



wienerberger

SUSTAINABILITY REPORT

2021

Key Indicators of the Wienerberger Group

Financial Indicators

Corporate indicators		2019	2020	2021	Chg. in %
Revenues	in MEUR	3,466.3	3,354.6	3,971.3	+18
EBITDA	in MEUR	610.0	558.0	694.3	+24
EBIT	in MEUR	362.7	192.5	420.4	+118
Profit before tax	in MEUR	315.3	148.7	374.3	+152
Free Cashflow	in MEUR	286.0	397.3	420.6	+6
Net debt	in MEUR	871.4	882.1	1,134.5	+29
Gearing	in %	42.0	50.4	52.8	-

Non-Financial Indicators ¹⁾

		2019	2020	2021	Chg. in %
Total energy consumption ^{2) 3)}	in gigawatt-hours	8,194	7,431	7,993	+7.6
Index specific energy consumption ^{2) 3)}	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	98.6	100.6	101.6	+1.0
Direct CO ₂ emissions (Scope 1) ^{3) 4) 5)}	in kilotons	2,604	2,353	2,484	+5.5
Indirect CO ₂ emissions (Scope 2) ^{6) 7)}	in kilotons	-	296	176	-40.7
Direct and indirect CO ₂ emissions (Scope 1 + Scope 2) ^{3) 4) 5) 6) 7)}	in kilotons	2,604	2,649	2,659	+0.4
Index of specific direct CO ₂ emissions, Scope 1 (2020 = 100%) ^{6) 8)}	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	-	100.0	97.3	-2.7
Index of specific indirect CO ₂ emissions, Scope 2 (2020 = 100%) ^{6) 7)}	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	-	100.0	94.6	-5.4
Index of specific direct and indirect CO ₂ emissions, Scope 1 and 2 (2020 = 100%) ^{6) 7) 8)}	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	-	100.0	91.9	-8.1
Waste	in kilotons	159	105	127	+21.1
Ø Employees as at 31.12. ⁹⁾	Full-time equivalents (FTEs)	17,234	16,619	17,624	+6.1
Employees as at 31.12. ¹⁰⁾	Headcount	16,311	16,446	16,650	+1.2
New entrants ¹⁰⁾	Headcount	2,331	1,886	2,716	+44.0
Employee turnover ¹¹⁾	in %	11.3	10.7	11.0	-
Ø Training hours / employee ^{12) 13)}	in hours	16.0	10.6	13.1	+23.2
Percentage of women ¹⁰⁾	in %, relative to headcount	14.8	15.1	15.4	+0.0
Percentage of women in senior management	in %, relative to headcount	12	13	15	-
Percentage of women in white-collar positions ¹⁴⁾	in %, relative to headcount	32	32	33	-
Accident frequency	Number of occupational accidents / number of hours worked x 1,000,000	5.6	5.4	4.4	-18.7
Accident severity	Accident-related sick-leave days / number of hours worked x 1,000,000	158	178	180	+1.3
Number of fatal occupational accidents	Number within the Wienerberger Group	0	1	1	-
Ø Sick-leave days / employee	in days	10.7	10.8	11.5	+6.7
Percentage of innovative products in total revenues	in %	30.7	32.7	31.0	-

1) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 2) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 3) In the interest of greater consistency in reporting, Wienerberger now also includes thermal energy sources used in plastic pipe production by Wienerberger Piping Solutions, although their percentage is comparatively low. The indicators for 2020 were restated accordingly. // 4) ETS and non-ETS. Source ETS: EU Transaction Log (EUTL). Non-ETS: Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO₂ process emissions are also reported. Including CO₂ emissions from biogenic inputs: quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 5) Including CO₂ emissions from biogenic inputs. // 6) The indicator was reported for the first time for the 2020 reporting year. // 7) The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 8) Direct specific CO₂ emissions (Scope 1) refer to CO₂ emissions from raw materials (in ceramic production) as well as the fuel emissions of the entire Wienerberger Group. The calculation did not include CO₂ emissions from biogenic input materials. // 9) Agency and temporary workers are included from their first hour of work at Wienerberger. // 10) Employees directly employed by Wienerberger. // 11) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (headcount) in permanent employment in the reporting year, excluding temporary and agency workers as well as workers under term contracts; persons retiring or on leave do not count as persons leaving the company. Due to special national legal provisions the indicators are not comparable to those of other Business Units. // 12) Internal and external initial and further training measures per employee (headcount). International training events are not included in this table. // Employees directly employed by Wienerberger. // 13) The indicators reported for 2020 were corrected, as the accuracy of recording the number of training hours per employee was further improved in 2021. // 14) All employees except in production.



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Auditor's Report

General remarks applying to all parts of the 2021 Sustainability Report:

All non-financial indicators and their rates of change are calculated on the basis of non-rounded values. // Electronic data processing may result in rounding differences. // Some of the differences vs. the previous year are in the decimal range. // The calculation methods used and the reporting scope are explained in the respective chapters of the 2021 Sustainability Report.





wienerberger

WIENERBERGER AT A GLANCE

Wienerberger at a Glance

Company Profile

Wienerberger is a leading international provider of smart solutions for the entire building envelope in new build and renovation as well as for infrastructure in water and energy management. Currently, we have 215 production sites operating in 28 countries and we export our products to international markets. We are the worldwide market leader in bricks and the number-one producer of clay roof tiles in Europe. Moreover, we are among the leading suppliers of pipe systems in Europe and concrete pavers in Central and Eastern Europe. Through the acquisition of Meridian Brick, the leading supplier of façade products in important regions of the USA and Canada, in 2021, Wienerberger achieved significant growth in its North American business.

Wienerberger is a free float company with 100% of its shares being publicly traded. For details on the shareholder structure of Wienerberger, please refer to page 226 of this Annual Report.

Our 17,624 employees are the foundation of our organization. Their excellent cooperation is based on a firmly rooted, living corporate culture that is characterized by shared values: expertise, passion, integrity and respect, customer orientation, entrepreneurship, quality, and responsibility.

Corporate Mission & Value Proposition

Our vision is to be the most highly regarded provider of sustainable building materials and infrastructure solutions and the preferred employer in our markets.

Our mission is to improve people's quality of life by providing outstanding solutions for new residential construction, renovation, and infrastructure.

The primary goal of our entrepreneurial activities is to achieve continuous growth of our company on the basis of our strategic commitment to compliance with the ESG principles¹ and to the achievement of our financial targets.

Further information on our corporate mission and our value proposition is contained in this Annual Report, see pages 8-9.

1) ESG: Environmental, Social, Governance; auf Deutsch: Umwelt, Soziales und Unternehmensführung.



Our Corporate Strategy

Over the past ten years, Wienerberger has gone through a process of complete strategic reorientation and evolved from a volume- and production-driven producer of standard products for the building envelope into a full-range provider of innovative, smart system solutions designed to support customers in the construction and renovation of residential real estate. The average rate of organic growth was 6% per year. To further advance this strategic transformation, Wienerberger is investing continuously in improving its product range and broadening it through the inclusion of digital services. Wienerberger's durable products and smart system solutions are being used for the construction and renovation of buildings and even entire city quarters. The product portfolio now ranges from roof and wall systems to façade solutions and building services and facilities to innovative pipe systems for safe and secure energy and water supply as well as systems for rainwater management and wastewater disposal.

For Wienerberger, innovation and M&A (mergers & acquisitions), together with portfolio optimization measures, are the most important pillars of sustainable growth, which was successfully pursued throughout 2021. In North America, Wienerberger generated significant growth in the segment of stormproof clay façade claddings, not least thanks to product innovations and the acquisition of Meridian Brick, a transaction that was successfully closed at the end of October 2021. By taking over the portfolio of Struxura, a producer of prefabricated wall elements based in Belgium, Wienerberger is further broadening the product portfolio in its core segments of new build and renovation. In mid-November, Wienerberger entered into a strategic partnership with Exasun, a Dutch company, to take over

the distribution of its photovoltaic solutions on an exclusive basis. Moreover, an exclusive distribution agreement was concluded with Leadax, the Dutch producer of innovative and low-carbon flat roof solutions. In these accretive transactions, Wienerberger is focused not only on aligning its entrepreneurial activities with the Group's sustainability targets, but also on responding to the major challenges of our time through innovation, automation, and prefabrication. These include, for example, the impact of climate change, the shortage of skilled labor, and the issue of providing sustainable and affordable housing for all.

All our entrepreneurial activities are subject to clearly defined ambitious ESG criteria and are aimed at achieving our challenging targets by 2023:

- › 15% reduction of Wienerberger's CO₂ emissions
- › 100% recyclability or reusability of all new Wienerberger products
- › Full implementation of the Wienerberger Biodiversity Program at all sites

The Wienerberger corporate strategy, our priorities, and the interrelation between our financial and non-financial criteria are described and illustrated by diagrams in this Annual Report, see pages 14-15.

Our Business Units and Product Groups

With its innovative solutions, Wienerberger has evolved into a provider of system solutions in building materials and infrastructure. The objective of achieving greater customer proximity is reflected in the adaptation of our product groups to this development.

All our efforts have always been focused on improving our solutions for the benefit of our customers. To this end, we are pursuing our own product developments in group-wide research centers; at the same time, we continuously analyze potential value-creating acquisitions in order to explore new technologies and applications and extend our geographic market coverage.

Wienerberger Building Solutions

In our European markets, the Wienerberger Building Solutions Business Unit (WBS) offers a broad range of innovative products and system solutions for the building envelope and an integrated product mix for outdoor applications. WBS includes our business in all Wienerberger and Semmelrock brands. The Business Unit also includes our clay block production site in India.

Our roof tiles, clay blocks, and facing bricks are essential innovation drivers for energy-efficient, climate-resilient, and affordable system solutions for the building envelope. Our concrete pavers represent high-quality solutions for outdoor applications.

Wienerberger Piping Solutions

Wienerberger Piping Solutions (WPS) provides our European markets with solutions for all current challenges, such as water management in the context of climate change or increasing urbanization. The WPS portfolio comprises our business in Pipelife plastic pipes and Steinzeug-Keramo ceramic pipes.

The product portfolio of WPS includes system solutions for in-house installation, drinking-water supply, irrigation and drainage, wastewater and rainwater management, energy supply and data transmission, as well as special products for industrial applications. For the purposes of our strategic development, we group these applications in following priority areas: in-house solutions and infrastructure applications (including water management for agriculture).

North America

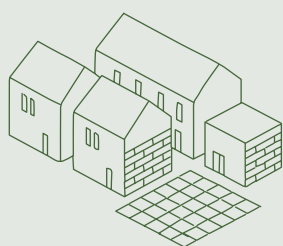
The main focus of the North America Business Unit is on innovative products and system solutions with facing bricks, concrete and calcium silicate products, and plastic pipes.

The core properties and applications of these products of North America are comparable to those of the wall and façade products of Wienerberger Building Solutions (WBS). This also holds for plastic pipes produced by the North America Business Unit and by Wienerberger Piping Solutions (WPS).



WIENERBERGER CORE APPLICATIONS OF OUR PRODUCTS AND SYSTEMS

Solutions for the Building Envelope and Concrete Pavers



- Single- and two-family homes
- Multi-family homes
- Non-residential construction
- Public spaces
- Gardens
- Pavements and parking areas

- ✓ New build
- ✓ Renovation
- ✓ Repair
- ✓ Modernization

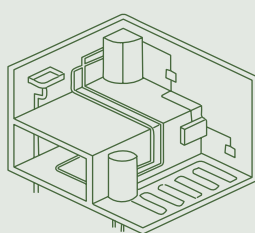
Decision-makers, customer groups

Architect, designer, public-sector client, private investor, building contractor, processor, distribution partner, dealers

Product users

Users of buildings, public at large

In-House Solutions



- Electrical and heating installations
- Drinking water and wastewater
- Garden irrigation

- ✓ New build
- ✓ Renovation
- ✓ Repair
- ✓ Modernization

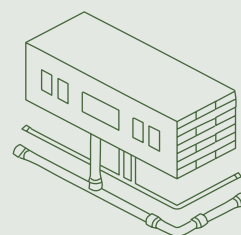
Decision-makers, customer groups

Designers, electricians, plumbers, building contractors, processors, distribution partners, dealers

Product users

End customers, users of buildings

Infrastructure Solutions



- Water management and wastewater disposal
- Energy supply
- Data transfer
- Special products for industry

- ✓ New build
- ✓ Renovation
- ✓ Repair
- ✓ Modernization

Decision-makers, customer groups

Investors, public-sector clients, designers, building contractors, processors, distribution partners, dealers, private clients

Product users

End customers, users of buildings, public at large, network operators

WIENERBERGER PRODUCTION SITES

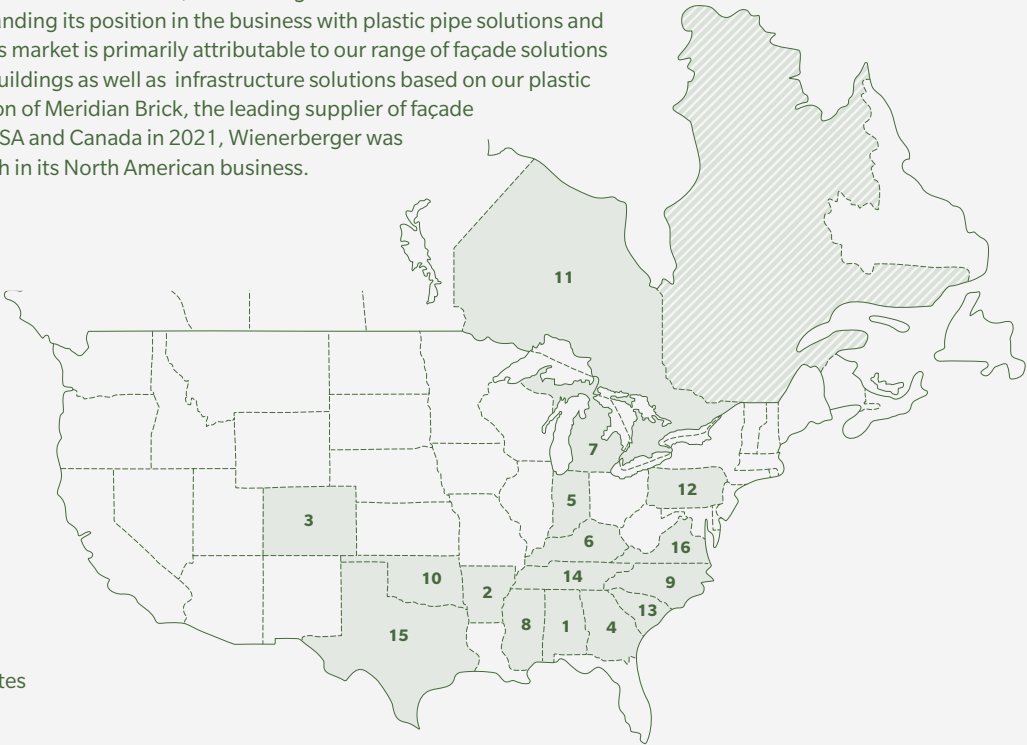
Wienerberger is a leading international provider of smart solutions for the entire building envelope for new residential housing and for renovation as well as infrastructure solutions for water and energy management. Currently, we have 215 production sites in operation in 28 countries and we export our products to markets all over the world. We are the world's leading brick manufacturer and hold top market positions in clay roof tiles, pipe systems, and concrete pavers.

Wienerberger in North America

With the acquisition of US-based General Shale in 1999, Wienerberger gained its first foothold in North America. Eight years later, the company entered the Canadian market by acquiring Arriscraft International. Since that time, Wienerberger has succeeded in diversifying its markets and expanding its position in the business with plastic pipe solutions and facing bricks. Our strength in this market is primarily attributable to our range of façade solutions for residential and commercial buildings as well as infrastructure solutions based on our plastic pipe systems. With the acquisition of Meridian Brick, the leading supplier of façade products in core regions of the USA and Canada in 2021, Wienerberger was able to achieve significant growth in its North American business.

**Wienerberger Markets
in North America**

- Markets with production sites
- Export markets



Number of production sites

- 1 Facing Bricks
- 1 Calcium Silicate Products
- 1 Concrete Products
- 1 Plastic Pipes

	<div></div>	<div></div>	<div></div>	<div></div>
1 Alabama	1			
2 Arkansas				1
3 Colorado	1			
4 Georgia	2	1		
5 Indiana	1			
6 Kentucky	1			
7 Michigan	1			
8 Mississippi	1			

	<div></div>	<div></div>	<div></div>	<div></div>
9 North Carolina	2			
10 Oklahoma	2			
11 Ontario	3	1		
12 Pennsylvania	1			
13 South Carolina	1			
14 Tennessee	1		1	
15 Texas	5		1	
16 Virginia	1			



Wienerberger in Europe

Wienerberger, a brick producer with a history dating back to 1819, took its first step toward internationalization in 1986 by expanding into neighboring countries. Over the next few years, Wienerberger diversified its product portfolio by adding plastic and ceramic pipes, facing bricks, roof tiles and pavers, soon gaining a leading market position in Europe. Today, Wienerberger holds leading market positions in building material solutions for the entire building envelope and in pipe systems for buildings and infrastructure.

Wienerberger in India

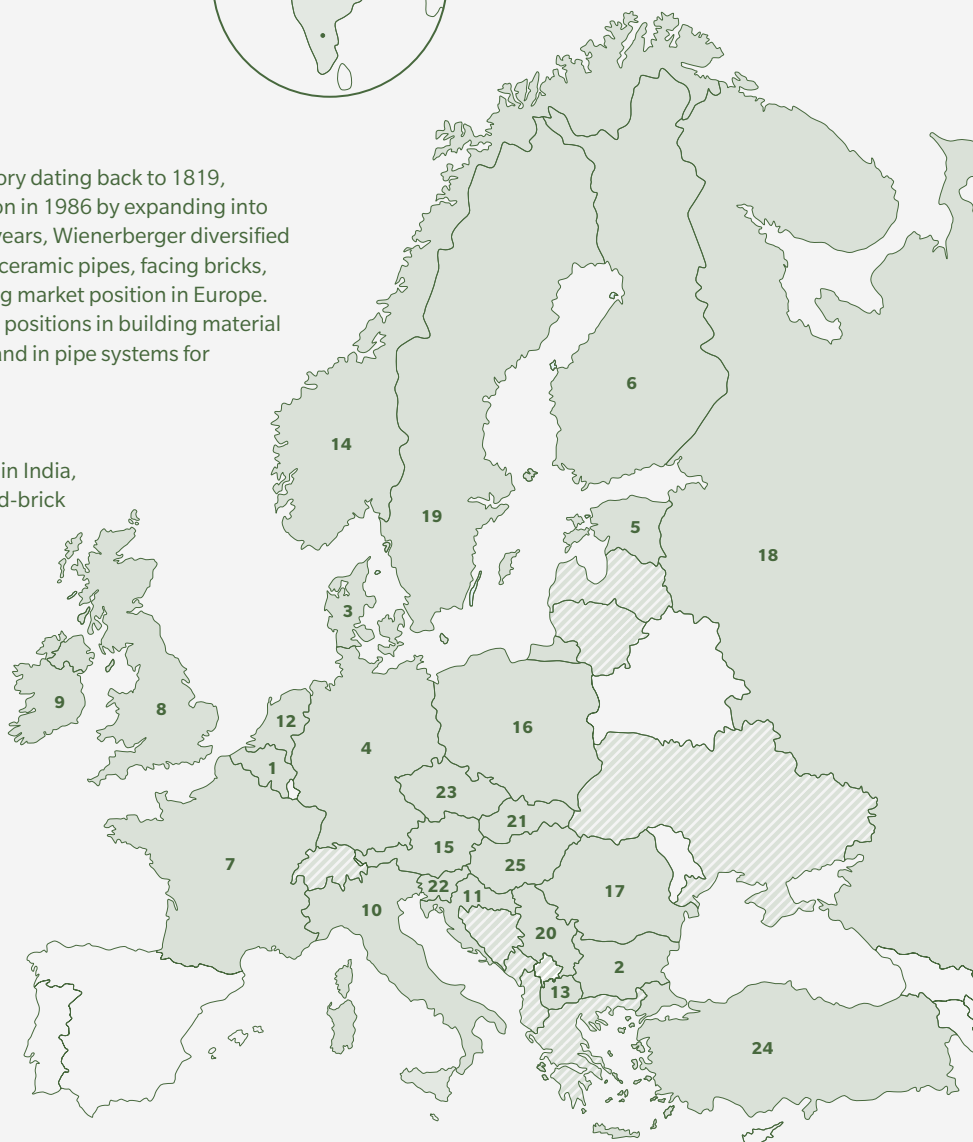
In 2007, Wienerberger set up a brick plant in India, the country known as the birthplace of mud-brick architecture, in order to meet the growing demand for environment-friendly building materials in that part of the world.

Wienerberger Markets in Europe

- Markets with production sites
- Export markets

Number of production sites

- 1 Clay Blocks
- 1 Facing Bricks
- 1 Roofing Systems
- 1 Pavers
- 1 Plastic Pipes
- 1 Ceramic Pipes
- 1 Digital Products & Solutions



1 Belgium	3	8	2		3	1
2 Bulgaria	1			1	1	
3 Denmark		5				
4 Germany	13	3	4	1	1	1
5 Estonia		1			1	
6 Finland		1			4	
7 France	4	1	3		2	
8 United Kingdom		9	7		1	
9 Ireland					2	
10 Italy	4					
11 Croatia	1		1	1		
12 Netherlands	1	10	3	5	3	2
13 North Macedonia			1			

14 Norway					3	
15 Austria	6		2		1	
16 Poland	7		1	5	2	
17 Romania	4			3		
18 Russia	2					
19 Sweden					2	
20 Serbia			1			
21 Slovakia	2			1		
22 Slovenia	1		1			
23 Czech Republic	7		3	1	2	
24 Turkey					2	
25 Hungary	5		2	2	1	
26 India	1					

VALUE CREATION CERAMIC PRODUCTS AND SYSTEMS

BUILDING SOLUTIONS AND PIPES

Sourcing and Distribution



Extraction from own clay pits, purchase of clay, additives, and aggregates, alternative binders
> Transport of raw materials to the plants



Energy



Water



Packing Material



Material recovery / Re



End of Service Life

Internal and external
recycling, recovery

Reuse

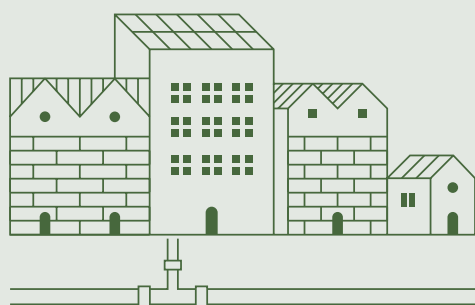




Production



Use Phase



Building Solutions and Pipes

- ✓ Roof tiles
- ✓ Clay blocks
- ✓ Facing bricks
- ✓ Ceramic accessories
- ✓ Ceramic pipes
- ✓ Accessories

VALUE CREATION PLASTIC PIPES AND SYSTEMS

Sourcing and Distribution



Purchase of refined raw material
(based on oil and salt): PE, PP, and PVC



Transport of
raw materials
to the plants



Energy



Water



Packing Material



Purchase of secondary
raw material

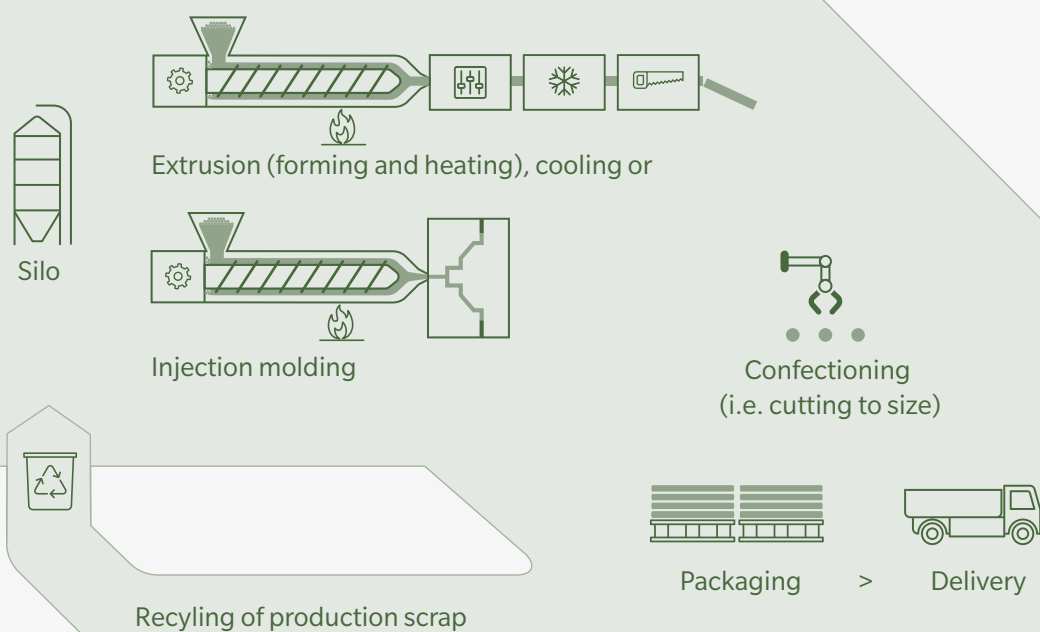


End of Service Life

Internal and external
recycling, recovery



Production



Use phase

In-house solutions

- ✓ Hot & cold water
- ✓ Heating & cooling
- ✓ Electro installations

Infrastructure solutions

- ✓ Water & gas systems
- ✓ Waste water and rain water systems
- ✓ Cables (outdoor area, e.g. for electricity)



VALUE CREATION CONCRETE PRODUCTS

CONCRETE PAVERS AND SLABS
AND DESIGN ELEMENTS

Sourcing and Distribution



Purchase of cement, sand, gravel, aggregates,
and alternative binders and fillers
> Transport of raw materials to the plants



Energy



Water



Packing Material



Material recovery / Re



End of Service Life

Internal and external
recycling, recovery

Reuse





Production



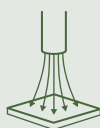
Mixing

>

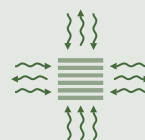


Moulding + Pressing

>



Surface
treatment



> Curing



recycling of production scrap

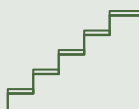
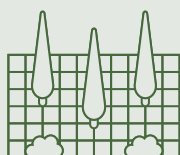


Packaging



> Delivery

Use Phase



**For private, commercial,
and public applications:**

- ✓ Concrete pavers
- ✓ Concrete slabs
- ✓ Steps
- ✓ Edgings
- ✓ Borders and palisades
- ✓ Fences and walls stones,
slope stabilizer blocks

Stakeholder Management

As a responsible member of society, Wienerberger makes every effort to fully understand the needs of its stakeholders. Wienerberger therefore takes the concerns of its stakeholders into account in the elaboration of its corporate strategy. Our stakeholders include our employees, customers and business partners, such as planners and developers, investors, analysts and banks, local residents and local authorities, suppliers, political decision-makers and representatives of the public administration, regulators, organized interest groups, research institutions and universities, media, and non-governmental organizations (NGOs).

We place special emphasis on an open, continuous, and target group oriented dialogue, as it fosters mutual understanding of one another's interests, expectations, and targets. Wienerberger therefore regularly organizes stakeholder dialogues, the objective being to obtain in-depth analyses of material topics and aspects from the stakeholders' perspectives, so that risks and opportunities can be identified at an early point in time. Moreover, we want to better understand what motivates specific groups in society and what they expect of us. In this context, in 2020 we updated our materiality analysis, involving both internal and external stakeholders. The results provided input for our Sustainability Program 2023 and form an integral part of our corporate strategy. Detailed information on the stakeholder dialogues organized in 2021 is contained in this Annual Report, on page 60. In the future, Wienerberger will continue its direct dialogue, especially with core stakeholder groups.

Expectations

Wienerberger's stakeholder groups are extremely diverse and have different needs, interests, and concerns. Different stakeholder groups are therefore addressed by different departments or organizational units within Wienerberger, and our communication instruments vary accordingly: In addition to personal meetings, we communicate and provide information through regular newsletters and information brochures, Internet-based information platforms, and information events.

Our employees are kept informed of corporate targets and strategies as well as current developments and measures in a timely and comprehensive fashion, the aim being to provide a motivating work environment and stimulate personal initiative.

Our customers and business partners – end customers as well as building-material dealers, developers, design engineers, and contractors – are mainly interested in high-quality, durable, and affordable products for buildings that ensure a safe, healthy, and comfortable environment. To a growing extent, our customers and business partners take an interest in sustainable building construction as well as energy-efficient and energy-neutral solutions, and expect us to supply products that are reusable or recyclable.

Capital market participants – investors, analysts, and banks – are interested, among other factors, in the company's sustainable performance. Timely communication and a regular exchange of information with the Managing Board, as well as comprehensive and transparent external reporting are of crucial importance for them.

Suppliers are particularly interested in fair business relations. Wienerberger's interest lies in the long-term and sustainable sourcing of the required natural resources, materials, and products in accordance with the criteria of sustainability. Within the framework of our business relations, we therefore make sure that our suppliers comply with our ecological and social standards, which we explicitly communicate to them.



Local residents, local authorities, and non-governmental organizations (NGOs) are among our important stakeholders. Every production site is also a neighbor, a local employer, and a taxpayer. Good and trusting relationships not only with neighbors, but also with local government authorities, associations, and citizen initiatives are essential for a stable production environment.

Policymakers determine the legal framework and thereby exert a major influence on Wienerberger's entrepreneurial environment. For quite some time, we have been publicly advocating the provision of affordable and social housing in Europe. Moreover, we are trying to convince policymakers of the need for state aid for renovation measures and the construction of water supply and wastewater disposal networks. It is an essential component of our success that we are determined to address the developments in the individual markets, such as the growing trend towards urbanization, and are able to offer decision-makers practical, sustainable and, above all, affordable solutions for the construction and renovation of residential buildings as well as essential components of infrastructure, such as supply and disposal systems or the paving of outdoor surfaces.

Research institutions and universities are important partners with which Wienerberger maintains close contacts and engages in regular exchange. Wienerberger itself operates several research facilities in Europe specializing in various fields of production.

The media expect targeted and timely information on strategic developments and current issues. Wienerberger, for its part, expects to receive fair media coverage.

Conflicts of interest

Each stakeholder group has its own interests and objectives. Conflicts of interest arise when the objectives pursued by two or more stakeholder groups are competing or in conflict with one another.

The establishment and operation of product sites or the construction of buildings, as well as supply and disposal networks, may trigger conflicts. In the majority of cases, there are local residents that are affected by the impacts of such projects. They find themselves in opposition to the project sponsors and other groups, including customers or local authorities that advocate and welcome the implementation of the projects. Regular dialogue between those responsible for the production sites or construction projects and the local residents concerned can lead to better understanding of one another's concerns and contribute to the resolution of the conflict.

In recent years, the number and the influence of groups in society representing ecological and social interests have increased. National and international attention has been focused strongly on measures aimed at combating climate change and protecting the environment. Ecological optimization measures tend to drive up expenditures, especially in the short term. Therefore, it is important to align economic interests, for instance those of shareholders and investors, with ecological requirements. Transparent communication of the ESG (environmental, social, governance) investments made and the company's ESG performance as indicators of the long-term success of the company may help to ease such a conflict of interests.

Wienerberger is making every effort to take the requirements of the various stakeholder groups into account and to identify and resolve potential conflicts as early as possible.

Stakeholders & Communication Instruments

Primary Stakeholders

Our employees

- › Internal communication channels

Our customers and business partners

- › Well-trained employees at the service center
- › Digital planning tools
- › Environmental product declarations (EPDs)

Capital market participants

- › Annual and quarterly reports
- › Presentations
- › Mailings on current developments
- › Road shows
- › Investor conferences
- › Personal conversations
- › Capital Markets Day

Suppliers

- › Monitoring of suppliers with regard to terms and conditions, non-financial and financial performance
- › Exchange in the course of our on-site supplier audits
- › Cooperation based on suppliers' ESG rating results (plans for optimization)
- › Implementation of the Supplier Code of Conduct
- › Exchange on and cooperation in the fields of decarbonization, use of secondary raw materials, and the joint development of innovative products and system solutions

Community

Local residents, communities, and public authorities

- › On-site dialogue with stakeholder committees
- › Informal exchanges

Research institutions and universities

- › Research cooperation

Political level

- › Membership in European and national representative bodies and platforms
- › Participation in technical committees

Media

- › Press releases and press conferences
- › Media enquiries
- › Interviews

Stakeholder dialogues

In 2021, Wienerberger conducted intensive stakeholder dialogues with selected core stakeholder groups. The objective was to put the results of the 2020 materiality analysis in perspective and to better understand the challenges faced by the stakeholders in matters relating to ESG. Based on the results obtained, Wienerberger

was able to derive measures aimed at improving its sustainability program.

The results of the 2021 stakeholder dialogues are described in detail on page 60.



Corporate Governance at Wienerberger

As a listed company with international operations, Wienerberger is committed to the strict principles of good corporate governance and transparency as well as to the continuous further development of an efficient corporate control system. We are convinced that managing the Wienerberger Group responsibly and with long-term goals in mind is one of the crucial prerequisites for a sustainable increase in enterprise value. In the pursuit of this target, we always act within the framework of Austrian law, the Austrian Corporate Governance Code, our Articles of Association, the rules of procedure of the Boards of the company, and our internal policies.

In 2021 Wienerberger was once again in full compliance with the rules of the Austrian Corporate Governance Code, including its R Rules. The activities of the reporting year relating to corporate governance are explained and described in detail in the 2021 Corporate Governance Report, starting on page 164.

Information on compliance and the fight against corruption is contained in the chapter “ESG: Governance & Management Approach”, starting on page 38.

ESG criteria in variable remuneration

Variable remuneration at Wienerberger is composed of a short-term remuneration component for Managing Board members (Short-Term Incentive, STI) and a long-term component (Long-Term Incentive, LTI), which all members of the Managing Board and top-level executives of the Group are entitled to. While the STI is primarily linked to financial indicators, the LTI is intended to enhance the motivation of Managing Board members and top executives to focus more intensively on sustainably increasing the enterprise value and to identify more strongly with the company’s long-term planning and goals. As laid down in the Group’s remuneration policy, the targets for the LTI are financial in nature, while one third of the targets relate to ESG.

Variable Managing Board remuneration

The variable components of remuneration for the members of Wienerberger’s Managing Board are designed to create an adequate incentive for the achievement of key strategic targets and a sustainable increase in enterprise value.

The remuneration policy devised by the Supervisory Board ensures a high degree of transparency by linking the targets to clearly defined indicators of earnings and profitability as well as precisely measurable ESG criteria. Particular attention is paid to ensuring the greatest possible target congruency between shareholders’ interests and Managing Board remuneration. On this basis, the long-term remuneration component is primarily linked to the sustainable improvement of the enterprise value, taking into account key financial indicators (relative total shareholder return, return on capital employed after tax), as well as clear environmental, social, and governance (ESG) targets.

In accordance with the Sustainability Program 2023, the following environmental, social, and governance (ESG) targets apply to the special LTI for the Chairman of the Managing Board of Wienerberger AG:

Environmental target for climate protection:

15% less CO₂ emissions as compared to 2020

Social target for diversity:

more than 15% women in senior management and more than 30% female staff members

Social target for initial and further training:

10% more training hours per employee as compared to 2020

For our top executives

The variable remuneration of the senior management of the Wienerberger Group is designed along the lines of the incentive scheme for Managing Board members. Depending on the functional profile of each executive, the targets for the short-term remuneration component are determined on the basis of the Group budget or the budget of the respective executive’s areas of responsibility and supplemented by individually agreed-upon financial or non-financial targets.

Detailed information on Wienerberger’s remuneration regime is provided in the 2021 Remuneration Report on our website <https://www.wienerberger.com>.





wienerberger

ESG: GOVERNANCE & MANAGEMENT APPROACH

*Good corporate governance – Code of Conduct,
compliance, and prevention of corruption – Supplier management –
Non-financial reporting*

Target of our Sustainability Program 2023



0

**cases of corruption
in the Wienerberger Group**

The economy is an integral part of society. At Wienerberger, we take our responsibility as a corporate citizen seriously: We communicate honestly, act ethically, and operate within a transparent economic framework. The responsible management of the Wienerberger Group with long-term goals in mind is firmly rooted in the Group's organizational structure. We observe clear ethical principles, our Code of Conduct, and a firmly established compliance policy.

ESG: Governance & Management Approach

Wienerberger's commitment to sustainability covers all stages of the Group's value chain. The Wienerberger sustainability strategy, also called ESG¹ strategy, and the related Sustainability Program 2023 are integral parts of the Wienerberger corporate strategy and provide a strong basis for sustainable growth (see also "Strategy", pages 12-13). In 2020, in the interest of a clearer definition of our sustainability-related priorities and targets, we performed a materiality analysis with input from relevant internal and external stakeholder groups (see chapter "Materiality Analysis and UN SDGs", page 58). In order to better understand the assessments and priorities mentioned by our stakeholders within the framework of the 2020 materiality analysis, Wienerberger conducted in-depth stakeholder dialogues in 2021 (see page 60).

