

2022 | Annual and Sustainability Report



wienerberger

2022 | Annual und
Sustainability Report

SUSTAINABILITY REPORT

CORPORATE
GOVERNANCE REPORT

MANAGEMENT REPORT

FINANCIAL STATEMENTS

TABLE OF CONTENTS

4	CEO Letter	194	Corporate Governance Report	253	Consolidated Financial Statement
6	Letter from the Chairman of the Supervisory Board	195	Report of the Supervisory Board	254	Consolidated Income Statement
8	Vision & Values	200	Corporate Governance at Wienerberger	255	Consolidated Statement of Comprehensive Income
10	Wienerberger Equity Story	202	Diversity Concept	256	Consolidated Balance Sheet
12	Our Strategy	207	Members of the Managing Board	257	Consolidated Statement of Cash Flows
13	Our Commitment to Sustainability	209	Members and Committees of the Supervisory Board	258	Consolidated Statement of Changes in Equity
14	Our 2023 ESG Targets	213	Mode of Operation of the Supervisory Board and the Managing Board	259	Notes to the Consolidated Financial Statements
15	Sustainability Report 2022	218	Auditor's Report	326	Statement by the Managing Board
16	Key Indicators of the Wienerberger Group	220	Management Report	327	Group companies
19	Wienerberger at a Glance	221	Economic Environment and Capital Markets	332	Auditor's Report
35	ESG: Governance & Management Approach	224	Financial Review	337	Service
56	Materiality Analysis, Sustainability Program 2023 & UN SDGs	231	Value Management	338	Glossary
68	Climate Protection & Adaptation to Climate Change	232	Fourth Quarter of 2022	342	Financial Calendar
118	Circular Economy	234	Operating Segments	343	Ten-Year Review
127	Biodiversity & Environment	240	Outlook 2023	345	Key Performance Indicators
137	Employees & Social Impacts	242	Additional Information about the Company	346	Addresses of Major Companies
163	Comprehensive Overview of Non-Financial Indicators 2022	242	Research & Development	347	Imprint
183	GRI Content Index	244	Share and Shareholders		
191	Confirmation by the Managing Board	248	Risk Management and the Internal Control System		
192	Auditor's Report				



CEO Letter

Dear Shareholders,

at Wienerberger, we look back with gratitude and humility on the most successful year in our company's history. Once again, we succeeded in generating strong organic growth amid difficult unstable economic and political environment conditions. Revenues were increased by 25% over the previous year's level to almost € 5 billion. This was attributed to highly efficient cost management, a proactive margin management program and a sustainable raw material / energy procurement policy. These measures led to a rise of EBITDA by 47% to over € 1 billion.

This impressive performance was based on our successful transformation into a provider of innovative and sustainable system solutions in the fields of ecological new build, renovations as well as water management. This transformation process, which was initiated more than ten years ago, resulted in enhanced resilience and diversity of the Wienerberger business model, it is reflected in the outstanding development of earnings: between 2012 and 2022, we recorded impressive annual growth rates of 8% in revenues and 17% in EBITDA.

Even in the challenging 2022 business year, we adhered to our value-creating growth strategy. We remained focused on organic growth through innovation and an increasing share of system solutions in our portfolio. In the reporting year, the continued implementation of our proven self-help program of efficiency-enhancing measures contributed a highly satisfactory € 48 million to earnings. At the same time, we were driving growth through selected value-accretive acquisitions. We thus broadened our system solutions competence through the addition of prefabricated wall elements in Austria and increased our exposure to the renovation segment in the field of roofing accessories in Germany. We also expanded our in-house pipe business in the growth region of South-Eastern Europe and enlarged our product portfolio by taking over a producer of smart system solutions for water management in Norway. Furthermore, in the wake of the conflict between Russia and Ukraine, we sold our Russian brick business by way of a management buyout. We also withdrew from the French pipe business, as it no longer met our strict criteria for future growth.

In December 2022, by disclosing our intention to take over significant parts of the Terreal Group, we announced the biggest step ever within the framework of Wienerberger's value-creating growth strategy. By acquiring the successful European provider of innovative roof and solar solutions, we will significantly expand our footprint in renovation and repair and evolve into the European pitched-roof expert. Overall, the transaction concerns a workforce of almost 3,000 employees, 29 production sites, and estimated annual revenues of roughly € 740 million. The transaction is scheduled to be closed in the course of 2023, it is subject to approval by the anti-trust authorities and compliance with the remedies typically imposed on a transaction of this nature.

Alongside our successful transformation into a system solutions provider and the continuation of our value-creating growth strategy, we implemented numerous proactive measures that enabled us to significantly outperform our end markets in the 2022 business year.

Starting in the second quarter, we reacted swiftly to the slowdown of activities in our end markets and adjusted our cost structure to changing conditions. Thanks to excellent cost management, we were able to maintain the significantly increased cost inflation at a comparatively low level of approximately 15% across the Group. This excellent performance is attributable to the long-term orientation of our raw material and energy procurement policy. Despite extremely volatile raw material and energy costs, we obtained the required volumes at competitive conditions. We were therefore able to continue production without restrictions, maintaining our position as a reliable partner for our customers even in challenging times. Significant cost increases were successfully offset by our proactive pricing policies.

Irrespective of market conditions, we remain strictly focused on sustainability. In view of climate change, the shortage of skilled labor, smart solutions for resources, energy-efficient building construction, renovation requirements and effective water management are continuously gaining in importance. We are addressing these megatrends by providing solutions that are fit for the future, climate - neutral, are fast and easy to apply, which in turn generates added benefit for our customers.

Apart from innovation, our growth is also based on clear ESG targets. While pursuing the long-term target of becoming climate neutral by 2050, we are one of the few companies that have also set themselves short and medium targets for decarbonization. We will reduce our CO₂ emissions by 15% by the end of 2023 and by 40% by 2030. Compared to 2020, we have already successfully cut our CO₂ emissions by 13.2% and are thus well on track to attain our 2023 target. Within the framework of our sustainability program, for which we have received several awards, we are focusing not only on decarbonization, but also on the circular economy and biodiversity. By 2023, all new products added to our portfolio will be fully recyclable or reusable. We have also boosted our commitment to biodiversity and elaborated our own catalogue of biodiversity measures to be implemented at all Wienerberger's 200-plus production sites by the end of 2023.



In fiscal 2022 we invested a total of € 213 million in buying back 8.8 million own shares within the framework of a share buyback program. Subsequently, we cancelled 3% of the share capital in the amount of € 82 million. At the 154th Annual General Meeting, we will propose to you, our esteemed shareholders, that a dividend of € 0.90 per share be paid out for the 2022 business year, which corresponds to an attractive 20% increase. The cancellation of 3% of the share capital and the € 0.90 dividend add up to a payout ratio of 30%, which is within the range of our long-term profit distribution policy of 20% to 40% of free cash flow.

First and foremost, our almost 20,000 employees are the key to Wienerberger's successful further development, and I would like to thank them most sincerely for their commitment. At Wienerberger, we share and live by a common set of values: respect, trust, passion, and creativity. Such cohesion is indispensable, especially in difficult times. It makes us aware of how important it is for a company to assume responsibility for society and the environment, to be guided by clear values, and to ensure that people always come first.

Looking toward the 2023 business year, we expect to see continued geopolitical uncertainty with persistently high inflation rates and financing costs. As a result, we anticipate a further slowdown of activities in our end markets. Nevertheless, with our strong local business model, our central forward-looking procurement policy, proactive price - margin management, and our constant focus on innovative sustainable solutions, I am convinced that we are perfectly positioned for further growth. Even in this current environment we are determined that we will succeed in outperforming our markets.



Thanking you for your trust and confidence, I remain
Yours sincerely,

Heimo Scheuch
Chairman of the Management Board of Wienerberger AG
CEO



Letter from the Chairman of the Supervisory Board

Dear Shareholders,

2022 was an extremely successful year for Wienerberger. At Group level Wienerberger generated revenues of roughly € 5 billion and operating EBITDA of about € 1 billion – the best results ever in the company’s over 200-year history. Despite the volatile environment marked by post-Covid effects and geopolitical tension, Wienerberger succeeded in delivering very strong organic growth as well as growth through acquisitions. This outstanding performance was based on the Group’s focus on innovation and the broadening of its portfolio of system solutions (30% and 20% of revenues respectively), the long-term orientation of its cost management, the continuous implementation of efficiency-enhancing measures (€ 45 million contributed in 2022), and fast integration of the acquired companies, notably Meridian in the USA and Canada.

In line with its value-accretive growth strategy, Wienerberger took over several companies in the course of 2022. Through the integration of Walzer Bausysteme GmbH in Austria, Wienerberger broadened its range of system solutions by adding prefabricated wall elements to its portfolio. The acquisition of Mayr Dachkeramik GmbH, a German specialist in roofing accessories, increased Wienerberger’s exposure to the renovation sector. The takeover of Vargon, the leading provider of pipe systems in Croatia, enlarged the company’s footprint in the in-house solutions segment. By acquiring QPS, the Norwegian water management specialist, Wienerberger added smart water management system solutions to its portfolio. The acquisition of the Terreal Group announced at the end of 2022 represents yet another important strategic milestone on Wienerberger’s path to becoming the European expert in roofing solutions. The transaction is expected to be closed by the end of 2023.

As a consequence of the war between Russia and Ukraine, the Wienerberger Group announced the sale of its Russian brick business in the form of a management buyout. Moreover, the Group also sold off its French plastic pipe activities, as they no longer met the strict criteria for future growth.

In the 2022 reporting year a total of 7.7% of the share capital, i.e. 8,830,000 own shares, was bought back at a price of around € 213 million. Furthermore, 3% of the share capital or 3,455,639 shares worth approximately € 82 million were cancelled. The dividend paid out for the 2021 business year amounted to roughly € 84 million. Overall, this corresponds to a payout ratio of approximately 28% of free cash flow in 2022, which is within the range (20–40%) of Wienerberger’s profit distribution policy.

On behalf of the entire Supervisory Board, I would like to thank the Managing Board, the senior management, and all the employees of the Wienerberger Group for their outstanding commitment in the challenging year 2022. The energy and dedication of our employees are the decisive factors for the successful implementation of our growth strategy. Their professionalism, their passion, and their entrepreneurial spirit enable us to seize opportunities, act with determination, and create added value for our shareholders.



In conclusion, the 2022 business year once again demonstrated our ability to react swiftly to changing circumstances, cope with new challenges, and grow through crises. For 2023, a slowdown in economic growth has been forecast for almost all the markets we operate in. However, I am confident that the Wienerberger Group with its clear strategy is well positioned for the future and will continue on its successful course in the current year. With this in mind, I would like to thank you, our esteemed shareholders, for your continued trust and for accompanying us on this path.

Peter Steiner
Chairman of the Supervisory Board



*Iturbide Studio, Mexico
Brick Award 20:
Category Winner "Feeling at home"*



We live and invest in true values

Our vision is to improve the quality of people's lives and create a better world for future generations by providing innovative and sustainable solutions for infrastructure, renovation, and new build projects. We strive to be the premier provider of sustainable building materials and infrastructure solutions and the preferred employer in our local markets.

To achieve this vision, we work together based on our four core values: Trust, Respect, Passion, and Creativity. Every decision and every contribution we make is guided by these shared values, which ground us, connect us, drive us, and bring us to life.

Our goal is to make a meaningful contribution to people and the planet, with solutions that make life easier. We are committed to building a better tomorrow for future generations.

At Wienerberger, we care for a better tomorrow.





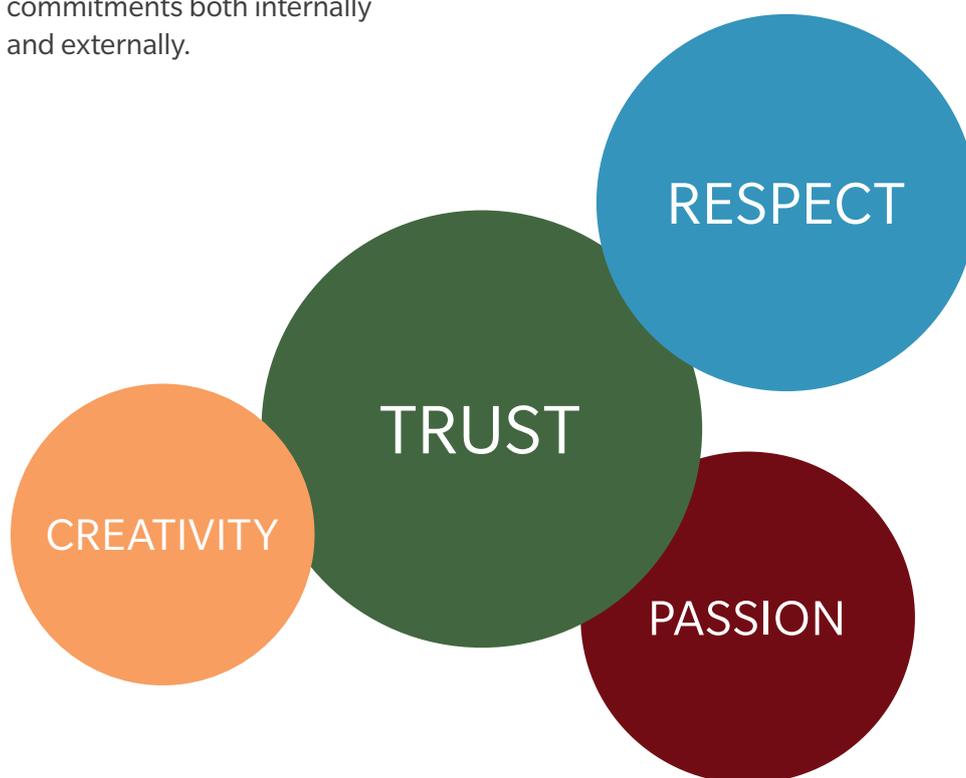
Trust – grounds us

We value open-mindedness and being supportive of our colleagues. We believe in sharing our opinions thoughtfully and communicating honestly. We act with integrity and reliability, keeping our commitments both internally and externally.



Respect – connects us

At wienerberger, we believe in equality within our team. We strive for balance in all relationships, and value life-long learning and the expertise of others.



Creativity – brings us to life

We are committed to harnessing our ideas and opportunities to create a more sustainable way of life. We are transparent in our dealings and take the time to learn from our successes and our failures. We believe in thinking big and driving innovation in our products, solutions, and services.



Passion – drives us

We are fully committed to wienerberger and take responsibility for achieving our goals. We are determined to realize our potential and provide premium service and the highest standards, not only today but also in the future. We face challenges with optimism and a positive mindset.



Wienerberger Equity Story

For more than 200 years, our mission at Wienerberger has been clear: improving people's quality of life through our smart building material and infrastructure solutions. With our durable and sustainable products for new build, renovation, and infrastructure, we are perfectly positioned to further improve our ecological performance by contributing to the fight against climate change and to shape the future of construction through innovation. Wienerberger has been listed on the Vienna Stock Exchange since 1869 and is a pure free float company with 100% of its shares being publicly traded.

Why invest in Wienerberger?

1) Strong commitment to ESG

- › We provide solutions for zero carbon buildings not only through our sustainable materials used for the building envelope, but also through our progress the fields of water and energy management.
- › Owing to their energy efficiency, our products for the construction industry contribute to the fight against climate change both in summer and in winter. With our innovative infrastructure solutions, we guarantee a sparing use of resources such as water. Given their exceptional quality and a service life of over 100 years, our products last for generations.
- › At Wienerberger, we focus on three crucial sustainability topics: preserving biodiversity, reducing our CO₂ emissions, and promoting a circular economy.
- › For us, people always come first. Every year, therefore, we support people in need with our products for housing construction.
- › As a company with a free float of 100%, it is a matter of course for us to engage in open dialogue with our investors and to meet the highest international governance standards.

2) Added value for our shareholders through stable earnings growth

With a clear strategic focus and a proven track record in delivering strong growth rates, EBITDA margins, and cash flows, we continuously aim to generate added value for our stakeholders. We therefore concentrate on three core areas:

Organic growth through innovation

For Wienerberger as a leading provider of smart solutions, innovation and digitalization are the main drivers of organic growth. By continuously upgrading our portfolio of products and solutions, we generate added value for our customers and boost the company's value creation. We enhance our solutions through digital services, reduce construction time through prefabrication, and thus save money and resources.

Higher earnings through operational excellence

We continuously implement efficiency-enhancing measures along our value chain from procurement through production to sales and administration. Within the framework of our Fast Forward program of efficiency enhancement, we are building a strong track record of performance improvement.

External growth through M&A

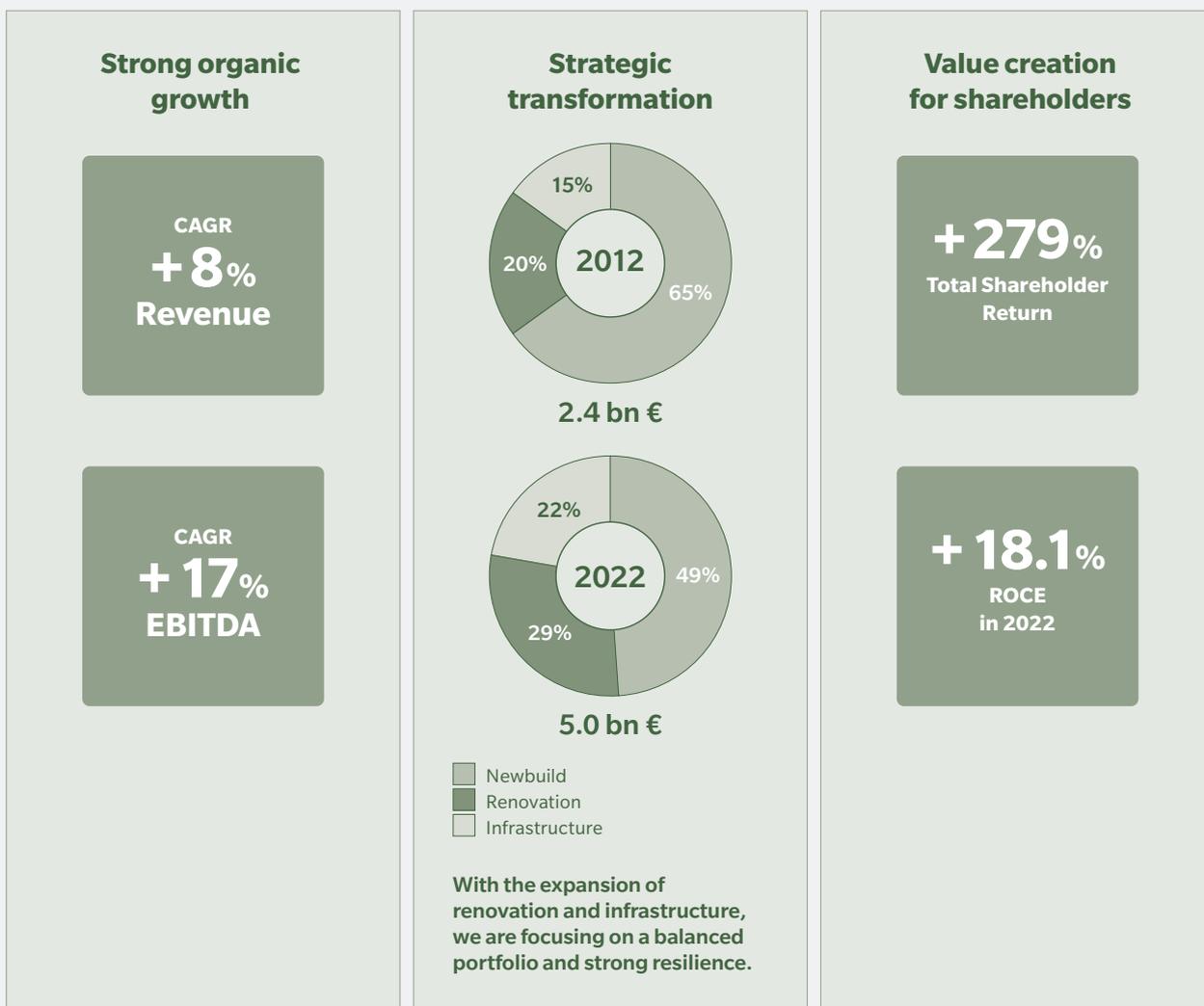
Given our low gearing and our strong cash flow, we are well-equipped to grow through acquisitions and are evaluating a highly attractive pipeline of small to medium-sized deals. This will result in further growth in our core markets in Europe and North America. The most recent acquisitions in our European and North American core markets result in an average weighted EV/EBITDA multiple of ~5x after synergies three years post-merger, which is attributable to the combination of the acquired company with our own portfolio.

3) Strength through diversity

- › Leading market positions, strong brands, and experienced local management teams make us a well-respected local partner with close contacts to decision-makers.
- › Thanks to our strong industrial base with 215 modern plants and efficient overhead structures, we achieve optimal market coverage.
- › Our diversified business model with its focus on new build, renovation, and infrastructure in 28 countries helps to balance out divergent business cycles.
- › The resilience of our business model was successfully demonstrated during the pandemic.



STRONG ORGANIC GROWTH AND VALUE CREATION FOR SHAREHOLDERS IN 2012–2022



OUR 3 PILLARS OF GROWTH





Our Strategy

Our Priorities

All our entrepreneurial activities are subject to clearly defined and ambitious ESG criteria. Our primary goals are to increase our share of value creation in a building and to become a full-range provider of system solutions for energy and water management. To achieve these goals, we focus on key factors: innovation, operational excellence, and M&A and portfolio optimization. In our core markets in Europe and North America, we are continuously pursuing the expansion of activities in our core segments: new build, renovation, and infrastructure.

Our 3 Pillars of Growth



Organic growth

through

Innovation

During the past 10 years, we have grown organically by more than 6% per year. We are continuing this trend by advancing our transformation into a full-range system provider, steadily improving our product mix, and supplementing it by digital services.



Process improvements

through

Operational Excellence

We will generate additional earnings growth through the continuation of our efficiency enhancement program focused on manufacturing excellence, commercial excellence, supply chain management, and administration.



External growth

through

M&A and portfolio optimization

An extremely attractive pipeline and the positive track record of recent years provide the basis for further value-accretive transactions. At the same time, we regularly review our corporate portfolio for growth prospects and profitability.



Our Commitment to Sustainability

Our Program 2023 is founded on three environment-related pillars: decarbonization, biodiversity, and the circular economy.

Decarbonization

Energy efficiency and decarbonization are central topics in all of Wienerberger's business areas. We therefore share the global vision of a CO₂-neutral economy and are determined to contribute to climate protection with our products. In our ceramic production, we will further reduce our greenhouse gas emissions through the technological optimization of our production processes and by increasing the use of green electricity at all Wienerberger production sites. Alongside improvements of existing processes, we are employing new technologies and developing innovative products in R&D projects in order to reach our ambitious targets for 2023 and beyond.

Target 2023

Reduction of our CO₂ emissions by 15% as compared to 2020

Biodiversity

Biodiversity is a crucial topic for each of our 216 production sites. At Wienerberger we feel dutybound to respect nature reserves and to use our resources sparingly. By fostering biodiversity, we will further optimize our land use in order to contribute toward an increased presence of flora and fauna. We have therefore set ourselves the ambitious target of integrating all our local activities aimed at protecting biodiversity into a uniform program.

Target 2023

A biodiversity program for all our sites

Circular economy

One of our ecological targets is to put even greater emphasis on a circular economy. On the one hand, secondary raw materials from internal or external sources are to be reintroduced into the production processes after thorough quality checks. On the other hand, products are to be designed so as to be reusable at the end of their service life. This underlines our strong commitment to resource efficiency and closed value creation cycles. Our target is to ensure that 100% of our new products are recyclable or reusable.

Target 2023

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



"Sustainability has always been an integral part of Wienerberger's corporate strategy. With our sustainable solutions for housing construction, energy-efficient renovation, and water management we are continuously improving people's quality of life. By meeting our ambitious short-, medium-, and long-term sustainability targets, we will give future generations the same opportunities we have today. Our measures aimed at decarbonization, the preservation of biodiversity, and a circular economy are our contribution to a sustainable future. We are convinced that with intensified efforts, additional know-how, and further investments we can still achieve much more."

Heimo Scheuch
Chairman of the Managing Board of Wienerberger AG, CEO



Our 2023 ESG Targets

We are clearly committed to achieving climate neutrality and actively support the European Green Deal. The highest possible level of transparency of our progress in the fight against climate change is important to us. Alongside long-term sustainability targets, we therefore also set ourselves ambitious short- and medium-term targets. However, in order to adequately address all ecological, social, and societal challenges, we have extended our Sustainability Program and turned it into an all-encompassing ESG Program.

Environment



Decarbonization

-15%

less CO₂e emissions



Circular Economy

100%

of new products designed to be reusable or recyclable



Biodiversity

100%

biodiversity programs for all our sites in place

Social Topics



Diversity

>15%

female employees in senior management

>30%

female employees in white-collar positions



Training and Development

10%

more training hours per employee



CSR Projects

200

housing units per year built with our products for people in need in our local markets

Governance



Committed to the highest national and international **governance standards**, with a focus on:



- › Business strategy
- › Board diversity and composition
- › Executive remuneration
- › Succession management



SUSTAINABILITY REPORT 2022

16

Key Indicators of the Wienerberger Group

20

Wienerberger at a Glance

- 20 Company Profile
- 20 Corporate Mission & Value Proposition
- 20 Our Corporate Strategy
- 21 Our Business Units and Product Groups
- 28 Value Creation of Wienerberger Product and System Solutions
- 30 Stakeholder Management
- 31 Stakeholders & Communication Instruments
- 33 Corporate Governance at Wienerberger

35

ESG: Governance & Management Approach

- 36 Organizational Structure
- 39 Wienerberger's Risk Management and Due Diligence Processes
- 40 Commitment to Compliance with the TCFD Recommendations
- 40 Commitment to Disclosure of Climate-related Information within the Framework of the "Carbon Disclosure Project" (CDP)
- 40 Wienerberger Code of Conduct, Compliance and Prevention of Corruption
- 46 Supplier Management – ESG Standards in Procurement
- 52 Voluntary Commitment to Compliance with the Ten Principles of the UN Global Compact
- 52 Our Non-Financial Reporting

56

Materiality Analysis, Sustainability Program 2023 & UN SDGs

- 57 Materiality Analysis
- 59 Sustainability Program 2023
- 61 UN Sustainable Development Goals (UN SDGs)

68

Climate Protection & Adaptation to Climate Change

- 71 Climate protection in our production (Scope 1 and Scope 2)
- 85 TCFD – Climate-related disclosure with focus on climate change
- 98 Climate protection with Wienerberger product and system solutions
- 100 Adaptation to climate change with Wienerberger building and infrastructure solutions
- 103 Water management
- 104 Disclosure pursuant to the Taxonomy Regulation of the EU
- 115 Decarbonization in sourcing and distribution
- 116 Summary and outlook

118

Circular Economy

- 120 Durable and circular product and system solutions
- 122 Circularity in sourcing
- 125 Resource efficiency in the installation of our system solutions
- 125 Summary

127

Biodiversity & Environment

- 128 Biodiversity and Environment
- 130 Wienerberger's action plans to foster biodiversity
- 134 Nature conservation during and after use of extraction sites
- 135 Avoidance of Hazardous Substances
- 135 Contribution of Products to Fostering Biodiversity
- 136 Summary

137

Employees & Social Impacts

- 140 Occupational Safety and Health
- 148 Job Creation and Stability of Employment
- 151 Competence Development and Advancement of our Employees
- 154 Diversity and Equal Opportunities
- 158 Digitalization in Human Resources Management
- 158 Safe and Healthy with Wienerberger
- 160 Societal Commitment

163

Comprehensive Overview of Non-Financial Indicators 2022

- 164 ESG: Governance & Management Approach
- 164 Climate Protection & Adaptation to Climate Change
- 173 Circular Economy
- 173 Biodiversity and Environment
- 174 Employees & Social Impacts

183

GRI Content Index

- 184 Universal Standards
- 186 Topic Standards

191

Confirmation by the Managing Board

192

Auditor's report



Key Indicators of the Wienerberger Group

Financial Indicators

Corporate Indicators		2020	2021	2022	Chg. in %
Revenues	in MEUR	3,354.6	3,971.3	4,976.7	+25
EBITDA	in MEUR	558.0	694.3	1,026.2	+48
Operating EBITDA	in MEUR	561.4	693.9	1,020.9	+47
EBIT	in MEUR	192.5	420.4	721.2	+72
Profit before Tax	in MEUR	148.7	374.3	688.3	+84
Free Cashflow	in MEUR	397.3	420.6	597.7	+42
Net debt	in MEUR	882.1	1,134.5	1,079.3	-5
Gearing	in %	50	53	44	-

Non-Financial Indicators ¹⁾

Non-Financial Indicators - Environment		2020	2021	2022	Chg. vs. base year 2020 in %
Index of specific direct and indirect CO₂ emissions, Scope 1 and 2 (2020 = 100%) ^{2) 3) 4)}	in %, based on kg CO₂/quantity of products ready for sale (2020 = 100%)	100	92	87	-13.2
in % based on production volume (2020 = 100%)	Index in % based on production volume (2020 = 100%)	100	107	120	+20
Index of specific direct CO ₂ emissions, Scope 1 (2020 = 100%) ^{2) 3)}	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	100	97	94	-6
Index of specific indirect CO ₂ emissions, Scope 2 (2020 = 100%) ⁴⁾	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	100	95	93	-7
Absolute direct and indirect CO ₂ emissions, Scope 1 + Scope 2 ^{4) 5)}	in kilotons	2,649.4	2,659.2	2,922.9	+10
Absolute direct CO ₂ emissions, Scope 1 ⁵⁾	in kilotons	2,353.3	2,483.5	2,767.7	+18
Absolute indirect CO ₂ emissions, Scope 2 ⁴⁾	in kilotons	296.2	175.6	155.2	-48
Index specific energy consumption ⁶⁾	in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	100	99	97	-3
Absolute energy consumption ⁶⁾	in gigawatt-hours	7,431.2	7,992.7	9,482.9	+28
Implemented Biodiversity Action Plan	Number of sites with biodiversity action plan	0.0	5.0	67.0	
Specific water use	in m ³ /ton	-	0.243	0.226	-7
Waste	in kilotons	104.6	126.7	105.8	+1

1) For four companies newly acquired in 2022, 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 2022 reporting year (for details, see page 53). // 2) 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. // 3) The calculation excluded CO₂ emissions from biogenic input materials. // 4) The calculation of indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // Direct CO₂ emissions (Scope 1): ETS and non-ETS. ETS source: 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 emissions from the production process are also reported. Including CO₂ emissions from biogenic input material. Quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 6) Total energy consumption includes energy consumed in production, but excludes administration (except in a few individual cases where separate invoicing is not possible).

General remarks applying to all parts of the 2022 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 2022 Sustainability Report.



Non-Financial Indicators - Social		2020	2021	2022	Chg. in %
Ø Employees as at 31.12. ¹⁾²⁾	Full-time equivalents (FTEs)	16,618.6	17,624.1	19,078.4	+8
Employees as at 31.12. ³⁾	Headcount	16,446.0	16,650.0	18,482.0	+11
New entrants ³⁾	Headcount	1,886.0	2,716.0	3,288.0	+21
Employee turnover ⁴⁾	in %	11	11	14	+25
Ø Training hours / employee ³⁾⁵⁾	in hours and per year	10.6	13.1	16.3	+25
Percentage of women ³⁾⁶⁾	in %, relative to headcount	15	15	16	+5
Percentage of women in senior management ³⁾	in %, relative to headcount	13	15	15	-1
Percentage of women in white-collar positions ³⁾⁷⁾	in %, relative to headcount	32	33	34	+3
Accident frequency ⁸⁾	Number of occupational accidents / number of hours worked x 1,000,000	5.4	4.4	4.1	-6
Accident severity ⁸⁾	Accident-related sick-leave days / number of hours worked x 1,000,000	177.6	180.0	180.1	+0
Number of fatal occupational accidents	Number within the Wienerberger Group	1	1	0	-100
Ø Sick-leave days / employee ⁹⁾	in days	10.8	11.5	12.3	+6
Housing units for people in need ¹⁰⁾	Number per year	-	325.0	254.0	

1) Agency and temporary workers are included from their first hour of work at Wienerberger. // 2) Including the four companies newly acquired in 2022 // 3) Employees directly employed by Wienerberger. // 4) 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. Excluding North America; due to special national legal provisions the indicators are not comparable to those of other business units. // 5) Internal and external initial and further training measures per employee (headcount). International training events are not included. // 6) Share of women among all employees except in production. // 7) Share of women in administration and sales (including marketing and inventories). // 8) Including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts // 9) 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. Excluding North America; due to special national legal provisions the indicators are not comparable to those of other business units. // 10) 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.

Key figures on our products and system solutions		2020	2021	2022	Chg. in %
Percentage of products designed for reuse or recycling in total revenues	in %	-	-	98	0
Percentage of innovative products in total revenues	in %	33	31	32	+2



OUR SUSTAINABILITY PROGRAM 2023 AND PROGRESS 2022

We are clearly committed to achieving climate neutrality and actively support the European Green Deal. The highest possible level of transparency of our progress in the fight against climate change is important to us. Alongside long-term sustainability targets, we therefore also set ourselves ambitious short- and medium-term targets. However, in order to adequately address all ecological, social, and societal challenges, we have defined our Sustainability Program 2023.

	Topics	Targets 2023	Progress 2022
Environment	 Decarbonization	15% less CO ₂ e emissions compared with 2020	13.2% less CO ₂ e emissions compared with 2020
	 Circular Economy	100% of new products designed to be reusable or recyclable	98% of new products have been designed to be reusable or recyclable
	 Biodiversity	Biodiversity Action Plans for all our production sites in place	67 production sites with implemented Biodiversity Action Plans
Social	 Diversity	>15% female employees in senior management >30% female employees in white-collar positions	15% female employees in senior management 34% female employees in white-collar positions
	 Training and Development	10% more training hours per employee compared with 2020	53% more training hours per employee compared with 2020
	 CSR Projects	200 housing units per year built with our products for people in need in our local markets	254 housing units built
Governance	 Governance Standards	Committed to the highest national and international governance standards	A consistent focus on: <ul style="list-style-type: none"> > Business strategy > Board diversity and compensation > Executive compensation > Succession management



WIENERBERGER AT A GLANCE



Wienerberger at a Glance

Company Profile

Wienerberger is a leading international supplier 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 216 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, Wienerberger became also the leading provider of façade solutions in the USA and Canada.

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 pages 28 and 246 of this Annual Report.

Our 19,078 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 – trust, respect, passion, and creativity.

Corporate Mission & Value Proposition

We improve people's quality of life and create a better world for generations to come by providing innovative and sustainable solutions for new-build, renovation, and infrastructure projects.

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

The primary goal of our entrepreneurial activities is to grow sustainably and continuously and to achieve our financial targets, all in compliance with our strict and ambitious ESG¹ targets.

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

Our Corporate Strategy

Over the past ten years, Wienerberger has gone through a process of complete strategic reorientation: we have 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 for energy-efficient housing construction, renovation, and infrastructure. To further advance this strategic transformation, Wienerberger is investing continuously in improving its product range and broadening it through the inclusion of digital services.

At present, Wienerberger's durable products and smart system solutions are 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, organic growth through innovation and digitalization, continuous operational excellence measures, mergers and acquisitions, together with portfolio optimization, are the most important pillars of sustainable growth, as successfully pursued throughout 2022.

1) ESG: Environmental, Social, Governance



In all 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 e.g. innovation, automation, and prefabrication. These include, for example, the impacts of climate change, the shortage of skilled labor, and the question of how to provide sustainable and affordable housing for all.

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

- › 15% reduction of Wienerberger's CO₂e emissions (Scope 1 and Scope 2), compared to 2020.
- › 100% recyclability or reusability of all new Wienerberger products.
- › Full implementation of the Wienerberger Biodiversity Program at all of our production sites.

The Wienerberger corporate strategy, our priorities, and the interrelation between our financial and non-financial criteria are described in-depth in this Annual Report on pages 12-14.

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 comprises 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 two priority areas: in-house solutions and infrastructure applications (including water management for agriculture).

North America

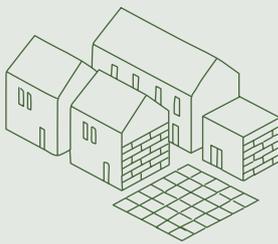
The main focus of our business in the USA and Canada is on innovative products and system solutions with facing bricks, concrete and calcium silicate products, and plastic pipes.

The core properties and applications of these products in North America are comparable to those of 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

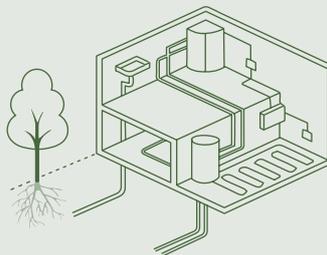
Decision-makers, customer groups

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
- Irrigation systems and storage of water

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

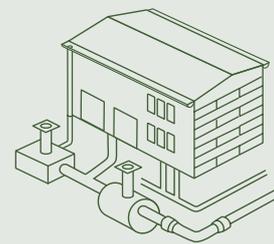
Decision-makers, customer groups

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

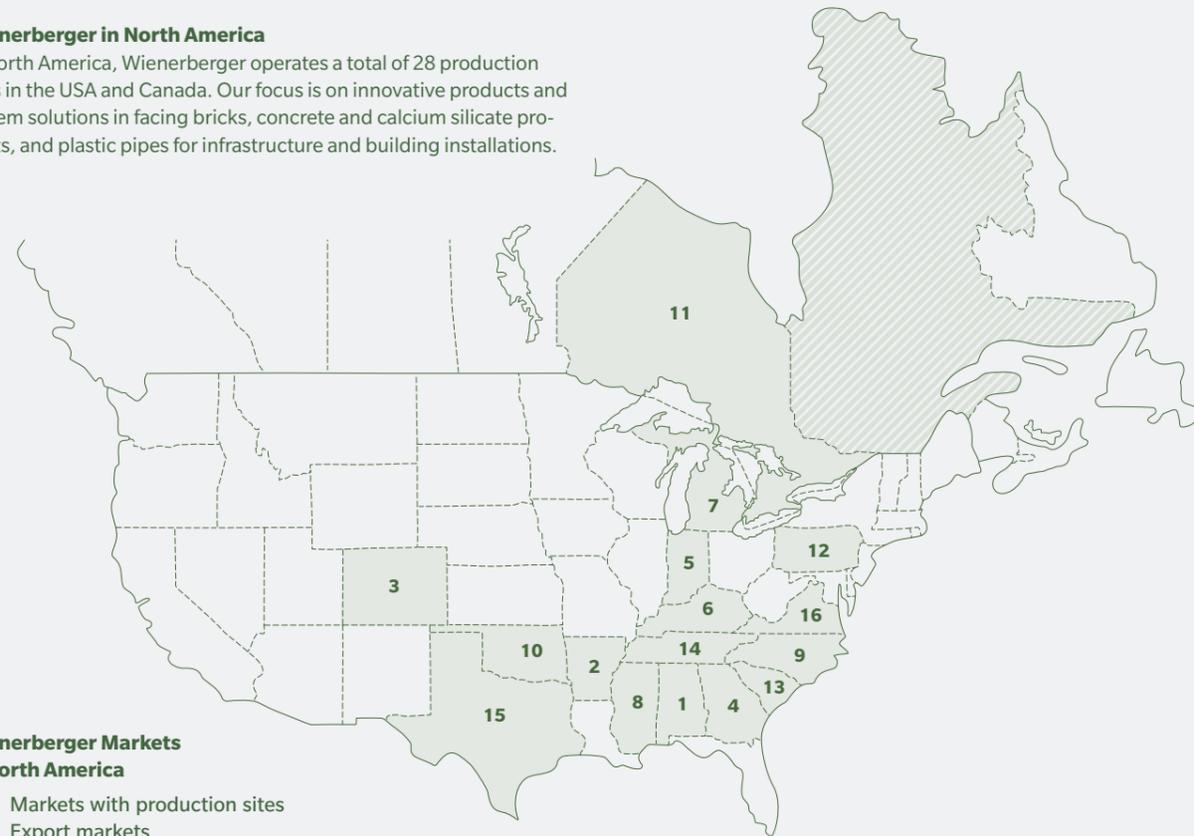


WIENERBERGER PRODUCTION SITES

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 216 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

In North America, Wienerberger operates a total of 28 production sites in the USA and Canada. Our focus is on innovative products and system solutions in facing bricks, concrete and calcium silicate products, and plastic pipes for infrastructure and building installations.



Wienerberger Markets in North America

- Markets with production sites
- Export markets

Number of production sites

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

State	Facing Bricks	Calcium Silicate Products	Concrete Products	Plastic Pipes
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			
9 North Carolina	2			
10 Oklahoma	2			
11 Ontario	2	1		
12 Pennsylvania	1			
13 South Carolina	1			
14 Tennessee	1	1		
15 Texas	5	1		
16 Virginia	1			

Wienerberger in Europe

In Europe, we provide innovative system solutions for the entire building envelope based on our broad range of clay blocks, facing bricks, roof tiles, and pavers. Our product mix also includes plastic pipes and ceramic pipes for solutions in water management, energy supply and in-house installations. We are represented in 25 countries with a total of 187 production sites.

Wienerberger in India

In the Indian market, the birthplace of mudbrick architecture, we operate one production site for clay block solutions.



Wienerberger Markets in Europe

- Markets with production sites
- Export markets

Anzahl der Standorte

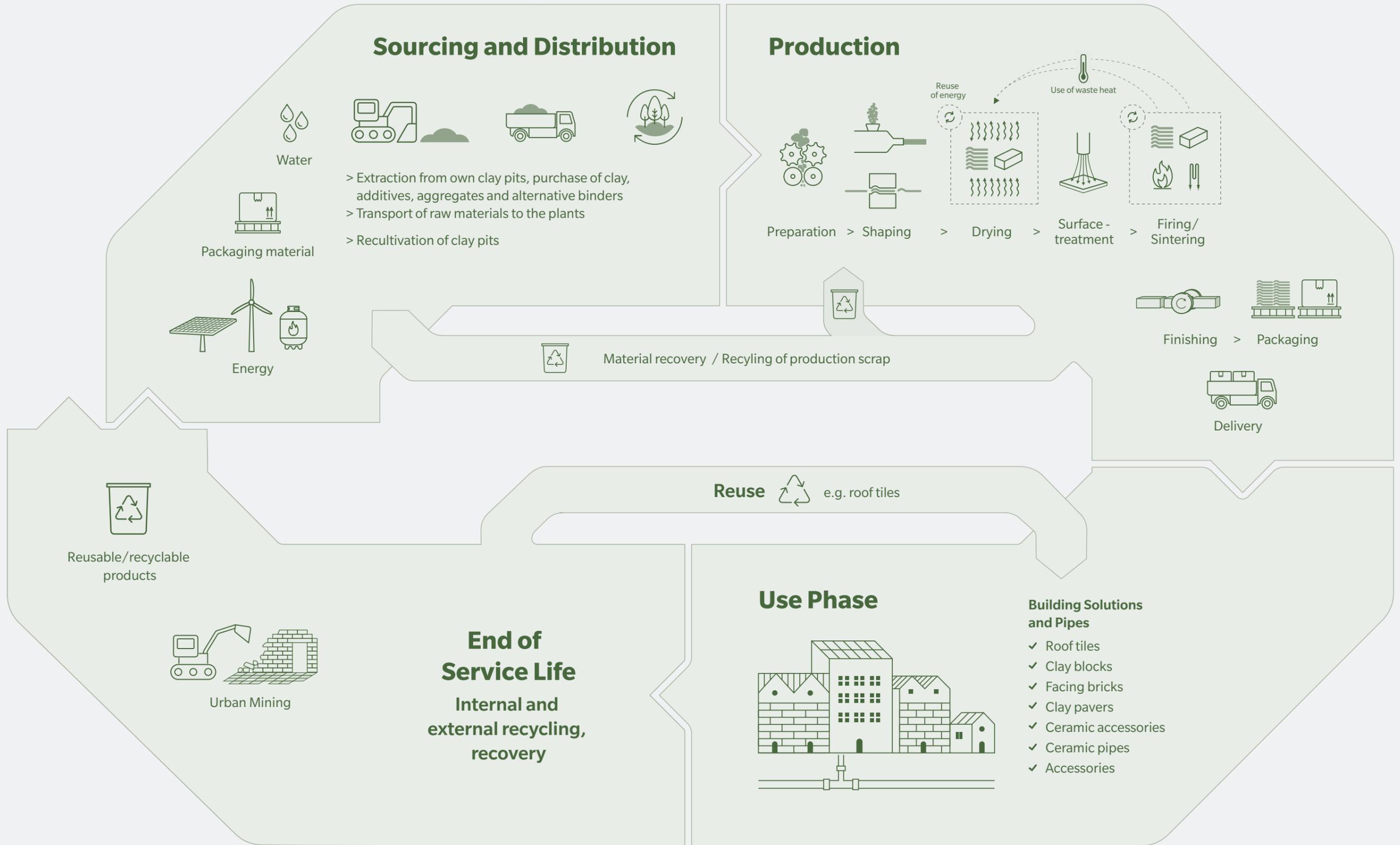
- Clay Blocks
- Facing Bricks
- Roofing Systems
- Pavers
- Plastic Pipes
- Ceramic Pipes
- Digital Products & Solutions

Country	Clay Blocks	Facing Bricks	Roofing Systems	Pavers	Plastic Pipes	Ceramic Pipes	Digital Products & Solutions
1 Belgium	3	8	2	3	1		
2 Bulgaria	1			1	1		
3 Denmark		5					
4 Germany	13	3	5	1	1	1	
5 Estonia	1				1		
6 Finland	1				4		
7 France	4	1	3		1		
8 United Kingdom		9	7		1		
9 Ireland						2	
10 Italy	4						
11 Croatia	1		1	1	1		
12 Netherlands	1	10	3	5	3	2	
13 North Macedonia			1				
14 Norway							4
15 Austria	7	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	2	1		2		
24 Turkey							2
25 Hungary	5	2	2		1		
26 India	1						



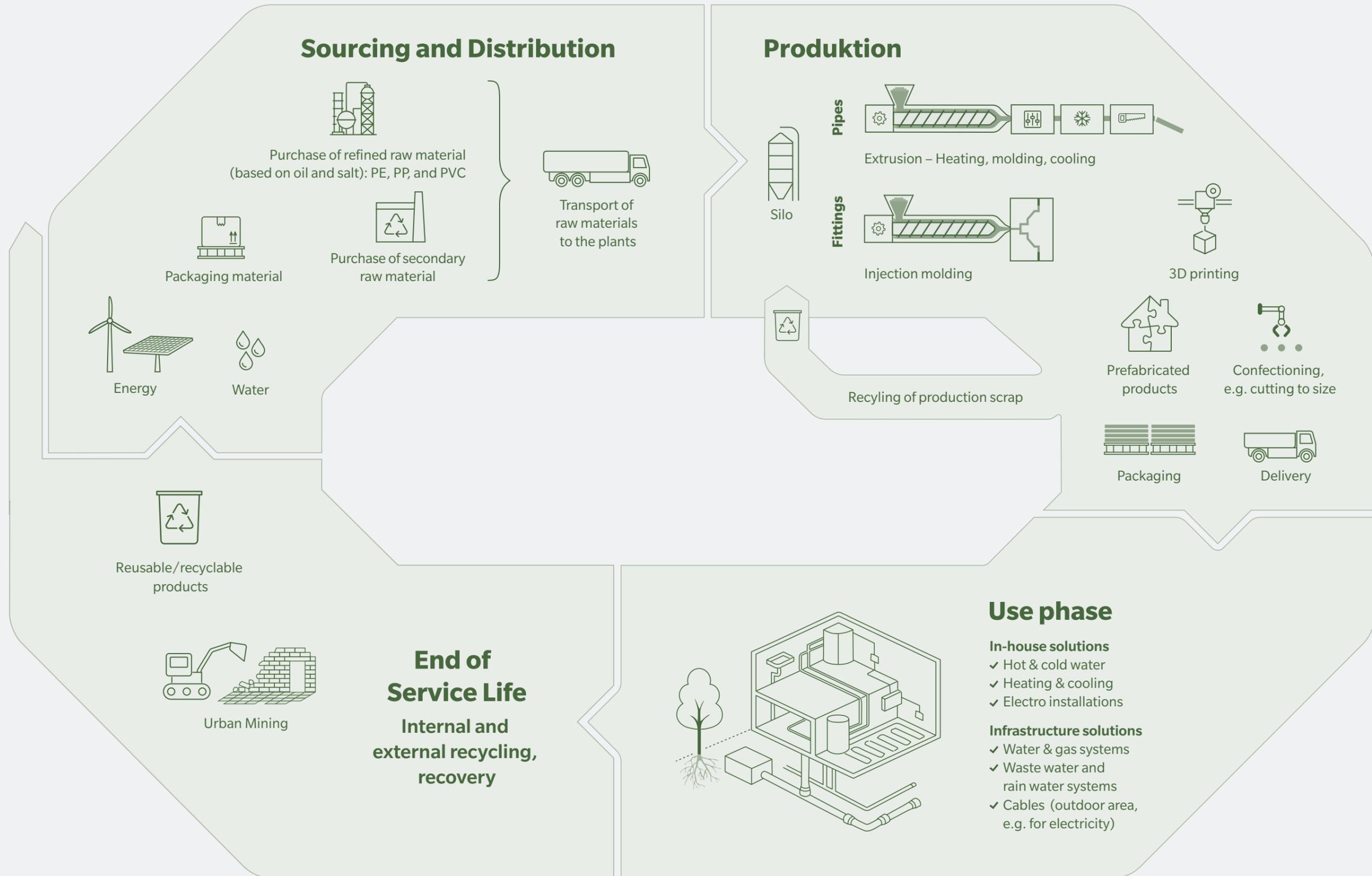
VALUE CREATION CERAMIC PRODUCTS AND SYSTEMS

BUILDING SOLUTIONS AND PIPES





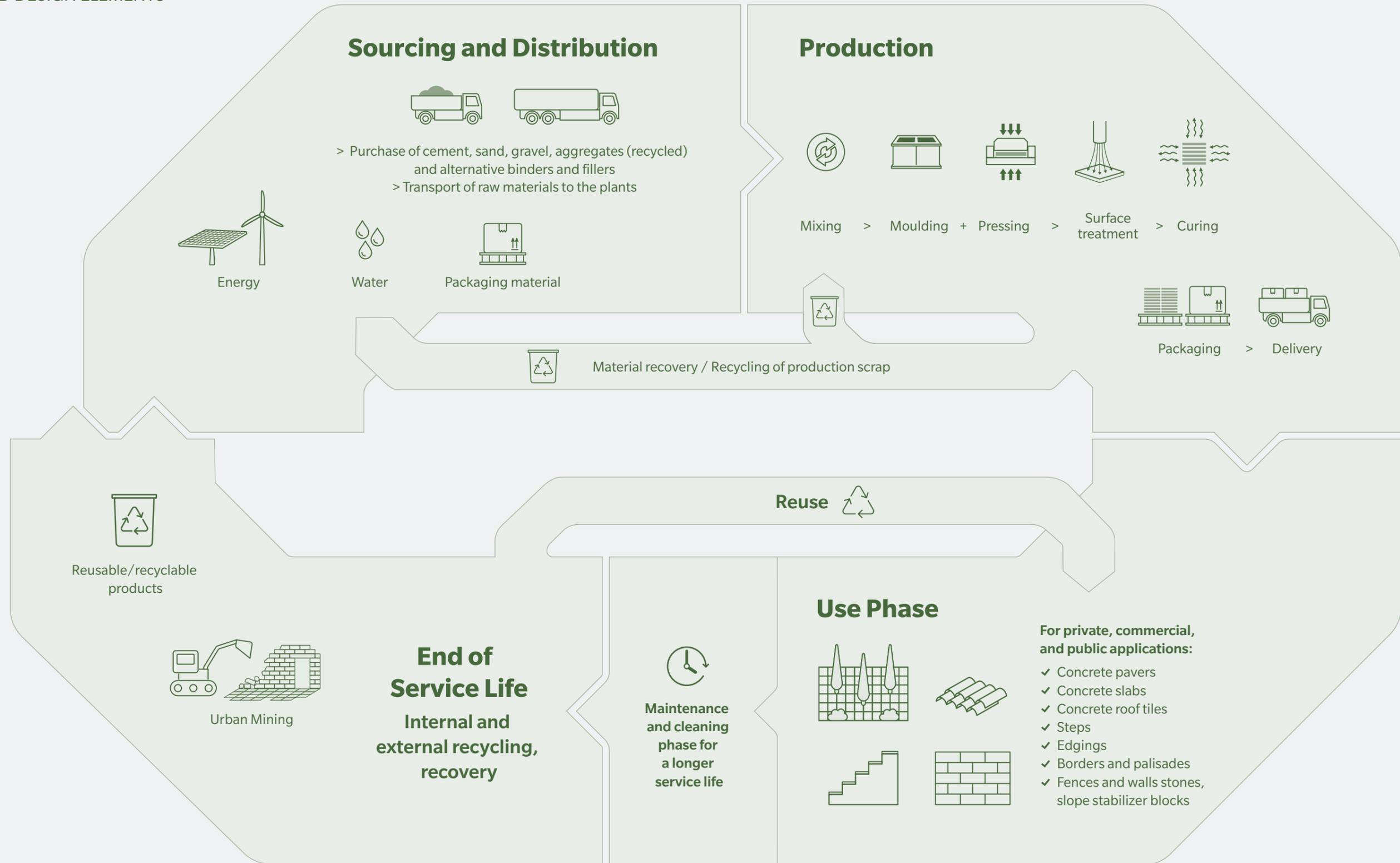
VALUE CREATION PLASTIC PIPES AND SYSTEMS





VALUE CREATION CONCRETE PRODUCTS

CONCRETE PAVERS AND SLABS AND DESIGN ELEMENTS





Value Creation of Wienerberger Products and System Solutions

With its innovative and sustainable solutions for new-build, renovation, and infrastructure projects, Wienerberger improves people's quality of life and creates a better world for generations to come. In the primary areas of application of our products and systems we design sustainable solutions for the building envelope and paved surfaces, as well as in-house and infrastructure solutions. Based on the process of value creation, they can be classified as follows:

- › Ceramic products and systems
- › Plastic pipes and systems
- › Concrete products

Detailed information on how Wienerberger product and system solutions contribute to global challenges such as climate protection and adaptation to climate change (page 68-117), circular economy (page 118-126), and biodiversity (page 127-136) is available in the corresponding chapters.

Value creation of ceramic products and systems

Use phase – Building solutions

Wienerberger's building solutions are designed for energy-efficient and future-proof building construction. Our roof tiles, clay blocks, facing bricks, and ceramic pavers are used for single-family homes and multi-story residential buildings as well as non-residential buildings, such as office buildings, hospitals, schools, and kindergartens.

Use phase – Ceramic pipes

Ceramic pipes (clay pipes) and accessories produced by Wienerberger are ideally suited for cost-effective, safe, and sustainable wastewater disposal. Sturdy, environment-friendly, and requiring little maintenance, they prove their merits not only in municipal and industrial applications, but also in residential buildings as well as commercial and public buildings.

End of service life

Brick products have a very long service life of at least 100 years and have a great potential for reuse. Ceramic products can also be recycled internally and externally or reused for other applications. In this context, we are intensively exploring the possibility of recycling and the use of ceramic construction debris, which can either be returned directly into the brick production process or used for the development of new applications. Wienerberger sees great potential in "urban mining", a concept aimed at saving resources through the recovery and reuse of secondary raw materials from the so-called anthropogenic stock (see also chapter "Circular Economy" on page 118).

Sourcing

The most important raw materials for Wienerberger's ceramic products and systems are clay, additives, and aggregates, as well as alternative binders. Clay is either extracted from our own clay pits or procured from external suppliers and transported by them to the respective Wienerberger plants. Other raw materials, as well as packaging material, are also procured externally. Our plants are supplied with energy and water for the production process.

Production

Clay is prepared by crushing and grinding. After interim storage of the prepared clay in the mud house, the material is formed through extrusion in forming dies or pressed into molds. Once cut to size, the products are placed on pallets and transported to the dryer.

The drying process serves to extract moisture from the clay and prepare the products for firing. Certain ceramic products undergo surface treatment before firing. The products are hardened through firing. Although mostly thermal energy is used for drying and firing, the use of electricity for these purposes is gaining in importance. After finishing, the ceramic products are packaged and delivered to the customers.



Value chain of plastic pipes and systems

Use phase

Plastic pipes and systems produced by Wienerberger are the arteries of reliable, resource-efficient water management and energy supply. In-house solutions for residential and non-residential buildings include electrical installations, heating and cooling systems, hot and cold water supply systems, wastewater and rainwater systems, as well as systems for irrigation and water storage. Infrastructure solutions include gas, water, wastewater, and rainwater systems, as well as solutions for energy supply, data transmission, and special industrial applications.

End of service life

Plastic pipes can be recycled internally and externally. Within the framework of the Circular Plastics Alliance, Wienerberger supports all efforts to increase the use of secondary raw materials in Europe to at least 10 million tons per year by 2025.

Sourcing

Raw materials for the production of plastic pipes and systems, such as PE, PP, and PVC, as well as secondary raw materials and packaging material, are procured from our suppliers and transported by them to the respective Wienerberger plants. Our plants are supplied with energy and water for the production process. Water for cooling purposes is drawn from surface waters (rivers, lakes, and the sea in Scandinavia) and subsequently returned to them in accordance with the legal provisions in effect.

Production

Plastic granulates are mixed and heated in an extruder to produce a melt. The heated plastic melt is then pressed through a die for shaping. Subsequently, the pipe is cooled in water for curing of the plastic material. The continuous pipe strand is then cut to size according to requirements.

Another production method is injection molding. Raw materials for pipe accessories are heated and melted before they are formed in molds. Electricity is the main source of energy used in the production of plastic pipes and systems. After cutting to size, the plastic pipes and system components are packaged and delivered to the customers.

Value chain of concrete products

Use phase

Concrete products made by Wienerberger, such as concrete roof tiles, concrete pavers and slabs, steps, edgings, borders and palisades, fences, wall stones and slope stabilizer blocks, are used for private, commercial, and public applications. These include public squares, public gardens, roadways, and parking lots.

End of service life

Wienerberger's concrete products are suited for reuse as well as internal and external recycling.

Sourcing

The most important raw materials for the production of Wienerberger concrete products are cement, sand, gravel, aggregates, and alternative binders and filling agents. These are procured from suppliers as primary or secondary raw materials (externally recycled materials) and transported to the respective Wienerberger plants. Energy, water, and packaging materials are also procured for the production process. For Wienerberger concrete products, so-called "urban mining", i.e. the recovery and use of secondary raw materials from the so-called anthropogenic stock, is gaining in importance as a source of secondary raw materials (see also chapter "Circular Economy", page 118).

Production

Mixing the raw materials is the first step in the production of concrete products, followed by shaping through pressing or casting. For certain products, various surface finishing, such as washing, grinding, blasting, or coating, is applied before or after the drying process. The cured, finished products are then packaged and delivered to our customers.



Stakeholder Management

As a responsible member of society, Wienerberger makes every effort to fully understand the needs of its stakeholders. Wienerberger also 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 civil-society organizations (NGOs).

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. We support our employees' individual career development in numerous ways, for instance through training programs.

Our customers and business partners – end customers as well as municipalities, developers, design engineers, merchants, 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 reliable long-term sourcing of the required resources, raw 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 as well with our ecological and social standards, which we explicitly communicate to them.

Local residents, local authorities, and civil-society organizations (NGOs) are another important group of 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 address the trends and developments in the individual markets, such as increased urbanization, and offer decision-makers practical, sustainable and, above all, affordable solutions for new construction and renovation of residential buildings as well as essential infrastructure components, 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.



Stakeholders & Communication Instruments

Primary Stakeholders

Our employees

- › Internal communication channels
- › Trainings

Our customers and business partners

- › Wienerberger brand
- › Environmental product declarations (EPDs)
- › Sales team
- › Digital platforms
- › Online channels e.g., homepage and social media
- › Well-trained employees at the service center

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

We attach particular importance to open, continuous, and target-group-oriented dialogue, as it promotes mutual understanding of each other's interests, expectations, and goals. Wienerberger therefore conducts regular stakeholder dialogues. The aim of these dialogues is to take a deep dive into the key issues and aspects from a stakeholder perspective in order to identify risks and opportunities for the company at an early stage. Moreover, we want to better understand what moves social groups and what they expect from us. Acting upon the CEO's request, Wienerberger therefore updated its materiality analysis in 2020, including internal and external stakeholders. A first step of the materiality analysis consisted in identifying and weighting the stakeholder groups that are of material importance for Wienerberger (see page 31). The results of the materiality analysis were presented to the Managing Board and the Supervisory Board of Wienerberger and have been incorporated into the Wienerberger Sustainability Program 2023. They are an integral part of our corporate strategy.

The Chairman of the Wienerberger Managing Board (Chief Executive Officer, CEO) communicates with these stakeholder groups through various channels. These include, for example, communication with our employees and exchanges with capital market participants, e.g. within the framework of roadshows, investor conferences, communication with financial media, or the Capital Markets Day. As part of his podcast, the CEO of Wienerberger conducts interviews with representatives of various stakeholder groups on current topics. He also exchanges views with politicians and the Vienna Stock Exchange at high-level events and appears in the media in the course of interviews. Furthermore, the Chairman of the Wienerberger Managing Board of Wienerberger engages in an exchange with CEOs of other large companies in the course of panel discussions, including on ESG topics.

In the years to come, Wienerberger will continue its direct dialogue, in particular with its core stakeholder groups.

ESG stakeholder dialogues in 2022

In 2022, Wienerberger conducted ESG dialogues with selected groups of stakeholders. The purpose of these dialogues was to follow up on the 2020 materiality analysis and focus on the challenges currently faced by our stakeholders in the field of ESG. Similar ESG dialogues were already conducted in 2021, the results of which were presented in the 2021 Annual Report.

These ESG dialogues were coordinated by the Corporate Sustainability & Innovation Department and the Management Teams of eleven countries: Austria, Belgium, Bulgaria, the Czech Republic, France, Germany, Hungary, Italy, the Netherlands, UK, and the USA. A total of 46 interviews were conducted in the course of the year.

Wienerberger focused on the following stakeholder groups: real estate developers, designers & architects, investors, and municipalities. This choice was based on the need to obtain an in-depth understanding of the legal implications of the European Green Deal for these stakeholders.

The interviews were supported by a structured questionnaire, but encouraged open questions and discussions. The ESG dialogues were particularly well received by Wienerberger's stakeholders, who welcomed the opportunity to engage in personal conversations and an exchange of ideas on new ESG trends and innovations in this area.

The following topics were dealt with in the course of the 46 interviews:

- › Energy efficiency
- › ESG training
- › Waste management (on production and buildings sites)
- › Water management (especially rainwater management)
- › Circularity with a focus on recyclability of construction waste and recyclability & reuse of products
- › Availability of ESG data
- › Transparency and availability of information
- › Innovative products that enable a reduction of maintenance costs of buildings



In the following, we summarize some of the conclusions drawn from the 2022 stakeholder dialogues:

Real estate developers advocate closer cooperation with building material producers, as they want to obtain a good overview of the products under consideration and understand their sustainable characteristics. The affordability of sustainable products was raised in the course of the discussion and stakeholders emphasized that their prices should at least be the same as that of comparable “standard” products. This would support investment decisions in favour of sustainability. Energy efficiency and circularity in building construction are high priorities among this group of stakeholders, especially given the current situation in the EU and impact of energy prices.

For **designers and architects**, circularity remains a topic of high priority, as it was in 2021. Their interest in the sustainable properties of bricks as a building material was reflected in the request of specific information and training on Wienerberger’s sustainable products available on the market. Overall, this group perceives a need for more information, which Wienerberger is making every effort to meet by presenting its products as transparently as possible. In the course of the discussions, it became clear that sustainable products should result in financial savings for the end client, e.g. in the form of a reduced energy bill. Designers and architects also mentioned the regulatory pressure they are exposed to and the importance of working with building material producers capable of integrating the new standards in their product development.

Investors expressed a special interest in sustainable investment policies and key performance indicators (KPIs) used as a basis for ESG ratings. The following KPIs were perceived as key for our investors: GHG emissions (Scopes 1, 2, and 3), circularity (product life cycle assessment and waste management), water stress, biodiversity, health and safety, governance, business ethics, and product design. Conversations on Scope 3 emissions showed that investors expect to obtain such information from producing companies. On the topic of EU Taxonomy, investors looked into the results disclosed by Wienerberger and acknowledged the methods used in 2021 to establish the taxonomy eligibility of Wienerberger’s economic activities. These discussions with our investors enable us to better understand and meet their expectations in terms of reporting.

