strategy und the first sustainability report issued in March 2010 underscores the commitment to sustainable development as an integral part of our strategic decisions. It is based on the standards defined by the Global Reporting Initiative and represents the start of a continuous process. As a producer of bricks, Wienerberger ‘uses’ nature in a kind of symbiosis: our clay mining procedures are designed to minimise the impact on the environment, and our clay based products are ecologically friendly, natural products that have a long service life and can easily be recycled.</p> <p>A specific example for our sensible approach includes the response to a special environmental challenge we faced at one of our manufacturing sites in France. At the site of a planned clay pit near the Hulluch plant, archaeological research discovered the “Rumex Scutatus”, a protected French spinach plant. Wienerberger agreed to relocate clay mining and also leave 100,000 m<sup>3</sup> of the quarry untouched – and thereby made an important contribution to maintaining the biodiversity in this region.</p>
<p><b>8:</b> undertake initiatives to promote greater environmental responsibility;</p>	<p>Wienerberger is committed to compliance with environmental protection laws, climate protection, energy savings, the restoration of clay mining sites, recycling of waste, exchange of experience with other companies, and preservation of our cultural heritage. We undertake a number of initiatives to promote greater environmental responsibility.</p> <p>For example, in Great Britain, Wienerberger has created in 2007 the ‘Green Brick Award’ – an internal prize recognising special performance and accomplishments in the area of sustainability,</p>

	<p>with three subcategories of social engagement, environmental protection, and prudent use of resources. The success of this initiative is reflected in different projects, that support and promote biodiversity and environmental protection. For example the Smeed Dean Factory won an award for its work with the Kent Wildlife Trust. The factory has been actively involved in the protection and preservation of a number of species thrive in areas around their site.</p>
<p><b>9:</b> and encourage the development and diffusion of environmentally friendly technologies.</p>	<p>We wholly support the development and implementation of environmentally friendly technologies and are constantly striving to improve standards. Wienerberger’s large engineering and product management team work closely with our local engineering departments to optimise products, systems and production technologies. – and in fact, for example, energy savings through the use of building materials that increase thermal insulation form a focus of our Research &amp; Development activities.</p> <p>In fact energy savings through the use of building materials that improve thermal insulation also formed a focus of R&amp;D activities for Wienerberger in the past years including 2008. We continuously work to improve the insulating properties of our products. One special example is the Porotherm 50 T.i Plan, a clay block with a width of 50 cm whose voids are filled with Perlite, a pure mineral thermal insulating material made of expanded volcanic rock. This brick provides particularly high thermal insulation with a U-rating of 0.14 W/m<sup>2</sup>K and, for this reason, is an optimal building material for low-energy and passive energy houses without additional insulation. Not only the reduction of heating requirements, but also the cooling of rooms in hot summers and the related decrease in air conditioning costs represent an important focus of optimization and R&amp;D activities at Wienerberger. Bricks provide numerous advantages over lightweight constructions, especially with respect to accumulation properties, and help reduce the amount of energy that is required for the more expensive cooling of buildings.</p>
<p><b>10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p>Wienerberger believes that anti-trust legislation is designed to ensure that businesses compete fairly and freely. The interests of Wienerberger, its shareholders and its employees are best served by the pursuit of policies that support fair and effective competition. These policies include the unrestricted observation</p>

of all anti-trust legislation – both in the spirit and letter of the law – as well as refraining from extortion, bribery or any other actions that may impair free competition and result in punitive measures.

All forms of corruption, including extortion and bribery are therefore strictly prohibited at Wienerberger, and sanctions are in place in the event of violations.

As a result Wienerberger has developed a “Wienerberger Manual for Compliance with Anti-Trust Regulations”. This manual was compiled to familiarize all Group employees with the intent, principles and codes of conduct established by anti-trust legislation. In detailing the impact of anti-trust matters on the daily activities of employees, this manual provides practical information for recognizing and dealing with situations that have anti-trust ramifications.

To ensure compliance the manual is distributed through our Group wide intranet. In addition workshops are held in all Wienerberger countries on a regular basis to proactively inform our employees about the principles of the compliance manual.