To ensure a uniform approach and efficient implementation of the measures taken, as well as the achievement of our goals, Wienerberger established clear structures and responsibilities for sustainability management across the entire Group. Moreover, we regard sustainability as a crucial factor of our corporate success and have therefore integrated ESG criteria in areas such as our remuneration policy (see page 37) and corporate financing.

In this chapter, the following governance topics and management approaches will be covered in separate sections:

- › Organizational structure
- › Wienerberger's risk management and due diligence processes
- › Commitment to compliance with the TCFD recommendations
- › Wienerberger Code of Conduct, compliance, and the prevention of corruption
- › Supplier management
- › Voluntary commitment to compliance with the ten principles of the UN Global Compact
- › Our non-financial reporting

GREEN FINANCING

Wienerberger assumes responsibility for its entire value chain not only in its operational business, but also in corporate financing. Therefore, in 2019, Wienerberger for the first time opted for a sustainability-oriented form of finance. To refinance the 4% corporate bond that matured in April 2020, a € 170 million loan was taken out at a rate of interest that is linked not only to the usual financial indicators, but also to the company's sustainability rating. An improvement in the Wienerberger Group's sustainability performance thus results in lower financing costs.

As required, the Group's ESG rating, which is to be reviewed annually, was updated by EcoVadis in 2021. Owing to Wienerberger's improved sustainability performance, especially in the fields of environmental protection and procurement, the Group achieved a further improvement in its sustainability ratings. In 2021, Wienerberger additionally negotiated a new syndicated loan with a sustainability component, the terms and conditions of which are linked, among other factors, to the ESG ratings by EcoVadis.

Organizational Structure

The responsible, long-term approach to the management of the Wienerberger Group is an essential prerequisite for the implementation of the corporate strategy and the achievement of the corporate goals, i.e. the sustainable increase in enterprise value in accordance with ecological, social, and economic criteria. As a listed company with international operations, Wienerberger is committed to strict principles of good corporate governance and transparency as well as the continuous further development of an efficient system of corporate control.

1) ESG: Environmental, Social, Governance.



Operational Management

Sustainability Steering Committee: The Sustainability Steering Committee (SSC) is responsible for Wienerberger's sustainability strategy and the definition of the targets, deadlines, and measures of the sustainability program. The committee is comprised of the Managing Board of the Wienerberger Group, i.e. the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of Wienerberger AG, and the Chief Operating Officers (COOs) of Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS). The Managing Board acts as the top-level internal steering body, identifies matters of growing importance related to ESG, and defines targets for the Group.

Functions at Group level: The Group Sustainability & Innovation Department is headed by a Senior Vice President. The latter reports directly to the Chairman of the Managing Board of Wienerberger AG, ensures group-wide coordination of the sustainability and innovation strategy, the sustainability program (currently the Sustainability Program 2023), and sustainability management, and is responsible for Wienerberger's sustainability reports. The department is in charge of aligning Wienerberger's sustainability strategy with the Group's innovation agenda. It also supports the implementation of both agendas and ensures continuous dialogue with and involvement of the stakeholder groups, such as customers and users of our products and system solutions. At department level, clearly defined responsibilities and targets contribute significantly to the implementation of the Wienerberger strategy. For example, "Human Resources" and "Procurement" submit regular progress reports to the Managing Board.

Business Units: At Business Unit level, the COOs of Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) and the CEO of North America (NOAM) are responsible for implementing the sustainability targets. They observe potential areas of improvement, report to the Managing Board, and elaborate a specific plan of action for the integration of the sustainability strategy in all Business Units. They are supported by their respective sustainability officers. Continuous exchange with the Sustainability & Innovation Department on the progress achieved serves to broaden the scope of responsibility and influence in the pursuit of the Group's sustainability targets.

Local site managers: The internal organizational structure is rounded out by local site managers, who play an important role in respect of ESG matters. They support the practical implementation of policies and measures at local level and thus ensure that the targets set at Group level are attained.

Managing Board and Supervisory Board

The Managing Board of Wienerberger AG and the Supervisory Board play a central role in the Group's efforts to address the most important aspects relating to sustainability. The Managing Board of Wienerberger AG, which currently has four members, is responsible for the strategic and operational management of the company. The Supervisory Board monitors all essential strategic projects. Alongside its monitoring and steering function, it plays an advisory role and thus assumes part of the company's entrepreneurial responsibility. Upon the Managing Board's proposal, the Supervisory Board analyzes and approves the Wienerberger strategy and the sustainability program. The current Sustainability Program 2023 sets out the targets to be pursued and outlines the strategy to achieve these targets.

This structure is intended to ensure that ESG topics, especially those that are relevant to climate change, are taken into account in the elaboration of the corporate strategy, financial planning, the annual budgeting process, and investment decisions. In the performance of its functions, the Supervisory Board is supported by two committees:

- › Sustainability and Innovation Committee
- › Audit and Risk Committee

Sustainability and Innovation Committee

The Sustainability and Innovation Committee established by the Supervisory Board deals intensively with current topics of Wienerberger's sustainability and innovation management. The committee, which in 2021 comprised four members of the Supervisory Board, meets three times a year. It discusses progress achieved in the implementation of the Wienerberger sustainability strategy and program, Wienerberger's ESG performance relative to the targets set, and the introduction of risk mitigation standards and policies. It reports to the Supervisory Board on the topics discussed and the conclusions reached.

The main responsibilities of the Sustainability and Innovation Committee are as follows:

- › Supporting the Managing Board in the review and further development of the Group's sustainability and innovation strategy
- › Exchanging ideas with the Managing Board on new legal provisions and global trends in sustainability and innovation management
- › Monitoring the implementation of the Group's sustainability and innovation strategy

Audit and Risk Committee

This committee is in charge of monitoring all financial and accounting matters of the entire Group, including the audit of its annual financial statements and risk-related topics. The areas to be reviewed by the committee include the following:

- › Financial reporting and the corresponding explanatory notes
- › Internal control and risk management systems as well as internal audit
- › Audit of the annual financial statements
- › Risk management

In 2021, the Audit and Risk Committee had four members. It meets five times a year. Within the framework of the standardized risk management process, the committee also discusses ESG risks and opportunities, including climate-related risks. After each meeting, the committee chairman formally reports to the Supervisory Board on the committee's activities in all matters within its mandate. Moreover, a formal report on the performance of the committee's duties of control is submitted to the Supervisory Board.

Wienerberger's Risk Management and Due Diligence Processes

The responsible management of the Wienerberger Group with long-term goals in mind is an essential prerequisite for the sustainable success of the company. An overview of the major risks and implications for the Wienerberger Group in terms of non-financial matters is shown on page 59.

Information on the ESG concepts and due diligence processes applied by Wienerberger in respect of environmental, social, and governance aspects is contained in the following chapters: "Climate Protection and Adaptation to Climate Change" (pages 67-95), "Circular Economy" (pages 96-102), "Biodiversity & Environment" (pages 103-108), "Employees & Social Impacts" (pages 109-130).

Information on Wienerberger's risk management, the related assessment processes, and the internal control system applicable to financial and non-financial matters is contained in the Risk Report (starting on page 304).

TCFD: Climate-related risks and opportunities

Wienerberger has set itself the target of minimizing its climate-related risks and is continuously developing solutions aimed at enhancing the company's climate resilience. Wienerberger therefore starts its reporting in accordance with the "Task Force on Climate-related Financial Disclosures" (TCFD) recommendations and transparently describes its climate-related risks and opportunities in the chapter "Climate Protection and Adaptation to Climate Change" (pages 67-95).

The analysis and assessment of the risks and opportunities arising from the transition to a low-carbon, climate-resilient economy (see pages 85-90) have been integrated into Wienerberger's risk management processes (see page 231).



The “Task Force on Climate-related Financial Disclosures” (TCFD) was established by the Financial Stability Board of the G20 in 2015. It was mandated to develop recommendations for companies to disclose their resilience to climate change to the capital market. These recommendations cover four thematic areas (governance, strategy, risk management, and indicators & targets) and provide a basis for companies to identify, assess, steer, and report on climate-related risks and opportunities. Since June 2017, date of publication of the recommendations, more than 1,300 organizations all over the world have confirmed their support for the TCFD. Updated recommendations were published in October 2021 and also taken into account by Wienerberger.

Commitment to Compliance with the TCFD Recommendations

As a leading provider of building material and infrastructure solutions, we demonstrate our good corporate governance culture by complying not only with the information requirements pursuant to the Austrian Sustainability and Diversity Improvement Act, but also with the recommendations of the “Task Force on Climate-related Financial Disclosures” (TCFD recommendations). By following the TCFD recommendations, we commit ourselves to ensuring a transparent presentation of climate-related opportunities and risks. Wienerberger understands the importance of such information for the investment community and other stakeholders. We will therefore continuously improve our climate-related disclosures and actively solicit feedback. An overview of climate-related information provided by Wienerberger in accordance with the TCFD – the TCFD Content Index – with references to the corresponding pages is provided on page 55.

Wienerberger Code of Conduct, Compliance, and Prevention of Corruption

Since the foundation of Wienerberger over 200 years ago, we, as a company operating successfully on an international scale, have assumed a great responsibility in society. Determined to consistently justify the confidence of our stakeholders, we ensure that our actions are guided by clear ethical principles and a firmly established compliance policy. For us, this encompasses a commitment to business ethics, honest communication, the creation of a transparent economic environment, personal accountability for what we do, and acting as a reliable and useful member of society.

In 2021, in order to highlight the significance and the binding nature of these principles, Wienerberger elaborated a group-wide Code of Conduct, which was implemented simultaneously with a whistleblowing service.

According to our definition, the term “compliance” encompasses all instruments and measures designed to ensure that Wienerberger and its employees act in conformity with the law in respect of all legal provisions that specifically apply to our company. Commitment to compliance with all national and international legal standards in effect is a fundamental principle of the Wienerberger Group.

In many countries, Wienerberger is subject to comprehensive and increasingly stringent environmental regulations as well as health and safety rules. Wienerberger considers itself duty-bound to observe all these rules and regulations, if necessary through investments in optimization measures, at all times. For years, Wienerberger has been committed to implementing the ten principles of the UN Global Compact. In accordance with the Wienerberger Social Charter, the company undertakes to comply with the relevant conventions and recommendations of the International Labor Organization (ILO) (see page 53).

WIENERBERGER SOCIAL CHARTER

https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/other/Wienerberger-Social-Charter_en.pdf

This section contains our report on Wienerberger's processes and standards relating to compliance and the prevention of corruption, with a special focus on:

- › Wienerberger Code of Conduct
- › Prevention of corruption
- › Compliance
- › Internal audit
- › Privacy, data protection, and cybersecurity
- › Complaints management

Wienerberger Code of Conduct

For Wienerberger, it is particularly important to ensure compliance with the highest standards of integrity and business ethics and to protect and safeguard the reputation of the Group, its subsidiaries, and its brands. In 2021, Wienerberger elaborated a group-wide Code of Conduct, which was implemented simultaneously with a whistleblowing service. The Wienerberger Code of Conduct represents a binding guideline and sets out how each and every one of us should act in our day-to-day business. The Code of Conduct must also be acknowledged by all our business partners.

Purpose and application

The Code of Conduct applies to the entire Wienerberger Group and all its subsidiaries in which Wienerberger holds a stake of at least 50%. The principles laid down in the Code of Conduct are intended to ensure that we share a common understanding, demonstrate good judgement, and maintain high standards of ethics and integrity in our dealings with all our stakeholders. We expect the same behavior from our business partners, such as suppliers, contractors, and customers.

As spelled out clearly in our Code of Conduct, Wienerberger does not tolerate any misconduct whatsoever, and the necessary steps will be taken or sanctions imposed in the case of violations. If, after verification of the information received, it is ascertained that an employee or business partner has violated the Code of Conduct, this may have serious consequences under labor law or, depending on the severity of misconduct, result in contractual effects.

Furthermore, Wienerberger does not tolerate any discrimination of or reprisal against persons who raise concerns, ask questions, or report suspected misconduct in good faith. All reports are thoroughly examined and (if permitted by law) treated confidentially.

We encourage all our employees and business partners to voice their concerns and speak up if they observe a breach of the Wienerberger Code of Conduct. In the majority of cases, the matter can be discussed and clarified with superiors or colleagues from HR. If this is felt to be inappropriate, employees can contact the Wienerberger Whistleblowing Committee or report their concerns anonymously via the "SeeHearSpeakUp" Whistleblowing Service.

The Wienerberger Whistleblowing Committee comprises experts from Corporate Legal Services, Internal Audit, Corporate HR, and the Corporate Secretary. For matters that pose a potential risk to the interests of Wienerberger or others, we also refer to the Wienerberger Whistleblowing Policy. While individual circumstances may vary, our Whistleblowing Policy ensures that all reported incidents are handled in a fair manner. Details on reporting, whistleblower protection, and support provided by Wienerberger are outlined in our Whistleblowing Policy.

Whistleblowing Service

Wienerberger wants to be absolutely sure that any suspected misconduct in our company can be reported via appropriate and secure channels. Concerns have to be taken seriously and people reporting them must not be subjected to any pressure. This is a key aspect of the whistleblowing service.

When implementing its Code of Conduct, Wienerberger therefore established a whistleblowing service that is available throughout the entire Wienerberger Group. This service is provided in cooperation with an external, independent global partner for whistleblowing services.



Through its external partner, Wienerberger offers all its employees and business partners the possibility to report their observations anonymously and confidentially in their native language. Reports can be submitted in three ways:

- › Via the online reporting system, which can be accessed on the Internet
- › By email in one's own language
- › Via a toll-free whistleblowing phone number of the country concerned

The whistleblowing service supports the Wienerberger Whistleblowing Committee in the investigation of illegal, unethical, or inappropriate conduct, suspected violations of the Compliance Policy, and the processing of complaints.

Follow-up procedure upon receipt of a report

Each report is verified by the Wienerberger Whistleblowing Committee before an investigation of the incident reported is initiated. The Whistleblowing Committee ensures that all reports of possible violations are investigated. All enquiries and reports are treated confidentially and in line with the legal provisions, the Wienerberger Code of Conduct, and any other policies in place, regardless of whether the report is submitted by telephone, email, or as an online report to the whistleblowing service.

Implementation

The Managing Board, the Supervisory Board, and the Works Council fully support the ideas and guidelines of the Code of Conduct. We expect all employees and business partners to familiarize themselves with our binding Code and comply with each of its principles.

The Wienerberger Code of Conduct is available in all 25 languages spoken in the countries in which the Wienerberger Group operates.

We will continue to inform all our employees about the contents of the Code on an ongoing basis and also communicate its principles via various communication tools and through specific training. We encourage all employees and business partners to report potential violations of our Code of Conduct.

Prevention of corruption

Wienerberger is committed to the principle of free and fair competition, which includes a firm stance against any form of corruption. Within the framework of the Sustainability Program 2023, we have therefore set ourselves the following target:

We are steadily pursuing the strictly defined target of "zero incidents of corruption".

We expect all our employees to act accordingly. An important instrument for the prevention of corruption is the four-eyes principle applicable to the signing of business transactions with third parties. Whenever rights and obligations are established, modified, or terminated, the signatures of two competent authorized persons from the local entity are required. This principle is reflected in international Group policies and supports the prevention of corruption at international level, as does the group-wide policy on how to deal with personal benefits, which was updated in 2016 and continues to apply. In general, the risk of corruption at Wienerberger is perceived to be low.

In 2021, no criminal proceedings for corruption were initiated against Wienerberger or companies of the Wienerberger Group.

In 2019, Wienerberger AG received a notification of holdings which, owing to a chain of unfortunate circumstances, was published 24 hours late. This meant that the deadline for publication of the notification required by law was not met. In 2021, the Austrian Financial Market Supervisory Authority (FMA) imposed an administrative fine of EUR 160,000 (net fine), plus EUR 16,000 costs of proceedings, on Wienerberger AG. Both amounts were paid by Wienerberger AG.

Compliance

As a listed company with international operations, Wienerberger is committed to the strict principles of good corporate governance and transparency, as well as to the continuous further development of an efficient system of corporate control. The framework for the company's actions and obligations is set by Austrian law, the Austrian Corporate Governance Code, the Articles of Association, the rules of procedure of the Boards of the company, and internal policies.

In order to prevent insider trading and the unlawful disclosure of inside information, the company has a compliance policy in place, which implements the provisions of the European Market Abuse Regulation. A compliance officer, supported by a deputy, has been appointed to monitor compliance. Moreover, training sessions, for example on issuer compliance, are held regularly at the Vienna headquarters for both Wienerberger Holding and the respective Business Units.

The principles governing lobbying activities have been laid down in a Code of Conduct based on the provisions of the Austrian Lobbying and Transparency Act, which applies to all board members and employees of Austrian companies in which Wienerberger AG holds a majority interest.

On account of the market position held by the Wienerberger Group in certain markets, the pricing policies of our subsidiaries are followed attentively by the anti-trust authorities. Investigations can be initiated even in the absence of a specific reason. We take such proceedings very seriously and support the investigations to the best of our abilities so that the issues raised can be clarified swiftly and thoroughly.

Price fixing is not part of Wienerberger's business practices and is therefore explicitly prohibited by our internal guidelines, which provide for severe sanctions in the event of violations.

To make our employees aware of problems that may arise in the field of anti-trust law, an anti-trust compliance program was introduced within the Wienerberger Group some years ago. The rules of conduct laid down in the policy provide concrete guidance on sensitive issues relating to competition law and are to be strictly observed.

In the context of the anti-trust compliance program, all country organizations of the Wienerberger Group are obliged to hold regular anti-trust training sessions. As a rule, anti-trust training sessions take place at least once every two years and are conducted by a national anti-trust expert or the in-house legal counsel. The local management is responsible for the organization of the training courses and the selection of employees to be trained. Internal Audit verifies that training has taken place and monitors compliance with the anti-trust policy.

In accordance with Wienerberger's decentralized structure, responsibility for the implementation of and compliance with the national rules and regulations lies with the respective local management bodies. For this reason, and pursuant to national legal provisions, compliance officers have been appointed at country level and mandated to evaluate compliance and report thereon to the local authorities and the Wienerberger Managing Board.

WIENERBERGER LINKS

*Corporate Governance Report as part of the
2021 Annual Report (starting on page 164)*

*Code of conduct pursuant to the Austrian
Lobbying and Transparency Act*



Internal audit

In order to verify compliance and regularly analyze our internal policies and operational processes for their effectiveness, risk potential and possibilities of efficiency enhancement, an internal audit function has been set up as a staff unit reporting to the Managing Board. These activities are based on an audit plan approved by the Managing Board and agreed upon with the Audit Committee of the Supervisory Board, as well as a group-wide system of risk assessment covering all the company's operations. Internal Audit reports to the Managing Board and the Audit Committee on the audit findings.

In 2021, 20 companies (listed in the 2021 Annual Report, page 316, chapter "Group Companies"), were audited by Internal Audit with a special focus on organization, procurement, materials management, sales, human resources, and corruption, anti-trust legislation, and the General Data Protection Regulation (GDPR) of the European Union. Another focus area of the audits was compliance with the group-wide safety and health standards for our employees.

In the course of these audits, it was ascertained that the internal policies had been implemented in the companies audited and that the employees concerned were adequately informed. Deviations from the policies, if any, were reported to the Managing Board and the Audit Committee, and appropriate measures, such as improvements of documentation processes, were agreed upon with the respective local management.

Privacy, data protection, and cybersecurity

The protection of personal data and information systems has always been a matter of high priority for Wienerberger in all the company's business relations. We treat personal data confidentially and in accordance with data protection rules. We continuously invest in data security measures to ensure the best possible protection of our information systems and the personal data contained therein.

Our central Information and Data Security Department consists of the Head of Information Security, a privacy and security expert, and two security analysts. The department is part of Wienerberger Holding and has a group-wide function. In the performance of its tasks, the team is supported by regional IT security coordinators and the information security managers of all local companies.

Our experts on information and data security within the Wienerberger Group focus on the introduction, operation and continuous improvement of information security measures designed to prevent security breaches. Their work includes not only IT risk management, but also the coordination of training measures for all employees, the simulation of phishing and cyberattacks, the management and supervision of technical protection measures, as well as the constant monitoring and improvement of the level of maturity of our sites in terms of security. We protect our systems by defining and implementing standards, keeping our infrastructure up-to-date, employing the most advanced protection measures, and setting appropriate KPIs in order to ensure the effectiveness of our measures. In order to identify irregularities in our systems and data and to ensure effective and fast processes for the elimination of such irregularities, our Defense Center uses the most advanced technologies and expertise, ranging from artificial intelligence to highly specialized external cybersecurity analysts.

A high level of quality is guaranteed through the consistent analysis of security-related indicators. In order to immediately detect potential threats and react accordingly, the Wienerberger Group also cooperates with renowned partners that are available around the clock, if needed.

Protection of personal data

Personal data of any kind – be it data of employees, customers, or business partners – is treated confidentially and in accordance with the data protection rules. Violations of data protection provisions may result in disciplinary measures.

To maintain the high quality of data protection, an international team of data security coordinators operating at Wienerberger and in the country organizations has been put in place. Together with external specialists, a quality standard for data protection has been elaborated and successfully implemented across the Group.

Regular internal checks serve to review and optimize the standards. These checks encompass all business areas, country organizations, and partner companies processing data on our behalf.

Cybersecurity

Cybersecurity incidents can have a disruptive effect and cause harm to employees, customers, or the company as a whole. In an effort to mitigate cyber risks, we regularly back up our data, protect our devices and networks, encrypt important information, and require that passwords be changed at regular intervals.

Wienerberger's employees are responsible for complying with these measures and have to protect themselves against risks arising from a variety of sources. They do so by using strong passwords, updating programs and systems at regular intervals, and never trying to circumvent access controls.

In order to guarantee data integrity, system availability, confidentiality, and accountability, all employees must be aware of the rules governing the use of IT systems and other physical assets. To this end, on-site training, e-learning, information videos, and simulation exercises are provided.

Complaints management

Complaints regarding product quality or other issues are handled in various ways by our Business Units. At Wienerberger Piping Solutions (WPS), for instance, complaints management in the field of plastic pipes is dealt with locally by the individual country organizations. In the field of ceramic pipes, WPS has applied a comprehensive complaints management regime since 2016. Each complaint is entered into the system via an app and, at intervals of two weeks, evaluated by a body comprising representatives of all the departments concerned. Corrective measures, if necessary, are implemented without delay.

Supplier Management

Within the framework of our business relations, we ensure that our suppliers also comply with ESG standards. In 2021, Corporate Procurement evaluated 122 international raw material suppliers with a view to their ESG compliance. Full ESG compliance is based on two conditions: compliance with the Wienerberger Supplier Code of Conduct and the availability of an externally validated sustainability rating of the supplier by EcoVadis. As an alternative, the procurement team can perform the Wienerberger sustainability desktop self-assessment (internal performance rating).

The Supplier Relationship Management (SRM) Tool implemented at Wienerberger (see page 51) makes it easier for our suppliers to manage their ESG compliance requirements as it matches these requirements against the suppliers' audit results and their internal performance ratings. Depending on their ESG compliance and audit results, each supplier is assigned a key supplier score and, if necessary, instructed to take corrective measures.

In 2021, Corporate Procurement set itself an additional target and introduced a corresponding indicator: Throughout the Group, another 500 non-international key suppliers are to be included in the SRM system. They are to be rated for sustainability and service compliance and assigned corrective measures, if necessary.



Moreover, the Wienerberger SRM Excellence Award was initiated. In 2021, four suppliers were shortlisted for their excellent SRM performance. Furthermore, a distinction will be awarded to country procurement teams in recognition of outstanding performance in the field of sustainable procurement excellence.

The following sections cover aspects of supplier management that are relevant to ESG compliance:

- › Responsible sourcing policy and the ESG Steering Committee
- › New executive position for digitalization and ESG in procurement, fields of action in 2021
- › Supplier Code of Conduct
- › Supplier Relationship Management (SRM) Tool
- › Performance of supplier audits
- › Rating of suppliers by a rating agency based on sustainability criteria
- › Screening of suppliers and customers against international sanction lists
- › Recognition of sustainable procurement at Corporate Procurement level

Responsible sourcing policy and the ESG Steering Committee

Corporate Procurement at Wienerberger has further stepped up its activities regarding ESG. Alongside the application of all instruments and processes already implemented in 2019, the new Responsible Sourcing Policy 2021+ was elaborated in 2020.

In January 2021, this Policy, recognized as an integral component of Corporate Procurement, was translated into eight specific guidelines. The internal sustainable procurement stakeholders received comprehensive training in accordance with these specific guidelines. By following these rules and supporting our clear guidelines (what – who – how – when), we are able to effectively steer the ESG performance of our suppliers along our supply chain.

Moreover, our ESG performance and our ambitions in this area for 2021 were monitored and checked as core indicators of sustainable procurement. These indicators are discussed at the quarterly international procurement tele-conferences.

In 2021, the ESG Steering Committee established within the framework of Corporate Procurement was not involved in any proceedings regarding potential ESG non-compliance risks of SRM suppliers (see page 51, Supplier Relationship Management Tool). Moreover, the ESG Steering Committee acknowledged the current responsible sourcing policy. No major structural changes were made.

RESPONSIBLE SOURCING POLICY 2021+

Based on the new policy, we will align our supplier base with the following ESG priorities of the Wienerberger Group:

- › Climate change and energy efficiency
- › Circular economy and increased use and availability of secondary raw materials
- › Human health and well-being

New executive position for digitalization and ESG in procurement, actions taken in 2021

In 2020, a new executive position for digitalization and ESG in procurement was created and its head appointed. Through this function, ESG-related developments in responsible procurement are being further advanced. The following fields of action were particularly important in 2021:

- › Inclusion of ESG criteria in the process of supplier qualification and the award of contracts
- › Implementation of instruments and methods to monitor, evaluate, and promote compliance with supplier standards along the extended Wienerberger supply chain
- › Development of a supplier base and recognition of best-practice examples and innovations through preferential treatment of suppliers willing to proactively engage and improve in matters relating to ESG
- › Ensuring of compliance with policies, codes of conduct, international conventions, and local regulations, as well as Wienerberger rules and standards
- › Training of our employees to deepen their understanding of the importance of ESG implementation

In 2021, all fields of actions and priorities defined for the executive position for digitalization and ESG in Corporate Procurement were successfully implemented.

Supplier Code of Conduct

In 2019, a group-wide “Supplier Code of Conduct” (SCOC) was elaborated in cooperation with internal and external experts. The SCOC sets out the minimum requirements which Wienerberger expects its suppliers to meet in terms of responsible action regarding the environment, social aspects, and governance, including respect for human rights and compliance with other requirements of the ten principles of the UN Global Compact. The implementation of the Supplier Code of Conduct and its application in the SRM tool was substantially advanced by the group-wide procurement structure managed by the Head of Corporate Procurement and the Head of ESG in Corporate Procurement.

SUPPLIER CODE OF CONDUCT

Wienerberger expects all its suppliers to meet minimum requirements of responsible action in respect of the environment, social aspects, and governance (ESG). To ensure compliance with these minimum standards, Wienerberger regularly audits its suppliers and rates their sustainability performance.



Supplier Relationship Management Tool

The implementation of an internal data platform containing information on the financial terms and conditions as well as the ESG performance and risks of all Wienerberger suppliers was continued in 2020 and finalized in January 2021. The supplier relationship management (SRM) tool facilitates efficient and coordinated data capture. For example, internal performance ratings, compliance with the Supplier Code of Conduct, or the results of ratings by EcoVadis are referred to as a basis for supplier-specific evaluations (see page 52). These evaluations will be used for recommendations regarding the further development of our supplier partners in terms of ESG criteria, as well as for the benchmarking of suppliers against one another. Moreover, instruments such as the screening of suppliers against international sanction lists (see page 52) and the verification of their financial resilience help us minimize supplier-side risks as much as possible.

Performance of supplier audits

In 2018, a formalized training program run by external certification bodies was introduced to qualify employees working in procurement for the performance of supplier audits. By 2021, 12% of all employees working in Procurement were trained as accredited supplier auditors by external certification bodies (technical inspection bodies or equivalent institutions). Ultimately, 20% of all employees in procurement are to be trained to perform professional on-site supplier audits in cooperation with local colleagues who have undergone similar training, in particular if concerns have arisen over a supplier's performance. Corporate Procurement nominates employees on the basis of strategic considerations and is rolling out the certified external training of employees step by step to all country organizations. The objective is to perform standardized supplier audits throughout the Group and to have at least one employee in each country organization who is certified to perform supplier audits.

Moreover, Corporate Procurement defined uniform follow-up processes to be followed after the audits, depending on the audit results. Based on these process definitions, supplier audits are initiated in those areas of procurement and geographic locations where the biggest potential risks are assumed to exist.

The audits cover essential ESG criteria, such as the health and safety of employees, respect for human rights, the prevention of corruption and bribery, and environmental protection. On the basis of the audit results, the suppliers concerned are recommended to adopt appropriate corrective measures and deadlines are set for the implementation of improvements.

On account of the COVID-19 pandemic, our possibilities for visiting the sites of our suppliers were limited in 2021. However, in cases of particular relevance to us, such as potential new suppliers in India and China, audits were performed by external third parties.

ACCREDITED SUPPLIER AUDITORS AT WIENERBERGER

Wienerberger employees are trained as accredited supplier auditors by external certification bodies. They perform professional on-site audits on supplier premises.

Rating of suppliers by a rating agency based on sustainability criteria

Since 2019, Wienerberger has had the sustainability performance of suppliers and potential risks in selected areas of procurement rated by EcoVadis, an international partner for sustainability ratings (ESG ratings). Within the framework of cooperation with EcoVadis, the sustainability rating of suppliers and the performance of supplier risk analyses are being rolled out step by step.

The ratings of the suppliers' sustainability performance by EcoVadis are stored on our internal data platform (SRM tool). Moreover, employees working in procurement are being trained not only by Wienerberger, but also by EcoVadis to heighten their awareness of the relevance of sustainability ratings and risk analyses.

Screening of suppliers and customers against international sanction lists

Since 2019, all of Wienerberger's suppliers and customers registered in the SAP system have been screened on a monthly basis via an interactive data platform for their inclusion in international sanction lists (published by the United Nations (UN), the EU, and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury). The screening is performed centrally by the sanctions management software, which runs monthly checks of all customer and supplier master data in the SAP system. Every match is transmitted to the local management in charge for assessment and follow-up.

The local decision on whether to continue doing business with the suppliers or customers concerned must be communicated to Corporate Legal Services for consultation within two weeks. All decisions taken in this context are documented in the sanctions management software.

Recognition of sustainable sourcing in Corporate Procurement

Wienerberger has improved its performance in all areas covered by EcoVadis' sustainability rating, which comprises the aspects of environmental protection, labor rights, human rights, ethics, and sustainable sourcing.

In the field of sustainable sourcing, Wienerberger has reached a score of 60 out of 100 points. In the responsible supplier management category, Wienerberger thus ranks among the top 3% of all companies of its sector of industry.

In the first quarter of 2021, our procurement was subjected to yet another audit by an independent jury and nominated as a finalist for the 2021 EcoVadis Sustainable Procurement Awards in recognition of our extraordinary progress, our efforts, and our performance in the field of sustainable sourcing.



Voluntary Commitment to Compliance with the Ten Principles of the UN Global Compact

Wienerberger acceded to the UN Global Compact in 2003 and is a founding member of respACT, Austria's leading corporate platform for responsible business practices. Thus, Wienerberger is officially committed to the implementation of the ten principles regarding human rights, labor standards, environmental protection – including the precautionary principle – and the prevention of corruption. The Wienerberger Social Charter, which confirms the company's commitment to compliance with the relevant conventions and recommendations of the International Labor Organization (ILO – a specialized agency of the United Nations), was signed by the Managing Board of Wienerberger AG and the chairman of the European Forum, a social partnership body, in Strasbourg in 2001.

Through the Wienerberger Social Charter, which is published on our website, our company demonstrates its global commitment to respect for human rights, fair working conditions, payment of adequate remuneration, the avoidance of excessive working hours, permanent employment relationships, and respect for the freedom of assembly and the right of employees to engage in collective bargaining. Within its sphere of influence, Wienerberger guarantees the protection of fundamental human rights. Thus, it goes without saying that Wienerberger tolerates neither child labor nor forced labor nor any form of discrimination.

Our Non-Financial Reporting

The non-financial indicators of the Wienerberger Group have been published annually since 2010. In combination with the Wienerberger Sustainability Program 2023 (see page 66), Wienerberger's sustainability reporting is an important steering instrument showing how Wienerberger meets its responsibility as a corporate citizen. The reports focus on ecological, social, and governance aspects of our activities, the corresponding management approaches, and our innovations. Further information on our economic performance, the organizational profile of the Group (see pages 8-15), and corporate governance (see page 174) at Wienerberger, are available in this 2021 Annual Report.

Up to now, a full sustainability report has been published every two years, alternating with a more concise update containing the essential facts and figures for the years in between. The 2020 Sustainability Report was published in June 2021; the most recent update for 2019 appeared in June 2020. As of the 2021 reporting year, Wienerberger is publishing its complete sustainability report under the title "Sustainability Report" as part of its Annual Report.

All Wienerberger sustainability reports meet the requirements of the Global Reporting Initiative (GRI). This 2021 Sustainability Report was prepared in accordance with the "core" option of the GRI standards.

The topics covered in this Sustainability Report are based on the materiality analysis performed in 2020 and the Sustainability Program 2023. The information contained therein refers to the company's activities in the 2021 business year. The indicators listed in the report also include 2019 and 2020, thus reflecting a three-year trend.

Wienerberger's sustainability resp. non-financial reports are prepared by the Group Sustainability & Innovations Department in consultation with the Business Units and specialized departments; they are released by the Sustainability Steering Committee (Managing Board of the Wienerberger Group and top management representatives of the Business Units).

Data management & data consolidation

Non-Financial Group Reporting has been established as a central data management tool responsible for the consolidation of all non-financial indicators. The latter serve as a basis for strategic decisions to be taken at Group and Business Unit levels.

Sustainability reporting follows the scope of consolidation of the Wienerberger Group, which is described in detail in the Notes to the 2021 Annual Report starting on page 242. In terms of substance, this report covers the fully consolidated subsidiaries operating in Wienerberger's product segments, i.e. products for the wall, roof and façade segments, ceramic pipes, plastic pipes, and concrete and clay pavers.

In line with our corporate structure, we report on our activities relating to our European business in ceramic building materials for the building envelope, together with those of the European concrete paver business, within the framework of the Wienerberger Building Solutions (WBS) Business Unit. Developments in our European plastic pipe business and our ceramic pipe operations are reported under the Wienerberger Piping Solutions (WPS) Business Unit. Developments and activities in facing bricks, concrete and calcium silicate products, as well as plastic pipes in North America and Canada, are reported by the North America Business Unit. Details on our product groups and operating segments are described in the chapter “Wienerberger at a Glance” starting on page 20. The indicators relating to “Holding & Others” are allocated to and reported within the three aforementioned Business Units on a prorata basis. The clay block production site in India is part of the Wienerberger Building Solutions Business Unit.

Five companies newly acquired in 2021 (see definition on page 116 of the 2021 Annual Report), where the structures required for the collection of non-financial indicators are currently being implemented or optimized, have not been taken into account for the 2021 reporting year. These companies are allocated to the following countries and Business Units: Belgium (WBS), Ireland and United Kingdom (WPS), USA and Canada (North America). Wienerberger is working on the implementation and optimization of the necessary data collection structures, the objective being to include the non-financial indicators of these sites as of the 2022 reporting year.

For the 2021 reporting year, the “Wienerberger Sustainability Report”, will be published as part of the Annual Report in March 2022, instead of at the end of June, as in previous years. The indicators on the topic of “Climate Protection & Adaptation to Climate Change” (energy and emission indicators), as well as the amounts of secondary raw materials used in plastic pipe production, were collected already at the end of 2021. The actual values from 01/01/2021 up to and including 31/10/2021 were collected and reported together with the best estimates for November and December 2021. The estimated values were checked for plausibility on the basis of the numbers at the beginning of 2022 and no deviations were found. All other indicators were collected at the beginning of 2022 for the entire reporting period from 01/01/2021 to 31/12/2021.

Other deviations of individual indicators from the reporting scope are indicated wherever they apply.

External audit

Most of the data presented in this report are based on internal analyses. This Sustainability Report was validated by an independent external auditor. In the 2021 reporting year, the risk-based audit focused primarily on the selection and definition of topics for the report, including topics related to the provisions of the Taxonomy Regulation². The audit also covered the underlying sustainability management, the processes of data collection, and the implementation of the sustainability strategy.

We support these initiatives



Our sustainability ratings³⁾



²⁾ Taxonomy Regulation (EU) 2020/852 – Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 // ³⁾ Further information on our ratings can be found on our website.