Local authorities emphasized the topic of energy efficiency of (public and private) buildings and the availability of innovative and sustainable products. Municipalities stated that companies like Wienerberger play a key role in enabling the energy transition by providing solutions to improve the energy efficiency of buildings, both for municipalities and for private individuals. Moreover, they expect innovative solutions for the creation of heat supply networks and products designed for the infiltration of road run-off water. They expressed their appreciation of this exchange of information on the options available. The request for more technical training on our sustainable products, reflecting the increasing use of this type of products on the market, was also noted.

Overall, two priorities were identified in the course of the 2022 ESG dialogues. First of all, the urgency of a transition has become evident in the market. All actors are taking specific actions and require support on this journey from building material companies like Wienerberger. The second priority is the explicitly expressed need for external ESG training. Interest in sustainability in general and the use of Wienerberger’s sustainable products in particular is high in the building industry. The topics discussed with investors were more specific and granular than in 2021 and conveyed a stronger sense of urgency. However, the topics raised in the 2021 ESG dialogues remain as relevant as before.

Wienerberger will continue this direct and regular exchange with its stakeholders in the year to come. These ESG dialogues play a central role in providing an outside-in perspective of our ESG development.

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 2022 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 described in detail in the 2022 Corporate Governance Report, starting on page 194.

Information on compliance and the fight against corruption is contained in the chapter “ESG: Governance & Management Approach”, starting on page 35.

ESG criteria for 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 remuneration policy, two thirds of 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 incentives for the achievement of key corporate 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 increase 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. The latter are measurable criteria applied to assess the performance of the Chairman of the Managing Board of Wienerberger AG. The performance level is assessed on the basis of the non-financial indicators collected for the reporting year and validated by an external auditor.

In accordance with the Sustainability Program 2023, the following environmental, social, and governance (ESG) targets apply to the so-called Special LTI for the Chairman of the Managing Board of Wienerberger AG for the business years 2021 to 2023:

- › **Environmental target for climate protection:** 15% less CO₂e emissions as compared to 2020 (Scope 1 and Scope 2)
- › **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 employees in various management positions

The variable remuneration of our employees in various management positions 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 area of activity and supplemented by individually agreed-upon financial or non-financial targets. Local management (see also Organizational Structure of Wienerberger on page 37) has, for example, the components EBITDA, ROCE, reduction of CO₂ emissions, and individual targets in its variable remuneration.

Wienerberger Remuneration Report 2022

Detailed information on Wienerberger’s remuneration regime is provided in the 2022 Remuneration Report on our website at <https://www.wienerberger.com>. The following information can also be found in the 2022 Remuneration Report:

- › Ratio of total annual remuneration of the highest paid employee of the organization and the median of the total annual remuneration of all employees, using the example of the Austrian country organization.
- › Wienerberger plans to publish the ratio of the percentage increase in annual total compensation for the highest paid person in the organization to the median percentage increase in annual total compensation for all employees, using the example of the Austria country organization, as of the reporting year 2023.



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 structures and responsibilities. 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 ESG 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 12-14). 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, Sustainability Program 2023 and UN SDGs", pages 56-67). In order to better understand the assessments and priorities mentioned by our stakeholders within the framework of the 2020 materiality analysis, Wienerberger again conducted in-depth stakeholder dialogues in 2022 (see page 32).

Wienerberger established clear structures and responsibilities for sustainability management across the entire Group to ensure a uniform approach and efficient implementation of the measures taken, as well as the achievement of our targets. 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 (page 34) or 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 recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)
- › Commitment to the disclosure of climate-related information within the framework of the "Carbon Disclosure Project" (CDP)
- › Wienerberger Code of Conduct, compliance, and the prevention of corruption
- › Supplier management – ESG standards in procurement
- › 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.

The Group's ESG rating, which is to be reviewed annually, was updated by EcoVadis in 2022. Given the progress achieved in its sustainability management, Wienerberger won its first gold rating and now counts among the top 4% of its industry in the EcoVadis ranking. 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 rating 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, the achievement of the corporate goals, and 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.



WIENERBERGER INTERNAL ORGANIZATIONAL STRUCTURE



1) Committees responsible for ESG-Topics /Risks & Opportunities; 2) Human Resources, Corporate Sustainability & Innovation, Public Affairs, Corporate Secretary & Legal Services, Procurement, Corporate Risk & Internal Audit, Health & Safety, Group Reporting, Corporate Communications and Investor Relations

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 and other senior managers of the business units. The Managing Board comprises the Chief Executive Officer (CEO), 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 sustainability targets for the Group. The Sustainability Steering Committee reports to the Supervisory Board on current ESG matters. The ESG governance structure is shown on this page.

Functions at Group level

The Corporate Sustainability & Innovation Department is headed by a Senior Vice President. The latter reports directly and at regular intervals (at least once per quarter) to the Chairman of the Managing Board and four times per year to the full Managing Board of Wienerberger AG. He 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 reporting. 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 Corporate 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 Management

The internal organizational structure is rounded out by our experienced local management teams, who play an important role in all 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 and reports regularly to the Supervisory Board on the topics discussed and the conclusions reached. Its core tasks are as follows:

- › Reviewing the innovation, environmental, and social policy of the Group
- › Observing the sustainability and innovation management of the Group as reflected in reports produced by the management (Sustainability Report, Non-Financial Report, current Sustainability Program, etc.) and engaging in an exchange of information with corresponding experts of the Group
- › 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

As of 31 December 2022, the Sustainability and Innovation Committee consisted of four members of the Supervisory Board. It met four times in 2022. In the course of its meetings, it discussed the progress made in the implementation of the Wienerberger sustainability strategy and/or the sustainability program, Wienerberger’s ESG performance relative to the targets set, and the introduction of standards and guidelines on risk mitigation. The Wienerberger Managing Board and the Senior Vice President for Corporate Sustainability & Innovation participated in the meetings. The CEO not only participates in the meetings of the Sustainability and Innovation Committee, but also engages in regular exchanges with the Supervisory Board on ESG topics.



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. After each meeting, the chairman of the committee formally reports to the Supervisory Board on the committee's activities in all matters within its remit. He also reports to the Supervisory Board on how the committee performed its monitoring tasks, which cover the following key areas:

- › 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 processes, including climate-related risks and opportunities

As of 31 December 2022, the Audit and Risk Committee had five members. The Committee met five times in 2022.

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 impacts of the Wienerberger Group in non-financial matters is shown on page 58.

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 & Adaptation to Climate Change" (pages 68-117), "Circular Economy" (pages 118-126), "Biodiversity & Environment" (pages 127-136), and "Employees & Social Impacts" (pages 137-162).

Information on Wienerberger's risk management, the related data collection processes, and the internal control system applicable to financial and non-financial matters is contained in the Risk Report (starting on page 316).

TCFD: Climate-related risks und opportunities

Wienerberger has set itself the target of minimizing its climate-related risks and identifying its opportunities. The company is therefore continuously developing solutions aimed at enhancing its climate resilience. In 2021, Wienerberger aligned its reporting processes with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and began to transparently disclose its climate-related risks and opportunities, as described in the chapter "Climate Protection and Adaptation to Climate Change" (page 68). In 2022, Wienerberger extended its TCFD reporting to include a description of the resilience of its corporate strategy, taking various climate-related scenarios into account. One of the scenarios is based on compliance with the Paris Climate Agreement, assuming an increase in global temperature of less than 2° Centigrade by the end of the century, as compared to the pre-industrial age (pages 85-97).

The analysis and assessment of the opportunities and risks arising from the transition to a low-carbon, climate-resilient economy (see pages 85-97) have been integrated into Wienerberger's risk management processes (see page 248).

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

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 3,900 organizations all over the world have confirmed their support for the TCFD.



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 voluntarily commit to ensuring a transparent disclosure 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 recommendations – the TCFD Content Index – with references to the corresponding pages is provided on page 55.

Commitment to Disclosure of Climate-related Information within the Framework of the “Carbon Disclosure Project” (CDP)

The Carbon Disclosure Project (CDP) is a global not-for-profit organization that operates the world’s largest platform for the disclosure of environmental and climate-related information. Wienerberger reported to the platform for the first time in 2022 and scored a B (Management band)¹. This score confirms that Wienerberger has addressed the environmental impacts of its activities and ensures good environmental management. By disclosing information on the topic of climate change within the framework of the CDP questionnaire, Wienerberger again demonstrated its willingness to respond to the growing demand for transparency in environmental matters expressed by financial institution, our customers, and political decision-makers.

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 valuable 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 in parallel 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 52).

WIENERBERGER SOCIAL CHARTER

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

1) CDP homepage: <https://www.cdp.net/en/scores/cdp-scores-explained>



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 at all times 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 in parallel with a whistleblowing service. The Wienerberger Code of Conduct represents a binding guideline and sets out how each and every one at Wienerberger should act in the conduct of 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 thus to 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 consequences.

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 when 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.

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 also established a whistleblowing service that is available throughout the Wienerberger Group. This service is provided in cooperation with an external, independent global partner for whistleblowing services.



SeeHearSpeakUp

**See something?
Hear something?
Speak up!**

Are you aware of any illegal, unethical or inappropriate behaviour in your workplace?
Please report the matter in one of the following confidential ways:

Call the whistleblowing number of your country, see list on page 9 (toll-free)
Email report @ seehearspeakup.co.uk
Or report online via seehearspeakup.co.uk/wienerberger

SeeHearSpeakUp is an external and independent whistleblowing service that allows you to report concerns anonymously – 24/7 and 365 days a year!

wienerberger

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. Thus, the whistleblowing service is also available to our external stakeholders, e.g. our business partners.

Reports can be submitted in three ways:

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

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.

Whistleblowing Committee and Whistleblowing Policy

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, which applies across the Group. 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 also outlined in our Whistleblowing Policy.

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, by email, or as an online report to the whistleblowing service. The follow-up procedure is the same for reports submitted by external or internal stakeholders.

Implementation

The Managing Board, the Supervisory Board, and the Wienerberger 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 communicate its principles via various channels and through specific training. We encourage all employees and business partners to report potential violations of our Code of Conduct.



Reports received in 2022

In 2022, the whistleblowing service was used to a relevant but manageable extent. In principle, the service has been well received by our employees as well as our external stakeholders.

In the course of 2022, a total of 40 reports were received via the aforementioned channels. The majority of the reports was submitted via the online reporting system (75%). 15% of the reports came in by email and 10% by telephone. Most of the concerns reported were classified as low-risk (95%) by the Whistleblowing Committee, while very few (5%) were perceived as constituting a medium risk. About 63% of the reports received were by accounted for by general misconduct in dealing with employees, colleagues, and working instruments. Some 18% of the reports received concerned matters of occupational health and safety. About 8% related to business terms and conditions and another 8% to wages and salaries. Two reports concerned substance abuse at work. Except for one report received at the end of December, all reports submitted in the course of 2022 were thoroughly investigated, processed and closed in the same year. The last report received at the end of December 2022 was closed at the beginning of 2023. No cases of severe misconduct, such as embezzlement or fraud, were reported in 2022.

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, which is also spelled out in our group-wide Code of Conduct (see page 41). An important instrument for the prevention of corruption is the four-eye 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 laid down in international Group policies and supports the prevention of corruption at international level, as does the group-wide policy on how to deal with business gifts and gratuities, which was updated in 2017 and continues to apply. The Group policies are accessible to all our employees on weComm, the Wienerberger Intranet, and are disseminated by email exclusively by Corporate Communications. Compliance with Group policies is verified regularly by the management (e.g. by Internal Audit). In general, the risk of corruption at Wienerberger is perceived to be low.

*In 2022, no criminal proceedings for corruption
were initiated against Wienerberger or companies
of the Wienerberger Group.*

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 capital market compliance policy in place, which implements the provisions of the European Market Abuse Regulation. A capital market 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 the Wienerberger holding company and the individual 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.

WIENERBERGER LINKS

Corporate Governance Report as part of the 2022 Annual Report (starting on page 194)

[Code of conduct pursuant to the Austrian Lobbying and Transparency Act](#)

Price fixing is not part of Wienerberger's business practices and is therefore explicitly prohibited by our internal policies, 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 annually up to a maximum of once every two years and are conducted by a national anti-trust expert. 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.



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 the Audit and Risk 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 and Risk Committee on the audit findings. A detailed description of Wienerberger's risk management and its internal control system is contained in the corresponding chapter of the Management Report on page 220.

In 2022, 21 companies (listed in the 2022 Annual Report on page 327, chapter "Group Companies") were audited by Internal Audit with a special focus on organization, procurement, materials management, sales, and human resources, as well as corruption, anti-trust legislation, and the General Data Protection Regulation (GDPR) of the European Union. The audits are performed on the basis of a risk-based audit plan. They cover the country organizations and include on-site inspections at sites selected according to certain pre-defined criteria. The companies are classified according to size (large or small). The audit plan is based on external indicators (e.g. Corruption Perception Index) and internal indicators (e.g. EBITDA, number of employees, etc.). Depending on the size of the company, selected sites are audited every two to four years. 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 were agreed upon with the respective local management.

Privacy, data protection, and cybersecurity

The protection of 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 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 the Wienerberger holding company and has a group-wide function. In the performance of its tasks, the team is supported by regional IT security coordinators and the local information security managers of the individual 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 defining appropriate key performance indicators (KPIs) in order to verify 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, 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 – are treated confidentially and in accordance with the data protection rules. Violations of data protection provisions can result in disciplinary measures.

To maintain the high quality of data protection, an international team of data security coordinators has been put in place at Wienerberger and in the country organizations. 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 standard. 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 minimize cyber risks, we regularly back up our data, protect our devices and networks, encrypt important information, and demand 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, information videos are provided and on-site training, e-learning, and simulation exercises are organized.

Complaints management

All stakeholders can get in touch with the local teams at the Wienerberger sites or directly contact the Wienerberger headquarters. As a matter of principle, the Wienerberger whistleblowing service is easily accessible to all our stakeholders for complaints at any time.

Complaints regarding product quality or other issues are handled in various ways by our business units. Wienerberger Building Solutions (WBS), for instance, deals with complaints at regular discussions with the local WBS teams. At Wienerberger Piping Solutions (WPS), 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 – ESG Standards in Procurement

Within the framework of our business relations, we ensure that our suppliers also comply with ESG standards. In 2022, Corporate Procurement evaluated all 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 Wienerberger Supplier Relationship Management (SRM) tool (see page 48) supports the central management of ESG compliance requirements to be met by our suppliers. The tool matches results from on-site audits and internal performance assessments with information on supplier services with regard to ESG compliance requirements.



According to its ESG compliance and audit results, each supplier is assigned a key supplier score and, if necessary, instructed to take corrective action. 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. This target was achieved in 2022. Suppliers are to be rated for sustainability and service compliance and assigned corrective measures, if necessary.

Moreover, Wienerberger initiated ESG performance incentives for its suppliers, the intention being to recognize outstanding performance in the field of ESG compliance and encourage continuous improvements. Furthermore, a distinction is awarded to country procurement teams in recognition of outstanding performance in the field of sustainable procurement excellence.

The following sections cover aspects and instruments of supplier management contributing to ESG compliance:

- › Responsible Sourcing Policy 2020+ – Responsible Procurement Guideline, ESG Steering Committee established within Corporate Procurement
- › Wienerberger Supplier Code of Conduct
- › Supplier Relationship Management (SRM) Tool for supplier assessment
- › On-site audits of selected suppliers
- › Rating of suppliers by a rating agency on the basis of ESG criteria
- › Encouraging suppliers to improve their ESG performance
- › Screening of suppliers against international sanction lists and verification of their financial resilience
- › ESG compliance of suppliers and escalation protocol in cases of insufficient ESG conformity
- › ESG training and communication tools for employees working in procurement
- › Recognition of sustainable sourcing at Corporate Procurement level
- › Fostering diversity among our suppliers

Responsible Sourcing Policy 2020+ – Responsible Procurement Guideline, ESG Steering Committee established within Corporate Procurement

Corporate Procurement at Wienerberger has further intensified its focus on ESG criteria in supplier management. The Responsible Sourcing Policy 2020+ released by the Managing Board in 2020, an integral part of the Procurement Strategy 2020+, continued to serve as an essential basis for our supplier management.

The Procurement Strategy 2020+ defines our ambitious ESG criteria applied in supplier management. The strategy comprises three key areas:

- › Promoting improvements in ESG (environment, social, governance) in all our sourcing activities, in combination with risk management
- › Identifying and mitigating procurement risks alongside efforts to take advantage of opportunities and ensure compliance
- › Ensuring that our policies, procedures, measures, and reporting rules are observed both internally and externally

Based on the Procurement Strategy 2020+, the Responsible Sourcing Policy 2020+ defines the framework for responsible sourcing at Wienerberger. Within this framework, requirements for compliance with ESG criteria are set out, specifying targets, areas of application, roles and responsibilities, procedures, governance, and reporting rules. Moreover, in 2022 our performance and our ambitions in the field of ESG were monitored and reviewed as core indicators of sustainable sourcing. These indicators are discussed on a quarterly basis.

In 2021, this Policy, 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 guidelines. By following these rules and supporting the clear guidelines (what – who – how – when), we are able to effectively steer the ESG performance of our suppliers along our supply chain.



In 2022, 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 end of this page, Supplier Relationship Management tool). Moreover, the ESG Steering Committee acknowledged the current responsible sourcing policy and the related plans for 2022. No major structural changes were made.

RESPONSIBLE PROCUREMENT POLICY 2020+

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

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

Wienerberger 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 SCOC and its application in the Supplier Relationship Management tool (SRM, see following section) 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 (SRM) tool for the evaluation of suppliers

The Wienerberger Supplier Relationship Management tool is an internal data platform containing information on the financial terms and conditions as well as the ESG performance and risks of Wienerberger’s own suppliers (tier 1). The (SRM) tool facilitates efficient and coordinated data collection and evaluates suppliers on the basis of their daily performance and their compliance with Wienerberger’s Responsible Procurement Policy.

The SRM tool collects general information, such as the results of audits or discussions on products, technology, pricing, and services offered by suppliers. Moreover, ESG-specific data, including information on whether the supplier has its own code of conduct or has signed the Wienerberger Supplier Code of Conduct, as well as the supplier-specific risk analysis (based on the ESG rating awarded by EcoVadis, see page 50) are integrated.

These evaluations are used as a basis for recommendations regarding the further development of our suppliers in terms of ESG criteria, as well as for the benchmarking of suppliers against one another. Moreover, other instruments, such as the screening of suppliers against international sanction lists (see page 50) and the verification of their financial resilience, help us minimize supplier-side risks as much as possible.



The Wienerberger SRM tool supports the central availability and comparability of relevant information on our suppliers, including the following:

- › Supplier performance, including ESG performance
- › Implementation and progress of corrective measures required to meet specified ESG criteria and compliance requirements
- › Documents, such as the signed Supplier Code of Conduct or the supplier's own code of conduct, certificates, including their periods of validity (e.g. ISO BES), current price agreements, minutes of meetings, notifications
- › Complaints management by suppliers

The SRM tool comprises two dashboards, one with general information on suppliers and another with a supplier scorecard library. It also contains an internal and an external landing page for target suppliers (selected suppliers).

The Supplier Relationship Management tool is linked to Wienerberger's SAP system and the platform run by EcoVadis, the international partner for sustainability ratings (ESG ratings).

On-site audits of selected suppliers

Our Responsible Sourcing Policy 2020+ provides for target suppliers to undergo an external CSR assessment (e.g. by EcoVadis). The need for on-site audits of suppliers is therefore reduced to a minimum. Nevertheless, on-site audits by independent third parties are performed in particularly relevant cases, such as potential new suppliers in India and China.

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. The 20% target was surpassed in 2022. 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.

Within the framework of the Responsible Sourcing Policy 2020+ Corporate Procurement defined uniform follow-up processes to be followed after the audits, depending on the audit results. Based on these process definitions, individual 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.

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 on the basis of ESG criteria

Since 2019, Wienerberger has had the sustainability performance of suppliers and potential supplier risks in selected areas of procurements rated by EcoVadis, an international partner for sustainability ratings (ESG ratings).

Suppliers are being rated by EcoVadis in terms of their performance and their compliance with local, national, and international standards regarding environmental protection, labor rights, human rights, ethics, and sustainable sourcing. EcoVadis also rates the efforts made by target suppliers to reduce greenhouse gas emissions and performs a 360° Watch (= performance appraisal) of the company.

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.

Encouraging suppliers to improve their ESG performance

Wienerberger's definition of ESG excellence in procurement also helps our target suppliers to improve their own performance. Within the framework of the SRM tool, the member of the Procurement team responsible for the selection of suppliers reviews the target supplier's current performance and proposes improvements in the field of ESG.

Internal and external measures taken by suppliers, which must be in accordance with Wienerberger's Responsible Sourcing Policy 2020+, are measured and evaluated. Through this procedure, ESG risks of third parties, i.e. Wienerberger's suppliers, are being managed and reduced.

In 2022, significant improvements of the suppliers' ESG performance were achieved. We recognize such improvements and reward them accordingly. In particular, we want to encourage continuous improvements in performance and strengthen the business relations between the Wienerberger Group and its target suppliers.

Screening of suppliers and customers against international sanction lists and verification of their financial resilience

Every new supplier has to undergo a stringent acceptance procedure before being registered in Wienerberger's SAP system (Marlin tool). As part of the standard procedure, the supplier's financial resilience is verified by the Finance Department on the basis of the company's VAT number. Any non-conformity or potential financial risk is immediately escalated internally. If necessary, Procurement also performs an ad-hoc review of the supplier's financial resilience.

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). Appropriate steps are being taken, if necessary. 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.



ESG compliance of suppliers and escalation protocol in cases of insufficient ESG conformity

As regards the measures and actions taken within the framework of the Wienerberger Responsible Sourcing Policy 2020+, we differentiate between ESG-compliant and ESG-non-compliant suppliers.

The following requirements relating to the Responsible Sourcing Policy 2020+ are defined in a manual:

- › Criteria for the differentiation between ESG compliance and non-compliance by suppliers
- › Protocol to be followed in the event of supplier non-compliance or non-conformity, up to the exclusion of suppliers

ESG training and communication tools for employees in Procurement

All Wienerberger employees working in Procurement are trained in how to apply the Responsible Sourcing Policy 2020+ and the related guidelines. The corresponding documents are available on the Wienerberger Intranet and can be downloaded by all employees in Procurement at any time. Short-term support in operational and strategic terms is easily accessible via a tool provided by the unit in charge of digitalization in procurement.

New developments in the field of sustainable procurement (ESG) are communicated on the internal Microsoft Teams site of Procurement and discussed at the quarterly Procurement meetings and the annual Procurement conference. Moreover, all so-called Procurement high potentials of the Procurement Academy program (introduced in 2019) receive (strategic and operational) expert training in sustainable procurement.

Recognition of sustainable sourcing in Corporate Procurement

The success of measures taken by our employees in Procurement to implement the Responsible Sourcing Policy 2020+ and achieve the related targets is rewarded as well. In 2020, Wienerberger introduced a Supplier Award Program and a Procurement Excellence Award Program in order to recognize special ESG and operational performance.

In 2022, Wienerberger 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 80 out of 100 points. In the responsible supplier management category, EcoVadis thus ranks Wienerberger among the top 3% of all companies of its sector of industry.

Promoting diversity among our suppliers

In 2022, Wienerberger focused, in particular, on promoting diversity among our suppliers and integrated a clause to that effect into our current Responsible Sourcing Policy 2020+.

We are investing in the diversity of our suppliers not only to strengthen our resilience (diversified supply chain), but also to demonstrate the perception of our corporate responsibility (opportunities for marginalized communities), foster innovation and social responsibility, and support local communities. We intend to increase the annual monetary value of our business with such suppliers.



In doing so, we not only want to make a further contribution to Wienerberger's sustainability strategy, but also ensure that uniform and equal opportunities for new and diverse suppliers exist along our entire supply chain. We are proceeding step by step, as follows:

- › Reviewing Wienerberger's current supply chain for diversity criteria among our suppliers
- › Measuring the extent to which Wienerberger is working with diverse suppliers and first internal reporting
- › Determination of intended change on the involvement of diverse suppliers at Wienerberger
- › Inclusion of additional procurement processes at Wienerberger

Hard Facts on supplier management in 2022

- › 73% of 3,000 target suppliers predefined in 2022 signed the Wienerberger Supplier Code of Conduct.
- › 100% of all predefined target suppliers have ESG clauses in their contracts with Wienerberger.
- › 80% of all predefined target suppliers were rated by an ESG rating agency on the basis of ecological and social criteria.
- › 100% of suppliers having undergone an external, independent ESG appraisal took the necessary corrective action.
- › 100% of the four-hour procurement training sessions scheduled for 2022 were held.
- › 100% of tier-2 suppliers (= direct suppliers of our suppliers) were reviewed for supplier diversity.

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 of the Global Compact 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 human rights. It goes without saying that Wienerberger tolerates neither child labor nor forced labor nor any form of discrimination. A supervisory committee, comprising equal numbers of representatives of Wienerberger and the European Works Council, monitors compliance with the provisions of the Social Charter. It should be noted, however, that Wienerberger has no particular exposure to vulnerable population groups.

Wienerberger also expects its suppliers to explicitly commit to the respect of human rights and compliance with Wienerberger's ecological and social standards (see pages 46-52).

Our Non-Financial Reporting

The non-financial indicators and qualitative disclosures of the Wienerberger Group have been published annually since 2010. In combination with the Wienerberger Sustainability Program 2023 (see page 60), Wienerberger's Sustainability Report 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, and corporate governance at Wienerberger, is contained in this 2022 Annual Report. Up to the 2020 reporting year, Wienerberger published a full sustainability report every two years, alternating with a more concise update containing the essential facts and figures for the years in between.



Since the 2020 reporting year, full sustainability reports have been published annually. The most recent 2021 Sustainability Report was published in March 2022 as the non-financial part of the 2021 Annual Report entitled "Sustainability Report". The 2022 Sustainability Report is again included in the 2022 Annual Report as its non-financial part, to be published in March 2023.

All Wienerberger sustainability reports meet the requirements of the Global Reporting Initiative (GRI). Wienerberger has reported in accordance with the GRI standards, for the period January 1, 2022 to December 31, 2022.

The topics covered in this non-financial report are based on the materiality analysis performed in 2020 (see page 57) and the Sustainability Program 2023 (see page 59). Additionally, information on other topics perceived as relevant by Wienerberger's stakeholders on account of global developments and challenges is being disclosed. Water stress is but one example (see page 103).

The information contained in this report refers to the company's activities in the 2022 business year. The indicators listed also include 2020 and 2021, thus reflecting a three-year trend.

Wienerberger's sustainability or non-financial reports are prepared by the Corporate Sustainability & Innovation 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 senior management representatives of the business units).

Data management & consolidation

Non-Financial Group Reporting has been established as a central data management tool 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 2022 Annual Report starting on page 259. 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 by 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 19. The indicators relating to "Holding & Others" are allocated to and reported within the three aforementioned business units on a pro-rata basis. The clay block production site in India is part of the Wienerberger Building Solutions Business Unit.

Five companies newly acquired in 2021 (see page 116 of the 2021 Annual Report), where the structures required for the collection of non-financial indicators had to be implemented or optimized in the 2021 reporting year, are included in the non-financial indicators for 2022 in this report. They are allocated to the following countries and business units: Belgium (WBS), Ireland and the United Kingdom (WPS), USA and Canada (North America).

For four companies newly acquired in 2022, the structures required for the collection of non-financial indicators are yet to be implemented or optimized. They are not yet included in the non-financial indicators for 2022 (except indicators relating to the Taxonomy Regulation). They are allocated to the following countries and business units: Austria and Germany (both WBS), Croatia and Norway (both WPS). 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 2023 reporting year.



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

The indicators on the topics of “Climate Protection & Adaptation to Climate Change” (energy and emission indicators) and “Circular Economy” (share of new products that are reusable or recyclable and the share of secondary raw materials used), as well as the share of innovative products, were collected already at the end of 2022. The actual values from 01/01/2022 up to and including 31/10/2022 were collected and reported together with the best estimates for November and December 2022. The estimated values were aligned with the numbers from 01/11/2022-31/12/2022 at the beginning of 2023. No relevant deviations were found. All other indicators were collected at the beginning of 2023 for the entire reporting period from 01/01/2022 to 31/12/2022.

External audit

Most of the data presented in this report are based on internal analyses. This non-financial report was validated by an independent external auditor. For the reporting year 2022, the reporting and its compliance with the requirements of the Sustainability and Diversity Improvement Act (NaDiVeG), GRI standards, and Taxonomy Regulation¹ were audited.

The selection of the independent external auditor for the validation of the Sustainability Report was discussed and approved by the Supervisory Board with input from the Managing Board. In the course of this process, it was decided to mandate a single independent certified public accountant to audit both the financial report and the non-financial report. The auditor was contracted by the Wienerberger Managing Board.

We support these initiatives

Our sustainability ratings

Further information on our ratings can be found on our website.

1) 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



WIENERBERGER TCFD CONTENT INDEX

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

Recommendation	Recommended Disclosures	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 – pages 35-55 Corporate Governance Report – pages 194-219
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	ESG: Governance & Management Approach – pages 35-55 Corporate Governance Report – pages 194-219
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, 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 68-117 Management Report – pages 220-252
	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 68-117
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate Protection & Adaptation to Climate Change – pages 68-117
Risk Management		
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 – pages 220-252
	b) Describe the organization's processes for managing climate-related risks.	Management Report – pages 220-252
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Management Report – pages 220-252
Metrics and Targets		
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 – pages 16-17
	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 16-17, Climate Protection & Adaptation to Climate Change – pages 68-117
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Sustainability Program 2023 – pages 59-60, Key Indicators of the Wienerberger Group – pages 16-17, Climate Protection & Adaptation to Climate Change – pages 68-117



MATERIALITY
ANALYSIS,
SUSTAINABILITY
PROGRAM 2023
&
UN SDGS



Materiality Analysis

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 59-60), Wienerberger again performed a materiality analysis with the support of an external partner. It was implemented in accordance with the current regulatory requirements and international reporting frameworks (Global Reporting Initiative, GRI).

In a first step, Wienerberger updated the value chains of its three core areas of activity – ceramic products and systems, plastic pipes and systems, and concrete products (see value creation at Wienerberger, pages 25-29) – and identified 52 ecological, social, and governance aspects along them. We classified these aspects according to five core thematic areas:

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

In order to arrive at a clear definition of the action areas for the Wienerberger strategy and the related Sustainability Program 2023, aspects relating to legal provisions and the requirements of international reporting frameworks (GRI) were included in the 2020 materiality analysis.

For a targeted survey of the most essential matters, Wienerberger's relevant stakeholder groups were reevaluated and weighted. The stakeholder groups were classified by product segment on the basis of "Wienerberger's impacts on its stakeholders" and the "influence of stakeholders on Wienerberger", ranked by order of priority and weighted accordingly. The average of all weightings per product segment was calculated to obtain the consolidated weighting for within the entire Group.

Wienerberger invited approximately 2,500 stakeholders to participate in the online surveys. Systematic interviews were conducted to analyze the five core topics from the following three perspectives and assess them in terms of their materiality:

- › Stakeholder relevance as per online survey among our stakeholder groups that were previously evaluated and weighted by relevance
- › Business relevance as per online survey among Wienerberger's senior management
- › Impacts and risks as per online survey among nominated internal experts

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 (see pages 59-60).

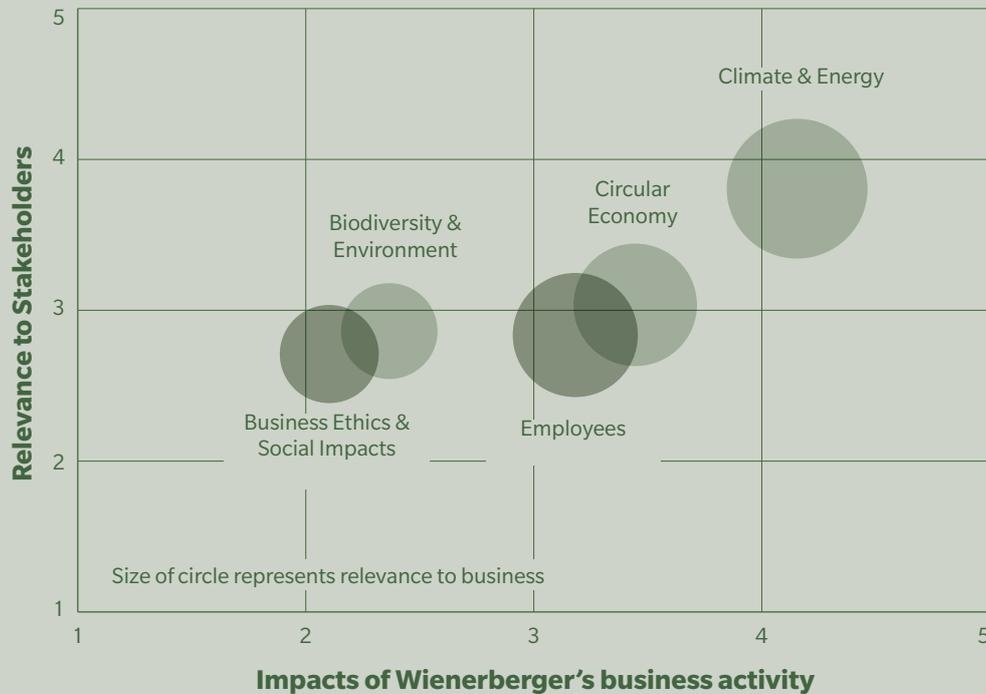
The materiality matrix on the following page shows the result of the analysis performed by Wienerberger in 2020 in the form of a diagram and provides an overview of the topics that were identified as being material for the entire Wienerberger Group along the value chains of all product groups.

In the course of 2022, the relevance of various aspects of the material topics was again thoroughly evaluated in dialogue with our stakeholders (see pages 32-33) and reviewed by the Sustainability & Innovation Committee of the Supervisory Board, the Managing Board, and internal experts.

Based on this current evaluation, information on further topics or aspects that were not yet classified as relevant in 2020 are now included in our sustainability reports. One example is water and the sparing use of this resource, which was not perceived as material in 2020, given the low impact generated by Wienerberger, as compared to the topic of climate & energy. In view of the ongoing exchange with our stakeholders as well as current global developments, the Sustainability and Innovation Committee of the Supervisory Board, the Managing Board, and internal experts decided to include this topic as a focus area and report on it accordingly (see page 103).



WIENERBERGER MATERIALITY MATRIX 2020



Climate & Energy

- › Reduction of carbon emissions in production
- › Reduction of energy use 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 energies in energy use 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 materials in material input 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, in construction & demolition
- › Healthy indoor climate due to good air quality in buildings
- › Affordability of building materials and solutions
- › Product and system design supporting ease of installation



Sustainability Program 2023

The Wienerberger Sustainability Program 2023 is an essential step on the path of our transformation as well as our long-term goals in line with the European Green Deal.

The Wienerberger strategy sets out the Group's vision and its ESG targets¹. 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, create a better world for generations to come.

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 2023, 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 in the Sustainability Program 2023 primarily refer to the topics identified as material in 2020: climate & energy, the circular economy, biodiversity & environment, employees, and business ethics & social impacts. Moreover, we reaffirm our commitment to meeting the highest national and international governance standards (see page 33). In 2020, Wienerberger defined a measurable target for each of the environmental topics identified as material, to be attained by 2023:

- › **Climate & energy:** Wienerberger reduces its CO₂e emissions (Scope 1 and 2) by 15% compared to 2020.
- › **Circular economy:** Wienerberger designs all new products to be reusable or recyclable.
- › **Biodiversity & environment:** Based on the Wienerberger Biodiversity Program, Wienerberger implements a biodiversity action plan at each of its production sites.

As regards the material topic of employees and its sub-aspects, Wienerberger set itself the following measurable targets in 2020, to be attained by 2023:

- › **Competence development and career advancement:** Compared to 2020, Wienerberger increases the number of training hours per employee by 10%.
- › **Diversity and equal opportunities:** Wienerberger increases the percentage of women to at least 15% in senior management and at least 30% in white-collar positions.

Regarding the material topic of governance & social impacts, Wienerberger has set itself the following targets:

- › **Governance standards:** Wienerberger is committed to meeting the highest national and international governance standards, with a special focus on:
 - › Corporate strategy
 - › Diversity and composition of the Boards
 - › Remuneration for executives
 - › Succession management
- › **Social impacts:** Wienerberger builds 200 dwelling units per year for people in need.

An overview of our ESG targets pursued within the framework of the Wienerberger Sustainability Program 2023, as well as our performance in these areas in 2022, is shown on page 60. For further information on the core topics, targets, and achievements of Wienerberger, please refer to the chapters "Climate Protection & Adaptation to Climate Change" (pages 69-117) "Circular Economy" (pages 118-126) "Biodiversity & Environment" (pages 128-136), and "Employees & Social Impacts" (pages 137-162).

Wienerberger is currently finalizing the ESG targets for 2026 as the next stage of our Sustainability Program. We will present the Sustainability Program 2026, with an even stronger focus on sustainable solutions, in particular for climate-neutral buildings and solutions for sustainable water management, in 2023.

1) ESG: Environmental, Social, Governance



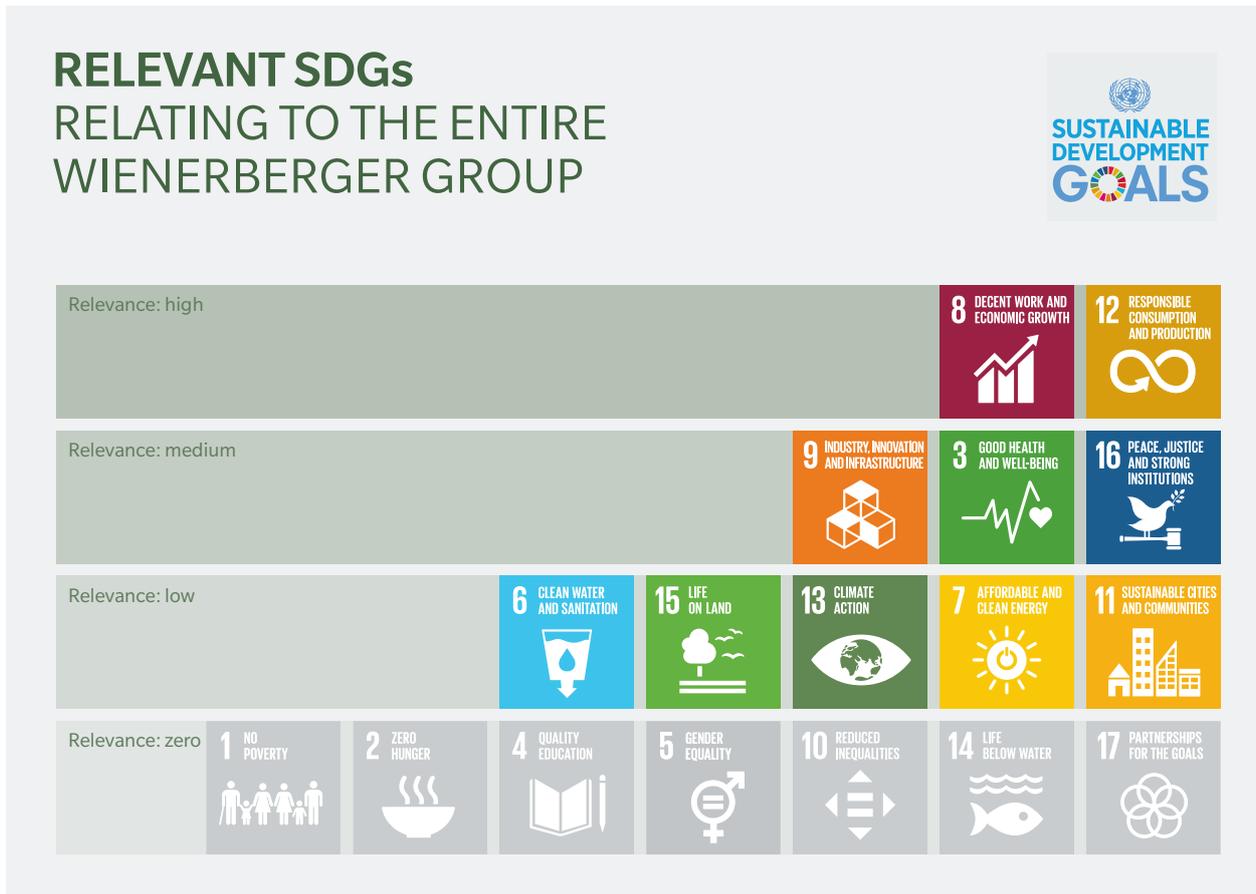
OUR SUSTAINABILITY PROGRAM 2023 AND PROGRESS 2022

We are clearly committed to achieving climate neutrality and actively support the European Green Deal. The highest possible level of transparency of our progress in the fight against climate change is important to us. Alongside long-term sustainability targets, we therefore also set ourselves ambitious short- and medium-term targets. However, in order to adequately address all ecological, social, and societal challenges, we have defined our Sustainability Program 2023.

	Topics	Targets 2023	Progress 2022
Environment	 Decarbonization	15% less CO ₂ e emissions compared with 2020	13.2% less CO ₂ e emissions compared with 2020
	 Circular Economy	100% of new products designed to be reusable or recyclable	98% of new products have been designed to be reusable or recyclable
	 Biodiversity	Biodiversity Action Plans for all our production sites in place	67 production sites with implemented Biodiversity Action Plans
Social	 Diversity	>15% female employees in senior management >30% female employees in white-collar positions	15% female employees in senior management 34% female employees in white-collar positions
	 Training and Development	10% more training hours per employee compared with 2020	53% more training hours per employee compared with 2020
	 CSR Projects	200 housing units per year built with our products for people in need in our local markets	254 housing units built
Governance	 Governance Standards	Committed to the highest national and international governance standards	A consistent focus on: <ul style="list-style-type: none"> > Business strategy > Board diversity and compensation > Executive compensation > Succession management



UN Sustainable Development Goals (UN SDGs)



SDGs of Relevance to the Wienerberger Group

The Agenda 2030 for Sustainable Development of the United Nations (UN) 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. The evaluation focused on the material impacts and risks identified within the framework of an impact analysis performed in 2020 (see page 57). Subsequently, the allocation of relevant SDGs and their targets was made according to the description of impacts and on the basis of external sources (e.g. GRI, UN Global Compact, <https://sdgcompass.org/>, European Commission, 2018: Mapping the role of raw materials in sustainable development goals). The SDGs were weighted according to these impacts and the relevant targets of each SDG. The relevance of the SDGs was then established on the basis of:

- › the number of relevant targets per topic (impact) and SDG, and
- › the weighting based on the impact assessment (impact weighting multiplied by the number of relevant targets).

Ten of the 17 SDGs were thus identified as more or less relevant to Wienerberger (see diagram above).

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 from the degradation of the environment.



This includes the enhancement of efficiency and the increased use of clean and sustainable technologies by the company. By increasing its own resource and energy efficiency in production, Wienerberger also contributes significantly to the achievement of Goal 12 “Responsible consumption and production”. At the same time, Goal 9 “Industry, innovation and infrastructure”, which in particular calls for building resilient and sustainable infrastructure and promotes inclusive and sustainable infrastructure, is being advanced.

An overview of the relevant SDGs and their targets, as they relate to the material topics of the Wienerberger Group (see page 57) along the entire value chain, can be found on pages 62-67.

Climate & Energy

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

“15% reduction of CO₂e emissions by 2023, compared to 2020¹”

In our production, we are continuously working on measures to improve energy efficiency and to reduce our CO₂e emissions.

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

Moreover, our products and system solutions can be used for the construction of tornado-proof buildings and help to make cities more resilient to climate change. With our infrastructure solutions, we help to 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 68.

CLIMATE & ENERGY

 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>7.3 By 2030, double the global rate of improvement in energy efficiency.</p>
 <p>13 CLIMATE ACTION</p>	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>

1) Based on product-group-specific KPIs



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 useful life. For each product group, we develop criteria to be taken into account in the process of designing new products.

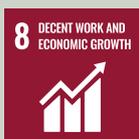
By working with secondary raw materials and using natural resources efficiently in our production, we contribute to the improvement of resource efficiency and the reduction of waste. Moreover, we participate in research projects, for example on recycled concrete and the climate-friendly production of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

For additional information, please refer to the chapter “Circular Economy”, starting on page 118.

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 requirements is verified on the basis of the mandatory 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 and measurable contribution toward increasing the diversity of plant and animal species at 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, together with external experts, explored over 30 specific measures to foster flora and fauna and documented them in a catalogue of measures for the entire Group, including design, management, and maintenance options as well as 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 ambassadors appointed for each site will monitor implementation and determine the resultant increase in biodiversity.

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 see to it that our suppliers comply with our ecological and social standards, which we communicate clearly in our group-wide Supplier Code of Conduct.

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

For additional information, please refer to the chapter “Biodiversity & Environment”, starting on page 127.



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 targets for the entire Wienerberger Group regarding diversity, competence development and career advancement are:

“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 for the percentage of women as a first step: For us, this is not a matter of defining quotas, but of building a positive awareness for gender equality and other aspects of diversity.

“10 % more hours of training per employee by 2023, 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 association and the right of employees to engage in collective bargaining.

For further information, please refer to the chapter “Employees & Social Impacts”, starting on page 137.

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. The company reaffirms its global commitment to fair working conditions and respect for human rights. Within its sphere of influence, it guarantees the protection of fundamental human rights. It goes without saying that Wienerberger tolerates neither child labor nor forced labor nor any form of discrimination.

Wienerberger is steadily pursuing the strictly defined target of “zero incidents of corruption” and expects all its employees to act accordingly. In 2021, Wienerberger elaborated a group-wide Code of Conduct, which was implemented in parallel with a whistle-blowing service. 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 ecological and social standards, which we communicate clearly in our group-wide Supplier Code of Conduct.

For further information, please refer to the chapters “ESG: Governance & Management Approach”, starting on page 35, and “Employees & Social Impacts”, starting on page 137.

BUSINESS ETHICS & SOCIAL IMPACTS

<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>8.8 <i>Protect labor rights and promote safe and secure working environments for all workers.</i></p>
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>11.1 <i>By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.</i></p>
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>16.5 <i>Substantially reduce corruption and bribery in all their forms.</i></p> <p>16.6 <i>Develop effective, accountable and transparent institutions at all levels.</i></p> <p>16.7 <i>Ensure responsive, inclusive, participatory and representative decision-making at all levels.</i></p>



CLIMATE PROTECTION & ADAPTATION TO CLIMATE CHANGE

The building sector accounts for more than one third of worldwide energy consumption and almost 40% of CO₂ emissions.

Wienerberger product and system solutions have a long useful life of over 100 years and help to make buildings climate-neutral. With our building and infrastructure systems, we provide long-term solutions for the adaptation to climate change. Moreover, we are consistently pursuing the target of reducing our own greenhouse gas emissions. This is how we support the European Green Deal and set the course for the future.

Target of our Sustainability Program 2023



15 %

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

Apart from the long-term target of becoming climate-neutral by 2050, Wienerberger has also set itself short-term targets as milestones along the way. Our contribution to climate protection comprises a wide range of measures: the enhancement of our production and energy efficiency, the dematerialization of our product and system solutions, the decarbonization of raw materials, and the switch to climate-neutral or low-emission energy sources. At the same time, we are developing new technologies to further reduce CO₂ emissions in our production.

1) Based on product-group-specific KPIs; all CO₂ indicators refer to carbon dioxide equivalents (CO₂e).



Climate Protection & Adaptation to Climate Change

Current global warming, 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 heatwaves and droughts. Companies in all sectors and industries are therefore urgently called upon to swiftly reduce the greenhouse gas emissions caused by their processes and products. At the same time, climate-friendly business models open up great economic opportunities and drive innovations.

For Wienerberger, climate change mitigation and adaptation to climate change along the entire value chain are material topics in Wienerberger's mission to improve people's quality of life and create a better world for future generations. Wienerberger has already reduced its CO₂ emissions by more than 7% between 2013 and 2020.

“Our long-term goal is to implement the European Green Deal: To reach our target of being climate-neutral not later than 2050, we are pursuing a clear strategy. Wienerberger's medium-term target is to reduce its CO₂ emissions by 40% by 2030, as compared to 2020. Our short-term targets to be attained along the way are transparently disclosed in our Sustainability Program 2023.”

Heimo Scheuch, CEO of Wienerberger

Finance flows are to be directed onto a path toward lower greenhouse gas emissions and climate-resilient development. The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB) serve to advance this target. Meanwhile, sustainability-related financial reporting has become part of the regulatory framework in the European Union. With its Taxonomy Regulation¹, the EU intends to achieve alignment with the objectives of the Green Deal and meet the growing demand of investors for information on ecologically and socially sustainable economic activities. In the near future, we will therefore be seeing a convergence of financial and sustainability reporting in Europe.

In previous years, Wienerberger already used the opportunity to clearly and transparently disclose its contribution to the attainment of climate protection targets. Since 2020, we have voluntarily followed the TCFD recommendations in our reporting. The TCFD recommendations and the Taxonomy Regulation of the EU confirm our strategic orientation and the targets of our Sustainability Program 2023 in respect of climate change mitigation and climate change adaptation.

Our commitment to climate change mitigation and climate change adaptation comprises the following three core areas:

Climate-neutral production by 2050: We are making a consistent effort to reduce greenhouse gas emission along our entire value chain, the target being to achieve climate neutrality in production by 2050. We have already identified the necessary technologies and measures and defined their use and roll-out in a structured roadmap for their implementation, which we are following step by step.

Climate-neutral building solutions with our products and systems: Wienerberger products and systems are designed to make buildings climate-neutral. The classification system of the EU Taxonomy Regulation provides a framework for benchmarking and transparent communication of our commitment.

Solutions for the adaptation to climate change: With our building and infrastructure systems, we provide solutions for the adaptation to climate change. These range from roof and wall systems, façade solutions and building technology to innovative piping systems for a secure supply of energy and water, as well as systems for rainwater and wastewater.

¹) The EU Taxonomy Regulation creates a uniform classification system for sustainable economic activities. This legal framework sets out detailed conditions to be met by an economic activity if it is to be classified as economically sustainable.



Climate-related scenario analysis

In 2022, Wienerberger performed a climate-related scenario analysis in accordance with the method recommended by TCFD in order to better assess the opportunities and risks arising from climate change and to plan and act accordingly. Two scenarios dealing with the consequences of future climate change, depending on the mitigation measures taken and the volume of the remaining greenhouse gas emissions, were examined. Additionally, the resilience of the Group under different future climate scenarios was analyzed (see page 85). The analysis of climate-related opportunities confirms the relevance of the Wienerberger Sustainability Program 2023 as part of the corporate strategy, including the target of decarbonization in our production. The range of solutions for climate-neutral buildings as well as solutions for adaptation to climate change, as described on pages 98-102 of this chapter, are in line with these opportunities. Within the framework of the EU Taxonomy Regulation, Wienerberger discloses the percentages of our economic activities that contribute to the target of climate change mitigation. In respect of this climate target, the Taxonomy Regulation provides a platform for Wienerberger to describe its share of solutions for climate-efficient and climate-neutral buildings (details starting on page 104).

Details and definitions of Wienerberger's climate-related reporting

CO₂ and CO₂e: Flue gas analyses performed regularly in our plants have shown that among the greenhouse gases regulated by the Kyoto Protocol¹ CO₂ is the only one of relevance to the Group. In its climate protection efforts, Wienerberger therefore focuses on decarbonization (reduction of CO₂ emissions) along its value chain (see pages 25-29).

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 and reported as CO₂ equivalents or CO₂e (calculation according to market-based method²).

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

Global Warming Potential (GWP): By definition, CO₂ has a GWP of 1, regardless of the period of time considered, as it is the gas used as a reference.³ For Wienerberger, with CO₂ being the only relevant greenhouse gas, Therefore, our data on CO₂ equals GWP and CO₂e.

Scope 3 emissions: Relevant Scope 3 emissions, i.e. indirect emissions resulting, for instance, from the purchase, transport, or sale of raw materials and substances, will be disclosed in the Annual Report 2023.

Structure of this chapter

In our activities relating to climate change mitigation and the adaptation to climate change, we differentiate between the fields of action listed below. Our possibilities of addressing these fields of action, challenges, and opportunities, as well as our performance in 2022, are explained in detail in the following sections of this chapter:

- › Climate protection in our production (Scope 1 and Scope 2)
- › TCFD – Climate-related disclosures focusing on climate change
- › Climate protection with our product and system solutions
- › Building and infrastructure solutions for adaptation to climate change
- › Water management
- › Disclosures pursuant to the EU Taxonomy Regulation
- › Decarbonization in sourcing and distribution

1) The Kyoto Protocol applies to the following greenhouse gases: carbon dioxide (CO₂, reference value), methane (CH₄), nitrous oxide (laughing gas, N₂O), partially halogenated hydrofluorocarbons (H-FKW/HFC), perfluorocarbons(FKW/PFC), 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.

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

3) https://www.ghgprotocol.org/sites/default/files/ghgp/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_1.pdf



Climate protection in our production (Scope 1 and Scope 2)

Wienerberger's objective is to be climate-neutral by 2050, which also means becoming climate-neutral in production. The relevance of this target was confirmed by the climate-related scenario analysis performed in 2022 (see page 85). To meet this objective by 2050, we have developed new technologies, identified the necessary measures, and defined a roadmap for their implementation. This includes a continuous increase in production and energy efficiency, the dematerialization of our product and system solutions, a careful selection of raw materials, and the conversion of energy consumption to climate-neutral electricity and low-emission or climate-neutral thermal energy sources, always in combination with the development of new technologies for the reduction of CO₂ emissions¹.

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. Climate protection and, in particular, decarbonization in production are environmental topics of top priority for the Wienerberger Group.

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) compared to 2020"*²

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.

"In 2022, Wienerberger succeeded in reducing its group-wide CO₂ emissions (Scope 1 and Scope 2) by more than 13% compared to 2020."

The reduction achieved by 2022 is attributable to the comprehensive decarbonization programs in our production (details starting on page 115). 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 electrification and the avoidance or recovery of waste heat, as well as product, process, and portfolio optimization.

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.

Wienerberger is continuously reducing its Scope 2 emissions from group-wide electricity consumption. 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 remaining share of electricity from fossil sources.

¹ Greenhouse gases such as methane, nitrous oxide, or chlorofluorocarbons (CFCs) are irrelevant in Wienerberger's 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 protection reporting therefore always refer to emissions in carbon dioxide equivalents (CO₂e).

² Measured on the basis of product-group-specific KPIs



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

- › Our path to climate neutrality by 2050
- › Use of energy sources in our production processes
- › Controlling systems and data collection
- › Method of index calculation for specific indicators
- › Specific direct CO₂ emissions (Scope 1) and indirect CO₂ emissions from electricity (Scope 2)
- › Absolute direct CO₂ emissions (Scope 1) and indirect CO₂ emissions from electricity (Scope 2)
- › Specific energy consumption
- › Absolute energy consumption
- › 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 specific CO₂ emissions by 40% by 2030, as compared to 2020. This is to be achieved through targeted programs and measures.

CLIMATE PROTECTION MEASURES IN OUR PRODUCTION

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 listed belows:

Enhancement of production and energy efficiency: *Measures to enhance energy efficiency contribute to the reduction of specific CO₂ emissions in production. In this context, new production technologies (see below) play an important role.*

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.*

Decarbonization of raw material mixes: *Changes in mix formulas in favor of use low-emission or climate-neutral raw materials, with product quality and product properties remaining the same (wherever possible).*

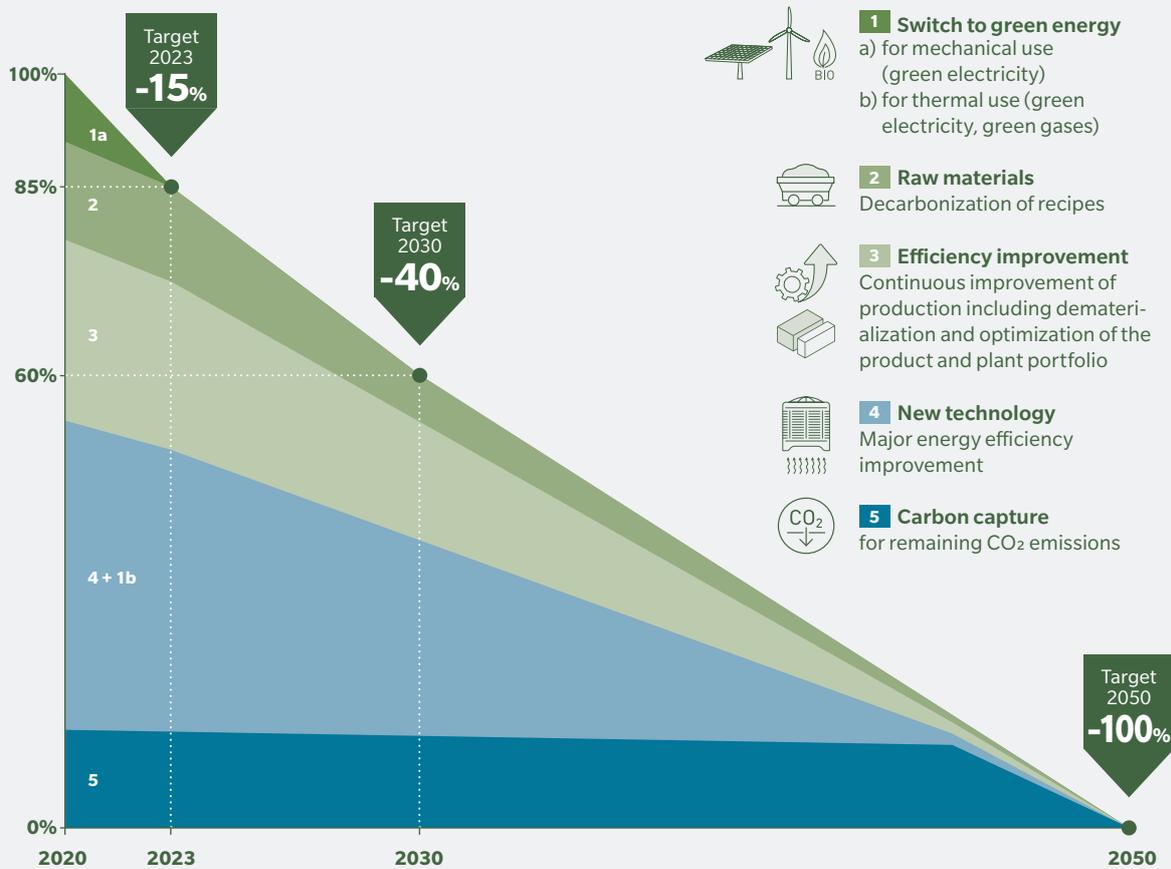
Conversion to climate-neutral energy sources: *Evaluation of options for the use of alternative energy generation systems and/or sustainable energy sources at various production sites.*

New production technologies: *Implementation of further R&D projects concerning new technologies for kilns, dryers, and heat pumps, as well as raw material preparation.*



WIENERBERGER'S PATH TO CARBON NEUTRALITY BY 2050

FOR SCOPE 1 AND SCOPE 2 EMISSIONS





Specific examples of the aforementioned measures to reduce direct CO₂ emissions (Scope 1) include the use of heat pump technology for enhanced energy efficiency of the drying process or highly efficient, novel kiln technology based on green electricity.

Climate-neutral ceramic plant at Kortemark

At the Kortemark production site in Belgium, Wienerberger started up the world's first climate-neutral ceramic plant operating on the highly efficient, novel kiln technology. In this solution developed by Wienerberger, both the dryer and the kiln used for the production of climate-neutral slim bricks are running entirely on electricity, 25% of which is generated by an on-site photovoltaic installation. The remaining demand is met entirely by green electricity. Energy from fossil sources is not used at all.

CO₂ footprint of Uttendorf plant to be reduced by 90%

Another example is the Uttendorf project for the production of clay blocks. Wienerberger intends to reduce the CO₂ footprint of production by 90% through the use of a high-efficiency kiln operating on green electricity.

Projects like these confirm the feasibility of our target to become climate-neutral by 2050.

Wienerberger is reducing its Scope 2 emissions by converting its production to green electricity procured primarily from external generators. To this end, Wienerberger concludes power purchase agreements (PPA) and buys green electricity certified pursuant to the EU Renewable Energy Directive. Moreover, the company uses its own generation facilities, such as solar panels, and offsets the remaining share of electricity from fossil sources.

In 2022, Wienerberger invested more than € 60 million in ESG projects, including over € 39 million for decarbonization projects (compared to approximately € 32 million capex in 2021). This corresponds to a share of over 65 %.

Use of energy sources in our production processes

Use and application of the different energy sources in our production processes vary greatly, depending on the product group. We distinguish between the following fields of production:

- › **Ceramic production (clay blocks, roof tiles, facing bricks and pavers, as well as ceramic pipes):** Mainly thermal energy for the drying process and to heat the kilns for firing. Electrical energy is used for raw material mixing and preparation, extrusion, grinding, and transport.
- › **Production of plastic pipes:** Mainly for the operation of plant and equipment to heat plastic granulates in the extruder and shape the material mix by means of a die.
- › **Production of concrete and calcium silicate products of the North America Business Unit:** Mainly for heat treatment of products under high pressure for autoclaving.
- › **Production of concrete pavers:** Mainly for the operation of plant and equipment for mixing, shaping, drying, and surface treatment (washing, grinding, blasting, or coating).

The disclosures on the use of energy sources are based on actual group-wide consumption values (see also page 84). Data relating to absolute and specific energy consumption, relative to the quantities of products ready for sale, are converted into a unit harmonized across the Group on the basis of consumption values.



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 2022 report, the actual energy and emission data from 01/01/2022 up to and including 31/10/2022 were recorded and reported together with estimates for November and December 2022 (see also section “Our non-financial reporting”, page 52). After the end of the year, the emission indicators were revised on the basis of the data recorded up to December 31 and corrected if predefined benchmarks were 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
- › **Thousand normal formats (TNF)** for clay blocks
- › **Tons** for plastic pipes, ceramic pipes, and other concrete products

These indicators 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 baseline year, the values of which are set at 100%.

The index-linked specific indicators, such as energy input or CO₂ emissions relative to the amount of products ready for sale, reflect the development of the individual product groups over time. The index-linked specific energy input is indicated in % based on kWh/quantity of products ready for sale (2020 = 100%). Index-linked specific CO₂ emissions are indicated in % based on kg CO₂/quantity of products ready for sale (2020 = 100%).



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

Index of specific direct (Scope 1) and indirect (Scope 2) CO ₂ emissions ¹⁾²⁾	2020	2021	2022	Chg. vs. Baseline year 2020 in %
in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)				
Clay blocks	100.0	92.7	85.1	-14.9
Roof tiles (clay and concrete)	100.0	94.2	90.0	-10.0
Facing bricks and clay pavers	100.0	95.1	90.9	-9.1
Concrete pavers	100.0	89.5	0.0	-100.0
Wienerberger Building Solutions	100.0	93.6	87.0	-13.0
Plastic pipes	100.0	5.6	6.5	-93.5
Ceramic pipes	100.0	97.7	95.3	-4.7
Wienerberger Piping Solutions	100.0	31.2	34.1	-65.9
Facing bricks and concrete pavers	100.0	99.4	94.1	-5.9
Façade (calcium silicate products)	100.0	97.5	95.5	-4.5
Concrete products	100.0	94.2	95.8	-4.2
Plastic pipes	100.0	95.0	98.4	-1.6
North America	100.0	99.0	94.2	-5.8
Wienerberger Group	100.0	91.9	86.8	-13.2

1) The calculation excluded CO₂ emissions from biogenic input materials. // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details, see page 53). // 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.

In 2022, Wienerberger significantly reduced the total of specific direct (Scope 1) and indirect CO₂ emissions (Scope 2) by 13.2% compared to the 2020 baseline year. This success was due to Wienerberger's comprehensive programs and activities aimed at the decarbonization of the production process (see page 115). Moreover, Wienerberger reported a substantial increase in its 2022 production volumes, which in turn resulted in higher specific energy efficiency and lower emissions compared to the 2020 baseline year. This shows that we are well on our way toward achieving the target set in the Wienerberger Sustainability Program 2023, which is to reduce our specific CO₂ emissions (Scope 1 and 2) by 15% by 2023 compared to 2020.

Specific CO₂ emissions 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 75.

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



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

Index of specific direct CO ₂ emissions (Scope 1) ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	96	92	-8
Roof tiles (clay and concrete)	100	98	96	-4
Facing bricks and clay pavers	100	99	95	-5
Concrete pavers ³⁾	100	100	100	0
Wienerberger Building Solutions	100	97	93	-7
Plastic pipes	100	99	100	0
Ceramic pipes	100	98	95	-5
Wienerberger Piping Solutions	100	99	99	-1
Facing bricks and concrete pavers	100	100	95	-5
Façade (calcium silicate products)	100	100	96	-4
Concrete products	100	98	99	-1
Plastic pipes ³⁾	100	100	100	0
North America	100	100	96	-4
Wienerberger Group	100	97	94	-6

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 four companies newly acquired in 2022, 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 2022 reporting year (for details, see page 53). // 3) As certain product groups do not generate Scope 1 emissions, the value remains unchanged compared to the previous 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.