WIENERBERGER TCFD CONTENT INDEX

*Alignment with the recommendations of the
Task Force on Climate-related Financial Disclosures (TCFD)*

Recommendation		Our actions
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	ESG: Governance & Management Approach – page 41 Governance Report – pages 168-195
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	ESG: Governance & Management Approach – page 41 Governance Report – pages 168-195
Disclose the actual and potential impacts of climate-related risk and opportunities on the organisation's business, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term.	Climate Protection & Adaptation to Climate Change – pages 85-90 Management Report – page 231
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate Protection & Adaptation to Climate Change – pages 85-90
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a two degree or lower scenario.	Will be covered in the next reporting periods
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	Management Report – page 231
	b) Describe the organization's processes for managing climate-related risks.	Management Report – page 231
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Management Report – page 231
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Key Indicators of the Wienerberger Group – page 18
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Key Indicators of the Wienerberger Group – pages 85-90 and 135-138
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Sustainability Program 2023 – pages 61-64 Climate Protection & Adaptation to Climate Change – pages 67-95





wienerberger

MATERIALITY ANALYSIS & THE UN SDGS

SUSTAINABILITY PROGRAM 2023

Materiality Analysis & the UN SDGs

Materiality Analysis 2020

In 2020, in the course of the reorientation of the Wienerberger strategy and the elaboration of the Sustainability Program 2023 (see pages 61 to 66), Wienerberger again performed a materiality analysis with the support of an external partner. It was conducted in accordance with the current regulatory requirements and international reporting frameworks (Global Reporting Initiative, GRI).

The materiality analysis identified the following ecological, social, and governance aspects of five core topics along our value chains:

- › Climate & energy
- › Circular economy
- › Employees
- › Biodiversity & environment
- › Business ethics & social impacts

By means of systematic online surveys, the five core topics were analyzed from three perspectives and assessed in terms of their materiality:

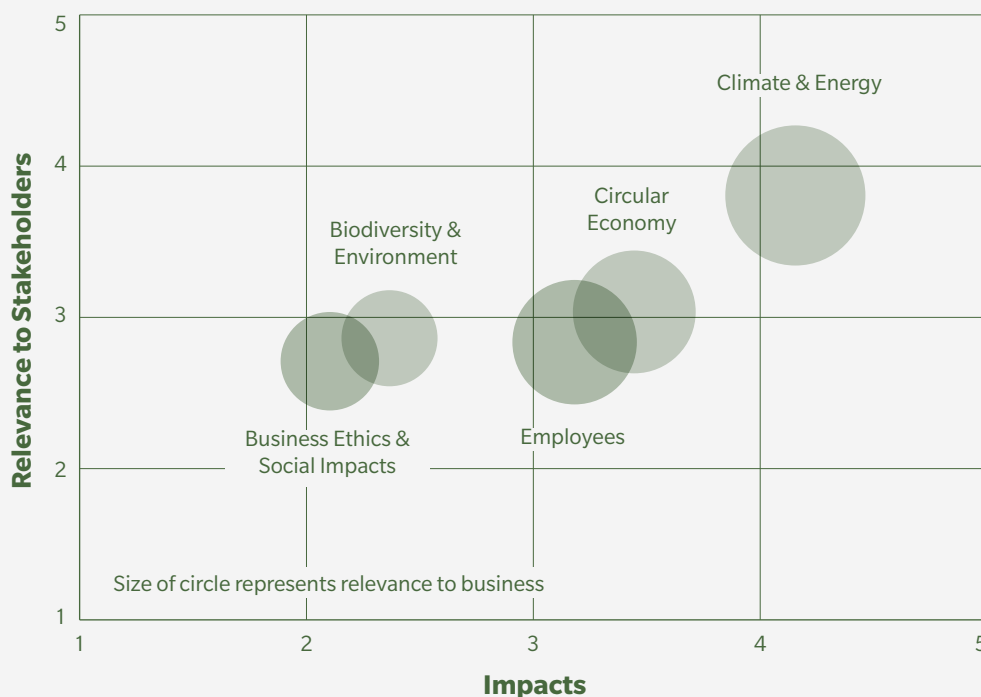
- › Stakeholder relevance as per stakeholder survey
- › Business relevance as per management survey
- › Impacts and risks caused by Wienerberger as per impact and risk survey

The results of the 2020 materiality analysis provided an important basis for the orientation of the Wienerberger strategy and the determination of targets and measures for the Wienerberger Sustainability Program 2023.

The materiality matrix on the following page shows the result of the analysis performed by Wienerberger in 2020 in the form of a diagram. It provides an overview of the topics that were identified as being material for the entire Wienerberger Group along the value chains of all product groups. In the course of 2021, the relevance of the material topics was determined in detail through dialogues with our stakeholders (see page 60) and reviewed by the Sustainability & Innovation Committee of the Supervisory Board, the Managing Board, and internal experts. Adjustments were made where necessary.



WIENERBERGER MATERIALITY MATRIX 2020



Climate & Energy

- › Reduction of carbon emissions in production
- › Reduction of energy consumption and carbon emissions in resource extraction and raw material production (e.g. cement, plastics)
- › Energy efficiency through the use of products or solutions
- › Energy efficiency (e.g. heat recovery) in production
- › Share of renewable energy in production
- › Adaptation to climate change through the effects of products on micro-climate and ground water (paving systems), water storage for dry periods, or discharge of heavy rain (sewage systems)

Circular Economy

- › Long product lifetime and long-term value of products
- › Share of secondary raw material in production
- › Design of products and systems for improved reusability or recyclability
- › Use of renewable raw materials in production
- › Separability and recyclability of materials at the products' end-of-life
- › Reduction of waste from production

Employees

- › Safety and health of Wienerberger's employees
- › Job stability and job creation
- › Access to skills development, training and apprenticeships, and opportunities for career advancement
- › Diversity and equal opportunities (regardless of gender, culture, language, religion, age etc.)

Biodiversity & Environment

- › Avoidance and control of hazardous substances in raw materials, aggregates and additives
- › Nature conservation at extraction sites
- › Contribution of products to biodiversity (e.g. green roofs, walls and paving solutions)

Business Ethics & Social Impacts

- › Compliance and anti-corruption
- › Ethical conduct of suppliers
- › Human rights and working conditions in the supply chain
- › Safety and health in supply chain, construction & demolition
- › Healthy indoor climate through good air quality in buildings
- › Affordability of building materials and solutions
- › Product and system design supporting ease of installation

ESG Stakeholder Dialogues 2021

In 2021, Wienerberger conducted ESG stakeholder dialogues with selected groups of core stakeholders. The purpose of these dialogues was to thoroughly evaluate the results of the 2020 materiality analysis and to better understand the challenges faced by our stakeholders in the field of ESG.

In this process, the relevance of the five areas identified as core topics for Wienerberger (climate & energy, circular economy, employees, biodiversity & environment, and business ethics & social impacts) were further evaluated and our 2020 materiality analysis was supplemented by ESG dialogues in Europe and the USA.

23 interviews were conducted with representatives of the following seven stakeholder groups:

- › Employees
- › Designers /architects
- › Real estate developers
- › Suppliers
- › Investors
- › Local authorities
- › NGOs

The interviews were coordinated by the Corporate Sustainability & Innovation Department and conducted by our country organizations. This procedure permitted direct and lively discussions between our on-site colleagues and our stakeholders.

Some of the topics of the 2020 materiality analysis were again highlighted as being particularly relevant, especially for the construction industry:

- › Reduction of CO₂ emissions
- › Circular economy
- › Biodiversity
- › Work ethics

This result confirmed the relevance of the Wienerberger Sustainability Program 2023 (see pages 61-66). At the same time, it shows how important it is for us to continue the comprehensive development of our innovative products, systems, and processes in an effort to address the aforementioned challenges.

In the course of the dialogues, we noted that our stakeholders also consider the following topics relevant:

- › Product and process innovations
- › Water management
- › Diversity
- › Compliance with rules and regulations (at local and EU level)
- › Reporting

In the following, we briefly summarize some of the interesting conclusions drawn from the stakeholder dialogues 2021:

Our employees attach particular importance to communication on ESG-related topics. They also raised the question of how the level of knowledge about ESG can be improved in all country organizations. We are currently working on structures and processes to better coordinate information flows and ensure that essential content is available to all.

Local authorities and non-governmental organizations (NGOs) emphasized our important role in the field of education. Cooperation with educational institutions, such as universities, on ESG topics was addressed. Given that the Corporate Sustainability & Innovation Department is being enlarged, such cooperation can be intensified.

Designers and architects regard the circular economy as a topic of high priority, not only at product level, but throughout the entire planning process for construction projects. Every time a project is launched, circularity is an essential topic, for instance in respect of water, energy and materials, the ultimate goal being the creation of closed cycles. Currently, our developments are focused not only on products, but on the entire process and the way in which innovations can be integrated.

The Corporate Sustainability & Innovation Department discussed the results of the stakeholder dialogues with the Wienerberger Managing Board.

The concept of open ESG dialogue between Wienerberger and its stakeholders was particularly well received. Our stakeholders welcomed the opportunity to engage in personal conversations and an exchange of ideas on new trends and innovations in the field of ESG. Wienerberger will continue this direct and regular exchange in the form of ESG dialogues with its stakeholders.



RELEVANT SDGS RELATING TO THE ENTIRE WIENERBERGER GROUP



SDGs of Relevance to the Wienerberger Group

The Agenda 2030 for Sustainable Development of the United Nations comprises 17 Sustainable Development Goals (SDGs). Within the framework of the 2020 materiality analysis, the direct and indirect impacts of Wienerberger on the SDGs along the entire value chain were evaluated. Based on these impacts and the relevant targets for each SDG, the SDGs were weighted, and ten of the 17 SDGs were identified as more or less relevant to Wienerberger.

Goal 8 “Decent work and economic growth” was identified as the goal most relevant to the Wienerberger Group. Within the framework of its business activity, Wienerberger aims, on the one hand, to provide high-quality jobs, and, on the other hand, to decouple economic growth and the degradation of the environment. This includes the enhancement of efficiency and the increased use of clean and sustainable technologies within the company. By increasing its own resource and energy efficiency in production, the company contributes significantly to the achievement of Goal 12, “Responsible consumption and production”.

Goal 9, “Industry, innovation, and infrastructure”, which calls for the retrofitting of industries to make them sustainable, is being pursued by Wienerberger as well.

An overview of the relevant SDGs and their targets, as they relate to the material topics for the Wienerberger Group (see page 59) along the entire value chain, can be found on pages 62-65.

Climate & Energy

Within the framework of our Sustainability Program 2023, our climate protection target for 2023 for the entire Wienerberger Group is:

*“15% reduction of CO₂ emissions
compared to 2020”¹*

In our production, we are continuously working on measures to improve energy efficiency and to reduce our CO₂ emissions.

¹) Based on product group specific KPIs

CLIMATE & ENERGY



7.3

By 2030, double the global rate of improvement in energy efficiency.



13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Through our products, such as our clay blocks with their excellent thermal insulation properties, we contribute toward improving the energy efficiency of buildings.

Moreover, with our products and system solutions we enable the construction of tornado-proof buildings. Our infrastructure solutions help to make cities more resilient to climate change, as they store water and prevent flash flooding thanks to water-permeable pavers.

For further information on this topic, please refer to the chapter "Climate Protection & Adaptation to Climate Change", starting on page 67.

Circular economy

Within the framework of our Sustainability Program 2023, our circularity target for the entire Wienerberger Group is:

"100% of our new products designed to be reusable or recyclable."

The reusability or recyclability of our products is an essential aspect of our innovation effort, as it significantly prolongs their service life. For each product group, we develop criteria to be taken into account in the process of designing new products.

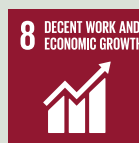
By the use of secondary raw materials and using natural resources efficiently in our production, we contribute to the improvement of resource efficiency and the reduction of waste. Moreover, we participate in research projects, for example on recycled concrete and the climate-friendly production of cement.

For additional information, please refer to the chapter "Circular Economy", starting on page 96.

Wienerberger meets all legal requirements at the European, national, and regional levels regarding the avoidance and substitution of hazardous substances, especially in raw materials. Compliance with all legal provisions is being monitored continuously and corrective measures, if necessary, are taken without delay.

Based on an internal guideline, uniform management practices regarding the avoidance of hazardous substances are in place at all production sites of the Wienerberger Building Solutions Business Unit. The guideline provides for the strict classification of inputs and contains mandatory instructions for employees on the use of secondary raw materials and the avoidance of hazardous substances at the production sites. Compliance with these provisions is verified on the basis of annual raw material reports.

CIRCULAR ECONOMY



8.4

Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation.



9.4

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.



12.2

By 2030, achieve the sustainable management and efficient use of natural resources.

12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.



Biodiversity & environment

Within the framework of our Sustainability Program 2023, our target for the entire Wienerberger Group regarding biodiversity and the environment is:

“Biodiversity Program fully implemented at all our sites.”

By 2023, biodiversity action plans based on the Wienerberger Biodiversity Program will be implemented at all Wienerberger production sites. The Biodiversity Program has been designed as a pragmatic contribution toward increasing the diversity of flora and fauna at urban production sites. The objective of the Wienerberger Biodiversity Program is to convert as much of our land as possible into high-quality habitats for biological diversity. In 2021, Wienerberger explored over 30 specific measures to foster flora and fauna, including examples of design, management, and maintenance measures already implemented at Wienerberger sites. The measures taken into consideration were tried out at various pilot sites in Europe. Based on experience gained there, Wienerberger will roll out individual biodiversity action plans to all sites by 2023.

Biodiversity, nature conservation, and a meaningful subsequent use are important sustainability criteria for the operation of clay pits. For Wienerberger, it is a matter of course to respect natural habitats and their biological diversity, and to make the company's own depleted clay pits available for their intended subsequent use. Within the framework of our business relations, we also take care that our suppliers comply with our ecological and social standards, which we communicate clearly in our group-wide Supplier Code of Conduct.

Our products and system solutions also facilitate compliance with the new energy standards. Our pipes are used for the construction of drinking-water supply and wastewater disposal systems, which has a positive impact on hygienic conditions and public health.

For additional information, please refer to the chapter “Biodiversity & Environment”, starting on page 103.

BIODIVERSITY & ENVIRONMENT



3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.



6.3

By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

6.4

By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.



12.2

By 2030, achieve the sustainable management and efficient use of natural resources.

12.4

Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.



15.1

Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands.

15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Employees

Within the framework of our Sustainability Program 2023, our target for the entire Wienerberger Group regarding diversity and HR development is:

“At least 15% women in senior management”

“At least 30% women in white-collar positions”

Wienerberger is aware of the fact that the percentage of women in specific positions is but one of many important aspects of a high level of diversity. We regard these objectives as a first step: For us, this is not a matter of defining quotas, but of building a positive awareness for gender equality.

“10% more hours of training per employee compared to 2020”

Wienerberger attributes great importance to developing and supporting its employees, enabling them to network with one another and engage in an international exchange of knowledge.

Wienerberger meets all legal requirements at the EU, national, and regional levels regarding the avoidance and substitution of hazardous substances. The company invests in protective measures, such as protection from exposure to respirable crystalline silica, in order to protect its employees from occupational diseases.

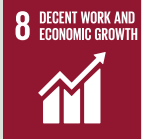
Moreover, Wienerberger confirms its global commitment to respect for human rights, fair working conditions, payment of adequate remuneration, the avoidance of excessive working hours, permanent employment relationships, and respect for the freedom of assembly and the right of employees to engage in collective bargaining.

For further information, please refer to the chapter “Employees & Social Impacts”, starting on page 109.

EMPLOYEES



3.9
By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.



8.5
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

8.6
Substantially reduce the proportion of youth not in employment, education or training.

8.8
Protect labor rights and promote safe and secure working environments for all workers.



Business ethics & social impacts

Ensuring compliance with the highest standards of integrity and business ethics is a matter of special importance for Wienerberger. In 2021, Wienerberger elaborated a group-wide code of conduct, which was implemented together with a whistleblowing service.

At the global level, Wienerberger is committed to ensuring fair working conditions and the respect for human rights. Within its sphere of influence, Wienerberger guarantees the protection of fundamental human rights. Thus, it goes without saying that Wienerberger tolerates neither child labor nor forced labor nor any form of discrimination. Wienerberger is steadily pursuing the strict goal of zero incidents of corruption and expects all its employees to act accordingly.

The Code of Conduct applies to the entire Wienerberger Group and all its subsidiaries in which Wienerberger holds a stake of at least 50%. The principles laid down in the Code of Conduct are intended to ensure that we share a common understanding, demonstrate good judgement, and maintain high standards of ethics and integrity in our dealings with all our stakeholders. We expect the same behavior from our business partners, such as suppliers, contractors, and customers. We also require our suppliers to meet our ecological and social standards, which we communicate clearly in our group-wide Supplier Code of Conduct.

For additional information, please refer to the chapter “ESG: Governance & Management Approach”, starting on page 38 as well as to the the chapter “Employees & Social Impacts”, starting on page 109.

BUSINESS ETHICS & SOCIAL IMPACTS



8.8
Protect labor rights and promote safe and secure working environments for all workers.



11.1
By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.



16.5
Substantially reduce corruption and bribery in all their forms.

16.6
Develop effective, accountable and transparent institutions at all levels.

16.7
Ensure responsive, inclusive, participatory and representative decision-making at all levels.

Sustainability Program 2023

The Wienerberger strategy sets out the Group's vision and its medium- and long-term targets, including core ESG topics. The strategy was elaborated jointly by the Wienerberger Managing Board and the Sustainability and Innovation Committee of the Supervisory Board. It is based on our mission statement and our value proposition: to act responsibly, protect the environment, improve people's quality of life, and, at the same time, ensure that future generations have the same opportunities as we have today.

In 2020, in the process of further developing our strategy, we also elaborated the Sustainability Program 2023 for the Wienerberger Group. It represents a conscious voluntary commitment to continuously improving the ecological, social, societal, and economic performance of the Wienerberger Group.

The Sustainability Program, designed as a three-year program of work, is based on the 2020 materiality analysis and our experience gained so far. It contains group-wide, measurable targets on environmental, social, and governance topics that Wienerberger wants to achieve by 2023.

The targets defined by the Sustainability Program 2023 primarily refer to climate protection, the circular economy, biodiversity, diversity within the company, training and development of employees, and housing projects for people in need. Moreover, we confirm our commitment to meeting the highest national and international governance standards (see page 37).

"All our entrepreneurial activities are in line with our ESG targets."

HEIMO SCHEUCH

CEO of Wienerberger

An overview of our ESG targets¹ pursued within the framework of the Wienerberger Sustainability Program 2023, is shown on pages 14-15. For further information on the core topics, targets, and achievements of Wienerberger, please refer to the chapters "Climate Protection & Adaptation to Climate Change" (pages 67-95), "Circular Economy" (pages 96-102), "Biodiversity & Environment" (pages 103-108), and "Employees & Social Impacts" (pages 109-130).

¹) ESG: Environmental, Social, Governance



wienerberger

CLIMATE PROTECTION & ADAPTATION TO CLIMATE CHANGE

Climate change is threatening our existence. The building sector accounts for more than one third of the world's energy consumption and almost 40% of CO₂ emissions. Through our innovative products and systems, we provide solutions for decarbonization. Moreover, we are making consistent efforts to reduce our own greenhouse gas emissions. In this way, we are supporting the European Green Deal and setting the course for the future.

Target of our Sustainability Program 2023



15%

**less CO₂ emissions
(Scope 1 and 2) by 2023
compared to 2020¹**

Wienerberger's goal is to minimize the impact of its operations on the environment. Our contribution to climate protection comprises measures such as the enhancement of efficiency in production and of energy efficiency, the dematerialization of our products and system solutions, the careful selection of raw materials for our ceramic production, and the conversion of our energy consumption to climate-neutral electricity and low-emission or climate-neutral thermal energy sources. At the same time, we are developing new technologies aimed at reducing CO₂ emissions from our production.

1) based on product-group-specific KPIs

Climate Protection & Adaptation to Climate Change

Current global warming, which is caused by rising concentrations of greenhouse gases in the atmosphere, results in long-term climate change. This change leads to rising sea levels, a higher frequency of extreme climate events, and more extreme heat waves and droughts. These events not only represent a danger to the environment and to ecosystems, but also have a negative impact on human health.

The climate crisis has begun to fundamentally change our world and our economic system. Companies in all sectors and industries are therefore urgently called upon to swiftly reduce the greenhouse gas emissions caused by their processes and products, i.e. to replace them by products and processes that do not release greenhouse gases, or to offset the emissions released. Moreover, adaptations to the physical effects of global warming need to be made. At the same time, climate-friendly business models open up great economic opportunities and drive innovations.

Wienerberger is making continuous efforts to keep the impact of its entrepreneurial activities on the environment and the associated ecological risks as low as possible along the entire value chain, and to reduce greenhouse gas emissions to the greatest possible extent. At the same time, we are developing solutions in response to global challenges, such as climate change and its consequences, in coordination with our customers.

Decarbonization – that is the reduction of CO₂ emissions along our value chain with climate neutrality as the ultimate goal – and adaptation to climate change are topics of special importance to Wienerberger. In this chapter, we describe how we consistently reduce our CO₂ emissions and which building and infrastructure solutions we provide to facilitate adaptation to climate change.

Our activities are focused on the following fields of action:

- › Decarbonization in sourcing and distribution
- › Decarbonization in our production
- › Energy efficiency and decarbonization through our products and system solutions
- › Adaptation to climate change through our products and system solutions
- › TCFD: Climate-related risks and opportunities
- › Disclosures pursuant to the EU Taxonomy Regulation

Our possibilities of influencing these areas and addressing the related challenges and opportunities, as well as our performance in 2021, are described in detail in the following sections.

Flue gas analyses performed regularly in our plants have shown that among greenhouse gases, the Kyoto Protocol² applies to, CO₂ is the only one of relevance to the Group. In its climate protection, Wienerberger therefore focuses on decarbonization (reduction of CO₂ emissions) along its value chain (see pages 69-83).

Wienerberger therefore reports its direct greenhouse gas emissions (Greenhouse Gas Protocol, Scope 1) in tons of CO₂, which in this case is identical with tons of CO₂ equivalents. Indirect greenhouse gas emissions (Scope 2) from electricity are recorded as CO₂ equivalents or CO₂e (calculation according to market-based method³).

The absolute CO₂ emissions or the corresponding CO₂ indicators in our reporting on climate protection therefore always refer to emissions of carbon dioxide equivalents (CO₂e).

For the time being, Scope 3 emissions, e.g. emissions resulting from the purchase, transport or sale of raw materials and substances, are not reported.

²) The Kyoto Protocol applies to the following greenhouse gases: carbon dioxide (CO₂, reference value), methane (CH₄), nitrous oxide (laughing gas, N₂O), partially halogenated hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆). Since the beginning of the second commitment period in 2012, it has also applied to nitrogen trifluoride (NF₃) as an additional greenhouse gas.

³) Use of the emission factors of the electricity provider or an individual electricity product.



Decarbonization in Sourcing and Distribution

At Wienerberger, upstream CO₂ emissions in sourcing originate from the production of the raw materials we need for our products, such as plastic granulate for our plastic pipes or cement for our concrete products, but also from the transport of raw materials and finished products. We advance decarbonization by increasing the share of secondary raw materials in our production, which reduces the volume of CO₂ emissions generated in the production of primary raw materials. Optimized transport management helps us to transport raw materials, products and system solutions efficiently and in the most climate-friendly way possible.

The major part of the CO₂ emissions from the production of concrete pavers by the Wienerberger Building Solutions Business Unit originates upstream in raw material production. Producing cement is particularly CO₂-intensive. We are therefore committed to reducing these emissions, for example by way of research projects on recycled concrete and climate-friendly cement production. In this context, partnerships with suppliers and technical or scientific institutions play an important role for us. Reducing the scrap rate in production is another measure aimed at reducing our specific CO₂ emissions in sourcing. For further information, please refer to the chapter "Circular Economy" on pages 98-99.

As regards our plastic pipes produced by the Wienerberger Piping Solutions Business Unit, we want to reduce the CO₂ footprint caused by the plastic granulate required as a raw material for production. To this end, we use secondary raw materials, such as recycled material, as a substitute for primary raw materials. For detailed information, please refer to page 99 in the chapter "Circular Economy".

Group-wide supply management enables Wienerberger to plan ahead and effectively manage its transport operations, such as the supply of raw materials to our plants and the delivery of our products and system solutions to customers. We pay attention to the efficient loading of our means of transport in order to minimize transport distances. Wherever possible, we give preference to low-emission means of transport. These processes and measures help us to reduce the volume of CO₂ emissions from transport.

In response to our customers' demand for climate-friendly packaging solutions, Wienerberger is continuously testing possibilities of using climate-friendly, recyclable materials for packaging. Alongside efforts to reduce the amount of packaging material in general, Wienerberger has begun to use plastic film containing a certain share of recycled plastics. To this end, tests were performed at Wienerberger country organizations in Belgium, Germany, Austria, Hungary, and France. As a result of these tests, primary plastic material was replaced by recycled plastics, which resulted in savings of 1,900 tons of CO₂ emissions. For further information, please refer to page 100 of the chapter "Circular Economy".

For the time being, the Wienerberger Group does not yet have group-wide Scope 3 emission data for all categories and materials. However, we are currently working on the introduction of the group-wide data collection structures required, the objective being to report on Scope 3 emissions as of the 2023 reporting year.

Decarbonization in our Production

Wienerberger's objective is to minimize the impact of its production activities on climate change. Through a continuous increase in production and energy efficiency, the dematerialization of our products and system solution, the careful selection of raw materials, and the transition in energy consumption to climate-neutral electricity and low-emission or climate-neutral thermal sources of energy, in combination with the development of new technologies for the reduction of CO₂ emissions⁴, we are contributing to climate protection.

With a view to the efficient orientation and implementation of the Sustainability Program 2023, Wienerberger consistently focuses on those topics and aspects that have been identified as being material for the Group. Decarbonization is an environmental topic of top priority for the Wienerberger Group.

4) Greenhouse gases such as methane, nitrous oxide, or chlorofluorocarbons (CFCs) are irrelevant in our production. Wienerberger therefore reports its direct greenhouse gas emissions (Greenhouse Gas Protocol, Scope 1) in tons of CO₂, which in this case is identical with tons of CO₂ equivalents. Indirect greenhouse gas emissions (Scope 2) from electricity are recorded as CO₂e (calculation according to market-based method). The absolute CO₂ emissions or the corresponding CO₂ indicators communicated in our climate action reporting therefore always refer to emissions in carbon dioxide equivalents (CO₂e).

Within the framework of our Sustainability Program 2023, our climate protection target for the entire Wienerberger Group is:

“15% less CO₂ emissions (Scope 1 and 2) by 2023 as compared to 2020”⁵

This target comprises the reduction of our

- › Scope 1 emissions: direct CO₂ emissions from primary sources of energy and from raw materials (the latter is of particular relevance in ceramic production)
- › Scope 2 emissions: indirect CO₂ emissions from the Wienerberger Group's consumption of electricity, originating primarily from electricity generation

“In 2021, Wienerberger succeeded in reducing its group-wide specific CO₂ emissions (Scope 1 and Scope 2) by more than 8% compared to 2020.”

We owe this success to the comprehensive decarbonization programs in our production (for details see page 70). Our engineers in ceramic production are continuously working on the reduction of our Scope 1 emissions. This includes the development of new technologies for a further enhancement of energy efficiency in drying and firing, for example through the avoidance or recovery of waste heat, as well as product, process, and portfolio optimizations.

Moreover, new production technologies are being developed for the efficient use of low-carbon or carbon-neutral energy sources. We carefully select our raw materials for ceramic production in order to minimize process emissions. To arrive at the best possible solutions, we operate our own internal research facilities and cooperate with external institutions. The dematerialization of our products and system solutions also delivers an important contribution.

We intend to drastically reduce the Group's total Scope 2 emissions from electricity by 2023. To this end, Wienerberger concludes power purchase agreements (PPA), buys green electricity certified pursuant to the EU Renewable Energy Directive, uses its own generation facilities, such as solar panels, and offsets the share of

electricity from fossil sources by supporting certified climate protection projects. Wienerberger's plastic pipe production primarily uses electricity as a source of energy. In 2021, thanks to the aforementioned projects, Wienerberger Piping Solutions succeeded in reducing its entire indirect CO₂ emissions from purchased electricity (Scope 2) to net zero.

In the following sections, we report in detail on the management and the performance of Wienerberger as regards the decarbonization of its production. In-depth information is provided on the following aspects:

- › Our path to climate neutrality
- › Controlling systems and data collection
- › Methods of index calculation for specific indicators
- › Use of energy sources in our production processes
- › Absolute energy consumption
- › Specific energy consumption
- › Absolute direct CO₂ emissions (Scope 1) and indirect CO₂ emissions from electricity (Scope 2)
- › Specific direct CO₂ emissions (Scope 1) and indirect CO₂ emissions from electricity (Scope 2)
- › Scope 3 emissions
- › Quality and environmental management systems at Wienerberger

Our path to climate neutrality by 2050

Wienerberger is committed to the European Union's long-term target of climate neutrality by 2050. Wienerberger's medium-term target is to reduce its CO₂ emissions by 40% by 2030, as compared to 2020. This is to be achieved through targeted programs and measures.

Our ceramic production accounts for the major part of direct CO₂ emissions (Scope 1). In this area, in particular, Wienerberger will therefore focus intensively on comprehensive measures to reduce specific CO₂ emissions. Some of these measures are for example:

- › **Enhancement of production and energy efficiency:** Measures to enhance energy efficiency contribute to the reduction of specific CO₂ emissions in production.
- › **Dematerialization and raw material efficiency:** Reduction of raw material input, with product quality and product properties remaining the same. CO₂ emissions from raw materials and the consumption of energy sources can thus be avoided.

⁵⁾ Measured on the basis of product-group-specific KPIs.



- › **Decarbonization of raw material mixes:** Changes of mix formulas to use low-emission or climate-neutral raw materials, with product quality and product properties remaining the same (wherever possible)
- › **Conversion to climate-neutral energy sources:** Evaluation of options for the use of alternative energy generation systems and/or sustainable energy sources at various production sites
- › **New production technologies:** Implementation of further R&D projects concerning new technologies for kilns, dryers, and heat pumps, as well as raw material preparation

The conversion to green electricity, most of which is sourced externally, serves to reduce Wienerberger's Scope 2 emissions. To further advance this process, Wienerberger concludes power purchase agreements (PPA), buys green electricity certified pursuant to the EU Renewable Energy Directive, uses its own generation facilities, such as solar panels, and offsets the remaining share of electricity from fossil sources by supporting certified climate protection projects.

The measures outlined above are covered by the € 60 million annual capex budget earmarked for ESG projects.

Controlling systems and data collection

Effective controlling systems have been installed in all fields of production of the Wienerberger Group. The primary task of these systems is to record all production-related data that are required for the management of the company and enable the internal benchmarking of individual plants against one another. For the 2021 report, the actual energy and emission data from 01/01/2021 up to and including 31/10/2021 were recorded and reported together with estimates for November and December 2021 (see also section "Our sustainability reporting", page 53). After the end of the year, the emission indicators have been revised on the basis of the data recorded up to 31 December and corrected if predefined benchmarks have been exceeded.

Method of index calculation for specific indicators

The production volume is a measured value that exclusively comprises products ready for sale. It is recorded for the calculation of the specific indicators (energy input, CO₂ emissions).

For the purpose of index calculation, Wienerberger uses not only production volumes in tons, but also other relevant quantity-related units. These are also of relevance for the eco-balances of buildings and are applied as follows:

- › **Square meters** for roof tiles, facing bricks, and pavers as well as calcium silicate products (North America)
- › **Thousand normal formats** (TNF) for clay blocks
- › **Tons** for plastic pipes, ceramic pipes, and other concrete products (WBS concrete pavers and North America)

These new indicators, in particular, reflect our efforts to improve resource efficiency through the dematerialization of products and system solutions without any trade-off in product quality and product properties.

We report the specific values as an index in % relative to the defined reference year, the values of which are set at 100%.

The index-linked specific indicators, such as energy input (in %, based on kWh/ton of products) or CO₂ emissions, reflect the development of the individual product groups over time.

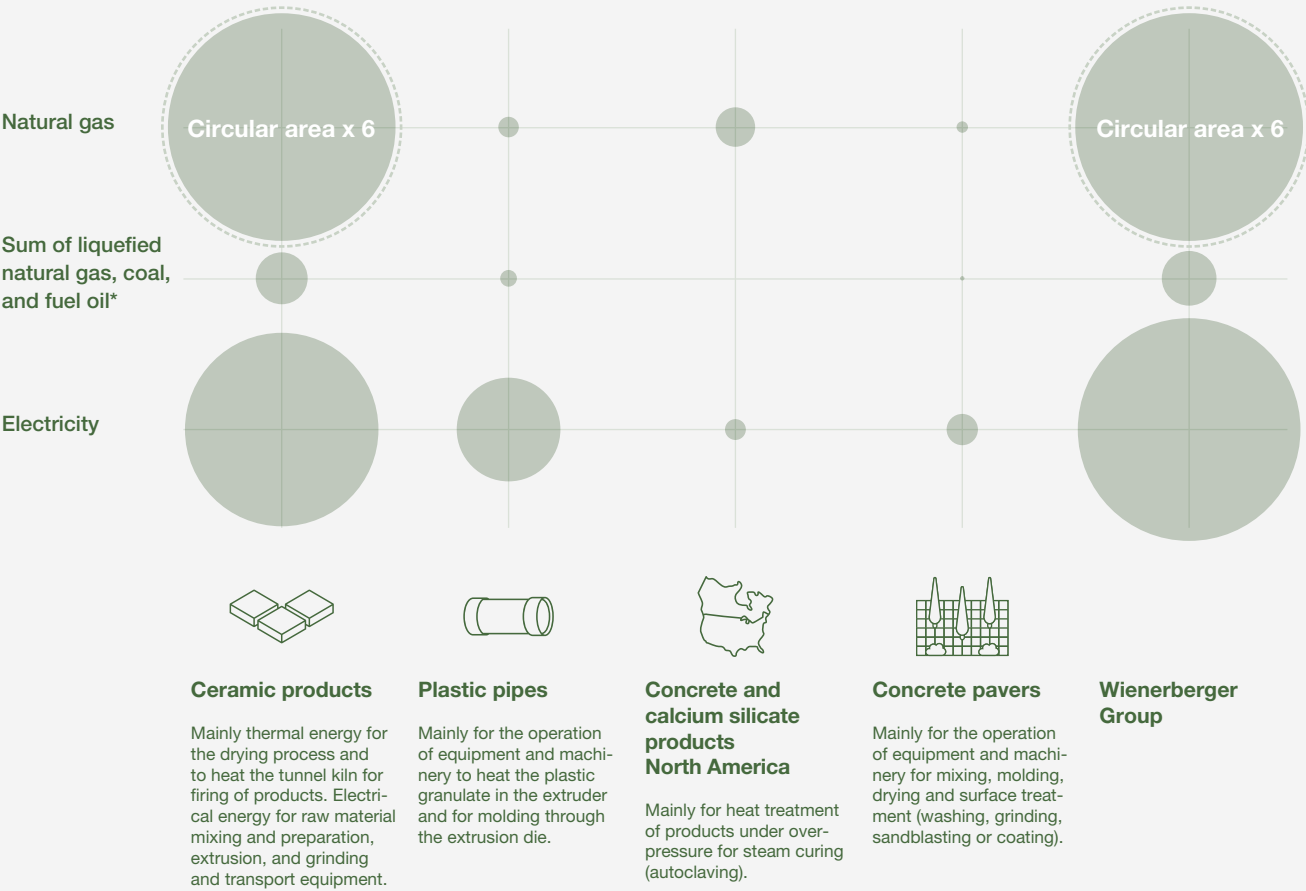
Use of energy sources in our production processes

The use of various energy sources and the consumption of energy in production vary greatly from product group to product group. We therefore distinguish between the following production processes:

- › Ceramic production (clay blocks, roof tiles, facing bricks, and clay pavers, as well as ceramic pipes)
- › Production of plastic pipes
- › Production of concrete and calcium silicate products in the North America Business Unit
- › Production of concrete pavers

PROPORTIONAL ENERGY INPUT AND TYPE OF USE IN THE PRODUCTION AREAS 2021

broken down by energy source and product group



* As the percentages of high-emission energy sources such as liquefied natural gas, coal and fuel oil are comparatively very low, they are now recorded as an aggregate figure.



Consumption of energy sources^{1) 2)} in gigawatt-hours	2019	2020	2021	Chg. in %
Natural gas ³⁾	6,945	6,319	6,837	+8.2
Total of other fossil energy sources ^{3) 4)}	106	72	66	-8.3
Electricity	1,142	1,040	1,090	+4.8
Wienerberger Group³⁾	8,194	7,431	7,993	+7.6
Percentage of renewable energy in total electricity consumption in %	40%	42%	56%	+33.8

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible.

2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) In the interest of greater consistency in reporting, Wienerberger now also includes thermal energy sources used in plastic pipe production by Wienerberger Piping Solutions, although their percentage is comparatively low. The indicators for 2020 were restated accordingly. // 4) As the percentages of high-emission energy sources, such as coal, fuel oil, and liquefied natural gas, are comparatively very low, they are now recorded as an aggregate figure. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute energy consumption

The data on energy input are the actual group-wide consumption values (see also page 54). Data on absolute and specific energy consumption, relative to the respective quantity of products ready for sale, are converted on the basis of the measured consumption values into a unit harmonized across the Group.

In 2021, the Wienerberger Group's total absolute energy consumption increased by 7.6% compared to the previous year. This was primarily due to significantly higher production volumes in 2021 than in 2020. The major part of the Group's energy consumption is accounted for by natural gas used in ceramic production (see diagram on page 72), consumption of which increased by 8.2% in 2021 compared to 2020. Electricity consumption increased by almost 5% over the previous year's value. Despite the persistent COVID-19 pandemic, Wienerberger succeeded in significantly increasing its production volumes in 2021. In contrast, the COVID-related temporary shutdown of individual plants in 2020 resulted in a generally lower volume of production, a development which had a direct influence on our absolute energy consumption. Wienerberger is intensively pursuing projects aimed at further enhancing the Group's energy efficiency.

Wienerberger is making continuous efforts to convert production processes to low-emission energy sources. The substitution of coal and liquefied natural gas is a high priority for us. Compared to the previous year, the consumption of coal, fuel oil, and liquefied natural gas dropped by a total of 8.3%. However, these sources of energy account for less than 1% each of the Group's total energy consumption (see also the diagram on pro-rata energy input and types of energy use in production on page 72). Since 2020, the energy consumption from these three sources has therefore been reported as an aggregate figure.

The share of renewable energy sources in the Group's electricity consumption (in kWh) was increased in 2021 to 56% compared to the previous year (2020: 42%); this is an increase of more than one third (+33.8% relative). We do not record the consumption of renewable thermal energy sources, as the amounts used in our production processes have been negligible so far. Data on energy sold is equally irrelevant and therefore not reported.

Index of specific energy consumption ¹⁾²⁾³⁾ in %, based on kWh/quantity of products ready for sale (2020 = 100 %)	2020	2021	Chg. in %
Clay blocks	100.0	100.1	+0.1
Roof tiles (clay and concrete)	100.0	98.2	-1.8
Facing bricks and clay pavers	100.0	98.7	-1.3
Concrete pavers	100.0	100.5	+0.5
Wienerberger Building Solutions	100.0	99.1	-0.9
Plastic pipes	100.0	99.1	-0.9
Ceramic pipes	100.0	93.4	-6.6
Wienerberger Piping Solutions	100.0	96.9	-3.1
Facing bricks and concrete pavers	100.0	100.2	+0.2
Façade (calcium silicate products)	100.0	98.7	-1.3
Concrete products	100.0	91.5	-8.5
Plastic pipes	100.0	95.0	-5.0
North America	100.0	99.9	-0.1
Wienerberger Group	100.0	99.1	-0.9

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible.

2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) In the interest of greater consistency in reporting, Wienerberger now also includes thermal energy sources used in plastic pipe production by Wienerberger Piping Solutions, although their percentage is comparatively low. The indicators for 2020 were restated accordingly. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Specific energy consumption

For specific energy consumption (see table above), absolute energy consumption in kWh, relative to production output in tons or other relevant quantity-related units, is calculated with reference to 2020 as the baseline year to obtain the specific energy consumption values (expressed as an index in %, based on kWh/ton; 2020 = 100%). See also the method of index calculation for the specific indicators on page 71. In 2021, the index of specific energy consumption by the Wienerberger Group was 0.9 below that of the baseline year 2020. This is due to the energy efficiency projects implemented by Wienerberger in 2021. Moreover, despite the persistent COVID-19 pandemic, Wienerberger succeeded in increasing its production volumes in 2021, compared to the previous year, which in turn led to a notable increase in specific energy efficiency.

In 2021, owing to the aforementioned influences, the continuously implemented measures aimed at reducing specific energy consumption succeeded in almost all product groups.

While the specific energy consumption of the Wienerberger Group in 2021 was reduced by 0.9% compared to the previous year, the specific CO₂ emissions for the same period decreased even more significantly, i.e. by 2.7% (see table on page 79). This difference is due to the fact that the enhancement of energy efficiency is only one of numerous measures taken by Wienerberger with a view to decarbonization. However, individual decarbonization measures sometimes also result in higher natural gas consumption, especially in clay block production. Details can be found from page 73 onward.



Absolute direct (Scope 1) and indirect (Scope 2) CO₂ emissions¹⁾²⁾³⁾ in kilotons	2020	2021	Chg. in %
Clay blocks	1,468	1,477	+0.6
Roof tiles (clay and concrete)	376	398	+5.9
Facing bricks and clay pavers	537	559	+4.1
Concrete pavers	11	9	-10.5
Wienerberger Building Solutions	2,393	2,444	+2.2
Plastic pipes	62	3	-94.4
Ceramic pipes	21	24	+12.4
Wienerberger Piping Solutions	83	27	-67.4
Facing bricks and concrete pavers	154	165	+7.3
Façade (calcium silicate products)	7	8	+12.7
Concrete products	1	1	+13.0
Plastic pipes	12	14	+13.1
North America	174	188	+7.9
Wienerberger Group	2,649	2,659	+0.4

1) The indicator was reported for the first time for the 2020 reporting year. // 2) Direct CO₂ emissions (Scope 1): ETS and non-ETS. Source ETS: EU Transaction Log (EUTL). Non-ETS: Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO₂ process emissions are also reported. Including CO₂ emissions from biogenic inputs: quantities from Wienerberger's CO₂ monitoring corresponding to national rules.

The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 3) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute direct CO₂ emissions (Scope 1) and indirect CO₂ emissions (Scope 2)

Excluding CO₂ from biogenic input materials, the Wienerberger Group's total absolute CO₂ emissions (Scope 1 and Scope 2) in 2021 amounted to 2,372 kilotons, i.e. 1.0% below the previous year's value (2,398 kilotons). In 2021, the CO₂ emissions (Scope 1 and Scope 2 including CO₂ from biogenic input materials) amounted to 2,659 kilotons, i.e. 0.4% more than in the previous year (2,649 kilotons).

The development of CO₂ emissions is due, on the one hand, to the significant increase in production volumes in 2021 compared to 2020, and, on the other hand, to the initiatives and projects undertaken to reduce CO₂ emissions.

Absolute direct CO ₂ emissions from primary energy sources and raw materials (Scope 1) ^{1) 2)} in kilotons	2019	2020	2021	Chg. in %
Clay blocks	1,532	1,355	1,397	+3.1
Roof tiles (clay and concrete)	345	329	361	+9.7
Facing bricks and clay pavers	561	514	557	+8.4
Concrete pavers ³⁾	-	0	0	0
Wienerberger Building Solutions	2,438	2,198	2,314	+5.3
Plastic pipes ⁴⁾	-	4	3	-7.8
Ceramic pipes	26	21	24	+12.4
Wienerberger Piping Solutions ⁴⁾	26	25	27	+9.3
Facing bricks and concrete pavers	134	125	136	+8.4
Façade (calcium silicate products) ³⁾	-	5	6	+15.2
Concrete products ³⁾	-	0	0	0
Plastic pipes ³⁾	-	0	0	0
North America	140	131	142	+8.7
Wienerberger Group	2,604	2,353	2,484	+5.5

1) ETS and non-ETS. Source ETS: EU Transaction Log (EUTL). Non-ETS: Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO₂ process emissions are also reported. Including CO₂ emissions from biogenic inputs: quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) The indicator for the referring product group was reported for the first time as of the 2020 reporting year. // 4) Wienerberger Piping Solutions corrected the indirect CO₂ emissions (Scope 1) from the plastic pipe segment, which were reported from the first time in 2020. The corresponding indicators for 2020 were restated accordingly. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute direct CO₂ emissions from primary energy sources and raw materials (Scope 1)

Direct CO₂ emissions (Scope 1) result from the combustion of fossil fuels, the release of CO₂ from carbonates in the raw material, and the combustion of organic components contained in the raw materials used in ceramic production (process emissions). The absolute volume of CO₂ emissions in kilotons (= 1,000 t) is recorded and calculated throughout the Group in accordance with the calculation method of the European Union Emissions Trading System (EU ETS). The data source used is the EU Transaction Log (EUTL). We record and report the direct CO₂ emissions of the entire Wienerberger Group, including of those plants that are not covered and regulated by the EU ETS. The direct CO₂ emissions of all product groups of the Wienerberger Group are reported.

Wienerberger Building Solutions generates the highest direct CO₂ emissions, i.e. 2,314 kilotons in absolute terms in 2021 including CO₂ from biogenic input material, which is 5.3% above the previous year's value. In the course of 2021, the Business Unit further investigated possibilities of using alternative energy generation systems and sustainable energy sources at various production sites. Moreover, R&D projects involving new technologies for kilns, dryers, and heat pumps, as well as projects focused on raw material preparation were implemented (see details on page 100). The development of CO₂ emissions was influenced, on the one hand, by significantly higher production volumes in 2021 compared to 2020, and, on the other hand, by the initiatives and projects undertaken to reduce CO₂ emissions.



Absolute indirect CO₂ emissions from electricity (Scope 2)^{1) 2)} in kilotons	2020	2021	Chg. in %
Clay blocks	113	80	-28.9
Roof tiles (clay and concrete)	48	38	-20.9
Facing bricks and clay pavers	24	2	-89.5
Concrete pavers	11	9	-10.5
Wienerberger Building Solutions	195	130	-33.3
Plastic pipes	58	0	-100.0
Ceramic pipes	0	0	0.0
Wienerberger Piping Solutions	58	0	-100.0
Facing bricks and concrete pavers	29	29	+2.3
Façade (calcium silicate products)	2	2	+4.1
Concrete products	1	1	+15.5
Plastic pipes	12	14	+13.1
North America	43	46	+5.6
Wienerberger Group	296	176	-40.7

1) This indicator was reported for the first time for the 2020 reporting year. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute indirect CO₂ emissions from electricity (Scope 2)

Wienerberger intends to drastically reduce the Group's total Scope 2 emissions from electricity by 2023. In 2021, indirect CO₂ emissions from electricity were already reduced by remarkable 40.7% to 176 kilotons of CO₂. This success was achieved through power purchase agreement (PPA) projects, the purchase of green electricity certified pursuant to the EU Renewable Energy Directive, and the use of own generation facilities, such as solar panels. Indirect CO₂ emissions (Scope 2) were reported for the first time in 2020.

Index of specific direct (Scope 1) and indirect (Scope 2) CO₂ emissions ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	Chg. in %
Clay blocks	100.0	92.7	-7.3
Roof tiles (clay and concrete)	100.0	94.2	-5.8
Facing bricks and clay pavers	100.0	95.1	-4.9
Concrete pavers	100.0	89.5	-10.5
Wienerberger Building Solutions	100.0	93.6	-6.4
Plastic pipes	100.0	5.6	-94.4
Ceramic pipes	100.0	97.7	-2.3
Wienerberger Piping Solutions	100.0	31.2	-68.8
Facing bricks and concrete pavers	100.0	99.4	-0.6
Façade (calcium silicate products)	100.0	97.5	-2.5
Concrete products	100.0	94.2	-5.8
Plastic pipes	100.0	95.0	-5.0
North America	100.0	99.0	-1.0
Wienerberger Group	100.0	91.9	-8.1

1) The indicator was reported for the first time for the 2020 reporting year. The calculation excluded CO₂ emissions from biogenic input materials // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Specific direct CO₂ emissions (Scope 1) and indirect CO₂ emissions (Scope 2)

The specific CO₂ emissions shown in the table above are calculated on the basis of absolute CO₂ emissions (excluding CO₂ from biogenic input material) in kilograms, relative to the quantity of products ready for sale (kg CO₂/quantity of products ready for sale in tons, m², or TNF). See also information on the method of index calculation for specific indicators on page 71.

In 2021, Wienerberger significantly reduced the sum of its specific direct (Scope 1) and indirect (Scope 2) CO₂ emissions by 8.1% compared to the previous year. This success was due to Wienerberger's comprehensive programs and activities aimed at the decarbonization of its production processes (see page 71). Moreover, taking into account that, despite the persistent COVID-19 pandemic, Wienerberger succeeded in substantially increasing its production volumes in 2021 over the previous year's level, the Group achieved both a notable increase in specific energy efficiency and a notable reduction of the Group's CO₂ emissions.

In the following, we report in detail on the development of Wienerberger's specific direct (Scope 1) and indirect (Scope 2) CO₂ emissions.



Index of specific direct CO₂ emissions (Scope 1) ^{1) 2)}	2020	2021	Chg. in %
in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)			
Clay blocks	100.0	95.7	-4.3
Roof tiles (clay and concrete)	100.0	97.9	-2.1
Facing bricks and clay pavers	100.0	99.1	-0.9
Concrete pavers ³⁾	100.0	100.0	0.0
Wienerberger Building Solutions ⁴⁾	100.0	97.0	-3.0
Plastic pipes	100.0	99.5	-0.5
Ceramic pipes	100.0	97.7	-2.3
Wienerberger Piping Solutions	100.0	99.0	-1.0
Facing bricks and concrete pavers	100.0	100.4	+0.4
Façade (calcium silicate products)	100.0	99.7	-0.3
Concrete products	100.0	97.7	-2.3
Plastic pipes ³⁾	100.0	100.0	0.0
North America ⁴⁾	100.0	100.3	+0.3
Wienerberger Group ⁴⁾	100.0	97.3	-2.7

1) Direct specific CO₂ emissions (Scope 1) refer to CO₂ emissions from raw materials (in ceramic production) as well as the fuel emissions of the entire Wienerberger Group. The calculation did not include CO₂ emissions from biogenic input materials. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) As certain product groups do not generate Scope 1 emissions, the value remains unchanged compared to the previous year. // 4) The consolidated values are calculated on the basis of the quantities produced in all product groups. // The indicator was reported for the first time for the 2020 reporting year. For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Specific direct CO₂ emissions from primary energy sources and raw materials (Scope 1)

In 2021, Wienerberger succeeded in reducing its specific CO₂ emissions from primary energy sources and raw materials (excluding biogenic input material) by 2.7% compared to the previous year. The reduction was mainly due to efforts made by the Wienerberger Building Solutions Business Unit, which accounts for the highest share of direct CO₂ emissions (see also page 76). Through a variety of comprehensive measures taken in the course of 2021, WBS was able to reduce its specific direct CO₂ emissions by 3% compared to the previous year's level (see table above).

Until 2020, our reporting on direct CO₂ emissions focused on fuel emissions in ceramic production. Given that direct CO₂ emission from fuels and raw materials used in all production segments have been reported since 2020, the indices of specific CO₂ emissions, relative to 2020 as the reference year, are now available for all product groups of the Wienerberger Group.

Index of specific indirect CO₂ emissions (Scope 2)¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	Chg. in %
Clay blocks	100.0	97.0	-3.0
Roof tiles (clay and concrete)	100.0	96.3	-3.7
Facing bricks and clay pavers	100.0	96.0	-4.0
Concrete pavers	100.0	89.5	-10.5
Wienerberger Building Solutions	100.0	96.6	-3.4
Plastic pipes	100.0	6.1	-93.9
Ceramic pipes ³⁾	100.0	100.0	0.0
Wienerberger Piping Solutions⁴⁾	100.0	32.2	-67.8
Facing bricks and concrete pavers	100.0	99.0	-1.0
Façade (calcium silicate products)	100.0	97.8	-2.2
Concrete products	100.0	96.5	-3.5
Plastic pipes	100.0	95.0	-5.0
North America	100.0	98.7	-1.3
Wienerberger Group⁴⁾	100.0	94.6	-5.4

1) The calculation of specific indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) No Scope 2 emissions were generated through the production of ceramic pipes by Wienerberger Building Solutions in 2020 and 2021. The values therefore remain unchanged compared to the previous year. // 4) The consolidated values are calculated on the basis of the quantities produced in all product groups. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Specific indirect CO₂ emissions from electricity (Scope 2)

In 2021, Wienerberger succeeded in reducing its specific indirect CO₂ emissions from purchased electricity by 5.4% compared to the previous year. The reduction was mainly due to the conversion to climate-neutral electricity. This was achieved through power purchase agreement (PPA) projects, the purchase of green electricity certified pursuant to the EU Renewable Energy Directive, and the use of group-owned generation facilities, such as solar panels.

The Wienerberger Piping Solutions Business Unit, in particular, achieved a 67.8% reduction of its specific indirect CO₂ emissions in 2021; for plastic pipes alone, the reduction came to almost 94%. Since 2020, all the electricity used for the production of ceramic pipes has been green electricity.

Scope 3 emissions

For the time being, the Wienerberger Group does not yet have group-wide Scope 3 emission data for all categories and materials. However, we are currently working on the introduction of the group-wide data collection structures required, the objective being to report on Scope 3 emissions as of the 2023 reporting year.

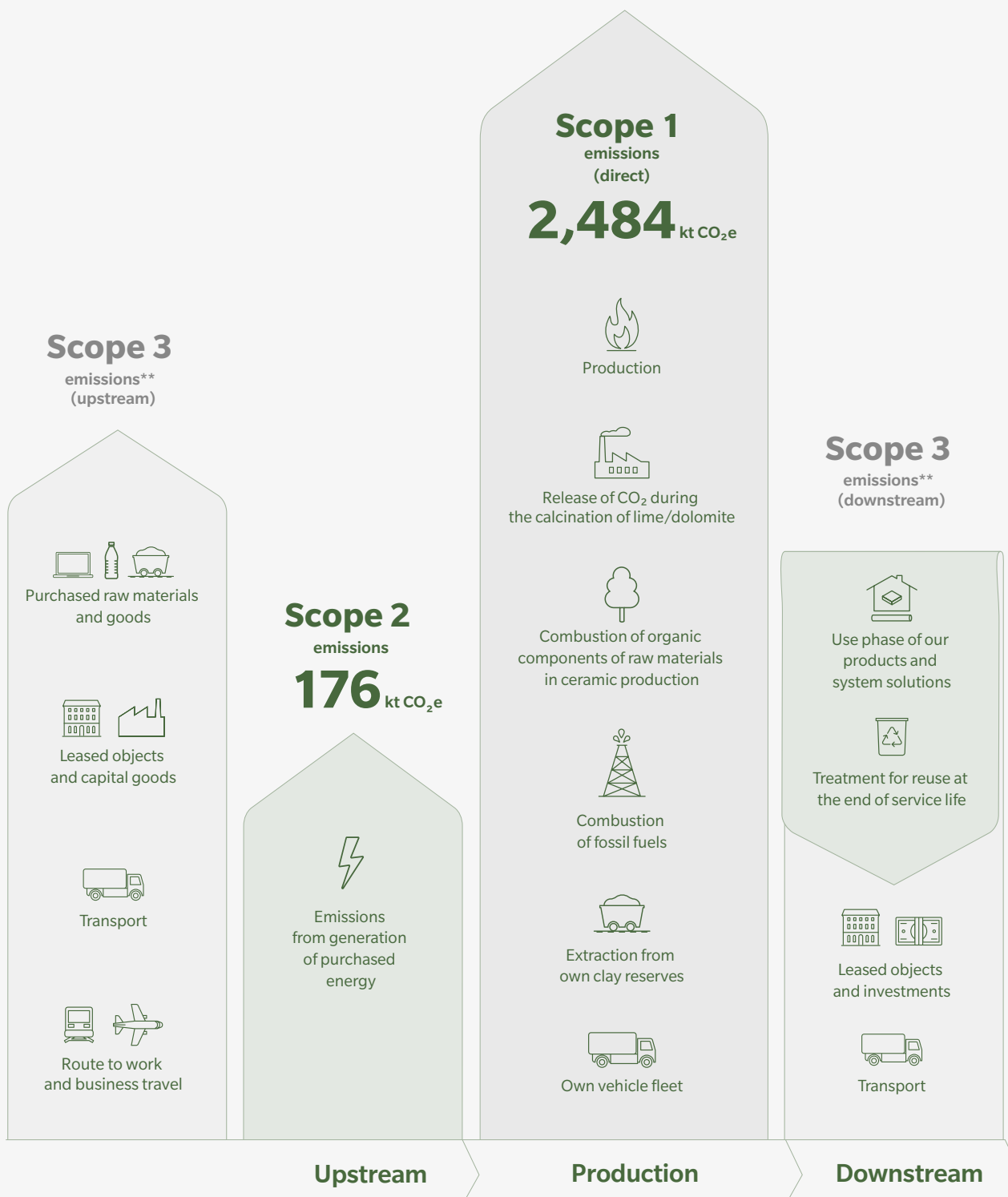
Numerous projects have already been initiated to reduce the Wienerberger Group's Scope 3 emissions. The measures taken to this end include the following:

- Optimized supply management for forward-looking planning and efficient control of transport routes (see page 69),
- Use of secondary raw materials, especially in plastic pipe production, use of cement from climate-friendly production, and appropriate selection of packaging materials (see page 100),
- The reusability and recyclability of Wienerberger products (see also page 102) as well as decarbonization in the use phase of our products and system solutions (see page 82) also have a positive influence on our Scope 3 emissions.



ABSOLUTE CO₂ EMISSIONS*

SCOPE 1 AND 2 IN 2021



* Greenhouse gases such as methane, nitrous oxide, or CFCs (chlorofluorocarbons) do not matter in Wienerberger's production. Absolute direct CO₂ emissions (Scope 1) from our production processes are therefore identical with carbon dioxide equivalents: Indirect CO₂ emissions (Scope 2) from electricity are recorded as CO₂e (calculation according to market-based method). The absolute CO₂ emissions or the corresponding CO₂ indicators communicated in our reporting on climate protection always refer to emissions of carbon dioxide equivalents (CO₂e).

** Scope 3 emissions, i.e. indirect emissions caused, for instance, through the purchase, transport, or sale of raw materials, other materials, and franchise products are currently not reported.

Quality and environmental management systems

Quality management systems (QMS) have been installed at all our plants, and many of them have been certified according to ISO 9001. Environmentally relevant aspects have also been integrated into these quality management systems. Where appropriate, production sites have also been certified according to ISO 14001 Environmental Management Systems. All ceramic pipe production sites and four plastic pipe production sites of Wienerberger Piping Solutions, as well as all sites of Wienerberger Ltd in Great Britain, have been certified according to (DIN EN) ISO 50001:2011 Energy Management.

Ongoing optimization programs, such as the Plant Improvement Program (PIP+) for the brick segment and the Production Excellence Program (PEP) in the concrete paver segment, are aimed at sustainably reducing resource consumption and costs through improvements of production processes. In the plastic pipe segment, we promote the Design for Lean Six Sigma (DFSS) management approach in order to implement quality improvements and process optimizations.

Energy efficiency and decarbonization through our product and system solutions

Our innovation strategy is marked by the global challenges of our time, such as climate change. Buildings account for more than one third of worldwide final energy consumption and almost 40% of total direct and indirect CO₂ emissions. With its innovative products and systems, Wienerberger aims to provide targeted solutions in terms of decarbonization.

Our product and system solutions offer enormous opportunities, as they are perfectly suited for the construction of energy-efficient and even energy-neutral buildings. Smart in-house solutions enable users to save resources while benefiting from a high quality of life. The ecological footprint of our products and system solutions caused in sourcing and production is positively influenced by an extremely long useful life, with some products remaining in use for more than 100 years.

Wienerberger's products and system solutions for walls and roofs are an integral part of climate-friendly building design. On account of their thermal insulation properties and their thermal storage capacity they con-

tribute significantly to the energy efficiency of buildings and thus support the fight against climate change. This applies to both new build and renovation. In recent years, clay blocks filled with insulating material, clay blocks without infill material but with a high thermal insulation value due to their special hole geometry, new facing brick formats for double-shell exterior walls, energy-efficient upon-rafter insulation for pitched roofs, etc. were developed. The high mechanical strength and the long useful life of these products and systems keep their ecological footprint small throughout their entire life cycle.

A few examples of Wienerberger products and system solutions that contribute significantly to the energy efficiency of buildings and the fight against climate change are shown in the following:

Climate-neutral bricks: The principle of our particularly climate-friendly brick is based on three pillars:

- First of all, we have reduced direct greenhouse gas emissions generated along the entire production chain to a minimum.
- Second, we have reduced our entire demand for electrical energy, which, moreover, is met by electricity from renewable sources.
- Third, we are offsetting the remaining emissions generated by supporting certified climate protection projects, all of which are registered under the UN Framework Convention on Climate Change (UNFCCC).

Our perlite-filled clay block, which has excellent thermal insulation values, creates a healthy indoor climate and saves up to 25% of heating costs. This clay block has been certified by TÜV NORD Austria, a technical inspection body.

Facing brick series LESS for decarbonization and resource conservation: With LESS, the new facing brick series from Denmark, Wienerberger has succeeded in producing a brick with reduced material input that weighs 10% less than conventional bricks, but has the same properties. This helps to save resources, reduces energy consumption, and thus contributes to the reduction of CO₂ emissions in production. In addition, starting in 2022, Wienerberger will replace 50% of natural gas consumption in Denmark with biogas, a fossil-free and CO₂-neutral energy source supplied by a Danish biogas producer, as a first step. This measure is one of several initiatives planned by Wienerberger for brick production in Denmark.



Solar panels integrated into the roof system – the Exasun photovoltaic solution:

In 2021, Wienerberger entered into a strategic partnership with Exasun, a Dutch producer of solar panels. Exasun is an innovative designer and producer of high-quality building-integrated glass-glass-photovoltaic systems with a high degree of efficiency and a long service life. On January 1, 2022, Wienerberger took over the exclusive distribution of Exasun's innovative building-integrated photovoltaic (BIVP) systems (X-Tile and X-Roof) for Europe.

Together with Exasun, Wienerberger France has already developed a photovoltaic solution that can easily be combined with Wienerberger's Actua roof tiles. The market launch in France, scheduled for the first quarter of 2022, is to be followed by the rollout of this solution to other markets. Since 2021, Wienerberger has marketed the innovative Alegria 10 Wevolt solar roof tiles as its first own photovoltaic solution in the Netherlands. Thanks to the partnership with Exasun, Wienerberger will now be able to consistently broaden its portfolio of solutions for the roofing business in the Netherlands and other European countries.

The EU has set itself the clear target of becoming carbon-neutral by 2050. By 2030, its greenhouse gas emissions are to be reduced by at least 55% compared to 1990, and the share of renewable energy sources is to be increased to at least 32%. In the future, photovoltaic installations will be the second most important source of electricity generation, surpassed only by wind power. Wienerberger will do its utmost to support the sustainable transformation of worldwide electricity generation with its smart and innovative solutions.

CO₂-reduced flat roof solutions with Leadax flat roof membrane: In 2021, Wienerberger concluded an exclusive distribution agreement for the innovative and CO₂-optimized flat roof solutions developed by Leadax, a company based in the Netherlands. The Leadax Roov flat roof membrane is unique in the world in that it is made from plastic waste as a raw material and can again be recycled again at the end of its useful life. Its carbon footprint therefore is up to 85% lower than that of currently available flat roof solutions, and thus fully in line with Wienerberger's target of circularity (see page 62). The cooperation agreement between Wienerberger and Leadax for the distribution of Leadax Roov in Europe was signed before the product's global market launch. Leadax Roov has been available in the Netherlands since the beginning of 2022 and will be rolled out to other Wienerberger markets in Europe.

Wall and roof systems by Wienerberger have the potential to reduce the CO₂ emissions of buildings by up to 80% compared to old building stock from the 1970s.

The Wienerberger Piping Solutions Business Unit focuses on innovative solutions that not only support our customers in addressing their individual challenges, but also facilitate the adaptation to global megatrends, such as climate change, and generate added value. To a growing extent, digital, network-based and collaborative models are being used – for increased productivity, enhanced resource and energy efficiency, and climate protection.

The Electro Spider concept is a prefabricated, tailor-made system solution for in-house electrical installations. It consists of smart electrical conduits, which are delivered prewired according to a 3D digital design and can therefore be installed quickly and safely. Installation time on site can be reduced by up to 80%, wastage of material is reduced, and costs are saved. The concept is also suited for industrial prefabrication.

SoluForce pipeline systems for hydrogen and biogas:

Wienerberger also plays a pioneering role in the development and supply of plastics-based hydrogen and biogas pipeline systems (Reinforced Thermoplastic Piping System). Such systems are used along the entire chain, from the high-pressure electrolysis process at the wind turbine to end users in transport and industry. In contrast to conventional steel pipes, these systems require no maintenance, are flexible and corrosion-proof, and available in lengths of up to 400 meters, which greatly facilitates the construction of hydrogen-based infrastructure solutions.

Adaptation to Climate Change with our Products and System Solutions

Protecting the safety and health of our customers and product user is part of our mission to improve people's lives with our products and system solutions. Wienerberger's objective is to provide innovative products and systems that protect people, the environment, and the economy from damage caused by climate change and that minimize the related risks. In close cooperation with the public sector and private economic operators, Wienerberger is continuously working on the development of holistic and smart solutions for climate-resilient habitats.

Climate-resilient building solutions

Wienerberger's climate-resilient building solutions effectively protect people from the impacts of climate change, such as extreme weather conditions with heat stress, rainstorms, hail, flash floods, or heavy snow loads.

Wienerberger provides solutions for buildings by supplying building materials with high thermal insulation values, efficient thermal storage properties, and high mechanical strength. These solutions keep the indoor temperature within an acceptable range even under conditions of extreme heat or cold. Overheating of buildings in summer constitutes a growing risk for human health and well-being, especially in urban areas. Wienerberger provides solutions that avoid the overheating of buildings in summer and, at the same time, keep their CO₂ balance low.

Wienerberger's roof and façade systems, as well as accessories such as Sturmfix 2.0, are designed to protect roofs from damage caused by heavy windstorms.

Rainwater management systems

In order to protect people and property from damage caused by climate change in the long term, towns and villages need well-balanced all-in solutions designed to cope with large quantities of water and rainstorm events. Wienerberger provides a broad portfolio of all-encompassing infrastructure solutions that are tailor-made to meet such requirements. Complete solutions, covering everything from infrastructure to technology to software and the related cloud services, are available.

The Wienerberger Piping Solutions Business Unit has recorded a massive increase in demand for rainwater management systems. Such systems support the endeavors of European cities and communities to become climate-resilient through adaptation and risk mitigation. Flood and drought management has become an integral part of urban and infrastructure development.

For more than a decade, Wienerberger's Piping Solutions Business Unit has designed tailor-made rainwater management solutions that are ideally suited for flood protection in urban areas. In their flood control schemes, flood-prone communities rely on Raineo®, the time-tested rainwater management system produced by Wienerberger Piping Solutions, in combination with green and blue infrastructure, such as green spaces and lake reservoirs.

Protection of transport infrastructure from climate risks

Apart from being a sought-after partner for urban flood control solutions, Wienerberger is also a leading supplier of drainage systems for roads and railway structures. Within the framework of massive investments in the extension and upgrading of Europe's key transport networks, especially in Central and Eastern Europe, Wienerberger recorded an impressive increase in road and railway drainage projects for the road and rail infrastructure based on WPS stormwater drainage systems.

In the field of product innovation, Wienerberger successfully introduced ECOCorr, a drainage and sewage pipe made entirely from recycled raw material. Since the product launch in Bulgaria in 2018, this eco-friendly product has gained a firm foothold in neighboring countries, i.e. Montenegro, North Macedonia, Serbia, Romania, and Greece, alongside other WPS product systems for road and rail drainage.



Smart technology for a climate-resilient Europe

The European Commission presented the new EU Climate Adaptation Strategy on February 24, 2021. Guided by the vision of creating a climate-resilient Union by 2050, the European Commission will provide Europe with the necessary guidance, policies, and support programs to prepare for future climate shocks. One of the strategic goals is to broaden the knowledge base and improve the availability of climate-related data.

With the recent acquisition and integration of Inter Act, a provider of digital solutions, Wienerberger is now able to supply smart all-in-one solutions comprising hardware and sensor technology, the necessary software, and cloud services to collect the data required for a better management of climate-related risks. With our smart pumping stations, we support private customers with data management services for smart, network-based pumps. These pumps receive, monitor, process, and transmit meteorological data and trigger flood alarms. Private households will thus be supplied with relevant additional information for their water and wastewater management: from meteorological data to reminders of maintenance due dates.

Positive impact on the micro-climate

Green spaces, especially in urban areas, contribute to a pleasant micro-climate. Wienerberger provides special irrigation and drainage systems for green façades and roofs. Based on our system solutions, water is collected, stored, and filtered for subsequent reuse for irrigation of green surfaces. The water level is optimized and maintained at that level through the use of smart, sensor-based technology.

Our range of concrete and clay pavers comprises a broad variety of systems for infiltration through water-permeable surfaces. Such surfaces are beneficial for the micro-climate and the groundwater. Moreover, surfaces in light colors, which absorb, store, and release as little light energy as possible in the form of heat, minimize heat stress and also contribute to a positive micro-climate.

TCFD – Climate-related Risks and Opportunities

TCFD – Climate-related risk management

To support companies in the identification and assessment of their climate-related risks, the Task Force on Climate-related Financial Disclosures (TCFD) identified two risk categories and related sub-categories:

- › **Transition risks** – may arise from the transition to a lower-carbon economy
 - › Political and legal risks
 - › Technology risks
 - › Market risks
 - › Reputation risks
- › **Physical risks** – may arise from changes in climatic conditions (e.g. rising sea levels, temperature increase, etc.)
 - › Chronic risks
 - › Acute risks

Transition risks as well as physical risks were identified, analyzed, and taken into account by Wienerberger in its risk management process. For a detailed description of the risk management process, please refer to the Management Report starting on page 231. The analysis leads to the conclusion that none of the risks related to climate change was of major financial importance for the company in 2021.

In the following, we briefly summarize the most important short-, medium-, and long-term risks Wienerberger is exposed to, and outline the respective risk-mitigating measures. The risk assessment is based on the probability of occurrence and possible impacts on the company's free cash flow for a short-term horizon of up to five years, a medium-term period of up to ten years, and a long-term period of up to 25 years.

Transition risks

Transition risks are categorized as follows:

- › Political and legal risks
- › Technology risks
- › Market risks
- › Reputation risks

Political and legal risks

Higher carbon prices to reduce CO₂ emissions and stricter emission reporting requirements – All over the world, more stringent political measures are being adopted in the context of climate change, which means that Wienerberger is confronted with numerous rules and regulations aimed at reducing emissions. As a company with international operations, we are subject to the legal provisions of the countries we operate in. In the wake of worldwide efforts to combat climate change, increasingly strict carbon pricing mechanisms will be introduced, the objective being to shift energy consumption to lower-emission sources and adopt energy-efficient solutions.

Potential financial impacts – Loss of market shares; declining revenues and a lower gross margin.

Risk-mitigating measures – For years, Wienerberger has been pursuing a clear goal: reducing the greenhouse gas emissions (CO₂e) from its production processes and offering its customers solutions that, considered from a life-cycle perspective, have a positive impact on climate protection. For 2023, Wienerberger has set itself the new and highly ambitious target to reduce its group-wide greenhouse gas emissions by 15% compared to 2020. This target is to be achieved, for example, through the use of more efficient drying technologies, the conversion to green electricity, and the further optimization of product design and product formulas. In parallel, Wienerberger is working on various R&D projects investigating the use of new green sources of energy in the production process (e.g. electrification of kilns, use of hydrogen). In Wienerberger's opinion, these political and legal risks are currently well under control.

Technology risks

Substitution of existing products and services with lower-emission alternatives – This is the risk of our products being replaced by lower-emission alternatives or by new construction technologies. The substitution risk could also be triggered by a market shortage of installation know-how needed for our products.

Potential financial impacts – Loss of market shares / sales volume; plants working at a low level of capacity; increased pressure on prices.

Risk-mitigating measures – Wienerberger is determined to pursue a policy of active innovation management. To this end, we are designing ecosystem models that enable us to identify relevant developments. At the same time, we are investing in promising technologies,

such as prefabrication and robotics. Together with third parties, we are working on various R&D and pilot projects in order to develop new technologies based on alternative energy sources that will significantly reduce the greenhouse gas emissions from our production processes. Moreover, we are actively involved in the work of our industrial associations in order to represent our position at the European level. Securing the supply of alternative sources of energy and developing the necessary infrastructure are among our goals. From Wienerberger's perspective, the substitution risk is currently well under control.

Stranded investments in new technologies – This is the risk of technological investments, which are absolutely necessary in the transition to a low-carbon economy, proving to be a failure. This might be the case if investments are made with a view to expected developments that ultimately do not succeed in the market.

Potential financial impacts – Write-off of failed technology investments; loss of market shares / sales volumes; underutilization of assets.

Risk-mitigating measures – To minimize this risk, Wienerberger has adopted a policy of long-term investment planning, including a critical assessment of the plant network and an annual detailed review as part of the Group's strategy and its budgeting process. The short- to medium-term strategy for the reduction of greenhouse gas emission is laid down in the Sustainability Program 2023. We employ a variety of production technologies and invest annually in upgrading them to meet the most advanced requirements. From Wienerberger's perspective, the risk of stranded investments is currently well under control.

Availability and costs of means of transport – This is the risk of non-availability of adequate means of transport for the low-emission delivery of our products to our customers (e.g. lack of low-emission transport capacity, shortage of drivers).