In 2022, Wienerberger succeeded in reducing its specific CO₂ emissions from primary energy sources and raw materials (excluding biogenic input material) by 6% compared to the 2020 baseline year. Ceramic production accounts for the highest share in direct CO₂ emissions (Scope 1). The reduction was largely driven by the Wienerberger Building Solutions (WBS) Business Unit. WBS was able to reduce its CO₂ emissions by 7% compared to baseline through a variety of comprehensive measures taken in 2022, including (see also page 72):

- › Increase in production and energy efficiency
- › Dematerialization and efficient use of raw materials
- › Decarbonization of raw material mixes
- › Conversion to climate-neutral energy sources
- › New production technologies



Specific indirect CO₂ emissions from electricity (Scope 2)

Index of specific indirect CO ₂ emissions (Scope 2) ¹⁾²⁾ in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	97	93	-7
Roof tiles (clay and concrete)	100	96	94	-6
Facing bricks and clay pavers	100	96	96	-4
Concrete pavers	100	89	0	-100
Wienerberger Building Solutions	100	97	94	-6
Plastic pipes	100	6	6	-94
Ceramic pipes ³⁾	100	100	100	0
Wienerberger Piping Solutions	100	32	35	-65
Facing bricks and concrete pavers	100	99	99	-1
Façade (calcium silicate products)	100	98	99	-1
Concrete products	100	97	97	-3
Plastic pipes	100	95	98	-2
North America	100	99	99	-1
Wienerberger Group	100	95	93	-7

1) The calculation of specific indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // 3) As no Scope 2 emissions were generated through the production of ceramic pipes by Wienerberger Piping Solutions from 2020 to 2022, the values remain unchanged compared to the previous year. // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

In 2022, Wienerberger succeeded in reducing its specific indirect CO₂ emission from purchased electricity by 7% compared to the 2020 baseline year. The reduction was primarily driven by 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 generation of green electricity from group-owned facilities (e.g. solar panels). As a result of these steps and initiatives, specific indirect CO₂ emissions were reduced in all business units and their product groups.



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

Absolute direct (Scope 1) and indirect (Scope 2) CO ₂ emissions ^{1) 2)} in kilotons	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	1,468.4	1,477.1	1,473.3	+0
Roof tiles (clay and concrete)	376.4	398.5	403.9	+7
Facing bricks and clay pavers	537.3	559.4	554.7	+3
Concrete pavers	0.0	9.5	0.0	-
Wienerberger Building Solutions	2,392.8	2,444.5	2,431.9	+2
Plastic pipes	61.8	3.5	3.6	-94
Ceramic pipes	20.9	23.5	23.7	+13
Wienerberger Piping Solutions	82.8	27.0	27.3	-67
Facing bricks and concrete pavers	154.1	165.3	440.0	+186
Façade (calcium silicate products)	6.9	7.7	8.0	+17
Concrete products	0.9	1.0	2.4	+160
Plastic pipes	0.0	13.7	13.3	-
North America	174.5	187.7	463.7	+167
Wienerberger Group	2,650.1	2,659.2	2,922.9	+10

1) Direct CO₂ emissions (Scope 1): ETS and non-ETS. ETS source: 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 emissions from the production process are also reported. Including CO₂ emissions from biogenic input material. 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. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

In 2022, absolute CO₂ emissions (Scope 1 and Scope 2, including CO₂ emissions from biogenic input material) amounted to 2,923 kilotons, up by 10% from the 2020 baseline year (2,650 kilotons).

On the one hand, the development of absolute CO₂ emissions in 2022 was influenced by the significantly higher production output compared to the 2020 baseline year and by acquisitions. On the other hand, thanks to our initiatives and projects aimed at reducing CO₂ emissions, absolute CO₂ emissions increased less strongly (+10%) than the Wienerberger Group's absolute energy consumption (+28%) compared to the 2020 baseline year.

Further details on the development of absolute CO₂ emissions are contained in the following sections.



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

Absolute direct CO ₂ emissions from primary energy sources and raw materials (Scope 1) ¹⁾²⁾ in kilotons	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	1,355.3	1,396.7	1,436.3	+6
Roof tiles (clay and concrete)	328.8	360.8	376.0	+14
Facing bricks and clay pavers	513.8	557.0	551.7	+7
Concrete pavers	–	0.0	0.0	–
Wienerberger Building Solutions	2,197.8	2,314.4	2,364.0	+8
Plastic pipes	3.8	3.5	3.6	–5
Ceramic pipes	20.9	23.5	23.7	+13
Wienerberger Piping Solutions	24.7	27.0	27.3	+11
Facing bricks and concrete pavers	125.4	135.9	370.1	+195
Façade (calcium silicate products)	5.3	6.1	6.2	+17
Concrete products	0.1	0.1	0.0	–34
Plastic pipes	–	0.0	0.0	–
North America	131.4	142.1	376.4	+188
Wienerberger Group	2,355.0	2,483.5	2,767.7	+18

1) ETS and non-ETS. ETS source: 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 emissions from the production process are also reported. Including CO₂ emissions from biogenic input material. Quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

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 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 EU Transaction Log (EUTL) is used as a data source. We record and report the direct CO₂ emissions of the entire Wienerberger Group, including emissions of plants not covered and regulated by the EU ETS. The direct CO₂ emissions of all product groups of the Wienerberger Group are reported.

The development of absolute direct CO₂ emissions of the Wienerberger Group was strongly influenced by notably higher production volumes in 2022 compared to 2020 and by acquisitions. Especially for the North America Business Unit, the first-time inclusion of the non-financial indicators of Meridian, a company acquired at the end of 2021, resulted in a significant increase of its 2022 production volume and higher absolute direct CO₂ emissions.



Absolute indirect CO₂ emissions from electricity (Scope 2)

Absolute indirect CO ₂ emissions from electricity (Scope 2) ¹⁾ in kilotons	2020	2021	2022	Chg. vs. base year 2020 in %
Clay blocks	113.2	80.4	37.0	-67
Roof tiles (clay and concrete)	47.7	37.7	27.9	-41
Facing bricks and clay pavers	23.6	2.5	3.0	-87
Concrete pavers	10.6	9.5	0.0	-100
Wienerberger Building Solutions	195.0	130.1	67.9	-65
Plastic pipes	58.1	0.0	0.0	-100
Ceramic pipes	0.0	0.0	0.0	-
Wienerberger Piping Solutions	58.1	0.0	0.0	-100
Facing bricks and concrete pavers	28.7	29.3	69.9	144
Façade (calcium silicate products)	1.5	1.6	1.8	19
Concrete products	0.9	1.0	2.3	174
Plastic pipes	12.1	13.7	13.3	10
North America	43.1	45.6	87.3	102
Wienerberger Group	296.2	175.6	155.2	-48

1) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

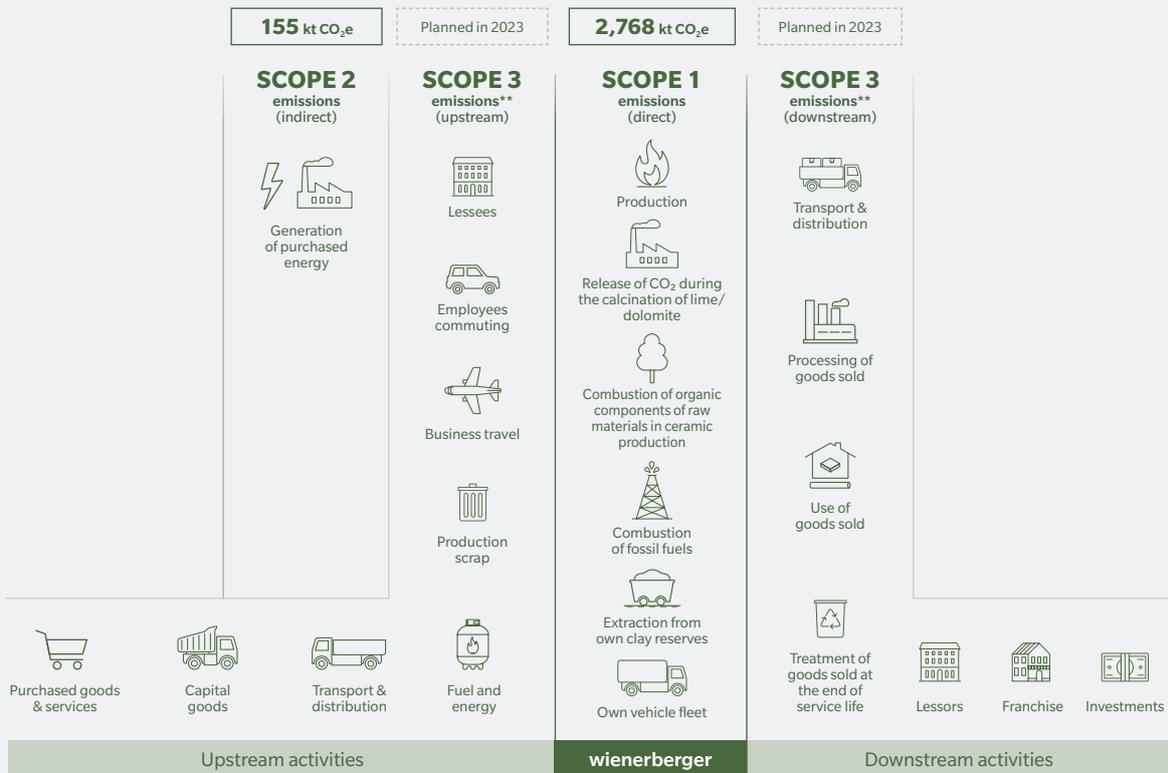
Wienerberger succeeded in reducing its absolute indirect CO₂ emissions (Scope 2) by an impressive 47.6% compared to the 2020 baseline year. This achievement was attributable to Power Purchase Agreement (PPA) projects, the purchase of green electricity certified pursuant to the EU Renewable Energy Directive, and the generation of green electricity from group-owned facilities (e.g. solar panels).

Compared to the 2020 baseline year, the Wienerberger Building Solutions Business Unit recorded a steep 65% reduction of its absolute direct CO₂ emissions from electricity. In 2022, the Wienerberger Piping Solutions Business Unit again reported net-zero indirect CO₂ emissions from electricity, as already in the previous year. For the North America Business Unit, the first-time inclusion of the non-financial indicators of Meridian, a company acquired at the end of 2021, resulted in a significant increase of its 2022 production volume and consequently higher absolute direct CO₂ emissions. By the end of 2023, Wienerberger will further reduce the Group's Scope 2 emissions versus the 2020 baseline year.



ABSOLUTE CO₂e EMISSIONS*

SCOPE 1 AND 2 IN 2022



* 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 disclosed as of the 2023 reporting year. The data collection structures and processes were optimized accordingly in 2022.

Quality and environmental management systems

Quality management systems (QMS) have been installed at all our plants, many of them certified according to ISO 9001. Environmentally relevant aspects are also integrated in our existing quality management systems. Meanwhile, more than 50% of all production sites have been certified according to ISO 14001 Environmental Management Systems or are in the process of certification. 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+) in 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.



Specific energy consumption

Index of specific energy consumption ¹⁾²⁾ in %, based on kWh/quantity of products ready for sale (2020 = 100 %)	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	101	101	+1
Roof tiles (clay and concrete)	100	98	98	-2
Facing bricks and clay pavers	100	99	97	-3
Concrete pavers	100	101	91	-9
Wienerberger Building Solutions	100	100	99	-1
Plastic pipes	100	99	105	+4
Ceramic pipes	100	93	90	-10
Wienerberger Piping Solutions	100	97	98	-2
Facing bricks and concrete pavers	100	100	93	-7
Façade (calcium silicate products)	100	99	94	-6
Concrete products	100	92	98	-2
Plastic pipes	100	95	98	-2
North America	100	100	93	-7
Wienerberger Group	100	99	97	-3

1) Total energy consumption includes energy consumed in production, but excludes administration (except in a few individual cases where separate invoicing is not possible). // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

For specific energy consumption, as shown in the above table, absolute energy consumption in kWh, relative to the quantity of products ready for sale (in tons, m², or TNF), is calculated versus the 2020 baseline year (as an index in %, based on kWh/quantity of products ready for sale; 2020 = 100%). See also methods of index calculation for the specific indicators on page 75.

In 2022, the index of specific energy consumption by the Wienerberger Group was 3% below that of the 2020 baseline year. This is attributable to the energy efficiency projects implemented by Wienerberger in 2022. Moreover, in 2022 Wienerberger succeeded in substantially increasing its production volumes, and consequently its specific energy efficiency, compared to baseline. Owing to the aforementioned impacts, continuously implemented measures aimed at reducing specific energy consumption were successful in almost all product groups.

While the Wienerberger Group's specific energy consumption in 2022 declined by 3% compared to the 2020 baseline year, specific CO₂ emissions were decreased even more sharply by 13.2% (see table on page 76). 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. For details, please refer to the section starting on page 72.



Absolute energy consumption

Consumption of energy sources ¹⁾²⁾ in gigawatt-hours	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Natural gas	6,319.0	6,837.0	8,205.7	+30
Total of other fossil energy sources ³⁾	72.0	66.0	67.0	-6
Electricity	1,040.3	1,090.0	1,210.2	+16
Wienerberger Group	7,431.0	7,993.0	9,482.9	+28
Percentage of renewable energy in total electricity consumption in %	42 %	56 %	54%	+30

1) Total energy consumption includes energy consumed in production, but excludes administration (except in a few individual cases where separate invoicing is not possible). // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // 3) Coal, fuel oil, and LNG // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Wienerberger regards the enhancement of production and energy efficiency as a crucial climate protection measure. Our short-term climate protection target (minus 15% by the end of 2023) refers to 2020 as the baseline year. We therefore also report the changes in our absolute energy consumption relative to the 2020 baseline year.

In 2022, the Wienerberger Group's total energy consumption increased by 28% compared to baseline. This is primarily due to acquisitions and the fact that production volumes were substantially higher in 2022 than in 2020. The major part of the Group's absolute energy consumption is accounted for by natural gas, up by 30% in 2022 compared to 2020. Electricity consumption increased by 16% over the value reported in 2020. It is important to note that in 2022 Wienerberger succeeded in significantly increasing its production volume, while production volumes were lower in 2020 primarily on account of the COVID pandemic. Major acquisitions closed in 2021 and included in non-financial reporting for the first time in 2022, such as Meridian in North America, also resulted in higher production volumes than in 2020. These developments had a direct influence on the Wienerberger Group's absolute energy consumption.

Wienerberger is making continuous efforts to convert production processes to low-emission energy sources. The substitution of high-emission energy sources is a matter of high priority for us. In 2022, despite a notable increase in production volumes, the consumption of coal, fuel oil, and liquefied natural gas (LNG) dropped by a total of 6% compared to 2020. As these sources of energy only meet a very small part of the Group's total energy demand, their consumption is reported as an aggregate figure.

In 2022, the share of renewable energy sources in the Group's electricity consumption (in kWh) rose to 54% (2020: 42%), corresponding to an increase by one third (+30% in relative terms). 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.



TCFD – Climate-related disclosure with focus on climate change

Since 2020, Wienerberger has supported the voluntary recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) (see page 39). This way we ensure transparency and the implementation of measures around climate-related opportunities and risks on the path towards a low-carbon economy by 2050. Identified climate opportunities are part of our business strategy and are integrated in our Sustainability Program 2023. The identification, assessment, and effective management of climate risks is an integral part of our current risk management process. For a detailed description, please refer to the Management Report starting on page 248.

Phased approach to integration of the TCFD recommendations

This is Wienerberger's second year of TCFD disclosure, reflecting our actions and processes as of December 31, 2022. The Group is applying a phased approach to integrating the TCFD recommendations over time, recognizing that disclosing the recommended information is not defined as a "one-off" analysis, but as a continuous process. We will therefore continue to enhance our TCFD disclosures as both our business and climate science evolve. Under the TCFD core element "Strategy"¹ (one of the four TCFD core elements: Governance, Strategy, Risk Management, and Metrics and Targets) we implemented the following phases (see table on TCFD core elements on page 55):

(1) Phase 1 – implemented in 2021: identification of climate-related risks and opportunities and definition of potential impact on our business, using the following categories:

- › **Transition opportunities and risks:** These are linked to the impact of transition to a low-carbon economy (e.g., carbon pricing schemes, future policy requirements on the energy efficiency of buildings).
- › **Physical opportunities and risks:** These are linked to the impact of acute risks (e.g., the increased severity of hurricanes/droughts) and chronic risks (longer-term shifts in climate patterns such as a sustained increase in temperatures).

All risks were assessed over the short term (up to one year), medium term (one to five years) and long term (five to 25 years) in line with the observation horizons described in the chapter "Risk Management and the Internal Control System" on page 248.

All opportunities were assessed over the short term (up to five year), medium term (up to ten years) and long term (up to 25 years) in accordance with management expectations and corresponding to the annual planning process.

(2) Phase 2 – implemented in 2022: Implementation of climate-related scenario analysis.

(3) Phase 3 – planned for 2023: Focus on the fourth TCFD core element, "Metrics and Targets".

In 2021, Wienerberger conducted an internal review of its risk identification processes, including interviews and workshops, to identify material climate-related opportunities and risks. The aim was to give the Group an understanding of how the latter currently impact on its business in order to capitalize on strategic business opportunities, enhance resilience to any identified risks, and inform stakeholders about its business strategy going forward. Upon conclusion of this exercise, Wienerberger was able to identify a number of key opportunities which build on our Sustainability Program 2023 in line with EU Taxonomy requirements. The Group was also able to identify climate-related risks and incorporate them in the existing risk register. The Managing Board and the Supervisory Board were jointly responsible for the oversight of this process.

Building on the baseline assessment exercise carried out in 2021, Wienerberger, in collaboration with a leading external climate consultancy firm, conducted a scenario analysis of previously identified material opportunities and risks to understand how they would develop under different future scenarios. The exercise validates our previous work and represents the next step in our phased approach to integrating the recommendations of the TCFD over time. This analysis allowed Wienerberger to further integrate the topic of climate change into our business strategy and risk management procedures, further enhancing resilience and allowing us to better assess future business opportunities.

1) TCFD Good Practice Handbook, 2nd Edition: www.cdsb.net



TCFD – Climate-related opportunities from products

In 2022, Wienerberger reaffirmed its strategic priority of analysis and assessment of the climate-related opportunities from products in the context of TCFD arising on the path towards a low-carbon economy by 2050.

The table on pages 86-88 provides an overview of the climate-related opportunities broken down by product groups and their effects on the business, strategy, and financial planning of the Group. The magnitude of the positive financial impact is classified as high (above EUR 50 million), medium (between EUR 20 and 50 million), and low (below EUR 20 million). The opportunities are continuously evaluated, and appropriate measures and initiatives are taken to fully exploit the identified potential. In 2022, all categories were re-evaluated.

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	Long-term	Solutions that contribute to climate adaptation	Development of monolithic exterior wall solutions which make homes naturally climate resilient. The innovative clay blocks with integrated insulation (separate product group) and mortar combines high thermal insulation and maintain the level of functioning and structure during the long lifetime (> 100 years).	High	Increased revenue through solutions contributing to climate change adaptation needs
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. 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	Resource efficiency	Development of resilient building products (building lifetime >100 years vs. insulation lifetime of 35 years).	High	Increased revenue from products contributing to circular economy; reduced direct costs through efficiency gains
Walls	Medium-term	Resource efficiency	Products which contain increased secondary materials as well as products which are reusable and recyclable.	High	Increased revenue from products contributing to circular economy; reduced cost of abatement/carbon tax
Roof	Medium-term	Solutions that contribute to climate adaptation	Renovation of roofs with roof solutions with high thermal insulation properties.	High	Increased revenue through solutions contributing to climate change adaptation needs and circular economy



Product Category	Time Horizon ¹	Contribution to Climate Strategy	Opportunity	Magnitude of Financial Impacts ²	Financial Impacts
Roof	Medium-term	Resource efficiency	Collection of circular roof products which are reusable and recyclable.	Medium	Increased revenue from products contributing to circular economy; reduced cost of abatement/carbon tax
Roof	Medium-term	Solutions that contribute to building energy efficiency and decarbonization	Solar-panel integrated roof solutions (e.g., Wevolt X-tile and X-Roof, Alegra 10 Wevolt solar roof tiles).	Medium	Increased revenue due to shifting consumer demand for energy efficient production
Façade	Medium-term	Resource efficiency	Use of secondary raw materials (fired clay) in the production of facing bricks.	Medium	Increased revenue through new solutions to climate adaptation needs; lower operating costs through efficiency improvements
Façade	Short-term	Solutions that contribute to building energy efficiency and decarbonization	Development of thinner/dematerialized façade solutions with high thermal insulation properties (e.g., Eco-brick and brick slips) made of natural clay building materials.	Medium	Increased revenue through demand for solutions from low-emission production; reduced direct costs through efficiency gains
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 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	Solutions that contribute to building energy efficiency and decarbonization	Development of inhouse floor heating, heat pumps, hot/cold systems, and geothermal solutions.	High	Increased revenue through demand for solutions from low-emission production; reduced direct costs through efficiency gains
Plastic pipes	Medium-term	Products that contribute to climate adaptation	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 adaptation	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



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 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 adaptation	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 aggregates.	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 adaptation	Development of permeable concrete and clay surfaces (e.g., 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 positive Financial Impacts

- › High – above EUR 50 million
- › Medium – between EUR 20 and 50 million
- › Low – below EUR 20 million



TCFD – Climate-related scenario analysis

As part of its sustainability agenda, Wienerberger is looking to increasingly align with the recommendations of the TCFD, including the use of climate-related scenario analyses, to better understand, manage, and communicate its climate change opportunities and risks.

In 2022, Wienerberger conducted a scenario analysis considering two scenarios addressing the uncertainty of future climate change and exploring the Group's resilience in different climate change futures. The "high-mitigation" scenario adheres to the Paris Agreement, while the other one reflects a "no-mitigation" scenario. These scenarios are recognised as best practice in industry and across the scientific community to understand climate-related impacts on a business. A short explanation and the reason for their inclusion are provided in the table on page 90. Scientific data and literature were used to review the outcome of the analysis and to validate the results.

This chapter provides a concise summary of the outcome of a qualitative assessment of climate-related opportunities and risks under a scenario analysis. The outcome does not reflect any financial implications for Wienerberger, as they have not yet materialised with a sufficient probability. It relies on assumptions that may or may not eventuate, and scenarios may be impacted by factors in addition to the assumptions disclosed. The structure covers the following topics:

- › Goal of the scenario analysis
- › Processes for identifying and assessing climate-related opportunities and risks
- › Key concepts in line with best practice
- › Selection of climate scenarios
- › Results from selected scenarios
- › Case studies on physical opportunities and risks
- › Summary and next steps

Goal of the scenario analysis

- › To understand Wienerberger's most material transition and physical opportunities and risks (see Risk Report in the chapter "Consolidated Financial Statements" on page 316 for the full list of risks).
- › To evaluate the business under different versions of the future (scenarios) based on different levels of global warming.

Processes for identifying and assessing climate-related opportunities and risks

- › **Governance in place** – In the first phase of the scenario analysis, the Corporate Sustainability & Innovation Department informed and involved the Managing Board and the Sustainability and Innovation Committee members as well as the senior management. The project was fully supported and encouraged.
- › **Baseline assessment** – In the second phase, Wienerberger held workshops with key internal stakeholders along the value chain to develop a long list of climate-related opportunities and risks. A short list with 19 topics was prioritized for further assessment.
- › **Scenario analysis** – In the third and last phase, a scenario analysis was performed, focusing on the shortlisted items in line with best practice in climate science.

Key concepts in line with best practice

- › Two relevant time horizons to analyse the climate future – medium-term up to the year 2030 and long-term up to the year 2050.
- › Two climate scenarios and the reason for their inclusion are described in the table on page 90.



Selection of climate scenarios

Transition risks	<p>High-mitigation scenario: Sustainable Development Scenario (SDS), a Paris Agreement-aligned scenario, provided by the International Energy Agency (IEA), which analyses a world with a global temperature increase well below 2°C</p> <p>Description of scenario: This scenario illustrates the connections and dependencies across technologies, policies, geographies, and economic outcomes as the world strives toward a global warming goal of well below 2°C. It considers any existing or announced policies that are instrumental in the achievement of the Paris Agreement’s ambitions (considering socio-economic aspects). By 2100, this ‘well below 2°C scenario’ results in an increase in global temperatures limited to 1.6°C above pre-industrial levels.</p> <p>Reason for inclusion: One of the most well-known and widely used transition scenarios for conducting TCFD-aligned risk assessments. This scenario maps out a pathway to effective climate mitigation in line with the Paris Agreement’s goal of limiting global warming to well below 2°C, while also taking into consideration other Sustainable Development Goals (SDGs) such as global health or easy access to energy.¹</p> <p><i>1) The IEA SDS assumes full implementation of SDG 7 – Universal access to affordable and modern energy, SDG 13 – Tackling climate change, and partial implementation of SDGs 3 and 11 – Reducing impacts of air pollution.</i></p>
Physical risks	<p>No mitigation scenario: Representative Concentration Pathway (RCP) 8.5 provided by the Intergovernmental Panel on Climate Change (IPCC)² for their “Fifth Assessment Report”, which analyses the 4°C world</p> <p>Description of scenario: This scenario represents the most ‘extreme’ scenario from a physical climate change perspective, assuming a future where almost no mitigation action is taken and emissions continue to rise at the current rate, and where global mean temperature increases by 4°C by the end of the century relative to the pre-industrial period.</p> <p>Reason for inclusion: Depicts a state-of-the-art scenario that is used by the IPCC. It aligns with TCFD recommendations by representing one extreme future pathway of the full spectrum of potential pathways.</p> <p><i>2) The Intergovernmental Panel on Climate Change (IPCC) is the United Nations’ body for assessing the science related to climate change.</i></p>

WIENERBERGER’S COMMITMENT TO THE UN SDGS

The United Nations Agenda 2030 for Sustainable Development comprises 17 Sustainable Development Goals (SDGs). Within the framework of the 2020 materiality analysis, the direct and indirect impacts of Wienerberger on the SDGs were evaluated along the entire value chain. A detailed analysis can be found on page 61 in the chapter Materiality Analysis, Sustainability Program 2023 & the UN SDGs.

REPRESENTATIVE CONCENTRATION PATHWAYS

IPCC outlines four Representative Concentration Pathways (RCPs) which describe different climate futures considered possible depending on the volume of GHG emitted to 2100. The four pathways are RCP 8.5, RCP 6.0, RCP 4.5 and RCP 2.6, which are consistent with certain socio-economic assumptions. Wienerberger analysed RCP 8.5, also known as the “no mitigation” scenario.



Results from “high - mitigation” scenario – Paris Agreement-aligned “Sustainable Development Scenario” for the assessment of transition opportunities and risks

Multiple key opportunities for Wienerberger, its shareholders, and its stakeholders can be identified in the Paris Agreement-aligned “Sustainable Development Scenario”. Key examples from the analysis are opportunities associated with climate regulation of the building sector as listed in the table on page 92. The new market conditions arising from this regulation will lead to an increase in demand for low-carbon products and solutions. Wienerberger, as a provider of smart solutions for the entire building envelope and innovative infrastructure solutions, is best positioned to meet this demand. The building sector in the EU accounts for 40% of all final energy consumption and for 36% of end-use energy emissions. Reducing energy consumption in buildings constitutes a key step in reducing GHG emissions. Wienerberger’s sustainable housing solutions with green energy and innovative brick solutions are well-suited for the construction of energy-efficient buildings (see page 115). Policies that incentivize, mandate, and/or support energy efficiency in buildings provide an opportunity for Wienerberger to increase revenues and market access through increased product demand. This opportunity is of high strategic importance for Wienerberger and has already been integrated in our pathway towards carbon neutrality by 2050.

TCFD transition categories:	Geography: ¹	Assessed time horizons:
<ul style="list-style-type: none"> › Policy and legal › Technology › Market › Reputation 	<ul style="list-style-type: none"> › European Union² › North America 	<ul style="list-style-type: none"> › Medium-term (2030) › Long-term (2050)

1) The scope covers the whole value chain in the geographical locations.

2) The assessment largely focussed on the European Union excl. UK. However, the assessment for ‘talent attraction’ was based on the whole of Europe.



10 KEY TRANSITION OPPORTUNITIES AND RISKS UNDER THE SUSTAINABLE DEVELOPMENT “HIGH MITIGATION” SCENARIO (WELL-BELOW 2°C WORLD¹⁾)

TCFD Category	Topic	Geography	Potential impact	2030	2050
Reputation	Opportunities for talent attraction (O)	EU	Improved image due to sustainable products		
Policy	Climate regulation on the building sector (O)	EU/NA	Increase in demand for products		
	EU regulations on materials and circularity (R)	EU	Increase in operating costs due to regulation		
	Climate regulation on energy production (R)	EU	Increase in operating costs due to regulation		
	Carbon pricing regulation in the EU (R)	EU	Increase in operating costs due to regulation		
Market	Solar energy systems (O)	EU/NA	Increase in demand for products		
	Prices for green energy (R)	EU/NA	Increase in operating costs due to input prices		
	Supply of recycled plastics (R)	EU/NA	Increased costs due to limited supply		
Technology	Supply of low-carbon energy sources (R)	EU/NA	Inability to meet customer/investor demands		
	Supply of low-carbon logistics providers (R)	EU/NA	Inability to meet customer/investor demands		

uncertain	low risk	low opportunity
(R) Risk	moderate risk	moderate opportunity
(O) Opportunity	high risk	high opportunity
	very high risk	very high opportunity

N. / S. / E. / W. / C. EU = Northern / Southern / Eastern / Western / Central Europe; NA = North America

Note: The assessment largely focussed on the European Union. The assessment on the opportunities for talent attraction is at Europe-level.

1) Global temperature increase well-below 2°C

Risk rating: The risk ratings are based on the rate of change in the metric relevant to the hazard. The definition of what constitutes a “low” or a “high” rate of change is based on risk scoring used in the academic literature. The risk rating does not describe the magnitude of the financial impact on Wienerberger from each climate opportunity and risk, but whether this opportunity or risk will become larger or smaller¹ in the years 2030 and 2050 compared with a 2022 baseline.

Example: The risk from carbon pricing will increase in the future based on the SDS scenario and is therefore shown as a high risk. However, Wienerberger is already managing this risk via its ambitious decarbonization targets until 2023 as well as its commitment to carbon neutrality by 2050.

1) Defined as the strength of the climate signal (e.g., the opportunity from climate regulation of the building sector)

Note: Ratings for the physical risk assessment are not reflective of the financial impact on Wienerberger. The scores serve as a reference point for managing these future risks. In this sense, any given opportunity and risk rating allows Wienerberger to understand any upcoming changes in risk profile and respond accordingly. The analysed risks are an integral part of our current risk management processes.



Used data: More than 60 scientific publications and over 70 other non-academic publications, including publications from intergovernmental organisations and governments such as the International Energy Agency, the European Commission, the World Energy model 2021, and the U.S. Department of Energy, were reviewed to estimate the expected changes in climate hazards across Wienerberger’s locations.

Results from “no mitigation” scenario – Representative Concentration Pathway (RCP) 8.5 for physical opportunities and risks

The Representative Concentration Pathway (RCP) 8.5 scenario for physical opportunities and risks, also called the “no mitigation” scenario, analyses a 4°C world where physical impacts are likely to be most severe as climate policy is less ambitious. According to the current Assessment Report of the IPCC¹, extreme weather conditions such as heatwaves or flooding will become more frequent and more intense as a result of climate change. Given its negative impact on people and the environment, it is therefore essential that we adapt to long-term climate change. One solution is the use of brick as a building material. From keeping rooms cool in summer and warm in winter to protecting them from damp, this versatile material combines a wide range of advantages to adapt and increase resilience to climate change. Climate-resilient insulated bricks for wall and roof solutions from Wienerberger offer protection against extreme weather conditions – from heat stress and storms to flooding. The natural construction material has a high heat-storage capacity and helps keep temperature and humidity within an acceptable range (see page xx in this chapter). Wienerberger is well positioned in this scenario, as our sustainable products and solutions help people to build safer homes with a view to natural hazards.

The following graphic shows a compact summary of the results under RCP 8.5:

TCFD physical categories:	Geography: ²	Assessed time horizons:
<ul style="list-style-type: none"> › Acute › Chronic 	<ul style="list-style-type: none"> › Central Europe › Southern Europe › Northern Europe › Western Europe › Eastern Europe › North America 	<ul style="list-style-type: none"> › Medium-term (2030) › Long-term (2050)

1) Weather and Climate Extreme Events in a Changing Climate: https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Chapter11.pdf
 2) Where applicable, physical risks are assessed on location level based on GPS coordinates.



9 KEY PHYSICAL OPPORTUNITIES AND RISKS UNDER THE RCP 8.5¹⁾ “NO MITIGATION” SCENARIO (4°C WORLD²⁾)

TCFD Category	Topic	Geography	Potential impact	2030	2050	
Acute	Heavy precipitation (O)	C./N./W./E. EU	Increased demand for products			
		S. EU				
	Tropical cyclones (O/R)	NA	Increased demand for products			
			Damage to assets and products			
	Heatwaves (R)	NA, S./E. EU	Decrease in productivity and talent attraction			
				C. EU		
				N. EU		
W. EU						
Riverine flooding (R)	EU/NA	Damage to assets and supply chain disruption				
Wildfire (R)	NA	Supply chain disruptions				
	S./E. EU					
Wind gust (R)	C. EU	Damage of equipment and stocks				
Chronic	Water scarcity (O)	C. EU	Increased demand for products			
		S. EU				
		N./W. EU				
		E. EU				
	Seasonality changes in temperature (O/R)	S./E. EU	Increased demand for products; shorter winter seasons			
		W. EU				
		C. EU	Supply chain disruptions			
N. EU						
River streamflow (Rhine) (R)	C. EU	Supply chain disruptions				

	uncertain		low risk		low opportunity
(R)	Risk		moderate risk		moderate opportunity
(O)	Opportunity		high risk		high opportunity
			very high risk		very high opportunity

N. / S. / E. / W. / C. EU = Northern / Southern / Eastern / Western / Central Europe; NA = North America

1) RCP = Representative Concentration Pathway 8.5 // 2) Global temperature increase 4°C



Risk rating: The risk ratings are based on the rate of change in the metric relevant to the hazard. The definition of what constitutes a “low” or a “high” rate of change is based on risk scoring used in the academic literature. The risk rating does not describe the magnitude of the financial impact on Wienerberger from each climate opportunity and risk, but whether this opportunity or risk will become larger or smaller in the years 2030 and 2050 compared with a 2022 baseline.¹

Example: Heatwaves will become more frequent and intense in the future based on the RCP 8.5 scenario and are therefore shown as a very high risk; however, Wienerberger is already managing this risk through the respective mitigation measures.

Used data: The science-based assessment identified key physical opportunities and risks based on the judgement of climate experts, existing records of physical environmental hazards, and feedback from key internal stakeholders. The assessment is based on climate model CMIP 5² and data sets such as NASA-NEX GDDP³, WRI Aqueduct Floods Hazard Maps⁴, and WRI Aqueduct Global Maps 3.0.⁵

1) Where 2022 data was not available, a different base year was used. Where there was insufficient data for a particular climate hazard, no risk rating was provided (e.g., tropical cyclones). Note: Ratings for the transition risk assessment are not reflective of the financial impact on Wienerberger. The scores serve as a reference point for managing these future risks. In this sense, any given risk rating allows Wienerberger to understand any upcoming changes in risk profile and respond accordingly. The analysed risks are an integral part of our current risk management processes.

2) Coupled Model Intercomparison Project 5 – promotes a standard set of model simulations of future climate change: pcmdi.llnl.gov

3) NASA Earth Exchange Global Daily Downscaled Climate Projections (NASA-NEX GDDP) – data set for temperature and precipitation-based climate indicators such as annual maximum temperatures, number of hot days, consecutive dry days (CDDs), annual precipitation, etc.: www.nccs.nasa.gov

4) World Resources Institute's Aqueduct Floods Hazard Maps – data set for global inundation heights in meters for riverine and coastal flooding and for several return periods: www.wri.org

5) World Resources Institute's Aqueduct Global Maps 3.0 for water stress, seasonal variability, water supply, water demand: www.wri.org



Case studies on physical opportunities and risks

This section introduces two relevant examples for Wienerberger: (1) one opportunity – increased demand for drought management products resulting from water scarcity, and (2) one risk – heatwaves. Both examples are assessed with regard to location in terms of scope, expected impacts, mitigation measures, climate indicators, and management response. To reflect how Wienerberger’s internal controls and risk management procedures mitigate the opportunity/risk in question, a residual risk score is also included.

CASE STUDY ON SELECTED PHYSICAL OPPORTUNITIES AND RISKS UNDER THE RCP 8.5¹⁾ “NO MITIGATION” SCENARIO (4°C WORLD²⁾)

Key data \ Event	 Opportunity from water scarcity	 Risk from heatwaves
Opportunity / risk rating (2030)	High	Very high
Timeframe	Medium (2030) and long-term (2050)	Medium (2030) and long-term (2050)
Locations in scope	Southern Europe	North America, Southern and Eastern Europe
Impacts	<ul style="list-style-type: none"> • Products related to water storage management and reuse systems • Increased revenue from new solutions to adaptation needs 	<ul style="list-style-type: none"> • Supply chains and sites, by impacting production and working conditions • An occupational risk for employees working in production sites
Response / mitigation actions	<ul style="list-style-type: none"> • Innovative water storage • Stormwater management • Water reuse systems for flood and drought mitigation (e.g. Raineo system and roto moulded tanks) 	<ul style="list-style-type: none"> • Extra breaks • Installation of climate cabins • Refrigerated areas / water • Rotation of shift patterns • Wearing of cooling jackets • Seasonal workwear and personal protective equipment • Automation
Climate indicators	<ul style="list-style-type: none"> • Change in consecutive dry days • Seasonal variability • Annual precipitation 	<ul style="list-style-type: none"> • Change in annual tropical nights • Change in annual hot days
Management response	<p>Wienerberger recorded a significant increase in the demand for rainwater management systems. The Group enlarged its production capacity and upgraded its system to a more sustainable version by using recycled materials.</p> <p>In addition, Wienerberger developed SmartHub, a smart sensing systems with advanced calculation tools enabling efficient monitoring and control of these rainwater management systems.</p> <p>This combination enables further improvements of the total cost of ownership of our systems to our users.</p>	<p>Wienerberger has introduced a structured Health and Safety Working Temperature Guidance throughout all countries to effectively support and manage extreme or excessive temperatures.</p> <p>The Group already has a number of short-term mitigation actions in place to reduce heat stress at the workplace.</p> <p>In addition, Wienerberger will increase its investments in sustainable cooling solutions, such as on-site cooling systems, to reduce the effect of heat stress on the employees. The implementation of the biodiversity action plans shall also increase the cooling capacity on sites.</p>
Perceived residual opportunity / risk	High	Moderate

	low opportunity
	moderate opportunity
	high opportunity
	very high opportunity

	low risk
	moderate risk
	high risk
	very high risk



Summary and next steps along the TCFD recommendations

In 2022 a climate-related scenario analysis was performed. This allowed Wienerberger to explore the business under different versions of the future (scenarios) based on different levels of global warming as core drivers of climate-related opportunities and risks. The analysis, related to climate opportunities, confirmed the relevance of the Wienerberger Sustainability Program 2023, including the target for decarbonization of production. Furthermore, the development of solutions for climate-efficient or climate-neutral buildings and solutions for adaptation to climate change, as described in this chapter on page 98, is also in line with these opportunities. The analysis related to climate risks is based on our current risk register. As already disclosed in 2021, climate-related risks are embedded in our current risk management process. The newly identified topics will be a topic for Wienerberger to work on.

We are committed to continuously strengthening our understanding of how climate-related opportunities and risks affect our business. We will continue to assess and identify them to increase transparency and fully align our actions with the TCFD recommendations.

Wienerberger notes that the current climate risk analysis does not show the impact on cash flow projections for the near-term business strategy. Work done to date has focused on understanding material opportunities and risks for the business and how these develop over time under different climate scenarios. Future work will thereby increasingly focus on quantifying these risks and understanding the associated financial impact on the business under different scenarios.



Climate protection with Wienerberger 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 energy consumption and almost 40% of total direct and indirect CO₂ emissions. The EU Taxonomy Regulation, as part of the European Green Deal, introduces a uniform classification system for sustainable economic activities. One of the six environmental objectives of the EU taxonomy is climate change mitigation (see also page 104).

In the building sector different criteria apply to new build, renovation, and the purchase of buildings. The [recast of the Energy Performance of Buildings Directive \(EPBD\)](#) of the European Union contains clear provisions on climate change mitigation in the use of buildings, alongside other criteria on their environmental impacts referring, for instance, to the circular economy. The EU Taxonomy Regulation and the EPBD both support and confirm Wienerberger's strategic orientation.

Wienerberger provides system solutions for new build and renovation that are geared toward the target of net-zero-emission buildings. The various measures range from products and systems for the building envelope, in-house energy generation facilities, and low-energy heating and cooling systems to solar panels and heat pumps. Smart in-house solutions enable users to enjoy a high quality of life while saving resources and helping to limit climate change. The ecological footprint of our products and system solutions, resulting from sourcing and production, is positively influenced by their very long useful life of partly more than 100 years. Our product and system solutions thus offer enormous opportunities of advancing climate change mitigation in the building sector.

Wienerberger's product and system solutions for walls, façades, and roofs are an integral part of climate-friendly building design. On account of their thermal insulation properties and their thermal storage capacity they contribute significantly to the energy efficiency and even the climate neutrality of buildings, thus supporting climate change mitigation in 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, novel facing brick formats for double-shell exterior walls, energy-efficient upon-rafter insulation for pitched roofs, roof-integrated solar panels, etc. were developed.

The high mechanical strength and the long service life of these products and system solutions keep their ecological footprint small throughout their entire life cycle.

A few examples of Wienerberger product and system solutions that contribute significantly to the energy efficiency of buildings and to climate change mitigation are presented in the following:

Climate-neutral brick with high thermal insulation properties

Brick buildings contribute significantly to climate protection. Wienerberger clay blocks filled with perlite or mineral wool, as well as clay blocks without infill material but with a special hole geometry, create a healthy indoor climate and ensure excellent thermal insulation. They reduce energy demand and thus notably diminish the volume of CO₂ emitted by the building during its useful life. By reducing CO₂ emissions from the production process, Wienerberger contributes to climate change mitigation along the entire value chain of bricks.

Porotherm NATURbric® - an example of dematerialization

Designed in France, the Porotherm NATURbric® is a slender, low-weight facing brick which not only offers the advantages of easy handling and fast bricklaying, but also emits less CO₂ in production and transport. Wienerberger uses biomass and biofuels to produce the NATURbric®.



Facing brick series LESS for decarbonization in production

With LESS, the 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, since 2022 Wienerberger has replaced 50% of the natural gas consumed in Denmark with biogas, a fossil-free and CO₂-neutral energy source supplied by a Danish biogas producer. This measure constitutes a first step and is only one of several initiatives planned by Wienerberger for brick production in Denmark.

Terca Eco-brick®

On account of its low weight, achieved without any quality trade-off, the Terca Eco-brick® developed in Belgium reduces the CO₂ footprint per square meter of façade by up to one third. While most of these durable eco-bricks are currently produced and sold in Belgium, demand is picking up swiftly in other countries as well. Wienerberger in Germany, France, and Great Britain have launched their own Eco-brick® concepts and collections.

In-roof photovoltaic panels

The EU has set itself the clear target of increasing the share of renewable energy sources to at least 32% by 2030. 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.

Wevolt X-Tile and X-Roof photovoltaic module by Exasun

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. Since January 1, 2022, Wienerberger has been the exclusive distributor of Exasun's innovative X-Tile and X-Roof systems for Europe. In partnership with Exasun, Wienerberger will consistently broaden its portfolio of solutions for the roofing business in the Netherlands and, in a second step, in other European countries.

Alegra 10 Wevolt photovoltaic roof tiles

For this solution, Wienerberger integrates solar cells into conventional clay roof tiles. Solar roof tiles are well suited for new buildings as well as historical buildings, as the solar modules harmoniously fit into the roof surface. Wienerberger has intensified its cooperation with distributors of electrical components, established a network of roof setters, and put them in contact with local dealers of solar panels. Customers thus benefit from a body of expert knowledge in each phase of the construction or renovation of the roof: from taking measurements and performing the necessary calculations to installation to support after the successful integration of the solar roof tiles. For 2023, Wienerberger plans to introduce a Wevolt solar roof tile with solar cells in natural red, which will be even better suited for integration into historic roofscapes.

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.

SoluForce pipe systems for hydrogen and biogas

Wienerberger plays a pioneering role in the development and supply of hydrogen and biogas pipeline systems (Reinforced Thermoplastic Piping System). Such systems are used along the entire supply 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 are available in lengths of up to 400 meters, which greatly facilitates the construction of hydrogen-based infrastructure solutions.



Adaptation to climate change with Wienerberger building and infrastructure 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 and to provide solutions 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 comprehensive, smart solutions for climate-resilient habitats.

Some examples of Wienerberger's building and infrastructure solutions that facilitate the adaptation to climate change are presented in the following sections.

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, hailstorms, flash floods, or heavy snow loads. Overheating of buildings in summer constitutes a growing risk for human health and well-being, especially in urban areas. According to the [International Energy Agency](#), air conditioning installations and electric fans currently account for almost 20% of electricity consumption in buildings worldwide. Wienerberger provides solutions that help to avoid the overheating of buildings in summer and, at the same time, keep their CO₂ balance low.

Thermal insulation, thermal storage capacity, and mechanical resilience of buildings

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 and cold.

Universal box for wall-mounted shading systems

Shading the interior of buildings is an important factor in preventing summer overheating, especially in combination with the temperature-equalizing effect of the thermal mass. Targeted shading has the potential to reduce the energy required for cooling and thus lower the greenhouse gas emissions of buildings. The so-called Wienerberger universal box is a lightweight brick box in which different shading systems can be installed. The box fits perfectly into monolithic brick masonry and is available in different widths. The box facilitates installation of the shading system easy and does not suffer any damage when windows are replaced.

Prefabricated hydronic cooling systems

The desired temperature can be set by means of hydronic cooling mats placed on the surface of building elements. Such systems have the potential to replace air-conditioning systems as a more advantageous ecological and economic alternative. Wienerberger provides prefabricated hydronic cooling mats for efficient installation of such systems. Each system is designed, manufactured and pre-assembled according to customer specifications, which renders installation four to five times faster than that of conventional solutions.



Water management systems and smart technologies for climate resilience

Water scarcity, floods, failing wastewater systems and water treatment plants – these are only some of the challenges urban developers, planners, and investors have to face. 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.

In its Communication dated February 24, 2021, the European Commission presented its new climate adaptation strategy. Guided by the vision of creating a climate-resilient Europe by 2050, the European Commission will provide Europe with the necessary guidelines, 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.

In this area, too, Wienerberger provides a broad range 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.

Rainwater management systems

Wienerberger has been recording a massive increase in demand for rainwater management systems. Such systems support the efforts undertaken by cities and communities in Europe 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 has designed tailor-made rainwater management solutions that have proven their merits for flood protection in urban areas. In their flood control schemes, flood-prone communities rely on Raineo®, Wienerberger's proven stormwater management system, in combination with green and blue infrastructure, such as green spaces and reservoirs.

Sensor technology and software for optimal water and wastewater management

By combining water management solutions with digital control systems and smart algorithms for self-optimizing operation, Wienerberger designed an exemplary all-in solution. Through the acquisition and integration of InterAct, a provider of digital solutions, Wienerberger is in a position to provide smart all-in-one solutions comprising hardware and sensor technology, the necessary software, and cloud services to collect the data required for better management of climate risks. Digital systems are available for online monitoring of Wienerberger's water management systems. Sensors provide information on the current system status regarding the quality, volume, and temperature of the water or the condition of filters. By means of 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.

Water-saving irrigation systems for agriculture

Increasingly unpredictable weather conditions represent an added challenge for 21st century agriculture. While periods of drought tend to last longer, precipitation during the vegetation period is scarce and spread out unevenly over the year. To secure crop yields and a high quality of agricultural produce, more and more farmers decide to invest in irrigation system, even in regions that previously did not require irrigation.



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 the use of Wienerberger's stormwater drainage systems.

Positive impact on the micro-climate

Irrigation and drainage systems for green surfaces

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.

Green flat roof solutions

The high solar reflectance of the white Leadax Roov flat-roof membrane (see also page 121 in chapter "Circular Economy") results in a lower ambient temperature, as the roof membrane, compared to conventional, dark flat-roof membranes, heats up less in the sun. Wienerberger is exploring potential partnerships for green roof solutions. These also have a positive impact on ambient temperature and the micro-climate.

Water-permeable paver systems

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 contribute to a positive micro-climate.

Torrential rain can cause floods even on water-permeable surfaces. For cities having to adjust to changing climatic conditions, Wienerberger supplies grass pavers in new formats with geometric openings providing up to 30% drainage area.



Water management

Climate protection and the adaptation to climate change are inseparably linked with the topic of water.¹ Climate change and the resulting extreme weather events have a strong impact on the availability and quality of water, especially in urban areas and in agriculture. The impact of global warming on the water cycle constitutes a threat to sustainable development, biodiversity, and access for people to water and sanitary facilities.

According to the UN, 90% of major global disasters during the past ten years were caused by extreme weather. In its current Assessment Report, the [Intergovernmental Panel on Climate Change \(IPCC\)](#) projects that extreme weather events and heavy precipitation will be more frequent in the future, even if the global climate targets are met and global warming is limited to below 1.5°C by 2100 compared to the pre-industrial age. The consequences will be flash floods, high tides, and inundations.

Water is a lever for climate action. Sustainable water management is crucial for the resilience of societies, ecosystems, and the reduction of CO₂ emissions. At the same time, water is an essential resource for adapting to climate change and enhancing climate resilience.

For Wienerberger, responsible water management along our entire value chain therefore is a logical consequence. Wienerberger is making every effort to use water sparingly in production and provides a variety of product and system solutions for responsible and climate-resilient water management.

Water management with our product and system solutions

Examples of Wienerberger's product and system solutions for responsible water management are described on pages 87-88 and 101-102.

Water management in our production

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 for cooling 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.

As a signatory to Operation Clean Sweep[®], we take utmost care to avoid losses of plastic granulates during the production process. By the end of 2022, Operation Clean Sweep[®] was implemented in about 85% of all WPS plastic pipe plants.

Specific water use in m ³ /ton	2020	2021	2022	Chg. in %
Wienerberger Group	–	0.243	0.226	–7

1) unwater.org



Disclosure pursuant to the Taxonomy Regulation of the EU

EXECUTIVE SUMMARY

The EU Taxonomy Regulation classifies certain economic activities and provides a grid for these “Taxonomy-eligible” activities to be classified as “Taxonomy-aligned”, i.e. sustainable activities.

The activities classified so far do not yet cover all economic activities, but are currently limited to certain activities. Economic activities related to the production of exterior wall systems and roof systems are Taxonomy-eligible under the Regulation. For Wienerberger, this means that the product categories wall, façade, and roof are covered and that Taxonomy-alignment must subsequently be assessed.

Accordingly, activities in the area of piping solutions and pavers are not yet within the framework of the Taxonomy Regulation, which is why they are currently presented as non-Taxonomy-eligible. Wienerberger expects the scope of the Regulation to be extended in the future.

Out of the economic activities of the Wienerberger Group classified as taxonomy-eligible, the majority is classified as Taxonomy-aligned (78 % based on taxonomy-eligible turnover), i.e. sustainable in the sense of the Regulation.

The Regulation (EU) 2020/852¹ of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment – the so-called “Taxonomy Regulation” – entered into force on July 12, 2020. This regulation, as part of the European Green Deal, introduces a common classification system for sustainable economic activities within the European Union.

Economic activities are Taxonomy-eligible if they are covered by the regulation. They qualify as “environmentally sustainable”, or Taxonomy-aligned, if they meet the criteria stated below (Article 3 of the Taxonomy-Regulation), i.e. if they

- › Make a substantial contribution to at least one of the six environmental objectives
- › Do no significant harm (DNSH) to any of the other environmental objectives and
- › Comply with minimum safeguards (social standards)

The technical screening criteria² are applied to objectively classify economic activities as environmentally sustainable. The first Delegated Act published in July 2021 specifies the technical screening criteria for the first two environmental objectives:

- › Climate change mitigation
- › Climate change adaptation

Wienerberger examined and classified its economic activities with a view to the relevant environmental objective of climate change mitigation and developed methods for the calculation of the required KPIs, i.e. turnover, capital expenditure (Capex), and operating expenditure (Opex), for the relevant product categories.

1) <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R0852>

2) The Technical Screening Criteria were developed by the European Commission based on the proposal from the Technical Expert Group (TEG) on Sustainable Finance. The TEG is comprised of 35 members from civil society, academia, business, and the finance sector, as well as additional members and observers from EU and international public bodies.



1. Analysis of Taxonomy-eligible activities

Based on the current Delegated Act, three economic activities were identified as “enabling activities” for the climate change mitigation objective and thus classified as Taxonomy-eligible, as in the reporting year 2021:

- › **Wall:** clay blocks – key components of exterior wall systems
- › **Façade:** facing bricks – key components of exterior wall systems
- › **Roofing systems**

These three activities are listed in the Delegated Act under the **Manufacturing sector** and sub-sector 3.5 “**Manufacture of energy-efficient equipment for buildings**”.

Other activities of the Wienerberger Group such as piping solutions and pavers are not within the framework of the Taxonomy Regulation at present, but an expansion of the scope of the Regulation is expected.

2. Method of determining Taxonomy-eligibility

For the purpose of clarity, the Wienerberger Group applied a two-step methodology. The first step defines the economic activity, and the level of eligibility of this activity is calculated in a second step.

As regards exterior wall systems, Wienerberger differentiates between two product categories: wall (the key component clay block as significant component of an exterior wall) and façade (the key component facing brick as significant component of an exterior wall). These product categories are operated individually by Wienerberger and therefore treated separately for Taxonomy-related calculations.

External 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). The U-value indicates the thermal power that flows through a layer of material per square meter when the outer and inner surfaces are exposed to a constant temperature difference of one degree (1 Kelvin). The unit of the U-value is watt per square meter and kelvin (W/m^2K).



External wall system (Wall)

Step 1 – Definition of the “Wall” product category

For the classification of the “Wall” category in the portfolio of exterior wall systems, Wienerberger differentiates between three methods for the construction of exterior walls:

- › Single leaf, monolithic external wall:
 - › Vertically perforated clay blocks (traditional or plane ground): wall thickness ≥ 35 cm
 - › Vertically perforated clay blocks with integrated insulation: wall thickness ≥ 24 cm
- › External wall with a composite Thermal Insulation System (ETICS: External Thermal Insulation Composite System):
 - › Vertically perforated clay blocks (traditional or plane ground): wall 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 the external wall system. Without these key components, the construction of the entire external wall is not possible.

- › 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

Step 2 – Calculation of the Taxonomy-eligible share of the wall product category

The turnover generated from this economic activity is analysed on the basis of the key components defined in Step 1. The allocation of expenditure (Capex and Opex) was based on the turnover share of the exterior wall system. Expenditure that meets the definitions of Capex and Opex and is allocated to clay blocks, with the exclusion of expenditure that goes into the interior part of the wall, is classified as Taxonomy-eligible.

The Taxonomy-eligible part of the wall product category represents 12.6% of the total Group turnover.

External wall system (Façade)

Step 1 – Definition of the “Façade” product category

In its façade product segment, Wienerberger produces the **key component facing brick** as significant part of an external wall system:

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

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

Step 2 – Calculation of the Taxonomy-eligible share of the façade product category

The technical analysis performed showed that products of the category façade produced by Wienerberger are part of an external wall system and can therefore be classified as Taxonomy-eligible.

Expenditure that meets the definitions of Capex and Opex and is allocated to the product category façade, with the exclusion of expenditure that goes into the interior part of the wall, is classified as Taxonomy-eligible.

The Taxonomy-eligible part of the façade product category represents 24% of the total Group turnover.



Roofing systems

Step 1 – Definition of the “Roofing Systems” product category

Wienerberger produces the following products as part of the roofing system:

- › Roof tiles
- › Ceramic accessories
- › Technical accessories

Without these key components, the entire roofing 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 the roofing systems product category

The assessment performed showed that Wienerberger’s entire economic activity regarding roofing systems can be classified as Taxonomy-eligible. Hence, all expenses meeting the definitions of Capex and Opex, allocated to the roofing system product category, are classified as 100% Taxonomy-eligible.

The Taxonomy-eligible part of the roofing systems product category represents 15.3% of the total Group turnover.

The addition of the shares of the three above-mentioned economic activities in the Group’s sales results in:

“51.9% of the Wienerberger Group’s turnover is Taxonomy-eligible.”

3. Method of determining Taxonomy-alignment

Three criteria have to be fulfilled in order to achieve Taxonomy alignment. For the purpose of clarity they are defined as Steps 1, 2 and 3 in this report. Step 1 assesses the technical screening criteria (U-value) developed by the Taxonomy Regulation, Step 2 ensures that no significant harm is done (DNSH) by the economic activities within the scope of the Regulation, and Step 3 reviews compliance with minimum social standards.

Step 1 – Technical screening criteria

Determination of a substantial contribution to one of the six objectives of the Taxonomy Regulation is the first step in assessing whether Taxonomy-eligible activities are also Taxonomy-aligned activities.

For the three economic activities concerned, the technical screening criteria for a substantial contribution to climate change mitigation are related to the U-value of the product itself. The economic activity serves to manufacture one or more of the following products and their key components:

- › external wall systems with U-value lower or equal to 0.5 W/m²K
- › roofing systems with U-value lower or equal to 0.3 W/m²K

External wall system (Wall)

The U-value can be determined on the basis of the thickness of the clay blocks. The review results showed that the U-value requirement of the Taxonomy Regulation is met in all countries, excluding only India. Therefore, turnover generated by the Indian production sites and the corresponding capital and operating expenditure must be excluded and considered non-aligned.

“99.5% of the economic activity for the production of key components of taxonomy-eligible external wall systems (category wall) meets the technical screening criteria and therefore makes a substantial contribution to the climate change mitigation objective.”



External wall system (Façade)

In all countries where the products are produced, regulation enforces a U-value lower than 0.5 W/m²K. As the national provisions are always complied with, the results show that the entire economic activity meets the U-value requirement of the EU Taxonomy.

“100% of the economic activity for the production of key components of taxonomy-eligible external wall systems (category facade) meets the technical screening criteria and therefore makes a substantial contribution to the climate change mitigation objective.”

Roofing system

To determine the U-value, research was conducted in the countries (see the chapter “Wienerberger at a Glance” on page 24) where Wienerberger produces and sells roofing systems to define the share which has built-in insulation material, and therefore achieves a certain U-value. Roofing systems without insulation material are used for farm buildings, for example, where insulation is not needed. In 2021, Wienerberger performed a study on the use of its roofing systems. This study was used again for the 2022 reporting year since no major changes emerged on this market.

The study showed the following results:

- › 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 built-in insulating material was calculated as follows: (Market volume of insulation material / pitched roof market) * 100 = 91.9%

This means that just under 92% of the roofing systems sold by Wienerberger have built-in insulation material and thus achieve the required U-value at country level, which is lower than or equal to the Taxonomy requirement in all targeted countries.

“91.9% of the Taxonomy-eligible roofing system economic activity meets the technical screening criteria and therefore makes a substantial contribution to the climate change mitigation objective.”

Step 2 – Do No Significant Harm (DNSH)

The Do No Significant Harm criteria refer to compliance with legal requirements, or, in the case of the circular economy objective, to specific elements of the production process and the product itself. The DNSH criteria are the same for the three economic activities within the scope of this report, i.e. Wienerberger’s Taxonomy-eligible business activities.

**DNSH: Climate change adaptation**

The climate change adaptation DNSH criteria require a three-phase assessment of the economic activity:

1. Assessment of relevant climate risks
2. Assessment of the relevance of these climate risks and impacts under climate-related scenarios RCP (Representative Concentration Pathway) 4.5 and 8.5
3. Provision of adaptation solutions

RCP 4.5 is described by the Intergovernmental Panel on Climate Change (IPCC) as a moderate scenario in which emissions peak around 2040 and then decline. RCP 8.5 is the highest baseline emissions scenario in which emissions continue to rise throughout the twenty-first century. The latter scenario represents the most extreme scenario from a physical climate change perspective, assuming a future where almost no mitigation action is taken and emissions continue to rise at the current rate, and where global mean temperature increases by 4°C by the end of the century relative to the pre-industrial period.

The assessment of relevant climate-related risks under the RCP 8.5 was already performed when the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD) were integrated, as reported in this chapter on page 85. Wienerberger, in collaboration with a renowned climate consultancy, assessed the relevance of the climate risks and their impacts under the RCP scenario 4.5 and one additional scenario, i.e. RCP 8.5, as required by the Taxonomy Regulation. For the third phase, internal research provided the adaptation solutions at plant level.

“Based on the external climate-risk assessment, the requirement set by the DNSH-criterion climate change adaptation is met for the three economic activities.”

DNSH: Sustainable use and protection of water and marine resources

The DNSH criterion of protection of water and marine resources requires a water use and protection management plan for each production site that corresponds to the Directive 2000/60/EC of the European Parliament and the Council of 23 October 2000, establishing a framework for Community action in the field of water policy. Under the EU’s Environmental Impact Assessment (EIA) Directive 2011/52/EU, major building or development projects in the EU must first be assessed for their impact on the environment.

All Wienerberger production sites where Taxonomy-eligible economic activities are performed have assessed the impact of production on the surrounding environment and have water management plans. At this point in time Wienerberger is assessing whether the referring plans of production sites for the façade category in North America comply with the European standards and whether the applicable US and Canadian federal and local regulations are comparable to these standards and provide for comparable protection of water and marine resources. Work is still in progress on the collection of all relevant data and the review of documentation. Thus, for the time being, Wienerberger decided not to include these activities as Taxonomy-aligned activities until a conclusion based on full documentation has been reached. Assessment will continue in 2023 and Wienerberger is confident that the outcome will allow inclusion in the Taxonomy-aligned activities in the future. The technical screening criterion for substantial contribution to the climate change mitigation objective is already met (U-value) by the Taxonomy-eligible products manufactured in North America.



“The requirement set by the DNSH sustainable use and protection of water and marine resources is met for the three economic activities in Europe.”

DNSH: Transition to a circular economy

The circular economy DNSH criteria target specific elements of the production process and the products themselves. The three economic activities concerned should fulfil the following aspects:

- a) reuse and use of secondary raw materials,
- b) design for high durability, recyclability etc.,
- c) waste management that prioritises recycling, and
- d) information on and traceability of substances of concern throughout the life cycle of the manufactured products.

All four aspects were analysed for each economic activity and the relevant documentation was provided. Guidelines on the use of secondary raw materials, guidelines on additives, and the Environmental Product Declarations (EPD) ensure compliance with these criteria.

“The requirement set by the DNSH transition to a circular economy is met for all three Taxonomy-eligible economic activities.”

DNSH: Pollution prevention and control

This DNSH criterion requires that the production processes and products themselves do not emit or create any hazardous substances such as persistent organic pollutants (POP), mercury, substances that deplete the ozone layer, or other legally restricted substances (e.g. under 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), Annex XVII).

Ceramic building materials are made of natural clay sediments containing clay minerals, quartz, and other minerals, mostly silicates and calcium-magnesium carbonates. The raw materials used in production do not contain hazardous substances as defined in the Taxonomy Regulation.

“The requirement set by the DNSH pollution is met for all three Taxonomy-eligible economic activities.”

DNSH: Protection and restoration of biodiversity and ecosystems

The biodiversity DNSH criterion requires that an environmental impact assessment meeting European standards, or an equivalent assessment that analyses the impact of production on the surrounding environment, has been completed.



All production sites within the scope of the report have provided documentation that assesses the impact of production on the surrounding environment.

“The requirement set by the DNSH biodiversity and ecosystems is met for all three Taxonomy-eligible economic activities.”

Step 3 – Minimum social safeguards

A group-wide approach ensures compliance with the minimum social standards requirements. The relevant information can be found in the chapters ESG: Governance & Management Approach (pages 35-55), Employees & Social Impacts (137-162), and in the GRI Content Index (183-190).

“The minimum social safeguards requirements are met for all three Taxonomy-eligible economic activities.”

4. Results and summary

The Wienerberger Group regards Taxonomy reporting as the first step toward putting sustainability at the heart of the economy and welcomes the potential expansion of the scope of the Taxonomy Regulation to include its remaining economic activities, such as piping solutions.

The Taxonomy-relevant KPIs of the Wienerberger Group’s economic activities are as follows:



Turnover

Currently, not all segments and products of the Wienerberger Group are equally covered by the Taxonomy Regulation. Therefore, 51.9% of the total revenues generated in 2022 are Taxonomy-eligible. In 2021, the share was 47.6%.

Taxonomy alignment of the Group's turnover reached 40.3% in 2022, meaning that 40.3% of all economic activities of the Wienerberger Group are sustainable within the meaning of the Taxonomy Regulation (Taxonomy-aligned).

Economic activities	Code	Absolute Turnover in € thousand	Proportion of Turnover %	Substantial contribution criteria					DNSH criteria (Does Not Significantly Harm)							Taxonomy- aligned proportion of Turnover, year 2022 %	Taxonomy- aligned proportion of Turnover, year 2021 %	Category (enabling activity) E ²⁾	Category (transi- tional activity) T ³⁾	
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾	Bio- diversity and ecosystems Y/N ¹⁾					Minimum safeguards Y/N ¹⁾
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
External wall system (Wall)	C.23.32	601,944	12.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	12.1%	N/A	E ²⁾
External wall system (Façade)	C.23.32	701,928	14.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	14.1%	N/A	E ²⁾
Roofing systems	C.23.32	699,831	14.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	14.1%	N/A	E ²⁾
Turnover of environmen- tally sustainable activities (Taxonomy-aligned) (A.1)		2,003,703	40.3%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾									40.3%	N/A	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																				
External wall system (Wall)	C.23.32	26,068	0.5%																	
External wall system (Façade)	C.23.32	492,537	9.9%																	
Roofing systems	C.23.32	62,353	1.3%																	
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		580,958	11.7%																	
Total (A.1 + A.2)		2,584,661	51.9%																	
B. Taxonomy-non-eligible activities																				
Turnover of Taxono- my-non-eligible activities (B)		2,392,071	48.1%																	
Total (A + B)		4,976,732	100.0%																	

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // 6) Mainly activities in NOAM.

**Capex¹**

Of the capital expenditure in 2022, 43.4% is related to Taxonomy-eligible economic activities.

Pursuant to the Taxonomy Regulation, capital expenditure of the companies acquired in 2022 was included in the Taxonomy-related calculation of the activities in 2022. Capital expenditure of the newly acquired companies in 2022 amounted to € 43 million.

The share of Taxonomy-eligible activities in capital expenditure reached 36.7% in the reporting year.

Economic activities	Code	Absolute CapEx in € thousand	Proportion of CapEx %	Substantial contribution criteria				DNSH criteria (Does Not Significantly Harm)							Taxonomy- aligned proportion of CapEx, year 2022 %	Taxonomy- aligned proportion of CapEx, year 2021 %	Category (enabling activity) E ²⁾	Category (transi- tional activity) T ³⁾		
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾					Bio- diversity and ecosystems Y/N ¹⁾	Minimum safeguards Y/N ¹⁾
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
External wall system (Wall)	C.23.32	62,634	13.2%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	13.2%	N/A	E ²⁾	
External wall system (Façade)	C.23.32	63,500	13.3%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	13.3%	N/A	E ²⁾	
Roofing systems	C.23.32	48,715	10.2%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	10.2%	N/A	E ²⁾	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		174,850	36.7%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾								36.7%	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																				
External wall system (Wall)	C.23.32	899	0.2%																	
External wall system (Façade)	C.23.32	26,366	5.5%																	
Roofing systems	C.23.32	4,276	0.9%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		31,541	6.6%																	
Total (A.1 + A.2)		206,391	43.4%																	
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		269,527	56.6%																	
Total (A + B)		475,918	100.0%																	

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // Electronic data processing may result in rounding differences. // 6) Mainly activities in NOAM.

1) Capex: Total of all additions to property, plant and equipment and intangible assets

**Opex¹**

Wienerberger's Taxonomy-eligible operating expenditure, as defined in the Taxonomy Regulation, primarily included maintenance expenses and amounted to 70.2% in the 2022 reporting year.

As observed with the capex results, the eligible part of operating expenditure also increased versus the value of 65.5% reported in 2021. More than half of total operating expenditure, i.e. 53.2%, is accounted for by Taxonomy-aligned economic activities.

Economic activities	Code	Absolute OpEx in € thousand	Proportion of OpEx %	Substantial contribution criteria					DNSH criteria (Does Not Significantly Harm)							Taxonomy- aligned proportion of OpEx, year 2022 %	Taxonomy- aligned proportion of OpEx, year 2021 %	Category (enabling activity) E ²⁾	Category (transi- tional activity) T ³⁾		
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾	Bio- diversity and ecosystems Y/N ¹⁾					Minimum safeguards Y/N ¹⁾	
A. Taxonomy-eligible activities																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
External wall system (Wall)	C.23.32	37,990	16.0%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	16.0%	N/A	E ²⁾	
External wall system (Façade)	C.23.32	52,388	22.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	22.1%	N/A	E ²⁾	
Roofing systems	C.23.32	35,724	15.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	Y	15.1%	N/A	E ²⁾	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		126,101	53.2%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾									53.2%	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																					
External wall system (Wall)	C.23.32	2,569	1.1%																		
External wall system (Façade)	C.23.32	34,437	14.5%																		
Roofing systems	C.23.32	3,136	1.3%																		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		40,142	17.0%																		
Total (A.1 + A.2)		166,244	70.2%																		
B. Taxonomy-non-eligible activities																					
Turnover of Taxonomy-non-eligible activities (B)		70,584	29.8%																		
Total (A + B)		236,827	100.0%																		

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // 6) Mainly activities in NOAM.

1) Opex: Total of all maintenance, research and development, and rental expenses



Decarbonization in sourcing and distribution

At Wienerberger, upstream and downstream CO₂ emissions originate from the production of the raw materials we need for our products, the provision of energy required in production, and 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 such as plastic granulates for our plastic pipes or cement for our concrete products. All Wienerberger climate protection projects aimed at decarbonizing our production result in a decrease in upstream CO₂ emissions from energy. Optimized transport management helps us transport raw materials, products, and system solutions efficiently and in the most climate-friendly way possible.

In 2022, Wienerberger set up the necessary structures for the collection of its relevant Scope 3 emissions, the objective being to disclose Scope 3 emissions as of the 2023 reporting year. Targets for the reduction of our Scope 3 emissions are currently being evaluated. At the same time, Wienerberger is implementing numerous projects to reduce its Scope 3 emission. A few examples are presented in the following paragraphs.

Use of secondary raw materials and careful selection of packaging materials

As regards our plastic pipes, we want to reduce the CO₂ footprint caused by the plastic granulates needed as a raw material. To this end, we use secondary raw materials, such as recycled plastics. For further information, please refer to page 118 in the chapter "Circular Economy".

The major part of CO₂ emission from the production of concrete pavers 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 the use of 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 lowering our specific CO₂ emissions in sourcing. For detailed information, please refer to pages 118-126 in the chapter "Circular Economy".

In response to our customers' demand for climate-friendly packaging solutions, Wienerberger is continuously testing possibilities of using climate-friendly, recyclable packaging materials. The conversion to packaging materials with a high content of secondary raw materials has a positive impact on the CO₂ balance in packaging and helps us save resources. For details, please refer to page 118 in the chapter "Circular Economy".

Climate protection of our suppliers

The commitment of our suppliers to climate protection is a crucial factor in Wienerberger's efforts to reduce upstream Scope 3 emissions. This has also been integrated in our Responsible Sourcing Policy 2020+ (see page 47) and the requirement of compliance with ESG criteria by our suppliers. The Wienerberger Supplier Relationship Management (SRM) tool, an internal data platform containing information on ESG performance and other aspects (see page 48), is used for the central management of relevant information on selected suppliers. Corporate Procurement examines and evaluates the strategies and initiatives of our suppliers and the results achieved by them. Moreover, Wienerberger supports selected suppliers in their climate management efforts and their initiatives aimed at reducing greenhouse gas emissions. Suppliers with a low score are contacted by Wienerberger and corrective measures are agreed upon. Outstanding supplier performance is recognized by Procurement within the framework of the "Supplier Excellence Award" program.



Optimized supply management for forward-looking planning and efficient transport route management

One of the functions of Wienerberger's group-wide supply management is to plan, optimize, and manage the routes for the transport of raw materials to our plants and the delivery of our products and system solutions to our customers. We take care to efficiently load our means of transport and thus minimize transport distances. Wherever possible, we give preference to means of transport that generate low CO₂ emissions. These processes and measures contribute toward reducing our transport-related CO₂ emissions.

Climate protection in production to reduce CO₂ emissions

The following measures taken by Wienerberger to meet the target of climate neutrality by 2050 have a direct impact on the reduction of upstream CO₂ emissions:

- › **Enhancement of production and energy efficiency:** Energy-efficiency measures contribute to the reduction of upstream CO₂ emissions originating from energy sources (unless accounted for under Scope 2). Among other measures, this target can be achieved through the use of new production technologies.
- › **Dematerialization and raw material efficiency:** Reduction of raw material input without any change in product quality and product properties. A reduction in transport weight results in lower upstream and downstream CO₂ emissions.
- › **Switch to climate-neutral energy sources:** The use of alternative energy generation systems and sustainable energy sources, which also results in lower upstream CO₂ emissions, is being evaluated at various production sites.
- › **New production technologies:** Implementation of further R&D projects exploring the use of new kiln, dryer, and heat-pump technologies and new ways of raw material preparation.

Summary and outlook

For Wienerberger, climate protection and the adaptation to climate change along the entire value chain are topics of particular importance, given Wienerberger's mission to improve people's quality of life and create a better world for future generations.

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

Within the framework of our Sustainability Program 2023, our climate protection target for the entire Wienerberger Group on its way to climate neutrality by 2050 is

"15% less CO₂ emissions (Scope 1 and 2) by 2023 compared to 2020"¹⁾

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), as well as Scope 2 emissions: indirect CO₂ emissions from the Wienerberger Group's consumption of electricity.

"In 2022, Wienerberger succeeded in reducing its group-wide CO₂ emissions (Scope 1 and Scope 2) by 13.2% compared to 2020."

¹⁾ Measured on the basis of product-group-specific KPIs



With its product and system solutions, Wienerberger contributes to climate change mitigation and the adaptation to climate change. This is part of our innovation strategy, which we implement across all business areas. A few examples are described below:

Energy-efficient or climate-neutral building solutions

Wienerberger is continuously developing sustainable innovations for energy-efficient and/or climate-neutral building solutions. These include clay blocks filled with insulating material, novel facing brick formats for double-shell exterior walls, or energy-efficient upon-rafter insulation for pitched roofs. On account of their low heat conductivity, these products and systems significantly reduce energy consumption. The need for such solutions is specifically emphasized in the recast of the EU Directive on the Energy Performance of Buildings.

Efficient heating and cooling systems

The building envelope is not the only element with potential for climate change mitigation. Space heating in households accounts for more than two thirds of energy consumption in the European Union. Additionally, rising temperatures result in enormous energy demand for air conditioning. Wienerberger provides efficient heating and cooling systems. When operated by means of a heat pump, such systems are particularly energy-efficient and create a pleasant indoor climate by ensuring a well-balanced temperature.

Solar roof tiles

Wienerberger is embarking on a new path in photovoltaics with its production of innovative solar roof tiles. On account of their compact format, installation is easy and flexible, for instance around roof windows or chimneys. As the entire roof can be used for the generation of clean energy, the energy yield is at least as high as that of a classic photovoltaic installation.

Water management

Water is an increasingly precious resource that plays an important role in sustainable housing concepts. For Wienerberger, responsible water management along the entire value chain is a logical consequence. Wienerberger uses water sparingly in its own production and provides a great variety of product and system solutions for responsible and climate-resilient water management. With Wienerberger's innovative rainwater management system, rainwater from roofs, parking lots, or other outdoor surfaces can be harvested, filtered, and stored in so-called stormboxes (underground storage facilities) for subsequent reuse.

Wienerberger's objective is to be climate-neutral by 2050

To meet this target by 2050, we will continue developing new technologies and implementing the necessary measures within the framework of the Wienerberger roadmap to climate neutrality. This includes a steady increase in production and energy efficiency, the dematerialization of our products and system solutions, the careful selection of raw materials, and the switch in energy consumption to climate-neutral electricity and low-emission or climate-neutral thermal energy sources, always combined with the development of new technologies for the reduction of CO₂ emissions¹.

The reduction of CO₂ emissions from our production reduces the entire CO₂ balance of Wienerberger product and system solutions over their life cycles. This enables our stakeholders, including architects and designers, investors and developers, to erect buildings and implement infrastructure projects with a low CO₂ footprint. It adds sustainable value to the projects and makes them fit to meet requirements of the future, such as those of the European Green Deal and the related legislative provisions.

¹) Greenhouse gases such as methane, nitrous oxide, or chlorofluorocarbons (CFCs) are irrelevant in Wienerberger's 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 protection reporting therefore always refer to emissions in carbon dioxide equivalents (CO₂e).



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 end of 2023 at the latest. 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

The circular economy saves natural resources and is a prerequisite for achieving climate neutrality by 2050 and protecting biodiversity. Half of total greenhouse gas emissions and more than 90% of biodiversity loss and water stress come from resource extraction and processing.¹

Circular products are to set new standards in the European Union. The [Circular Economy Action Plan](#) is one of the most important components of the European Green Deal. The Action Plan announces provisions targeted at products and production processes that are to support the principle of “circularity-oriented design” for all products. This is to result in a reduction in resource use and priority given to the reuse and repair of products. Moreover, demand for recycled materials is to be increased.

Wienerberger supports the European Green Deal and the related targets and measures aimed at promoting the circular economy. We regard the transition to a higher degree of circularity as an opportunity that offers numerous benefits, such as a reduced burden on the environment, higher security of raw material supply, increased competitiveness, and the promotion of innovation.²

The Wienerberger Sustainability Program 2023 sets out specific targets along these lines (see following page). New Wienerberger product and system solutions are designed with a view to their reusability or recyclability. This is our contribution to one of the priorities of the European Green Deal – the production of durable products that can be reused and repaired. Brick products are known for a very long service life of at least 100 years.

In connection with the requirements of the European Green Deal, Wienerberger also focuses on reducing material consumption in sourcing and production and promotes the use of secondary raw materials from internal and external sources. In this context, the concept of “urban mining” is of special importance. It aims at saving resources through the recovery and reuse of secondary raw materials. In cities, in particular, resource efficiency is enhanced through urban mining, a principle that will be gaining in importance in the years to come.

A further contribution to resource conservation made by Wienerberger consists in dematerialization, i.e. less resource use for products of equal quality, and a continuous reduction in the volume of waste and the scrap rate in our production.

Positioning itself as a full-range system provider, Wienerberger relies on smart, prefabricated system solutions that help to save resources during installation.

In the following sections, we show how Wienerberger contributes to the circular economy with its durable and circular product and system solutions, applying the principles and strategies of the circular economy along the entire value chain:

- › Durable and circular product and system solutions
- › Circular economy in sourcing
- › Resource efficiency in production
- › Resource efficiency in the installation of system solutions

1) https://ec.europa.eu/commission/presscorner/detail/de/tp_20_420

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



Durable and circular product and system solutions

Wienerberger is continuously developing new concepts for product and system solutions that can be dismantled and reused as entire elements of buildings and infrastructure. In addition to the durability of our product and system solutions, these aspects represent a significant contribution to resource conservation.

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

“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; the corresponding indicators were first reported in 2022.

“In 2022, 98% of our new products were designed to be reusable or recyclable.”

Wienerberger analyzed the reusability and recyclability of its products in the individual product groups in order to align the development of new products with this target. Hybrid or compound products constitute the greatest challenges 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 separability of the materials they contain. Wienerberger also analyzed the reusability and recyclability of its traded goods (goods not produced by Wienerberger itself) and began to classify and register them. 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 the employees' awareness and understanding of the importance of circularity.

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. On this basis, we are able to transparently disclose our continuous progress toward the circular economy and facilitate comparisons with other operators. All ceramic pipes and fittings produced by Wienerberger Piping Solutions and a family of products of the concrete paver segment of Wienerberger Building Solutions in Romania have been successfully certified according to the Cradle to Cradle® concept and are being re-certified at regular intervals.

In the following sections, we present a number of product and system solutions that are particularly well-suited for reuse in closed cycles or for recycling.

ClickBrick – the reusable facing brick

The reuse of roof tiles and pavers, which has been practiced for quite some time, is an 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 engobed¹ 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 at Wienerberger.

¹) Engobing is a procedure for color treatment of ceramic surfaces.



Plastic pipes with three lives

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 service life of the material can, in theory, be prolonged to more than 300 years.

Urban mining for CicloBrick

We not only design our products to make them recyclable, but also use recycled material in our products.

Wienerberger applies new procedures in the production of circular products, such as the CicloBrick, a facing brick manufactured in the Netherlands. Urban mining aims at retaining the value of materials that are already present in the environment, in cities, or in everyday products and returning them into the production cycle. A current Wienerberger pilot project in the Netherlands is the CicloBrick, a facing brick in production since February 2022. The CicloBrick produced by Wienerberger Netherlands contains 20% ceramic residues selectively reclaimed from demolished buildings.

The facing brick was developed in close cooperation with New Horizon, the Dutch Urban Mining Collective. The mission of this network, which comprises manufacturers and pioneering thinkers, is to exchange knowledge and advance the circular economy. The objective pursued by the partners of the Urban Mining Collective is to use the city as a resource and reclaim raw materials from demolished buildings. Wienerberger has been gaining valuable know-how on how to make building materials even more sustainable. Currently, Wienerberger intends to further increase the percentage of secondary material contained in the CicloBrick.

THE "URBAN MINING" CONCEPT

In cities, in particular, resource efficiency is being enhanced through „urban mining“. The concept of „urban mining“ aims at saving resources through the recovery and reuse of secondary raw materials reclaimed from the so-called anthropogenic stock. It consists of man-made materials coming from buildings, vehicles, or large electrical appliances, objects of infrastructure such as railway tracks or pipelines, or other durable goods stored or landfilled.¹ Planning future material flows and means of resource recovery is an important aspect of urban mining.² The importance of urban mining will increase strongly in the coming decades.

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

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

Leadax – a flat-roof membrane made from secondary raw materials

Leadax Roov is the world's only flat-roof membrane that is produced from plastic waste as a raw material and that can be recycled at the end of its useful life. It not only helps to save resources, but also has a CO₂ footprint notably smaller than that of conventional flat-roof solutions. Leadax Roov has been available in the Netherlands since mid 2022 and will be rolled out by Wienerberger to other European markets in 2023. A cooperation agreement between Wienerberger and Leadax for the distribution of Leadax Roov in Europe was signed before the global market launch.



Circularity in sourcing

One of the priority targets of the circular economy is to avoid waste by converting materials into high-quality secondary resources.

Use of secondary raw materials

From the viewpoint of resource efficiency, the recovery and reuse of end-of-life products and the use of secondary raw materials in production are matters of high priority for Wienerberger, besides the reusability of products. By using secondary raw materials, Wienerberger contributes toward reducing waste, saving natural resources, and ensuring their availability for future generations. In 2022, the share of secondary raw materials used by the Wienerberger Group was slightly below 8%.

Plastic pipe production: In 2022, the Wienerberger Piping Solutions Business Unit increased the amount of secondary raw materials used in plastic pipe production from 90 kg to 95 kg per ton of products, which corresponds to a 6% increase. According to legal provisions, the use of external secondary raw materials is only permitted for pressureless pipes (e.g. for wastewater, rainwater, electric conduits), but not for pipes used under pressure, such as pipes for potable water. For WPS plastic pipe product lines where the use of secondary raw materials is permitted by law, the amount of secondary raw materials even amounted to 77 kg per ton produced which represents a growth of 10%. Wienerberger even introduced several pipe system solutions based on 100% secondary raw 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 sourcing.

The use of secondary raw materials in plastic pipe production of WPS has been well established for quite some time. Further progress was achieved by WPS in 2022: On the one hand, the use of secondary raw materials was rolled out to all WPS production sites; on the other hand, certain new products were made entirely from secondary raw materials. Moreover, in 2022 WPS again participated in the revision of various European standards, the objective being to enable the use of secondary raw materials in larger quantities. WPS currently holds the chair of the newly established “Ecological Footprint” working group of 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 (EPDs), and issues of European chemical legislation (REACH¹).

Within the framework of the Circular Plastics Alliance we support all efforts to increase the amount of secondary raw materials used in Europe to at least 10 million tons per year 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>

In ceramic production, residual material from our own plants can easily be recycled into the production process on account of its high degree of purity. Secondary raw materials from external sources are also used as a substitute for primary raw materials. In this context, urban mining will be gaining in importance. In order to obtain secondary raw materials of adequate quality, construction debris needs to be carefully sorted and processed.

The clay block plants of the Wienerberger Building Solutions Business Unit (WBS) use secondary raw materials as a pore-forming agent to optimize the thermal insulation properties of the bricks. The quantities used are included in the raw material report of the respective product group. In 2022, more than 8% of the raw materials used in WBS were secondary raw materials.

1) 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...



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, which includes the results of 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 2022.

Optimization programs

Wienerberger Building Solutions (WBS) and 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, and the Design for Lean Six Sigma (DFSS) management approach in plastic pipe production.

Secondary raw materials in packaging

Wienerberger uses an increasing amount of packaging materials made from secondary instead of primary raw materials. The use of climate-friendly, recyclable materials for packaging is being tested, not least in response to our customers' expectations. Besides reducing the amount of packaging material overall, Wienerberger also uses plastic film containing a certain amount of recycled plastics. In 2022, more than 3,000 tons of primary plastics previously used for our plastic packaging film were replaced by secondary plastics.

Another measure introduced in 2022 in Great Britain, Germany, and the Netherlands was to use completely transparent and unprinted plastic film. Packaging film of this type can be recycled more easily and reused as high-quality packaging material.

Wienerberger aims to maximize the amount of recycled materials in packaging film, while still meeting all technical requirements and standards. Another aspect to be considered in this context is the availability of secondary raw materials and the related market developments. In this regard, we work in close cooperation with our suppliers.

Circularity in production

Dematerialization – Reduced raw material input for products equal in 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 serves to enhance resource efficiency and contributes to the reduction of greenhouse gas emissions in production (see pages 72-73), as illustrated by the LESS series of facing bricks produced in Denmark. Owing to the reduced material input, bricks of the LESS series weigh roughly 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 99).

In Wienerberger's Virtual Labs¹, 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 obtain 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 weight are kept as low as possible.

1) 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 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 and the Austrian Climate and Energy Fund.



Waste management in production

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 recycled internally is recycled externally or, if this is not possible, disposed of by certified waste management companies, using state-of-the-art methods.

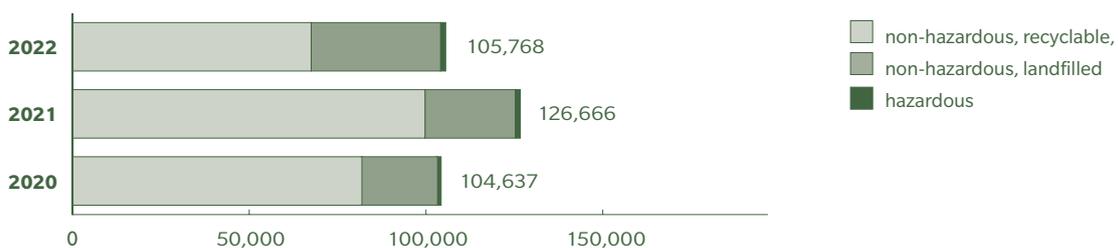
At all our plants, the optimization measures taken within the framework of our quality management system take environmentally relevant aspects into account. Some production sites have additionally been certified according to ISO 14001 Environmental Management Systems.

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 savings through improved production processes. Within the framework of PIP+, for example, the scrap rate in brick production is checked regularly and, if necessary, appropriate measures are taken to reduce it. In 2022, the scrap rate in concrete paver production was slightly below 2%.

In the plastic pipe segment of Wienerberger Piping Solutions (WPS), we apply 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. By the end of 2022, Operation Clean Sweep® was implemented in 85% of all WPS plastic pipe plants.

In 2022, the total volume of waste generated by Wienerberger amounted to 105,768 tons. Despite an increase in production, the volume of waste was reduced by more than 20% from the previous year's level. 67% of the waste generated was non-hazardous and recyclable (2021: 79%).

Waste generation in tons





Resource efficiency in the installation of our system solutions

Prefabricated brick wall systems

By acquiring the prefab brick wall division of Walzer Bausysteme, a Lower Austrian construction company, Wienerberger expanded its Austrian business in this field. This marks yet another step for the company toward becoming a full-range provider of system solutions. Walzer's prefab brick wall division develops brick wall systems that are individually designed for automatic prefabrication, using top-quality precision-ground bricks in a patented dry-bonding procedure. Openings for window and doors and recesses for lintels and overlays are taken into account during production. This eliminates the need for time-consuming cutting of bricks at the construction site, reduces the volume of construction waste, and minimizes waste disposal costs.

With the 2021 acquisition of Struxura, a prefab producer based in Belgium, Wienerberger further broadened its range of solutions for new build and renovation. Struxura produces brick wall and concrete elements using BIM, a scalable Building Information Modelling system. Based on these digital solutions, which facilitate networking during building design, construction, and operation, Wienerberger supports the trend toward faster, more accurate, and more sustainable building construction.

Prefabricated electrical installation systems

The **Electro Spider concept** is a smart system solution for electrical installations. It consists of prefabricated, tailor-made electrical conduits, which are delivered prewired according to a 3D design and can 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 used in industrial prefabrication.

Summary

Wienerberger supports the European Green Deal and the related targets and measures aimed at promoting the circular economy. We regard the transition to a higher degree of circularity as an opportunity that offers numerous benefits, such as a reduced burden on the environment, higher security of raw material supply, increased competitiveness, and the promotion of innovation.¹

The [Circular Economy Action Plan](#) of the European Union announces provisions governing products and production processes that are to support the principle of "circularity-oriented design" for all products. This is to result in a reduction of resource use, with priority given to the reuse and repair of products. Moreover, demand for recycled materials is to be strengthened.

Specific targets along these lines are set out in the Wienerberger Sustainability Program 2023.

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

New product and system solutions by Wienerberger are designed with a view to their reusability or recyclability. This is our contribution to one of the priorities of the European Green Deal – the production of durable products that can be reused and repaired. The reusability of our products is an essential aspect of our innovation efforts, as it significantly prolongs the useful life of our products.

"In 2022, 98 % of our new products were designed to be reusable or recyclable."

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



In connection with the requirements of the European Green Deal, Wienerberger focuses on reducing material consumption in sourcing and production and promotes the use of secondary materials from internal and external sources. In 2022, the share of secondary raw materials in the Wienerberger Group's total raw material input was almost 8%. Within the framework of the Circular Plastics Alliance, we support all efforts to increase the amount of secondary raw materials used in Europe to at least 10 million tons per year by 2025.

A further contribution to resource conservation made by Wienerberger consists in dematerialization, i.e. the reduction in resource use with product quality remaining unchanged. At the same time, continuous efforts are being made to reduce the volume of waste and the scrap rate in our production. Despite a higher production volume, the amount of waste generated by Wienerberger in 2022 declined by more than 20%.

Positioning itself as a full-range system provider, Wienerberger relies on smart, prefabricated system solutions that help to save resources during installation.

Wienerberger is consistently developing new products that are reusable or recyclable. Moreover, we are making a constant effort to increase the share of secondary raw materials in sourcing and production. On a voluntary basis, Wienerberger has for years been working intensively on the preparation of eco-balances and environmental product declarations (EPDs) for its entire product range in the interest of transparent and comparable disclosure of these developments.

Resource conservation in sourcing and production and, in particular, the reusability and recyclability of Wienerberger product and system solutions, have a positive impact on their ecological footprint. By providing durable product and system solutions, Wienerberger enables our stakeholders, including architects and designers, investors, developers, and local authorities to erect buildings and implement infrastructure projects in line with the principles of the circular economy and with a satisfactory eco-balance. This adds sustainable value to the projects of our stakeholders and makes them fit to meet future requirements, such as those of the European Green Deal and the related legislative provisions.



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 of course 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 Action Plans 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 protection and preservation of our environment is firmly embedded in Wienerberger's awareness of its corporate mission and values: we respect nature, use resources sparingly, and foster biodiversity at our sites.

„Nature is in crisis, placing human and planetary health at risk. This decade must be the turning point where we recognize the value of nature, place it on the path to recovery and transform our world into one where people, economies and nature thrive.”¹

Biodiversity and Environment

The frequency of extreme environmental events, such as heatwaves, heavy rainfall, and extensive flooding, is increasing as a result of climate change. The alarming decline in biodiversity observed in the last decades is unprecedented in human history and threatens to bring disastrous consequences for the environment and people.² Climate change is the main driver of biodiversity loss, and the loss of biodiversity and ecosystems diminishes nature's ability to regulate greenhouse gas emissions. Climate change and biodiversity loss are therefore twin crises that call for holistic measures, and they should be tackled together.³

At the 15th Conference of the Parties (COP15) of the United Nations Convention on Biological Diversity (CBD; Biodiversity Convention for short) in December 2022, nature was the central topic. Governments came together to agree on a new set of targets to serve as guidelines for global measures to be taken by 2030 in order to halt and reverse nature loss. This can be achieved through global action within a comprehensive framework and with clear targets.⁴ Only then can we hope to achieve a full recovery of nature by 2050.

There is growing pressure from business and financial institutions for policy and business action to transform the economy into one that values nature. Wienerberger is also part of this initiative as a supporter of the European Green Deal and the “Business for Nature” coalition.⁵ With the latter we joined the Call to Action and the recent “Make it Mandatory” campaign, in which more than 300 of the world's leading companies call for a clear statement at the COP15 to make the disclosure of nature-related information a mandatory requirement.⁶

At this COP15 (Biodiversity Convention), the Kunming-Montreal Global Biodiversity Framework was agreed upon. This framework states that we need to conserve and manage 30% of the world's area and restore 30% of our ecosystems. In reaching this target companies and financial institutions are required to monitor, assess, and disclose their impacts and risks on biodiversity.⁷

This Global Biodiversity Framework is necessary because the effects of the extreme environmental events mentioned earlier confront urban areas with growing challenges that require sustainable and resilient solutions in terms of building design and infrastructure. As a leading provider of innovative infrastructure systems and tailor-made all-in solutions, Wienerberger is helping cities and communities prepare and adapt to these events. With its climate-resilient system solutions for buildings and infrastructure, Wienerberger supports the targets of the European Green Deal.

At the same time, Wienerberger is pursuing the “nature positive” goal at its own production sites. The Biodiversity Program launched in 2020 aims toward a nature positive future for the whole Wienerberger Group. According to the Program, the first target is to have a biodiversity action plan in place on all our production sites.

1) Nature positive: <https://www.naturepositive.org>, a network of 16 leading environmental and conservation associations and research institutions

2) United Nations Sustainable Development Goals (UN SDGs): <https://www.un.org/sustainabledevelopment>

3) European Commission: <https://ec.europa.eu/research-and-innovation/en/horizon-magazine>

4) United Nations Environment Programme (UNEP): <https://www.unep.org/un-biodiversity-conference-cop-15>

5) Business for Nature: <https://www.businessfornature.org>

6) Business for Nature: <https://www.businessfornature.org/make-it-mandatory-campaign>

7) Convention on Biological Diversity (CBD), 2022, Kunming-Montreal Global biodiversity framework

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

In 2021, building on a long history of recultivating our quarries, we took another big step forward into fostering biodiversity at all our (urban) production sites. For this purpose we have designed an innovative and pragmatic approach for urban settings, where we want to improve land use and provide numerous high-quality habitats for plants and animals.

The following sections describe the measures we are taking to implement our Biodiversity Program:

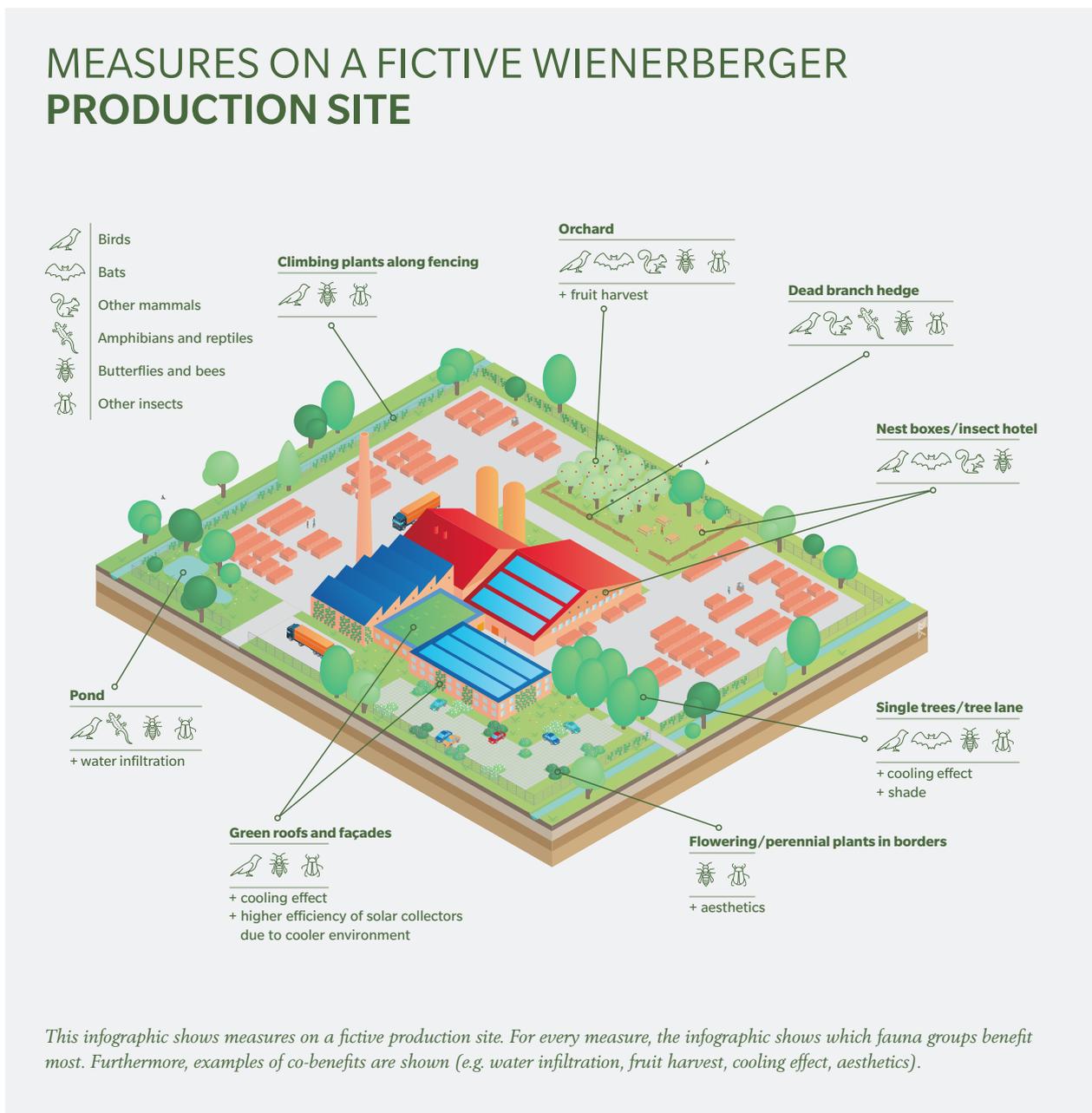
- › Wienerberger's action plans to foster biodiversity
- › Nature conservation during and after the use of extraction sites
- › Avoidance of hazardous substances
- › Contribution of products to the enhancement of biodiversity

With its ambitious Biodiversity Program, Wienerberger is on a journey toward becoming nature positive.



Wienerberger's action plans to foster biodiversity

The biodiversity action plans are a concrete way of contributing to the preservation and promotion of urban flora and fauna at our production sites all over the world. The basis for the action plans is our Wienerberger Biodiversity Measures Catalogue, which describes more than 30 measures put together by our external ecology consultant to fully exploit the biodiversity potential of our production sites. It also shows examples of these measures that have been successfully implemented at our own sites.





The following six-step process represents the corporate standard for the elaboration of individual biodiversity action plans. Thanks to the pragmatic approach, it can be applied at all Wienerberger sites and permits the uniform implementation of biodiversity measures.



Steps one to four are performed by means of a geographic information system¹ and allow comparability and progress updates throughout 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 and ideas from our own employees (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).

The implementation of the measures starts in partnership with a local (eco-friendly) gardening establishment and with help from our own employees (5). As a provider of building materials and infrastructure solutions, Wienerberger can use its own products for certain measures. Best practices are shared within the Group.

The last step of the process is an analysis of the effectiveness of the measures taken (6). To ensure a scientifically sound approach based on citizen science, the original situation is first surveyed in step two of the process. The species and numbers of birds, butterflies, and other insects such as bees, bumblebees and hoverflies are recorded by Wienerberger's biodiversity specialists together with an independent partner well versed in ecological matters. The presence of these species groups is an excellent indicator of habitat quality and well suited for simple and pragmatic monitoring. This method, based on citizen science, allows specially trained employees to monitor the in-migration of species and the development of their numbers following implementation of the measures. As "biodiversity ambassadors", they assume the task of monitoring the birds and insects three times a year, following the same route each time. So far we have more than 60 people on local production sites who want to help improve biodiversity and act as spokespersons for these projects. The evolution of the Biodiversity Program is monitored by means of two indicators:

- › Size (in square meters) of biodiverse terrain at the production sites (newly created and/or upgraded)
- › Number of species identified at the production sites

The Program can be managed, evaluated, and optimized using GIS software combined with regular monitoring of these indicators.

1) GIS software: <https://www.qgis.org/en/site/>



The pragmatic design of the Program means that we can also roll it out in other parts of the world. In North America, we partnered up with a local ecological company that adapted our measures catalogue to North American standards, taking legal requirements, local ecosystems, and local fauna and flora into account to create Wienerberger’s North American Biodiversity Measures Catalogue. The monitoring method was also adapted to reflect North American practice. An excerpt of the common species monitoring form can be seen here.

MONITORING IN NORTH AMERICA

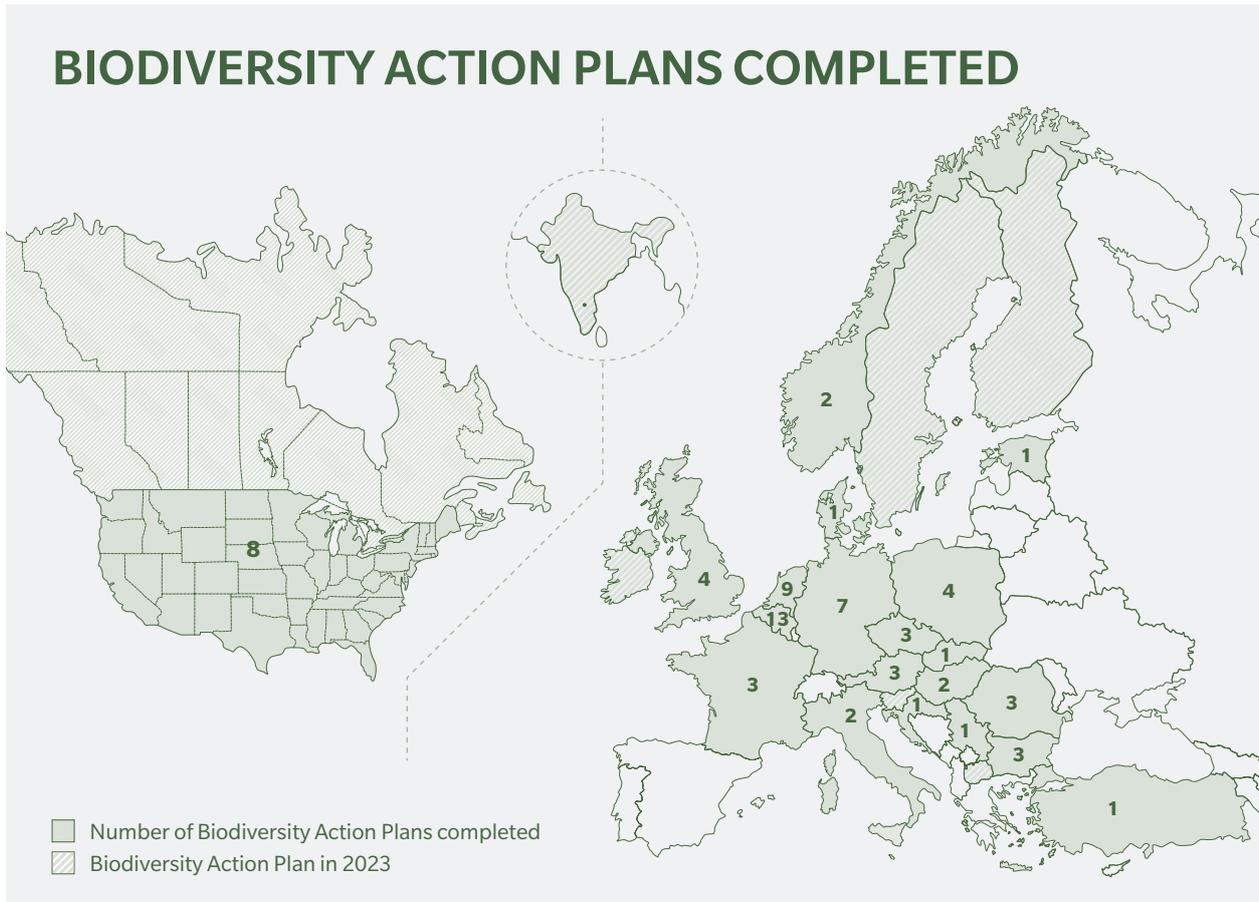
Some of the common species in North America that the biodiversity ambassadors can find on the production site

			
California Dogface (Zerene Eurydice) <input type="checkbox"/>	Monarch (Danaus plexippus) <input type="checkbox"/>	Karner blue (Plebejus melissa samuelis) <input type="checkbox"/>	Cabbage white (Pieris rapae) <input type="checkbox"/>
			
Blue Jay (Cyanocitta cristata) <input type="checkbox"/>	Mourning Dove (Zenaida macroura) <input type="checkbox"/>	House sparrow (Passer domesticus) <input type="checkbox"/>	American goldfinch (Spinus tristis) <input type="checkbox"/>

 Box in which biodiversity ambassadors enter the number of individuals seen on the production site



By 2023, we want to have biodiversity action plans in place at all our production sites. In 2022, we elaborated more than 60 action plans for our sites and thus even outperformed our interim target of 50 plans.



As described before, Wienerberger products, production processes, and raw materials have an impact on living and non-living natural systems. Making sure we are aware of our impacts on our surroundings is essential when we are evaluating our business and its processes. We avoid extracting clay in (biodiversity) protected areas where possible, and we strive to minimize the impacts wherever we are located in such areas. We have therefore taken a close look at the location of all our operational sites (production sites and quarries) and their proximity to protected areas to assess the critical effects.

Our Biodiversity Program improves biodiversity on the production site itself by improving and creating habitats for common animal species. Knowing which species are present in the surroundings is essential in order to create the right habitats. To visualize the sites, we mapped them in a geographic information system. This allowed us to calculate the overlap with protected areas using the available data sets and evaluate the proximity of Wienerberger’s production sites and quarries to Natura 2000 and Ramsar sites (except in North America).



Natura 2000 is a network of Europe's most valuable and threatened habitats (and species) created under the EU Birds and the EU Habitats Directives. They are protected by national measures and legal provisions to maintain their ecological and economic value.¹ Since Natura 2000 covers European protected areas only, our production sites in North America and India are excluded from this analysis. The Ramsar Convention is a worldwide treaty for the protection and sustainable use of wetlands and their resources.²

The analysis shows that no more than 15 of 216 production sites overlap with Natura 2000 protected areas, and more than half of these sites have less than 5% overlap. Most of the production sites have this overlap because they are located near major canals, rivers, or other bodies of water for historical reasons, and generally these waterways are particularly attractive for animals and plants. In the Netherlands, for example, clay qualifies as renewable raw material because it is deposited in the rivers.³ By extracting clay in these areas, water level safety is guaranteed and natural habitats are created. Being close to waterways also means they can be used for water-based transport of products. The same goes for production sites that have overlap with Ramsar protected sites. Less than 2% of our production sites have an overlap with Ramsar wetland areas.

There are no clay pits in Europe that have an overlap with Ramsar protected areas. Less than 10% of the quarries overlap to a small extent with Natura 2000 protected areas.

Clay pits have a long working lifespan, so few (if any) are closed per year. Their end-of-life status is usually agreed upon before extraction begins, and we make every effort to give back to nature as much as possible. Currently, more than half of the clay pits used by Wienerberger are being re-natured or given over to agriculture.

To summarize, an assessment regarding impacts on the environment and especially on Natura 2000 and Ramsar areas has been conducted on all our production sites and clay pits. Where necessary, measures are in place to mitigate the effects.

Nature conservation during and after use of extraction sites

Responsible sourcing of our raw material is a fundamental part of the Wienerberger Sustainability Strategy. As a leading company of our sector, we are committed to providing high-quality products while ensuring that the natural environment is valued and protected. To this end, a critical evaluation of our clay pits is a very important step in the process of closing the sustainability circle.

A general aspect of our clay mining process is that no hazardous substances are involved, which guarantees that there is no pollution or contamination of the soil and groundwater system. Moreover, all clays are extracted exclusively from open pits, excluding the need for underground mining and the use of explosives, which makes the process safer. Strict environmental regulations are in place to ensure responsible mining operations.

For all our clay pits in Europe, an environmental impact assessment (EIA) is conducted prior to the approval of operations. A similar investigation is performed in North America. In Europe, alongside the formal approval procedure, environmental aspects, such as significant direct or indirect impacts that may arise from the extraction of our raw material, are taken into account. Project planning is improved by integrating nature and local residents from the start and minimizing any significant environmental damage. Every effort is being made to balance competing interests through recultivation, mitigation, and compensation measures. The environmental impacts thus analyzed include potential impairments of human (health and well-being), animal and plant life, as well as biodiversity, water (surface water and groundwater), soil and air quality, the climate, and cultural and other assets, as well as any interactions between them. Based on a broad and integrative analysis, an EIA enables transparent and comprehensive decision-making, e.g. on requirements to be met during operation and mitigation, compensation, and recultivation measures to offset the effects of non-avoidable human intervention.

1) European Commission, Environment: <https://ec.europa.eu/environment/nature/natura2000>

2) Ramsar: <https://www.ramsar.org>

3) *Journal of Soils and Sediments*, van der Meulen M. et al. (2009); *Sediment management and the renewability of floodplain clay for structural ceramics*



Another indispensable part of the approval procedure for the operation of a clay pit is the applicant's/operator's plan for the recultivation of the site. This is to ensure that every depleted clay pit is recultivated and given a meaningful use. For example, around 40% of the area of our extraction sites is given back to nature, while another 25% combines nature with agricultural use. We can see such added value in some of our former clay pits, such as Šumbar Lake in Croatia, now a famous fishing lake, and at the Orchard Farm site in England, which is being converted into a habitat for endangered species, such as the great crested newt and the green lizard. Another example is the Wienerberg recreational area in Vienna, now a protected site, which is home to a diverse flora and fauna including some species of conservation concern, such as the European pond turtle, Austria's only native turtle species.

In many cases, some parts of the clay pits are being recultivated while extraction operations are still ongoing. These areas are often able to provide a mosaic of habitats, even during the extraction phase. As an example, pioneer grassland and wetland vegetation is present at some sites during the extraction phase, and these niches may attract species that require nutrient-poor soils and bare ground. Clay pits have a different and unique biodiversity potential that we try to explore during the use phase.

Clay pits offer a diverse range of habitats for local fauna both during and after the extraction phase.

Avoidance of Hazardous Substances

We conscientiously ensure the avoidance and, where this is not possible, the substitution of hazardous substances. Wienerberger meets all legal requirements at the national and regional levels regarding the avoidance and substitution of hazardous substances, especially in raw materials. Compliance with all legal provisions is continuously monitored and corrective or mitigating measures are taken if necessary.

Based on an internal policy, uniform management practices regarding the avoidance of hazardous substances are in place at all production sites. The policy provides for a strict classification of all 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 by means of annual raw material reports.

Contribution of Products to Fostering Biodiversity

System solutions developed by Wienerberger Piping Solutions can be used for the supply and 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. The measurement of rainwater flow through downpipes into tanks and drains using smart sensors enables urban planning authorities and others to identify places where green infrastructure could help to improve drainage and mitigate urban heat island effects. Green infrastructure elements in cities can also serve to connect core habitats of numerous animal and plant species (stepping stone biotopes).



Pipelife's Raineo® system, used in combination with the Leadax Roov membrane (see Chapter Climate Protection & Adaptation to Climate Change on page 101 and Chapter Circular Economy on page 121), enables Wienerberger to provide smart blue-green roofing solutions. Green roofs provide nesting space and are a source of food for various animal species. Additionally, (rain)water can be harvested, filtered, stored, and reused.

Eco-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. In combination with pipe systems developed by Wienerberger Piping Solutions, they prevent flash flooding in cities with large areas of sealed surfaces. The use of light colors prevents overheating and has a notable cooling effect, which in turn improves the micro-climate. This benefits not only people, but also animals and plants in cities.

Ceramic product solutions by Wienerberger enhance climate resilience and help foster biodiversity in urban areas. Wienerberger has designed solutions to accommodate bird and bat boxes under roofs and on façades, as well as insect hotels and nesting spaces for small mammals. This is a perfect way to foster biodiversity in urban areas without impairing the quality of life of the building's human inhabitants or changing the outward appearance of the building (see also our brochure on eco-habitat products fostering biodiversity). With a long lifespan and high recyclability, clay products are the building material of the future.

Summary

By enhancing the conditions for biodiversity on our own production sites, we make our areas healthier for fauna, flora and people. This is the first step in our journey to nature positive and is in accordance with the global biodiversity framework that was established at the COP15 of the Biodiversity Convention. Because of our pragmatic approach and our learnings we will be able to support new legislation in Europe. We will continue on our journey, on and off our sites, share the know-how with our partners in the supply chain, and contribute to a better, healthier, and greener future.



EMPLOYEES & SOCIAL IMPACTS



WIENERBERGER EMPLOYEES

For Wienerberger, assuming responsibility for all our employees is of primary importance. We are committed to diversity, inclusion, and equal opportunities in our company and support our employees in developing their skills and talents. Together, we can improve people's quality of life with our products and system solutions. We offer our employees a safe and motivating work environment and are committed to showing them respect and appreciation.

Targets of our Sustainability Program 2023



≥ **15%**

women in
senior management



≥ **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. 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



10%

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

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



200

housing units per year for
people in need

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, diversity, and dedication of our employees, as well as on our corporate culture.

We believe it is our responsibility to create a stable and safe work environment for all Wienerberger employees. We provide all 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 goal is to sustainably improve the quality of life of our employees, customers, and business partners. To achieve this goal, we work in diverse teams at an international level on the basis of shared values, such as trust, respect, passion, and creativity. In 2021, Wienerberger published a comprehensive Code of Conduct, which was implemented across the Group. A group-wide whistleblowing system, set up in 2021 by Wienerberger in cooperation with SeeHearSpeakUp as its external partner, is available for all employees to report any misconduct observed – anonymously, if so desired.

Through targeted measures, we address topics such as occupational health and safety, skills 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, for which key data on occupational safety and health, training, and employee development are collected every four months.

In the coming years, as we continue our comprehensive digitalization measures, we will be able to expand the existing analytical and steering options on the basis of granular and reliable data. We thus intend to achieve a targeted further enhancement of the work environment and our process landscape, and will address megatrends, such as the shortage of skilled labor, even more effectively.

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

Alongside our commitment towards the health and safety of our employees, 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 of our 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 impacts:

- › 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 2022, Wienerberger fully aligned the health & safety measures pursued by the business units with the common Wienerberger Health & Safety Policy. Our clear goal is to benefit from the achievements of the WBS and WPS Business Units over the past decades and incorporate them into new developments.

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 service
- › Safety, health, and human rights at our own raw material extraction sites
- › Protection from exposure to respirable crystalline silica
- › Group-wide management of the COVID-19 pandemic
- › System for the collection of occupational accident data

In the following, we also disclose the development 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 (WSS)

To ensure the occupational safety and health of our employees at the workplace, each business unit is implementing the WSS based on relevant legal provisions, sector-specific standards and requirements, and local rules and regulations. In 2021 the Wienerberger Health & Safety Policy has been updated throughout the Group, reflecting our Safety Standards. These policies and programs are actively implemented by our business units and country organizations.

In 2022, Wienerberger introduced the first version of the “Occupational Health & Wellbeing Standard OH&W” in order to harmonize the measures taken in the country organizations and standardize the approach towards OH&W. Additionally, so-called functional safety audits were performed to verify conformity with the corresponding European standards (e.g. on safety of machinery: EN 13849/12100). The content and activities within the OH&W standard are described in the following sections.

Contingency planning

Wienerberger employs the method of contingency planning for various safety topics and areas of work. This includes, under others, the posting of warning signs, notices on machines and, in particular, initiatives such as LOTOTO (Lock-Out, Tag-Out, Try-Out). This is 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. In 2022, the LOTOTO initiative was translated into all languages spoken within the Wienerberger Group and rolled out to all countries. In addition to the technical and mechanical safety provisions and warning signs, continuous training on occupational safety is being provided.

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 (including elements of gamification, i.e. the transfer of game-like or game-typical elements into a non-game-like situation) 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 situation

In the Wienerberger business units, work-related hazards or hazardous situations are identified and evaluated by means of a Health & Safety (H&S) app. Employees can easily and quickly report safety concerns via this app. Training is provided on how to use the app. Given our strict reporting requirements, not only the local H&S management, but also the central H&S team has access to the safety concerns reported to ensure appropriate measures and recommendations are shared across all local organisations. For years, all employees have been urged to participate in the identification of hazards.

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. All accidents are investigated for their causes and the risks associated with them. Extensive reports are also generated on the causes of accidents without sick leave, and corrective action is taken to prevent such accidents in the future.

As part of the "Occupational Health & Wellbeing Standard", auditing is a key method for evaluation. Audits take place on regular intervals in the form of internal audits or cross-country audits. Cross-country auditing is a strategic way of evaluating performance and sharing best practices on the basis of observations made during the audits. In 2022, the number of cross-country audits was increased from seven in the previous year to 38. In total, 143 audits were performed in the course of 2022.



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.

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.

In most countries (depending on the size of the location) a Safety Committee (or Council) meets up to four times per year. Its purpose is to ensure broad representation of the local organization in the implementation of its health and safety program. At the Wienerberger Piping Solution Business Unit, for example, the set-up is as follows:

- › Participants include representatives of production workers, health & safety specialists, the health & safety management team, and members of the management team.
- › The agenda includes a review of the current health & safety performance, a review of policies and procedures, planned changes, and improvements to the program, as well as suggestions on how to improve health & safety in each department.
- › The Committee, which includes key stakeholders and top representatives of the local management, has decision-making authority.

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 have been 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 needs of the respective 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, a specialized agency of the United Nations). 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 WBS 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>)¹.

Apart from that, Wienerberger is making every effort to provide the best possible protection against respirable crystalline silica² 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.
- › 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”, a new data collection system is being introduced. Compliance with the standard aimed at protecting employees from exposure to respirable crystalline silica is being monitored in all countries.

Group-wide management of the COVID-19 pandemic

It goes without saying that minimizing health risks and protecting our employees was Wienerberger’s foremost concern during the COVID-19 pandemic. Health protection remains a top priority. 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

Since 2020, we have continuously upgraded our pandemic-related health and safety measures along our entire value chain and adapted them to the prevailing local conditions. Examples of measures taken include testing and vaccination services provided by the company, in-house contact tracing, the provision of personal protection material, the digitalization of further training programs, as well as work-from-home and remote working options.

Mental health

We are not only doing our utmost to guarantee the safety of our employees, but also care about their mental health. We have therefore steadily enlarged our range of services and added new forms of learning in this area. 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.

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, pandemic-related work environment. In 2022, Wienerberger placed special emphasis on mental health and broadened the range of services available for employees in various areas through keynote messages, additional international training programs for employees and executives, or the organization of health days. Numerous country organizations around the globe implemented various initiatives of this nature. Our country organization in Great Britain, for instance, has implemented a special app enabling all employees to download personalized content in the field of mental health (e.g. coaching, meditation, mindfulness exercises, scientific information and contributions, etc.).

1) 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.

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



System for the collection of occupational accident data

Within the framework of Safety, Health and Education (SHE) reporting by the Wienerberger Group, all occupational accidents that lead to a loss of at least one working day for the employee concerned are documented as occupational accidents. They are reported in one central, online, safety platform that can be accessed by management as well as employees. In the portal there is a wealth of information about the circumstances of each individual accident and measures taken for accident prevention.

Accident frequency

In 2022, the frequency of accidents at Group level – defined as the number of occupational accidents per million hours worked – was reduced to 4.1 as compared to 5.4 in 2020. In total, 33,758,928 working hours have been performed in 2022. In line with the overall downward trend, accident frequency continued to decrease by around 6% from 2021 to 2022. The Wienerberger Building Solutions Business Unit, after a significant reduction in 2021, reported a stabilization of accident frequency at around 5.3 in 2022. Owing to the relatively low absolute number of occupational accidents, the North America Business Unit, amidst ongoing integration activities after recent M&A activities, saw an increase in accident frequency from 1.0 in 2021 to 2.0 in 2022, which translated into a high relative change of approximately 96%. In contrast, the Wienerberger Piping Solutions Business Unit achieved a significant reduction by 53% in 2022 (calculated on the basis of non-rounded values).

Accident frequency by operating segment ¹⁾²⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	5.4	3.8	4.2	+12
Wienerberger Building Solutions West	8.8	6.2	6.2	-0
Wienerberger Building Solutions	7.1	5.0	5.3	+4
Wienerberger Piping Solutions East	1.4	1.5	0.8	-44
Wienerberger Piping Solutions West	2.5	5.9	2.4	-59
Wienerberger Piping Solutions	2.0	3.9	1.8	-53
North America	1.0	1.0	2.0	+96
Wienerberger Group	5.4	4.4	4.1	-6

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



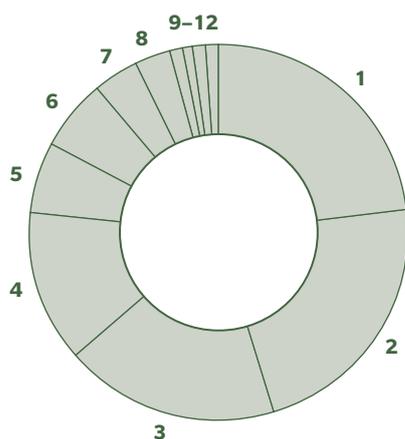
Accident severity and types of injuries

In 2022, the most frequent types of injuries of employees at Group level were sprains and strains, followed by fractures, cuts, and bruising. As every accident is investigated and analyzed in depth, immediate conclusions can be drawn, a procedure which is applied across the business to increase the safety of our employees.

Depending on the actual or potential severity of the accident, a safety call is organized to discuss the findings and share the lessons learned across the Group.

There were no fatal occupational accidents in 2022.

Types of injuries of employees within the Wienerberger Group in 2022 ¹⁾²⁾



1	Sprain, strain	23%	7	Swelling	4%
2	Fracture	22%	8	Puncture, rupture	3%
3	Cuts	18%	9	Burn	1%
4	Bruising	13%	10	Superficial	1%
5	Crush	6%	11	Graze	1%
6	Other	6%	12	Eye injury	1%

1) Injuries resulting in a loss of at least one working day. // 2) Excluding four companies newly acquired in 2022, where the data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). // Based on the specific definitions of the individual business units. // Electronic data processing may result in rounding differences.

Number of fatal occupational accidents within the Wienerberger Group	2020	2021	2022
	1	1	0

In 2022, accident severity, measured in accident-related sick-leave days per million hours worked, remained steady. Throughout 2022, occupational safety training continued and comprehensive measures were implemented. Despite the group-wide reduction in accident frequency, accident severity remained at the previous year's level with 180 sick-leave days reported per million hours worked (2021: 180).

The consistent efforts undertaken by the Wienerberger Building Solutions Business Unit led to a notable reduction in accident severity from 241 sick-leave days per million hours worked in 2021 to 222 in 2022 (-8%). In contrast, the North America Business Unit reported a significant increase in sick-leave days per million hours worked compared to the previous year (>100% increase). This is attributable to an accident resulting in long-term sick leave, which occurred prior to the acquisition of the company.

The Wienerberger Piping Solutions Business Unit also reported a substantial increase in accident severity by approximately 83% in 2022, which was primarily due to two accidents resulting in long-term recovery processes.



Accident severity by operating segment ¹⁾²⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	228.1	203.5	183.0	-10
Wienerberger Building Solutions West	241.2	275.9	257.9	-7
Wienerberger Building Solutions	234.7	241.4	222.1	-8
Wienerberger Piping Solutions East	33.3	17.7	114.3	+546
Wienerberger Piping Solutions West	65.2	45.6	27.3	-40
Wienerberger Piping Solutions	50.3	32.9	60.4	+83
North America	34.6	13.3	157.9	>100
Wienerberger Group	177.6	180.0	180.1	+0

1) Number of sick-leave days related to an occupational accident/ 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 2022, 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 around 6 % to 12.3 (2021: 11.5). Among other factors, this is due to the higher severity of accidents and, in some instances, longer sick-leave periods.

Sick-leave days per employee by operating segment ¹⁾²⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	10.0	11.2	10.8	-3
Wienerberger Building Solutions West	12.5	12.8	14.6	+14
Wienerberger Building Solutions	11.3	12.0	12.8	+6
Wienerberger Piping Solutions East	6.7	6.9	7.9	+15
Wienerberger Piping Solutions West	10.8	11.6	12.2	+6
Wienerberger Piping Solutions	9.1	9.7	10.7	+10
Wienerberger Group, excluding North America	10.8	11.5	12.3	+6
North America ³⁾	3.4	3.1	3.7	+20

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 2022, about 67 % of all Wienerberger employees were covered by collective bargaining agreements. Wienerberger does not discriminate in any way against employees who, due to the local legal situation, cannot represent their interests through legally regulated bodies – such as works councils or trade unions.

By signing the Wienerberger Social Charter in 2001, Wienerberger has committed itself to creating employment and working conditions throughout the Group for which national legislation and/or collective bargaining agreements apply as a minimum standard. Wienerberger thus complies with the relevant recommendations of the International Labor Organization (ILO). It goes without saying that Wienerberger respects human rights and does not tolerate child labor and forced labor or any form of discrimination.

Moreover, Wienerberger is making every effort to ensure that all employees, regardless of the type of employment relationship (full time, part time, temporary work), are treated equally and fairly, especially in terms of remuneration and other benefits, subject to the respective national legislation and remuneration policy.

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 page 41.

Total number of employees

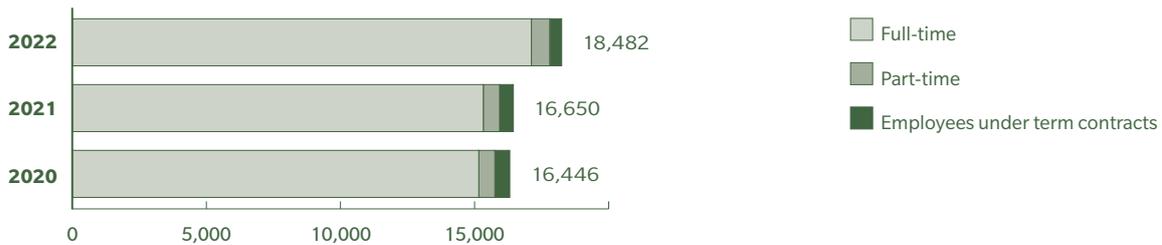
In 2022, Wienerberger, on an annual average, employed a workforce of 19,078 people (full-time equivalents), i.e. approximately 8 % (1,454 full-time equivalents) more than in 2021. The higher number was primarily due to M&A activities. The most significant increase was reported by North America (+809), followed by Wienerberger Piping Solutions (+338), and Wienerberger Building Solutions (+307).

Ø Employees by operating segment ¹⁾				
Full-time equivalents	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	5,707.0	5,704.2	5,878.0	+3
Wienerberger Building Solutions West	6,231.6	6,722.9	6,856.0	+2
Wienerberger Building Solutions	11,938.6	12,427.1	12,734.0	+2
Wienerberger Piping Solutions East	1,487.1	1,486.6	1,519.0	+2
Wienerberger Piping Solutions West	1,840.5	2,119.7	2,425.0	+14
Wienerberger Piping Solutions	3,327.7	3,606.3	3,944.0	+9
North America	1,352.3	1,590.7	2,400.4	+51
Wienerberger Group	16,618.6	17,624.1	19,078.4	+8

1) Agency and temporary workers are included from their first hour of work at Wienerberger. // 2) Including the four companies newly acquired in 2022. // 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 four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53).