Potential financial impacts – Reduced product range on offer; higher costs and/or reduced margins due to increased costs of transport.

Risk-mitigating measures – Wienerberger elaborated and implemented a procurement guideline for means of transport. Cost efficiency is ensured through the new organization of procurement. Additionally, Wienerberger enters into strong partnerships with selected forwarding companies to safeguard its capacity to deliver its products in the long term. From Wienerberger's perspective, the transport risk is currently well under control.



Market risks

Changes in consumer behavior – The markets we operate in are subject to continuous change. They are highly competitive and are being served by companies with renowned brands, but also by suppliers of substitute products. In the absence of innovation, competitive advantages are lost and it will become increasingly difficult to fully meet the requirements of our customers. This applies, in particular, in the context of energy efficiency, resource efficiency, and the circular economy.

Potential financial impacts – Loss of market shares; reduced revenues, and a lower gross margin.

Risk-mitigating measures – Over the past ten years, Wienerberger continuously intensified its focus on innovation, which has thus become one of the most important drivers of the company's success. Today, innovative products account for over 30% of our total revenues. We are determined to use our innovative strength in order to maintain this high percentage in the years to come. Our priorities in further product development are energy-efficient solutions for the building envelope and resource-efficient solutions for water and energy management, supplemented by digital solutions and robotics, as well as prefabrication to cope with the shortage of skilled labor. Moreover, all new products are to be designed so as to be 100% recyclable or reusable. From Wienerberger's perspective, the risk of being unable to adequately respond to changing customer needs is currently well under control.

Price risks and the shortage of raw materials, secondary raw materials, (green) energy – Another market risk can arise from inadequate procurement and/or hedging strategies for (secondary) raw materials and (green) energy. If production sites or countries do not have access to sufficient raw materials or sufficient (green) sources of energy, there is a risk of entire production lines standing still. As a result, customer demand cannot be met on the basis of "green" and sustainable production. If production were to continue nevertheless, the sustainability targets would not be met.

Potential financial impacts – Reduced supply of sustainable products; increased production costs due to changes in input prices (e.g. electricity) and production requirements; temporary closure of sites; delays in production.

Risk-mitigating measures – Wienerberger has concluded long-term contracts with its suppliers in order to ensure continuity of supply. Regular risk analyses are performed and procurement, inventories, and

production are being supervised. In the field of energy, Wienerberger pursues a hedging policy, which is monitored by the local energy commodity manager for each country Wienerberger operates in. This policy was updated in 2021 in order to benefit from stable purchase prices on the energy market now and in the future. From Wienerberger's perspective, the supply risk for energy and raw materials is currently well under control.

Reputation risks

Reputation risk and stigmatization of the industry – The construction industry is being perceived as a carbon-intensive sector, with "green building" and "green construction" becoming a new trend in our markets. Companies of this sector therefore need to be innovative and capable of offering solutions for green concerns. If they are not able to offer such products and solutions, their reputation and their brand image are potentially at risk. This would have a negative impact on how a company's contribution to the transition to a lower-carbon economy is perceived by customers or by society. The risk of being perceived as a major carbon emitter could diminish our attractiveness for stakeholders, such as customers, investors, and potential employees.

Potential financial impacts – Loss of market shares; decrease in revenues; losses on the capital market.

Risk-mitigating measures – In the course of its history of more than 200 years, Wienerberger has created strong brands that stand for quality, durability, and lasting value. Our clay products are made from 100% natural raw material and, considering their entire life cycle, less carbon-intensive than other building materials. Our pipes made from plastics are significantly less energy-intensive than other, comparable materials. With our ESG strategy, we are focusing on the decarbonization of our product portfolio (including clear targets for the reduction of emissions in production), promoting circularity in our industry, and improving biodiversity at all our sites. We are developing solutions for "green buildings", and our products have already been employed in projects that were awarded a "green" certificate. We cooperate closely with local authorities in order not only to stimulate our local business, but to fulfill our mission, i.e. to improve people's quality of life. From Wienerberger's perspective, the reputation risk is currently well under control.

Physical risks

Physical risks are classified as follows:

- › Chronic risks
- › Acute risks

Chronic risks

Changes in precipitation patterns and extreme climatic shifts; rising average temperatures; rising sea levels; longer-term changes in climate patterns (e.g. sustained higher temperatures) that may cause the sea level to rise or chronic heat waves resulting in water shortages. Regardless of Wienerberger's broad geographic diversification, this may represent a chronic physical risk.

Potential financial impacts – Direct loss of assets, indirect effects due to interruptions of the supply chain

Risk-mitigating measures – Wienerberger regularly assesses all its sites for hazards arising from physical events at the local level. These include earthquakes, windstorms, heavy rainfall, and floods. As most of our operations are in Europe and North America, no critical sites were identified. For minor risks, we have a clear plan of action for risk mitigation. The integration of climate scenarios into our risk analysis enables us to model the occurrence of a variety of events for our sites. From Wienerberger's perspective, the chronic risk arising from climate change currently is very limited and therefore well under control.

Acute risks

Increasing intensity of extreme weather events –

As Wienerberger's sites are distributed over a wide geographic area, extreme conditions at the local level (e.g. extreme weather shifts, changes in precipitation patterns, flooding) have the potential to impair our operations at individual sites in the future.

Potential financial impacts – Direct loss of assets, indirect effects due to interruptions of the supply chain.

Risk-mitigating measures – For acute events, as well as for chronic risks resulting from climate changes, Wienerberger regularly assesses all its production sites for hazards arising from physical events at the local level. Such events include earthquakes, windstorms, heavy rainfall, and flooding. At sites exposed to such hazards, risks are minimized through appropriate measures. From Wienerberger's perspective, the acute risk arising from climate change currently is very limited. Given the broad geographic diversification as well as the high number of production sites and the related redundancies, in combination with additionally implemented risk-mitigation measures, we consider this risk as currently being well under control.

TCFD: Climate-related opportunities broken down by product group

The analysis and assessment of the risks and opportunities arising in connection with climate change have been integrated into the group-wide risk management system. In 2021, Investor Relations, the Corporate Sustainability & Innovation Department, and the category managers met within the framework of joint workshops to identify and aggregate the most important opportunities, broken down by product group. The identification of opportunities and their allocation to the individual product groups are in line with our ESG strategy. The table (on page 89) provides an overview of the climate-related opportunities and the effects on the business, the strategy and the financial planning of the Group. The opportunities, as well as the risks, were differentiated on the basis of time: for a short-term horizon of up to five years, a medium-term period of up to ten years, and a long-term period of up to 25 years. The opportunities are continuously evaluated and appropriate measures and initiatives are taken to fully exploit the identified potential.



Wienerberger's climate-related opportunities and impact on the organization's businesses, strategy, and financial planning

Product Category	Time Horizon ¹	Contribution to Climate Strategy	Opportunity	Magnitude of Financial Impacts ²	Financial Impacts
Walls	Medium-term	Products that contribute to building energy efficiency and decarbonization	Development of building products with high thermal insulation properties and thermal storage capacity (e.g. clay blocks filled with insulating material). Supporting energy efficiency in winter and summer.	High	Increased revenue through demand for products from low-emission production; reduced direct costs through efficiency gains
Walls	Medium-term	Products that contribute to building energy efficiency and decarbonization	Development of resilient building product (building lifetime >100 years vs. insulation lifetime of 35 years)	High	Increased revenue through demand for products from low-emission production; reduced direct costs through efficiency gains
Walls	Medium-term	Products that contribute to building energy efficiency and decarbonization	Development of products according to Cradle to Cradle® concept with recycling and reuse potential (100% of our ceramic products can be recycled)	High	Increased revenue through demand for products from low-emission production; reduced cost through efficiency gains
Roof	Medium-term	Products that contribute to building energy efficiency and decarbonization	Solar-panel integrated roof system (e.g. Wevolt X-tile and X-Roof, Alegra 10 Wevolt solar roof tiles)	High	Increased revenue due to shifting consumer demand for energy efficient products
Façade	Medium-term	Resource efficiency	Use of secondary raw materials (fired clay) in the production of facing bricks	Medium	Increased revenue due to shifting consumer demand for products from energy-efficient production
Façade and clay pavers	Short-term	Resource efficiency	Reduction of raw material input in production	High	Increased revenue due to shifting consumer demand for products from energy-efficient production
Plastic and ceramic pipes	Long-term	Resource efficiency	Use of secondary raw materials in production	High	Increased revenue through demand for products from low-emission production; reduced direct costs through efficiency gains
Plastic pipes	Long-term	Products that contribute to energy transition	Development of safe and cost-efficient non-fossil gas transportation systems (e.g. SoluForce pipeline systems for hydrogen and biogas)	Medium	Increased revenue through new solutions to adaptation needs; reduced direct costs through efficiency gains
Plastic pipes	Medium-term	Products that contribute to building energy efficiency and decarbonization	Development of in-house floor heating, heat pumps, hot/cold systems, and geothermal solutions	High	Increased revenue through demand for products from low-emission production; reduced direct costs through efficiency gains

Product Category	Time Horizon ¹	Contribution to Climate Strategy	Opportunity	Magnitude of Financial Impacts ²	Financial Impacts
Plastic pipes	Medium-term	Products that contribute to climate change adaptation/resilience	Development of water storage, stormwater management, and water reuse systems for flood/drought mitigation (e.g. Raineo system and roto moulded tanks)	High	Increased revenue through new solutions to climate change adaptation needs
Plastic pipes	Medium-term	Products that contribute to climate change adaptation/resilience	Development of agricultural irrigation systems (e.g. irrigation pipes with precision drippers) for markets where drought management is important due to limited water resources	Medium	Increased revenue through new solutions to climate change adaptation needs
Plastic pipes	Medium-term	Products that contribute to energy transition	Development of safe underground electricity transport and cable protection solutions (e.g. pipes and fittings for horizontal drilling)	High	Increased revenue through demand for products from low-emission production; reduced direct costs through efficiency gains
Plastic pipes	Medium-term	Products that contribute to climate change adaptation/resilience	Development of smart water sensors and leak detectors to enhance the efficiency of water distribution	Medium	Increased revenue through new solutions to climate change adaptation needs
Concrete pavers	Long-term	Resource efficiency	Substitution of gravel and sand with secondary raw materials	Medium	Reduced direct costs through efficiency gains
Concrete pavers	Medium-term	Resource efficiency	Development of products that enable the substitution of cement with alternative binder materials and ensure improved product design	Medium	Reduced direct costs through efficiency gains
Concrete and clay pavers	Short-term	Products that contribute to climate change adaptation/resilience	Development of permeable concrete and clay pavers (e.g., WBS concrete pavers Eco-line)	Medium	Increased revenue through new solutions to climate change adaptation needs and increased revenue due to shifting consumer demand for energy efficient products

Notes on the table:

1) Time Horizon

› Short term – up to five years

› Medium term – up to ten years

› Long term – up to 25 years

2) Magnitude of Financial Impacts

› High – above EUR 50 million

› Medium – between EUR 20 and 50 million

› Low – below EUR 20 million



Disclosure pursuant to the Taxonomy Regulation

The EU Taxonomy Regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020. The aim of the Taxonomy is to create a common classification system for sustainable economic activities. This new legal framework sets out detailed conditions that an economic activity has to meet to qualify as economically sustainable.

The first delegated act, which was published in July 2021, defines the technical screening criteria for the two climate-related objectives to be reported on:

- › Climate Change Mitigation
- › Climate Change Adaptation

This new mandatory reporting requirement applies as the non-financial information to be published in 2022. The Wienerberger Group therefore has to meet this disclosure requirement for the first time within the framework of its 2021 Annual Report. The purpose is to disclose the level of activities that are Taxonomy-eligible, i.e. the share of activities covered by the Taxonomy Regulation. In future years, the reporting requirement will be extended to those economic activities that are Taxonomy-aligned, i.e. the share of activities classified as sustainable economic activities.

Reporting is based on the three KPIs listed in the Regulation:

- › Turnover
- › Capital expenditure (Capex)
- › Operating expense (Opex)

In the first reporting year, the EU Regulation exclusively requires disclosure of the company's **Taxonomy eligibility** (i.e. the share of activities covered by the Taxonomy Regulation up to the time of reporting).

The EU Taxonomy is still under development and does not yet classify all economic activities and economic sectors. An economic activity can be covered by the current Regulation as a separate sector if it meets the sector-related technical criteria or if it performs so-called "enabling activities". Given that technical criteria have not yet been defined for the sectors the Wienerberger Group operates in, Wienerberger, for the time being, only has to report on "enabling activities".

Based on the criteria and definitions of the Taxonomy Regulation, Wienerberger therefore analyzed and classified its economic activities in detail and developed methods for the calculation of the required KPIs for the relevant product categories.

1. Analysis of Taxonomy-eligible activities

On the basis of the current Regulation, Wienerberger's wall and façade systems as well as its roofing systems belong to the category of "enabling activities", as they belong to sub-sector 3.5. of the Taxonomy – "Manufacture of energy-efficient equipment for buildings". Other activities of the Wienerberger Group (piping solutions and pavers) are not yet within the framework of the Taxonomy, but an expansion of the scope of the Regulation is to be expected in the coming years.

2. Application of the definitions of turnover, capex and opex, as laid down in the Taxonomy

For the product categories covered, the three KPIs were calculated on the basis of the entire Wienerberger Group. In line with our sustainability reporting, the companies acquired in 2021 are not yet included in the reporting scope, as the necessary data collection structures for non-financial information have not yet been implemented.

The Taxonomy Regulation defines the three KPIs as follows:

- › **Turnover:** Total external revenues of the Group
- › **Capex:** Total of all additions to property, plant and equipment and intangible assets
- › **Opex:** Total of all maintenance, research and development, and rental expenses

3. Methodology

The technical analyses performed and the methods of calculation are different for each product category, i.e. clay blocks, facing bricks, and roofing systems.

As regards **clay blocks and facing bricks**, the relevant question is whether they are part of an exterior wall system. Exterior wall systems are defined as a combination of several products and key components which together perform a specific function in an intended environment, and the thermal insulation value of which can be expressed in a single unit called the “U-value” (thermal transmittance in W/m^2K). Exterior wall systems thus contribute to energy efficiency by preventing heat loss and are therefore to be classified as Taxonomy-eligible.

Two categories of Wienerberger products are part of exterior wall systems: clay blocks and facing bricks. Each product category is operated independently, the products of one category being produced and sold independently of the other category. The wall and façade segments are therefore treated separately for the purpose of Taxonomy calculation.

Walls

Step 1 – Definition of the wall product category

Wienerberger classifies the “wall” product category within its portfolio for exterior wall systems on the basis of three construction typologies:

- › Single leaf, monolithic wall
 - › Vertically perforated clay blocks (traditional or plane ground): thickness ≥ 35 cm
 - › Vertically perforated clay blocks with integrated insulation: thickness ≥ 24 cm
- › External wall with a composite thermal insulation system (ETICS)
 - › Vertically perforated clay blocks (traditional or plane ground): thickness ≥ 24 , but < 35 cm
- › Multi layer external wall (consisting of wall and façade products)
 - › Vertically perforated clay blocks (traditional or plane ground): thickness ≥ 14 cm, but < 24 cm
 - › Facing bricks

Wienerberger produces the following key components as part of its wall product segment:

- › Traditional vertically perforated clay blocks
- › Plane-ground vertically perforated clay blocks
- › Vertically perforated clay blocks filled with integrated insulating material
- › Half clay blocks for monolithic and multi layer walls
- › Height-adjustment blocks for monolithic and multi layer walls

Without these key components, construction of the entire exterior wall is not possible.

Step 2 – Calculation of the Taxonomy-eligible share of wall key components

In the next step, the share of blocks that are part of an “exterior wall system” and, as such, Taxonomy-eligible is determined. Wienerberger sells clay blocks in 17 countries. The Group’s total external revenues generated from this product category were analyzed on the basis of the key components defined in Step 1. The result shows that a share of 61.9% of all external revenues generated from clay blocks is used in exterior wall systems and therefore to be classified as Taxonomy-eligible. The remaining 38.1% of revenues derived from clay blocks for interior walls have to be excluded.

Given that a direct allocation of expenses (opex and capex) to clay blocks used for exterior wall systems is not possible, the allocation was made on the basis of the revenue share, which means that the Taxonomy-eligible share of opex and capex is also 61.9%.

Façade

Step 1 – Definition of the façade product category

Within its façade product segment, Wienerberger produces the following key components for exterior wall systems:

- › Facing bricks
- › Brick slips
- › Cladding systems
- › Lintels

Without these key components, the construction of the entire exterior wall system is not possible. The key components of the façade protect the wall and therefore play a central role in reducing thermal transmittance and, consequently, the U-value.



Step 2 – Calculation of the Taxonomy-eligible share of key façade components

The technical analyses performed showed that facing bricks (including accessories) produced by Wienerberger are part of an exterior wall system and can therefore be classified as Taxonomy-eligible. Hence, all expenses meeting the definitions of capex and opex, allocated to the facing brick category, are classified as 100% Taxonomy-eligible.

As the façade product segment includes not only facing bricks, but also clay pavers, the Taxonomy-eligible share of the total façade segment is 74.6%.

Roofing systems

Step 1 – Definition of the roof product category

As indicated for the classification of clay blocks and facing bricks as an exterior wall system, the relevant question for the classification of roof tiles is whether they are part of a pitched roof system, thus contributing to the energy efficiency of a building and, as such, considered to be Taxonomy-eligible. A pitched roof system is a combination of several products and key systems which together perform a specific function in an intended environment, and the energy efficiency of which can be expressed in a single unit called the U-value.

As part of the pitched roof system, Wienerberger produces the following key components in its roof product segment:

- Roof tiles
- Ceramic accessories
- Technical accessories

Without these key components, the entire exterior roof system cannot be built. During the construction phase, insulation material produced by third parties is built in, but insulation material alone does not constitute a roofing system.

Step 2 – Calculation of the Taxonomy-eligible share of key roof components

Wienerberger produces roofing systems in 20 countries. To calculate the Taxonomy-eligibility of the roof product category, these markets were analyzed in cooperation with an external partner.

This external market study arrived at the following results for 2021:

- Market volume of the pitched roof system (with or without insulation material) in these 20 countries: a total of 413.3 km²
- Market volume of insulating material for pitched roofs sold in these countries: 380.0 km²

Based on these data, the share of roofing systems with insulating material built in was calculated as follows:

$$100 * (\text{insulation material} / \text{pitched roof market}) = 91.9\%$$

This means that 91.9% of the exterior roofing systems sold by Wienerberger with insulation material built in for exterior and interior insulation, i.e. the share of key components of the roofing system category, is to be classified as Taxonomy-eligible.

As derived from the market analysis, this share of 91.9% is used as a basis for the calculation of turnover, capex and opex for the roof product category.

4. Results

The Taxonomy-relevant activities and KPIs of the Wienerberger Group are as follows:

1-12/2021 in TEUR	Turnover	in %	Capex	in %	Opex	in %
Wall	528,357	13.3%	60,505	8.2%	32,689	18.2%
Façade	767,370	19.3%	76,029	10.2%	57,866	32.2%
Roof	593,444	15.0%	39,568	5.3%	27,299	15.2%
Taxonomy-eligible	1,889,171	47.6%	176,102	23.7%	117,854	65.5%
Taxonomy-non-eligible	2,077,273	52.4%	566,264	76.3%	62,012	34.5%
Total	3,966,444	100.0%	742,366	100.0%	179,866	100.0%

Turnover

Currently, not all segments and products of the Wienerberger Group are equally covered by the Taxonomy Regulation (as sector or enabling activities). Therefore, 47.6% of the total revenues generated in 2021 is Taxonomy-eligible.

Turnover 1-12/2021 in TEUR	Wienerberger Group	Thereof Taxonomy-eligible	Taxonomy-eligible in %
Wall	853,655	528,357	61.9%
Façade	1,028,609	767,370	74.6%
Roof	645,539	593,444	91.9%
Pavers	123,004	0	0.0%
Pipes	1,315,474	0	0.0%
Other	162	0	0.0%
Total	3,966,443	1,889,171	47.6%



Capex

Based on the Taxonomy-relevant definition, the total capital expenditure of € 742.4 million reported also comprises additions of assets from companies acquired in the course of 2021 in the amount of € 386.6 million. However, as the acquired companies are not yet included in the data underlying the calculation of the Taxonomy-eligible share, this results in an extraordinarily high share of Taxonomy-non-eligible capital expenditure in 2021, which will decline as of the following year through the inclusion of the new companies in the basis for Taxonomy-related calculations. Based on the shares per product category indicated above, 23.7% of the entire capital expenditure is Taxonomy-eligible.

Opex

Wienerberger's operating expenses, as defined in the Taxonomy Regulation, primarily included maintenance expenses for enabling activities and amount to 65.5% for the reporting year.

5. Outlook

As of the following year, the Taxonomy alignment of the Taxonomy-eligible activities specified above has to be determined as well. To this end, it will not be sufficient to analyze and assess the activities on the basis of the technical screening criteria. To achieve full Taxonomy alignment, the so-called "Do No Significant Harm" (DNSH) criteria have to be included. For an activity pursuing one or more of the six environmental objectives to be classified as sustainable, it must not cause significant harm to any of the other Taxonomy objectives. Compliance with "minimum social safeguards" is also a prerequisite.

The Wienerberger Group has already started its review of the technical screening criteria and will continue and intensify these analyses in the course of 2022.





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CIRCULAR ECONOMY

The circular economy is a central pillar of Wienerberger's Sustainability Program 2023: With a view to the efficient use of resources and the reuse of valuable substances, all new Wienerberger products are to be 100% reusable or recyclable by 2023. This is our way of ensuring the long-term availability of raw materials. At the same time, we are continuously increasing the share of secondary or recycled raw materials used in production.

Target of our Sustainability Program 2023



100%

**of our new products
are designed to be
reusable or recyclable.**

The reusability of our products is an essential aspect of innovation at Wienerberger. This is how we achieve a substantial prolongation of our products' useful life. For each product group, we develop criteria to be taken into account in the design of new products.

Circular Economy

“There is only one planet Earth, yet by 2050, the world will be consuming as if there were three.”¹ To counteract this development, the European Commission is pursuing the goal of a climate-neutral circular economy. Within the framework of its European Green Deal, it has developed an action plan for the circular economy in order to achieve sustainable economic growth that is decoupled from resource use.

Wienerberger supports the European Green Deal and the related targets and measures aimed at promoting a circular economy. We regard the transition to a higher degree of circularity as an opportunity that offers numerous benefits, such as a reduced pressure on the environment, higher security of raw material supply, increased competitiveness, and the stimulation of innovation².

In cities, in particular, resource efficiency is being enhanced through so-called “urban mining”. The concept of “urban mining” aims at saving resources through the recovery and reuse of secondary raw materials from the so-called anthropogenic stock. This is the total of materials contained in products used or stored by society over a longer period of time, such as buildings, vehicles or large electrical appliances, infrastructure such as railway lines or pipelines, or other durable goods stored or landfilled³. Planning future material flows and means of resource recovery is an important aspect of urban mining⁴. Given that the long-term availability of raw materials is one of the crucial aspects of a sustainable business performance, our product development engineers focus on the reusability or recyclability of our products already in the design phase (“design for recycling”).

In our production, we are making every effort to save raw materials and promote the use of secondary raw materials from internal and external sources wherever this is economically justifiable and technically feasible. By continuously reducing the volume of waste and the scrap rate, we are making a further significant contribution to the efficient use of resources.

The early identification of potential shortages and the diversification of sources of supply are essential parts of our raw materials management. We own about two thirds of the clay reserves for our ceramic production; for the remaining third, we conclude long-term mining and supply contracts.

Moreover, in a voluntary effort, Wienerberger has for years been working intensively on the preparation of eco-balances and environmental product declarations (EPDs) for its entire product range. All ceramic pipes and fittings produced by Wienerberger Piping Solutions and a family of products of the concrete paver segment of WBS have been successfully certified according to the Cradle to Cradle® concept and are being re-certified at regular intervals.

In the following sections, we provide an overview of how Wienerberger implements the principles and strategies of circularity within the company and along the value chain in the following areas:

- › Resource efficiency in raw material sourcing
- › Reduction of production waste
- › Durable systems and solutions based on the principle of circularity

*Within the framework of the Circular Plastics Alliance we support all efforts to increase the amount of secondary raw materials used in Europe each year to at least 10 million tons by 2025. For the declaration by the Circular Plastics Alliance, please refer to:
<https://ec.europa.eu/docsroom/documents/36361/attachments/1/translations/en/renditions/native>*

1) https://ec.europa.eu/commission/presscorner/detail/en/ip_20_420

2) <https://www.europarl.europa.eu/news/en/headlines/economy/20151201STO05603/circular-economy-definition-importance-and-benefits>

3) <https://www.umweltbundesamt.de/themen/abfall-ressourcen/abfallwirtschaft/urban-mining/das-anthropogene-lager>

4) <https://www.umweltbundesamt.de/themen/abfall-ressourcen/abfallwirtschaft/urban-mining#was-ist-urban-mining>



Resource Efficiency in Sourcing

Use of secondary raw materials

In terms of resource efficiency, the recovery and re-use of waste products and the use of secondary raw materials in production are matters of high priority for Wienerberger. However, technical feasibility largely depends on the materials available and their applications. Subject to availability, we use secondary raw materials for our production wherever this is technically feasible.

In plastic pipe production of the Wienerberger Piping Solutions Business Unit (WPS), the use of secondary raw materials has been well established for quite some time. Further progress was achieved by WPS in 2021: On the one hand, the use of secondary raw materials was rolled out to all WPS production sites; on the other hand, new products were made entirely from secondary raw materials. Moreover, in 2021 WPS again participated in the revision of various EN standards, the objective being to allow the use of secondary raw materials in larger quantities. WPS currently holds the chair of the newly established “Ecological Footprint” working group at TEPPFA (The European Plastic Pipes and Fittings Association). This working group is dealing with relevant topics, such as emission data sets for plastic materials, environmental product declarations (EDPs), and issues of European chemical legislation (REACH⁵).

In its entire plastic pipe production in 2021, the Wienerberger Piping Solutions Business Unit increased the amount of internal and external secondary raw materials used from 83 to 90 kg per ton produced, which corresponds to an 8.4% increase. Of the total, 48 kg, i.e. a good 53%, were external secondary raw materials. According to legal provisions, the use of external secondary raw materials is only permitted for pressureless pipes (e.g. for wastewater, rain water, electric conduits), but not for pipes to be used under pressure, such as pipes for potable water. For those WPS plastic pipe product lines where the use of secondary raw

materials is permitted by law, the amount of external secondary raw materials even amounted to 69 kg per ton produced. Wienerberger even introduced several pipe system solutions based on 100% post-consumer materials. In this case, special attention is being paid to the quality of the secondary raw materials used. The identification, classification, and continuous monitoring of suppliers of secondary plastic materials therefore are particularly important aspects in procurement.

In ceramic production, residual material from our own plants can easily be returned to production on account of its high degree of purity, a well-established practice at our plants. Moreover, external secondary raw materials are being used as a substitute for primary raw materials, but this is not always technically feasible and economically justifiable. In order to obtain secondary raw materials of adequate quality, construction debris needs to be carefully sorted and processed.

Additionally, secondary raw materials, such as saw dust, rice husks or sunflower seed shells, ash and slag, or refractories, are used in the clay block plants of the Wienerberger Building Solutions Business Unit (WBS). They serve as pore-forming agents to optimize the thermal insulation properties of the clay blocks. The quantities used are recorded in a raw material report for the respective product group. In 2021, as in the previous year, almost 9% of the raw materials used in WBS were secondary raw materials.

The policy applied by Wienerberger Building Solutions (WBS) regarding the use of secondary raw materials and the avoidance of hazardous substances specifies the format and content of the annual raw material report, including the results of the chemical analyses, to be prepared by each country organization. It also indicates the release and approval processes to be complied with and documented in writing. As in the previous year, the policy was successfully implemented in 2021.

In the North America Business Unit, secondary raw materials accounted for 3% of the total raw material input in 2021, as in the previous year.

5) Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency.

Wienerberger Building Solutions (WBS) as well as Wienerberger Piping Solutions (WPS) are continuously optimizing their processes with a view to achieving sustainable savings of resources and costs. Such optimization programs include the Plant Improvement Program (PIP+) in brick production, the Production Excellence Program (PEP) in concrete paver production, or the Design for Lean Six Sigma (DFSS) management approach in plastic pipe production. Moreover, Wienerberger is using an increasing amount of packaging materials made from secondary instead of primary raw materials. In 2021, a total of 1,000 tons of recycled plastics was used for packaging, which resulted in substantial savings of CO₂ emissions (see also page 69). In 2022 we will step up our efforts in this field, hoping that 50% of our packaging materials will be made from secondary raw materials by 2025. Wienerberger is therefore working on the reuse of its packaging material in a closed cycle. For example, plastic films are no longer printed on to allow as many recycling loops as possible. Additionally, Wienerberger is reducing the amount of packaging material, for instance by using tapes made from 100% recycled PET instead of plastic film.

Dematerialization – Reduced raw material input for products of unchanged quality

Wienerberger is reducing the raw material input for selected ceramic product groups (dematerialization), provided it is economically justifiable and technically feasible to achieve the required level of product quality. This measure results in improved resource efficiency and contributes to the reduction of greenhouse gas emissions in production (see page 71), as illustrated by the LESS series of facing bricks produced in Denmark. Owing to the reduced material input, bricks of the LESS series weigh 10% less than comparable bricks and are therefore easier to handle, while their compressive strength remains unchanged. This means that LESS facing bricks can be used for the same types of structures as conventional bricks. Thanks to these developments, together with the conversion to biogas in Denmark, CO₂ emissions in production will be significantly reduced (see also page 82).

In Wienerberger's Virtual Labs⁶ computer simulations based on mathematical models calculate the properties of bricks, brick walls, and systems with a view to making them even more efficient. The simulations instantly show which parameters need to be changed to produce the desired effect. By means of this method, Wienerberger optimizes the physical properties of its brick products. Properties such as strength, thermal insulation, and noise insulation can be adjusted to the requirements of specific applications, while raw material input and the weight of the brick are kept as low as possible.

Water management

Wienerberger is making every effort to use water sparingly, for instance by running it in closed circuits, and to draw it primarily from its own sources. Water from sources other than public networks (e.g. water from rivers, lakes and, in Scandinavia, the sea), used especially in plastic pipe production by Wienerberger Piping Solutions (WPS), is returned to the environment after the cooling process in conformity with the legal provisions in effect.

In ceramic production, Wienerberger Building Solutions (WBS) uses heat pumps, which primarily serve to enhance energy efficiency. However, they also have another positive effect, as the condensation water from the wet air stream can be reused in clay preparation. Heat pumps also have a positive impact on decarbonization in production (see also page 76).

6) Wienerberger's Virtual Labs have been developed in cooperation with the Vienna University of Technology within the framework of the "Innovative Brick 2" project (2018–2021), which succeeded to the earlier "Innovative Brick" project (2014–2018). The objective is to optimize brick masonry, including the production process. Both projects were supported by the Austrian Research Promotion Agency (FFG) and the Austrian Climate and Energy Fund.



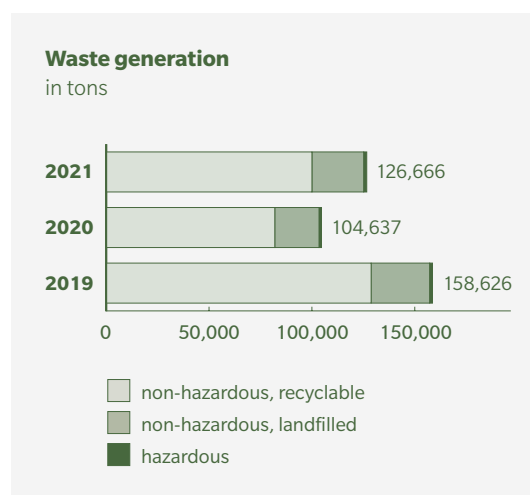
Reduction of Production Waste

Optimizing the closed resource cycle requires not only a reduction of production waste, but also a reduction of the scrap rate. Wherever possible, production waste (e.g. burnt brick waste, non-coated plastic waste) is returned into the production process. Production waste that cannot be reused or recycled is disposed of by certified waste management companies according to state-of-the-art methods.

At all our plants, the optimization measures taken within the framework of our quality management system take environmentally relevant aspects into account. Some production sites have additionally been certified according to ISO 14001 Environmental Management Systems.

Ongoing optimization programs at Wienerberger Building Solutions, such as the Plant Improvement Program (PIP+) in brick production and the Production Excellence Program (PEP) in the concrete paver segment, are primarily aimed at achieving sustainable resource and cost saving through improved production processes. Within the framework of the Plant Improvement Program (PIP+), for example, the scrap rate in brick production is regularly monitored and, if necessary, appropriate measures are taken to reduce it. In 2021, the scrap rate in concrete paver production was reduced to 2%.

In the plastic pipe segment of WPS, we promote the Lean methodology and the Design for Lean Six Sigma management approach in order to achieve quality improvements and advance process optimization. Both methods are aimed at reducing raw material input and the scrap rate, while increasing productivity at the same time. As a signatory to Operation Clean Sweep®, we ensure that no losses of plastic granulate occur during the production process. In 2021, more than 70% of our plants had already implemented Operation Clean Sweep®. By the end of 2022, all WPS plastic pipe plants are to be equipped accordingly.



In 2021, the total volume of waste generated by Wienerberger amounted to 126,666 tons, 79% of which was non-hazardous and recyclable (2020: 78%).

Durable and Recyclable Products and Systems

Innovation leadership is part of our value proposition to our shareholders, by which we create added value and distinguish ourselves from our competitors. As a pioneer of innovation in our industry, our goal is to continuously work on improving and further developing the reusability, recyclability, and durability of our products and system solutions.

Moreover, we are developing new concepts for products and system solutions that can be dismantled and reused as entire elements of buildings and infrastructure. Through these and other efforts, we are making a substantial contribution to future-oriented concepts of resource efficiency, such as “urban mining”.

Within the framework of our new Sustainability Program 2023, the circularity target for the entire Wienerberger Group is:

“100% of our new products are designed to be reusable or recyclable.”

The reusability of our products is a crucial aspect of innovation, as it significantly prolongs the products’ useful life. In 2021, the criteria to be taken into account in the process of designing new products were elaborated for the individual product groups.

In 2021, Wienerberger analyzed the reusability and recyclability of its products in the individual product groups in order to orientate the development of new products toward achieving this target. Hybrid or compound products constitute the greatest challenge to be addressed in this context. Although such products only account for a small part of the group-wide product portfolio, considerable efforts are being made to facilitate the separation of materials contained therein. Wienerberger also analyzed the reusability and recyclability of its traded merchandise (goods not produced by Wienerberger itself) and is now working on its classification and registration. In the course of this process, it was found that a large percentage of traded merchandise is either reusable or recyclable.

The processes described above are being advanced through training programs regarding the design of reusable or recyclable products. Moreover, training sessions are being organized to heighten our employees’ awareness of the importance of circularity.

In the following paragraphs, we present individual products and system solutions that are particularly well-suited to be recycled or reused in closed cycles.

In 2021, Wienerberger concluded an exclusive distribution agreement with Leadax, a company based in the Netherlands, for its Leadax Roov flat roof solutions. Leadax Roov is a flat roof membrane that is made from 100% processed plastic waste as a raw material and can be recycled at the end of its useful life.

The reuse of roof tiles and pavers, which has been practiced for quite some time, is another excellent example. Wienerberger successfully launched a reusable facing brick, which is marketed as the ClickBrick. Integrated into the façade structure without mortar, it can easily be dismantled and reused. The ClickBrick also meets high aesthetic quality requirements, a matter of particular importance to us in building construction. In the world of high-end façades, Wienerberger introduced completely maintenance-free, digitally engobed⁷ façade panels with an extremely long useful life. Digital engobing offers the advantage of high-end design options without reducing the durability of ceramic façade solutions. The reuse of entire interior walls is another relevant research and development topic for Wienerberger.

In the field of plastic pipes, a research project confirmed the possibility of reusing or recycling the plastic material used in pipe production. The concept of color coding of different pipe generations permits the cascading use of PVC. What begins its life as a yellow low-pressure gas pipe could be converted into a red cable conduit and finally recycled into a grey sewer pipe. All in all, the PVC raw material can be used up to three times. Given that PVC has a useful life of at least 100 years, the total life cycle of the material can, in theory, be prolonged to more than 300 years.

7) Engobing is a procedure for the treatment of ceramic surfaces.



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BIODIVERSITY & ENVIRONMENT

The protection and preservation of our environment is firmly embedded in Wienerberger's awareness of its corporate mission: We foster biodiversity at our sites, use resources sparingly, and respect nature reserves. Over the past 40 years, the world has seen an unprecedented loss of biodiversity – a development we must counteract.

Target of our Sustainability Program 2023



100%

**Biodiversity Program to
be implemented at all our
production sites**

We have set ourselves a clear goal: By 2023, implement a biodiversity action plan based on the Wienerberger Biodiversity Program at all Wienerberger production sites.