In terms of headcount as of December 31, 2022, the number of employees of the Wienerberger Group was 18,482, i.e. 11% above the previous year's figure (16,650).

As of December 31, 2022, 95.7% of all employees directly and permanently employed by Wienerberger (headcount) were working full-time and 4.3% part-time. 17,974 persons (headcount), i.e. 97.3% of all Wienerberger employees, had permanent employment contracts (+0.8% compared to 2021). Employees under term contract accounted for a mere 2.7% of the workforce. A very small part of the work at Wienerberger is performed by staff legally defined as self-employed.

In principle, Wienerberger prefers to work with employees under permanent employment contracts and intends to reduce the percentage of agency workers to a minimum. We define agency workers as employees who work regularly for a Wienerberger organization, but are subject to national legal provisions and are not deemed to be Wienerberger employees. They are not directly employed by Wienerberger but, in legal terms, have an employment relationship with an external third party. If the 1,325 full-time equivalents of these agency workers are added to the total number of full-time equivalents of all Wienerberger employees in 2022, agency workers account for 6.5%.

Employee turnover

Compared to the previous year, the rate of employee turnover in the Wienerberger Group (excluding the North America Business Unit) increased by almost 3 percentage points to around 14% in 2022, corresponding to a 24% increase. The change in the rate of employee turnover from around 8% to 15% is particularly notable in the Wienerberger Piping Solutions Business Unit (+93%). This is attributable, above all, to the regions of Western and Northern Europe (+146%), where the average rate of employee turnover of around 16% is even higher than in Central and Eastern Europe (12%). In contrast, the Wienerberger Building Solutions Business Unit reported a significantly lower increase in the rate of employee turnover by a mere percentage point to 13% in 2022 (+12%). Here, too, the increase in Western and Northern Europe (+20%) was more pronounced than in Central and Eastern Europe (+6%), but even there the rate of employee turnover itself, standing at around 16%, exceeded that of Western and Northern Europe (12%).

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.

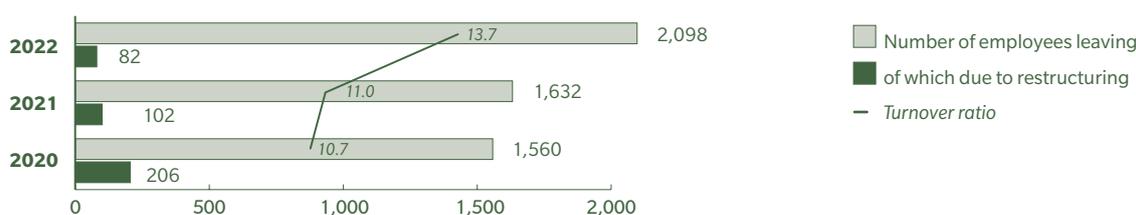
**Employee turnover by operating segment ¹⁾²⁾**

in %	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	15	15	16	+6
Wienerberger Building Solutions West	8	10	12	+20
Wienerberger Building Solutions	11	12	13	+12
Wienerberger Piping Solutions East	10	9	12	+36
Wienerberger Piping Solutions West	6	7	16	+146
Wienerberger Piping Solutions	8	8	15	+93
Wienerberger Group, excluding North America	11	11	14	+24
North America ³⁾	31	53	33	-37

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (head-count) 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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.

A total of 2,098 employees, i.e. 466 more than in the previous year, 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 82 jobs (4%). 2,016 employees – 321 women and 1,695 men (96%) – left the Wienerberger Group for other reasons. 476 of these employees were younger than 30 years, 1,046 were between 30 and 49 years of age, and 494 were over 50 years of age.

In 2022, 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.

Employee turnover excluding North America ¹⁾²⁾ based on headcount

1) Employees with permanent employment contracts. // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53).

In 2022, the number of employees newly recruited by the Wienerberger Group rose by 572 compared to the previous year (based on headcount), which corresponds to an approximate 21 % increase. Owing to Wienerberger's excellent performance in 2022, the recruitment of new employees was again stepped up. In particular, Wienerberger Building Solutions reported 367 more new entrants in 2022 than in 2021 (+22%), followed by North America with 138 more new entrants (+23%). Wienerberger Piping Solutions reported 67 more new entrants than in the previous year (+15%).



New entrants by operating segment ^{1) 2)} based on headcount	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	622.7	924.8	1,204.9	+30
Wienerberger Building Solutions West	523.0	746.0	833.0	+12
Wienerberger Building Solutions	1,145.7	1,670.8	2,037.9	+22
Wienerberger Piping Solutions East	201.6	182.8	171.6	-6
Wienerberger Piping Solutions West	177.0	270.0	348.0	+29
Wienerberger Piping Solutions	378.6	452.8	519.6	+15
North America	361.7	592.4	730.5	+23
Wienerberger Group	1,886.0	2,716.0	3,288.0	+21

1) Employees directly employed by Wienerberger // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 attach great importance to 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 group-wide anonymous employee surveys at regular intervals. Based on the results obtained, we implement further measures that also take specific requirements in individual fields of business into account.

“In 2022, the number of hours of training per employee increased by around 53%, as compared to 2020 (+24%, 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.

Wienerberger supports all employees whenever necessary, in particular within the framework of organizational restructuring, even beyond the end of their employment relationship. As a rule, outplacement counselling and coaching is provided to support job seekers.



Training and HR development

In 2022, 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.

In 2020, we set ourselves the target of increasing the average number of training hours per employee by 10% by 2023. Relative to a baseline of 10.6 hours, this corresponds to a target of 11.7 hours per employee. With 13.1 hours in 2021, we already outperformed this target in the previous year. In 2022, we further increased the number of training hours per employee to 16.3, which corresponds to an increase by 24 % versus the previous year and 53 % versus the reference year 2020. This shows that we have not only reached our target earlier than planned, but even outperformed it. We now intend to further develop and foster the learning mentality within the organization, the objective being to maintain the amount of time invested by our employees in initial and further training at its current level or reach an even higher level in the years to come.

To date, hours of training per country have been recorded anonymously within the framework of our Safety, Health and Education (SHE) reporting. As part of our ongoing digitalization efforts, we will create additional system-supported possibilities to document investments in education at a more granular level and make our employees more aware of their own achievements, for instance by means of a personalized digital further training history.

The necessary reduction in the number of physical meetings due to COVID-19-related contact restrictions no longer had much influence on the training formats provided in 2022. As before the pandemic, almost all further training events again took place as physical on-site meetings. The respective protective measures, such as free on-site COVID tests before the beginning of the event, were observed. Whenever necessary, suitable alternatives or hybrid formats were available.

Training hours per employee and year by operating segments ^{1) 2)}	2020	2021	2022	Chg. vs. base year 2020 in %
Wienerberger Building Solutions East	13.9	17.2	23.0	+65
Wienerberger Building Solutions West	10.3	11.8	16.3	+58
Wienerberger Building Solutions	12.0	14.4	19.5	+62
Wienerberger Piping Solutions East	4.9	5.7	7.7	+57
Wienerberger Piping Solutions West	8.2	11.6	13.3	+63
Wienerberger Piping Solutions	6.8	9.3	11.3	+66
North America	6.8	10.4	7.1	+4
Wienerberger Group	10.6	13.1	16.3	+53

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

The safety and health of all employees are matters of top priority at Wienerberger. Within the framework of our safety programs, training therefore plays an important role and is being continuously improved and upgraded. Conveying the ability to recognize potential hazards and to understand the risks associated with them is crucial in this context. Learning “safe behavior” as part of their daily working routine is important for employees. Experience gained from real-life incidents and risks as well as risk-mitigating measures are regularly taken into account. All training programs are implemented thoroughly and consistently. In 2022, the number of hours of safety training again increased significantly across the Group, almost doubling compared to 2021. 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.



In 2022, our talent development programs were revised and new formats were developed. Currently, three different programs are available. A program for our “Young High Potentials” (Ready2Grow) and a development program for our “Experienced Professionals” (Ready4Experience 2.0) were newly implemented. The existing Ready4Excellence program is offered to employees who are deemed to have above-average potential and are willing to assume an international role in the future. Over 145 colleagues have participated in this successful development program in recent years and undergone training in areas such as communication, feedback, motivation, conflict and change management, and intercultural skills. Currently, 28 participants each from 15 countries are attending our Ready2Grow and Ready4Expertise 2.0 programs.

In 2022, a new initiative was launched across the Group: our mentoring program. Employees from different countries, operating segments, departments, and fields of responsibility were brought together and a platform for the exchange of experience was created. Over 70 mentors from more than 20 countries applied for this initiative. Currently, 65 mentees are participating in this newly created program.

In 2020, Wienerberger launched a digital learning platform for the Group, where various training programs, some of them available group-wide and others country-specific, can be accessed. The platform is used for the announcement of on-site training programs by HR, it supports the nomination and registration processes for such programs, and serves as a point of contact for our employees wishing to download training content purchased from external providers or taking advantage of training material produced in-house in the form of e-learning units. The number of users increased from 300 when the platform was launched in mid-2020 to more than 5,500 by the end of 2022. The platform is now being 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, 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 16.7 in 2022 (2021: 13.5 hours).

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 a succession planning process, in particular for senior management positions, have been implemented. As of December 31, 2022, 178 positions were covered, without taking the positions of the four Managing Board members with senior management status into account.

Employee satisfaction

In 2021, an employee satisfaction survey was performed 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. Compared to the last survey in 2017/2018, the results of the 2021 survey showed an increase in both engagement (+3%) and enablement (+2%). 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 were communicated to all employees at the respective sites.

Based on the results of the employee survey, measures to improve the work environment were planned in all organizations of the Wienerberger Group. Employees and employee representatives were involved in this process and the feedback received was taken into account. Measures were initiated in various areas, 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 more effectively in dialogue with external stakeholders. The package also comprised targeted initial and further training initiatives and the optimization of workflows and communication processes. Overall, more than 500 individual measures were defined, 230 of which have already been successfully implemented.

Following the regular cycle, the next employee survey is to be conducted in 2023. Preparations were begun in 2022.



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 concept, please refer to the 2022 Corporate Governance Report on page 202). 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.

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. This positive result was confirmed by the whistleblower process introduced in 2021 (see page 41) and the analyses of the 2021 employee survey.

Cultural diversity is a positive feature of Wienerberger's identity and its corporate culture. The international character of the company is strengthened through a system of job rotation between different functional areas and country organizations. Employees are being encouraged to spend some time working for a Wienerberger company abroad or assume a permanent position there. Such moves are being supported by our central Global Mobility Team based at Wienerberger's headquarters. In a further effort to foster diversity, training programs and e-learning courses in diversity were implemented in 2022. Moreover, diversity aspects have been firmly embedded in all HR processes. Intercultural training and awareness building for central aspects of diversity have become an important component of Wienerberger's initial and further training programs.

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 for gender equality.

Share of women

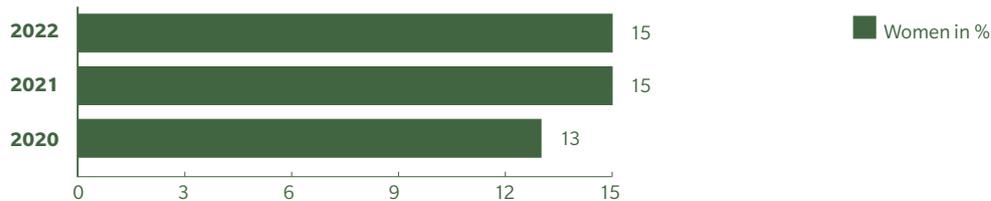
In 2022, the number of women employed by the Wienerberger Group increased by almost 17% to 2,991. Women accounted for approximately 16% of the total workforce of the Wienerberger Group.

"In 2022, the percentage of women in senior management positions remained stable at 15%."

We continue to give preference to women in senior management and executive positions, provided their qualifications are equivalent to those of male candidates. Further measures for the advancement of women include coaching sessions for women about to reach the "next level" or efforts to draw attention to successful women both within the company and in external communication.

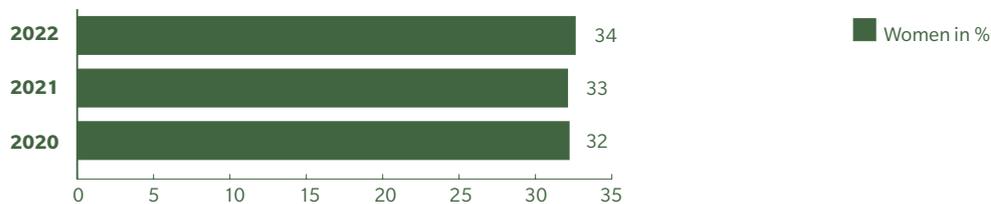


Share of women in senior management positions ¹⁾²⁾ based on headcount



1) Exclusively employees directly employed by Wienerberger. // 2) Excluding four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

“In 2022, the percentage of women working in white-collar positions increased slightly by one percentage point from the previous year’s value of approximately 33% to 34%.”

In 2019, a woman was appointed to the Managing Board of Wienerberger AG, where she has held the position of Chief Operational Officer (COO) of Wienerberger Building Solutions since 2020. In 2022, the share of women on the four-member Managing Board therefore was 25%. As regards the Supervisory Board, 33% of its members were women in 2022 (2021: 40%).

As at December 31, 2022, the total percentage of women employed by the Wienerberger Group was around 16%, i.e. 1 percentage point (+5%) above the previous year’s value of around 15%.


**Numbers and percentages of women
by function area ¹⁾²⁾**

		31/12/2020	31/12/2021	31/12/2022	Chg. in %
Women	headcount	2,479	2,560	2,991	+17
In production	in %	5	5	6	+19
Administration	in %	46	45	47	+5
Sales (including marketing and inventories)	in %	26	27	28	+3
In white-collar positions (administration and sales) ³⁾	in %	32	33	34	+3
Wienerberger Group		15	15	16	+5

1) All employees directly employed by Wienerberger. // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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.

Paternal leave at Wienerberger

In principle, Wienerberger wants to offer all its employees the possibility of taking parental leave within the framework of the legal provisions in effect and in accordance with their individual wishes. Legislation on this topic and prevailing practices vary greatly from country to country. We therefore do not intend to compare data across all countries from a central perspective. The current situation in Austria is as follows:

In 2022, 1,220 persons employed by Wienerberger in Austria (i.e. all employees) – approximately 24% women and 76% men – were entitled to take parental leave. Parental leave was actually taken by 33 of them. Five of these employees, i.e. just over 5%, were men taking advantage of the so-called “daddy month” or other statutory periods of leave. The remaining 28 were women taking parental leave. Of all those who took parental leave or stayed home for a so-called “daddy months” in the reporting year or parts thereof, about 96% of all female and 100% of all male colleagues returned to work after their period of leave. In the 2022 reporting year, 32 of 33 employees returned to the company after termination of their parental leave.

Types of employment contracts

In 2022, the percentage of women in permanent employment working full-time was 84.6%, corresponding to a decrease by 0.5 percentage points compared to the previous year (2021: 85.1%). The percentage of permanently employed women working part-time was 15.4% in 2022.

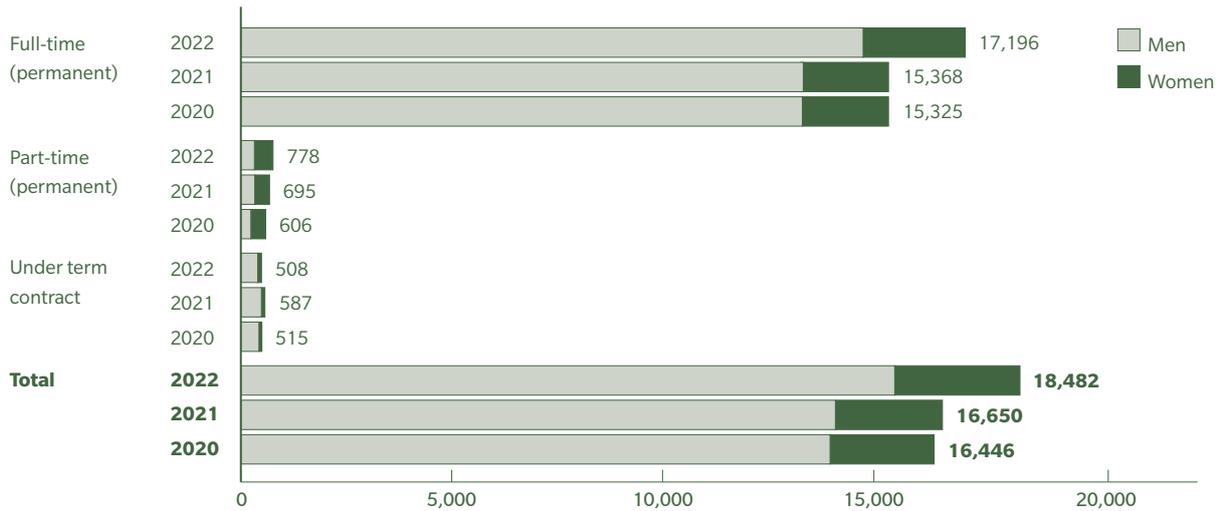
The percentage of permanently employed men working full-time in 2022 was 97.8% (2021: 97.6%). A mere 2.2% of all permanently employed men were working part-time.

Overall, the 2022 numbers of Wienerberger employees under permanent employment contracts working part-time show that more than half of them (56.9%) are women. 43.1% of employees working part-time are men.

Of all women directly employed by Wienerberger in 2022, 3.6% were working under term contracts. Of all men directly employed by Wienerberger, 2.6% had term contracts.



Employees by type of employment contract and gender ¹⁾²⁾ based on headcount

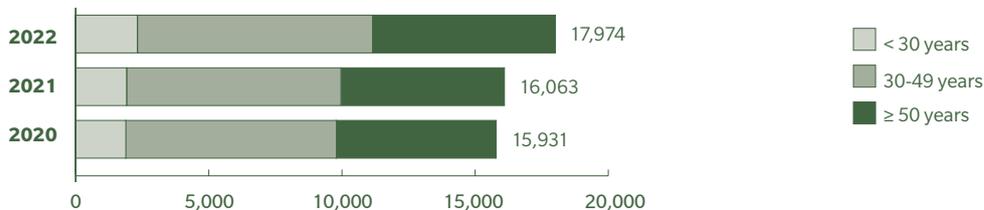


1) Exclusively employees directly employed by Wienerberger. // Share of women in administration and sales (including marketing and inventories). // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized, the indicators are not included for the 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Age structure

The average length of service of 11 years with the Wienerberger Group is reflected in the age structure of our permanently employed workforce in 2022, which hardly changed in comparison to 2021. In 2022, 49% of our employees were between 30 and 49 years old (minus one percentage point compared to 2021). 13% were younger than 30 (plus one percentage point compared to 2021), and 38% were older than 50 years, unchanged from the previous year.

Age structure of our employees ¹⁾²⁾ based on headcount



1) Employees under permanent employment contracts. // 2) Excluding four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53).



Digitalization in Human Resources Management

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 mouse click and interpreted in the form of meaningful KPIs, the ultimate goal being to further improve the work environment at Wienerberger. To this end, the introduction of a group-wide HR information system was begun 2021. In the future, the system will not only serve as a data source for the calculation of HR-related non-financial indicators, but be developed into a central People Platform at Wienerberger.

In this context, the strategic HR and People Processes were further harmonized in the course of 2022. Efforts in the field of digitalization were focused on the system-supported annual employee development interview, including target agreements, the annual salary review process, and succession planning and high-potential nomination processes. Within the framework of the group-wide rollout of the HR information system, these proven HR processes are being offered to all country organizations for local implementation. This allows a growing target group to benefit from a digital user experience and, at the same time, it leads to the harmonization of HR processes across national borders, which in turn has a positive impact on group-wide cooperation on all HR-related topics. By the end of 2022, the HR information system was rolled out to eight countries, covering approximately 7,200 employee data sets. The rollout of the system and the further development of digital HR processes will continue in 2023.

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.

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.

- › *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.*

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”, pages 127-136).

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 heat waves), 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, pages 68-117).



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 2022, Wienerberger helped people in need by supporting
the construction and renovation of a total of 254 housing units.”*

Cooperation with Habitat for Humanity

Providing sustainable, safe, and affordable housing is an important concern of Wienerberger. Over a period of more than 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 organisation)

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 4,910 people since the beginning of its cooperation with the non-profit organization in 2012 and enabled them to live under healthier and safer conditions. The 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 of the importance of social housing among political stakeholders and the public administration. In total, about 900,000 people were affected by the changes in legislation at national and municipal level and the advocacy work performed within this partnership.

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



Wienerberger has provided its support to the organisation in Bulgaria, Great Britain, Hungary, North Macedonia, Poland, Romania, Slovakia, and the United States. Wienerberger also engaged in Habitat's advocacy work to increase awareness of housing issues and advocate for developing improved policies in Central and Eastern Europe. Tondach and Pipelife subsidiary companies for roof and pipe products are now also included in this long-time partnership. The new three-year partnership agreement calls for Wienerberger to construct or renovate more than 200 homes per year and help many more people by influencing housing policies in the region.

In the following, we present several projects implemented together with Habitat for Humanity:

Examples of projects carried out in cooperation with Habitat for Humanity

Hungary, Sellye, Kákics – renovation of damaged private houses: In 2021, families in this region had their roofs severely damaged by stormy weather and hailstorms. This renovation work was pursued with twelve further families in 2022. The delivery of tiles helped the renovation work on ten of the twelve affected houses.

Hungary, Szajk – renovation of farmhouse building for disabled residents: A large old farmhouse was bought by the 'Accept Me Foundation' ('Fogadj El' Alapítvány) to provide six rooms for twelve disabled residents. The complete renovation of the roof was finished at the end of 2022. The second building of the foundation will provide space for residents to do creative work.

Poland, Slawno – roof renovation of a damaged private house: In 2022, an elderly woman saw her home destroyed by a fire; she was unable to meet the costs of renovation. Wienerberger donated products for the roof renovation (roof tiles, roof membrane, and other roof equipment) and the renovation work started. By December 2022 the repairs were almost finished, and the woman and her family were looking forward to living in decent conditions again.

Poland, Kotkowo – Construction project in Warminsko-Mazurskie Voivodeship: Habitat Poland has launched a new construction project which forms part of Habitat's Renovation and Construction Program for low-income families in housing need. The project is led by our partner, 'Tour de Fundacja'. The foundation transforms the lives of children with disabilities by organizing charity cycling tours. Currently, Tour de Fundacja is building a house with six dwelling units in Kotkowo for families with children with disabilities. The house, located near a lake, will consist of four rooms upstairs, and a room and a living room downstairs in order to accommodate six families with children with disabilities. During the holiday season, the house is to serve as a holiday home for Tour de Fundacja's beneficiaries. Over the rest of the year, it will be a place where the foundation will provide short-term therapy. The construction of the roof should be completed very soon. The project will provide safe shelter for approx. 40 individuals per year.

Romania, Poduri – New Homes Poduri, Bacău County: In 2022, Habitat for Humanity Romania built six homes (three duplexes) in Poduri. In mid-July we held a five-day high-speed construction event to build a duplex (two housing units), helped by an average of 40 volunteers per day. In another lightning action in the second week of August, again with the help of 40 volunteers, a second duplex with two housing units was built. The construction of another duplex house with two residential units took place during the year with the support of several volunteer teams. In total we were able to help six families in need who have now received new, safe homes.

USA – Habitat for Humanity of the River Valley (formerly HFH of Madison County): Products received from our North American subsidiary General Shale were used in the exterior construction of four homes (single-family detached units) in Huntsville, Alabama, for families in need. Construction on the homes has been completed, and two of the four partner families have already received the keys to their homes.

USA – Habitat for Humanity of Greater Memphis: Memphis Habitat focused its new home production in North Memphis, an area north of downtown, and has since built 11 single-family detached units. This project brought new investment to North Memphis via construction of new homes on formerly vacant lots and creation of new property taxpayers. The exterior walls of the newly constructed homes are made of clay blocks donated by General Shale.



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 2022, thanks to the commitment of our country organizations, Wienerberger supported the construction or renovation of a total of 162 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 2022 are presented in the following.

In **Norway**, Pipelife has for many years supported sports and culture activities for children and teens in the local community where we have plants. The general aim is to contribute to creating a healthy environment and support enjoyable leisure activities for children and young people. Pipelife Norway spends funds on sponsorship of local teams and activities in the local communities around Surnadal, Ringebu, and Stathelle.

In **France**, Wienerberger participated with the French Roofing and Masonry Tile Association Federation (Fédération Française de Tuiles et Briques, FFTB) in the realization of a large building near Paris. As part of the project, clay blocks were delivered to the “Abbé Pierre foundation” for the construction of housing for people in need. Furthermore, clay roof tiles were also donated to people who needed help after the hailstorm in the department of Allier, central France.

Slovakia borders Ukraine and was therefore one of the countries first approached by people fleeing the war in spring 2022. In order to provide the best possible assistance to those fleeing Ukraine, Wienerberger decided to provide financial support to the non-profit organization People in Need. At the same time, Wienerberger organized a fundraising campaign among its employees. Voluntary work in refugee centers was promoted and individual support was provided for people who took in refugees. A housing unit for Ukrainian refugees was also set up in the office in Slovakia.

After the beginning of the war in Ukraine, Wienerberger agreed on a long-term cooperation with the “Happy Kids Foundation”, which cares for orphans evacuated from Ukraine in **Poland**. In particular, two orphanages in the towns of Duszniki Zdrój and Bardo will be supported so that the basic needs of the children housed there can be met. In addition, the Foundation has built five housing units in 2022.

In **Poland**, Wienerberger also supported the “Oczami Brata” foundation, which provides care for people with disabilities. Thanks to Wienerberger’s donation, the “Dom Oczami Brata” is now being built with living quarters for 16 persons. Workshops and the foundation’s office will also be housed in the building. A total of seven residential buildings have been constructed so far. The opening of “Dom Oczami Brata” is planned for the second quarter of 2023.

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.



COMPREHENSIVE OVERVIEW OF NON-FINANCIAL INDICATORS 2022



Comprehensive Overview of Non-Financial Indicators 2022

ESG: Governance & Management Approach

Corporate Governance at Wienerberger		2020	2021	2022
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

Climate Protection & Adaptation to Climate Change

Index of specific direct (Scope 1) and indirect (Scope 2) CO ₂ emissions ¹⁾²⁾	2020	2021	2022	Chg. vs. Baseline year 2020 in %
in %, based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)				
Clay blocks	100.0	92.7	85.1	-14.9
Roof tiles (clay and concrete)	100.0	94.2	90.0	-10.0
Facing bricks and clay pavers	100.0	95.1	90.9	-9.1
Concrete pavers	100.0	89.5	0.0	-100.0
Wienerberger Building Solutions	100.0	93.6	87.0	-13.0
Plastic pipes	100.0	5.6	6.5	-93.5
Ceramic pipes	100.0	97.7	95.3	-4.7
Wienerberger Piping Solutions	100.0	31.2	34.1	-65.9
Facing bricks and concrete pavers	100.0	99.4	94.1	-5.9
Façade (calcium silicate products)	100.0	97.5	95.5	-4.5
Concrete products	100.0	94.2	95.8	-4.2
Plastic pipes	100.0	95.0	98.4	-1.6
North America	100.0	99.0	94.2	-5.8
Wienerberger Group	100.0	91.9	86.8	-13.2

1) The calculation excluded CO₂ emissions from biogenic input materials. // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details, see page 53). // 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	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	96	92	-8
Roof tiles (clay and concrete)	100	98	96	-4
Facing bricks and clay pavers	100	99	95	-5
Concrete pavers ³⁾	100	100	100	0
Wienerberger Building Solutions	100	97	93	-7
Plastic pipes	100	99	100	0
Ceramic pipes	100	98	95	-5
Wienerberger Piping Solutions	100	99	99	-1
Facing bricks and concrete pavers	100	100	95	-5
Façade (calcium silicate products)	100	100	96	-4
Concrete products	100	98	99	-1
Plastic pipes ³⁾	100	100	100	0
North America	100	100	96	-4
Wienerberger Group	100	97	94	-6

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 four companies newly acquired in 2022, 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 2022 reporting year (for details, see page 53). // 3) As certain product groups do not generate Scope 1 emissions, the value remains unchanged compared to the previous 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	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	97	93	-7
Roof tiles (clay and concrete)	100	96	94	-6
Facing bricks and clay pavers	100	96	96	-4
Concrete pavers	100	89	0	-100
Wienerberger Building Solutions	100	97	94	-6
Plastic pipes	100	6	6	-94
Ceramic pipes ³⁾	100	100	100	0
Wienerberger Piping Solutions	100	32	35	-65
Facing bricks and concrete pavers	100	99	99	-1
Façade (calcium silicate products)	100	98	99	-1
Concrete products	100	97	97	-3
Plastic pipes	100	95	98	-2
North America	100	99	99	-1
Wienerberger Group	100	95	93	-7

1) The calculation of specific indirect CO₂ emissions from purchased electricity is based on the current CO₂ emission factors of Corporate Procurement. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // 3) As no Scope 2 emissions were generated through the production of ceramic pipes by Wienerberger Piping Solutions from 2020 to 2022, the values remain unchanged compared to the previous year. // For all non-financial indicators, the rates of change vs. previous periods 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)}

in kilotons	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	1,468.4	1,477.1	1,473.3	+0
Roof tiles (clay and concrete)	376.4	398.5	403.9	+7
Facing bricks and clay pavers	537.3	559.4	554.7	+3
Concrete pavers	0.0	9.5	0.0	-
Wienerberger Building Solutions	2,392.8	2,444.5	2,431.9	+2
Plastic pipes	61.8	3.5	3.6	-94
Ceramic pipes	20.9	23.5	23.7	+13
Wienerberger Piping Solutions	82.8	27.0	27.3	-67
Facing bricks and concrete pavers	154.1	165.3	440.0	+186
Façade (calcium silicate products)	6.9	7.7	8.0	+17
Concrete products	0.9	1.0	2.4	+160
Plastic pipes	0.0	13.7	13.3	-
North America	174.5	187.7	463.7	+167
Wienerberger Group	2,650.1	2,659.2	2,922.9	+10

1) Direct CO₂ emissions (Scope 1): ETS and non-ETS. ETS source: 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 emissions from the production process are also reported. Including CO₂ emissions from biogenic input material. 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. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous 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)^{1) 2)}

in kilotons	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	1,355.3	1,396.7	1,436.3	+6
Roof tiles (clay and concrete)	328.8	360.8	376.0	+14
Facing bricks and clay pavers	513.8	557.0	551.7	+7
Concrete pavers	-	0.0	0.0	-
Wienerberger Building Solutions	2,197.8	2,314.4	2,364.0	+8
Plastic pipes	3.8	3.5	3.6	-5
Ceramic pipes	20.9	23.5	23.7	+13
Wienerberger Piping Solutions	24.7	27.0	27.3	+11
Facing bricks and concrete pavers	125.4	135.9	370.1	+195
Façade (calcium silicate products)	5.3	6.1	6.2	+17
Concrete products	0.1	0.1	0.0	-34
Plastic pipes	-	0.0	0.0	-
North America	131.4	142.1	376.4	+188
Wienerberger Group	2,355.0	2,483.5	2,767.7	+18

1) ETS and non-ETS. ETS source: 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 emissions from the production process are also reported. Including CO₂ emissions from biogenic input material. Quantities from Wienerberger's CO₂ monitoring corresponding to national rules. // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



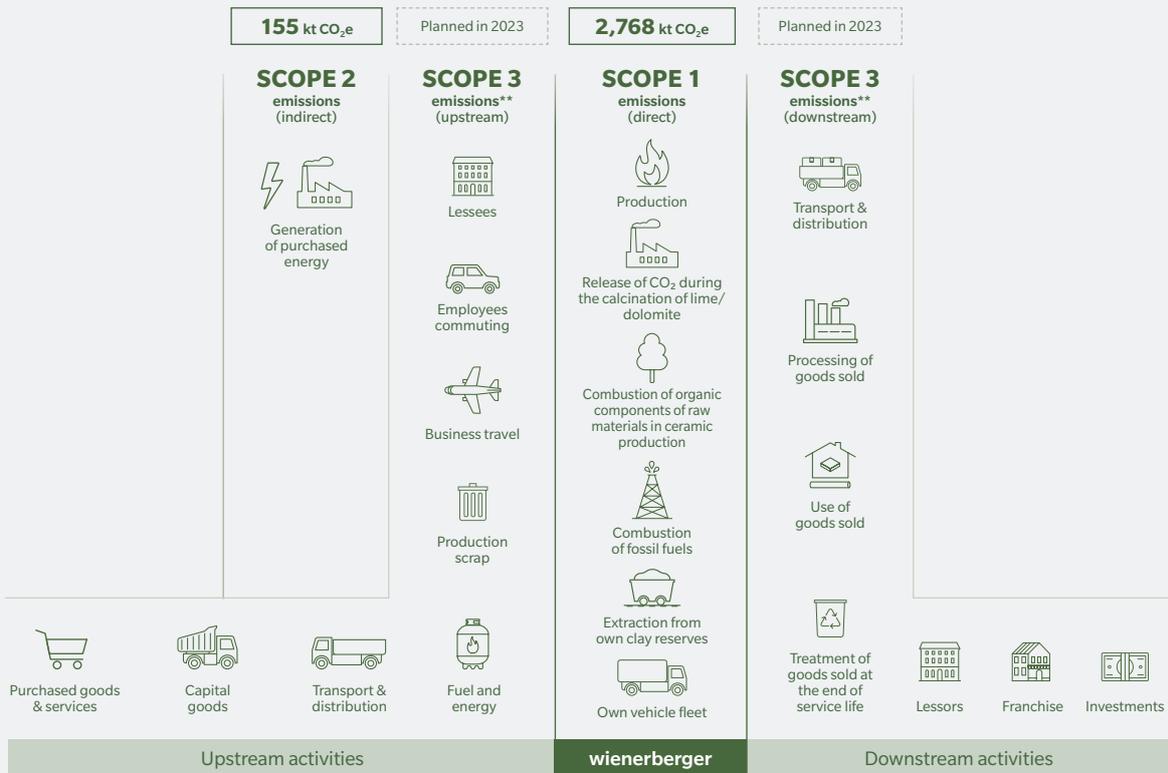
Absolute indirect CO₂ emissions from electricity (Scope 2) ¹⁾ in kilotons	2020	2021	2022	Chg. vs. base year 2020 in %
Clay blocks	113.2	80.4	37.0	-67
Roof tiles (clay and concrete)	47.7	37.7	27.9	-41
Facing bricks and clay pavers	23.6	2.5	3.0	-87
Concrete pavers	10.6	9.5	0.0	-100
Wienerberger Building Solutions	195.0	130.1	67.9	-65
Plastic pipes	58.1	0.0	0.0	-100
Ceramic pipes	0.0	0.0	0.0	-
Wienerberger Piping Solutions	58.1	0.0	0.0	-100
Facing bricks and concrete pavers	28.7	29.3	69.9	144
Façade (calcium silicate products)	1.5	1.6	1.8	19
Concrete products	0.9	1.0	2.3	174
Plastic pipes	12.1	13.7	13.3	10
North America	43.1	45.6	87.3	102
Wienerberger Group	296.2	175.6	155.2	-48

1) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.



ABSOLUTE CO₂e EMISSIONS*

SCOPE 1 AND 2 IN 2022



* 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 disclosed as of the 2023 reporting year. The data collection structures and processes were optimized accordingly in 2022.



Index of specific energy consumption ¹⁾²⁾				
in %, based on kWh/quantity of products ready for sale (2020 = 100 %)	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Clay blocks	100	101	101	+1
Roof tiles (clay and concrete)	100	98	98	-2
Facing bricks and clay pavers	100	99	97	-3
Concrete pavers	100	101	91	-9
Wienerberger Building Solutions	100	100	99	-1
Plastic pipes	100	99	105	+4
Ceramic pipes	100	93	90	-10
Wienerberger Piping Solutions	100	97	98	-2
Facing bricks and concrete pavers	100	100	93	-7
Façade (calcium silicate products)	100	99	94	-6
Concrete products	100	92	98	-2
Plastic pipes	100	95	98	-2
North America	100	100	93	-7
Wienerberger Group	100	99	97	-3

1) Total energy consumption includes energy consumed in production, but excludes administration (except in a few individual cases where separate invoicing is not possible). // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // 3) Coal, fuel oil, and LNG // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Consumption of energy sources ¹⁾²⁾				
in gigawatt-hours	2020	2021	2022	Chg. vs. Baseline year 2020 in %
Natural gas	6,319.0	6,837.0	8,205.7	+30
Total of other fossil energy sources ³⁾	72.0	66.0	67.0	-6
Electricity	1,040.3	1,090.0	1,210.2	+16
Wienerberger Group	7,431.0	7,993.0	9,482.9	+28
Percentage of renewable energy in total electricity consumption in %	42 %	56 %	54%	+30

1) Total energy consumption includes energy consumed in production, but excludes administration (except in a few individual cases where separate invoicing is not possible). // 2) For four companies newly acquired in 2022, 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 in the 2022 reporting year (for details see page 53). // 3) Coal, fuel oil, and LNG // For all non-financial indicators, the rates of change vs. previous periods are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Specific water use				
in m ³ /ton	2020	2021	2022	Chg. in %
Wienerberger Group	–	0.243	0.226	-7



Economic activities	Code	Absolute Turnover in € thousand	Proportion of Turnover %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)							Taxonomy- aligned proportion of Turnover, year 2022 %	Taxonomy- aligned proportion of Turnover, year 2021 %	Category (enabling activity) E ²⁾	Category (transi- tional activity) T ³⁾
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾	Bio- diversity and ecosystems Y/N ¹⁾	Minimum safeguards Y/N ¹⁾				
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
External wall system (Wall)	C.23.32	601,944	12.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	12.1%	N/A	E ²⁾	
External wall system (Façade)	C.23.32	701,928	14.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	14.1%	N/A	E ²⁾	
Roofing systems	C.23.32	699,831	14.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	14.1%	N/A	E ²⁾	
Turnover of environmen- tally sustainable activities (Taxonomy-aligned) (A.1)		2,003,703	40.3%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾								40.3%	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																				
External wall system (Wall)	C.23.32	26,068	0.5%																	
External wall system (Façade)	C.23.32	492,537	9.9%																	
Roofing systems	C.23.32	62,353	1.3%																	
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		580,958	11.7%																	
Total (A.1 + A.2)		2,584,661	51.9%																	
B. Taxonomy-non-eligible activities																				
Turnover of Taxono- my-non-eligible activities (B)		2,392,071	48.1%																	
Total (A + B)		4,976,732	100.0%																	

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // 6) Mainly activities in NOAM.



Economic activities	Code	Absolute CapEx in € thousand	Proportion of CapEx %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Taxonomy- aligned proportion of CapEx, year 2022 %	Taxonomy- aligned proportion of CapEx, year 2021 %	Category (enabling activity) E ²⁾	Category (transi- tional activity) T ³⁾	
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾	Bio- diversity and ecosystems Y/N ¹⁾					Minimum safeguards Y/N ¹⁾
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
External wall system (Wall)	C.23.32	62,634	13.2%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	13.2%	N/A	E ²⁾	
External wall system (Façade)	C.23.32	63,500	13.3%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	13.3%	N/A	E ²⁾	
Roofing systems	C.23.32	48,715	10.2%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	10.2%	N/A	E ²⁾	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		174,850	36.7%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾								36.7%	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																				
External wall system (Wall)	C.23.32	899	0.2%																	
External wall system (Façade)	C.23.32	26,366	5.5%																	
Roofing systems	C.23.32	4,276	0.9%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		31,541	6.6%																	
Total (A.1 + A.2)		206,391	43.4%																	
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		269,527	56.6%																	
Total (A + B)		475,918	100.0%																	

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // 6) Mainly activities in NOAM.



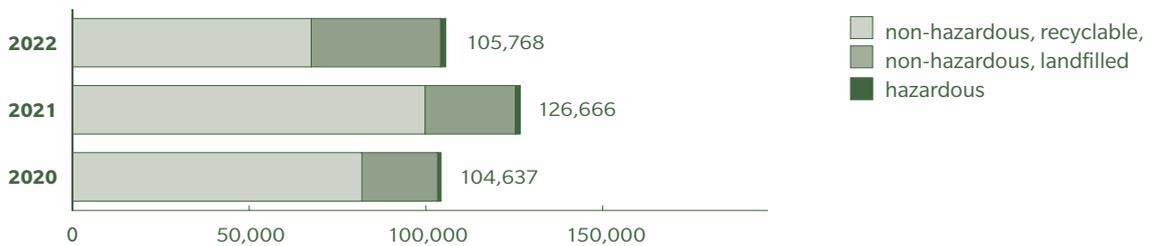
Economic activities	Code	Absolute OpEx in € thousand	Proportion of OpEx %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)							Taxonomy- aligned proportion of OpEx, year 2022 %	Taxonomy- aligned proportion of OpEx, year 2021 %	Category (enabling activity) E ²⁾	Category (transitional activity) T ³⁾
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio- diversity and ecosystems %	Climate change mitigation Y/N ¹⁾	Climate change adaptation Y/N ¹⁾	Water and marine resources Y/N ¹⁾	Circular economy Y/N ¹⁾	Pollution Y/N ¹⁾	Bio- diversity and ecosystems Y/N ¹⁾	Minimum safeguards Y/N ¹⁾				
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
External wall system (Wall)	C.23.32	37,990	16.0%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	16.0%	N/A	E ²⁾	
External wall system (Façade)	C.23.32	52,388	22.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	22.1%	N/A	E ²⁾	
Roofing systems	C.23.32	35,724	15.1%	100%	0%	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	N/A ⁵⁾	Y	Y	Y	Y	Y	Y	Y	15.1%	N/A	E ²⁾	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		126,101	53.2%	100%	0%	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾	N/A⁵⁾								53.2%	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)⁶⁾																				
External wall system (Wall)	C.23.32	2,569	1.1%																	
External wall system (Façade)	C.23.32	34,437	14.5%																	
Roofing systems	C.23.32	3,136	1.3%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		40,142	17.0%																	
Total (A.1 + A.2)		166,244	70.2%																	
B. Taxonomy-non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		70,584	29.8%																	
Total (A + B)		236,827	100.0%																	

1) Abbreviation "Y/N" = Yes/No // 2) E = Enabling Activity // 3) T = Transitional activity // 4) Format of tables prescribed by EU Delegated Act // 5) N/A in the columns "Criteria for a substantial contribution" for all objectives to which technical screening criteria have not yet been allocated (water and marine resources, circular economy, pollution prevention, and biodiversity and ecosystems). The corresponding delegated act of the EU is still outstanding. Assessment therefore cannot be performed at this stage. // 6) Mainly activities in NOAM.

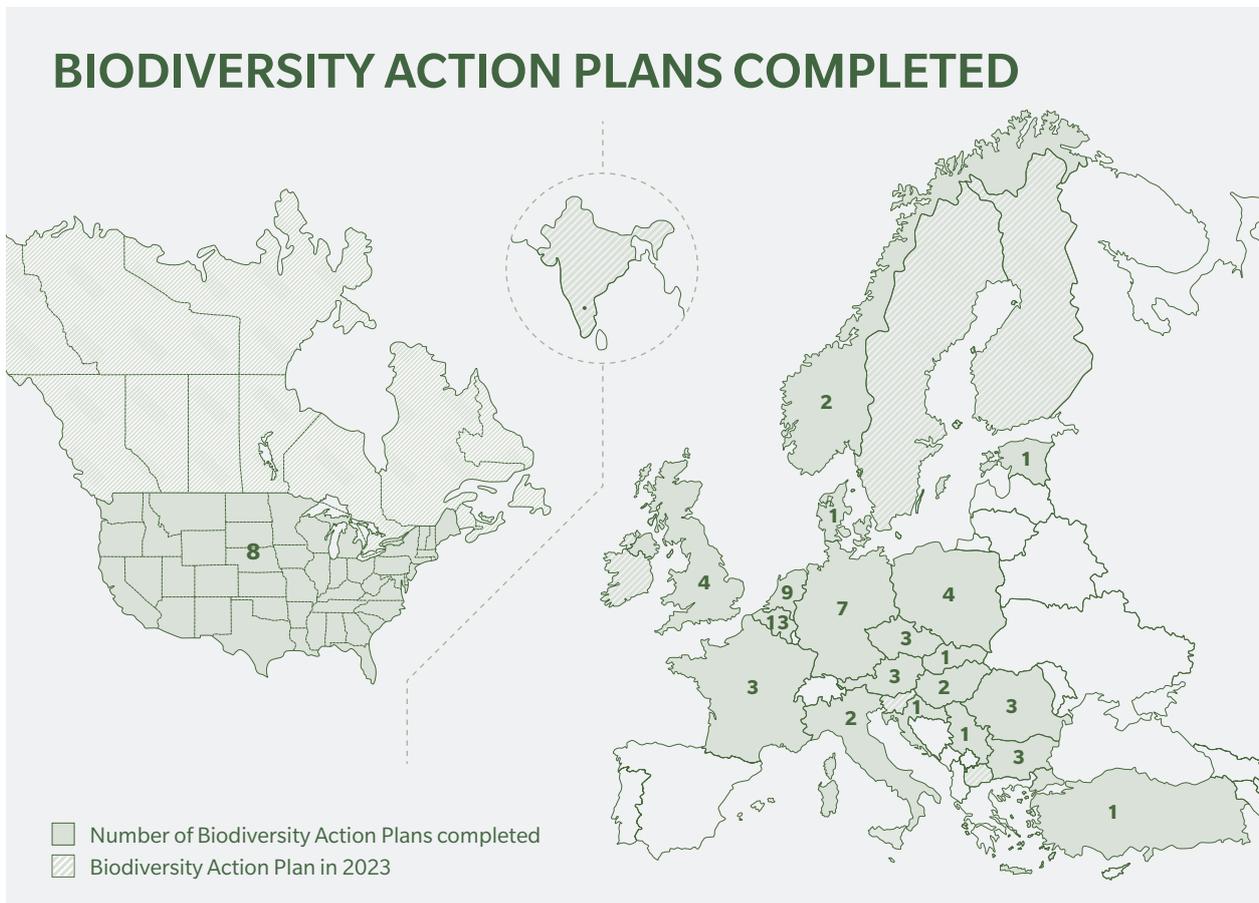


Circular Economy

Waste generation in tons



Biodiversity and Environment





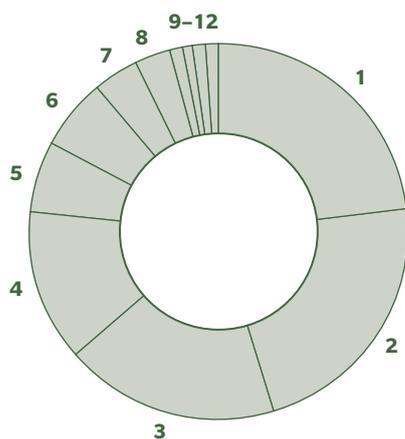
Employees & Social Impacts

Occupational Safety and Health

Accident frequency by operating segment ¹⁾²⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	5.4	3.8	4.2	+12
Wienerberger Building Solutions West	8.8	6.2	6.2	-0
Wienerberger Building Solutions	7.1	5.0	5.3	+4
Wienerberger Piping Solutions East	1.4	1.5	0.8	-44
Wienerberger Piping Solutions West	2.5	5.9	2.4	-59
Wienerberger Piping Solutions	2.0	3.9	1.8	-53
North America	1.0	1.0	2.0	+96
Wienerberger Group	5.4	4.4	4.1	-6

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Types of injuries of employees within the Wienerberger Group in 2022 ¹⁾²⁾



1 Sprain, strain	23%	7 Swelling	4%
2 Fracture	22%	8 Puncture, rupture	3%
3 Cuts	18%	9 Burn	1%
4 Bruising	13%	10 Superficial	1%
5 Crush	6%	11 Graze	1%
6 Other	6%	12 Eye injury	1%

1) Injuries resulting in a loss of at least one working day. // 2) Excluding four companies newly acquired in 2022, where the data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53) // Based on the specific definitions of the individual business units. // Electronic data processing may result in rounding differences.



Number of fatal occupational accidents within the Wienerberger Group	2020	2021	2022
	1	1	0

Accident severity by operating segment ¹⁾²⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	228.1	203.5	183.0	-10
Wienerberger Building Solutions West	241.2	275.9	257.9	-7
Wienerberger Building Solutions	234.7	241.4	222.1	-8
Wienerberger Piping Solutions East	33.3	17.7	114.3	+546
Wienerberger Piping Solutions West	65.2	45.6	27.3	-40
Wienerberger Piping Solutions	50.3	32.9	60.4	+83
North America	34.6	13.3	157.9	>100
Wienerberger Group	177.6	180.0	180.1	+0

1) Number of sick-leave days related to an occupational accident/ 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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⁾	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	10.0	11.2	10.8	-3
Wienerberger Building Solutions West	12.5	12.8	14.6	+14
Wienerberger Building Solutions	11.3	12.0	12.8	+6
Wienerberger Piping Solutions East	6.7	6.9	7.9	+15
Wienerberger Piping Solutions West	10.8	11.6	12.2	+6
Wienerberger Piping Solutions	9.1	9.7	10.7	+10
Wienerberger Group, excluding North America	10.8	11.5	12.3	+6
North America ³⁾	3.4	3.1	3.7	+20

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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
by operating segment ¹⁾²⁾**

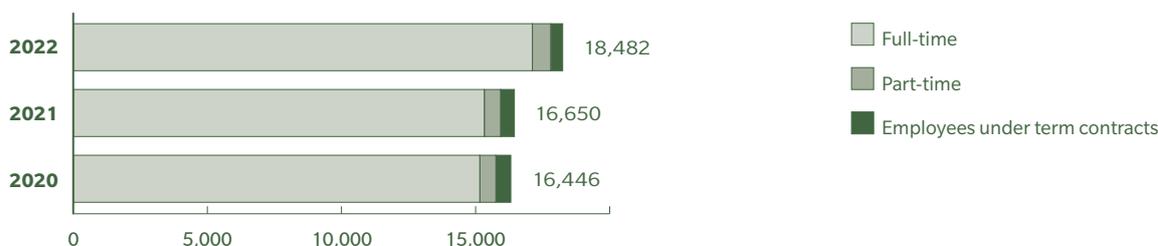
	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	9.5	10.8	10.5	-3
Wienerberger Building Solutions West	12.1	12.3	14.1	+15
Wienerberger Building Solutions	10.9	11.6	12.4	+7
Wienerberger Piping Solutions East	6.6	6.8	7.7	+12
Wienerberger Piping Solutions West	10.7	11.5	12.2	+6
Wienerberger Piping Solutions	9.0	9.7	10.6	+9
Wienerberger Group, excluding North America	10.5	11.2	11.9	+7
North America ³⁾	3.3	3.0	3.4	+13

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 53). // 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	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	5,707.0	5,704.2	5,878.0	+3
Wienerberger Building Solutions West	6,231.6	6,722.9	6,856.0	+2
Wienerberger Building Solutions	11,938.6	12,427.1	12,734.0	+2
Wienerberger Piping Solutions East	1,487.1	1,486.6	1,519.0	+2
Wienerberger Piping Solutions West	1,840.5	2,119.7	2,425.0	+14
Wienerberger Piping Solutions	3,327.7	3,606.3	3,944.0	+9
North America	1,352.3	1,590.7	2,400.4	+51
Wienerberger Group	16,618.6	17,624.1	19,078.4	+8

1) Agency and temporary workers are included from their first hour of work at Wienerberger. // 2) Including the four companies newly acquired in 2022. // 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 four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53).



Ø Employees by functional area ¹⁾²⁾

based on headcount	2020	2021	2022	Chg. in %
Production	10,268.0	10,393.0	11,626.0	+12
Administration	1,879.0	1,971.0	2,063.0	+5
Sales (including marketing and inventories)	4,299.0	4,286.0	4,793.0	+12
Wienerberger Group	16,446.0	16,650.0	18,482.0	+11

1) Employees directly employed by Wienerberger // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). // 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	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	5,475.5	5,569.4	5,837.8	+5
Wienerberger Building Solutions West	6,034.0	6,075.0	6,175.0	+2
Wienerberger Building Solutions	11,509.5	11,644.4	12,012.8	+3
Wienerberger Piping Solutions East	1,372.0	1,295.8	1,325.6	+2
Wienerberger Piping Solutions West	1,790.0	1,889.0	2,294.0	+21
Wienerberger Piping Solutions	3,162.0	3,184.8	3,619.6	+14
North America	1,259.6	1,233.9	2,341.7	+90
Wienerberger Group	15,931.0	16,063.0	17,974.0	+12

1) Employees directly employed by Wienerberger // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). 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⁾

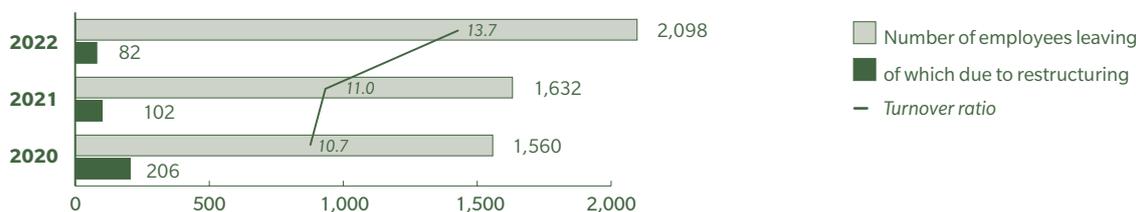
based on headcount	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	136.3	168.0	128.9	-23
Wienerberger Building Solutions West	258.0	288.0	273.0	-5
Wienerberger Building Solutions	394.3	456.0	401.9	-12
Wienerberger Piping Solutions East	18.4	17.0	19.0	+12
Wienerberger Piping Solutions West	102.0	113.0	86.0	-24
Wienerberger Piping Solutions	120.4	130.0	105.0	-19
North America	0.3	1.0	1.2	+20
Wienerberger Group	515.0	587.0	508.0	-13

1) Employees directly employed by Wienerberger // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). 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 %	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	15	15	16	+6
Wienerberger Building Solutions West	8	10	12	+20
Wienerberger Building Solutions	11	12	13	+12
Wienerberger Piping Solutions East	10	9	12	+36
Wienerberger Piping Solutions West	6	7	16	+146
Wienerberger Piping Solutions	8	8	15	+93
Wienerberger Group, excluding North America	11	11	14	+24
North America ³⁾	31	53	33	-37

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (head-count) 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53).

Leaves not due to restructuring, broken down by gender (excluding North America) ^{1) 2)}

based on headcount	2020	2021	2022	Chg. in %
Men	1,124.0	1,301.0	1,695.0	+30
Women	230.0	229.0	321.0	+40
Wienerberger Group, excluding North America	1,354.0	1,530.0	2,016.0	+32

1) Employees with permanent employment contracts. // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). // 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	2020	2021	2022	Chg. in %
< 30 years	280.0	328.0	476.0	+45
30–49 years	679.0	787.0	1,046.0	+33
> 50 years	395.0	415.0	494.0	+19
Wienerberger Group, excluding North America	1,354.0	1,530.0	2,016.0	+32

1) Employees with permanent employment contracts. // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). // 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	2020	2021	2022	Chg. in %
Production	862.0	1,027.0	1,363.0	+33
Administration	154.0	179.0	227.0	+27
Sales (including marketing and inventories)	338.0	324.0	426.0	+31
Wienerberger Group	1,354.0	1,530.0	2,016.0	+32

1) Employees with permanent employment contracts. // 2) Excluding four companies newly acquired in 2022, where the necessary data collection structures for non-financial indicators are not yet in place or have to be optimized (for details see page 53). // 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	2020	2021	2022	Chg. in %
Wienerberger Building Solutions East	622.7	924.8	1,204.9	+30
Wienerberger Building Solutions West	523.0	746.0	833.0	+12
Wienerberger Building Solutions	1,145.7	1,670.8	2,037.9	+22
Wienerberger Piping Solutions East	201.6	182.8	171.6	-6
Wienerberger Piping Solutions West	177.0	270.0	348.0	+29
Wienerberger Piping Solutions	378.6	452.8	519.6	+15
North America	361.7	592.4	730.5	+23
Wienerberger Group	1,886.0	2,716.0	3,288.0	+21

1) Employees directly employed by Wienerberger // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 segments ^{1) 2)}	2020	2021	2022	Chg. vs. base year 2020 in %
Wienerberger Building Solutions East	13.9	17.2	23.0	+65
Wienerberger Building Solutions West	10.3	11.8	16.3	+58
Wienerberger Building Solutions	12.0	14.4	19.5	+62
Wienerberger Piping Solutions East	4.9	5.7	7.7	+57
Wienerberger Piping Solutions West	8.2	11.6	13.3	+63
Wienerberger Piping Solutions	6.8	9.3	11.3	+66
North America	6.8	10.4	7.1	+4
Wienerberger Group	10.6	13.1	16.3	+53

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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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	2020	2021	2022
	228.0	273.5	334.1

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. International training events are not included in this table. // Employees directly employed by Wienerberger. // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

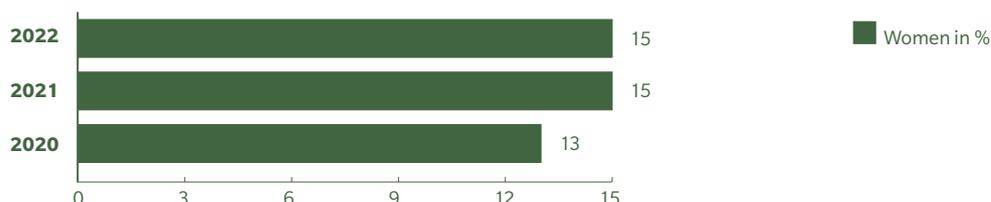
Diversity and Equal Opportunities

Share of women on the Managing Board based on headcount	2020	2021	2022
Managing Board, headcount	4	4	4
Thereof women	1	1	1
Share of women in %	25	25	25

Share of women on the Supervisory Board based on headcount	2020	2021	2022
Supervisory Board, headcount	10	10	11
Thereof women	3	4	3
Share of women in %	30	40	27

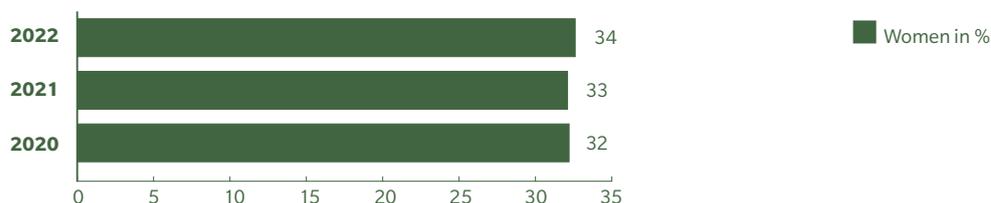


Share of women in senior management positions ¹⁾²⁾ based on headcount



1) Exclusively employees directly employed by Wienerberger // 2) Excluding four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

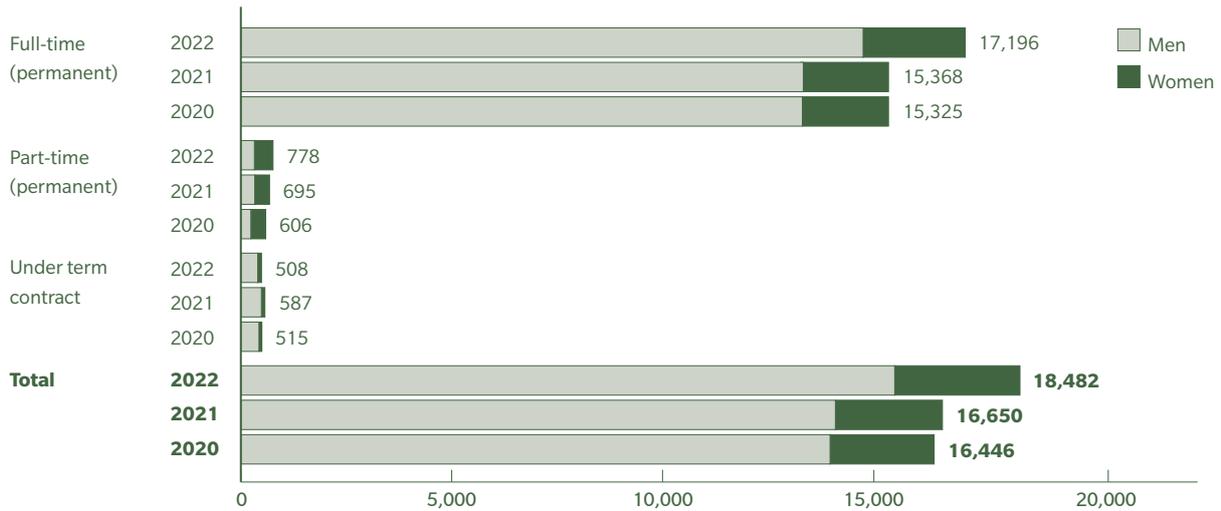
Numbers and percentages of women by function area ¹⁾²⁾

		31/12/2020	31/12/2021	31/12/2022	Chg. in %
Women	headcount	2,479	2,560	2,991	+17
In production	in %	5	5	6	+19
Administration	in %	46	45	47	+5
Sales (including marketing and inventories)	in %	26	27	28	+3
In white-collar positions (administration and sales) ³⁾	in %	32	33	34	+3
Wienerberger Group		15	15	16	+5

1) All employees directly employed by Wienerberger. // 2) For four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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.

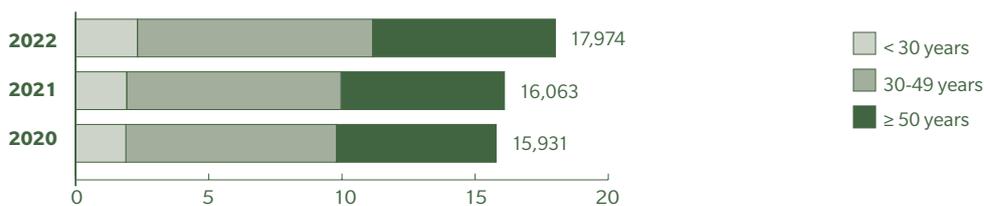


Employees by type of employment contract and gender ¹⁾²⁾ based on headcount



1) Exclusively employees directly employed by Wienerberger // Share of women in administration and sales (including marketing and inventories) // 2) Excluding four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53). // 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 four companies newly acquired in 2022, 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 2022 reporting year (for details see page 53).



GRI CONTENT INDEX



GRI Content Index

Statement of use

Wienerberger has reported in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022.

GRI	Disclosure	Page	Omissions, Explanation
Universal Standards			
GRI 1	Foundation (2021)		
GRI 2	General Disclosures (2021)		
	1. The organization and its reporting practices		
2-1	Organizational details	16-34; Imprint: 347	
2-2	Entities included in the organization's sustainability reporting	21-24; 55-57	
2-3	Reporting period, frequency, and contact point	55-57; 214-1215 Imprint: 347	
2-4	Restatements of information	55-57	
2-5	External assurance	55-57; 214-215	
	2. Activities and workers		
2-6	Activities, value chain and other business relationships	16-34	
2-7	Employees	17; 20; 161-171; 194-200	
2-8	Workers who are not employees	152-163	
	3. Governance		
2-9	Governance structure and composition	36-39; 207-212	
2-10	Nomination and selection of the highest governance body	Corporate Governance Report: 213-217	
2-11	Chair of the highest governance body	Corporate Governance Report: 209-212	
2-12	Role of the highest governance body in overseeing the management of impacts	CEO Letter: 4-5; 36-39	
2-13	Delegation of responsibility for managing impacts	36-39	
2-14	Role of the highest governance body in sustainability reporting	36-39	
2-15	Conflicts of interest	Corporate Governance Report: 213-216	
2-16	Communication of critical concerns	40-46	
2-17	Collective knowledge of the highest governance body	36-39; Corporate Governance Report: 207-212	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report: 213-216	



GRI	Disclosure	Page	Omissions, Explanation
2-19	Remuneration policies	34; Wienerberger Remuneration Report 2022	
2-20	Process to determine remuneration	34; Wienerberger Remuneration Report 2022	
2-21	Ratio of total annual compensation (compensation of the CEO in relation to the average compensation of a full-time employee)	Wienerberger Remuneration Report 2022	
4. Strategies, policies and practices			
2-22	Statement on sustainable development strategy	CEO Letter: 4-5; 36; 59-60	
2-23	Policy commitments	36-55; 57-67	
2-24	Embedding policy commitments	36-55; 57-67	
2-25	Processes to remediate negative impacts	36-55; 57-67	
2-26	Mechanisms for seeking advice and raising concerns	40-43	
2-27	Compliance with laws and regulations	40-46	
2-28	Membership associations	122	
5. Stakeholder management			
2-29	Approach to stakeholder engagement	30-33; 57-58	
2-30	Collective bargaining agreements	148-151	
GRI 3 Material Topics (2021)			
3-1	Process to determine material topics	57-67	
3-2	List of material topics	58	



GRI	Disclosure	Page	Omissions, Explanation
-----	------------	------	------------------------

Topic Standards

GRI 201 Economic performance (2016)			
3-3	Management of material topics (2021)	20-21; 57-67	
201-1	Direct economic value generated and distributed	Management Report: 220-252 Financial Statements: 253-336	
201-2	Financial implications and other risks and opportunities due to climate change	39-40; 55; 68-117 Management Report: 248 Management Report: 323	
201-3	Defined benefit plan obligations and other retirement plans	Financial Statements: 253-336	
GRI 205 Anti-corruption (2016)			
3-3	Management of material topics (2021)	35; 40-46; 57-67	
205-1	Operations assessed for risks related to corruption	40-45; Management Report: 327-331	
205-2	Communication and training about anti-corruption policies and procedures	40-45	
205-3	Confirmed incidents of corruption and actions taken	40-45; 164	
GRI 206 Anti-competitive Behavior (2016)			
3-3	Management of material topics (2021)	40-45; 57-67	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	40-45; 164	
GRI 301 Materials (2016)			
3-3	Management of material topics (2021)	57-67; 118-126	
301-1	Materials used by weight or volume	122-123	Due to the confidentiality of product-formulations, a breakdown of renewable and non-renewable materials by weight or volume cannot be disclosed at present. Renewable raw materials are mainly used in ceramic production, wherever technically possible, as aggregates in the form of secondary raw materials.
301-2	Recycled input materials used	122-123	



GRI	Disclosure	Page	Omissions, Explanation
GRI 302 Energy (2016)			
3-3	Management of material topics (2021)	57-67; 122-123; 98-99	
302-1	Energy consumption within the organization	68-75; 83-84	
302-2	Energy consumption outside of the organization	70; 82; 115	
302-3	Energy intensity	84	
302-4	Reduction of energy consumption	72-84; 98-99	
302-5	Reductions in energy requirements of products and services	72-84	
GRI 304 Biodiversity(2016)			
3-3	Management of material topics (2021)	57-67; 127-136	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	134-135	
304-2	Significant impacts of activities, products and services on biodiversity	127-136	
304-3	Habitats protected or restored	133-135	
GRI 305 Emissions (2016)			
3-3	Management of material topics (2021)	57-67; 68-75; 85-97	
305-1	Direct (Scope 1) GHG emissions	80	
305-2	Energy indirect (Scope 2) GHG emissions	81	
305-3	Other indirect (Scope 3) GHG emissions	70; 82; 115	In 2022, Wienerberger prepared the data collection structures required to record the Group's relevant Scope 3 emissions, the objective being to disclose Scope 3 emissions within the framework of the 2023 Annual Report.
305-4	GHG emissions intensity	76-78	The specific values are presented as an index in % relative to the defined reference year, the baseline being set at 100%- The specific CO2 emissions in % shown in the index are based on kg CO ₂ /quantity of products ready for sale (2020 = 100%)..
305-5	Reduction of GHG emissions	68-82	
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	70	The flue gas analyses carried out regularly at our plants have shown that of the greenhouse gases mentioned (N ₂ O, SF ₆ etc.) CO ₂ itself is the only relevant one. Wienerberger therefore reports its direct greenhouse gas emissions (Greenhouse Gas Protocol, Scope 1) in 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)	57-67; 119-126	
306-1	Waste generation and significant waste-related impacts	119-126	
306-2	Management of significant waste-related impacts	119-126	
306-3	Waste generated	124	
306-4	Waste diverted from disposal	124	
306-5	Waste directed to disposal	124	
GRI 308 Supplier Environmental Assessment (2016)			
3-3	Management of material topics (2021)	57-67; 46-52	
308-1	New suppliers that were screened using environmental criteria	46-52	
308-2	Negative environmental impacts in the supply chain and actions taken	46-52	Due to the data collection structures in place at Wienerberger, differentiation between employees and workers who are not employees is currently not provided for. For the time being, the only information provided on high-consequence work-related injuries is the type of injury. GRI-compliant presentation is being evaluated. .
GRI 401 Employment (2016)			
3-3	Management of material topics (2021)	57-67; 138-139;148	
401-1	New employee hires and employee turnover	149-151; 178-179	
GRI 403 Occupational Health and Safety (2018)			
3-3	Management of material topics (2021)	57-67; 139-147	
403-1	Occupational health and safety management system	139-147	
403-2	Hazard identification, risk assessment, and incident investigation	139-147	
403-3	Occupational health services	139-147	
403-4	Worker participation, consultation, and communication on occupational health and safety	139-147	
403-5	Worker training on occupational health and safety	139-147	
403-6	Promotion of worker health	139-147	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	139-147	
403-8	Workers covered by an occupational health and safety management system	139-147	



GRI	Disclosure	Page	Omissions, Explanation
403-9	Work-related injuries	146	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)	49; 57-67; 151-153; 158	
404-1	Average hours of training per year per employee	151-152	GRI-compliant differentiation by gender and employee category is currently not available. GRI-compliant presentation is being evaluated.
404-2	Programs for upgrading employee skills and transition assistance programs	151-152	
GRI 405 Diversity and Equal Opportunity (2016)			
3-3	Management of material topics (2021)	57-67; 154-158	
405-1	Diversity of governance bodies and employees	154-158; 180-182	Currently, differentiation of the management and control bodies by age group is not available. GRI-compliant presentation is being evaluated.
GRI 406 Non-discrimination (2016)			
3-3	Management of material topics (2021)	57-67; 148-157	
406-1	Incidents of discrimination and corrective actions taken	154	
GRI 413 Local Communities (2016)			
3-3	Management of material topics (2021)	32	
413-2	Operations with significant actual and potential negative impacts on local communities	158-159	
GRI 414 Supplier Social Assessment (2016)			
3-3	Management of material topics (2021)	57-67; 46-52	
414-1	New suppliers that were screened using social criteria	46-52	
414-2	Negative social impacts in the supply chain and actions taken	46-52	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)	57-67; 46; 158-159	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	129; 135; 158-159	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 14th, 2023
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 East

Harald Schwarzmayr
Member of the Managing
Board of Wienerberger AG
COO West



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, 2022 has not been prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG).

Furthermore, 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 Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Responsibility of the management

The legal representatives of Wienerberger AG are responsible for the preparation of the report content in accordance with the reporting criteria and for the selection of the disclosures to be verified. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG). Furthermore, they are responsible for reporting the disclosed information on the EU taxonomy in accordance with Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

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 further includes the internal controls, which have been determined as necessary by the management to enable the preparation of a consolidated non-financial report that is free from misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express a limited assurance opinion 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, 2022 has not been prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG).

Furthermore, it is our responsibility to express a limited assurance opinion 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 Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

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 GRI Standards and § 267a UGB (NaDiVeG), and that the disclosed information on the EU taxonomy has not been prepared in accordance with Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

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
- › Interviews of 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 documents provided
- › Video conferences with responsible persons of WBS Norway
- › Conducting a media analysis
- › Review of the disclosed information according to § 267a UGB and GRI Standards
- › Review of the disclosed information on the EU taxonomy for compliance with Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our assessment.

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, 2022, has not, in any material aspects, been prepared in accordance with GRI Standards.

Furthermore, nothing has come to our attention that causes us to believe that the reporting requirements of § 267a UGB (NaDiVeG) are not met by the consolidated non-financial report.

Additionally, based on our audit procedures, nothing has come to our attention that causes us to believe that the disclosed information on the EU taxonomy has not been prepared in accordance with Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Conditions of Contract

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 (according 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 15, 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Austrian Certified Public Accountant

ppa. Margaretha Germann
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.*



CORPORATE GOVERNANCE REPORT

195**Report of
the Supervisory Board**

- 195 Performance evaluation of the Supervisory Board
- 196 Evaluation of mandates held by Supervisory Board members
- 196 Priority areas of Supervisory Board work in 2022
- 198 Composition of the Managing Board
- 198 Composition of the Supervisory Board
- 199 2022 Financial Statements and Consolidated Financial Statements

200**Corporate Governance
at Wienerberger**

- 200 Commitment to the Corporate Governance Code
- 200 Compliance
- 200 Internal audit and risk management
- 201 Disclosures pursuant to section 243 of the Austrian Company Code
- 201 Related party transactions
- 201 External audit
- 201 Shareholders

202**Diversity Concept**

- 202 Success through diversity
- 202 Our principles
- 202 Local employment and internationality within the company
- 203 Measures for the advancement of women
- 204 Supervisory Board
- 205 Managing Board

206**Overview
Corporate Governance****207****Members of the Managing
Board****209****Members and Committees of
the Supervisory Board****213****Mode of Operation of
the Supervisory Board and
the Managing Board**

- 213 Mode of operation of the Supervisory Board
- 216 Mode of operation of the Managing Board
- 217 External evaluation of the Consolidated Corporate Governance Report

218**Auditor's Report**



Report of the Supervisory Board

Dear Shareholders,

2022 was an exceptionally successful year for Wienerberger. The company was able to grow both organically and inorganically in an environment still characterized by the Covid pandemic and the consequences of the war in Ukraine. The focus on innovation and the expansion of the portfolio of system solutions, long-term oriented cost management, the continuous implementation of efficiency improvement measures and the rapid integration of acquired companies formed the basis for this strong development.

During the reporting year, cooperation within the Supervisory Board was based on an atmosphere of trust and maintained a clear focus. This also holds for the cooperation between the Supervisory Board and the Managing Board. The performance of the company is discussed at regular Supervisory Board meetings as well as in more short notice video conferences. Additionally, the Chairman of the Supervisory Board and the Chief Executive Officer are in frequent contact for a close and intensive exchange of information and opinions.

In 2022, most of the meetings of the Supervisory Board and its committees were again held as on-site meetings. The topics discussed included, in particular:

- › the effects of the fast-changing environment and the resulting challenges
- › measures to manage cost inflation
- › the implementation of our Sustainability Program 2023 and digitalization strategy
- › occupational health and safety
- › all M&A transactions

2022 also brought some organizational changes on the Supervisory Board: In May 2022, Thomas Birtel and Marc Grynberg were newly elected to the Supervisory Board. Kati ter Horst resigned from the Supervisory Board as of the end of September 2022, as she wanted to assume a new position on the Executive Committee of a competitor in October 2022. Within the framework of the 153rd Annual General Meeting, I was re-elected to the Supervisory Board and subsequently confirmed as its chairman at the constitutive meeting of the Supervisory Board.

Performance evaluation of the Supervisory Board

In November 2022, the Supervisory Board conducted an internal performance evaluation, in the course of which the Supervisory Board members answered numerous questions regarding the composition, organization, way of working, and chairmanship of the Supervisory Board. Alongside national and international corporate governance trends, the questions also referred to company-specific aspects as well as experience and feedback from previous evaluations. The answers to these questions were evaluated and discussed in detail at the December 2022 meeting of the Supervisory Board.

Results of the performance evaluation

Positive findings:

The results of the evaluation confirmed the professional and constructive nature of cooperation within the Supervisory Board. This also holds for the interaction between the Supervisory Board and the Managing Board, which was described as constructive, balanced, and mutually appreciative. The work done by the committees is perceived as a particularly valuable contribution to the efficient performance of the Supervisory Board's tasks. The members of the Supervisory Board expressed their appreciation of the chairmanship of the plenary sessions and the committee meetings and highlighted the efficient organization of the meetings as well as the provision of information. In the members' opinion, the Supervisory Board in its current composition encompasses all the skills and qualifications required for the fulfilment of its functions. Moreover, the members are in agreement as regards the qualifications and expertise as well as diversity criteria to be met by future candidates for the Supervisory Board.

Areas with room for improvement:

The members of the Supervisory Board agree that succession planning and talent management should remain high priority topics.

Overall, the evaluation led to the conclusion that the Supervisory Board is working very efficiently.



Evaluation of mandates held by Supervisory Board members

Within the framework of its annual review of the external mandates held by Supervisory Board members, the Nomination Committee concluded that all Supervisory Board members have sufficient time for intensive and committed Supervisory Board work. Moreover, the amount of time devoted to the Supervisory Board confirms that its members can fulfill their functions at Wienerberger without hindrance.

The Nomination Committee will continue to keep a close eye on all new mandates assumed by Supervisory Board members to ensure that they continue to effectively perform their duties at Wienerberger. With this in mind, the Nomination Committee amended the Rules of Procedure of the Supervisory Board of Wienerberger AG by formally limiting the number of mandates members are allowed to hold. For details, please refer to the section on Mandates and External Obligations on page 215.

Priority areas of Supervisory Board work in 2022

For a company with a free float of 100%, keeping investors informed of the Wienerberger Group's activities is particularly important. We therefore expect our financial reporting to meet the highest national and international standards. The Supervisory Board took great care in fulfilling its obligations during the financial year in accordance with the relevant legal provisions, the Articles of Association of the company, and the Rules of Procedure.

In 2022, the Supervisory Board held nine meetings, including three extraordinary ones. In the course of these meetings, the Supervisory Board and the Managing Board discussed the company's economic situation as well as important growth projects and the strategic orientation of the Group. In addition to its advisory and steering functions, the Supervisory Board focused on monitoring the legality, efficiency, and regularity of the company's management. The Managing Board provided the Supervisory Board with timely and comprehensive information at all meetings and submitted regular written and oral reports on the economic and financial situation of the Group, its personnel situation, and its acquisition and investment projects. In addition, the Chairman of the Supervisory Board and the committee chairpersons met regularly with the Managing Board to discuss the Group's strategy, its performance, and its approach to risk management, giving due consideration to the growing importance of sustainability aspects. Certain subjects were dealt with in greater detail by the committees and reported to the Supervisory Board. In 2022, the overall rate of attendance by the capital representatives at Supervisory Board meetings was very high. For a detailed overview of meeting attendance by the members of the Supervisory Board, please refer to page 205.

The following topics were discussed by the Supervisory Board:

- › Review and approval of the 2021 annual financial statements presented by the Managing Board
- › Preparation of the agenda of the 153rd virtual Annual General Meeting
- › Resolution on the 2021 Remuneration Report
- › Review of strategic acquisitions aimed at generating sustainable and value-adding growth and expanding the Group's industrial portfolio
- › Assessment of candidates for election to the Supervisory Board
- › Buyback of 8,830,000 treasury shares
- › Approval of the cancellation of 3,455,639 treasury shares of the company
- › Review, discussion, and approval of the 2023 budget
- › Discussion of progress made toward attaining the targets of the 2023 Sustainability Program and the extension of the program until 2026
- › Discussion of and agreement on the procedure to be followed in the event of conflicts of interest of Supervisory Board members
- › Resolution on the shareholding policy for the Supervisory Board
- › Resolution on the maximum number of mandates to be held by Supervisory Board members and the related amendment to the Rules of Procedure of the Supervisory Board of Wienerberger AG



Report of the Audit and Risk Committee

The committee met five times in 2022. Representatives of the external auditor were present at all committee meetings. At its meetings on February 21 and March 24, 2022, the Audit and Risk Committee discussed the Consolidated and Separate Financial Statements of Wienerberger AG, the Management Report, the Group Management Report, the Corporate Governance Report, the report on the functioning of the risk management system, the report on the Group's non-financial performance in fiscal 2021, and the Managing Board's proposal for profit distribution. After thorough examination, the Audit and Risk Committee unanimously recommended the approval and formal adoption of these reports by the Supervisory Board. In the interest of timely communication with capital market participants, the preliminary results of fiscal 2022 were published in the form of a short report on February 22, 2023. The full annual report was published on March 27, 2023.

Other focal points of the Audit and Risk Committee's work included:

- › Verification of the statement submitted by the external auditor regarding its legal relations with the Wienerberger Group and the members of the Group's Boards for the year 2022
- › Evaluation of the quality of the external auditor's work
- › Verification and confirmation of compliance with Rules 77-83 of the Austrian Corporate Governance Code
- › Approval of the internal audit plan and the IT audit plan (incl. cyber security) for 2023; analysis of the reports on the audits performed in accordance with the internal audit plan and discussion of measures to be taken
- › Monitoring the effectiveness of the internal control system (ICS) and the risk management system (RMS)
- › Completion of the questionnaire for audit committees issued by the Auditor Oversight Body
- › Discussion of the restructuring of the group-wide finance organization
- › Discussion and evaluation of the financial impacts of strategic growth projects and divestments
- › Discussion of the extended reporting requirements in accordance with the EU Taxonomy Regulation and the Corporate Sustainability Reporting Directive (CSRD)

David Davies (*financial expert*),
Chairman of the Audit and Risk Committee

Report of the Nomination Committee

The Nomination Committee met twice in 2022 and dealt with the following priority topics:

- › Performance review of the Managing Board members
- › Succession planning and the continuous search for and evaluation of potential candidates for the Supervisory Board, supported by an internationally renowned consultant, considering future strategic requirements, the diversity criteria and the skills matrix established by the Supervisory Board
- › Submission of proposals of suitable candidates to the Supervisory Board
- › Adaptation of the skills matrix and discussion of the appropriate size of the Supervisory Board
- › Elaboration of a procedure to be followed in the event of conflicts of interest of Supervisory Board members
- › Reorientation of the organizational structure of the Group from 2023 onward, against the background of its fast growth in recent years

Peter Steiner,
Chairman of the Nomination Committee

Report of the Remuneration Committee

The Remuneration Committee held three meetings in 2022 and dealt with the following priority topics:

- › Elaboration of the 2021 Remuneration Report and submission of the proposed resolution to the Supervisory Board
- › Confirmation of attainment of the targets for the variable short-term and long-term remuneration components of the Managing Board members for 2021
- › Consideration of the feedback received from shareholders and proxy advisors on the 2021 Remuneration Report



- › Discussion of potential targets for the variable remuneration components of the Managing Board members for 2023
- › Discussion of Supervisory Board remuneration with a view to a possible reduction of the number of capital representatives
- › Elaboration of a shareholding policy for the Supervisory Board

Peter Steiner,

Chairman of the Remuneration Committee

Report of the Sustainability and Innovation Committee

The Sustainability and Innovation Committee met four times in 2022 and dealt with the following priority topics:

- › Sustainability Program 2023 and progress achieved in 2022
- › Updates on innovations, such as robotics, digitalization projects, smart products, products for carbon-neutral buildings
- › Consideration of feedback gathered through annual ESG dialogues conducted with investors, architects, real estate developers and municipalities
- › Progress report on the requirements for voluntary sustainability reporting:
 - › Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD): implementation of the second phase, including the elaboration of a climate-related scenario analysis
 - › Carbon Disclosure Project (CDP): Disclosure of climate-related information within the framework of the CDP
- › Progress report on Wienerberger's decarbonization strategy and related research projects and risk analyses
- › Update on the group-wide Health & Safety Strategy
- › Discussion on the Sustainability Program 2026
- › Progress of reporting under the EU Taxonomy Regulation
- › Discussion of important HR topics, such as diversity, training, and employee development

Myriam Meyer,

Chairwoman of the Sustainability and Innovation Committee

Composition of the Managing Board

In the reporting year, there were no changes in the composition of the Managing Board of Wienerberger AG. For further information on the division of responsibilities, please refer to page 207 - 208.

Composition of the Supervisory Board

At the 153rd Annual General Meeting in May 2022 I was re-elected to the Supervisory Board and subsequently confirmed as its chairman at the constitutive meeting of the Supervisory Board. Moreover, Marc Grynberg and Thomas Birtel were newly elected to the Supervisory Board. We were happy to welcome two experienced CEOs with extensive industry expertise, especially in matters regarding our sector of industry as well as ESG-related topics. They are very well qualified to further strengthen the broad range of skills represented on the Supervisory Board.

Kati ter Horst left the Supervisory Board as of September 30, 2022. On behalf of my colleagues, I would like to thank her for her commitment and the valuable contribution she made to the success of the Wienerberger Group in her capacity as an internationally experienced manager with broad industry know-how.

Prior to the Supervisory Board meeting in February 2022, the members of the Supervisory Board reiterated their declarations of independence in accordance with the Austrian Corporate Governance Code. Peter Johnson, having been a member of the Supervisory Board for more than 15 years, has no longer been deemed "independent" since May 13, 2020.



2022 Financial Statements and Consolidated Financial Statements

At its meeting on May 3, 2022, pursuant to section 270(1) of the Austrian Company Code, the Supervisory Board appointed Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, elected at the Annual General Meeting, as external auditor for the 2022 financial year.

The 2022 Financial Statements and the Management Report of Wienerberger AG as well as the 2022 Consolidated Financial Statements and the Group Management Report prepared in accordance with IFRS rules were therefore audited for the sixth consecutive year by Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, and received an unqualified audit opinion. The Notes to the Financial Statements, the Managing Board's proposal for profit distribution, and the audit reports of the external auditor were discussed in detail with the external auditor by the Audit and Risk Committee and submitted to the Supervisory Board. The Supervisory Board examined the documents pursuant to section 96(4) of the Austrian Stock Corporation Act and approved the result of the audit. Having analyzed the financial position of the company, the Supervisory Board endorsed the Managing Board's profit distribution proposal.

In my own name and on behalf of my colleagues on the Supervisory Board, I would like to thank the Managing Board, the senior management, and all the employees of the company for their outstanding commitment in 2022. The company's extraordinary success in the year under review is reflected in its organic and inorganic growth.

The decisive factors for the successful implementation of our growth strategy are the energy and dedication of our employees. Their professionalism, their passion, and their entrepreneurial spirit enable us to seize opportunities, act with determination, and create added value for our shareholders.

The 2022 business year once more demonstrated our ability to react swiftly to changing circumstances, cope with new challenges, and grow in a time of crisis. I am therefore confident that the Wienerberger Group, with its clear strategy, is well positioned for the future and will continue on its successful course in 2023. With this in mind, I would like to thank you, our esteemed shareholders, for accompanying us on this path.

Vienna, March 14, 2023

Peter Steiner,
Chairman of the Supervisory Board



Corporate Governance at Wienerberger

Commitment to the Corporate Governance Code

As a listed company with international operations, Wienerberger is committed to strict principles of good corporate governance, a maximum level of transparency, and the continuous further development of an efficient system of corporate control. We regard a responsible, long-term approach to the management of the Wienerberger Group as an essential prerequisite for the achievement of our corporate targets, which are all set in line with our Sustainability Program 2023. This understanding of our role as a company is based on 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.

Since 2002, Wienerberger has committed itself to follow the rules of the Austrian Corporate Governance Code in their entirety (see [corporate-governance.at](https://www.wienerberger.com/corporate-governance.at)). The Code provides a framework for the management and supervision of a company and is intended to strengthen the confidence of investors in the company and in Austria as a financial marketplace. Its guiding principles include the following:

- › Equal treatment of all shareholders and the highest possible level of transparency
- › Independence of the Supervisory Board
- › Open communication between the Supervisory Board and the Managing Board
- › Avoidance of conflicts of interest between the Boards of the company
- › Efficient monitoring by the Supervisory Board and the external auditor

In 2022, Wienerberger fully complied with the rules of the Austrian Corporate Governance Code, including its R Rules, i.e. those rules which do not require public disclosure of deviations from the recommendations.

Compliance

To prevent insider trading and the unlawful disclosure of inside information, the company has a compliance policy in place that implements the provisions of European and Austrian law on insider trading and market abuse. A compliance officer, supported by a deputy, has been appointed to monitor compliance.

Wienerberger AG introduced a large number of internal policies, which apply across the Group and are designed to ensure compliance with relevant legal provisions. Among others, there are policies on competition law, the fight against corruption, data privacy, and lobbying. Compliance with these policies is verified at regular intervals. Moreover, compliance training programs are being organized throughout the Group.

In October 2021, a group-wide Code of Conduct was implemented, which constitutes a binding guideline for all employees, suppliers, and representatives of joint ventures in which Wienerberger has a stake of at least 50%. At the same time, a Whistleblowing Service was installed through which any illegal, unethical or inappropriate conduct can be reported anonymously. Each report is verified by a Whistleblowing Committee which, depending on the circumstances of the case, imposes sanctions or initiates corrective measures. As part of the internal audit updates, the Audit and Risk Committee of the Supervisory Board receives high-level reports. Among other provisions, the Code of Conduct stresses in particular the prohibition of corruption and bribery and explains how to deal with inside information. For detailed information, please refer to the chapter ESG Governance and Management Approach starting on page 41. The document can also be downloaded on our website under Investors - Download Center.

Internal audit and risk management

In order to further improve Wienerberger's system of risk management, an internal audit function has been set up as a staff unit reporting to the Managing Board. The Managing Board and Internal Audit regularly analyze operational processes for potential risks and possible improvements in efficiency; they also monitor compliance with legal provisions as well as internal policies and processes. These activities are based on an internal audit plan approved by the Managing Board and the Audit and Risk Committee, 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 and Risk Committee on the audit findings. Moreover, the internal control system (ICS) is being further developed to permit the early identification and management of risks; the implementation of the respective measures is subject to regular reviews (see Management Report, page 248).



The external auditor reviews the risk management process once a year, confirms its effectiveness, and reports thereon to the Managing Board. No material deficiencies were found in the internal auditing and accounting processes. The external auditor's report on the effectiveness of the Group's risk management was submitted to the Chairman of the Supervisory Board and discussed in detail by the Supervisory Board.

Disclosures pursuant to section 243 of the Austrian Company Code

The disclosures required pursuant to section 243 of the Austrian Company Code can be found in the following sections: Information on the composition of Wienerberger's capital, types of shares, restrictions and rights, as well as the authorization of the Managing Board to issue or buy back shares is contained in the Management Report in the section Wienerberger Share and Shareholders from page 244 and in the Consolidated Financial Statements under Note 28 (Group Equity) starting on page 290. Furthermore, the section Wienerberger Share and Shareholders contains information on direct and indirect investments in Wienerberger's share capital. The principles and structure of the Company's remuneration policy, a table indicating the amounts of remuneration due to the individual members of the Managing Board and the Supervisory Board, and an overview of Wienerberger shares held by Board members are contained in the Remuneration Report and can be downloaded on our website under Investors – Corporate Governance. Updates on the purchase and sale of Wienerberger shares by Board members are disclosed on the Investor Relations website in the section Shareholdings by members of the Managing Board and the Supervisory Board under Corporate Governance. Change of control clauses are included in the employment contracts of the members of the Managing Board and in the terms and conditions of corporate bonds and syndicated loans and other loans.

Related party transactions

Business transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are carried out at arm's length. Information on related party transactions is provided in the Notes to the Consolidated Financial Statements on page 324.

External audit

The 153rd Annual General Meeting appointed Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, to audit the 2022 consolidated and separate financial statements of Wienerberger AG. In addition to its auditing function, Deloitte also provides certain tax and financial consulting services for the Group through its global network of partner offices. In 2022, consultancy fees charged by Deloitte, excluding fees for auditing the financial statements, amounted to € 231 thousand (2021: € 297 thousand). The fee for the audit of the financial statements of the Wienerberger Group and related services amounted to € 2,775 thousand (2021: € 2,317 thousand). To ensure the independence of the external auditor, we comply with the respective provisions of the Austrian Corporate Governance Code (L Rule 78). Pursuant to these rules, lead auditors are not allowed to hold a Board function or an executive position in the company within two years of having signed the audit opinion on that company. Auditor rotation is mandatory when an audit firm has audited a company for ten years (external rotation). The lead auditors responsible for the performance of the audit step down from the audit team not later than after seven consecutive business years (internal rotation).

Shareholders

As of 31 December 2022, Wienerberger AG had 111,732,343 shares in circulation. There are no preferred shares or restrictions on common shares. The "one share – one vote" principle therefore fully applies. In accordance with the Austrian Corporate Takeover Act, each shareholder will receive the same price for his/her Wienerberger shares in the event of a takeover bid (mandatory offer). Wienerberger AG has no core shareholder. The Company's shareholder structure is shown in the Management Report on page 246.



Diversity Concept

Success through diversity

We are convinced that diversity in teams results in higher performance and therefore contributes to a company's economic success. Being aware of the great diversity of talents in our society, Wienerberger is making every effort to identify, address and tap this talent pool. We believe that our sustainable economic success is based on the skills and dedication of our employees as well as on our corporate culture. We therefore want to bring together people with diverse talents, personality features, gender identities, career histories, and cultural backgrounds. The resultant diversity of competencies and the internationality of our employees reflect the diversity of our customers, investors, business partners, and markets. They additionally reaffirm our innovative mindset, and make us fit for the challenges of a dynamic business environment. For information on our concrete diversity targets as part of our Sustainability Program 2023, please refer to the Sustainability Report on page 14.

Our principles

The principles of Wienerberger's human resources policy provide the basis for the achievement of our targets for diversity and training. They can be summarized as follows:

- › Equal rights and opportunities for all employees, regardless of age, gender, culture, religion, origin or other diversity features
- › Integration of minorities
- › Integration of people with disabilities
- › Equal opportunities by not allowing any gender-specific pay gap
- › Apprenticeship programs to support the young generation
- › Range of initial and further training programs

Based on these principles, we take a firm stance against any form of discrimination. Since 2009, we have collected data on diversity and equal opportunities within the framework of our sustainability reports. Discrimination is a matter we take very seriously. If necessary, corrective measures are taken to counteract any such manifestation as quickly as possible. The Code of Conduct implemented in October 2021 also covers issues such as fairness, diversity, and inclusion. It provides a possibility for employees to report any illegal, unethical or inappropriate conduct anonymously via an external Whistleblowing Service. For detailed information, please refer to the section ESG Governance and Management Approach on page 41 and on our website under Investors – Download Center.

Local employment and internationality within the company

As an international group of companies with a decentralized structure, Wienerberger respects local cultures. Internal talents and potential future executives are being developed as successors for certain key positions through targeted training measures. Within the framework of our talent management and succession planning process, we design individual development plans for both women and men identified as high-potential employees and candidates for succession. Job rotation schemes between different functional areas and country organizations are an important component of employee development. They enable our employees to gain new insights and a deeper understanding of various business areas and strengthen the international character of the company.

This internationality is illustrated by the following statistics from 2022:

- › People from 38 countries were employed at the Wienerberger headquarters in Vienna
- › Our senior management across the Group consisted of 28 nationalities and 15% women



Measures for the advancement of women

The next generation of our executives and the composition of our teams will be even more diverse. We aim to maintain the degree of internationality of our management teams. At the same time we also regard gender diversity as very important and are making every effort to increase the percentage of women in middle and senior management positions.

To this end, we implement the following measures targeted at both internal and external female candidates:

External

- › We ensure that diversity is part of our employer branding, especially when recruiting in schools and universities
- › When recruiting staff externally for administrative positions (e.g. in finance, HR, legal) and certain commercial functions such as marketing, communication, and customer service, the list of candidates is to include at least 50% women in order to reflect the potential pool of applicants

Internal

- › By continuously nominating female employees for internal training and development programs, we ensure that high-potential women are guided toward senior management positions
- › Additionally we offer
 - › attractive working time models (including part-time) and remote work options that suit the needs of our employees, women but also men
 - › mentoring and networking programs for women (from within and outside the company)
 - › support of access to child-care facilities or day-care institutions

Our uniform group-wide human resources policy guarantees the same rights and opportunities for all employees. As a company of the building materials industry, Wienerberger traditionally has a high percentage of male employees, given the fact that most of the company's workers employed in production are men. However, we are making every effort to promote the career development of women and provide continuous training for them, thus enabling them to apply for any vacant position at Wienerberger.



Supervisory Board

The international orientation and balanced composition of the Supervisory Board are essential prerequisites for the further development and lasting success of the Wienerberger Group. As the terms of office of the individual Supervisory Board members are staggered, the composition of the Supervisory Board is subject to continuous renewal. At the same time, consistent succession planning ensures that the necessary skills and professional qualifications are represented on the Supervisory Board at all times. This is a prerequisite for the Supervisory Board to fulfil its monitoring function and advise the Managing Board on strategic issues.

To facilitate the objective assessment and transparent comparisons of different candidates for election to the Supervisory Board, the Nomination Committee defines multifaceted requirements profiles. Apart from the general requirements of professional competencies and experience, a proven track record in the management of international companies, ESG experience, and the ability to contribute to strategic discussions on a variety of geographic markets are important criteria for the selection process. In order to ensure a comprehensive and diversified body of expertise on the Supervisory Board, the need for specialized know-how, depending on the current priorities of the Group's strategy, is taken into account. When a position falls vacant, a first analysis serves to identify the type of expertise to be replaced or strengthened. On this basis, special emphasis is placed on maximum diversity of the membership in terms of gender, age and nationality.

To cover these diverse aspects, a skills matrix was elaborated in 2018 in cooperation with a reputable international HR consultant specializing in executive search. The matrix shows the specific expertise of the individual members of the Supervisory Board and reflects the high degree of diversity of its current membership. The skills matrix was updated in 2022 and extended to reflect ESG expertise. The matrix also serves as a useful tool for the transparent search for new candidates for the Supervisory Board, as it illustrates the competencies that have been identified as essential and need to be taken into account and strengthened in the nomination process. This is to ensure that the search for successors to outgoing members is based on a specific requirements profile, which facilitates long-term succession management in the interest of a balanced composition of the Supervisory Board.

These principles are laid down in the Diversity Policy for the Supervisory Board. In combination with the skills matrix and suggestions received from investors, this policy is to serve as a basis for succession management. The implementation of the policy is being monitored by the Nomination Committee.

As of December 31, 2022, five nationalities were represented among the eight capital representatives and the three employee representatives. After the election of Thomas Birtel and Marc Grynberg at the 153rd Annual General Meeting and until the departure of Kati ter Horst on September 30, 2022, the percentage of women on the Supervisory Board was 33%. The mandatory 30% quota for women on supervisory boards in effect since 2018 is thus fulfilled by Wienerberger¹. Through consistent succession planning, the Supervisory Board intends to further improve the quota.

¹) The ratio at the time of appointment shall be decisive for the fulfilment of the quota regulation.



Attendance 2022	Supervisory Board	Audit and Risk Committee	Nomination Committee	Remuneration Committee	Sustainability and Innovation Committee
Capital Representatives					
Peter Steiner ¹⁾	9/9	-	2/2	3/3	-
Myriam Meyer ²⁾	9/9	-	2/2	-	4/4
Thomas Birtel ³⁾	6/6	-	-	2/2	2/2
David Davies ⁴⁾	6/9 ⁵⁾	5/5	2/2	-	-
Marc Grynberg ³⁾	6/6	3/3	-	2/2	2/2
Kati ter Horst ⁶⁾	5/5	-	-	-	2/3
Peter Johnson	8/9	-	2/2	3/3	-
Regina Prehofer	8/9	5/5	-	3/3	-
Oswald Schmid	8/9	5/5	-	-	2/2 ⁷⁾
Employee Representatives					
Gerhard Seban	9/9	5/5	2/2	3/3	4/4
Claudia Schiroky	8/9	-	-	-	-
Wolfgang Wallner	7/9	-	-	-	-

1) Chairman of the Supervisory Board, Nomination and Remuneration Committee

2) Vice Chairwoman of the Supervisory Board, Chairwoman of the Sustainability and Innovation Committee

3) Elected at the 153rd Annual General Meeting, May 3, 2022

4) Chairman of the Audit and Risk Committee

5) The absences of David Davies were due to the short notice scheduling of the meetings. In each case, however, he was briefed in detail by the Supervisory Board Chairman afterwards

6) Member of the Supervisory Board and Sustainability and Innovation Committee until September 30, 2022

7) Oswald Schmid resigned from the committee after Thomas Birtel and Marc Grynberg were added as new members. following the 153rd Annual General Meeting

Managing Board

In an international group of companies like Wienerberger, the members of the top executive body must have outstanding professional qualifications and international leadership experience.

As of December 31, 2022, the Managing Board of Wienerberger AG consisted of four members (percentage of women: 25%). They look back on international professional careers of different lengths and are distinguished by mutually complementary professional expertise and a profound knowledge of the industry. In the event of a new appointment, the search for suitable candidates is to be guided by this diverse qualifications profile.

In the interest of long-term succession planning at all levels, the Supervisory Board and the Managing Board are making a continuous effort to identify and promote high-potential candidates, if possible from within the Wienerberger Group. Nomination decisions are taken based on a uniform catalogue of criteria, which is in line with Wienerberger's strategic orientation and used for the assessment of both internal and external candidates.



OVERVIEW

CORPORATE GOVERNANCE

OUR COMMITMENT TO INTERNATIONAL GOVERNANCE STANDARDS

The Supervisory Board and the Managing Board engage in open and transparent communication with all stakeholders. In order to effectively exercise its advisory and supervisory function, the Supervisory Board has installed committees dealing with the following areas: audit & risk, remuneration, nomination, and sustainability & innovation.

SUPERVISORY BOARD ¹⁾

EXPERIENCED, DIVERSE, INDEPENDENT

9

SHAREHOLDER
REPRESENTATIVES

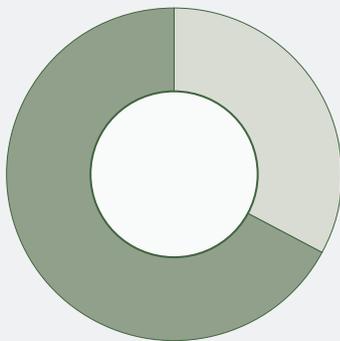
Elected by the Annual General Meeting
for a fixed term

BOARD MEMBERS

3

EMPLOYEE
REPRESENTATIVES

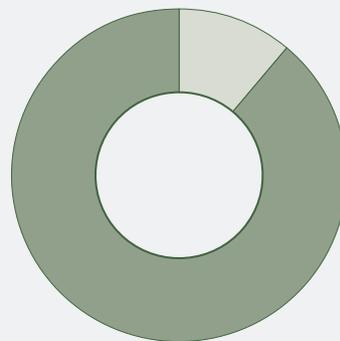
Delegated by the Works Council for an unlimited
period of time (mandatory in Austria)



GENDER

33%
FEMALE

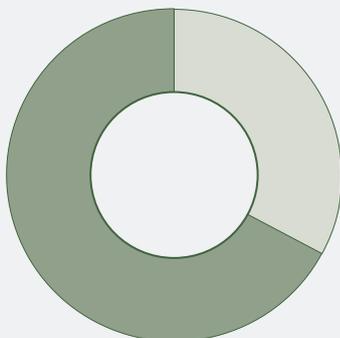
67%
MALE



INDEPENDENCE²⁾

11%
NOT
INDEPENDENT

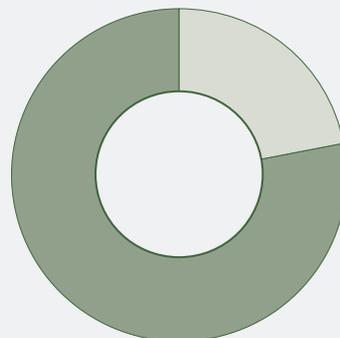
89%
INDEPENDENT



AVG. AGE: 61

33%
> 65

67%
< 65



PLACE OF BIRTH³⁾

22%
AUSTRIA

78%
OTHER

1) As of 153rd AGM, May 3, 2022

2) 8/9 shareholder representatives are independent as of the 153rd AGM, May 3, 2022. Peter Johnson is not independent since May 13, 2020 according to the understanding of the Austrian Corporate Governance Code

3) Only capital representatives



Members of the Managing Board



HEIMO SCHEUCH

CEO of Wienerberger AG
Chairman of the Managing Board

Appointed until December 31, 2025; first appointed on August 1, 2009
Born 1966

Heimo Scheuch is responsible for the strategic and operational development of the company. Thanks to his over 20 years of industry and management experience and his strong focus on sustainability, digitalization, innovation, and growth, he has led Wienerberger onto a path of success and growth. He has a great wealth of international management experience and has focused on implementing a set of strong corporate values within the organization. Over the years, he has developed Wienerberger into a leading provider of sustainable building material and infrastructure solutions.

Relevant functions:

Chairman of the Supervisory Board of Wiener Börse AG, President of the Association of Vienna Stock Exchange Issuers, Vice President of the European Ceramic Industry Association, Managing Director of ANC Anteilsverwaltung GmbH

The following units report directly to Heimo Scheuch:

- › Group Organizational Development & Human Resources
- › Corporate Secretary
- › Investor Relations
- › Business Development, M&A and Disposals
- › Corporate Communication/PR
- › Corporate Sustainability & Innovation
- › North America
- › New Digital Business
- › Special technical projects



GERHARD HANKE

CFO of Wienerberger AG
Member of the Managing Board

Appointed until February 29, 2024; first appointed on March 1, 2021
Born 1971

Gerhard Hanke is primarily responsible for the financial matters of the Group as well as for procurement, IT & Cyber Security. For more than 20 years, he successfully held various executive positions, often combining financial and operational responsibilities, within the Wienerberger Group. Most recently he served as COO of the East/Central Region of the Wienerberger Building Solutions Business Unit. As an experienced expert with excellent industry and finance know-how, he successfully implemented numerous strategic growth projects and M&A transactions. He also has a strong track record in setting up high-performing financial organizations.

Relevant functions:

Managing Director of ANC Anteilsverwaltung GmbH

The following units report directly to Gerhard Hanke:

- › Business Support & Controlling
- › Group Reporting, Tax & Accounting
- › Group Treasury
- › Procurement
- › IT & Cyber Security
- › Internal Audit
- › Corporate Risk Management
- › Legal Services

**SOLVEIG MENARD-GALLI**

COO of Wienerberger Building Solutions
Member of the Managing Board of Wienerberger AG

Appointed until May 31, 2025; first appointed on June 1, 2019
Born 1969

Solveig Menard-Galli is responsible for the Wienerberger Building Solutions (WBS) Business Unit. Her current activities focus on the development of innovative system solutions and the implementation of digital business models and new smart services for the building envelope.

In her previous position of Chief Performance Officer (CPO) she was responsible for the Group's performance-enhancing and digitalization measures. She was highly successful in implementing the Fast Forward program and the associated transformation process. She studied economics and obtained a Master's Degree in Controlling, Strategic Management, Marketing and International Management at the University of Klagenfurt, where she also held teaching assignments.

All functions of the WBS Business Unit report directly to Solveig Menard-Galli.

**HARALD SCHWARZMAYR**

COO of Wienerberger Piping Solutions
Member of the Managing Board of Wienerberger AG

Appointed until June 30, 2026; first appointed on July 1, 2020
Born 1969

Harald Schwarzmayr is responsible for the Wienerberger Piping Solutions (WPS) Business Unit, where he focuses on enhancing the Group's system competence in infrastructure solutions and on expanding the in-house portfolio. He is an experienced manager with excellent industry know-how.

Since 1997, he has held various executive positions within the Group and implemented numerous strategic growth projects and M&A transactions in the course of his 25-year career at Wienerberger. Since he took over the management of Wienerberger Piping Solutions in 2018, he has taken important strategic steps in developing the business unit into one of the leading suppliers of pipe systems in Europe. Thanks to his outstanding leadership skills, he succeeded in driving operational and cultural improvements in a multinational environment.

All functions of the WPS Business Unit report directly to Harald Schwarzmayr.



Members and Committees of the Supervisory Board

9¹ capital representatives



PETER STEINER

Chairman since January 1, 2021

Independent, born 1959, appointed until the 157th AGM (2026), first elected on June 14, 2018

Mandates in publicly listed companies

Member of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination Committee of Clariant AG, Chairman of the Supervisory Board of Zeal Network SE

Other mandates

None

Career

1985 Degree in Business Administration from the Universities of Cologne and Mannheim, 1985–1989 Arthur Andersen (Frankfurt/Chicago), 1989 tax advisor, 1990 certified public accountant, from 1991 Member of the Managing Board of SÜBA Freie Baugesellschaft mbH & Co. KG responsible for finance, controlling and international business, 1995 CFO of SÜBA Bau AG, 1998 CFO of Dyckerhoff AG, 2001 Member of the Board (COO) of Dyckerhoff AG and Chairman of the Managing Board of Dyckerhoff Zement GmbH, 2002 Chief Executive Officer of Dyckerhoff AG, 2004 Member of the Board and CFO of MG Technologies AG (renamed GEA Group AG), 2006 Partner at One Equity Partners, since 2012 certified public accountant, tax advisor, business consultant with special focus on M&A, finance and investment management



MYRIAM MEYER

Deputy Chairwoman

Independent, born 1962, appointed until the 154th AGM (2023), first elected on May 22, 2015

Mandates in publicly listed companies

None

Other mandates

Member of the Supervisory Board of KUKA AG (no longer publicly listed), Member of the Supervisory Board of Lufthansa Technik AG, Member of the Board of Directors of Bedag Informatik AG, Member of the Board of Trustees of the Swisscontact Foundation, Member of the Industry Advisory Board of ETH Zurich/ Department of Mechanical Engineering

Career

1987 Master of Science in Mechanical Engineering at ETH Zurich, 1994 Ph. D. in Mechanics at ETH Zurich, 1994–2001 Vice President and Member of the Executive Committee of Swissair Flight Operations, General Manager of SR Technics, 2002–2005 Vice President of Global Human Resources & Organization Development of F. Hofmann La Roche and Member of the Executive Committee of Roche Consumer Health, 2005–2008 CEO and Member of the Executive Committee of RUAG Group, 2009–2010 Group CEO of WIFAG-Polytype Holding, since 2011 Owner and Managing Partner of mmtec



THOMAS BIRTEL

Member of the Supervisory Board

Independent, born 1954, appointed until the 157th AGM (2026), first elected on May 3, 2022

Mandates in publicly listed companies

CEO of STRABAG SE (until the end of 2022)

Other mandates

Supervisory Board Chairman STRABAG AG, Ed. Züblin AG and STRABAG Property and Facility Services GmbH, Supervisory Board member of three companies of VHV Versicherung, Member of the advisory boards of Deutsche Bank AG and HDI Global SE, Chairman of the Board of CONCORDIA Sozialprojekte Stift. Deutschland, Member of the Board of CONCORDIA Sozialprojekte gem. Privatstift. Wien

Career

1978 Economics and Law, Ruhr University Bochum, 1982 Research Fell. Konrad-Adenauer-Stift., Dr. rer. oec., 1983–1989 Division Manager Klöckner Industrieanlagen GmbH, 1989–1996 Chairman Management Board Frigoscandia Holding GmbH, Member Executive Board Frigoscandia AB, 1996–2002 Member Executive Board STRABAG Hoch- & Ingenieurbau AG, 2002–2013 Member Executive Board STRABAG AG, since 2014 Supervisory Board Chairman STRABAG AG, 2006–2013 Member Executive Board, 2013–2022 CEO STRABAG SE

1) Kati ter Horst left the Supervisory Board as of September 30, 2022. Since then, the number of capital representatives is 8.



DAVID DAVIES

Member of the Supervisory Board

Independent, born 1955, appointed until the 156th AGM (2025), first elected on May 19, 2017

Mandates in publicly listed companies

Member of the Board of Directors and Chairman of the Audit Committee of Petrofac Ltd

Other mandates

None

Career

1975–1978 studies in economics at the University of Liverpool, 1986–1988 MBA Program at the Cass Business School, 1978–1981 Chartered Accountant at Touche Ross & Co., 1981–1983 Senior Auditor at Price Waterhouse SA, 1983–1988 Internal Auditor, Finance Manager BOC Special Gases, Financial Controller BOC Health Care – Disposable Products Division, 1988–1994 various positions at Grand Metropolitan plc (1988–1989 Commercial Director – Retail Enterprises Division, 1989–1991 Finance Director – European Restaurant Division, 1991–1994 Corporate Controller – Burger King Corporation), 1994–1997 VP at Walt Disney Company – The Disney Store Europe, 1997–2000 Group Finance Director at London International Group plc, 2000–2002 Group Finance Director at Morgan Crucible plc, 2002–2016 Member of the Executive Board (CFO) and Deputy Chairman of the Executive Board at OMV AG



MARC GRYNBERG

Member of the Supervisory Board

Independent, born 1965, appointed until the 157th AGM (2026), first elected on May 3, 2022

Mandates in publicly listed companies

Member of the Supervisory Board and the Strategy & Sustainability Committee, and Climate Director at Nexans SA

Other mandates

None

Career

1988 Studies in commercial engineering at the Solvay Brussels School of Economics and Management (Université Libre de Bruxelles), 1988–1989 Misui Bank, Belgium, foreign-exchange trader, 1989–1996 Du Pont de Nemours: various management positions in Brussels and Geneva, since 1996 Umicore, Belgium: 1996–2000 Group Controller, 2000–2006 Chief Financial Officer, 2006–2008 Executive Vice President in charge of the catalyst business (Germany), 2008–2021 Chief Executive Officer



KATI TER HORST¹

Member of the Supervisory Board

Independent, born 1968, appointed until the 154th AGM (2023), first elected on May 4, 2021

Mandates in publicly listed companies

Member of the Supervisory Board and the Audit/Remuneration Committee of Outokumpu

Other mandates

Member of the Board of the Finnish Forest Industries Federation, Chairwoman of the Supervisory Board of EURO-GRAPH asbl, Member of the Board of the Climate Leadership Coalition

Career

1992 Master of Science (Economics) at the University of Tampere, Finland, 1993 MBA (International Business), University of Oregon, USA, 1994–1996 business analyst at Jaakko Pöyry Consulting, Singapore, 1996–2009 various managerial positions in paper sales in the Netherlands, 2009–2010 responsible for the restructuring program to establish European customer service centers at Stora Enso Publication, Netherlands, 2010–2014 various managerial positions at Stora Enso in Belgium and Finland, since 2014 Executive Vice President, Head of Stora Enso Paper, Finland, 2018 Advanced Management Program of Harvard Business School, Boston/USA

¹) resigned from the Supervisory Board as of September 30, 2022



PETER JOHNSON

Member of the Supervisory Board

Not independent since May 13, 2020, according to the declaration of independence within the meaning of the Austrian Corporate Governance Code, born 1947, appointed until the 156th AGM (2025), first elected on May 12, 2005

Mandates in publicly listed companies

None

Other mandates

Chairman of the Remuneration Committee of St. Edmund Hall, University of Oxford

Career

1965–1970 studies in economics at Oxford University, 1970–1973 Unilever plc, 1973–1996 various senior positions at Redland plc, responsible for the brick and roof tile business from 1988–1996, 1996–2000 CEO of Rugby Group plc, 2000–2006 CEO of George Wimpey plc, 2007–2012 Chairman of the Board of Directors of DS Smith plc



REGINA PREHOFER

Member of the Supervisory Board

Independent, born 1956, appointed until the 154th AGM (2023), first elected on May 13, 2011

Mandates in publicly listed companies

First Deputy Chairwoman of the Supervisory Board of AT&S Austria Technologie & Systemtechnik AG

Other mandates

Chairwoman of the Supervisory Board of Förderung & Begleitung GmbH (non-profit), Member of the Supervisory Boards of SPAR Holding AG and SPAR Österreichische Warenhandels-AG, Member of the Supervisory Board of 6B47 Real Estate Investors AG, Member of the Board of Karlheinz und Agnes Essl Privatstiftung, Member of the Advisory Board of "aws venture-capital-Initiative", Member of the Committee of Shareholders of Vamed Engineering GmbH

Career

1974–1980 studies in business and law in Vienna, 1981–2010 career in the Austrian banking industry, including positions as Member of the Managing Board of Bank Austria Creditanstalt AG from 2003–2008 and Member of the Managing Board of BAWAG P.S.K. from 2008–2010, 2011–2015 Vice Rector for Financial Affairs and Infrastructure of the Vienna University of Economics and Business



OSWALD SCHMID

Member of the Supervisory Board

Independent, born 1959, appointed until the 154th AGM (2023), first elected on May 6, 2019

Mandates in publicly listed companies

Chief Executive Officer and Member of the Supervisory Board of NV Bekaert SA

Other mandates

Founder and owner of Sinigual Consulting GmbH

Career

1983 Degree in Mechanical Engineering in Vienna, 1984–1990 responsible for procurement and distribution at Semperit AG Holding, 1990–1994 Head of Procurement at Continental AG, 1994–1995 Group Head of Materials Management at RHI AG (formerly Veitsch-Radex), 1995–2002 various executive positions at Continental AG, 2002–2017 various executive positions and CEO at Schindler Austria (2007–2010) and CEO of Schindler Germany (2010–2013), 2017–2018 CEO of Kalle Group, 2019–2021 COO of Bekaert Group



3 Employee representatives

GERHARD SEBAN

Born 1967

First delegated on February 3, 2006

Chairman of the Works Council at the Hengersdorf plant (Austria), Chairman of the Central Works Council of Wienerberger Österreich GmbH, the Group Works Council, and the European Works Council of Wienerberger AG

CLAUDIA SCHIROKY

Born 1971

First delegated on July 2, 2002

Chairwoman of the Works Council and the Central Works Council of Wienerberger AG, Deputy Chairwoman of the Group Works Council of Wienerberger AG

WOLFGANG WALLNER

Born 1970

First delegated on May 6, 2019

Deputy Chairman of the Group Works Council of Wienerberger AG, foreman and works council member of Pipelife Austria GmbH & Co KG

4 Committees

Audit and Risk Committee

David Davies (Chairman),
Regina Prehofer, Oswald Schmid,
Marc Grynberg, Gerhard Seban*

Nomination Committee

Peter Steiner (Chairman), Myriam Meyer,
Peter Johnson, David Davies,
Gerhard Seban*

Remuneration Committee

Peter Steiner (Chairman),
Regina Prehofer, Peter Johnson,
Marc Grynberg, Thomas Birtel,
Gerhard Seban*

Sustainability and Innovation Committee

Myriam Meyer (Chairwoman),
Marc Grynberg, Thomas Birtel,
Gerhard Seban*

* Employee representative



Mode of Operation of the Supervisory Board and the Managing Board

Mode of operation of the Supervisory Board

The Supervisory Board decides on issues of fundamental importance and on the strategic orientation of the company. In particular, the Supervisory Board is responsible for the following:

- › Appointment of members of the Managing Board, succession planning, elaboration of the remuneration policy, and determination of Managing Board and Supervisory Board remuneration
- › Proposals of candidates for the Supervisory Board to be voted on by the Annual General Meeting
- › Formal adoption of the Annual Financial Statements and the report to the Annual General Meeting
- › Resolutions on transactions requiring the approval of the Supervisory Board or its committees in accordance with the Rules of Procedure
- › Elaboration of the remuneration report in cooperation with the Managing Board

The Supervisory Board and the Managing Board maintain intensive cooperation. Their chairpersons regularly engage in discussions on the sustainable development and strategic orientation of the company. To exercise its advisory and monitoring functions in an efficient manner, the Supervisory Board has set up four committees, which deal with specific issues and prepare the relevant decisions to be taken by the Supervisory Board. The Rules of Procedure of the Supervisory Board, including details on the tasks of the individual committees, are published on the Wienerberger website.

Audit and Risk Committee

The Audit and Risk Committee monitors the Group's system of accounting as well as the effectiveness of the systems of internal control, internal audit and risk management. Wienerberger's comprehensive risk management approach also includes the identification and analysis of climate-related risks. In addition, the committee monitors compliance with the expanded reporting obligations under the EU Taxonomy Regulation. An integral part of the work performed by this committee consists in monitoring the audit process regarding the Group's annual financial statements in a preparatory capacity for the Supervisory Board. This includes the annual verification of the independence of the external auditor, who is regularly invited to attend the committee meetings.

The Audit and Risk Committee is chaired by **David Davies**, a renowned financial expert with years of experience gained as chief financial officer of a listed company.

Nomination Committee

The Nomination Committee deals with all personnel matters relating to the Supervisory Board and the Managing Board. It is responsible, in particular, for evaluating qualified candidates for Board functions and for succession management. On the basis of a requirements profile derived from a skills matrix and our diversity policy, the committee proposes candidates for election to the Supervisory Board as capital representatives. They are then submitted to a shareholders' vote at the Annual General Meeting. Moreover, the Committee prepares decisions on appointments to the Managing Board.

Peter Steiner, Chairman of the Supervisory Board, who has many years of experience in managing board functions in industrial companies, chairs the Nomination Committee.

Remuneration Committee

The Remuneration Committee deals with all matters relating to the remuneration of Managing Board members and the content of their employment contracts. Moreover, it submits proposals regarding the remuneration of the Supervisory Board. In particular, the Remuneration Committee elaborates the remuneration policy applicable to the members of the Managing Board and the Supervisory Board. The policy has to be adopted by the Supervisory Board and submitted to the Annual General Meeting for adoption at least once in four years. The remuneration of holders of managerial position below the Managing Board level as well as all other employees is not within the remit of the Nomination Committee.



In accordance with C Rule 43 of the Austrian Corporate Governance Code, the Chairman of the Supervisory Board must also be a member of the Remuneration Committee. **Peter Steiner**, with his profound industry knowledge and many years of experience as a certified public accountant and a tax advisor, therefore chairs the Remuneration Committee.

Sustainability and Innovation Committee

By contributing its experience, the Sustainability and Innovation Committee supports the top management in the review and implementation of the Group's Sustainability Program 2023 and innovation strategy. This includes, among other things, monitoring the progress of climate related measures such as decarbonization projects. An essential aspect of the committee's work consists in the support of the management in reviewing and identifying relevant new legislation, requirements and trends at global and European level impacting on the sustainability and innovation policies of the various business areas of the Group.

The Committee is chaired by **Myriam Meyer**, whose relevant expertise derives from many years of experience in the fields of technology and innovation gained in board functions in various sectors of industry.

Independence

Pursuant to C Rule 53 of the Austrian Corporate Governance Code, the majority of capital representatives on a supervisory board are to be independent. The Code specifies that in companies with a free float of more than 50% at least two capital representatives must be independent (C Rule 54). A supervisory board member is deemed to be independent if he or she has no relationship, either business or personal, with the company or its managing board that constitutes a material conflict of interest and consequently may influence his or her behavior. Annex 1 of the Austrian Corporate Governance Code – Guidelines for Independence – specifies six criteria of independence. Accordingly, a supervisory board member is considered to be independent if he or she

- › has not served as a member of the Managing Board or in an executive position of Wienerberger AG or a company of the Wienerberger Group during the past five years
- › does not maintain, or did not maintain in the past year, business relations with Wienerberger AG or a company of the Wienerberger Group to an extent of significance for the member of the Supervisory Board concerned (this also applies to business relations with companies in which the Supervisory Board member has a material economic interest)
- › has not acted as an external auditor of Wienerberger AG or been a partner or an employee of the public accounting firm mandated to perform the audit during the past three years
- › is not a member of the management board of another company in which a member of the Managing Board of Wienerberger AG serves on the supervisory board
- › has not been a member of the Supervisory Board for more than 15 years
- › is not closely related to a member of the Managing Board of Wienerberger AG or to persons holding one of the aforementioned positions

In accordance with the above criteria, eight of the nine Supervisory Board members elected by the Annual General Meeting confirmed their independence. Peter Johnson, having been a member of the Supervisory Board for more than 15 years, has no longer qualified as "independent" since May 13, 2020. None of the capital representatives holds an investment of more than 10% or represents the interests of such a shareholder.

Conflict of interest

Pursuant to the provisions of the Austrian Corporate Governance Code (Rules 44 ff), the members of the Supervisory Board undertake to disclose any conflict of interest without delay and, if applicable, abstain from votes taken by the Supervisory Board. Additionally, the Supervisory Board, acting on recommendations expressed by the Nomination Committee, defined and adopted a procedure to be followed in the event of conflicts of interest of Supervisory Board members.



Employee representatives

Pursuant to L Rule 59 of the Austrian Corporate Governance Code, the representation and participation of the company's employees on a supervisory board and its committees is regulated by law as an integral part of the Austrian corporate governance system. In accordance with the Austrian Labor Relations Act, the body representing employee interests is entitled to delegate to the supervisory board of a joint stock corporation and its committees one member from among its ranks for every two members elected by the Annual General Meeting (capital representatives). The employee representatives act in accordance with the following principles:

- › They exercise their function in an honorary capacity and their appointment can only be terminated (at any time) by the works council (central works council)
- › They have the same rights and duties as the capital representatives (which applies, in particular, to their rights to information and monitoring rights, the duty of diligence, the duty of confidentiality, and liability for any breach of duty)
- › In the event of personal conflicts of interest, employee representatives, as well as capital representatives, have to abstain from voting

Currently, three employee representatives are delegated to the Supervisory Board. Unlike the elected capital representatives, the members delegated by the employees serve on the Supervisory Board for an unlimited term of office.

Succession management

The succession management process for the Managing Board and the Supervisory Board involves a structured search and nomination process that is supported by external consultants. Based on a predefined requirements profile that takes into account the interests of the organization and its various stakeholders, a list of potential internal and external candidates is prepared. After the examination of the list of nominees by the Nomination Committee, the short-listed candidates are subject to an assessment and interview. As a result of this process, the best candidate is selected by the Supervisory Board and proposed to the Annual General Meeting for election. This process was laid down in a succession planning and recruiting policy adopted by the Supervisory Board in December 2021. It is up to the Nomination Committee to regularly revise this policy for its efficiency and, if necessary, adjust it accordingly. Additionally, succession management is guided by the diversity policy for the Supervisory Board adopted in December 2021.

Term of office

The members of the Wienerberger Supervisory Board are elected for a term of office of three years (not counting the year of election). This is one year below the upper limit allowed by the Austrian legislator.

Training

In accordance with Article 6 (10) of the Rules of Procedure of the Supervisory Board, training sessions on relevant topics are organized for the members of the Supervisory Board if necessary. For new Supervisory Board members, a comprehensive onboarding program is provided, which covers not only legal and organizational aspects of Supervisory Board work, but also company-specific topics.

Mandates and external obligations

To ensure that the Supervisory Board members have enough time and resources for the exercise of their functions at Wienerberger, the maximum number of external positions held per member at listed companies is limited to five. To determine the number of mandates, ordinary membership in a supervisory body counts as one position, whereas the chairmanship of a supervisory body counts as two mandates and membership of an executive body as three mandates.

The Nomination Committee conducts an annual review of the external mandates held by each Supervisory Board member to ensure that all members have sufficient time to perform their duties at Wienerberger. The Nomination Committee considers a number of factors, including the size and location of the other companies, the extent of activities on the boards of large private companies, board tenure, and attendance.



Before accepting external mandates in supervisory or executive bodies, the members of the Supervisory Board will inform the chairperson and seek an agreement before assuming the external function.

Mode of operation of the Managing Board

As of December 31, 2022, the Managing Board of Wienerberger AG consists of four members. In 2022, the division of responsibilities was as follows:

- › CEO Heimo Scheuch is responsible for the strategic and operational development of the Wienerberger Group
- › CFO Gerhard Hanke is responsible for all financial matters and for procurement, IT & digitalization, and performance management
- › COO Solveig Menard-Galli oversees the Wienerberger Building Solutions Business Unit
- › COO Harald Schwarzmayr oversees the Wienerberger Piping Solutions Business Unit

The work of the Managing Board is based on shared responsibility for strategic and operational issues and a continuous exchange of information. The formal framework for such exchange is provided by the Managing Board meetings, which are normally held once a week, supplemented by continuous informal communication. Transactions requiring the approval of the Supervisory Board are first discussed at the Managing Board meetings and then submitted to the Supervisory Board. Decisions taken by the Managing Board require unanimity. The four-eyes principle applies when contracts are to be signed by the Managing Board. Transparency regarding the exercise of external mandates and strict compliance with the rules for proprietary transactions ensure that the members of the Management Board are not subject to any conflict of interest in this respect within the meaning of the Austrian Corporate Governance Code. Monthly meetings are held with the management of the business units to discuss current business developments and, in particular, trends in demand, prices and costs, as well as capacity utilization. Strategic issues are also discussed at these meetings, with a special focus on the development of markets, products, sustainability, and technologies. The measures agreed upon are implemented by the management teams of the business unit concerned.

The management of the company is based on a high quality reporting system. Monthly reporting is of special importance and covers data aggregated at Group level as well as essential detailed information relating to the business units. Moreover, the Managing Board receives monthly reports on various topics, such as energy consumption and the financial situation of the Group, raw materials for plastic pipe production, as well as the status of projects in the process of implementation. Data relating to markets and the macroeconomic situation, as well as non-financial indicators, are also collected regularly.

Organizational restructuring in Europe

Megatrends such as climate protection, adaptation to climate change, circular economy, biodiversity, the persistent shortage of skilled labor, and the associated changes in legislation will confront us with new challenges. These changes concern all our markets, but with national differences in the speed at which their impacts will be felt and the regulatory developments resulting from them. Being no longer specific to individual product groups, these changes will be determined primarily by local or regional requirements to be met by the entire building stock and the business environment.

With these developments in mind, we decided to adapt the operational structure of our European business at Managing Board level as of 2023. It will be changed from a structure centered on business units – Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) – to a regional structure based on Western and Eastern Europe. Going forward, Solveig Menard-Galli in her capacity as COO will be responsible for all Wienerberger activities (WBS and WPS) in Eastern Europe, while Harald Schwarzmayr will be in charge as COO of all Wienerberger activities (WBS and WPS) in Western Europe.

This new structure will contribute toward harnessing synergies between the various operating segments within the countries and regions. A combined management structure of this type has been practiced successfully in North America for several years.