Biodiversity & Environment

The natural environment and its ecosystems provide the basis for all organisms on this planet, including human life. To a growing extent, we have come to recognize that our survival, our society depends on nature and on biological diversity¹. Biodiversity is crucial for the preservation of nature and its ecosystems. In recent decades, the natural balance has been severely disrupted all over the world. Biodiversity loss and the climate crisis are two phenomena that are closely connected and reinforce one another².

Nature was the central topic of the UN Climate Conference in Glasgow (COP26³). In order to support governments and the business community in aligning their efforts aimed at enhancing biological diversity, the world needs a common global goal for nature. According to leading experts in this field, this goal should comprise a timeline with three cut-off points⁴: zero net loss of nature from 2020, net nature positive by 2030⁵, and full recovery by 2050. The respective target definitions are expected as a result of the 15th Conference of Parties of the UN Convention on Biological Diversity (COP15⁶) in 2022.

Nature-based solutions have the purpose of making cities greener, healthier and more climate-resilient. As a leading international provider of building materials and infrastructure solutions, Wienerberger's commitment is not only to supply top-quality products, but also to contribute to the preservation of an intact environment and to protect nature to the greatest possible extent. Wienerberger has therefore stepped up its activities in the field of biodiversity and is making every effort to contribute to a healthy global ecosystem.

Wienerberger has always done its utmost to minimize the impacts of raw material extraction and production on the environment. We are therefore continuously optimizing our processes at our production sites. In doing so, we contribute to the enhancement of energy and resource efficiency and to climate protection (see chapter "Circular Economy", pages 99-100, and chapter "Climate Protection & Adaptation to Climate Change", page 74). This is our contribution to the preservation of good environmental quality, which in turn has a beneficial effect on local ecosystems.

Throughout the Wienerberger Group, we pay special attention to the preservation of biodiversity during the entire life cycle of our own clay pits. In cooperation with external experts, we are striving to create the best possible conditions for plant and animal life, even while clay is being excavated. When depleted, clay pits are made available for subsequent use to promote biodiversity.

Wienerberger has undertaken to take biodiversity into account in the management of its 215 production sites. Within the framework of our Sustainability Program 2023, we have set the following biodiversity target for the entire Wienerberger Group:

"Biodiversity Program to be implemented at all our production sites by 2023."

By fostering biodiversity at all our production sites, we improve land use and provide numerous high-quality habitats for plants and animals.

In the following sections, we describe the processes, initiatives, and measures by which we contribute to the protection and preservation of biodiversity and the environment.

- Certified quality management systems (QMS) at all plants
- Certification according to ISO 9001 incl. environmentally relevant aspects at almost all plants
- Certification according to ISO 14001 Environmental Management Systems at some of our plants

- Wienerberger Biodiversity Program
- Nature conservation during clay mining and the subsequent use of extraction sites
- Avoidance of hazardous substances
- Contribution of products to the enhancement of biodiversity

1) World Economic Forum (2020): *The Nature Economy Report Series* (2020); BCG (2021): *The Biodiversity Crisis Is a Business Crisis*; The Dasgupta Review (2021): *The Economics of Biodiversity*

2) IPBES, IPCC (2021): *Biodiversity and Climate Change Workshop Report*

3) United Nations Framework Convention on Climate Change, 26th Conference of the Parties

4) A Nature-Positive World: The Global Goal for Nature.

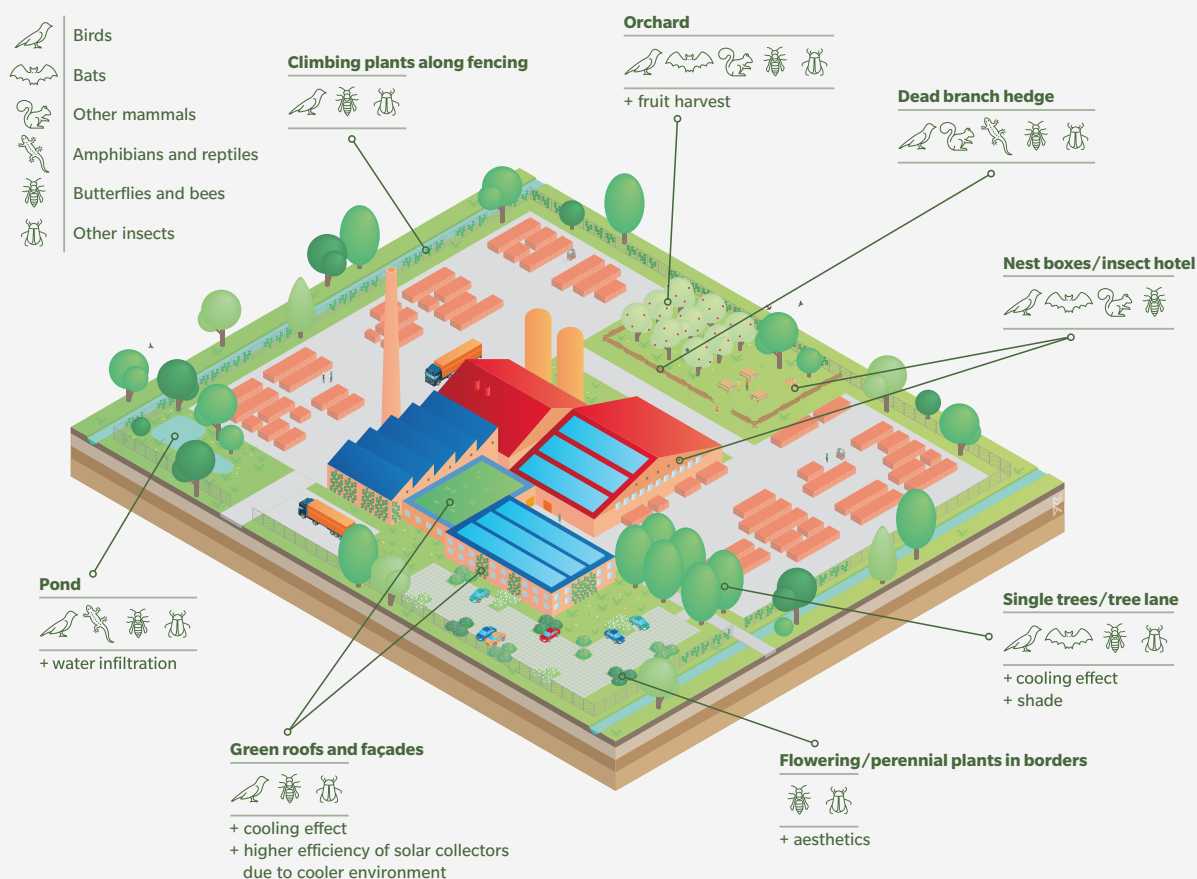
<https://f.hubspotusercontent20.net/hubfs/4783129/Nature%20Positive%20The%20Global%20Goal%20for%20Nature%20paper.pdf>

5) A global goal for nature. Nature positive by 2030 (2020) <https://www.naturepositive.org/>

6) Convention on Biological Diversity (CBD), 15th Conference of the Parties



MEASURES ON A FICTIVE WIENERBERGER PRODUCTION SITE



This infographic shows measures on a fictive production site. For every measure, the infographic shows which fauna groups benefit most. Furthermore, examples of co-benefits are shown (e.g. water infiltration, fruit harvest, cooling effect, aesthetics).

Wienerberger Biodiversity Program

The Biodiversity Program has been designed as a pragmatic contribution toward preserving and increasing the biodiversity of flora and fauna at urban production sites. The objective of the Wienerberger Biodiversity Program is to convert as much of our land as possible into a high-quality habitat for biodiversity. In 2020 and 2021, we cooperated with external experts to develop a catalogue of biodiversity measures on the basis of our

Biodiversity Program. The document sets out scientifically founded principles that will help us to tap the full biodiversity potential of our (urban) production sites. It outlines over 30 specific measures suited to foster and increase the biodiversity of flora and fauna, including design, management and maintenance measures. It also refers to examples of measures already implemented at Wienerberger sites, the effects of which were already tested at various pilot sites in Europe. For further details, see our website.

BIODIVERSITY ACTION PLANS IN SIX STEPS



The following six-step process represents the corporate standard for the elaboration of individual biodiversity action plans. It is to be applied at all Wienerberger sites and permits the uniform implementation of the biodiversity measures:

1. Mapping of the terrain
2. Presentation of the existing green infrastructure and surveillance of the initial situation
3. Identification of the maximum biodiversity potential
4. Approval of a feasible biodiversity action plan
5. Start of implementation
6. Monitoring of effectiveness

Steps one to four, performed by means of GIS software, are the same at all sites of the Wienerberger Group. First of all, the software maps the terrain of the site (1). Subsequently, existing green infrastructure is recorded (2). On this basis, the maximum biodiversity potential is identified with support from Wienerberger's biodiversity specialists (3). To ensure management commitment, a biodiversity action plan suited to the conditions of the respective site is then approved by the local management team, with budgetary and practical considerations being taken into account (4). Measures aimed at fostering biodiversity, as planned, can then be initiated in cooperation with a local (ecological) gardening establishment (5). Best practices are exchanged within the Group. As a provider of building materials and infrastructure solutions, Wienerberger can use its own products for certain measures taken at the site.

The last step of the process consists in an analysis of the effectiveness of the measures taken (6). In the interest of a scientifically founded approach, the original situation is first surveyed in step two of the process by Wienerberger's biodiversity specialists together with an independent partner well-versed in ecological matters. The species and numbers of birds, butterflies, and other insects, such as bees, bumblebees and hoverflies, are recorded. The presence of these species groups is an excellent indicator of habitat quality and well suited for simple and pragmatic monitoring. Once all biodiversity measures have been implemented, appropriately trained employees will again monitor the species and numbers of birds and insects three times a year. By involving these employees as biodiversity ambassadors, the local biodiversity action plan becomes a narrative that can be communicated within Wienerberger and to the neighboring local communities.

The two most important indicators of the group-wide Biodiversity Program are:

- › **size (in square meters)** of non-paved, biodiverse and ecological surface at the production sites (newly created and/or upgraded)
- › **number of species** identified on these surfaces.

Through the use of GIS software, combined with regular monitoring of these indicators, the program can be evaluated, managed, and analyzed for the success achieved.



Nature conservation during and after the use of extraction sites

For Wienerberger as a producing company, natural resources are indispensable. Our commitment is to supply top-quality products and, at the same time, protect and preserve the environment to the best of our abilities. Wienerberger recultivates and renatures depleted clay extraction sites and makes them available for subsequent use. Depleted clay pits provide ideal conditions as a habitat for rare plants and animals. The necessary measures are implemented in cooperation with local partners from the farming community or with local residents. The responsible and environment-friendly use of clay pits, with due consideration given to the environmental conditions on site and the ecosystem, is an essential aspect of Wienerberger's sustainable business management. We take care not to interfere with protected areas.

In Europe and North America, Wienerberger continuously monitors all its own clay pits used for brick production. The preservation of biodiversity, nature conservation, the protection of the landscape, and a meaningful subsequent use of depleted sites are important sustainability criteria applied in the management and monitoring of clay pits. The entire life cycle of clay pits, from planning to approval to operation and subsequent use, is taken into account.

As a rule, the competent public authority defines the type of subsequent use of depleted clay pits at the time of approval of clay extraction. Environmental impact assessments and ecological studies are therefore always part of the approval procedures. Given the fact that clay pits are to be operated as long and as sustainably as possible, the question of subsequent use usually arises only after several decades. In special cases, Wienerberger even takes measures to renature parts of the clay pit while extraction is still going on. In cooperation with experts, every effort is made to create the best possible living conditions for rare species. For example, we support the planting of vegetation likely to attract certain types of animals.

Depleted clay pits, with enough open space and water gathering in ponds, have the potential to become an ideal habitat for plants and animals.

Step by step, our clay extraction sites are converted into habitats for plants and animals that are at risk of extinction. An excellent example is Orchard Farm in Kent, in the southeast of England, which now provides ideal living conditions for the crested newt.

Protecting nature can go hand in hand with the creation of recreational areas for people, such as the "Wienerberg Recreation Area" in Vienna, a former clay pit that has become a bird sanctuary and a recreational space.

By fostering biodiversity at all our sites, we improve land use and create high-quality habitats for numerous species of plants and animals. Our objective is to ensure that in the long term land use by Wienerberger has a positive impact on biodiversity. To this end, we will upgrade existing surfaces and enter into new partnerships for compensatory measures.

As regards the processing of raw materials, we not only focus on quarries, but also take measures to protect the environment by avoiding contamination with plastics, e.g. through Operation Clean Sweep (see page 101).

Avoidance of Hazardous Substances

We conscientiously ensure the avoidance and, where this is not possible, substitution of hazardous substances. Wienerberger meets all legal requirements at the European, national, and regional levels regarding the avoidance and substitution of hazardous substances, especially in raw materials. Compliance with all legal provisions is being monitored continuously and corrective measures, if necessary, are taken without delay.

Based on an internal guideline, uniform management practices regarding the avoidance of hazardous substances are in place at all production sites of the Wienerberger Building Solutions Business Unit. The guideline provides for a strict classification of inputs and contains mandatory instructions for employees on the use of secondary raw materials and the avoidance of hazardous substances at the production sites. Compliance with all provisions is verified on the basis of annual raw material reports.

Contribution of Products to the Fostering of Biodiversity

Wienerberger aims not only to improve people's quality of life, both at home and in their social and professional environments, but also to make a positive contribution to the protection and preservation of biodiversity. Wienerberger therefore designs and produces appropriate products and systems for buildings and infrastructure solutions.

In urban areas, biodiversity is increasingly threatened by rising temperatures and soil sealing. Non-sealed, green surfaces provide a habitat for plants and animals and also improve people's quality of life. They have a cooling effect and benefit the micro-climate. System solutions developed by Wienerberger Piping Solutions can be used for the irrigation of green roofs, façades, and surfaces on the ground. Pipe systems for the collection and storage of (rain) water, which can subsequently be used for irrigation, are also available from Wienerberger Piping Solutions. Such systems are equally suited to supplying green roofs and façades with water.

System solutions for unsealed surfaces in light colors have a notable cooling effect and therefore improve the micro-climate. Pavers produced by Wienerberger Building Solutions help to manage the negative consequences of extreme weather conditions, such as heavy rainstorms, which are likely to occur more frequently in the future. Together with irrigation and infiltration systems from Wienerberger Piping Solutions, they prevent flash flooding in cities with mostly sealed surfaces.

Ceramic products by Wienerberger are also suited for the creation of insect hotels and nesting space for small mammals. This is a perfect way of fostering biodiversity in urban areas without impairing the quality of life of the buildings' human inhabitants. Green roofs and façades provide additional nesting space and a source of food for various animal species. Wienerberger has designed solutions to accommodate bird and bat boxes under roofs and on façades.

When designing our products and system solutions, we also have the topic of biodiversity in mind. Through the increased use of secondary raw materials and the dematerialization of selected products without any quality trade-off, Wienerberger reduces its consumption of natural raw materials. Durable products and system solutions with a long life cycle also reduce the burden on the environment. Specific examples include the Durofort wastewater and drainpipe produced by Pipelife Netherlands, which is made entirely from recycled material, and our pipes with three lives, the useful life of which can be prolonged to 300 years and more through multiple recycling of the material (see page 102). Our circularity goals and measures, which also have an impact on our endeavors relating to biodiversity, are described from page 96 onward.

Wienerberger will continue its efforts to preserve, protect, and increase biodiversity at its sites and develop further products and system solutions with this goal in mind.



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EMPLOYEES & SOCIAL IMPACTS

WIENERBERGER EMPLOYEES

Wienerberger's employees are the company's most important success factor. Thanks to their know-how and their dedication, we are able to sustainably improve people's quality of life with our products and system solutions. We are committed to diversity and equal opportunities in our company and promote the development of the full potential and the talents of our employees. We offer them a safe and motivating work environment.

Targets of our Sustainability Program 2023



Wienerberger is aware of the fact that the percentage of women in specific positions is only one of many important aspects of diversity. Our targets regarding the percentage of women are to be taken as a first step: Our main concern is not to define quotas, but to build awareness for the positive impact of gender equality.

Target 2023



At Wienerberger, we believe in advancing and supporting our employees in a targeted manner and in facilitating networking and an international exchange of knowledge.

WIENERBERGER SOCIAL IMPACTS

Wienerberger is committed to creating the greatest possible benefit for society. For many years, we have been supporting social projects and institutions. With a special focus on the countries we operate in, we help to provide housing and decent living conditions for people in need within the framework of social projects.

Target of our Sustainability Program 2023



Built with our products
and in the markets we operate in.



Employees & Social Impacts

Our employees constitute the basis of our success and are a key factor for the successful further development of our company. We are convinced that our sustainable economic success is based on the skills, the diversity, and the dedication of our employees, as well as our corporate culture.

We regard it as our task to create a stable and safe work environment for all Wienerberger employees. We provide the basis and the necessary conditions to ensure the safety and health of our employees. At the same time, we promote the advancement of individual careers in many ways. Our approach relies on an effective communication culture within the company, consistent involvement of our employees, and a motivating work environment.

Our values provide the basis for our entrepreneurial activity. Responsibility, integrity, and respect are the values we regard as particularly important in our relationship with our employees. In 2021, Wienerberger published a comprehensive Code of Conduct, which is now being implemented across the Group, the objective being to make each and every employee fully aware of its contents. A group-wide whistleblowing system, set up in 2021 by Wienerberger in cooperation with SeeHearSpeakUp as its external partner, is available for all employees wishing to report any misconduct observed – anonymously, if so desired.

Through targeted measures, we address topics such as occupational health and safety, skills and competence development, as well as diversity and equal opportunities, as a basis for effective steering by the management. The related processes are supported by our Safety, Health and Education (SHE) reporting, a tertiary system of key data collection in the fields of occupational safety and health, training, and employee development.

In the following sections, we provide an overview of our initiatives, tools, and processes, as well as our performance in the following areas of human resources (HR) management:

- › Occupational safety and health
- › Job creation and stability of employment
- › Competence development and advancement of our employees
- › Diversity and equal opportunities
- › Digitalization in human resources management

Wienerberger is committed to creating the greatest possible benefit for society. We are doing our utmost to ensure safety and health along our supply chain, and we care about the protection and health of local residents as well as customers. Moreover, Wienerberger is involved in numerous social projects and initiatives aimed at meeting the urgent demand for housing for people in need. At the end of this chapter, we offer some insight into the following aspects of our social impact:

- › Safe and healthy with Wienerberger
- › Societal commitment

Occupational Safety and Health

Wienerberger takes its responsibility for providing safe and healthy working conditions for its employees very seriously. We firmly stand by our commitment to the primacy of safety as a principle of our work.

WIENERBERGER HEALTH & SAFETY POLICY

Our vision is to be the producer and supplier of building materials and infrastructure solutions with the best safety record in our sector of industry. We have set ourselves a clear goal: zero accidents!

In 2021, in an effort to further pursue this target, Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) jointly implemented a new Health & Safety Policy, which is based on the commitment, compliance, and responsibility of each and every one of us.

At Wienerberger, we are convinced that the health and safety of our employees generate added value for the company and for society, and lead to enhanced employee commitment. More than ever before, our company is making every effort to create a safe and healthy work environment, from the daily routine in our factories and offices to the sites of our customers and the local communities.

We employ effective health & safety management systems throughout our organization in order to ensure that we can achieve our most important goals:

- › Risks are identified and mitigated to the lowest practically feasible level.
- › All accidents, incidents, and safety concerns reported are thoroughly investigated to determine the cause and take appropriate corrective measures.
- › Everyone is sufficiently trained and informed to perform our activities as safely as possible.
- › As a prerequisite for accident prevention, our plants must be well managed and properly maintained and be in perfect condition.

As described in the following, we are working on initiatives, tools, and processes aimed at continuously improving occupational safety and health:

- › Wienerberger Safety Standards
- › Contingency planning
- › Safety training
- › Notification of work-related hazards or hazardous situations
- › Procedures for the investigation of work-related safety and health incidents
- › Involvement of our employees in the development of safety and health management systems at the workplace
- › Occupational health services
- › Safety, health, and human rights at our own raw material extraction sites
- › Protection from exposure to respirable crystalline silica
- › Group-wide efforts to cope with the COVID-19 pandemic
- › System for the collection of occupational accident data

In the following, we also disclose developments within the Wienerberger Group in respect of accident frequency, accident severity, and types of injuries, sick-leave days, and protection from exposure to respirable crystalline silica, presenting data as a three-year trend.

Wienerberger Safety Standards

To ensure the occupational safety and health of our employees at the workplace, each business unit implements its own internal programs based on relevant legal provisions, sector-specific standards and requirements, and local rules and regulations. The subject-specific contents of these programs are described in the following sections. For example, 15% of all Wienerberger Building Solutions (WBS) sites and 12.5% of all Wienerberger Piping Solutions (WPS) sites have been certified according to ISO 45001 Occupational Health and Safety Management Systems¹. In the coming years, certification according to this standard is to be rolled out step by step to all countries. Since 2020, the Wienerberger Health & Safety Policy has been in place throughout the Group. The policies, programs, and activities described in the following are being consistently implemented. No further provisions on occupational safety and health have been laid down in collective bargaining agreements.

1) ISO 45001 replaced OHSAS 18001.



By 2022, the Wienerberger Building Solutions Business Unit (WBS) will introduce the first version of the “Occupational Health & Wellbeing Standard” in order to harmonize the measures taken in the country organizations. Moreover, a standard for working at height will be implemented. Additionally, so-called functional safety audits are performed to verify conformity with the corresponding European standards (e.g. EN 13849/12100).

The WPS health & safety management is based on three strategic pillars, which are to guarantee occupational safety and health within the company. On the one hand, safety management is focused primarily on improving the Visual Safety Leadership Program and the active involvement of executives in efforts to build awareness for safety and health aspects. On the other hand, employees are to be more strongly involved in the identification of safety concerns and hazardous situations. As a result, the importance of a safe work environment and the reduction of risks – the third pillar of the strategy – are brought to everyone’s attention, not least through initiatives such as LOTOTO or the machinery and equipment safety standards.

Contingency planning

Wienerberger employs the method of contingency planning for various safety topics and areas of work. This includes the posting of warning signs, notices on machines and, in particular, initiatives such as LOTOTO (Lock-Out, Tag-Out, Try-Out), a safety system which disconnects the power supply to machines and equipment while repair and maintenance work is going on and subsequently verifies that the safety mechanism is operational. To ensure compliance with the group-wide requirements, a LOTOTO standard has been implemented, which is subject to continuous further development and verification by an external partner. By 2022, the LOTOTO initiative is to be translated into all languages and rolled out to all countries. Apart from the technical and mechanical safety provisions and notices, continuous training on occupational safety is being provided.

LOTOTO INITIATIVE (LOCK-OUT, TAG-OUT, TRY-OUT)

Lock-Out: Switch off and lock

Tag-Out: Post an information notice

Try-Out: Check if the machine has been properly switched off or locked

LOTOTO is a safety procedure by which sources of energy are properly switched off and isolated during maintenance and repair work. It ensures that equipment or machinery is switched off and labelled while undergoing repair, and that these measures are checked. The standard not only requires isolation from mechanical, electrical, and hydraulic energy, but also from chemical, thermal, and explosive sources of energy. This safety procedure protects workers from the dangers of live machinery or electricity.

Safety training

Safety training at all levels is key to a successful safety culture at Wienerberger. We therefore provide target group specific training, depending on the position and field of work of the employees concerned.

Wienerberger provides various safety training programs for its employees, partly on site and in national or local languages. Besides courses with physical attendance at the production sites, e-learning programs are also available.

Wienerberger has launched the “Visible Management Leadership” initiative, in the course of which persons in management positions at the production sites make every effort to enhance the employees’ safety and health awareness. In doing so, they visibly demonstrate their own awareness and their personal commitment to health and safety. This also serves to highlight the strengths and weaknesses of our safety system.

Every employee of the Group has to undergo a uniform introductory safety training module. Additionally, we have designed a training matrix, on the basis of which every employee is provided with an occupational safety and health training roadmap. This serves to create a work environment in which safety always comes first.

Notification of work-related hazards or hazardous situations

At Wienerberger Building Solutions and Wienerberger Piping Solutions, work-related hazards or hazardous situations are identified and evaluated by means of a Health & Safety (H&S) app. Employees can report safety concerns via this app without having to fear any negative consequences for themselves. Training is provided on how to use the app. Given our strict reporting requirements, not only the local H&S managers, but also the heads of H&S of both business units have access to the safety concerns reported.

Every Wienerberger employee is obliged to immediately interrupt or stop any activity or procedure that is deemed to be unsafe or not in compliance with the safety regulations. Work is not to be resumed unless safety is again guaranteed.

Reporting safety concerns is also strongly encouraged at Group level. Depending on the area of work, including in an office setting, potential hazards can be reported to the appointed safety officers, the works council, or a safety expert. An occupational safety committee (OSC) or a comparable institution has been established in each of Wienerberger's country organizations, its task being to prioritize the risks identified and initiate appropriate measures. Safety warnings and important findings are to be evaluated at all levels of the organization. For the purpose of a thorough analysis of crucial safety and health indicators, above all lost time accidents (LTA), quarterly meetings between Business Units, Human Resources (HR) and employee representatives (Chairman of the European Works Council) take place.

Procedures for the investigation of work-related health and safety incidents

Wienerberger has defined and implemented clear procedures for the investigation of work-related accidents and incidents at the various management levels. Above all, the local H&S management is involved in the process. Additionally, such incidents are thoroughly analyzed at Group level (by HR, works council, and management), at business unit level (by the Head of Health & Safety), and across business units.

By 2022, the first version of the "Occupational Health & Wellbeing Standard" will be introduced at the Wienerberger Building Solutions Business Unit (WBS). The standard is focused primarily on the harmonization of measures taken by all WBS country organizations. In 2021, a new standard for work at height – the Working at Height Group Standard – was introduced. This standard makes it obligatory to assess the risk of such work and check the mobile equipment in use (mobile aerial work platforms, elevators, etc.), as well as portable equipment, such as scaffolding, ladders, safety belts, and railings. According to the "Machinery Safety Standard", other machinery and equipment, too, are to be assessed more thoroughly so that risk-mitigating measures can be taken in due time. To this end, so-called functional safety audits are performed. Within the framework of these audits, machinery and equipment are checked for conformity with the corresponding European standards (e.g. EN 13849/12100). WBS intends to perform such functional safety audits at 33% of its sites within the coming three years. Compliance with the "Conveyor Standard" is to be verified again in all country organizations in order to ensure competent handling of the equipment and to further sharpen our employees' risk awareness. High-risk areas are identified and appropriate measures taken.

The WPS Business Unit defined machinery and equipment safety standards, which are to guarantee the occupational safety of WPS employees.



Involvement of our employees in occupational safety and health management systems

Wienerberger involves its employees in the development and implementation of occupational safety and health management systems, for instance by organizing general and specific employee surveys, through the works council as the body representing employee interests, safety officers, the respective occupational safety committee (OSC), and the H&S app.

At WBS, special efforts are being made to strengthen communication with “frontline” workers in order to counteract anxieties and reservations regarding safety and health protection. To this end, employees are being recognized for their efforts and best-practice examples are highlighted.

Occupational health services

Services provided for our employees in the field of occupational health vary from country to country. Company physicians are available to our employees in many countries. Occupational health services provided at the workplace include health screenings, vaccinations, psychological counselling, ergonomic advice, and similar services. On account of the global COVID-19 pandemic, COVID tests are performed free of charge at many sites. Wienerberger also offers a broad range of non-medical health-related services, which are flexibly adjusted to the on-site needs of the country organizations.

Safety, health, and human rights at our own raw material extraction sites

Wienerberger guarantees the protection of fundamental human rights within its own sphere of influence. When signing the Wienerberger Social Charter, Wienerberger undertook to comply with the conventions and recommendations of the International Labor Organization (ILO). It goes without saying that these also apply to our clay extraction sites. Wienerberger makes every effort to ensure compliance with all rules and regulations on occupational safety and the protection of employees from health hazards at its extraction sites. Avoiding occupational accidents and protecting workers from exposure to dust and noise at all extraction sites operated

by Wienerberger are our top priorities. Wienerberger’s group-wide safety standards and the safety programs implemented by WBS apply to all workers at clay pits operated by Wienerberger.

Based on the uniform, group-wide Supplier Code of Conduct, the requirements regarding occupational safety are obligatory also for operators of other clay extraction sites doing business with Wienerberger.

Protection from exposure to respirable crystalline silica

For more than ten years, Wienerberger has participated in the biannual survey regarding exposure of employees to respirable crystalline silica performed within the framework of the NEPSI social partnership agreement (Negotiation Platform on Silica <https://www.nepsi.eu/>²⁾).

Apart from that, Wienerberger is making every effort to provide the best possible protection against respirable crystalline silica³⁾ for its employees. In 2020, a new standard for the protection of employees from exposure to respirable crystalline silica was elaborated, which was implemented in the first half of 2021. The Respirable Crystalline Silica Standard (RCS) covers the following aspects:

- › The performance of tasks or activities in an environment contaminated with respirable crystalline silica must not impair the health and wellbeing of the individual.
- › The hazards and potential risks associated with the exposure to respirable crystalline silica are explained and communicated in comprehensible terms.
- › Persons working with or near crystalline silicon dioxide must not be exposed to hazardous quantities of respirable crystalline silica. The necessary steps are clearly defined and appropriate measures have been implemented.

²⁾ The NEPSI system collects data on potential hazards for employees, health checks, training, the distribution and use of personal protective equipment, and technical measures, such as the enclosure of the production lines concerned.

³⁾ Respirable crystalline silicon dioxide can penetrate into the pulmonary alveoli.

- › The elimination or reduction of crystalline silicon dioxide using the hierarchy of control for exposure to respirable crystalline silica – EEESI (Eliminate, Extract, Enclose, or Suppress It) – is clarified and described in detail.
- › Guidelines for air monitoring protocols, including the frequency of monitoring and the expectations of Wienerberger, are defined.

Within the framework of the “Occupational Health and Wellbeing Standard” of the WBS Business Unit, a new data collection system is being introduced and compliance with the standard aimed at protecting employees from exposure to respirable crystalline silica is being monitored in all countries.

Group-wide efforts to cope with the COVID-19 pandemic

It goes without saying that minimizing health risks and protecting our employees has been Wienerberger’s foremost concern during the COVID-19 pandemic. As a producing company, we also take the protection of our external partners and customers very seriously and are making every effort to support them.

Physical health

The strict safety and health measures implemented in 2020 along our entire value chain were continued in 2021 and adjusted to new requirements. Some examples are listed below:

- › Wienerberger’s comprehensive offer of testing and vaccination services
- › In-house contact tracing
- › Conversion of numerous training and development formats to hybrid and/or virtual training; coverage of new topics of particular relevance during the pandemic, such as “Remote leading of teams”
- › Extension of the subjects covered (digital learning library) by the Wienerberger e-learning platform and rollout to over 4,000 employees by the end of 2021
- › Transition to working from home, if necessary. At the onset of the pandemic, Wienerberger issued a work-from-home policy, which will apply beyond the end of the pandemic and is to be incorporated into a company agreement.

Mental health

We are not only doing our utmost to guarantee the safety of our employees, but also care about their mental health. Since the outbreak of the pandemic, we have therefore been offering new forms of learning in this area. Given that more frequent working from home means reduced contacts among colleagues and with executives, Wienerberger considers it important to pay special attention to the topic of mental health. In this context, clear rules for the digital workplace are indispensable. Wienerberger is currently working on a clear set of rules and appropriate IT support.

An attitude of respect shown by executives also has a substantial impact on the wellbeing of employees and their ability to cope with the new work environment. In this context, Wienerberger cooperates with Dr. Bernd Hufnagel, a Vienna-based neurologist and brain researcher, whose scientific expertise is instrumental in optimizing the work environment for our employees

System for the collection of occupational accident data

Within the framework of Safety, Health and Education (SHE) reporting by the Wienerberger Group, all accidents that lead to a loss of at least one working day for the employee concerned are documented as occupational accidents. Moreover, Wienerberger Building Solutions has set up its own safety platform and Wienerberger Piping Solutions operates its own safety portal. The circumstances of each individual accident and measures taken to improve safety are documented in detail.



Accident frequency

In 2021, the frequency of accidents – defined as the number of occupational accidents per million hours worked – was reduced to 4.4 at Group level. Year-on-year, accident frequency thus decreased by 18.7% (2020: 5.4). The Wienerberger Building Solutions Business Unit, in particular, succeeded in significantly reducing its accident frequency by 28.8% to 5.0. Owing

to the relatively low absolute number of occupational accidents in the Wienerberger Piping Solutions Business Unit, the increase in accident frequency from 2.0 in 2020 to 3.9 in 2021 translated into a high relative change (+96.4%). In contrast, the North America Business Unit with its very low accident frequency in 2020 achieved a further reduction by 3% in 2021 (calculated on the basis of non-rounded values).

Accident frequency by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	7.2	7.1	5.0	-28.8
Wienerberger Piping Solutions	2.0	2.0	3.9	+96.4
North America	0.9	1.0	1.0	-3.0
Wienerberger Group	5.6	5.4	4.4	-18.7

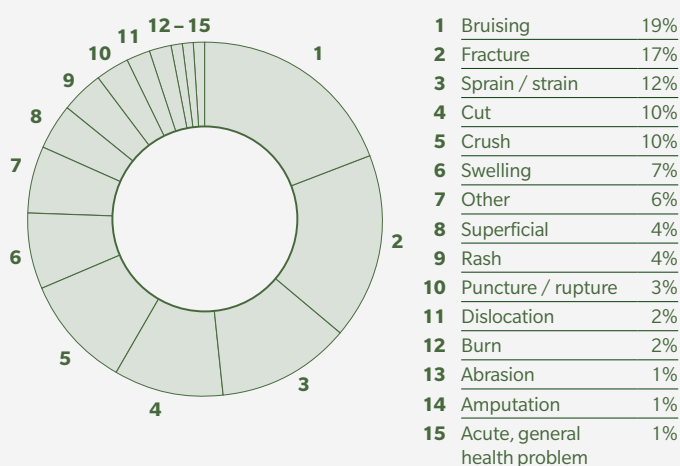
1) Number of occupational accidents / number of hours worked x 1,000,000 // including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Accident severity and types of injuries

In 2021, as in previous years, the most frequent types of injuries at Group level were bruising, followed by fractures, sprains and strains, cuts, and crushes. The circumstances and causes of every accident are analyzed in detail. Based on these findings, we consistently implement measures to increase the safety of our employees.

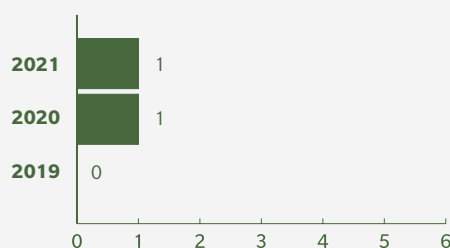
We are saddened to report that in 2021, as in the previous year, one fatal accident occurred within the Wienerberger Group. We deeply regret this accident and will further step up our efforts to provide the highest possible level of safety for our employees. The circumstances of the accident were thoroughly investigated within the Business Unit and beyond, and appropriate steps were taken. We continued to draw our employees' attention to possible hazards and strengthened their awareness of the binding nature of safety rules and the obligatory use of personal protective equipment.

Types of injuries within the Wienerberger Group in 2021 ^{1) 2)}



1) Injuries resulting in a loss of at least one working day // 2) Excluding five companies newly acquired in 2021, where the data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54) // Based on the specific definitions of the individual business units.

Number of fatal occupational accidents within the Wienerberger Group



In 2021, accident severity, measured in accident-related sick-leave days per million hours worked, increased by 1.3% across the Group. Throughout 2021, occupational safety training continued and comprehensive measures

were implemented (see pages 113 and 116). Despite these initiatives and the group-wide reduction in accident frequency, accident severity was minimally above the previous year's level, with 180 sick-leave days reported per million hours worked (2020: 178). This is due to the 2.9% increase in accident severity in the Wienerberger Building Solutions Business Unit, in contrast to the significant reduction in accident frequency in WBS in 2021 (-28.8%) compared to the previous year.

The consistent efforts undertaken by the Wienerberger Piping Solutions Business Unit again led to a notable reduction in accident severity from 50 sick-leave days per million hours worked in 2020 to 33 in 2021. Similar to the previous year, this corresponds to a further reduction by more than one third (-34.6%). The North America Business Unit even succeeded in reducing accident frequency from 35 in 2020 to 13 in 2021, which corresponds to a 61.6% reduction.

Accident severity by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	200	235	241	+2.9
Wienerberger Piping Solutions	78	50	33	-34.6
North America	24	35	13	-61.6
Wienerberger Group	158	178	180	+1.3

1) Number of occupational accidents / number of hours worked x 1,000,000 // including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Sick-leave days

In 2021, the average number of sick-leave days (accident-related and non-accident-related) per employee of the Wienerberger Group (excluding the North America

Business Unit) increased by 6.7% to 11.5 (2020: 10.8). Among other factors, this is due to the higher severity of accidents in the WBS Business Unit and, in some instances, longer sick-leave periods.