Wienerberger's reporting structure will be adapted accordingly as of the 2023 business year.



External evaluation of the Consolidated Corporate Governance Report

The rules of the Austrian Corporate Governance Code go beyond the requirements of the law and take effect upon the company's voluntary self-commitment. Once committed to the Code, the company has to justify any non-compliance with C Rules ("comply or explain"). The implementation of the Code and the correctness of our public statements were evaluated by the external auditor, Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, within the framework of its review of the Consolidated Corporate Governance Report.

The report prepared by the external auditor can be accessed on our website under Investors – Corporate Governance. The most recent evaluation of the Corporate Governance Report for 2022 did not result in any negative findings regarding our public disclosures on compliance with the Code. Compliance with the provisions of the Code relating to the external auditor was verified by the Audit and Risk Committee. In its report to the Supervisory Board, the Audit and Risk Committee stated that no deviations from the rules of the Code were identified in 2022.

Vienna, March 14, 2023

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 Schwarzmayr
Member of the Managing
Board of Wienerberger AG
COO WPS



Auditor's Report

Report on the evaluation of Wienerberger AG's compliance with the Austrian Corporate Governance Code in the financial year 2022

Due to the listing of the shares of Wienerberger AG on the Prime Market of the Vienna Stock Exchange, the Management Board, together with the Supervisory Board, are obligated to apply the rules of the Austrian Corporate Governance Code 2021 ("ÖCGK 2021") in the current version. According to rule 62 of the ÖCGK, a regular external evaluation of compliance with the ÖCGK is recommended.

Wienerberger AG follows this recommendation, which is why the Management Board of Wienerberger AG commissioned us to assess Wienerberger AG's compliance with the rules of the ÖCGK 2021 in the 2022 financial year ("evaluation"). The aim of the evaluation is to give the public a picture of Wienerberger AG's compliance with the principles of Corporate Governance.

Responsibility of the legal representatives

The proper preparation of the Corporate Governance Report 2022 in accordance with the ÖCGK 2021 lies with the legal representative of Wienerberger AG.

Responsibilities of the Practitioner

Our responsibility is to express a conclusion as to whether, based on our procedures performed and the evidence obtained, any matters have come to our attention that cause us to believe that the Corporate Governance Report is not in compliance, in all material respects, with the Austrian corporate law regulations and the regulations of the ÖCGK 2021 on the preparation of a (consolidated) corporate governance report.

We have performed the engagement in accordance with ISAE 3000 („International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information“). Those standards require that we comply with ethical requirements, including independence rules, and plan and perform the engagement, taking into account the principle of materiality, so as to provide our conclusion with limited assurance.

In a limited assurance engagement, the audit procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, less assurance is obtained.

The procedures selected depend on the Practitioner's professional judgment and included, in particular, the following activities:

- › Inquiry with legal representatives and employees of Wienerberger AG
- › Inspection of a sample of relevant documents and papers (in particular the articles of association of Wienerberger AG, rules of procedure for the supervisory board and management board, minutes of the supervisory board, etc.), insofar as these or their content must be consistent with the rules of the ÖCGK 2021
- › Review of the explanations on the deviations from "C Rules" as part of the corporate governance report of Wienerberger AG for the 2022 financial year and examination of their compliance with the requirements of the ÖCGK 2021

The subject of our engagement is neither an audit nor an auditor's review of financial statements. Likewise, neither the detection and clarification of criminal facts, such as embezzlement or other acts of fraud and administrative offenses, nor the assessment of the effectiveness and profitability of the management is the subject of our evaluation. Since we are also the auditors for Wienerberger AG in the 2022 financial year, the evaluation does not include compliance with C and R Rules 77 to 83 of the ÖCGK 2021.



Conclusion

No deviations from the C rules in the Corporate Governance Report of Wienerberger AG were identified.

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Corporate Governance Report of Wienerberger AG, for the year 2022 has not been prepared, in all material respects, in accordance with the requirements with the ÖCGK 2021.

Restriction on Distribution and Use

This audit serves to support your company in proving an external evaluation of the Corporate Governance Report of Wienerberger AG. Our report on the audit may only be published on the homepage of Wienerberger AG and may only be shared on the condition that our overall responsibility towards you and any other recipient who receives the report with our consent is limited to the amount resulting from the following Terms and Conditions of the Engagement (in particular the General Conditions of Contract for Public Accounting Professions (AAB 2018)). A distribution in extracts of the report (e.g., enclosures to the report) is not permitted.

Terms and Conditions of the Engagement

We prepare this report based on the contract concluded with you, which is based on the General Conditions of Contract for Public Accounting Professions (AAB) attached to this report.

We are only liable for verbal information and advice if they are confirmed by us in writing. Beyond the scope of services, we do not have any protection and due diligence obligations of any kind, in particular no warning obligations.

Our liability is limited to claims for damages based on at least grossly negligent behaviour on our part. Liability for slight negligence is excluded. We are not liable for the work of any external auditors or lawyers. All limitations of liability also apply to Deloitte employees engaged by us. Insofar as claims for damages against us do not exist or no longer exist, claims for another legal reason (e.g., warranty, error) are also excluded.

To the extent permitted by law, our liability for gross negligence towards Wienerberger AG and also towards third parties (this also applies if there are several beneficiaries or bases for a claim) is limited to a maximum total liability of five times the fee received (excluding any cash expenses and expenses and excluding sales tax) towards Wienerberger AG and also towards third parties (this also in the case of several beneficiaries or bases of claims), but limited to a maximum of ten times the minimum sum insured for professional liability insurance in accordance with section 11 of the "Wirtschaftstreuhandberufsgesetz" (WTBG). Claims for damages are limited to positive damage. We are only liable for lost profits in the event of intent or gross negligence, to the extent permitted by law. We are not liable for unforeseeable or atypical damage that we could not have expected.

Vienna, March 15, 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Certified public accountant

pp. Margaretha Germann M.A. (HSG), ACCA
Certified Public Accountant



MANAGEMENT REPORT

221

Economic Environment and Capital Markets

- 221 Economic environment in 2022
- 221 Monetary policy
- 222 Stock markets
- 222 The European housing market
- 222 The European infrastructure market
- 223 The US housing market
- 223 Macroeconomic outlook for 2023

224

Financial Review

- 224 Earnings
- 225 Financial Result and Taxes
- 226 Assets and Financial Position
- 228 Treasury
- 229 Cashflow
- 230 Investments

231

Value Management

232

Fourth Quarter of 2022

- 232 Wienerberger
Building Solutions Q4 2022
- 233 Wienerberger
Piping Solutions Q4 2022
- 233 North America Q4 2022

234

Operating Segments

- 234 Wienerberger Building Solutions
- 236 Wienerberger Piping Solutions
- 238 North America

240

Outlook 2023

242

Additional Information about the Company

- 242 Research and Development
- 244 Wienerberger Share and
Shareholders
- 248 Risk Management and
the Internal Control System



Economic Environment and Capital Markets

Economic environment in 2022

2022 was a year marked by geopolitical instability. After years of great uncertainty caused by the Covid pandemic, the war in Ukraine strongly affected the world economy from February onward. Bottlenecks along the supply chains and fast-rising price levels, above all due to significant energy price increases, resulted in significantly increased inflation rates. Central banks all over the world reacted with notable interest rate hikes, thus making access to financing more difficult. This resulted in a decline in business and consumer confidence. In this environment, once again marked by high volatility, global economic growth slowed down from 6.2% in the previous year to 3.4% in 2022, according to estimates by the International Monetary Fund (IMF).

In Europe and North America, the core regions of the Wienerberger Group, economic growth weakened noticeably in 2022. The slowdown of GDP growth first occurred in the USA, where the turnaround in interest-rate policy was initiated earlier than in Europe. For the year as a whole, the IMF expects the US economy to grow at a rate of 2.0% (2021: 5.9%). The euro area, where monetary tightening began at a later point in time, grew at a relatively higher rate of 3.5%, compared to 5.3% in the previous year. In the two largest economies of the euro area, Germany and France, economic growth was below the euro area average at 1.9% (2021: 2.6%) and 2.6% (2021: 6.8%) respectively. Economic output in Great Britain grew at a rate of 4.1% in 2022, after 7.6% in 2021. According to Euroconstruct statistics, the Eastern European economies, which also rank among the core markets of the Wienerberger Group, recorded 3.6% growth in 2022 (2021: 5.3%).

Monetary policy

In 2022, in view of significantly increased inflation rates, central banks departed from their policy of monetary easing pursued in previous years. According to the IMF, global inflation rose to 8.8% in 2022, with inflation in the euro area at times even exceeding 10% year on year, in particular due to the steep rise in energy prices as a consequence of the conflict between Russia and Ukraine. In the USA, a sustained supply overhang also led to a significant increase in cost inflation, which remained, however, below the levels seen globally and in Europe. The US Federal Reserve System (Fed) initiated the turnaround in interest-rate policy in March 2022 and increased the federal funds rate in a total of seven steps from the original corridor of 0.0% to 0.25% to a range of 4.25% to 4.50%. Moreover, the Fed ended its asset purchase program in March 2022. In July 2022, the European Central Bank (ECB) raised its key interest rate for the first time since 2016. This was followed by another three interest-rate steps, which brought the key interest rate to a year-end level of 2.50%. The deposit rate, which was still negative in 2021, came to 2.00% at the end of 2022. As of the end of March 2022, the ECB discontinued its Pandemic Emergency Purchase Programme (PEPP). The Bank of England (BoE), having increased its base rate at the end of 2021, followed with a total of eight interest-rate steps in the course of the year leading up to a year-end base rate of 3.50%. Central banks in Eastern and South-Eastern Europe reacted most strongly to rising consumer prices, with interest rate hikes of between 6.75% (Romania and Poland) and 13.00% (Hungary) as of December 2022.



Stock markets

The 2022 stock exchange year was characterized by consistently high volatility in the international stock markets, which was reflected in substantial year-on-year price drops. Faced with significantly increased inflation rates, central banks in the USA and Europe accelerated the policy turnaround and substantially increased their key interest rates. While the high price level in Europe was driven, above all, by the steep rise in energy prices, a demand overhang was seen in the USA. Growing geopolitical tensions and the ongoing conflict between Russia and Ukraine added to the uncertainty prevailing in the markets and contributed to the withdrawal of primarily US-based investors from the European market. In this environment, relevant lead indices closed the past stock exchange-year with notable losses.

At the end of December 2022, the Dow Jones Industrial Average closed the year at -8.8% below the 2021 year-end value, while the S&P 500 suffered an even greater loss, closing at -19.4%. Given the steep rise in interest rates, technology stocks came under growing pressure, which was reflected in the NASDAQ 100 losing as much as -33.0% of its value year on year. In Europe, stock market performance was overshadowed by the outbreak of the conflict between Russia and Ukraine and its implications for the economy. The EURO STOXX 50, the European lead index, closed the year at -11.7%, a development similar to that of the French CAC 40, which lost -9.5% in value over the same period. The British FTSE performed well toward the end of the year, closing at the previous year's level with a slight price gain of +0.9%. The German DAX, the lead index of the biggest European economy, underperformed the 2021 year-end value by -12.3%. The Austrian ATX, with its heavily weighted bank and energy stocks, closed the year at -19.0% year on year.

The European housing market

The following analysis is based on the most recent data published by Euroconstruct, Europe's leading construction market forecasting network. The most important indicators of residential construction activities are the numbers of building permits issued, housing starts, and housing completions. To enhance the validity of the forecasts for Wienerberger AG, we have based our analysis on weighted growth rates. To this end, Euroconstruct's growth projections for the individual countries were weighted by the respective shares of revenues attributable to the Wienerberger Building Solutions Business Unit.

Given the steep increase in key interest rates as well as mortgage rates, housing loans became more expensive, which in turn made home ownership less affordable. This effect is reflected in the reduction of weighted building permits for single- and two-family homes, which declined by 6.3% in 2022, after strong growth in the previous year. Our experience shows that the time between the issue of a building permit and the actual start of construction is becoming longer and longer, which progressively diminishes the relevance of this indicator. The number of new housing starts remained stable at +0.5% compared to the previous year. The lagging indicator of housing completions increased by 2.8% in 2022.

Within the residential construction sector, renovation activity is continuously gaining in importance for Wienerberger's performance. Driven by EU and national initiatives and stricter regulations aimed at enhancing energy efficiency and supporting the attainment of climate-related targets, this segment grew by 2.9% in our core regions compared to the previous year.

The European infrastructure market

In 2022, as in the previous year, government support programs constituted an important element in the development of the European infrastructure market. An analysis based on Euroconstruct as the industry benchmark shows the following revenue-weighted growth forecast for the Wienerberger Piping Solutions Business Unit, broken down by core regions: According to this forecast, weighted infrastructure expenditure in the relevant countries of Western and Northern Europe increased by 1.7%. In Eastern Europe, capital expenditure on infrastructure increased by 0.8% compared to the previous year. Overall, the weighted growth of total infrastructure spending in all European markets relevant to the Wienerberger Group amounted to 1.5%.

An analysis of the individual sub-segments shows a slowdown of growth compared to the previous year, but total investments in infrastructure expenditure across all fields of activity continued to increase.

In the field of water management, which accounts for roughly 10% of infrastructure expenditure and comprises potable water supply and wastewater disposal systems, an important market for our pipe business, expenditure increased slightly by 0.5% according to



the weighted forecast. In 2022, investments in the energy sector increased by 2.5%. Investments in transport infrastructure grew by 1.3% compared to the previous year, while the telecommunication sector saw a 2.2% increase in capital expenditure. Road construction, the most important segment accounting for 34% of total infrastructure spending, remained almost stable at +0.1%.

The US housing market

In 2022, the development of the housing market in the USA was similar to that in Europe, although the slowdown set in earlier and was more pronounced on account of the earlier turnaround in interest rate policy in the USA. According to the U.S. Census Bureau, the number of building permits issued, which had increased strongly in 2021, decreased by 5.0% in 2022. Building permits for single-family homes dropped by 12.9% from the previous year's level, whereas those for multi-family buildings rose by 9.9% over the same period. The number of housing starts declined by 3.0% to 1.553 million. A 10.6% reduction in the single-family segment contrasted sharply with a 14.5% increase in the construction of new multi-family buildings. Housing completions, a lagging indicator, increased by 3.8% to 1.392 million units, with a 5.4% increase in single-family homes and a slight drop by 0.9% year on year in the multi-family building segment. For 2022, the National Association of Homebuilders (NAHB), one of the biggest entities representing the interests of principals, developers, and building contractors in the USA, foresees a 3.0% reduction in the number of housing starts in the USA to 1.553 million units. While a 10.6% reduction was reported for the single-family home segment, the multi-family building segment was shown to grow at a rate of 15.0%.

The NAHB/Wells Fargo Housing Market Index, which is based on monthly surveys among NAHB members, reflects the general assessment of market conditions and estimates of house sales for the next six months. A value below 50 indicates that the majority of those surveyed see the outlook as negative. With a value of 31 in December 2022, the index was significantly below the previous year's score of 84, reflecting the increasingly gloomy macroeconomic development. The S&P/Case Shiller 20-City Composite Home Price Index reflects the development of the value of residential real estate in 20 large urban agglomerations in the USA. After a rise of 18.6% in the previous year, the upward trend of the index slowed down to +4.7% in the reporting year. The fixed interest rate on 30-year mortgage loans was 6.36% at the end of the year. Compared to the previous year's value, this corresponds to an increase of 327 basis points, reflecting the Fed's multiple interest rate hikes in 2022.

Macroeconomic outlook for 2023

After the slowdown in growth momentum to +3.4% in 2022, the IMF forecasts a further reduction in global economic growth to +2.9%. Except for the global economic crisis and the acute phases of the COVID-19 pandemic, this is the lowest rate of growth recorded since 2001. In its forecast, the IMF anticipates significantly lower growth in the most important economies, with economic output in the USA increasing by 1.4% and only 0.7% growth projected for the euro area. For the United Kingdom, economic output is forecast to shrink by 0.6% in 2023. The Eastern European economies are expected to grow at a rate of 1.3% (Euroconstruct). The IMF's assumptions are based on a global inflation rate of 6.6% in 2023. Geopolitical uncertainty, primarily due to the ongoing conflict between Russia and Ukraine, as well as increasingly strict financing conditions resulting from a policy of monetary tightening, will dampen economic growth in the medium term. In February 2023, the US Federal Reserve increased the federal funds rate by another 0.25% to a new corridor of 4.50% to 4.75% - the eighth rate hike in a single year. Other central banks, above all the European Central Bank and the Bank of England, also indicated the possibility of further interest rate increases in response to persistently high inflation rates.



Financial Review

Earnings

In 2022, the Wienerberger Group delivered strong organic growth in revenues, EBITDA, and free cash flow:

- › 25% increase in revenues to € 4,976.7 million (2021: € 3,971.3 million)
- › 48% rise in EBITDA to € 1,026.2 million (2021: € 694.3 million)
- › Free cash flow up by 42% to € 597.7 million (2021: € 420.6 million)

These results were achieved due to the outstanding performance of all employees and is attributable in particular to the sustainable purchasing strategy for energy and raw materials. As a consequence, the Wienerberger Group continued producing in the very unstable market environment of 2022. This led to the generation of an extraordinarily high contribution to earnings, which should not be regarded as sustainable.

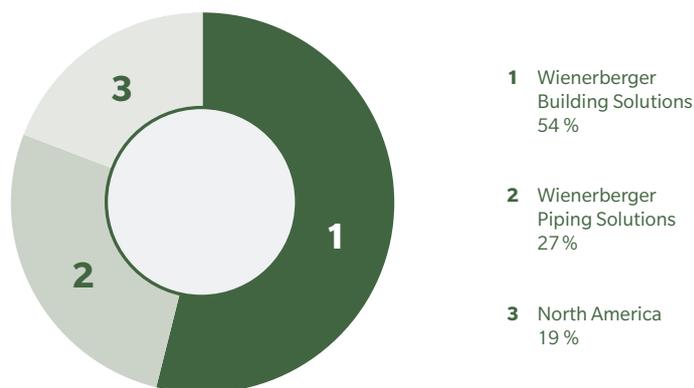
This one-time overachievement can be broken down as follows:

- › Due to our forward-looking purchasing policy for energy and raw materials, we were able to supply our European customers without interruptions, which resulted in short-term market share gains
- › Thanks to high capacity utilization, we achieved very favorable production costs
- › Our North American management generated a significant earnings contribution through its excellent purchasing policy for plastic granulates

Wienerberger's steady focus on repositioning the Group as a provider of innovative system solutions, combined with excellent cost management, substantially boosted profitability despite declining markets.

Revenues of the Wienerberger Group in the 2022 business year include consolidation effects amounting to € 401.5 million. Foreign-exchange effects accounted for a € 20.3 million increase over the previous year's revenues, with the negative effects of the devaluation of the Turkish lira, the Hungarian forint, and the Polish zloty being more than offset by the appreciation of the US dollar and the Czech crown.

External Revenues by Segment



In the reporting year, Wienerberger Group's EBITDA increased by 48% to € 1,026.2 million (2021: € 694.3 million). This includes contributions from consolidation amounting to € 76.7 million and positive foreign currency effects of € 14.5 million. Operating EBITDA rose by 47% to € 1,020.9 million (2021: € 693.9 million). € 19.4 million in income from the sale of non-core assets and structural adjustment costs of € -14.1 million were not included in the calculation of operating EBITDA.



The companies acquired in 2021 (in particular Meridian Brick in North America and FloPlast / Cork Plastics in Great Britain and Ireland) contributed € 99.8 million to EBITDA. Given this substantial contribution of acquired companies, EBITDA LFL will no longer be reported as a key performance indicator as of 2022 and operating EBITDA, alongside revenues and EBITDA reported, will be the most important key performance indicator for the management of the Wienerberger Group.

EBITDA in MEUR	2022	2021	Chg. in %
Wienerberger Building Solutions	662.0	477.6	+39
Wienerberger Piping Solutions	134.1	127.5	+5
North America	230.1	89.1	>100
Wienerberger Group	1,026.2	694.3	+48

EBITDA Bridge in MEUR	2022	2021	Chg. in %
EBITDA	1,026.2	694.3	+48
Result from the sale of non-core assets	-19.4	-14.2	-37
Structural adjustments	14.1	13.8	+2
Operating EBITDA	1,020.9	693.9	+47

Owing to the substantial additions to non-current assets from the acquisitions in 2021, scheduled depreciation and amortization on tangible and intangible non-current assets increased by 10% to € 276.3 million (2021: € 251.2 million). Impairment charges to assets and special write-downs of assets in the amount of € 28.8 million (2021: € 22.6 million) were reported. No impairment charges to goodwill were recognized in 2022 (2021: € 10.7 million).

As a result, earnings before interest and tax (EBIT) increased to € 721.2 million in the reporting year, exceeding the previous year's figure of € 420.4 million.

Profitability Ratios in %	2022	2021
Gross profit to revenues	39.1	36.2
Administrative expenses to revenues	6.6	6.9
Costs of sales to revenues	17.3	17.8
EBITDA margin	20.6	17.5
Operating EBIT margin	14.9	10.9

Financial Result and Taxes

The financial result improved from € -46.2 million in 2021 to € -32.8 million in the reporting year. The higher interest expenses resulting largely from the increase of relevant key interest rates in the second half were significantly overcompensated by higher income from associates and substantial foreign-exchange gains.

The Group's profit before tax improved significantly from € 374.3 million in the previous year to € 688.3 million in 2022.

On account of the substantial profit generated in 2022, the Group's tax expense increased to € 119.8 million (2021: € 62.2 million); at 17.4%, the effective tax rate was slightly higher than in the previous year (16.6%).



As a result, profit after tax again rose steeply from the previous year's amount of € 312.1 million to € 568.5 million in 2022, surpassing the previous record from 2021 by a substantial margin.

After the deduction of € 0.6 million in income attributable to non-controlling interests (2021: € 0.2 million), the net profit amounted to € 567.9 million. Earnings per share came to € 5.17 (2021: € 2.75).

Assets and Financial Position

As at 31/12/2022, the total assets of the Group amounted to € 5,199.3 million, corresponding to a 6% increase over the previous year's value of € 4,903.8 million. Non-current assets increased by 5% to € 3,115.7 million (2021: € 2,973.5 million), primarily as a result of additions from acquisitions and higher investments (maintenance and special capex: € 352.6 million; 2021: € 279.8 million). In total, the Group's non-current assets increased by 4% to € 3,259.1 million (2021: € 3,131.8 million).

Inventories increased significantly in both quantity (+2%) and value (+15%) by a total of 17%, from € 883.3 million in 2021 to € 1,036.2 million in the reporting year. To ensure continuous supply capability, a higher inventory level will be targeted in some countries going forward. Trade receivables rose as a result of both inflation and higher sales volume to € 374.5 million in the reporting year (2021: € 343.4 million). At the same time, the days outstanding of receivables balances were reduced.

The steep 81% increase in securities and other financial assets to € 72.9 million (2021: € 40.3 million) largely resulted from advantageous hedging positions on variable interest rates.

Compared to the previous year, cash and cash equivalents declined by 18% to € 300.0 million (2021: € 364.3 million). The high gross cash flow was counteracted by cash outflows for investments, redemption of financial liabilities, and buyback of own shares.

Working capital (inventories + net trade receivables – trade payables) increased by 26% to € 789.6 million (2021: € 624.9 million). The ratio of working capital to revenues was virtually unchanged at 15.9% and remained well below the Group's internal target of 20%.

Given the high profit after tax of € 568.5 million, the Group's equity improved by 14% over the previous year's level. At the same time, dividends of € 83.9 million were paid out and a total of € 213.4 million was spent on the buyback of own shares, of which shares in the value of € 91.1 million were cancelled. Other comprehensive income, including significant effects from currency conversion in the amount of € -14.4 million, positive changes of € 29.9 million in the valuation of the hedging reserve, and actuarial gains of € 8.7 million, contributed € 24.1 million to the Group's equity.

Non-current employee-related provisions, particularly pension provisions, declined by 26% to € 73.9 million (2021: € 100.2 million) as a result of major changes in valuation parameters as well as payments made. The Wienerberger Group generally avoids entering into any new defined-benefit pension commitments and is converting existing commitments into defined-contribution commitments wherever possible. As a result, pension provisions carried on the balance sheet show a steady downward trend, as commitments are either expiring or paid out. Other long-term provisions, mainly for warranties and recultivation of depleted clay pits, did not change significantly compared to the previous year and came to € 103.3 million (2021: € 98.7 million).

Current provisions totalled € 60.8 million (2021: € 44.6 million). In particular, short-term employee-related provisions increased over the previous year on account of performance-related bonus agreements.

Continuing the previous year's trend, interest-bearing debt (financial liabilities) decreased by € 86.9 million to € 1,452.2 million (2021: € 1,539.1 million). This is primarily attributable to the fact that repayments exceeded the amount of new debt raised. Interest-bearing financial liabilities include interest-bearing liabilities to banks, bond debts, and other third parties liabilities in the amount of € 1,198.4 million (2021: € 1,285.1 million), derivatives to hedge foreign-currency risks with negative market values of € 6.2 million (2021: € 8.7 million), and lease liabilities of € 247.6 million (2021: € 245.3 million). These interest-bearing liabilities were offset by cash and cash equivalents, securities and Group receivables totalling € 372.9 million (2021: € 404.6 million), as well as committed but undrawn credit lines of € 400.0 million. Of the total interest-bearing debt of € 1,204.6 million, 87% (2021: 88%) was long term and 13% (2021: 12%) short term.

**Calculation of Net Debt**

in MEUR	2022	2021	Chg. in %
Long-term interest-bearing financial liabilities	1,052.9	1,133.2	-7
Short-term interest-bearing financial liabilities	151.6	160.7	-6
Lease liabilities	247.6	245.3	+1
- Intercompany receivables and payables from financing	-21.1	-21.4	-1
- Securities and other financial assets	-51.8	-18.9	+174
- Cash and cash equivalents	-300.0	-364.3	+18
Net debt	1,079.3	1,134.5	-5

As at 31/12/2022, the Group's net debt came to € 1,079.3 million, down 5% from the previous year (2021: € 1,134.5 million). This leads to a gearing ratio of 44%, which is below the previous year's value of 53%.

Balance Sheet Ratios

		2022	2021
Capital employed	in MEUR	3,492.9	3,248.1
Net debt	in MEUR	1,079.3	1,134.5
Equity ratio	in %	47.1	43.8
Gearing	in %	44.0	52.8
Asset coverage	in %	76.8	70.4
Working capital to revenues	in %	15.9	15.7



Treasury

In 2022, given the Group's strong performance combined with the relatively low maturities of its gross debt, there was no need for capital market issuance or significant volumes of new bank financing.

The acquisition projects totalling € 52.4 million as well as the share buyback program worth € 213.4 million were financed from current cash inflows. At the end of the business year, a solid liquidity reserve of € 700.0 million was available (comprising cash and cash equivalents of € 300.0 million and committed but undrawn credit lines of € 400.0 million).

In the 2022 business year, the Group's (negative) net interest result came to € -42.3 million, up € 4.3 million from the previous year's € -38.0 million due to an increase in interest rates.

The financial indicators relevant for bank loans taken out by the company and for its rating continued to improve in 2022 and further increased the headroom relative to the external limits set by the bank covenants. The debt repayment period (ratio of net debt to EBITDA) of 1.1 years is below that of the previous year (1.6).

The Group thus substantially outperformed its internal target of keeping the debt repayment period below 2.5 years at year end. The relevant indicators taken into account by Moody's Rating Agency have exceeded the technical thresholds for a rating upgrade, and the rating agency already changed the outlook for Wienerberger from Ba1 stable to positive in May 2022.

Treasury Ratios	31/12/2022	31/12/2021
Net debt/EBITDA	1.1	1.6
EBITDA/interest result	24.3	18.3

As at the balance sheet date, 76% (2021: 73%) of the Group's financial liabilities were fixed-interest-bearing, though this does not include financial liabilities recognized according to IFRS 16 Leases. Owing to the local character of Wienerberger's business, foreign exchange fluctuations are reflected primarily as translation risks and to a lesser extent as transaction risks. Subject to economic restrictions, translation risks (primarily from inter-group loans in foreign currencies) are selectively hedged against exchange-rate fluctuations by means of interest-rate and cross-currency swaps. Most of the Group's transaction risks are hedged through currency forwards.



Cashflow

Owing to the increase in net profit and despite the build-up of working capital, cash flow from operating activities increased to € 723.8 million (2021: € 510.6 million). The main driver of the rise in working capital was the increase in inventories, with value rising more strongly than volume.

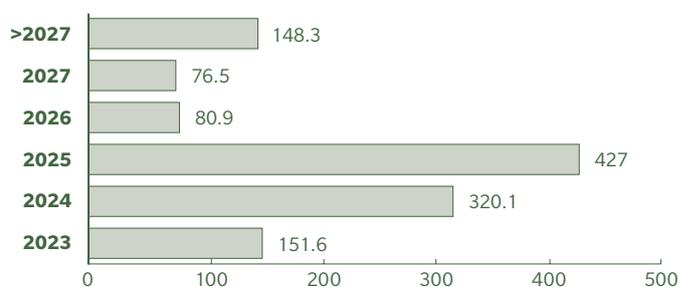
In the reporting year, cash flow from investing activities was primarily influenced by cash outflows for maintenance capex of € 134.7 million and for special capex of € 217.9 million. A total of € 52.4 million was spent on acquisitions (2021: € 467.1 million), resulting in a reduced cash outflow for investing activities of € -332.8 million, down from € -666.7 million in 2021.

In 2022, owing to its excellent operational performance, the Wienerberger Group generated a total free cash flow of € 597.7 million. This corresponds to a 42% increase over the previous year's figure of € 420.6 million. This strong free cash flow resulted in an attractive cash conversion ratio of 87%.

Cash flow from financing activities came to € -448.8 million (2021: € -147.6 million), primarily resulting from cash outflows due to net changes in short-term financial liabilities in the amount of € -103.3 million, dividend payments of € -83.9 million, and € -213.4 million for the buyback of own shares.

The total change in cash and cash equivalents of € -57.8 million (2021: € -303.8 million) resulted from a slight surplus of cash outflows from investing and financing activities versus the high cash inflow from operating activities.

Maturity structure of interest-bearing financial liabilities (excl. leases) in MEUR



Cash Flow Statement

in MEUR

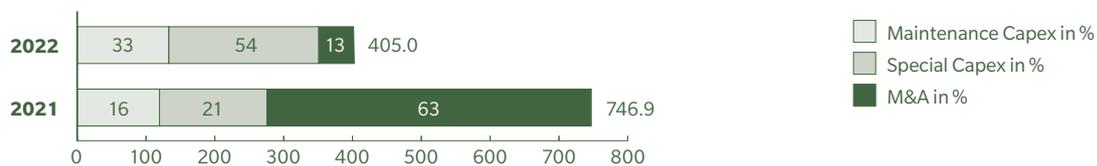
	2022	2021	Chg. in %
Gross cash flow	878.4	566.0	+55
Change in working capital and other	-154.6	-55.5	<-100
Cash flow from operating activities	723.8	510.6	+42
Maintenance capex	-134.7	-120.4	-12
Special capex	-217.9	-159.4	-37
M&A	-52.4	-467.1	+89
Divestments and other	72.2	80.2	-10
Cash flow from investing activities	-332.8	-666.7	+50
Special capex and M&A	270.3	626.5	-57
Lease payments	-63.6	-49.8	-28
Free cash flow	597.7	420.6	+42



Investments

Maintenance investments required to maintain ongoing business operations accounted for € 134.7 million in fiscal 2022 (2021: € 120.4 million), despite strong acquisition activities. Discretionary growth investments (e.g. plant expansions and optimization measures aimed at enhanced production efficiency) and investments in ESG totalling € 217.9 million (2021: € 159.4 million) were also made (e.g. environmental and sustainability projects such as decarbonization, biodiversity or circular economy).

Total investments and M&A in MEUR



A total of € 52.4 million (2021: € 467.1 million) was spent on corporate acquisitions. In the Wienerberger Building Solutions business unit, the integration of a prefabrication plant from Walzer Bausysteme GmbH in Austria increased the systems solutions approach and deepened competence in the area of prefabrication. The acquisition of Mayr Dachkeramik GmbH, a German company specializing in roofing accessories, further expanded our commitment to renovation. In the Wienerberger Piping Solutions business unit, the Wienerberger Group continued its growth course in the area of in-house solutions with the acquisition of Vargon, the leading solution provider for pipe systems in Croatia. With the acquisition of the Norwegian water management specialist QPS, the product portfolio was also expanded to include intelligent system solutions for water management.

A breakdown of total investments in non-current tangible and intangible assets by business unit shows that 59% was attributable to Wienerberger Building Solutions, 27% to Wienerberger Piping Solutions, and 14% to North America.

Development of Non-current Assets

in MEUR

	Intangible	Tangible	Financial	Total
31/12/2021	857.4	2,160.1	35.5	3,053.0
Capital expenditure	26.3	326.2	1.8	354.3
Change in the scope of consolidation	25.5	27.9	0.0	53.4
Depreciation, amortization, and impairment charges	-44.8	-260.2	-2.8	-307.8
Disposals	-4.0	-23.5	-1.5	-29.0
Currency translation and other	-13.6	76.4	3.8	66.5
31/12/2022	846.8	2,306.8	36.8	3,190.4

Total Investments

in MEUR

	2022	2021	Chg. in %
Wienerberger Building Solutions	206.7	176.1	+17
Wienerberger Piping Solutions	94.7	81.3	+17
North America	51.2	22.4	>100
Wienerberger Group	352.6	279.8	+26

As a result of the Russia-Ukraine conflict, the Wienerberger Group announced the sale of its Russian brick business in the form of a management buyout. In addition, the French plastic pipe activities were sold after they no longer met the strict criteria for future growth.



Value Management

Wienerberger's value management focuses not only on long-term, sustainable creation of shareholder value, but also on ESG aspects with a special focus on the well-being of our employees, whose contributions are essential for the company's long-term success.

The key indicator of Wienerberger's value-oriented corporate governance is the return on capital employed (ROCE after tax). This indicator measures the after-tax return on capital currently employed in the company and reflects the value creation by the individual business units and by the Group as a whole. It is calculated by relating the net operating profit after tax (NOPAT) to the average interest-bearing total capital employed. Wienerberger's medium-term target is to sustainably exceed a ROCE of 10%. In addition to ROCE, other important performance indicators, such as EBITDA, free cash flow, efficiency-enhancing measures, total shareholder return, and the attainment of certain environmental, social, and governance (ESG) targets, are regularly analyzed as part of the company's value management. They are taken into account in the calculation of top management bonuses.

In 2022, we significantly outperformed our medium-term ROCE target. Wienerberger generated a strong operating EBIT of € 739.6 million (2021: € 431.2 million), which corresponds to a 72% increase over the previous year. As a result, NOPAT increased from € 356.4 million in 2021 to € 609.9 million in the reporting year. Over the same period, average capital employed increased from € 2,921.1 million to € 3,370.5 million. Overall, the Wienerberger Group's ROCE came to 18.1% (2021: 12.2%).

Calculation of Operating EBIT and NOPAT		2022	2021
EBIT	in MEUR	721.2	420.4
Impairments/ Reversal of impairment charges to assets	in MEUR	18.4	0.0
Impairment charges to goodwill	in MEUR	0.0	10.7
Operating EBIT	in MEUR	739.6	431.2
Income taxes	in MEUR	-119.8	-62.2
Adjusted taxes	in MEUR	-9.9	-12.6
NOPAT	in MEUR	609.9	356.4

Calculation of Average Capital Employed		2022	2021
Equity and non-controlling interests	in MEUR	2,450.4	2,149.1
Financial liabilities	in MEUR	1,452.2	1,539.1
Intercompany receivables and payables from financing	in MEUR	-21.1	-21.4
Cash and financial assets	in MEUR	-388.6	-418.7
Capital employed at reporting date	in MEUR	3,492.9	3,248.1
Average capital employed	in MEUR	3,370.5	2,921.1

Calculation of ROCE		2022	2021
NOPAT	in MEUR	609.9	356.4
Average capital employed	in MEUR	3,370.5	2,921.1
ROCE	in %	18.1	12.2



Fourth Quarter of 2022

Faced with a declining market environment, Wienerberger nevertheless succeeded in generating a very good fourth-quarter result:

- › External revenues increased by 5% to € 1,128.4 million in the reporting period (2021: € 1,073.7 million)
- › Operating EBITDA rose by 10% to € 201.3 million (2021: € 182.3 million)

External revenues in MEUR	10-12/2022	10-12/2021	Chg. in %
Wienerberger Building Solutions	645.0	581.6	+11
Wienerberger Piping Solutions	275.8	285.4	-3
North America	207.6	206.7	+0
Wienerberger Group	1,128.4	1,073.7	+5

Operating EBITDA in MEUR	10-12/2022	10-12/2021	Chg. in %
Wienerberger Building Solutions	140.0	116.5	+20
Wienerberger Piping Solutions	18.0	21.2	-15
North America	43.3	44.5	-3
Wienerberger Group	201.3	182.3	+10

During the last three months of 2022, further increases in key interest rates and persistently high inflation rates, with regional variations, had an increasing impact on market developments in both Europe and North America. In particular, the downturn in newbuild activity intensified during the last quarter of the reporting year. Nevertheless, demand for our durable solutions for energy-efficient buildings, especially in renovation, remained high. In our business with infrastructure solutions, we saw trends from stable to slightly downward.

Wienerberger Building Solutions

Although market activity was slowing down in the fourth quarter of 2022, the Wienerberger Building Solutions Business Unit, which provides system solutions for the entire building envelope, succeeded in increasing its external revenues to € 645.0 million, up by 11% from the previous year (2021: € 581.6 million). Over the same period, operating EBITDA rose by a highly satisfactory 20% to € 140.0 million (2021: € 116.5 million).

The response of central banks to persistently high inflation rates in Europe with further increases in key interest rates was reflected in an accelerated decline in building permits. As a result, the downward trend in demand observed since the summer, especially in new residential construction, intensified in the fourth quarter of 2022, though with regional variations. The slowdown of newbuild activities was more pronounced in Eastern Europe than in Western Europe. Nevertheless, driven by continued lively activity in the renovation sector, we recorded a good overall level of demand for our innovative, durable wall and roof solutions for energy-efficient and sustainable building construction. We used the decline in sales volumes to gradually build up our inventories, which were partly at a very low level. Overall, earnings once again surpassed the good prior-year result, regardless of the notable slowdown in new building construction. This shows that Wienerberger has become significantly more diversified and resilient to market developments. Our long-term forward-buying policy for gas and electricity also had a positive impact, as it kept our energy costs at a relatively low level even in times of strong price fluctuations and significant market price increases. We thus reaffirmed our position as a reliable partner for our customers. In December 2022, Wienerberger announced its intention to take over significant parts of the Terreal Group, a successful European supplier of innovative roof and solar solutions, thus taking the next ideal step in its value-creating growth strategy. The size of the transaction would expand our footprint in France and Germany, especially in the renovation and repair segment. The transaction is to be closed in the course of 2023 and remains subject to the approval by the competition authorities and compliance with the remedies typically imposed on a transaction of this nature.



Wienerberger Piping Solutions

The Wienerberger Piping Solutions Business Unit provides system solutions in the fields of wastewater and rainwater disposal, sanitary engineering, heating, and cooling technology, as well as energy, gas, and potable water supply. The downturn in sales in the third quarter continued in the final quarter of the reporting period. Compared to the previous year, external revenues decreased slightly by 3% to € 275.8 million (2021: € 285.4 million). Operating EBITDA declined by 15% to € 18.0 million (2021: € 21.2 million).

The last quarter of the year was marked by persistently high inflation rates and further increases in key interest rates in many of Wienerberger's core markets. The downward market trend seen in prior months continued and we recorded - compared to a good final quarter of 2021 - lower sales volumes. Raw material prices for plastic polymers trended downward but remained at a high level. Notable cost increases were seen, in particular, in personnel and logistics. However, through our consistent margin management we compensated the impact of rising input costs in the fourth quarter.

In Eastern Europe, we observed a continuing decline in the number of new housing starts as a result of further increases in key interest rates. We also recorded declining sales of our in-house solutions. Additionally, the European Union halted the disbursement of billions of euros in subsidies to Hungary and Poland, which led to a notable decline in infrastructure projects in these markets. Not so in Northern Europe, where demand for our infrastructure solutions remained at a stable and satisfactory level. In Western Europe and Ireland, fourth-quarter sales volumes in the in-house and infrastructure segments went down, while demand for system solutions for the water-management and energy sectors remained strong. Despite a general downturn in activity, the British renovation market delivered a solid contribution to earnings. With the acquisition of QPS, the Norwegian water-management specialist in November 2022, we continued our value-accretive growth course in the field of innovative system solutions.

North America

The North America Business Unit mainly provides ceramic facade solutions and plastic pipe solutions for wastewater and rainwater disposal and drinking water supply. During the last three months of 2022, external revenues of € 207.6 million (2021: € 206.7 million) were generated. Over the same period, operating EBITDA decreased slightly by 3% to € 43.3 million (2021: € 44.5 million). Despite declining newbuild markets, the highly satisfactory progress achieved in the integration of Meridian Brick acquired in October 2021 and the resultant synergy effects contributed significantly to this development in terms of both costs and sales. The excellent performance of the plastic pipe business, irrespective of a certain trend toward normalization, played a major role in this satisfactory development.

In North America, too, reactions at central bank level to persistently high inflation rates led to further increases in mortgage lending rates, which in turn intensified the downward trend in the number of building permits. The situation was aggravated by harsh weather conditions in individual regions. As a result, sales volumes declined in our core regions in the USA and Canada in the last three months of 2022. In the US plastic pipe business, we observed falling raw material costs and a beginning normalization of earnings. Overall, however, the results achieved were excellent.



Operating Segments

Wienerberger Building Solutions

In 2022, operating in an increasingly challenging market environment, the Wienerberger Buildings Solutions Business Unit surpassed the previous year's excellent results:

- › External revenues increased by 17% to € 2,684.9 million (2021: € 2,300.5 million)
- › Operating EBITDA of € 654.5 million up by 37% from € 476.1 million in 2021
- › Declining newbuild markets in the second half of the year primarily due to high interest rates hikes
- › Stable market environment in the renovation segment, supported by incentive programs for energy-efficient renovation of buildings

Wienerberger Building Solution		2022	2021	Chg. in %
External Revenues	in MEUR	2,684.9	2,300.5	+17
Operating EBITDA	in MEUR	654.5	476.1	+37
EBITDA	in MEUR	662.0	477.6	+39
EBIT	in MEUR	475.2	313.3	+52
Total investments	in MEUR	206.7	176.1	+17
Capital employed	in MEUR	1,972.7	1,787.9	+10
Ø Employees	in FTE	12,734	12,427	+2

Operating under increasingly challenging economic conditions, the Wienerberger Building Solutions Business Unit again delivered a very strong result in 2022. External revenues increased by 17% to € 2,684.9 million (2021: € 2,300.5 million). Over the same period, operating EBITDA rose steeply by 37% to € 654.5 million (2021: € 476.1 million). An operating EBITDA margin of 24.4% (2021: 20.7%) was achieved.

As regards the business unit's performance in its end markets, we recently saw diverging developments. While demand was high across all markets in the first half of 2022, sales volumes in the newbuild segment began to decline in the summer months with considerable variations from region to region. Central banks reacted to the persistently high inflation rates in Europe by significantly increasing their key interest rates. As a result, mortgages became more expensive, making home building less affordable, and the number of building permits issued decreased. Additionally, persistent geopolitical uncertainty was reflected in declining consumer and business confidence. At the same time, demand for housing remained high and unemployment rates were comparatively low. The Wienerberger Building Solution business unit saw consistently high activity in the renovation segment and, overall, stable market development in our core markets. Owing to steeply increasing energy prices, there was an increasing focus on the renovation of buildings, especially of roofs. This trend was supported by public incentive programs (EU Green Deal and national initiatives), as well as stricter regulation aimed at enhancing the energy efficiency of buildings.

In our Eastern European markets, above all in the non-euro countries, we saw significantly increased inflation rates of more than 15% and a resultant steep rise in mortgage lending rates. Newbuild activity therefore slowed down faster and more markedly than in Western Europe. The situation was similar in our Western European core markets, but our plants were operating at a high level of capacity utilization throughout the year to fulfill all orders. Demand in the renovation segment, especially for our roof solutions, was high across all regions. Overall, the contributions to earnings delivered by our regions in Eastern and Western Europe in 2022 were above the good values of the previous year despite the notable slowdown in newbuild activity.

In an extremely volatile market environment, our priorities in 2022 were to fully offset the high cost inflation and to continuously broaden our portfolio through the addition of innovative system solutions. At the same time, we focused on continuing our forward-buying strategy to meet our energy demand. Our ongoing Self-Help Program aimed at earnings growth and efficiency enhancement again delivered a substantial contribution to our 2022 performance.

In 2022, in accordance with our value-accretive growth strategy, several acquisitions were made in the business area covered by the Wienerberger Building Solutions Business Unit. The integration of a prefabrication plant taken over from Walzer Bausysteme GmbH in Austria has strengthened our solution-oriented approach and broadens our skill base in prefabrication. The acquisition of Mayr Dachkeramik GmbH, a German manufacturer specializing in roofing accessories, has added to our product portfolio for renovation. On the other hand, we sold our Russian activities within the framework of a management buyout as a consequence of the Russia-Ukraine conflict.



In December 2022, Wienerberger announced its intention to take over significant parts of the Terreal Group, a successful European supplier of innovative roof and solar solutions. For Wienerberger, this acquisition would be the biggest step ever within the framework of the company's value-accretive growth strategy. By acquiring Terreal's business in Germany, France, Italy, Spain, and the USA, Wienerberger intends to significantly expand its footprint in building renovation and repair and evolve into the European pitched roof expert. Overall, the transaction concerns almost 3,000 employees, 29 production sites, and estimated annual revenues of approximately € 740 million. The transaction is to be closed in the course of 2023 and remains subject to the approval by the competition authorities and compliance with the remedies typically imposed on a transaction of this nature.



Wienerberger Piping Solutions

In the challenging market environment of 2022, the Wienerberger Piping Solutions Business Unit again increased its external revenues and its earnings:

- › 15% increase in external revenues to € 1,345.7 million (2021: € 1,167.3 million)
- › 14% rise in operating EBITDA to € 140.5 million (2021: € 123.4 million)
- › Time-tested procurement strategy and successful implementation of proactive margin management as the basis for a satisfactory performance despite declining market volumes
- › Successful enlargement of our product portfolio through the acquisition of two system solution providers: Vargon in Croatia and QPS in Norway

Wienerberger Piping Solution		2022	2021	Chg. in %
External Revenues	in MEUR	1,345.7	1,167.3	+15
Operating EBITDA	in MEUR	140.5	123.4	+14
EBITDA	in MEUR	134.1	127.5	+5
EBIT	in MEUR	57.0	49.5	+15
Total investments	in MEUR	94.7	81.3	+17
Capital employed	in MEUR	948.6	920.3	+3
Ø Employees	in FTE	3,944	3,606	+9

After its strong performance in 2021, the Wienerberger Piping Solutions Business Unit again succeeded in increasing its revenues and earnings in 2022 despite challenging market conditions. In the reporting period, external revenues grew by 15% to € 1,345.7 million (2021: € 1,167.3 million). Thanks to successful initiatives within the framework of our Self-Help Program and the consistent continuation of our value-accretive growth strategy, operating EBITDA grew from € 123.4 million to € 140.5 million, even though sales volumes declined. On this basis, we generated an operating EBITDA margin of 10.4% (2021: 10.6%).

The 2022 performance of the Wienerberger Piping Solutions Business Unit also reflects the deterioration of the economic atmosphere, especially in the second half of 2022, which was marked by the noticeable effects of the war in Ukraine with steeply rising energy prices, high inflation rates, and a tightening of the central banks' interest rate policy. Against this background, conditions for business were challenging both on the procurement side, with highly dynamic price developments in the raw material markets and bottlenecks along the supply chains, and on the distribution side, with declining sales volumes.

Despite such difficult market conditions, we succeeded in surpassing even the excellent result of the previous year. This achievement was based on a time-tested procurement strategy with long-standing trading partnerships and the targeted implementation of proactive margin management. Moreover, we concentrated on the continuous enlargement of our portfolio through the addition of products that generate higher margins. In particular, we focused on developments and innovations in the field of customer-specific all-in and system solutions. Our primary focus was on efficient and sustainable water management, as well as the continuous optimization of our profitability through targeted portfolio rotation.

Broken down by region and end market, developments in the course of the business year were quite varied. The positive trend of the previous year continued during the first six months of the reporting period. Given the high level of demand in the first half of the year, shortages along the supply chain persisted, although the availability of plastic granulates improved slightly compared to 2021. The highly dynamic development of input costs continued, especially on account of the steep rise in crude oil prices. The generally high level of inflation led to noticeably higher personnel, energy, and logistic costs. Low visibility with regard to geopolitical developments represented an added challenge.

Decreasing demand as of the beginning of the vacation season and a further slowdown of newbuild activities attributable to continuing high prices led to a slight improvement of the supply situation during the summer months. The dynamic price development, especially in plastic granulates, therefore cooled off slightly, but peaked again in the third quarter of 2022. We were not completely immune to this market development characterized by high inflation rates and notable interest rate hikes and therefore recorded a decrease in sales



volumes, above all in the second half of 2022. In Eastern Europe, especially in the non-euro countries of Poland, the Czech Republic, and Hungary, the slowdown in demand was particularly pronounced on account of fast-rising interest rates and double-digit inflation rates in certain countries. In the course of the year, sales volumes in Northern and Western Europe also showed an accelerating downward trend, above all in the newbuild segment. Not so in infrastructure, where demand remained largely stable throughout Europe. This was primarily attributable to consistently high demand for all-in solutions for energy and water management, especially in urban areas, where public-sector investments continued. Nevertheless, projects were postponed, or priorities shifted in individual countries. Overall, the main challenge in all regions was to counter high cost inflation through proactive margin management and, at the same time, retain our position as a reliable partner for our customers.

When comparing 2022 with the previous year, it is important to note that 2021 was special in terms of sales volumes, as we always had enough raw materials for the production of plastic pipes even in periods of supply bottlenecks, while some of our competitors were unable to supply their customers. At the same time, we successfully withdrew from the pipe business in France, Russia, and Greece, as well as a number of low-margin export markets.

In the course of the reporting year, we again concentrated on a sustainable increase in profitability by progressively enlarging our product mix through the addition of high-quality system solutions, combined with the continuous optimization of our product portfolio, for instance through the development and distribution of customer-specific product applications. At the same time, we further optimized the entire production process and enhanced its efficiency within the framework of our Self-Help Program. The only input required for the production of the plastic applications designed by Wienerberger Piping Solutions is electricity as an energy source, which we obtain solely in the form of green electricity.

The integration of our acquisitions made in 2021, i.e. FloPlast in Great Britain and Cork Plastics in Ireland, made good progress and provided us with additional production capacities. In June 2022, we continued our growth in the field of in-house solutions through the acquisition of Vargon, the leading provider of plastic pipe solutions in Croatia, which will significantly boost our value creation in South-Eastern Europe. Moreover, the acquisition of QPS, the Norwegian water management specialist, added smart system solutions for water management to our portfolio.



North America

In the first year after the acquisition of Meridian Brick, the North America Business Unit recorded a significant increase in external revenues and earnings despite a challenging market environment:

- › External revenues rose by 89% to € 944.8 million in the reporting year (2021: € 498.6 million)
- › Operating EBITDA more than doubled to a highly satisfactory € 225.9 million (2021: € 94.3 million)
- › Steep increase in earnings in the brick business mainly driven by a strong first half of the year and significant earnings contribution from Meridian Brick
- › Extraordinarily strong margin development in the plastic pipe business

North America		2022	2021	Chg. in %
External Revenues	in MEUR	944.8	498.6	+89
Operating EBITDA	in MEUR	225.9	94.3	>100
EBITDA	in MEUR	230.1	89.1	>100
EBIT	in MEUR	189.0	57.6	>100
Total investments	in MEUR	51.2	22.4	>100
Capital employed	in MEUR	571.7	539.9	+6
Ø Employees	in FTE	2,400	1,591	+51

In 2022, the North America Business Unit significantly increased both its external revenues and its earnings, despite a notable market downturn in the second half of the year. External revenues, including the contributions from Meridian Brick reported for the first full year after the acquisition of the company in October 2021, increased by 89% to € 944.8 million in the reporting year (2021: € 498.6 million). Over the same period, operating EBITDA more than doubled to € 225.9 million (2021: € 94.3 million). The operating EBITDA margin improved to 23.9% in the reporting year (2021: 18.9%). This extremely satisfactory performance was attributable to optimized input cost management and positive synergies generated in the course of the value-accretive acquisition of Meridian Brick, as well as the outstanding performance of the US plastic pipe business.

Carrying over from 2021, the beginning of the reporting year in North America was marked by a positive market environment. We recorded a very high level of demand in both the infrastructure and newbuild segments. Moreover, seasonal weather conditions were favorable in most of our core regions in the USA, benefiting the sale of high-quality solutions for the building envelope. Additionally, our market coverage was extended to new regions through the acquisition of Meridian Brick. In contrast, the Canadian market was affected by harsh winter weather, but there, too, incoming orders began to increase in March.

In the first half of 2022, the number of new housing starts therefore remained high in our core US regions, surpassing the long-term average. In particular, strong demand for our sustainable facade elements proved to be a challenge for some of our plants, as capacity utilization was restricted through the disruption of supply chains and the persistent shortage of skilled labor. Nevertheless, we were able to supply our customers at all times and once again proved to be a reliable partner for them. The steep increase in production costs due to high inflation rates was offset by successfully implemented price increases, disciplined input cost management, and efficiency enhancements in production. In the field of energy, we continued to rely on our long-term forward-buying strategy, which has proved its merits for years across the Group, and benefitted from advantageous energy costs in 2022.

Last year's geopolitical developments also affected the American market. In the reporting year, the US Federal Reserve reacted to persistently high inflation with a number of consistent interest rate steps. The resultant steep rise in mortgage rates led to a slowdown in investment activities. The consequences of this interest rate policy hit the North American market faster than the European market. Since the summer months, newbuild activity has cooled off notably in both the USA and Canada. The number of building permits decreased substantially in the second half of the year. Alongside the continuing increase of the federal funds rate, local weather conditions with windstorms, persistent rain, and heavy snowfall also reduced construction activities during the last months of the reporting year. Even though the second half of 2022 was marked by shrinking markets, we nevertheless generated very strong full-year growth in earnings in our business with facing bricks and calcium silicate products, thanks to a very strong first half of the year.



In our US plastic pipe business we saw strong and stable demand in the first half of the year, especially in the field of water management, ranging from municipal water supply to sewage pipes to sanitary and irrigation systems. However, the general cyclical downturn, especially in the second half of the year, dampened our sales volumes in the plastic pipe segment. In the infrastructure sector, our largest end market, demand remained at a sound level. The decline in the number of housing starts translated into decreasing demand for our in-house solutions. Taking the 2022 reporting year as a whole, earnings from our plastic pipe business in the USA were extraordinary despite the challenging market environment.

This significant increase in earnings was largely due to excellent, proactive procurement and margin management in a dynamic market environment. Starting near the end of 2021, supply chain bottlenecks and the limited availability of plastic granulates triggered an unusually dynamic price development. Although the situation eased to a certain extent at the beginning of the reporting year and security of supply seemed to be guaranteed, bottlenecks in the supply of secondary raw materials drove prices up further in the plastic pipe sector. This had a strong impact on the development of revenues and earnings beyond the first half of the year. In the USA, the dynamic price increase in the raw material markets for plastic granulates reached its peak in the summer months, but has recently trended downward. As raw material prices continue to normalize, we expect our US plastic pipe business to return to a more sustainable earnings and margin level.

The progressive integration of the individual production sites taken over in the course of the Meridian Brick acquisition into Wienerberger's existing organization was another priority in the reporting year. Thanks to the successful involvement of the various stakeholders in this process, progress was faster than expected. During the first year after the acquisition, we generated strong synergy effects in terms of both costs and earnings.



Outlook 2023

Record results in 2022

In 2022, Wienerberger generated operating EBITDA of € 1,021 million, the best result ever in the company's history of over 200 years. This result was achieved due to the outstanding performance of all employees and is attributable in particular to the sustainable purchasing strategy for energy and raw materials. As a result, the Wienerberger Group continued producing in the very unstable market environment of 2022, generating an extraordinarily contribution to earnings of approx. € 110 million. Viewed from a long-term perspective, these € 110 million must be deducted from operating EBITDA of € 1,021 million to arrive at a sustainable operating EBITDA of approx. € 910 million in the year 2022.

This one-time overachievement of around € 110 million can be broken down as follows:

- › Due to our forward-looking purchasing policy for energy and raw materials, we were able to supply our European customers without interruptions; the resulting short-term market share gains delivered an earnings contribution of € 30 million
- › Thanks to high capacity utilization, we achieved very favorable production costs and generated an earnings contribution of € 20 million
- › In addition, our North American management generated an earnings contribution of € 60 million through its excellent purchasing policy for plastic granulates

In 2022, the end markets of the Wienerberger Group in Europe and North America developed as follows:

- › New build -13%
- › Renovation stable
- › Infrastructure -9%

Despite this development of our end markets, the strong organic growth once again demonstrates the success of the system solutions business and the innovative strength of the Wienerberger Group.

Market outlook for 2023

For 2023, the Wienerberger Group expects to see persistently high inflation and a continuation of the previous year's upward trend in financing costs. With mortgages becoming more expensive, we anticipate a further drop in the number of new building permits issued to home builders. High energy prices will again lead to an increasing focus on the renovation of buildings, especially the renewal of roofs. This trend will be supported by public incentive programs (EU Green Deal and national initiatives), as well as stricter regulations aimed at enhancing energy efficiency. We therefore expect to see continued lively activity in the renovation segment and generally stable market development. In the infrastructure segment we anticipate muted demand and shifts in project business as a result of rising financing costs. Moreover, the European Union temporarily suspended the disbursement of funds to Hungary and Poland, which in turn will lead to a reduction in the number of infrastructure projects implemented in these markets.

Overall, 49% of revenues is accounted for by new build, 29% by renovation, and 22% by infrastructure. From today's perspective, considering the ongoing instability, we anticipate the following developments in our end markets in 2023 as a scenario:

	Europe	North America
› New build	-15 %	-20 %
› Renovation	-3 %	-3 %
› Infrastructure	-5 %	-5 %



In the challenging year 2023, we will remain true to our value-creating growth strategy and continue to focus on innovation and expanding our portfolio of sustainable system solutions. We are continuing our proven forward buying strategy for energy throughout the Group. For 2023, we already secured 93% of the gas volumes required. From our ongoing Self-Help Program aimed at increasing earnings and efficiency we expect a contribution to earnings of € 45 million. For 2023, we foresee a cost inflation of 10% for the Wienerberger Group. We will cover these costs through strict and proactive cost and margin management - despite softening markets and increased competition.

In December 2022, Wienerberger announced its intention to take over significant parts of the Terreal Group, a successful European supplier of innovative roof and solar solutions. By acquiring Terreal's business in Germany, France, Italy, Spain, and the USA, Wienerberger intends to significantly expand its footprint in building renovation and repair and evolve into the European pitched roof expert. Overall, the transaction concerns almost 3,000 employees and 29 production sites. The transaction is to be closed in the course of 2023 and remains subject to the approval by the competition authorities and compliance with the remedies typically imposed on a transaction of this nature.

We expect the current unstable geopolitical situation to continue and do not foresee any short-term easing of the central banks' interest rate policies. Based on such scenario Wienerberger will generate EBITDA of € >800 million. This figure does not include contributions to earnings from the Terreal Group or any companies that may be acquired in the course of 2023

Wienerberger will continue its growth path in 2023. Thanks to our continuous focus on innovation and the further expansion of our portfolio of system solutions, we will continue to outperform our markets. We will maintain the gross margin through proactive cost management measures despite softening markets. In addition, the acquisition of the Terreal Group will make a significant contribution to revenues of € 740 million and EBITDA of € 100 million before synergies.



Additional Information about the Company

Research and Development

Research and Development (R&D) are of central strategic importance for the Wienerberger Group, as they enable us to take the lead in terms of costs and technology and strengthen our position in the long term through product innovations. Our primary focus is on creating benefit for the users of our products and on meeting all requirements in terms of sustainability. Our R&D activities are fundamental to the achievement of our ambitious targets regarding decarbonization and the circular economy. Moreover, the development of new materials, products and system solutions, the optimization of existing production technologies and the development of new ones, the digitalization of processes, and the continued transition to Industry 4.0 are among our central action areas.

Strategic R&D projects are managed centrally, but generally implemented at the local level. To this end, Wienerberger operates several research centers in a number of countries, each of them specializing in a specific product group. Within the framework of demonstration projects, new technologies are first tested for their potential benefit and their added value for customers. Successful ideas are then quickly rolled out across the entire Group via our platforms.

Innovations, system solutions, and efficient use of resources

One of the priorities of our research activities is to continuously optimize the properties of building materials and the use of resources, combined with the development of new solutions, in order to meet the steadily increasing demands on building materials in terms of energy efficiency, their CO₂ footprint, earthquake resistance, and structural properties. Moreover, we focus on enhancing existing and new products by adding smart and/or digital functionalities. Our goal is to develop solutions that enable environment-friendly, fast, and easy installation of our products on the construction site, contribute to climate protection and the energy efficiency of buildings, and create added value for our customers. It goes without saying that all our R&D activities are completely in line with our ambitious ESG targets.

Becoming a CO₂-neutral provider of building materials

In pursuit of the goal of circularity, our new products are designed for reuse or recycling. Moreover, we are making every effort to ensure that all our products advance the target of decarbonization throughout their life cycle and thus reduce the entire Group's CO₂ footprint. With their positive properties as a natural, energy-efficient building material, our bricks contribute to environmental protection and ensure a pleasant and healthy indoor climate in summer as well as in winter.

Our research priorities in ceramic production include the use of alternative energy sources (electrification of processes, possible use of hydrogen or "green" gas), the reduction of energy consumption in the drying and firing processes, and the optimized use of raw material resources through product developments and new formulations.

Additionally, we are continuously investing in the automation of production processes and the introduction of novel production technologies. As a technology and innovation leader, Wienerberger is developing building materials and services for the future, including solutions for the entire building envelope. By reducing the weight of our products, enhancing the efficiency of our production processes, and optimizing the physical properties of our products, we have succeeded in improving thermal insulation by almost one third, reducing energy consumption in production, and enabling the construction of substantially thinner walls.

In the course of our ongoing innovation efforts, we are intensively exploring the possibilities of mobile masonry robots and prefabrication. In times of digitalization, high demand for affordable housing, and the growing shortage of skilled labor, the entire construction sector is confronted with major challenges. As the innovation leader of our industry, we see great potential for automation in both prefabrication and the execution of construction projects. We want to offer our customers product solutions that not only accelerate and facilitate construction work, but also reduce costs and, at the same time, offer the advantage of increased safety, efficiency and quality. To this end, we are cooperating with well-established businesses, start-ups, and universities. Among other solutions, the first prototype of an innovative masonry robot for use on construction sites has been designed on this basis. The objective is to develop this solution to market maturity in response to the increasing shortage of skilled labor on construction sites.



In the plastic pipe segment, we have continuously optimized our products and further increased the share of recycled raw materials used in production. With this development, we are actively contributing toward improving the CO₂ balance across the entire product life cycle and ensuring full circularity. This process was accompanied by regular quality control measures and numerous tests of the composition of the pipe material to ensure a consistently high level of product quality. Moreover, we are continuously working on our infrastructure solutions in the field of water management to prevent a shortage of this invaluable resource. In the field of energy, we are making every effort to promote the use of renewable energy sources. The Raineo system developed by Pipelife, our wholly-owned subsidiary, is a noteworthy example: It is made entirely from secondary raw materials and optimizes rainwater management on sealed surfaces. Another example is our Preflex Spider, a prefabricated, tailor-made electrical installation ideally suited to increase the efficiency of construction site work. These and other solutions are our response to the growing shortage of skilled labor and to climate change.

Ceramic pipe production is another area where we are continuously improving our processes. Pipes of the Steinzeug-Keramo brand, produced exclusively from natural, reusable raw materials, are 100% recyclable at the end of their useful life.

Our response to current challenges - be it climate change, the shortage of skilled labor or the scarcity of resources - is innovation. Our vision is to improve people's quality of life with our smart building and infrastructure solutions. One third of Wienerberger's revenues are already accounted for by innovative products and services. Our goal for the future is to maintain this share at such high level throughout the Group. Regular information on current topics in the field of research and development is provided on our website.



Wienerberger Share and Shareholders

Wienerberger AG is listed in the Prime Market segment of the Vienna Stock Exchange with no-par-value bearer shares. There are neither preferred shares or registered shares nor any restrictions on common stock. The “one share – one vote” principle therefore applies in full. In the USA, Wienerberger AG trades on the OTC market via an ADR Level 1 Program of the Bank of New York. With a market capitalization of € 2,521 million and a weighting of 5.2% in the ATX at the end of 2022, Wienerberger is one of the seven largest listed companies in Austria.