Sick-leave days per employee by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	11.2	11.3	12.0	+6.5
Wienerberger Piping Solutions	8.9	9.1	9.7	+7.4
Wienerberger Group excluding North America	10.7	10.8	11.5	+6.7
North America ³⁾	2.2	3.4	3.1	-9.7

1) Accident-related and non-accident-related sick-leave days. Agency and temporary workers are included in data on accident-related sick-leave days. Data on non-accident-related sick-leave days include all employees directly employed by Wienerberger. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) Due to special national legal provisions (regarding employees on sick leave) the indicators are not comparable to those of other business units and therefore reported separately.



Job Creation and Stability of Employment

Alongside adequate, safe and health-preserving working conditions, fair remuneration, freedom of assembly, and the right of our employees to collective bargaining are fundamental principles of our human resources management. In 2021, about 69.7% of all Wienerberger employees were covered by collective bargaining agreements.

By signing the Wienerberger Social Charter in 2001, Wienerberger undertook to create employment and working conditions throughout the Group meeting the provisions national legislation and/or collective bargaining agreements as a minimum standard. Wienerberger thus complies with the relevant recommendations of the International Labor Organization (ILO, a specialized agency of the United Nations). It goes without saying that Wienerberger respects human rights and does not tolerate child labor and forced labor or any form of discrimination.

By implementing the Wienerberger Code of Conduct in 2021, we laid down a clear set of rules to be observed by the employer and by employees. For further information on the Wienerberger Code of Conduct, please refer to pages 44-45.

Total number of employees

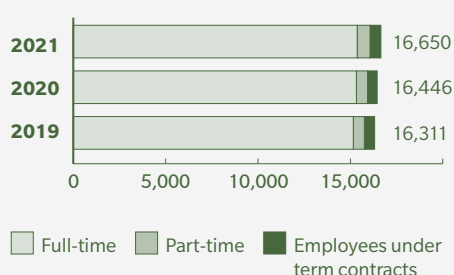
In 2021, Wienerberger, on an annual average, employed a workforce of 17,624 people (full-time equivalents), i.e. 6.1% (1,006 full-time equivalents) more than in 2020. The higher number was primarily due to M&A activities. The most significant increase was reported by Wienerberger Building Solutions (+489), followed by Wienerberger Piping Solutions (+279), and North America (+238).

Owing to the different numbers of full-time equivalents employed by the individual business units, the changes in percentages, as compared to the previous year, showed the opposite trend, with North America reporting the highest increase (+17.6%).

Ø Employees by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Full-time equivalents				
Wienerberger Building Solutions	12,466	11,939	12,427	+4.1
Wienerberger Piping Solutions	3,317	3,328	3,606	+8.4
North America	1,450	1,352	1,591	+17.6
Wienerberger Group	17,234	16,619	17,624	+6.1

1) Agency and temporary workers are included from their first hour of work at Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employees by type of employment contract ^{1) 2)} based on headcount



1) Employees directly employed by Wienerberger // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54).

In terms of headcount as at 31/12/2021, the number of employees of the Wienerberger Group was 16,650, i.e. 1.2% above the previous year's figure (16,446).

As at 31/12/2021, almost unchanged from the previous year, 92% of the total workforce (headcount) employed by the Wienerberger Group was working full-time and 4% part-time. Employees under term contract accounted for the remaining 4%. A very small part of the work at Wienerberger is performed by staff legally defined as self-employed. The number of employees under permanent employment contracts in 2021 was close to 1% above the previous year's value (+132 permanent employees, headcount), while the number of employees under term contracts increased by 14% (+72 employees under term contracts, headcount).

In principle, Wienerberger intends to reduce the number of agency workers and replace them by employees directly employed by Wienerberger.

Employee turnover

Compared to the previous year, the rate of employee turnover in the Wienerberger Group increased slightly from 10.7% in 2020 to 11.0% in 2021. The Wienerberger Building Solutions Business Unit, in particular, reported an increase in employee turnover from 11.5% to 12.0%,

whereas the Wienerberger Piping Solutions Business Unit saw a slight decrease from 7.7% to 7.6%.

As in previous years, the figures of the North America Business Unit are reported separately, since they are not fully comparable with those of the other business units due to specific national legal provisions. The percentage of the holding company, which is accounted for as part of the North America Business Unit but, given its geographic location, is not subject to these specific national provisions, is included in the total of the Wienerberger Group.

Employee turnover by operating segment ^{1) 2)} in %	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	11.5	11.5	12.0	+4.3
Wienerberger Piping Solutions	10.7	7.7	7.6	-1.6
Wienerberger Group, excluding North America	11.3	10.7	11.0	+3.3
North America ³⁾	27.4	31.0	52.9	+70.7

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (headcount) in permanent employment in the reporting year, excluding temporary and agency workers as well as workers under term contracts; persons retiring or on leave do not count as persons leaving the company. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) Due to special national legal provisions the indicators are not comparable to those of other business units. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54).

A total of 1,632 employees, i.e. 72 more than in 2020, left the company in the reporting year (headcount; excluding North America, as the figures are not comparable to those of other business units due to specific national legal provisions). Restructuring measures, such as plant closures, led to the elimination of 102 jobs.

1,580 employees – 229 women and 1,301 men – left the Wienerberger Group for other reasons. 328 of these employees were younger than 30, 787 were between 30 and 49 years of age, and 415 were over 50 years of age.

In 2021, the average length of service with the Wienerberger Group remained remarkably high at 11 years. We regard this as a strong vote of confidence by our employees and an indication of a high level of employee satisfaction.

In 2021, the number of employees newly recruited by the Wienerberger Group rose by 830 compared to the previous year (based on headcount), which corresponds to a 44.0% increase. Owing to Wienerberger's excellent performance in 2021, despite the influence of the COVID-19 pandemic, the recruitment of new employees was again stepped up. In particular, Wienerberger Building Solutions reported 525 more new entrants in 2021 than in 2020 (+45.8%), followed by North America with 231 more new entrants (+63.8%), and Wienerberger Piping Solutions with 74 more new entrants than in the previous year (+19.6%).



New entrants by operating segment ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	1,568	1,146	1,671	+45.8
Wienerberger Piping Solutions	462	379	453	+19.6
North America	301	362	592	+63.8
Wienerberger Group	2,331	1,886	2,716	+44.0

1) Employees directly employed by Wienerberger // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Competence Development and Advancement of our Employees

At Wienerberger, we believe in advancing and supporting our employees in a targeted fashion and in facilitating networking and an international exchange of knowledge. All Wienerberger training programs are aimed at providing training that is tailored to the employees' specific areas of work and designed to facilitate long-term succession management. The training programs comprise internal and external initial and further training measures.

Within the framework of our Sustainability Program 2023, our target for the entire Wienerberger Group regarding the development and advancement of our employees is:

“10% more hours of training per employee by 2023, as compared to 2020“

Wienerberger also takes targeted measures to increase employee satisfaction. For this reason, we conduct anonymous employee surveys throughout the Group. Based on the results obtained, we implement further measures that also take specific requirements in individual fields of business into account.

In 2021, the number of hours of training per employee already increased by more than 23%, as compared to the previous year.

The following sections contain a detailed description of our measures and list further indicators of competence development and the advancement of our employees.

Training and HR development

In 2021, as in previous years, the Wienerberger Group took a number of initiatives – always strictly in compliance with all the necessary COVID-19-related protective measures – aimed at advancing and supporting employees in a targeted fashion and facilitating an international exchange of knowledge.

As the accuracy of recording the number of training hours per employee was further improved in 2021, the indicators reported for 2020 had to be corrected. Hence, the basis for calculating our target of increasing the number of training hours per employee compared to the reference year 2020 had to be adjusted accordingly. The indicators concerned are restated in the following table.

In 2021, the average number of training hours per employee increased significantly from 10.6 to 13.1 hours (+23.2%). As this development shows, we outperformed our target of a 10% increase in the number of training hours set for 2023, as compared to 2020, already in 2021. We are now making every effort to consolidate this increase and to maintain or further increase the number of training hours per employee. The necessary reduction in the number of physical meetings due to COVID-19-related contract restrictions had a negative impact on the frequency of on-site training, which was, however, offset through the use of alternative formats.

Training hours per employee and year by operating segment ¹⁾²⁾	2019	2020	2021	Chg. in %
Wienerberger Building Solutions	17.3	12.0	14.4	+19.8
Wienerberger Piping Solutions ³⁾	11.7	6.8	9.3	+36.1
North America	15.0	6.8	10.4	+51.8
Wienerberger Group ³⁾	16.0	10.6	13.1	+23.2

1) Internal and external initial and further training measures per employee (headcount). International training events are not included in this table. // Employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) The indicators reported for 2020 were corrected, as the accuracy of recording the number of training hours per employee was further improved in 2021. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Wienerberger's focus on health and safety remained strong and the related training programs were stepped up as well. Across the Group, significantly more safety training was provided in 2021 than in the previous year. The Wienerberger Building Solutions and North America Business Units, for example, doubled the number of safety training hours per employee, as compared to the previous year. Training within the framework of our safety programs enjoys a high priority and is being thoroughly and consistently implemented. The data collection tools currently used by Wienerberger do not permit a group-wide breakdown of hours spent in training by gender, age group, functional area, or position of the participants.

For high-potential employees pursuing a career as experts, a new development path was created in 2020: the Ready4Expertise program. Within the framework of this three-module further training program, target group specific contents, such as strength-based self-leadership, lateral leadership, and remote working, as well as change and intercultural management, are being communicated. In 2021, nine participants successfully completed the first round of this program. Currently, the course is being attended by 12 participants. At the same time, we are continuing our Ready4Excellence program, which promotes the development of our junior executives and high-potential employees pursuing a general, cross-divisional career goal. Over 130 colleagues have already attended this program and undergone training in areas such as feedback, project communication, conflict management, change management, and intercultural skills. In 2021, nine employees from six different organizations joined this program.

In 2021, a new initiative under the heading of "Innovation" was launched across the Group: the Lean Innovator Program. Wienerberger's efforts to advance ground-breaking innovations require the adoption of a uniform working method, which in future is to be based on the Lean Canvas Method. In 2021, 30 employees have already completed this program.

In 2020, Wienerberger launched a learning platform for the Group, where various training programs, some of them available group-wide and others country-specific, can be accessed. Training programs requiring physical attendance as well as e-learning courses are offered on this platform. The number of users increased from about 300 when the platform was launched in mid-2020 to more than 4,000 by the end of 2021. The platform is to be rolled out to additional country organizations with an enlarged offer of training programs, especially for e-learning.

The table on "Training hours per employee and year" includes neither international training programs, such as Ready4Excellence or the Leadership Journey, which are organized centrally and financed by the holding company, nor on-the-job training. Including international training programs, the number of hours per Wienerberger employee spent in training amounted to 13.5 in 2021, which represents a significant increase compared to 11.0 hours in 2020.

In the interest of well-structured, transparent, and long-term management of career and succession planning, an annual process for the evaluation of senior management and succession planning, in particular for senior management positions, has been implemented. In 2021, 193 persons (excluding Managing Board members) were included in the management database.



Employee satisfaction

In 2021, an employee satisfaction survey was performed simultaneously among all employees of the Group. In line with the usual practice of such surveys, information on the level of employee engagement and enablement was collected. As empirically validated by numerous studies, these dimensions show very well how motivated and enabled our employees feel. The employees' assessment of measures taken on the basis of the last employee survey was also evaluated. With a return rate of 80%, participation in the 2021 employee survey was considerably higher than in the survey conducted in 2017/2018 (66%). The results of the survey, broken down by business unit and department, were communicated to all employees at the respective sites.

Compared to the 2017/2018 survey, the results of the 2021 survey showed a significant increase in both engagement (+3%) and enablement (+2%). In comparison with the survey results of other organizations from the producing industry, Wienerberger notably outperforms the sector average, especially in terms of enablement (employees being or feeling enabled). Based on the 2021 results, we initiated or continued to implement follow-up measures, including improvements of the work environment (renovation, improvement of processes and structures in production, improved working tools), measures regarding the leadership culture, team-building efforts, or engaging in dialogue with external stakeholders. The package also comprises targeted initial and further training initiatives and the optimization of workflows and communication processes.

Following the regular cycle, the next employee survey is to be conducted in 2023.

Diversity and Equal Opportunities

Wienerberger is convinced that sustainable economic success is based on the diversity, the skills, and the dedication of our employees, as well as on our corporate culture. We therefore want to bring together people of any gender with diverse talents, personality features, career histories and cultural backgrounds. (For information on our diversity policy, please refer to the 2021 Corporate

Governance Report on page 178). The resultant diversity of competencies and the internationality of our employees reflect the diversity of our customers, investors, business partners, and markets, reaffirm our innovative mindset, and make us fit for the challenges of a dynamic and fast-changing business environment.

Our values include integrity and respect. The principles of human resources management at Wienerberger ensure that all employees, regardless of age, gender, culture, religion, origin, or other diversity features, have the same rights and opportunities. Based on these principles, Wienerberger does not tolerate any form of discrimination.

In 2009, we started to collect data on diversity and equal opportunities within the framework of our sustainability reporting. Since the beginning of data collection, no incidents of discrimination have been reported.

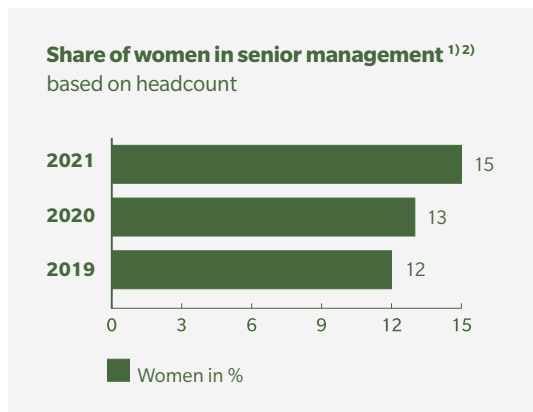
The international character of the company is strengthened through a system of job rotation between different functional areas and country organizations, which enables people to gain deeper insights and new perspectives in various fields of work. Wienerberger's corporate and cultural identity is characterized and positively influenced by cultural diversity.

Within the framework of our Sustainability Program 2023, we have set the following diversity targets for the employees of the entire Wienerberger Group:

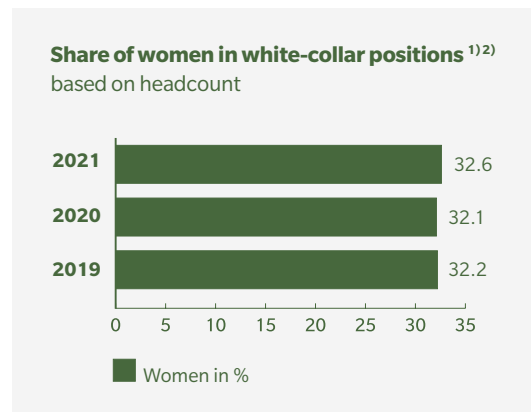
"At least 15% women in senior management positions"

"At least 30% women in white-collar positions"

Wienerberger is aware of the fact that the percentage of women in specific positions is only one of many important aspects of diversity and regards these targets as a first step. In pursuing our targets regarding the percentage of women in specific positions, we do not aim to define quotas, but want to build positive awareness of gender equality.



1) Exclusively employees directly employed by Wienerberger. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



1) Exclusively employees directly employed by Wienerberger // Share of women in administration and sales (including marketing and inventories) // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Share of women

In 2021, 2,560 women (headcount) were employed by the Wienerberger Group, up by 3% from the 2020 figure. In percentage terms, the share of women employed by the Wienerberger Group increased by another 2%.

In the interest of further promoting diversity, diversity training programs and e-learning courses were implemented in 2021. Moreover, diversity aspects were incorporated into HR processes (e.g. recruiting processes) and guidelines, such as the Senior Management Recruiting Guideline.

In 2021, the percentage of women in senior management positions increased to 15%, as compared to 13% in the previous year.

We continue to give preference to women in senior management and executive positions, provided their qualifications are equivalent to those of male candidates.

In 2022, Wienerberger will begin to elaborate a diversity policy in the form of a "Diversity Charter". On this basis, a package of measures and activities, such as coaching for female employees enabling them "to reach the next higher level" or enhanced visibility of successful women in the company, will be developed.

In 2021, the percentage of women working in white-collar positions increased slightly (+1%) from the previous year's value of 32.1% to 32.6%.

In 2019, a woman was appointed to the Managing Board of Wienerberger AG, where she has held the position of COO of Wienerberger Building Solutions since 2020. In 2021, as in the two previous years, the share of women on the four-member Managing Board therefore was 25%. As regards the Supervisory Board, 40% of its members were women in 2021 (2020: 30%) and thus increased by one third.

As at 31/12/2021, the total percentage of women employed by the Wienerberger Group was 15.4%, i.e. another 2% above the previous year's value of 15.1%. The percentages of women in the individual functional areas have remained almost unchanged compared to 2020.



Numbers and percentages of women by function area ^{1) 2)}		31/12/2019	31/12/2020	31/12/2021	Chg. in %
Women	Headcount	2,414	2,479	2,560	+3%
In production	in %	4.6	4.8	5.0	+5%
Administration	in %	46.7	46.1	45.2	-2%
Sales (including marketing and inventories)	in %	26.1	26.1	26.8	+3%
In white-collar positions (administration and sales) ³⁾	in %	32.2	32.1	32.6	+1%
Wienerberger Group	in %	14.8	15.1	15.4	+2%

1) All employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) All employees except in production. Sales including marketing and inventories // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Types of employment contracts



1) Employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page xx). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

In 2021, the percentage of women in permanent employment working full-time was 81.8% (2020: 82.7%), compared to 94.2% of men (2020: 95.1%).

The percentage of permanently employed women working part-time was 14.3% in 2021, unchanged from the previous year. The relative percentage of permanently employed men working part-time increased slightly from 1.8% in 2020 to 2.4% in 2021.

Nevertheless, of all employees working part-time, the percentage of women remains comparatively high.

The percentage of women directly employed by Wienerberger under term contracts was 3.9% in 2021, i.e. slightly higher than the corresponding percentage of men directly employed by Wienerberger under term contracts (3.5%).

Age structure



1) Employees under permanent employment contracts // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54).

The average length of service of 11 years with the Wienerberger Group is reflected in the age structure of our permanently employed workforce in 2021, which hardly changed in comparison to 2020. In 2021, 50% of our employees were between 30 and 49 years old. As in the previous year, 12% were younger than 30 and 38% older than 50 years. Thus, the age structure of our employees under permanent employment contracts was exactly the same in 2021 as in 2020.

Digitalization in Human Resources Management

Across the Group, digitalization is a central topic for Wienerberger, which concerns all areas of business: procurement, production, commercial activities, and, of course, human resources.

Digitalization projects in HR management, as in other areas, facilitate the group-wide collection of data, which can then be structured and evaluated by a simple click and interpreted in the form of meaningful KPIs, the ultimate goal being to further improve the work environment at Wienerberger. To this end, work on the introduction of a group-wide HR information system was begun 2021. In the future, the system will be developed into a central People Platform at Wienerberger. In this context, the strategic HR and People Processes will be further harmonized so that more highly differentiated data can be obtained and decisions taken in a more targeted manner.

Safe and Healthy with Wienerberger

We are committed to protecting people's safety and health along our supply chain and during the installation and use of our products.

- › We are committed to maintaining good relations with local residents in the vicinity of our plants and clay pits.
- › We are committed to ensuring a healthy indoor climate and good air quality in buildings.
- › We are committed to providing climate-resilient housing.

A safe and healthy work environment, as well as safe and healthy living conditions along the entire value chain, is a matter of high priority for Wienerberger. We therefore focus not only on the safety and health of our employees, but also on the safety and health along the supply chain, of local residents, customers, and users of our products.

Protection of local residents

Local residents and the environment are directly affected by our production activities and the extraction of raw materials. We are making every effort to minimize these impacts by employing the most advanced technologies in our plants, taking efficient measures to reduce emissions, and optimizing our logistics. As regards the extraction of clay, Wienerberger has committed itself to taking extensive health and safety measures and minimizing the exposure of employees and local residents to noise and dust. A trusting relationship with local residents and effective measures to protect their health and safety are important to Wienerberger. We therefore seek to engage in open dialogue with all those concerned.

Safe and easy use of our products

We are continuously optimizing our products and system solutions in order to facilitate their use by our customers: architects, design engineers, home builders, and craftspeople.

Ease of installation is an essential factor for users of our products. At Wienerberger Building Solutions, for



instance, we support architects and design engineers with analog and digital design tools and personal advice. Concrete pavers are being improved for easier installation. At Wienerberger Piping Solutions, years of work have gone into solutions that facilitate the installation and use of plastic piping systems.

Our qualified and well-trained employees as well as our service centers support our customers to the best of their abilities in the application of our products and system solutions.

It goes without saying that Wienerberger complies with all legal requirements at European, national and regional level regarding the avoidance and substitution of hazardous substances (see chapter “Biodiversity & Environment”, page 108).

Healthy and climate-resilient housing and living

Rising expectations to be met in the design of affordable, energy-efficient, and climate-resilient housing and infrastructure represent new challenges for society. With our energy-efficient building material solutions we contribute to the protection of the environment and support healthy living through an optimized indoor climate. Wienerberger products and system solutions are an integral part of sustainable building concepts. They are not only extremely durable, but also guarantee a high quality of indoor air, reduce indoor heating requirements in winter, create a pleasant indoor climate in summer, and thus contribute to the development of climate-resilient architecture, not least on account of their heat storage capacity.

Given the increasing pace of climate change (as evidenced, for instance, by rising summer temperatures and the growing frequency of overheating), the influence of open spaces on the micro-climate is gaining in importance. With its products and system solutions, Wienerberger supports measures that contribute to the adaptation to climate change (see chapter Climate Protection & Adaptation to Climate Change, page 84).

Societal Commitment

As a supplier of building material and infrastructure solutions, we want to use our products and our know-how to the greatest possible benefit of society. We continuously support a large number of social projects and organizations in almost all the countries we operate in. We are convinced that we can help best in our fields of core competence: through the provision of solutions for building construction and infrastructure and the dissemination of sustainable building know-how.

Within the framework of our Sustainability Program 2023, our target for the entire Wienerberger Group is:

*“200 housing units¹⁾ per year
for people in need, built with
our products in the markets we
operate in”*

In accordance with the Wienerberger donations policy, we support people in need through product donations in the markets we operate in. Additionally, we provide building construction and infrastructure know-how for social construction projects. Moreover, cooperative volunteering campaigns are organized, with Wienerberger employees providing hands-on assistance in the construction of houses on site.

*In 2021, Wienerberger helped
people in need by supporting the
construction and renovation of a
total of 325 housing units.*

1) Housing unit for humanitarian projects: Buildings: Construction/renovation of residential and non-residential buildings. One housing unit = one single-family house / one apartment / a predefined surface in a non-residential building // Infrastructure (drinking-water or wastewater connection): Construction/renovation: connection of four housing units to drinking water supply or wastewater disposal / connection per predefined surface in a non-residential building = one housing unit

Cooperation with Habitat for Humanity

Providing sustainable, safe, and affordable housing is an important concern of Wienerberger. Over a period of ten years since 2012, the company has been supporting social projects in various countries in cooperation with Habitat for Humanity, an international non-profit organization.

HABITAT FOR HUMANITY (non-profit organization)

Habitat for Humanity, an international non-profit organization founded in the USA in 1976, focuses on the provision of sustainable housing for and with people in need in the poorest regions of the world. All its projects are based on the principle of "helping people help themselves". Habitat for Humanity actively advocates every human being's right to shelter.

According to Habitat for Humanity, Wienerberger has helped about 4,700 people since the beginning of its cooperation with the non-profit organization in 2012 and enabled them to live under healthier and safer conditions. Our cooperation with Habitat for Humanity also contributes substantially toward drawing the public's attention to the importance of affordable housing. So-called "housing forums" are co-organized with Habitat for Humanity, the objective being to build heightened awareness for the importance of social housing among political stakeholders and the public administration.

During the most recent partnership period (2018-2021), Wienerberger supported the construction and renovation of residential and non-residential building as well as the organization of joint "housing forums". The projects were implemented in Bulgaria, Hungary, North Macedonia, Poland, Romania, Slovakia, and United Kingdom. Projects in the USA were initiated in the second half of 2021. Through these efforts, help has so far been provided for 1,561 people in need. The living conditions of 159 families (777 persons) have been improved and 784 people in need of help were supported through community projects (centers for people with disabilities, community centers, renovation of schools, and the like). In total, this corresponds to 176 housing units created. In 2021 alone, 69 housing units were built for 425 people, including 38 families and 235 single individuals.

Big Build is an annual volunteer event at which hundreds of people voluntarily join forces to build homes for families in need. As almost all construction sites operated by volunteers were closed down due to COVID-19 in 2021, Big Build did not take place and fewer construction and renovations projects were launched than in the years up to 2019. The principle of voluntary work is extremely important for all Habitat projects, as the organization would not be able to finance projects carried out exclusively by skilled workers.

In the following, we present a number of projects implemented together with Habitat for Humanity.

Examples of projects carried out in cooperation with Habitat for Humanity

Hungary, Miskolc – Guesthouse for families visiting their autistic relatives living at Willow House: In the past, Habitat cooperated with the Szimbíózis Alapítvány (Symbiosis) Foundation to establish a special facility for people with disabilities. A new building has now been added to provide urgently needed accommodation for people wishing to visit relatives living there. The guesthouse was opened in June 2021. Additionally, two apartments and a two-story community center for people with disabilities were built. The community center, which includes a workshop, will also provide jobs for people with special needs. Altogether, about 20 people per year will benefit from the project.

Poland, Nowy Wiśnicz – Roof renovation: For a family who lost their home and all their belongings in a fire in December 2020, Wienerberger donated roof tiles and all the necessary accessories for the complete renovation of the roof.

**Poland, Bielsko-Biala – Enlargement of an addiction treatment center:**

The center run by the Foundation of the Silesian Blue Cross will be enlarged through the establishment of a special center for recovering addicts comprising a detox center and 15 apartments. The project will be supported as a model program for people at risk of social marginalization. The enlargement of the treatment center will be completed in about two years and benefit some 200 people per year.

Romania, District of Bacău – New houses in Poduri:

New houses were built to offer four low-income families the chance of living in a decent and affordable home. The project is located in Poduri in the District of Bacău, where land was made available free of charge by the Municipality of Poduri. Given the shape and size of the land, semi-detached houses proved to be the best solution. In the summer of 2021, Habitat for Humanity organized a five-day flash campaign from July 12 to 16 for the construction of the second semi-detached house, with 20 volunteers per day setting the roof tiles. Both houses are now finished inside and out and waiting for the beneficiaries to move in. Currently, Habitat is having the necessary documents signed so that the families can move into their first decent and safe homes.

Romania, District of Constanța – New houses in Cumpăna:

Two new housing units built by Habitat for Humanity Romania will offer low-income families the chance of a dignified and affordable home. This is part of a long-standing program in the course of which 16 local families have already been helped to start a new life. A semi-detached house consists of two new housing units accommodating one family each. The land for the construction site was donated by the Municipality of Cumpăna. For one of the semi-detached houses Habitat organized a five-day flash campaign from July 2 to 6. On average, 40 volunteers were on site each day, setting the roof tiles and completing the building up to 75%. A Habitat building team continued the work in the fall. The semi-detached house is now finished inside and out and waiting for the families to move in.

The target groups for these houses are marginalized, low-income families and people living under precarious conditions. The primary objective of the project is to contribute to the development of social housing in Cumpăna and thus help people move out of poverty. The selection of low-income families is made on the basis of their critical needs and living conditions. The project therefore is targeted at families living in rooms that are too small, poorly insulated, and moldy. The beneficiaries are selected regardless of ethnic or social affiliation, religion, and culture.

USA, Memphis and Huntsville: Housing projects for families:

In 2021, 12 families in Memphis, Tennessee, were supported in their home building projects. In Huntsville, Alabama, two families received donations of roof tiles for their houses.

Local partnerships and cooperation projects

Besides its cooperation with Habitat for Humanity, Wienerberger also carries out various construction and renovation projects for people in need, which are organized locally by its country organizations. In 2021, thanks to the commitment of our country organizations, Wienerberger supported the construction or renovation of a total of 256 housing units. Such projects were carried out in Belgium, Bulgaria, Croatia, the Czech Republic, France, Poland, and Romania. Support was provided through product donations and, in some cases, by our employees volunteering on site. A few examples of projects carried out in 2021 are presented in the following:

In **Romania**, Wienerberger donates products to the ELIJAH Association run by Father Georg Sporschill SJ and Ruth Zenkert, which is devoted to the goal of building a better future for families and their children. Help is provided on the condition that fathers cooperate and parents are willing to send their children to school. A special learning program run at the ELIJAH social centers supports the achievement of this goal. In 2021, 11 housing units were built within the framework of humanitarian projects.

In the course of 2021, several regions in **Austria** were unfortunately hit by natural disasters. In Schrattenberg, in the District of Mistelbach in Lower Austria, countless public and private buildings were damaged by a disastrous hailstorm. Our roofing experts from the Gleinstätten plant in Styria provided immediate hands-on assistance in repairing the damage. Additionally, Wienerberger donated a complete truck-and-trailer load of roof tiles for the repairs.

In July 2021, a tornado left a trail of devastation in the south-east of the **Czech Republic**. Hundreds of buildings in seven villages were partly or completely destroyed. At wind speeds of up to 330 kilometers per hour, a number of people were killed and hundreds injured. At the Wienerberger Headquarters in Vienna, not more than 100 kilometers from the site of the disaster, everyone was aware of how serious the situation

was, and immediate action was taken to help people in the most severely affected areas and support reconstruction work. Additionally, building materials worth half a million euros were made available for renovation and reconstruction. To rebuild the destroyed homes, Wienerberger Building Solutions had Tondach roofing systems from the Czech plant at Hranice and Porotherm wall systems delivered on a priority basis. Moreover, Wienerberger Piping Solutions is in regular contact with the local authorities in order to clarify the actual demand and act accordingly as quickly as possible. Certain quantities of products have already been reserved for this purpose.

Our commitment will remain strong in the years to come, and we will be making every effort to live up to our claim to be a useful member of society and to create value for all.



wienerberger

COMPREHENSIVE OVERVIEW OF NON-FINANCIAL INDICATORS

Comprehensive Overview of Non-Financial Indicators

ESG: Compliance & Management Approach

Corporate Governance at Wienerberger ¹⁾		2019	2020	2021
Number within the Wienerberger Group				
Number of incidents of corruption	Number in reporting year	0	0	0
Number of anti-trust violations	Number in reporting year	0	0	0

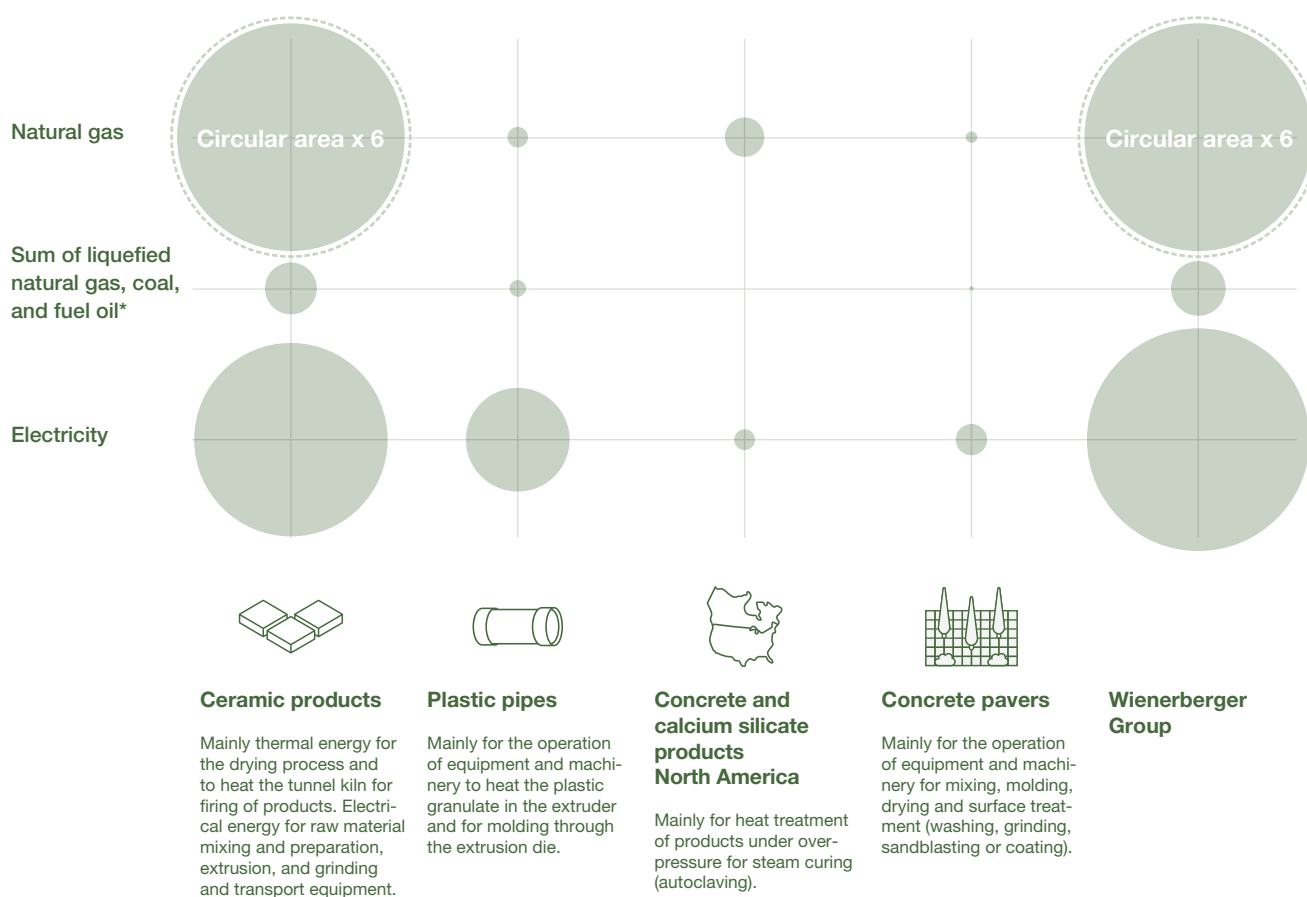
1) In 2021, no criminal proceedings for corruption were initiated against Wienerberger or companies of the Wienerberger Group. In 2019, Wienerberger AG received a notification of holdings which, owing to a chain of unfortunate circumstances, was published 24 hours late. This meant that the deadline for publication of the notification required by law was not met. In 2021, the Austrian Financial Market Supervisory Authority (FMA) imposed an administrative fine of EUR 160,000 (net fine), plus EUR 16,000 costs of proceedings, on Wienerberger AG. Both amounts were paid by Wienerberger AG.



Climate Protection & Adaptation to Climate Change

Proportional energy input and type of use in the production areas 2021

broken down by energy source and product group



* As the percentages of high-emission energy sources such as liquefied natural gas, coal and fuel oil are comparatively very low, they are now recorded as an aggregate figure.

Consumption of energy sources ^{1) 2)} in gigawatt-hours	2019	2020	2021	Chg. in %
Natural gas ³⁾	6,945	6,319	6,837	+8.2
Total of other fossil energy sources ^{3) 4)}	106	72	66	-8.3
Electricity	1,142	1,040	1,090	+4.8
Wienerberger Group ³⁾	8,194	7,431	7,993	+7.6
Percentage of renewable energy in total electricity consumption in %	40%	42%	56%	+33.8

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible.

2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) In the interest of greater consistency in reporting, Wienerberger now also includes thermal energy sources used in plastic pipe production by Wienerberger Piping Solutions, although their percentage is comparatively low. The indicators for 2020 were restated accordingly. // 4) As the percentages of high-emission energy sources, such as coal, fuel oil, and liquefied natural gas, are comparatively very low, they are now recorded as an aggregate figure. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Index of specific energy consumption ^{1) 2) 3)} in %, based on kWh/quantity of products ready for sale (2020 = 100 %)	2020	2021	Chg. in %
Clay blocks	100.0	100.1	+0.1
Roof tiles (clay and concrete)	100.0	98.2	-1.8
Facing bricks and clay pavers	100.0	98.7	-1.3
Concrete pavers	100.0	100.5	+0.5
Wienerberger Building Solutions	100.0	99.1	-0.9
Plastic pipes	100.0	99.1	-0.9
Ceramic pipes	100.0	93.4	-6.6
Wienerberger Piping Solutions	100.0	96.9	-3.1
Facing bricks and concrete pavers	100.0	100.2	+0.2
Façade (calcium silicate products)	100.0	98.7	-1.3
Concrete products	100.0	91.5	-8.5
Plastic pipes	100.0	95.0	-5.0
North America	100.0	99.9	-0.1
Wienerberger Group	100.0	99.1	-0.9

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible.

2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) In the interest of greater consistency in reporting, Wienerberger now also includes thermal energy sources used in plastic pipe production by Wienerberger Piping Solutions, although their percentage is comparatively low. The indicators for 2020 were restated accordingly. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



Absolute direct (Scope 1) and indirect (Scope 2) CO₂ emissions^{1) 2) 3)} in kilotons	2020	2021	Chg. in %
Clay blocks	1,468	1,477	+0.6
Roof tiles (clay and concrete)	376	398	+5.9
Facing bricks and clay pavers	537	559	+4.1
Concrete pavers	11	9	-10.5
Wienerberger Building Solutions	2,393	2,444	+2.2
Plastic pipes	62	3	-94.4
Ceramic pipes	21	24	+12.4
Wienerberger Piping Solutions	83	27	-67.4
Facing bricks and concrete pavers	154	165	+7.3
Façade (calcium silicate products)	7	8	+12.7
Concrete products	1	1	+13.0
Plastic pipes	12	14	+13.1
North America	174	188	+7.9
Wienerberger Group	2,649	2,659	+0.4

1) The indicator was reported for the first time for the 2020 reporting year. // 2) Direct CO₂ emissions (Scope 1): ETS and non-ETS. Source ETS: EU Transaction Log (EUTL). Non-ETS: Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO₂ process emissions are also reported. Including CO₂ emissions from biogenic inputs: quantities from Wienerberger's CO₂ monitoring corresponding to national rules. The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 3) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute direct CO ₂ emissions from primary energy sources and raw materials (Scope 1) ^{1) 2)} in kilotons	2019	2020	2021	Chg. in %
Clay blocks	1,532	1,355	1,397	+3.1
Roof tiles (clay and concrete)	345	329	361	+9.7
Facing bricks and clay pavers	561	514	557	+8.4
Concrete pavers ³⁾	-	0	0	0
Wienerberger Building Solutions	2,438	2,198	2,314	+5.3
Plastic pipes ⁴⁾	-	4	3	-7.8
Ceramic pipes	26	21	24	+12.4
Wienerberger Piping Solutions ⁴⁾	26	25	27	+9.3
Facing bricks and concrete pavers	134	125	136	+8.4
Façade (calcium silicate products) ³⁾	-	5	6	+15.2
Concrete products ³⁾	-	0	0	0
Plastic pipes ³⁾	-	0	0	0
North America	140	131	142	+8.7
Wienerberger Group	2,604	2,353	2,484	+5.5

1) ETS and non-ETS. Source ETS: EU Transaction Log (EUTL). Non-ETS: Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO₂ process emissions are also reported. Including CO₂ emissions from biogenic inputs: quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) The indicator for the referring product group was reported for the first time as of the 2020 reporting year. // 4) Wienerberger Piping Solutions corrected the indirect CO₂ emissions (Scope 1) from the plastic pipe segment, which were reported from the first time in 2020. The corresponding indicators for 2020 were restated accordingly. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Absolute indirect CO ₂ emissions from electricity (Scope 2) ^{1) 2)} in kilotons	2020	2021	Chg. in %
Clay blocks	113	80	-28.9
Roof tiles (clay and concrete)	48	38	-20.9
Facing bricks and clay pavers	24	2	-89.5
Concrete pavers	11	9	-10.5
Wienerberger Building Solutions	195	130	-33.3
Plastic pipes	58	0	-100.0
Ceramic pipes	0	0	0.0
Wienerberger Piping Solutions	58	0	-100.0
Facing bricks and concrete pavers	29	29	+2.3
Façade (calcium silicate products)	2	2	+4.1
Concrete products	1	1	+15.5
Plastic pipes	12	14	+13.1
North America	43	46	+5.6
Wienerberger Group	296	176	-40.7

1) This indicator was reported for the first time for the 2020 reporting year. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



Index of specific direct (Scope 1) and indirect (Scope 2) CO₂ emissions ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	Chg. in %
Clay blocks	100.0	92.7	-7.3
Roof tiles (clay and concrete)	100.0	94.2	-5.8
Facing bricks and clay pavers	100.0	95.1	-4.9
Concrete pavers	100.0	89.5	-10.5
Wienerberger Building Solutions	100.0	93.6	-6.4
Plastic pipes	100.0	5.6	-94.4
Ceramic pipes	100.0	97.7	-2.3
Wienerberger Piping Solutions	100.0	31.2	-68.8
Facing bricks and concrete pavers	100.0	99.4	-0.6
Façade (calcium silicate products)	100.0	97.5	-2.5
Concrete products	100.0	94.2	-5.8
Plastic pipes	100.0	95.0	-5.0
North America	100.0	99.0	-1.0
Wienerberger Group	100.0	91.9	-8.1

1) The indicator was reported for the first time for the 2020 reporting year. The calculation excluded CO₂ emissions from biogenic input materials // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Index of specific direct CO₂ emissions (Scope 1) ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	Chg. in %
Clay blocks	100.0	95.7	-4.3
Roof tiles (clay and concrete)	100.0	97.9	-2.1
Facing bricks and clay pavers	100.0	99.1	-0.9
Concrete pavers ³⁾	100.0	100.0	0.0
Wienerberger Building Solutions ⁴⁾	100.0	97.0	-3.0
Plastic pipes	100.0	99.5	-0.5
Ceramic pipes	100.0	97.7	-2.3
Wienerberger Piping Solutions	100.0	99.0	-1.0
Facing bricks and concrete pavers	100.0	100.4	+0.4
Façade (calcium silicate products)	100.0	99.7	-0.3
Concrete products	100.0	97.7	-2.3
Plastic pipes ³⁾	100.0	100.0	0.0
North America ⁴⁾	100.0	100.3	+0.3
Wienerberger Group ⁴⁾	100.0	97.3	-2.7

1) Direct specific CO₂ emissions (Scope 1) refer to CO₂ emissions from raw materials (in ceramic production) as well as the fuel emissions of the entire Wienerberger Group. The calculation did not include CO₂ emissions from biogenic input materials. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) As certain product groups do not generate Scope 1 emissions, the value remains unchanged compared to the previous year. // 4) The consolidated values are calculated on the basis of the quantities produced in all product groups. // The indicator was reported for the first time for the 2020 reporting year. For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Index of specific indirect CO₂ emissions (Scope 2) ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	Chg. in %
Clay blocks	100.0	97.0	-3.0
Roof tiles (clay and concrete)	100.0	96.3	-3.7
Facing bricks and clay pavers	100.0	96.0	-4.0
Concrete pavers	100.0	89.5	-10.5
Wienerberger Building Solutions	100.0	96.6	-3.4
Plastic pipes	100.0	6.1	-93.9
Ceramic pipes ³⁾	100.0	100.0	0.0
Wienerberger Piping Solutions ⁴⁾	100.0	32.2	-67.8
Facing bricks and concrete pavers	100.0	99.0	-1.0
Façade (calcium silicate products)	100.0	97.8	-2.2
Concrete products	100.0	96.5	-3.5
Plastic pipes	100.0	95.0	-5.0
North America	100.0	98.7	-1.3
Wienerberger Group ⁴⁾	100.0	94.6	-5.4

1) The calculation of specific indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details, see page 54). // 3) No Scope 2 emissions were generated through the production of ceramic pipes by Wienerberger Building Solutions in 2020 and 2021. The values therefore remain unchanged compared to the previous year. // 4) The consolidated values are calculated on the basis of the quantities produced in all product groups. // For all non-financial indicators, the rates of change compared to previous reporting periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

The Taxonomy-relevant activities and KPIs of the Wienerberger Group are as follows:

1-12/2021 in TEUR	Turnover	in %	Capex	in %	Opex	in %
Wall	528,357	13.3%	60,505	8.2%	32,689	18.2%
Façade	767,370	19.3%	76,029	10.2%	57,866	32.2%
Roof	593,444	15.0%	39,568	5.3%	27,299	15.2%
Taxonomy-eligible	1,889,171	47.6%	176,102	23.7%	117,854	65.5%
Taxonomy-non-eligible	2,077,273	52.4%	566,264	76.3%	62,012	34.5%
Total	3,966,444	100.0%	742,366	100.0%	179,866	100.0%



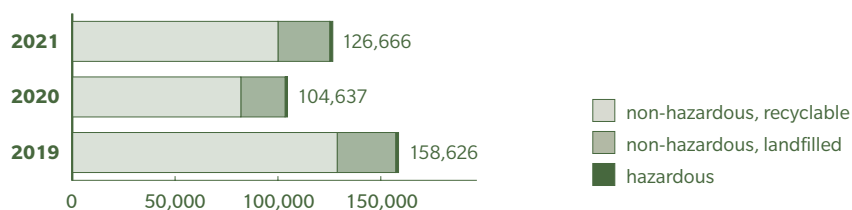
Turnover

Given that not all segments and products of the Wienerberger Group are covered by the Taxonomy Regulation (as sector or enabling activities), 47.6% of the total revenues generated in 2021 is Taxonomy-eligible.

Turnover 1-12/2021 in TEUR	Wienerberger Group	Thereof Taxonomy-eligible	Thereof Taxonomy-eligible
Wall	853,655	528,357	61.9%
Façade	1,028,609	767,370	74.6%
Roof	645,539	593,444	91.9%
Pavers	123,004	0	0.0%
Pipes	1,315,474	0	0.0%
Other	162	0	0.0%
Total	3,966,443	1,889,171	47.6%

Circular Economy

Waste generation in tons



In 2021, the total volume of waste generated by Wienerberger amounted to 126,666 tons, 79% of which was non-hazardous and recyclable (2020: 78%).

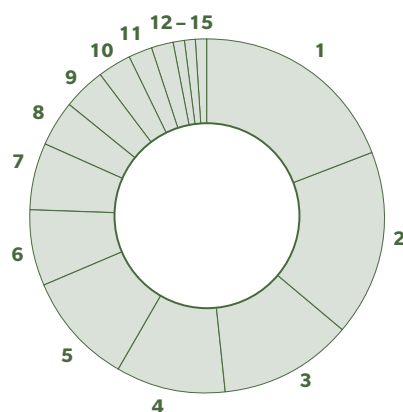
Employees & Social Impacts

Occupational Safety and Health

Accident frequency by operating segment ¹⁾²⁾	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	5.3	5.4	3.8	-30.4
Wienerberger Building Solutions West	9.0	8.8	6.2	-29.0
Wienerberger Building Solutions	7.2	7.1	5.0	-28.8
Wienerberger Piping Solutions East	1.1	1.4	1.5	+5.2
Wienerberger Piping Solutions West	2.7	2.5	5.9	+137.9
Wienerberger Piping Solutions	2.0	2.0	3.9	+96.4
North America	0.9	1.0	1.0	-3.0
Wienerberger Group	5.6	5.4	4.4	-18.7

1) Number of occupational accidents / number of hours worked x 1,000,000 // including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Types of injuries within the Wienerberger Group in 2021 ¹⁾²⁾

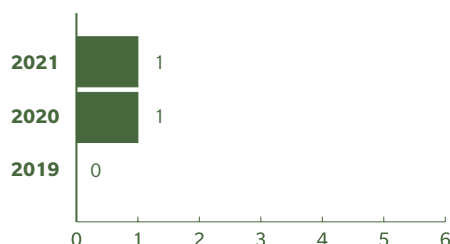


1 Bruising	19%
2 Fracture	17%
3 Sprain / strain	12%
4 Cut	10%
5 Crush	10%
6 Swelling	7%
7 Other	6%
8 Superficial	4%
9 Rash	4%
10 Puncture / rupture	3%
11 Dislocation	2%
12 Burn	2%
13 Abrasion	1%
14 Amputation	1%
15 Acute, general health problem	1%

1) Injuries resulting in a loss of at least one working day // 2) Excluding five companies newly acquired in 2021, where the data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54) // Based on the specific definitions of the individual business units.



Number of fatal occupational accidents within the Wienerberger Group



Accident severity by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	221	228	203	-10.8
Wienerberger Building Solutions West	179	241	276	+14.4
Wienerberger Building Solutions	200	235	241	+2.9
Wienerberger Piping Solutions East	14	33	18	-46.9
Wienerberger Piping Solutions West	132	65	46	-30.1
Wienerberger Piping Solutions	78	50	33	-34.6
North America	24	35	13	-61.6
Wienerberger Group	158	178	180	+1.3

1) Number of occupational accidents / number of hours worked x 1,000,000 // including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Sick-leave days per employee by operating segment ^{1) 2)}	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	8.8	10.0	11.2	+12.3
Wienerberger Building Solutions West	13.4	12.5	12.8	+2.4
Wienerberger Building Solutions	11.2	11.3	12.0	+6.5
Wienerberger Piping Solutions East	5.6	6.7	6.9	+2.6
Wienerberger Piping Solutions West	11.3	10.8	11.6	+7.6
Wienerberger Piping Solutions	8.9	9.1	9.7	+7.4
Wienerberger Group, excluding North America	10.7	10.8	11.5	+6.7
North America ³⁾	2.2	3.4	3.1	-9.7

1) Accident-related and non-accident-related sick-leave days. Agency and temporary workers are included in data on accident-related sick-leave days. Data on non-accident-related sick-leave days include all employees directly employed by Wienerberger. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) Due to special national legal provisions (regarding employees on sick leave) the indicators are not comparable to those of other business units and therefore reported separately.

Non-accident-related sick-leave days per employee ¹⁾²⁾ by operating segment ¹⁾	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	8.4	9.5	10.8	+13.3
Wienerberger Building Solutions West	13.1	12.1	12.3	+1.6
Wienerberger Building Solutions	10.8	10.9	11.6	+6.4
Wienerberger Piping Solutions East	5.6	6.6	6.8	+3.1
Wienerberger Piping Solutions West	11.0	10.7	11.5	+8.0
Wienerberger Piping Solutions	8.7	9.0	9.7	+7.9
Wienerberger Group, excluding North America	10.3	10.5	11.2	+6.7
North America ³⁾	2.2	3.3	3.0	-8.5

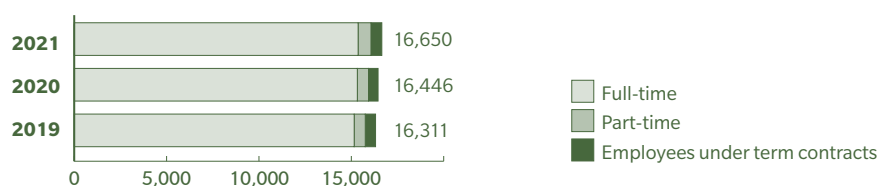
1) Data on non-accident-related sick-leave days include all employees directly employed by Wienerberger. // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in round differences. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) Due to special national legal provisions (regarding employees on sick leave) the indicators are not comparable to those of other business units and therefore reported separately.

Job Creation and Stability of Employment

Ø Employees by operating segment ¹⁾ Full-time equivalents	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	5,853	5,707	5,704	-0,0
Wienerberger Building Solutions West	6,613	6,232	6,723	+7,9
Wienerberger Building Solutions	12,466	11,939	12,427	+4,1
Wienerberger Piping Solutions East	1,439	1,487	1,487	-0,0
Wienerberger Piping Solutions West	1,879	1,841	2,120	+15,2
Wienerberger Piping Solutions	3,317	3,328	3,606	+8,4
North America	1,450	1,352	1,591	+17,6
Wienerberger Group	17,234	16,619	17,624	+6,1

1) Agency and temporary workers are included from their first hour of work at Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employees by type of employment contract ¹⁾²⁾ based on headcount



1) Employees directly employed by Wienerberger // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54).



Ø Employees by functional area ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Production	10,294	10,268	10,393	+1,2
Administration	1,788	1,879	1,971	+4,9
Sales (including marketing and inventories)	4,229	4,299	4,286	-0,3
Wienerberger Group	16,311	16,446	16,650	+1,2

1) Employees directly employed by Wienerberger // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employees with permanent employment contracts ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	5,552	5,475	5,569	+1,7
Wienerberger Building Solutions West	5,872	6,034	6,075	+0,7
Wienerberger Building Solutions	11,424	11,509	11,644	+1,2
Wienerberger Piping Solutions East	1,315	1,372	1,296	-5,6
Wienerberger Piping Solutions West	1,716	1,790	1,889	+5,5
Wienerberger Piping Solutions	3,031	3,162	3,185	+0,7
North America	1,299	1,260	1,234	-2,0
Wienerberger Group	15,754	15,931	16,063	+0,8

1) Employees directly employed by Wienerberger // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

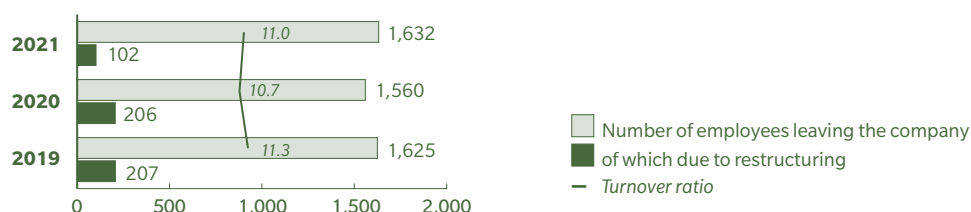
Employees under term contracts ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	218	136	168	+23.3
Wienerberger Building Solutions West	221	258	288	+11.6
Wienerberger Building Solutions	439	394	456	+15.6
Wienerberger Piping Solutions East	21	18	17	-7.6
Wienerberger Piping Solutions West	96	102	113	+10.8
Wienerberger Piping Solutions	117	120	130	+8.0
North America	0	0	1	+230.0
Wienerberger Group	557	515	587	+14.0

1) Employees directly employed by Wienerberger // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employee turnover by operating segment ^{1) 2)} in %	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	12.3	14.9	14.6	-1.7
Wienerberger Building Solutions West	10.7	8.3	9.6	+14.7
Wienerberger Building Solutions	11.5	11.5	12.0	+4.3
Wienerberger Piping Solutions East	10.0	9.9	9.0	-9.1
Wienerberger Piping Solutions West	11.3	6.0	6.6	+8.8
Wienerberger Piping Solutions	10.7	7.7	7.6	-1.6
Wienerberger Group, excluding North America	11.3	10.7	11.0	+3.3
North America ³⁾	27.4	31.0	52.9	+70.7

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (headcount) in permanent employment in the reporting year, excluding temporary and agency workers as well as workers under term contracts; persons retiring or on leave do not count as persons leaving the company. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) Due to special national legal provisions the indicators are not comparable to those of other business units. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employee turnover excluding North America^{1) 2)} based on headcount



1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54).

Leaves not due to restructuring, broken down by gender (excluding North America) ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Men	1,194	1,124	1,301	+15.7
Women	224	230	229	-0.4
Wienerberger Group, excluding North America	1,418	1,354	1,530	+13.0

1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



Leaves not due to restructuring, broken down by age group (excluding North America) ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
< 30 years	335	280	328	+17.1
30-49 years	733	679	787	+15.9
> 50 years	350	395	415	+5.1
Wienerberger Group, excluding North America	1,418	1,354	1,530	+13.0

1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Leaves not due to restructuring, broken down by functional area (excluding North America) ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Production	909	862	1,027	+19.1
Administration	160	154	179	+16.2
Sales (including marketing and inventories)	349	338	324	-4.1
Wienerberger Group, excluding North America	1,418	1,354	1,530	+13.0

1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

New entrants by operating segment ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	861	623	925	+48.5
Wienerberger Building Solutions West	707	523	746	+42.6
Wienerberger Building Solutions	1,568	1,146	1,671	+45.8
Wienerberger Piping Solutions East	195	202	183	-9.3
Wienerberger Piping Solutions West	267	177	270	+52.5
Wienerberger Piping Solutions	462	379	453	+19.6
North America	301	362	592	+63.8
Wienerberger Group	2,331	1,886	2,716	+44.0

1) Employees with permanent employment contracts. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Competence Development and Advancement of our Employees

Training hours per employee and year by operating segment ^{1) 2)} based on headcount	2019	2020	2021	Chg. in %
Wienerberger Building Solutions East	18.9	13.9	17.2	+24.3
Wienerberger Building Solutions West	15.8	10.3	11.8	+14.0
Wienerberger Building Solutions	17.3	12.0	14.4	+19.8
Wienerberger Piping Solutions East	7.3	4.9	5.7	+16.3
Wienerberger Piping Solutions West ³⁾	15.0	8.2	11.6	+41.7
Wienerberger Piping Solutions ³⁾	11.7	6.8	9.3	+36.1
North America	15.0	6.8	10.4	+51.8
Wienerberger Group ³⁾	16.0	10.6	13.1	+23.2

1) Internal and external initial and further training measures per employee (headcount). International training events are not included in this table. // Employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) The indicators reported for 2020 were corrected, as the accuracy of recording the number of training hours per employee was further improved in 2021. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

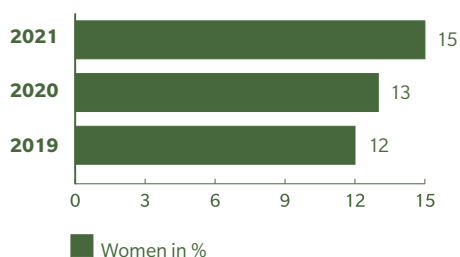
Average training expenses per employee ^{1) 2)} based on headcount, in Euro	2019	2020	2021
	323	228	273

1) Internal and external initial and further training measures per employee directly employed by Wienerberger (headcount). International training hours are not included in this table. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



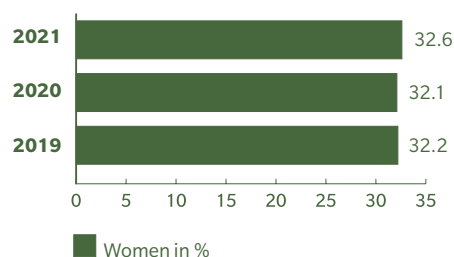
Diversity and Equal Opportunities

Share of women in senior management ¹⁾²⁾ based on headcount



1) Exclusively employees directly employed by Wienerberger. // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54).
// All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Share of women in white-collar positions ¹⁾²⁾ based on headcount



1) Exclusively employees directly employed by Wienerberger // Share of women in administration and sales (including marketing and inventories) // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54).
// All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Share of women on the Managing Board based on headcount

	2019	2020	2021
Managing Board headcount	3	4	4
Thereof women	1	1	1
Share of women in %	33	25	25

Share of women on the Supervisory Board based on headcount

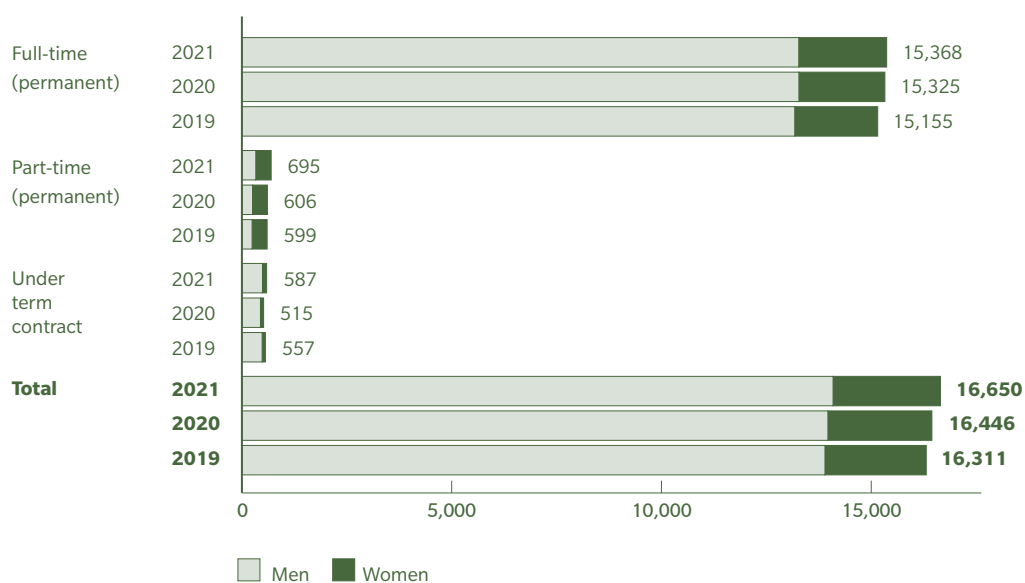
	2019	2020	2021
Supervisory Board headcount	11	10	10
Thereof women	4	3	4
Share of women in %	36	30	40

Numbers and percentages of women by function area ^{1) 2)}		31/12/2019	31/12/2020	31/12/2021	Chg. in %
Women	Headcount	2,414	2,479	2,560	+3%
In production	in %	4.6	4.8	5.0	+5%
Administration	in %	46.7	46.1	45.2	-2%
Sales (including marketing and inventories)	in %	26.1	26.1	26.8	+3%
In white-collar positions (administration and sales) ³⁾	in %	32.2	32.1	32.6	+1%
Wienerberger Group	in %	14.8	15.1	15.4	+2%

1) All employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // 3) All employees except in production. Sales including marketing and inventories // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Employees by type of employment contract and gender ^{1) 2)}

based on headcount



1) Employees directly employed by Wienerberger. // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



Numbers and percentages of permanently employed women and men working part-time 2021 ^{1) 2)} based on headcount per 31 December 2021	Total	Thereof part-time	Part-time in %
Women	2,461	366	14.9
Men	13,602	329	2.4
Wienerberger Group	16,063	695	4.3

Numbers and percentages of permanently employed women and men working part-time 2020 ^{1) 2)} based on headcount per 31 December 2020	Total	Thereof part-time	Part-time in %
Women	2,404	355	14.8
Men	13,527	251	1.9
Wienerberger Group	15,931	606	3.8

1) Employees permanently employed by Wienerberger.// 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

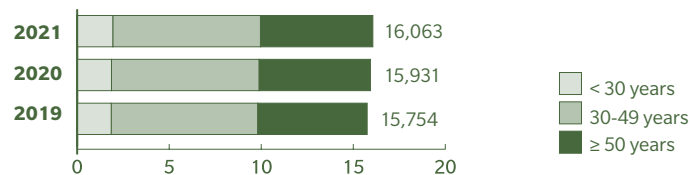
Number of new entrants by gender and functional area 2021 ^{1) 2)} based on headcount per 31 December 2021	Women	Women in %	Men	Men in %
Production	115	6.3	1,711	93.7
Administration	151	48.7	159	51.3
Sales (including marketing and inventories)	184	31.6	398	68.4
Wienerberger Group	450	16.6	2,268	83.4

Number of new entrants by gender and functional area 2020 ^{1) 2)} based on headcount per 31 December 2020	Women	Women in %	Men	Men in %
Production	72	6.0	1,128	94.0
Administration	104	49.8	105	50.2
Sales (including marketing and inventories)	147	30.8	330	69.2
Wienerberger Group	323	17.1	1,563	82.9

1) Employees permanently employed by Wienerberger.// 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Age structure of our employees ^{1) 2)}

based on headcount



1) Employees under permanent employment contracts // 2) Excluding five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54).

New entrants by age structure ^{1) 2)}

based on headcount

	2019	2019 in %	2020	2020 in %	2021	2021 in %
< 30 years	829	36	684	36	984	36
30-49 years	1,209	52	975	52	1,321	49
> 50 years	293	13	227	12	411	15
Total	2,331		1,886		2,716	

1) Employees permanently employed by Wienerberger // 2) For five companies newly acquired in 2021, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2021 reporting year (for details see page 54). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



wienerberger

GRI CONTENT INDEX

GRI Content Index

Statement of use

Wienerberger has reported in accordance with the GRI Standards for the period from 1 January 2021 to 31 December 2021.

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302-3	Energy intensity	74	
302-4	Reduction of energy consumption	69-83	
302-5	Reductions in energy requirements of products and services	69-83	
GRI 304 Biodiversity (2016)			
3-3	Management of material topics (2021)	56-66; 103-108	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	107	
304-2	Significant impacts of activities, products and services on biodiversity	103-108	
304-3	Habitats protected or restored	107	
GRI 305 Emissions (2016)			
3-3	Management of material topics (2021)	56-66; 67-95	
305-1	Direct (Scope 1) GHG emissions	76	
305-2	Energy indirect (Scope 2) GHG emissions	77	
305-3	Other indirect (Scope 3) GHG emissions	80	The Wienerberger Group has not yet established Group-wide recording structures for the recording of CO ₂ emissions from our procurement activities (Scope 3). Adjustments in this regard, including a possible schedule, is being evaluated.
305-4	GHG emissions intensity	78-80	The specific values are presented as an index in % relative to the defined reference year, the values of the reference year being set at 100%. With the new survey of the direct and indirect (Scope 2) CO ₂ emissions of all product areas of the Wienerberger Group since the reporting year 2020, the indices of the specific CO ₂ emissions with reference year 2020 as of the year 2021 for all product areas are available.
305-5	Reduction of GHG emissions	67-82	
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	68	The flue gas analyses carried out on an ongoing basis at our plants have shown that of the greenhouse gases mentioned (N ₂ O, SF ₆ etc.) only CO ₂ itself plays a role. Wienerberger therefore reports its direct greenhouse gas emissions (Greenhouse Gas Protocol, Scope 1) in the unit tons of CO ₂ , which in this case is identical to tons of CO ₂ equivalents.

GRI	Disclosure	Page	Omissions, Explanation
GRI 306 Waste (2020)			
3-3	Management of material topics (2021)	56-66; 96-102	
306-1	Waste generation and significant waste-related impacts	98-102	
306-2	Management of significant waste-related impacts	98-102	
306-3	Waste generated	101	
306-4	Waste diverted from disposal	101	
306-5	Waste directed to disposal	101	
GRI 308 Supplier Environmental Assessment (2016)			
3-3	Management of material topics (2021)	56-66; 48-52	
308-1	New suppliers that were screened using environmental criteria	48-52	
308-2	Negative environmental impacts in the supply chain and actions taken	48-52	Complete GRI-compliant reporting is not yet available. A further detailed reporting for a GRI-compliant presentation for the next reporting periods is under review.
GRI 401 Employment (2016)			
3-3	Management of material topics (2021)	56-66; 109-111; 119	
401-1	New employee hires and employee turnover	119-121; 142-145	
GRI 403 Occupational Health and Safety (2018)			
3-3	Management of material topics (2021)	56-66; 111-118	
403-1	Occupational health and safety management system	111-118	
403-2	Hazard identification, risk assessment, and incident investigation	111-118	
403-3	Occupational health services	111-118	
403-4	Worker participation, consultation, and communication on occupational health and safety	111-118	
403-5	Worker training on occupational health and safety	111-118	
403-6	Promotion of worker health	111-118	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	111-118	



GRI	Disclosure	Page	Omissions, Explanation
403-8	Workers covered by an occupational health and safety management system	111-118	
403-9	Work-related injuries	117; 137-140	Due to the data collection structures at Wienerberger, no differentiation is currently made between salaried employees and non-employees in accordance with GRI.
GRI 404 Training and Education (2016)			
3-3	Management of material topics (2021)	41; 56-66; 121-123; 126	
404-1	Average hours of training per year per employee	121-123	
404-2	Programs for upgrading employee skills and transition assistance programs	121-123	
GRI 405 Diversity and Equal Opportunity (2016)			
3-3	Management of material topics (2021)	56-66; 123-126	
405-1	Diversity of governance bodies and employees	123-126; 147-150	Currently, there is no differentiation of the management and control bodies by age group available. A GRI-compliant presentation is being evaluated.
GRI 406 Non-discrimination (2016)			
3-3	Management of material topics (2021)	56-66; 119-126	
406-1	Incidents of discrimination and corrective actions taken	123	
GRI 413 Local Communities (2016)			
3-3	Management of material topics (2021)	60	
413-2	Operations with significant actual and potential negative impacts on local communities	126	
GRI 414 Supplier Social Assessment (2016)			
3-3	Management of material topics (2021)	56-66; 48-52	
414-1	New suppliers that were screened using social criteria	48-52	
414-2	Negative social impacts in the supply chain and actions taken	48-52	Complete GRI-compliant reporting is not yet available at present. Further detailed reporting for a GRI-compliant presentation for the next reporting periods is under review.

GRI	Disclosure	Page	Omissions, Explanation
GRI 416 Customer Health and Safety (2016)			
3-3	Management of material topics (2021)	56-66; 48; 126	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	99; 108; 126	Complete GRI-compliant reporting is not yet available at present. Further detailed reporting for a GRI-compliant presentation for the next reporting periods is under review.



Confirmation by the Managing Board

We herewith confirm to the best of our knowledge that this Report was compiled in conformity with the provisions of the Sustainability and Diversity Improvement Act (NaDiVeG) and contains all the information available on material non-financial matters.

Vienna, March 16th, 2022
The Managing Board of Wienerberger AG

Heimo Scheuch
Chairman of the Managing
Board of Wienerberger AG,
CEO

Gerhard Hanke
Member of the Managing
Board of Wienerberger AG,
CFO

Solveig Menard-Galli
Member of the Managing
Board of Wienerberger AG,
COO WBS

Harald Schwarzmayer
Member of the Managing
Board of Wienerberger AG,
COO WPS

Auditor's report

Courtesy Translation of the Audit Report of the Independent Assurance on Non-Financial Reporting

Introduction

We have performed procedures to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the (consolidated) non-financial report as of December 31, 2021 has not been prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria include the Sustainability Reporting Standards GRI Standards: Core option issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG).

Further, we have performed procedures to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the EU taxonomy information disclosed is not prepared, in all material respects, in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the accompanying Delegated Regulations (EU)2021/2178 and (EU) 2021/2139.

Responsibility of the management

The preparation of the report in accordance with the reporting criteria as well as the selection of the scope of the engagement is the responsibility of the management of Wienerberger AG. The reporting criteria include the Sustainability Reporting Standards GRI Standards: Core option issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG). Furthermore, they are responsible for collecting the disclosed information on the EU taxonomy in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the supplementary Delegated Regulations (EU)2021/2178 and (EU) 2021/2139.

This responsibility includes the selection and application of appropriate methods for preparing the report, making assumptions and estimates of individual non-financial disclosures that are plausible under the given circumstances. The responsibility of the management further includes the internal controls, which have been determined as necessary by management for the preparation of a consolidated non-financial report free from material misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express a limited assurance opinion on whether the (consolidated) non-financial report is prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria consist of the Sustainability Reporting Standards GRI Standards: Core Option issued by the Global Sustainability Standards Board (GSSB) as well as the requirements for the report stated in § 267a UGB (NaDiVeG).

Further, based on our audit procedures, our responsibility is to express an opinion with limited assurance as to whether any matters have come to our attention that cause us to believe that the disclosed EU taxonomy information has not been prepared, in all material respects, in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the accompanying Delegated Regulations (EU)2021/2178 and (EU) 2021/2139.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB) in order to obtain limited assurance on the subject matters.



ISAE 3000 (Revised) requires us to plan and perform the engagement in a way that enables us to obtain limited assurance that nothing has come to our attention that causes us to believe that the (consolidated) non-financial report has not, in any material aspect been prepared in accordance with the reporting criteria of GRI Standards: Core option, § 267a UGB (NaDiVeG), as well as the disclosed information on the EU taxonomy have been prepared in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the supplementary Delegated Regulations (EU)2021/2178 and (EU) 2021/2139.

In a limited assurance engagement, the evidence-gathering procedures are more limited than in a reasonable assurance engagement and therefore, less assurance can be obtained. The choice of audit procedures lies in the due discretion of the auditor.

As part of our audit, we have performed, inter alia, the following audit procedures and other activities as far as they are relevant to the limited assurance engagement:

- › Interview of the employees named by Wienerberger AG regarding the sustainability strategy, the sustainability principles and the sustainability management
- › Interviewing employees of Wienerberger AG to assess the methods of data collection, data processing and internal controls
- › Matching the non-financial disclosures shown in the consolidated non-financial report with the calculation documents provided
- › Conducting a media analysis
- › Review of the disclosed information on the EU taxonomy for compliance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the supplementary Delegated Regulations (EU)2021/2178 and (EU) 2021/2139
- › Furthermore, we conducted procedures with regard to whether the reporting requirements of § 267a UGB (NaDiVeG) are met with the consolidated non-financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The objective of our engagement is neither an audit of financial statements nor an auditor's review of financial statements. Likewise, neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust and administrative offenses, nor the assessment of the effectiveness and efficiency of the management is the object of our engagement.

Summarized Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the consolidated non-financial report of Wienerberger AG as of December 31, 2021 has not, in any material aspects, been prepared in accordance with the reporting criteria of the Sustainability Reporting Standards GRI Standards: Core option.

Furthermore, nothing has come to our attention that causes us to believe that the reporting requirements of § 267a UGB (NaDiVeG) are not met with the consolidated non-financial report.

Furthermore, based on our audit procedures, nothing has come to our attention that causes us to believe that the EU taxonomy information disclosed is not prepared, in all material respects, in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and the accompanying Delegated Regulations (EU)2021/2178 and (EU) 2021/2139.

Engagement approach

The basis for this engagement are the “General Conditions of Contract for the Public Accounting Professions”, as issued by the Chamber of Tax Advisers and Auditors in Austria (refer to appendix). In accordance with chapter 7 of these terms and conditions, our liability shall be limited to intent and gross negligence. In cases of gross negligence, the maximum liability is limited to a maximum of five times the fee. This amount constitutes a total maximum liability cap, which may only be utilized once up to this maximum amount, even if there is more than one claimant or more than one claim has been asserted.

Vienna, March 17, 2022

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Austrian Certified Public Accountant

Attention: This letter has been translated from German to English for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