Development of the share price

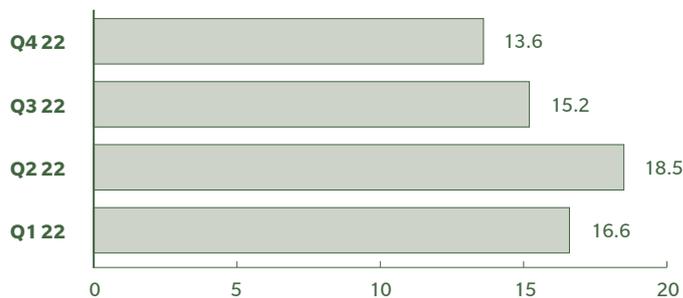


The Wienerberger share opened the 2022 trading year at a price of € 32.34, the closing price of a volatile previous year, but one marked by growth, with the share price up by a total of 24% in the course of 2021. At the beginning of the year, the upward trend of the last weeks of 2021 continued and the Wienerberger share performed well in a friendly market environment. With price gains during the first trading days, the share reached its annual high on January 19 at € 34.04. The outbreak of the war against Ukraine on February 24 caused a geopolitical crisis, which had an immediate impact on the world economy. Within a few days, share prices declined significantly on stock markets all over the world. The ongoing war led to massive price increases, especially for energy sources such as oil and gas, the costs of which appeared to explode, triggering a chain reaction. In many countries, including Europe and the USA, this drove inflation rates into the double-digit range. Central banks, above all the US Federal Reserve System, reacted with notable key increases in interest rates, heralding a turnaround in monetary policy. The combined effect of a geopolitical crisis, high inflation rates and steeply rising interest rates sent share prices into a slump worldwide. In a highly volatile market environment, the Wienerberger share was also affected by this negative trend and reached its annual low at € 18.98 on July 6, having lost 41% in value since the beginning of the year. Markets remained extremely volatile, but benefited from a slight improvement in market sentiment and following the publication of our excellent results, the share price subsequently recovered and rose to just under € 26. During the last month of the reporting year, a downward trend set in again, as central banks decided on further interest rate increases to counter inflationary pressure, which in turn dampened the stock market climate. At year end, the Wienerberger Share traded at € 22.56, having lost 30% in value in the 2022 trading year. The ATX, the lead index of the Vienna Stock Exchange, lost 19% over the same period, a development primarily driven by the performance of bank and energy stocks, which are heavily weighted in the Austrian Traded Index.



Based on the current forecast for the development of business, the Management Board will propose to the 154th Annual General Meeting on May 5, 2023, that a dividend of € 0.90 per share be paid out, which corresponds to a 20% increase year on year. The total of the dividend payout of € 95.4 million and the cancellation of 3% of the share capital amounting to € 82.3 million corresponds to a payout ratio of 30% of free cash flow. Based on the year-end share price of € 22.56, this represents a dividend yield of 4.0%.

Liquidity in MEUR



Ø Stock exchange turnover of the Wienerberger share per day (double-count method)

Key Data per Share		2022	2021	Chg. in %
Earnings	in EUR	5.17	2.75	+88
Adjusted earnings	in EUR	5.34	2.84	+88
Dividend	in EUR	0.90	0.75	+20
Free cash flow ¹⁾	in EUR	5.44	3.72	+46
Equity ²⁾	in EUR	22.30	19.00	+17
Share price high	in EUR	34.04	35.34	-4
Share price low	in EUR	18.98	26.16	-27
Share price at year-end	in EUR	22.56	32.34	-30
P/E ratio high		6.58	12.87	-
P/E ratio low		3.67	9.53	-
P/E ratio at year-end		4.36	11.78	-
Shares outstanding (weighted) ³⁾	in 1,000	109,884	113,105	-3
Market capitalization at year-end	in MEUR	2,520.7	3,725.2	-32
Ø Stock exchange turnover/day ⁴⁾	in MEUR	15.9	12.9	+23

1) Cash flow from operating activities less cash flow from investing activities and outflow from the redemption of liabilities from leases plus special capex and net outflow for acquisitions // 2) Equity including non-controlling interests, excluding hybrid capital // 3) Adjusted for treasury shares // 4) Double-count method



Shareholder structure

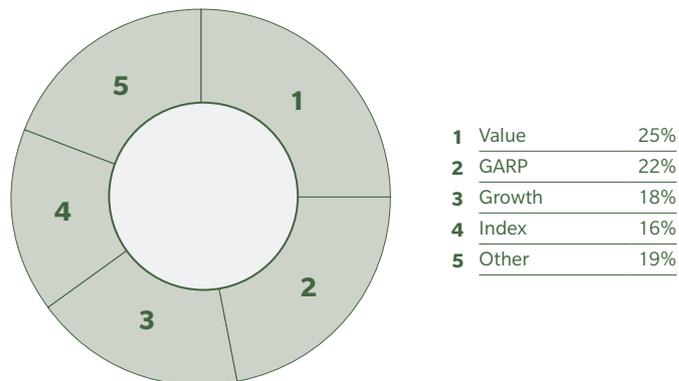
Wienerberger is a pure free float company and has no core shareholder. 100% of its shares are publicly traded. The Group's widely diversified shareholder structure is typical of a publicly traded company with international operations. The most recent survey of the shareholder structure performed in November 2022 showed that 15% of Wienerberger shares are held by private investors. The large majority is held by institutional investors, more than half of them based in the Anglo-Saxon region, i.e. North America (33%) and Great Britain (21%). The remaining shares are held mainly by Continental European investors.

Shareholder Structure by Country (Institutional Investors)



An analysis of the various strategies pursued by institutional investors shows that value-oriented investors dominate at a rate of 25%, followed by GARP investors and growth-oriented investors (22% and 18% respectively).

Shareholder Structure by Investor Type (Institutional Investors)



Pursuant to sections 130 to 134 of the Austrian Stock Exchange Act, which provides for mandatory reporting of significant holdings, the following notifications have been received from shareholders: More than 5% each of Wienerberger shares have been held by Petrus Advisers Ltd, based in Great Britain, since February 24, 2022, by FMR LLC (Fidelity), based in the USA, since August 22, 2022, and by Impax Asset Management Group plc, based in Great Britain, since November 18, 2022. More than 4% of Wienerberger shares have been held by BlackRock Inc., based in the USA, since October 24, 2022. After the cancellation of 3,455,639 own shares on November 18, 2022, the share capital of Wienerberger AG comprises 111,732,343 no-par-value shares and 5,756,271 treasury shares.



Investor Relations

In the course of our intensive investor relations activities, we are making every effort to establish long-term relations and engage in continuous exchanges with investors, analysts and banks. The crucial issue in investor relations is to ensure the highest possible degree of transparency through ongoing, open and active communication. To meet these demanding requirements in a year marked by geopolitical crises, Wienerberger not only took advantage of the possibility of resuming personal contacts, but also continued to use digital communication channels in order to respond to enquiries as quickly as usual and to inform the financial market about current developments in our markets through regular conference calls. We also participated in numerous roadshows and investor conferences, both virtually and within the framework of on-site meetings. In the year under review, the Managing Board and the Investor Relations team were in direct contact with investors and analysts all over the world on almost 600 occasions, informing them about our key financials, the company's operational and strategic developments, and current ESG topics. In 2022, in particular, the implications of the Russia-Ukraine conflict for the individual markets were at the focus of attention.

The fact that Wienerberger is covered by a number of renowned Austrian and international investment banks ensures the visibility of the Wienerberger stock among the financial community. As of February 2023, the Wienerberger share is being covered by 14 analysts.

Disclosures on capital, shares, voting rights, and rights of control

The 153rd Annual General Meeting held on May 3, 2022, authorized the Managing Board to buy back own shares of up to 8% of the share capital during a period of 30 months, without further resolution by the Annual General Meeting. Subject to compliance with the legal provisions in effect, shares can be bought back according to the Managing Board's judgement either over the stock exchange or over the counter, even by individual shareholders or a single shareholder, provided the Supervisory Board is retroactively informed thereof.

The 153rd Annual General Meeting held on May 3, 2022, authorized the Managing Board for a period of five years, with the approval of the Supervisory Board and without further resolution by the Annual General Meeting, to sell or use treasury shares other than over the stock exchange or through a public offering. This is subject to the provisions, mutatis mutandis, regarding the exclusion of shareholders' subscription rights, and to set the terms and conditions of the sale. Furthermore, the Managing Board of Wienerberger AG was authorized, for a period of 30 months, to reduce the share capital, if necessary, through the cancellation of own shares with the approval of the Supervisory Board and without further resolution by the Annual General Meeting.

The 150th Annual General Meeting held on May 6, 2019, resolved on an authorized capital of € 17,452,724 million (15% of the share capital) through the issuance of up to 17,452,724 new no-par-value shares over a period of five years. The shareholders' statutory subscription rights can be excluded under certain conditions. However, the total number of shares issued subject to the exclusion of subscription rights must not exceed 5,817,574 (5% of the share capital).

In the reporting year, Wienerberger AG executed a share buyback program during the period between March 9, 2022, and September 23, 2022. A total of 8,830,000 own shares at a total value of € 212 million were bought back at a weighted average price of € 24.02 per share. Through the cancellation of 3,455,639 own shares, the total number of voting rights and the share capital effectively changed as of November 18, 2022. Since that time, a total of 111,732,343 voting rights have been held in Wienerberger AG, and the new share capital of the company has amounted to € 111,732,343.

Change of control clauses are included in the employment contracts of the members of the Managing Board, the terms of corporate and hybrid bonds, and the terms and conditions of syndicated loans and other loans. Further disclosures on the composition of Wienerberger's capital, the types of shares, rights and restrictions, as well as the powers of the Managing Board to issue, buy back or sell shares are contained in the Notes to the Consolidated Financial Statements under Note 28 (Group Equity), starting on page 290.



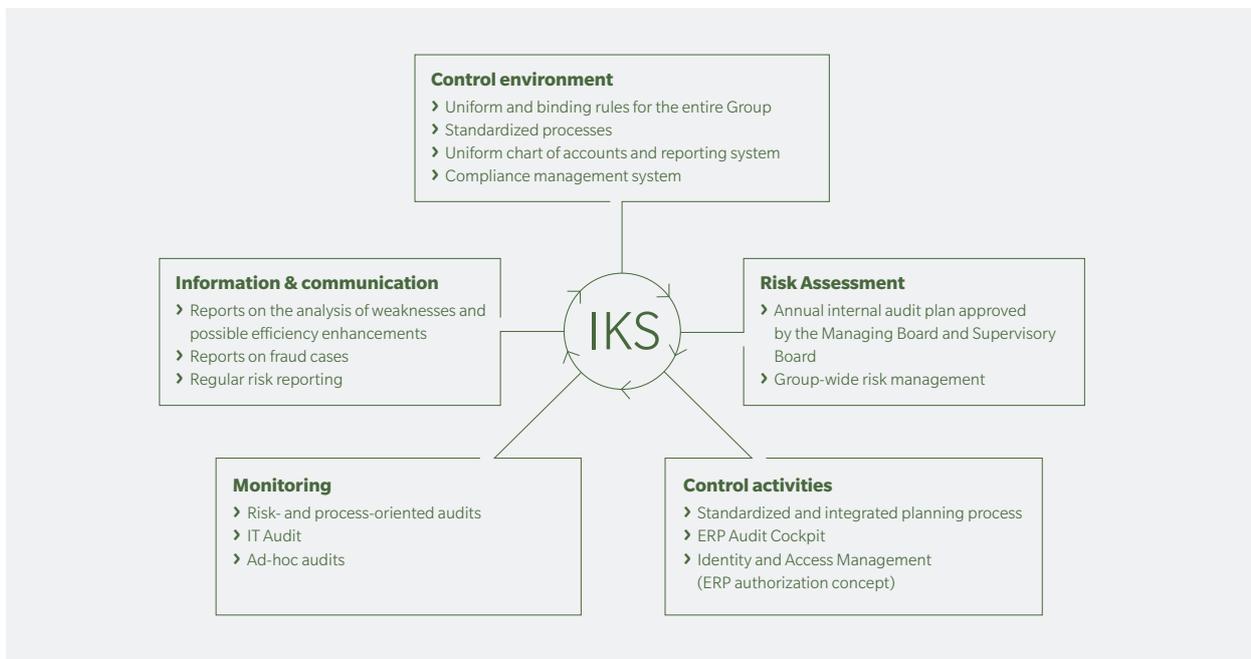
Risk Management and the Internal Control System

Our international operations not only offer great opportunities, but are also associated with short-, medium-, and long-term risks. Wienerberger has therefore established an effective risk management system, which identifies existing risks and counters them in a structured process through avoidance, elimination and limitation. Our risk awareness is taken into account in all strategic decisions. Purely operational risks are considered acceptable, whereas taking risks beyond the scope of operational business is not permitted.

As a leading provider of building material and infrastructure solutions, we voluntarily undertake to present a transparent overview not only of climate-related opportunities, but also of the associated risks. The identification and analysis of climate-related risks is part of Wienerberger Group’s comprehensive risk management approach. Since 2020, we have therefore supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as regards the identification, analysis, and assessment of physical¹ and transitional risks¹. For a detailed disclosure of our TCFD-related risk management, please refer to pages 85 - 97 in the chapter “Climate Protection”.

The internal control system (ICS) of Wienerberger AG plays a special role in risk management. Based on the standards of the internationally recognized framework for internal control systems (issued by COSO), the ICS provides the management with a comprehensive tool for the analysis and/or prevention of uncertainties and risks arising from the company’s essential business activities. Rules and controls applicable throughout the Group and across its operating segments are set by the Managing Board. In accordance with the decentralized structure of Wienerberger, responsibility for implementing the ICS lies with the respective local management. Internal Audit assumes a steering, communication, and monitoring function. Continuous compliance with the ICS is ensured through regular audits performed at the local sites.

The ICS comprises a system of measures and processes covering the following areas:



¹⁾ In connection with the impact of the transition to a low-carbon economy (e.g. reputational risks, regulatory risks, market risks, and technology risks).



Control environment

- › Uniform and binding rules for the entire Group
- › Standardized processes
- › Uniform chart of accounts and reporting system
- › Compliance management system

The control environment forms the basis for standardization and harmonization processes across the Group. As regards accounting, the Managing Board has established a group-wide policy with uniform and binding rules to be followed in the preparation of annual and interim financial statements. Business transactions are recorded by means of standardized processes based on a uniform Group chart of accounts. Wienerberger's consolidated annual financial statements as well as its interim financial statements are prepared in accordance with IFRS in a fast-close process. The financial statements of all subsidiaries are audited by the finance and controlling departments, consolidated, and finally approved by the Managing Board of Wienerberger AG for submission to the Supervisory Board.

Wienerberger's compliance management system consists of a set of rules designed to support employees in complying with the Group's ethical and legal standards. It applies to all employees working for Wienerberger. If national legislation provides for stricter rules, the latter take precedence. As clear rules are indispensable for the prevention of misconduct, Wienerberger implemented anti-bribery and anti-corruption policies, a policy regarding compliance with anti-trust law, export controls (lists of sanctions), as well as capital market and data privacy rules. The compliance management system is continuously adapted to changes in legislation. The policies are communicated to all relevant employees on a regular basis. Training sessions are organized and documented. Additional controls have been introduced at Group level to inform and support the local management in matters of compliance. Internal Audit regularly verifies compliance with the rules and policies in effect.

In 2021, in accordance with its ESG strategy, the Wienerberger Group established its own Code of Conduct. The Code of Conduct is designed as a binding guideline setting out clear and uniform rules for employees, business partners, and suppliers. It also refers to the aforementioned internal corporate policies.

Risk assessment

- › Annual internal audit plan approved by the Managing Board and the Supervisory Board
- › Group-wide risk management

To manage the group-wide risks, we aim to identify risks as early as possible and counteract them through appropriate measures in order to minimize deviations from our goals. The respective risk owners within our experienced international teams are in charge of the

- › identification
- › analysis
- › assessment
- › management
- › monitoring

of risks. To this end, surveys are conducted twice a year at top and senior management level, involving the members of the Managing Board, the management of the business units and the heads of Corporate Functions, in order to update existing risks and identify new ones. Risks are identified and assessed proactively through interviews, workshops, and scenario analyses. Subsequently, the risks identified are analyzed and broken down into strategic and operational risks along the entire value chain and assigned to the risk owners. Risks are assessed on the basis of their probability of occurrence and the potential impact on the free cash flow. Different time horizons are taken into consideration for risk assessment, ranging from short-term (up to one year) to medium-term (one to five years) to long-term (five to 25 years) periods. These horizons were determined by the management and correspond to the annual planning process.



The effects on the free cash flow are classified in four categories – negligible (<€ 5 million), low (€ 5-50 million), critical (€ 50-100 million), and catastrophic (>€ 100 million) – which are adapted to the business performance of the respective year and approved by the Managing Board.

Besides strategic risks, the major risks for the Wienerberger Group are procurement, production, market and price risks, financial and legal risks, and climate-related risks. The risks identified are compared with the materiality matrix in order to ensure consistency of the internal risk assessment and alignment with the expectations of external stakeholder groups. For a detailed information on all types of risk, please refer to the Risk Report starting on page 316.

The most important instruments for risk monitoring and risk management are the planning and controlling processes, Group policies, regular reporting of financial and non-financial indicators, and the diversification of risks through our portfolio approach.

Most of the risks identified are addressed and monitored within the framework of established internal processes of corporate management. In particular, local companies only take on risks arising from their operational business, which are analyzed by the respective risk owners within the business unit concerned and weighed against the potential gains. Additionally, risks arising within the framework of Group financing, in procurement, in IT or in the area of compliance are not only addressed by the business units, but also managed, monitored and mitigated centrally at holding company level. Another risk class includes material risks with a low probability of occurrence. These are continually monitored, assessed, and addressed through predefined defensive measures on a timely basis, whenever need arises.

Internal Audit draws up an annual, risk-oriented audit plan, which is approved by the Managing Board and the Audit and Risk Committee of the Supervisory Board. The risk indicators used as a basis for the audit plan include financial indicators, such as revenues, EBITDA, ROCE, internal indicators, such as the number of employees, whistleblower statistics, the findings of earlier internal audit reports, as well as the corruption perception index (CPI). The IT audit plan is based on a risk assessment process for the identification of risks in connection with the loss of confidentiality, integrity, and availability of information within the framework of relevant information systems. In the course of the year, Internal Audit regularly reports to the Managing Board and the Audit and Risk Committee on the audits performed, the results obtained, and the degree of implementation of the findings.

The Group auditor annually evaluates the functionality of the Wienerberger risk management system and reports the outcome to the Supervisory Board and the Managing Board. The functionality of the risk management system was reviewed and confirmed by the Group auditor in 2022. Additionally, the control systems of the individual business units are covered within the framework of the audit of the annual financial statements performed by the Group auditor.

Control activities

- › Standardized and integrated planning process
- › ERP¹ Audit Cockpit
- › Identity and access management (ERP authorization concept)

The controlling activities include an annual planning process that is based on an integrated bottom-up planning approach. The planning process covers the budgeting of profit and loss, the balance sheet, and the cash flows of the following business year, as well as a medium-term plan for a horizon of four years. The monthly comparison of actual results with the forecasts for the respective period is an essential element of the internal control and risk management system. In addition, all subsidiaries prepare updated forecasts of their expected annual results three times a year.

In order to strengthen, formalize, and document the internal control system, a risk and control matrix with more than 150 controls, broken down into about 20 main processes and over 60 sub-processes, was designed and introduced. Once every six months, the local management evaluates and documents the status of implementation of selected key controls. Internal Audit regularly reviews this self-evaluation and assesses the degree of maturity of the respective key controls.

As a further control instrument, a fully integrated governance, risk and compliance (GRC) system has been established. At its core, there is an identity and access management system. It comprises a complete joiner, mover and leaver process, which ensures that all identities and their assigned critical IT access rights within the organization are always up to date. The system has been integrated

1) Enterprise-Resource-Planning

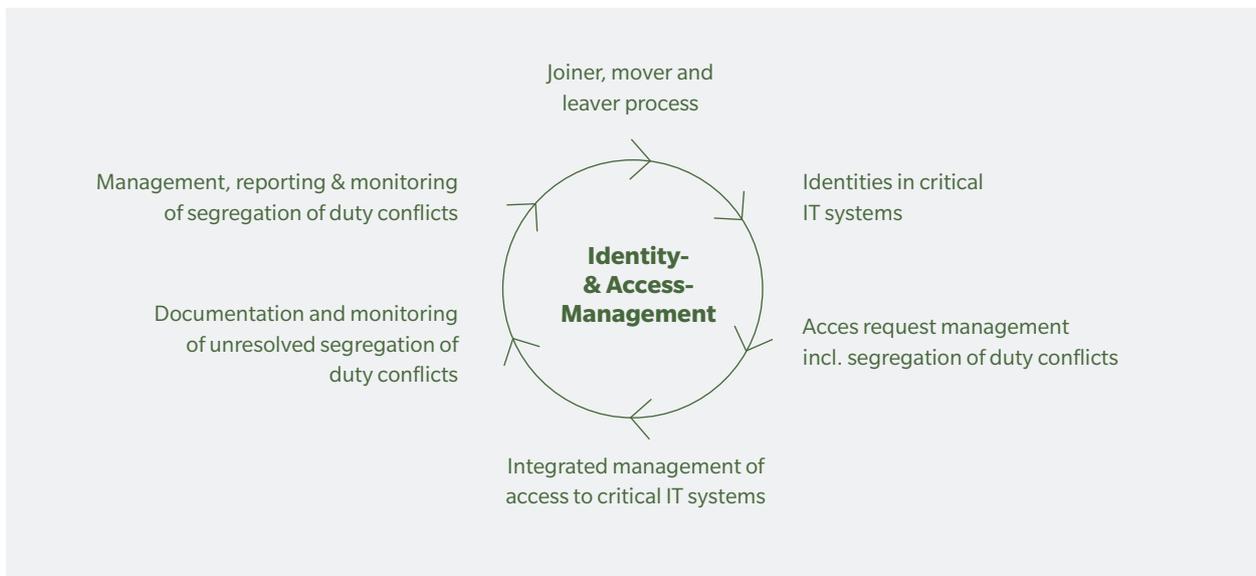


throughout the Group.

Through the identification of segregation of duty conflicts beyond the ERP system, excessive IT access rights as well as segregation of duty breaches across different applications can be restricted already at the stage of access request management.

If segregation of duty conflicts are nevertheless permitted for operational necessary reasons, they require approval and must be monitored by subsequent inspections. Such mitigating controls are performed by and documented in the identity and access management system. Additionally, the system provides for reporting options for the management to verify the controls performed.

Based on this governance, risk and compliance solution, an integrated process has been established. It ranges from the identification and communication of critical single access rights and segregation of duty conflicts to their control and documentation.



Monitoring

- › Risk- and process-oriented audit
- › IT audit
- › Ad-hoc audit

The organizational and management structures of Wienerberger AG and its companies are clearly defined. Responsibilities for the process of monitoring risk management are determined and clearly segregated. A detailed description of the internal organizational structure can be found starting on page 37.

On the basis of the risk-oriented audit plan, Internal Audit regularly audits each Group company for compliance with the ICS and reviews operational processes for their risk propensity and possible efficiency enhancements. Depending on the size of the company, such audits are performed every two to four years. Moreover, Internal Audit verifies compliance with legal provisions and internal policies, thus acting as the central monitoring body of the internal control system. The information systems and the IT controls performed are checked against the IT / security requirements of the organization laid down in its information security management system.

In addition to its risk- and process-oriented audits, Internal Audit also performs ad-hoc and special audits if so requested by the management.



Information and Communication

- › Reports on the analysis of weaknesses and efficiency enhancements
- › Report on fraud cases
- › Regular risk reporting

Twice a year, a structured risk management process takes place. In the course of this process, the risk management team supports the individual business areas through proactive interviews and workshops aimed at identifying and assessing their respective risks. The results and the related recommendations and measures are summarized and transmitted to the Managing Board, the Supervisory Board, and the external auditor of the Group. As a rule, the major risks are presented in detail by the respective risk owner to the Audit and Risk Committee.

Risk reports are submitted as follows:

- › Standardized – structured risk management process in the form of interviews and workshops
- › Regular – embedded in the Group's existing reporting channels
- › Ad hoc – for instant communication of changing or new risks

Within the framework of the other information and communication duties of the ICS, Internal Audit and Group Reporting regularly report to the Audit and Risk Committee on material accounting and valuation procedures, the impact of newly adopted IFRS rules on the consolidated financial statements, major changes in the accounting process, and findings from risk management. Moreover, the Audit and Risk Committee is regularly informed of audit findings, relevant implementation activities, and measures to eliminate weaknesses identified in the ICS.



CONSOLIDATED FINANCIAL STATEMENT

254

Consolidated Income Statement

255

Consolidated Statement of Comprehensive Income

256

Consolidated Balance Sheet

257

Consolidated Statement of Cash Flows

258

Consolidated Statement of Changes in Equity

259

Notes to the Consolidated Financial Statements

259

General Information

- 259 1. Basis for the preparation of the consolidated financial statements
- 259 2. Consolidated companies
- 261 3. Acquisitions and disposals of companies
- 262 4. Methods of consolidation
- 263 5. Accounting and valuation policies
- 263 6. Estimates and judgements
- 264 7. Effects of new and revised standards
- 266 8. Operating segments

268

Notes to the Consolidated Income Statements

- 268 9. Revenues
- 269 10. Material expenses
- 270 11. Depreciation, amortization, impairment charges and reversal of impairment charges
- 270 12. Personnel expenses
- 272 13. Employees
- 273 14. Other operating expenses
- 274 15. Other operating income
- 274 16. Reconciliation of results according to the cost of sales and total cost method
- 275 17. Interest and other financial result
- 276 18. Income taxes
- 277 19. Earnings per share, proposal for profit distribution

278

Notes to the Consolidated Statement of Comprehensive Income

279

Notes to the Consolidated Statement of Cash Flows

- 279 20. Cash flow from operating activities and from investing activities
- 280 21. Cash flow from financing activities

281

Notes to the Consolidated Balance Sheet

- 281 22. Non-current assets
- 287 23. Investments
- 287 24. Inventories
- 287 25. Receivables, securities and other financial assets
- 289 26. Other receivables
- 290 27. Non-current assets held for sale
- 290 28. Group Equity
- 291 29. Provisions

292 30. Employee benefits

297 31. Deferred Taxes

298 32. Liabilities

302 33. Contingent liabilities and guarantees

302 34. Financial Instruments

304 35. Derivative financial instruments and hedge accounting

306 36. Disclosure on financial instruments

310

Accounting and Valuation Policies

314 37. Foreign exchange translation

316

Risk Report

316 Principles of risk management

316 Risk situation and operating risks relating to the Group's markets

317 Procurement, production, investment and acquisition risk

318 Financial risks

323 Legal risks

323 Other risks

324

Other disclosures

324 38. Related party transactions

325 39. Significant events after the balance sheet date

326

Statement by the Managing Board

327

Group companies

332

Auditor's report



Consolidated Income Statement

Notes	in TEUR	2022	2021
(9)	Revenues	4,976,732	3,971,307
(10-12, 14-16)	Cost of goods sold	-3,029,434	-2,532,107
	Gross Profit	1,947,298	1,439,200
(10-12, 14-16)	Selling expenses	-859,018	-706,929
(10-12, 14-16)	Administrative expenses	-327,795	-275,489
(11, 15, 16)	Other operating income	66,753	56,555
(11, 14, 16)	Other operating expenses		
(11)	Impairment charges to assets	-18,389	0
(11)	Impairment charges to goodwill	0	-10,747
	Other	-87,656	-82,153
	Operating profit/loss (EBIT)	721,193	420,437
(2)	Income from investments in associates and joint ventures	6,563	4,079
(17)	Interest and similar income	6,234	2,376
(17)	Interest and similar expenses	-48,495	-40,343
(17)	Other financial result	2,851	-12,276
	Financial result	-32,847	-46,164
	Profit/loss before tax	688,346	374,273
(18)	Income taxes	-119,800	-62,203
	Profit/loss after tax	568,546	312,070
	Thereof attributable to non-controlling interests	635	184
	Thereof attributable to hybrid capital holders	0	1,176
	Thereof attributable to equity holders of the parent company	567,911	310,710
(19)	Earnings per share (in EUR)	5.17	2.75
(19)	Diluted earnings per share (in EUR)	5.17	2.75



Consolidated Statement of Comprehensive Income

Notes	in TEUR	2022	2021
	Profit/loss after tax	568,546	312,070
(37)	Foreign exchange adjustments	-14,478	54,453
(37)	Foreign exchange adjustments to investments in associates and joint ventures	46	75
	Changes in hedging reserves	29,871	-8,729
	Items to be reclassified to profit or loss	15,439	45,799
(30)	Actuarial gains/losses	8,354	27,031
	Actuarial gains/losses from investments of associates and joint ventures	301	100
	Items not to be reclassified to profit or loss	8,655	27,131
	Other comprehensive income	24,094	72,930
	Total comprehensive income after tax	592,640	385,000
	Thereof comprehensive income attributable to non-controlling interests	671	215
	Thereof attributable to hybrid capital holders	0	1,176
	Thereof comprehensive income attributable to equity holders of the parent company	591,969	383,609



Consolidated Balance Sheet

Notes	in TEUR	2022	2021
	Assets		
(22)	Intangible assets and goodwill	846,770	857,371
(22)	Property, plant and equipment	2,268,885	2,116,153
(22)	Investment property	37,921	43,905
(23)	Investments in associates and joint ventures	20,420	18,166
(23, 26)	Other financial investments and non-current receivables	23,371	22,110
(31)	Deferred tax assets	61,754	74,127
	Non-current assets	3,259,121	3,131,832
(24)	Inventories	1,036,211	883,301
(25)	Trade receivables	374,514	343,416
(26)	Receivables from current taxes	12,488	10,718
(26)	Other current receivables	120,865	118,563
(25, 35, 36)	Securities and other financial assets	72,896	40,313
	Cash and cash equivalents	300,031	364,307
	Current assets	1,917,005	1,760,618
(27)	Non-current assets held for sale	23,131	11,335
	Total assets	5,199,257	4,903,785
	Equity and liabilities		
	Issued capital	111,732	115,188
	Share premium	983,995	1,069,751
	Retained earnings	1,677,900	1,189,703
	Other reserves	-194,977	-219,035
	Treasury shares	-129,799	-7,439
	Controlling interests	2,448,851	2,148,168
	Non-controlling interests	1,571	900
(28)	Equity	2,450,422	2,149,068
(31)	Deferred taxes	100,674	107,269
(30)	Employee-related provisions	73,869	100,174
(29)	Other non-current provisions	103,264	98,670
(32, 34, 36)	Long-term financial liabilities	1,245,062	1,326,108
(32)	Other non-current liabilities	15,508	29,569
	Non-current provisions and liabilities	1,538,377	1,661,790
(29)	Current provisions	60,801	44,566
(32)	Payables for current taxes	49,636	18,154
(32, 34-36)	Short-term financial liabilities	207,157	212,995
(32)	Trade payables	439,567	423,078
(32)	Other current liabilities	438,537	394,134
	Current provisions and liabilities	1,195,698	1,092,927
	Liabilities directly associated with assets held for sale	14,760	0
	Total equity and liabilities	5,199,257	4,903,785



Consolidated Statement of Cash Flows

Notes	in TEUR	2022	2021
	Profit/loss before tax	688,346	374,273
(11)	Depreciation and amortization	276,257	251,237
(11)	Impairment charges to goodwill	0	10,747
(11)	Impairment charges to assets and other valuation effects	49,508	22,045
(29, 30)	Increase/decrease in non-current provisions	-18,245	-13,907
(2)	Income from investments in associates and joint ventures	-6,563	-4,079
	Gains/losses from the disposal of fixed and financial assets	-26,145	-2,874
(17)	Interest result	42,261	37,967
	Interest paid	-42,222	-36,175
	Interest received	2,776	621
	Income taxes paid	-91,364	-72,110
	Other non-cash income and expenses	3,753	-1,702
	Gross cash flow	878,362	566,043
	Increase/decrease in inventories	-171,285	-95,875
	Increase/decrease in trade receivables	-34,242	-52,089
	Increase/decrease in trade payables	19,934	74,629
	Increase/decrease in other net current assets	31,035	17,855
(20)	Cash flow from operating activities	723,804	510,563
	Proceeds from the sale of assets (including financial assets)	65,428	52,932
	Payments made for property, plant and equipment and intangible assets	-352,573	-279,756
	Payments made for investments in financial assets	0	-2,406
	Dividend payments from associates and joint ventures	3,216	2,705
	Increase/decrease in securities and other financial assets	-8,521	15,642
	Net payments made for the acquisition of companies	-52,447	-464,730
	Net proceeds from the sale of companies	12,100	8,909
(20)	Cash flow from investing activities	-332,797	-666,704
(21)	Cash inflows from the increase in short-term financial liabilities	116,732	321,676
(21)	Cash outflows from the repayment of short-term financial liabilities	-220,016	-460,797
(21)	Cash inflows from the increase in long-term financial liabilities	15,434	253,458
(21)	Cash outflows from the repayment of lease liabilities	-63,627	-49,793
(28)	Dividends paid by Wienerberger AG	-83,871	-67,359
(28)	Hybrid coupon paid	0	-10,732
(28)	Repayment/Buyback of hybrid capital	0	-214,630
(28)	Sale of treasury shares	0	80,561
(28)	Purchase of treasury shares	-213,445	0
	Cash flow from financing activities	-448,793	-147,616
	Change in cash and cash equivalents	-57,786	-303,757
	Effects of exchange rate fluctuations on cash held	-64	1,916
	Cash and cash equivalents at the beginning of the period	364,307	666,148
	Cash and cash equivalents at the end of the period ¹⁾	306,457	364,307

1) Cash and cash equivalents of TEUR 6,426 were recognized in the consolidated balance sheet as non-current assets held for sale



Consolidated Statement of Changes in Equity

Notes	in TEUR	Issued capital	Share premium	Retained earnings	Other reserves			Treasury shares	Controlling interests	Non-controlling interests	Total
					Actuarial gains/ losses	Hedging reserve	Currency translation				
	Balance on 31/12/2020	115,188	1,036,170	946,176	-90,042	86,507	-288,399	-57,300	1,748,300	685	1,748,985
	Profit/loss after tax			311,886					311,886	184	312,070
(37)	Foreign exchange adjustments						54,421		54,421	32	54,453
(37)	Foreign exchange adjustments to investments in associates and joint ventures						75		75		75
	Changes in hedging reserves						-8,729		-8,729		-8,729
	Changes in other reserves				27,132				27,132	-1	27,131
	Other comprehensive income				27,132	-8,729	54,496		72,899	31	72,930
	Total comprehensive income			311,886	27,132	-8,729	54,496		384,785	215	385,000
(28)	Dividend/hybrid coupon payment			-67,359					-67,359		-67,359
(12, 28)	Changes in stock option plan		595						595		595
(12, 28)	Changes in treasury shares		519					767	1,286		1,286
(12, 28)	Sale of treasury shares		32,467	-1,000				49,094	80,561		80,561
	Balance on 31/12/2021	115,188	1,069,751	1,189,703	-62,910	77,778	-233,903	-7,439	2,148,168	900	2,149,068
	Profit/loss after tax			567,911					567,911	635	568,546
(37)	Foreign exchange adjustments						-14,514		-14,514	36	-14,478
(37)	Foreign exchange adjustments to investments in associates and joint ventures						46		46		46
	Changes in hedging reserves						29,871		29,871		29,871
	Changes in other reserves				8,655				8,655		8,655
	Other comprehensive income				8,655	29,871	-14,468		24,058	36	24,094
	Total comprehensive income			567,911	8,655	29,871	-14,468		591,969	671	592,640
(28)	Dividend payment			-83,871					-83,871		-83,871
	Effects from hyperinflation (IAS 29)			4,679					4,679		4,679
(12, 28)	Changes in stock option plan		1,351						1,351		1,351
(12, 28)	Purchase of treasury shares							-213,445	-213,445		-213,445
	Retirement of treasury shares	-3,456	-87,107	-522				91,085	0		0
	Balance on 31/12/2022	111,732	983,995	1,677,900	-54,255	107,649	-248,371	-129,799	2,448,851	1,571	2,450,422



Notes to the Consolidated Financial Statements

General Information

1. Basis for the preparation of the consolidated financial statements

Wienerberger AG, which is headquartered in Vienna, Austria, is the parent company of an international group of companies providing building material and infrastructure solutions whose business activities are categorized into three segments according to management responsibilities: Wienerberger Building Solutions, Wienerberger Piping Solutions and North America. The address of Wienerberger AG is Wienerbergerplatz 1, 1100 Vienna, Austria.

The consolidated financial statements were prepared pursuant to § 245a of the Austrian Commercial Code and in accordance with the International Financial Reporting Standards (IFRS) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) published by the International Accounting Standard Board (IASB) as of the balance sheet date and adopted by the European Union (EU). Independent auditors have audited the annual financial statements of all major Austrian and foreign group companies to confirm their compliance with the International Financial Reporting Standards as applicable within the EU.

In principle, the annual financial statements are based on historical acquisition and production costs and were prepared as of the balance sheet date, the only exception being certain financial instruments, such as derivatives and equity instruments, which are accounted for at fair value. Deferred taxes are determined based on the concept of temporary differences and re-evaluated on every balance sheet date. In addition, defined benefit pension and severance compensation plans are recognized and measured according to the projected unit credit method. The income statement is prepared in accordance with the cost of sales method; the reconciliation to the total cost method is provided in the Notes.

With few labelled exceptions, the consolidated financial statements are presented in thousand euros.

2. Consolidated companies

The list of companies enclosed at the end of the Notes provides an overview of the fully consolidated subsidiaries, joint ventures and associates included at equity, and investments that are not consolidated for materiality reasons. The following table shows the changes in the scope of consolidation of the Wienerberger Group during the reporting year and comprises subsidiaries as well as associates and joint ventures accounted for at equity:

Consolidated companies	Full Consolidation	Equity consolidation
Balance on 31 / 12 / 2021	161	7
Change in consolidation method	0	0
Included during reporting year for the first time	5	1
Merged/ liquidated during the reporting period	-8	0
Divested during the reporting period	0	-2
Balance on 31 / 12 / 2022	158	6
Thereof foreign companies	134	5
Thereof domestic companies	24	1



Subsidiaries

In addition to Wienerberger AG, the 2022 consolidated financial statements include 24 (2021: 24) Austrian and 134 (2021: 137) foreign subsidiaries over which Wienerberger AG exercises control. Subsidiaries are fully consolidated as of the date control is obtained and deconsolidated when control ceases to exist. In accordance with IFRS 10, control is considered to exist when Wienerberger has power over the subsidiary and can use this power to influence the company's financial and operating policies. Four subsidiaries were not consolidated in 2022 (2021: 5) because their impact on the Group's assets, liabilities, financial position and profit or loss is immaterial for a true and fair view and would not obstruct the fair presentation of the group's financial position, financial performance and cash flows.

Investments in associates and joint ventures

The 2022 consolidated financial statements of Wienerberger AG include six investments in joint ventures (2021: 5) and one investment (2021: 1) in an associate that are accounted for at equity. In accordance with the criteria of IFRS 11, Schlagmann Poroton GmbH & Co KG, Silike keramika, spol. s.r.o. and TV Vanheede-Wienerberger and EXA IP B.V. are to be classified as joint ventures, because these companies are controlled jointly with a partner of equal rights. Wienerberger holds 50 % in these joint ventures. In the reporting year, WiTa Social Business Venture Holding was established as an associate in which the Group holds a stake of 49 %. Prior to its disposal, TONDACH BOSNA I HERCEGOVINA d.o.o., in which Wienerberger held 80%, was managed jointly and accounted for at equity on account of the distribution of voting rights. Furthermore, Wienerberger held a 30% stake in Interbran Baustoff GmbH, which was also managed jointly with the joint venture partners and therefore classified as a joint venture. These participations were sold in the course of the reporting year. The following table shows the aggregated financial information of joint ventures and associates without taking account of Wienerberger's equity share in these companies:

in TEUR	2022	2021
Revenues	131,599	124,996
EBITDA	26,688	21,873
EBIT	19,926	14,698
Profit/ loss after tax	13,344	6,935
Total comprehensive income after tax	13,947	7,135

Assets		Equity and liabilities			
in TEUR	31.12.2022	31.12.2021	in TEUR	31.12.2022	31.12.2021
Non-current assets	61,751	65,752	Equity	42,114	37,138
Current assets	52,040	49,958	Non-current provisions and liabilities	8,680	15,227
			Current provisions and liabilities	62,997	63,345
	113,791	115,710		113,791	115,710



3. Acquisitions and disposals of companies

In June 2022, the prefabricated brick wall division of Walzer Bausysteme GmbH was acquired in an asset deal and incorporated into the newly established group company Wienerberger Bausysteme GmbH. This represents yet another step on the company's path toward becoming a full-range provider of system solutions. Goodwill was identified in the amount of TEUR 1,230, which is recognized in the Wienerberger Building Solutions segment. Since the acquisition date, the newly established company has generated revenues of TEUR 661 and EBITDA of TEUR -437. No material acquisition-related costs were incurred for this transaction.

In July 2022, Wienerberger took over Mayr Dachkeramik GmbH, a German company with a production site in Bavaria, which enlarges Wienerberger's product portfolio for roofing accessories. By acquiring the roof tile producer, Wienerberger is consistently and successfully pursuing its sustainable development into a system provider. Goodwill in the amount of TEUR 1,805 was recognized in the Wienerberger Building Solutions segment. Between 01/01/2022 and 31/12/2022, the company generated revenues of TEUR 2,531 and EBITDA of TEUR 211. Since the acquisition date, the company has generated revenues of TEUR 397 and EBITDA of TEUR -53. No material acquisition-related costs were incurred for this transaction.

In September of the reporting year, the acquisition of Vargon d.o.o., the leading provider of piping system solutions in Croatia, was closed. Wienerberger took over an equity of 79.67%; the other shareholder has the option to transfer the remaining stake in equity of 20.33% to Wienerberger in 2024. As the risks and rewards associated with the minority equity stake are assumed by Wienerberger, no non-controlling interest is recognized. The liability for the put option is recognized as a financial liability at fair value according to IFRS 9 (see Note 36. Financial Instruments). Through the acquisition of Vargon, Wienerberger is strengthening its market position in the Piping Solutions segment in South-Eastern Europe. In the course of the purchase price allocation, a customer base (TEUR 14,118) and a trademark (TEUR 985) were identified. The acquired goodwill amounts to TEUR 4,983 and is recognized in the Wienerberger Piping Solutions segment. Acquisition-related costs incurred for the transaction amounted to TEUR 260 and are reported in administrative expenses. Between 01/01/2022 and 31/12/2022, Vargon d.o.o. generated revenues of TEUR 30,346 and EBITDA of TEUR 3,615. Since the acquisition date, the company has generated revenues of TEUR 7,213 and EBITDA of TEUR -416.

The acquisition of QPS AS in November 2022 strengthened Wienerberger's market position in the Nordic water management markets. QPS is a provider of solutions for infrastructure pumping stations in Norway and supplies all-in solutions designed according to customer specifications, including engineering and assembly. The preliminary purchase price allocation results in goodwill of TEUR 2,295. Between 01/01/2022 and 31/12/2022, QPS AS, generated revenues of TEUR 5,769 and EBITDA of TEUR 788. Since the acquisition date, the company has generated revenues of TEUR 1,892 and EBITDA of TEUR 631. The acquisition-related costs amounted to TEUR 100 and are recognized in administrative expenses.

In the third quarter of 2022, Wienerberger sold its piping business in France in an asset deal resulting in a gain of TEUR 1,071.

Moreover, the 30% participation in Interbran Baustoff GmbH and the 80% stake in Tondach Bosna i Hercegovina d.o.o. were sold in the reporting year. The results from the disposals are recognized in other financial result.

Net cash outflows for the acquisition of companies in the reporting year amounted to a total of TEUR 41,070. As of 31/12/2022, purchase price liabilities of TEUR 10,907 were recognized in other liabilities. Furthermore, payments for purchase price liabilities for acquisitions made in the previous year amounted to TEUR 11,377. The payment of the last installment of the purchase price receivable from the sale of ZZ Wancor AG, closed in 2020, resulted in a cash inflow of TEUR 12,100.



The reconciliation of assets acquired and liabilities assumed is shown in the following table:

in TEUR	Vargon d.o.o.	Other	Total
Intangible assets	15,187	0	15,187
Property, plant and equipment and financial assets	24,330	3,525	27,855
Deferred tax assets	3,102	31	3,133
Non-current assets	42,619	3,556	46,175
Inventories	7,152	453	7,605
Trade receivables	4,973	1,307	6,280
Other current receivables	1,835	581	2,416
Current assets	13,960	2,341	16,301
Deferred taxes	5,102	4	5,106
Non-current provisions	83	55	138
Long-term financial liabilities	5,270	0	5,270
Non-current provisions and liabilities	10,455	59	10,514
Current provisions	99	190	289
Trade payables	2,738	998	3,736
Other current liabilities	3,376	236	3,612
Current provisions and liabilities	6,958	1,814	8,772
Net assets acquired	39,166	4,024	43,190
Goodwill	4,983	5,327	10,310
Cash and cash equivalents taken over	-1,054	-564	-1,618
Purchase price liabilities	-10,812	0	-10,812
Payments made for companies acquired in previous periods			11,377
Net payments made for acquisitions	32,283	8,787	52,447

4. Methods of consolidation

The acquisition method is applied to all fully consolidated companies. According to this method, the compensation transferred in exchange for the investment is compared with the revalued net assets (shareholders' equity) of the acquired company on the date of acquisition. All identifiable assets, liabilities and contingent liabilities are initially recognized at fair value in accordance with IFRS 3; any remaining positive difference between the purchase price and revalued stake in equity is recognized in local currency as goodwill in the relevant segment. Negative differences are recognized in the income statement in other operating income. Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually together with the cash-generating unit to which they are allocated and reduced to the lower applicable recoverable amount in the event of impairment. Impairment tests are also performed more frequently if there are indications of impairment of a cash-generating unit during the financial year (see Note 5. Accounting and valuation principles and Note 22. Non-current assets).

Revenues, income and expenses as well as receivables and liabilities arising between consolidated companies are eliminated.

Intercompany gains and losses from the sale of goods or services between Group companies that affect current or non-current assets are eliminated, unless they are immaterial.



Associates and joint ventures are consolidated at equity. The Group's accounting and valuation principles are applied, unless deviations under local GAAP have an immaterial effect on the Group's financial statements.

5. Accounting and valuation policies

The accounting and valuation policies underlying for these consolidated financial statements remain unchanged in comparison with the previous year and were extended to include the new IFRSs to be applied on a mandatory basis as of the financial year (see Note 7. Effects of new and revised standards). A detailed description of the accounting and valuation policies is disclosed on page 310.

6. Estimates and judgements

In preparing the consolidated financial statements, management must make estimates and judgements that impact the recognition and measurement of assets, liabilities and contingent liabilities, the disclosure of other obligations as of the balance sheet date, and the recognition of income and expenses during the reporting period. The actual figures may deviate from management estimates.

For example, the valuation of pension plans and severance claims by actuaries include assumptions concerning the expected discount rate, increase in salaries and pensions, employee turnover rates and the development of the costs of medical care. Detailed information on the parameters used is provided in Note 30. Employee benefits. This Note also includes a sensitivity analysis of the defined benefit obligations.

The useful life of property, plant and equipment is also determined on the basis of estimates which, in this case, are derived from experience with the operation of comparable equipment. A table showing the useful lives of these assets is disclosed on page 311.

Provisions for site restorations are based on the best estimate of the expected costs for the recultivation of clay pits as well as long-term discount rates, considering the respective country-specific inflation rates. The calculation of provisions is based on estimates with a considerable degree of uncertainty. Cost estimates may vary on account of numerous factors, such as changes in relevant legislation or the development of new recultivation techniques and requirements. The impacts of climate-related risks on the most important assumptions considered in forecasting and the disclosure of such obligations are still too uncertain to allow for a more specific estimate of the provisions required. The ascertainment of such risks and their impacts on the Group will be an area of increased management attention in the coming reporting periods.

The measurement of deferred tax assets requires assumptions regarding the future taxable income and the time of utilization of the deferred tax assets. However, given the fact that the future business development cannot be predicted with certainty and is not entirely within Wienerberger's control, the valuation of deferred taxes is uncertain.

The Wienerberger Group issues various types of product warranties, depending on the respective product category and on market conditions. In principle, the recognition and measurement of provisions for warranties/guarantees relate to estimates of the frequency and amount of losses. These estimates are based on historical records of the occurrence and scope of guarantee claims as well as the best possible management estimates of payments to be made in guarantee cases. The provisions are adjusted regularly to reflect new information becoming available.

In particular, impairment testing of goodwill and other assets involves estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital for the Wienerberger Group and its cash-generating units during the planning period. On account of economic developments, the prevailing uncertainty regarding the pace of transition to low-emission technologies, and the environmental-policy measures taken to achieve the targets of CO₂ reduction, the company's assumptions of the climate-related effects included in the calculations of recoverable amounts (e.g. capital expenditure, CO₂ emission costs, and other assumptions) are by nature uncertain and may ultimately deviate from the actual amounts. The estimates made during the preparation of these consolidated financial statements reflect the best knowledge of management on a going-concern basis. They draw on past experience and take account of the remaining degree of uncertainty.



7. Effects of new and revised standards

The following table provides an overview of the new standards and interpretations published by the IASB as of the balance sheet date:

Standards/Interpretations		IASB Publication Date	Mandatory first-time application
IFRS 3	Business Combinations – Amendments	May 2020	1/1/2022 ¹⁾
IAS 16	Property Plant and Equipment – Amendments	May 2020	1/1/2022 ¹⁾
IAS 37	Provisions, Contingent Liabilities and Contingent Assets – Amendments	May 2020	1/1/2022 ¹⁾
	Annual Improvement Cycle 2018-2020	May 2020	1/1/2022 ¹⁾
IFRS 17	Insurance Contracts	May 2017	1/1/2023 ¹⁾
IFRS 17	Insurance Contracts - Amendments	June 2020	1/1/2023 ¹⁾
IFRS 17 and IFRS 9	Insurance Contracts, deferral of IFRS 9 - Amendments	December 2021	1/1/2023 ¹⁾
IAS 1	Disclosure of Accounting Policies - Amendments	February 2021	1/1/2023 ¹⁾
IAS 8	Definition of Accounting Estimates - Amendments	February 2021	1/1/2023 ¹⁾
IAS 12	Deferred Taxes related to Assets and Liabilities arising from a Single Transaction - Amendments	May 2021	1/1/2023 ¹⁾
IFRS 9	Financial Instruments - Amendments	December 2021	1/1/2023 ¹⁾
IAS 1	Classification of Liabilities as Current or Non-current - Amendments	January 2020	1/1/2024
IAS 1	Non-current Liabilities with Covenants – Amendments	October 2022	1/1/2024
IFRS 16	Lease Liability in a Sale and Leaseback – Amendments	September 2022	1/1/2024

1) Mandatory effective date according to European Union Regulation 1606/2002

New and amended standards and interpretations published and adopted by the EU

In May 2020, the IASB published clarifications on IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent assets, and the IFRS 2018-2020 improvement cycle. The amendments to IFRS 3 updated the reference to the Conceptual Framework. The amendment to IAS 16 clarifies how to account for the proceeds from the sale of products from the testing phase of production equipment. IAS 37 defines which costs are to be taken into account to determine whether a contract is onerous. These amendments have no impact on Wienerberger's consolidated financial statements.

The new standard IFRS 17 Insurance Contracts, which replaces IFRS 4, is of no relevance to Wienerberger's consolidated financial statements, as the company holds neither insurance nor re-insurance contracts as an insurance provider.

The amendments to IAS 1, published in February 2021, stipulate that the term "disclosure of significant accounting policies" be replaced by "disclosure of material accounting policies" throughout the IFRS. Adoption of the amendments is mandatory as of January 1, 2023. No material impact on the Group's consolidated financial statements is expected.

Amendments to IAS 8, which clarify the definition of changes in accounting estimates, were also published in February 2021. Mandatory adoption as of January 1, 2023, is not expected to have a material impact on the Group's consolidated financial statements.

In May 2021 amendments to IAS 12 were published. These amendments clarify how to account for deferred taxes relating to assets and liabilities arising from a single transaction (e.g. leases). Application of the amendments is mandatory as of January 1, 2023. No material impact on the Group's consolidated financial statements is expected.

**New and amended standards and interpretations published but not yet adopted by the EU**

Amendments to IAS 1 were published in January 2020 and October 2022. On the one hand, these amendments introduce a more general approach to the classification of liabilities as current liabilities, which is based on agreed covenants; on the other hand, they clarify that only those covenants which an entity must comply with on or before the reporting date affect the classification of a liability. Application of the amendments is mandatory as of January 1, 2024. No material impact on the Group's consolidated financial statements is expected.

The amendments to IFRS 16 specify subsequent measurement requirements for seller-lessees in a sale and leaseback transaction. Application of the amendments is mandatory as of January 1, 2024. No material impact on the Group's consolidated financial statements is to be expected.

First-time application of IAS 29 Financial Reporting in Hyperinflationary Economies

The standard applies to any entity whose functional currency is the currency of a hyperinflationary economy. In the Group's consolidated financial statements, the standard applies to a subsidiary in Turkey, where the cumulative three-year inflation rate has resulted in Turkey being classified as a hyperinflationary economy within the scope of IAS 29.

IAS 29 requires that financial statements concerned be restated by applying a general price index:

- › Monetary balance sheet positions are not restated.
- › Non-monetary balance sheet positions measured at cost or amortized cost are restated prior to translation into the Group currency on the basis of a price index used to measure the purchasing power in order to account for price changes that have occurred during the business year.
- › Positions of the Statement of Profit or Loss and Other Comprehensive Income as well as positions of equity are also adjusted on the basis of this price index, as appropriate.
- › Gains and losses from the net monetary position are recognized in other financial result within the consolidated income statement.
- › The previous year's figures were not restated upon translation of the local financial statements into the reporting currency.
- › The individual income statement positions were translated on the basis of the average spot exchange rate on the balance sheet date.

The financial statements of the Turkish subsidiary – previously based on the concept of historical acquisition and construction costs were restated as of January 1, 2022, according to the criteria of IAS 29. The price index used was the CPI 2003 consumer price index published by the Turkish Statistical Institute.

As at 31/12/2022, the price index stood at 1,128.5. The index changes in the course of the financial year 2022 are shown in the following table:

Date	Index	Change
31/12/2021	687.0	
31/1/2022	763.2	11.10%
28/2/2022	799.9	4.81%
31/3/2022	843.6	5.46%
30/4/2022	904.8	7.25%
31/5/2022	931.8	2.98%
30/6/2022	977.9	4.95%
31/7/2022	1,001.0	2.37%
31/8/2022	1,015.7	1.46%
30/9/2022	1,046.9	3.08%
31/10/2022	1,084.0	3.54%
30/11/2022	1,115.3	2.88%
31/12/2022	1,128.5	1.18%



8. Operating segments

The definition of operating segments and the presentation of segment results are based on the management approach required by IFRS 8 and follow internal reports to the Managing Board of Wienerberger AG as the chief operating decision maker, i.e. the body that decides on the allocation of resources to the individual segments.

The business activities of the Wienerberger Group are managed by business areas and regions. In the Wienerberger Building Solutions segment we report on our business in ceramic solutions for the building envelope and our concrete paver activities. The Wienerberger Piping Solutions segment comprises our European plastic pipe business and our ceramic pipe activities. Business in North America is reported jointly in the North America segment. The activities of the holding companies are allocated to the segments on the basis of the capital employed of the business areas.

Reports to the responsible chief operating decision maker include EBITDA as the key indicator for the management of the operating segments as well as revenues, EBIT, operating EBIT, interest result and profit/loss after tax. Accordingly, these indicators are also presented in the segment report. The split of these KPIs is based on the country of the individual companies' registered offices.

Investments for maintenance of the industrial base are shown as "maintenance capex", while investments in the expansion and optimization of plants, the development of new products, environmental and/or sustainability projects, and digitalization are summarized under "special capex".

The reconciliation of segment results to Group results considers only the elimination of revenues, income and expenses as well as receivables and liabilities arising between the operating segments.

Wienerberger does not generate more than 10 % of its revenues with any single external customer.



Operating Segments in TEUR	Wienerberger Building Solutions		Wienerberger Piping Solutions		North America		Group eliminations		Wienerberger Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External revenues	2,684,884	2,300,500	1,345,680	1,167,342	944,767	498,601			4,975,331	3,966,443
Intercompany revenues ¹⁾	1,358	4,770	374	239	0	0	-331	-145	1,401	4,864
Total revenues	2,686,242	2,305,270	1,346,054	1,167,581	944,767	498,601	-331	-145	4,976,732	3,971,307
EBITDA	662,039	477,583	134,070	127,531	230,140	89,140			1,026,249	694,254
Depreciation and amortization ²⁾	-170,244	-164,240	-75,253	-67,332	-41,170	-31,498			-286,667	-263,070
Operating EBIT ³⁾	491,795	313,343	58,817	60,199	188,970	57,642			739,582	431,184
Impairment charges/reversal of impairment charges to assets	-16,592	0	-1,797	0	0	0			-18,389	0
Impairment charges to goodwill	0	0	0	-10,747	0	0			0	-10,747
EBIT	475,203	313,343	57,020	49,452	188,970	57,642			721,193	420,437
Income from investments in associates and joint ventures	6,563	4,260	0	-121	0	-60			6,563	4,079
Investments in associates and joint ventures	20,420	18,166	0	0	0	0			20,420	18,166
Interest and similar expenses	-50,971	-42,925	-33,710	-23,506	-23,562	-9,590	59,748	35,678	-48,495	-40,343
Interest and similar income	32,135	23,016	17,851	10,380	15,996	4,658	-59,748	-35,678	6,234	2,376
Income taxes	-90,531	-52,698	-8,986	-7,864	-20,283	-1,641			-119,800	-62,203
Profit/ loss after tax	389,129	237,519	34,976	26,912	159,393	48,277	-14,952	-638	568,546	312,070
Liabilities	1,746,490	1,714,051	739,992	677,790	355,708	371,846	-93,355	-8,970	2,748,835	2,754,717
Capital employed	1,972,654	1,787,905	948,607	920,260	571,679	539,901			3,492,940	3,248,066
Assets	3,271,048	3,077,287	1,496,701	1,324,844	751,706	737,297	-320,198	-235,643	5,199,257	4,903,785
Non-current assets held for sale	18,918	1,568	4,213	9,767	0	0			23,131	11,335
Maintenance capex	82,510	78,755	28,878	30,460	23,334	11,143			134,722	120,358
Special capex	124,185	97,355	65,816	50,812	27,850	11,231			217,851	159,398
Ø Employees (in FTE)	12,734	12,427	3,944	3,606	2,400	1,591			19,078	17,624

Revenues in TEUR	Wienerberger Building Solutions		Wienerberger Piping Solutions		North America		Wienerberger Group	
	2022	2021	2022	2021	2022	2021	2022	2021
USA					864,903	459,439	864,903	459,439
Great Britain	483,627	406,565	116,567	53,195			600,194	459,760
Belgium	299,428	248,820	107,457	103,446			406,885	352,266
Netherlands	264,631	234,848	133,339	118,604			397,970	353,452
Germany	266,051	249,983	34,294	34,637			300,345	284,620
Austria	128,583	119,070	162,454	156,895			291,037	275,965
Poland	187,315	185,447	86,608	83,910			273,923	269,357
France	201,495	175,615	45,987	45,011			247,482	220,626
Czech Republic	195,899	156,175	34,144	31,270			230,043	187,445
Norway	13,720	12,100	152,850	133,152			166,570	145,252
Hungary	106,959	83,145	54,798	51,594			161,757	134,739
Sweden	10,798	11,544	121,576	104,980			132,374	116,524
Romania	112,514	96,635	8,971	8,544			121,485	105,179
Finland	14,095	13,063	89,039	77,865			103,134	90,928
Other countries	401,043	312,232	197,723	164,361	79,864	39,162	678,630	515,755
Wienerberger Group	2,686,158	2,305,242	1,345,807	1,167,464	944,767	498,601	4,976,732	3,971,307

1) Intercompany revenues represent the revenues between fully consolidated, at-equity consolidated and non-consolidated Group companies. // 2) Including special write-downs // 3) Adjusted for impairment charges to assets and goodwill and for reversal of impairment charges



Products in TEUR	EBITDA		Total investments	
	2022	2021	2022	2021
Wall	271,223	192,383	82,777	68,428
Facade	308,417	166,912	93,729	79,342
Roof	218,043	158,367	41,169	35,548
Pavers	21,538	23,059	9,705	9,686
Pipes	263,777	187,048	110,326	81,985
Other	-56,749	-33,515	14,867	4,767
Wienerberger Group	1,026,249	694,254	352,573	279,756

Notes to the Consolidated Income Statements

9.Revenues

In the financial year, consolidated revenues increased by 25 % to TEUR 4,976,732 (2021: TEUR 3,971,307), including a positive effect from currency translation in the amount of TEUR 20,255 (2021: TEUR 7,692). The negative foreign-exchange effects resulting from the devaluation of the Turkish lira, the Hungarian forint and the Polish zloty were overcompensated by the appreciation of the US Dollar and the Czech koruna. Group revenues include revenues in the amount of TEUR 9,546 (2021: TEUR 12,093) from construction contracts. Detailed information on revenues by region is provided in the presentation of operating segments on page 267.

The Wienerberger Group generates revenues from the sale of building material and infrastructure solutions for different fields of application. As a rule, revenue is recognized at the time of delivery and, consequently, the transfer of control of the product to the buyer, which usually corresponds to the time of delivery agreed upon in the delivery terms.

The goods are delivered to the customer by Wienerberger's own means of transport or by carriers contracted by Wienerberger. Transport revenues are recognized as part of external revenues, while transport-related expenses are recognized in selling expenses (in gross amounts).

Revenue is adjusted for expected returns and customer bonuses or discounts. Return obligations arise primarily from returnable packaging material, such as pallets. Expected returns are estimated mainly on the basis of historical data of recent years.

In international project business with LLLD (long-length large-diameter) pipes, revenue is recognized over a period of time. In the brick business as well, revenue from selected contracts is recognized over a period of time. This applies, for instance, to customer-specific production or so-called "heritage" products. However, the period of production for such contracts usually does not extend beyond a few days or weeks. Progress made in contract execution during the reporting period is calculated by means of output-oriented methods, for instance on the basis of the volume produced relative to the total volume ordered.

Apart from the sale of products and system solutions, Wienerberger also provides services to customers in the form of digitalized products and services. The current contributions to revenues from such services are immaterial.

The period of time between the transfer of goods and/or services to the buyer and the due date of the receivable is usually less than one year. Wienerberger therefore makes use of the practical expedient not to adjust revenues for a significant financing component. The time of settlement of the receivables depends on the agreed payment terms.



External revenues by reporting segment, broken down by the most important product categories, are as follows:

1-12/2022 in TEUR	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Wienerberger Group
Wall	973,808	0	31,436	1,005,244
Façade	821,526	0	684,605	1,506,131
Roof	762,185	0	0	762,185
Pavers	127,267	0	418	127,685
Pipes	-	1,345,629	228,278	1,573,907
Other	98	51	30	179
Total	2,684,884	1,345,680	944,767	4,975,331

1-12/2021 in TEUR	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Wienerberger Group
Wall	829,334	0	24,321	853,655
Façade	703,077	0	325,532	1,028,609
Roof	645,539	0	0	645,539
Pavers	122,442	0	562	123,004
Pipes	0	1,167,306	148,168	1,315,474
Other	108	36	18	162
Total	2,300,500	1,167,342	498,601	3,966,443

Information on future revenues from contractual performance obligations not yet fulfilled on the balance sheet date is not disclosed, as customer contracts are generally fulfilled within one year. For the same reason, Wienerberger makes use of the practical expedient not to capitalize contract costs, but to expense them as incurred.

10. Material expenses

The cost of goods sold, selling and administrative expenses and other operating income and expenses include expenses for materials, maintenance, merchandise and energy as follows:

in TEUR	2022	2021
Cost of materials	1,142,010	762,492
Maintenance expenses	199,753	149,500
Cost of merchandise	435,388	462,346
Cost of energy	372,927	279,934
Total	2,150,078	1,654,272

The reported expenses were reduced by a change in inventories of semi-finished and finished goods of TEUR 28,268 (2021: TEUR 48,046). This includes adjustments to the cost of goods sold resulting from the recognition of assets for the right to recover products returned from customers. The capitalization of own work and a proportional share of borrowing costs related to the construction of qualified assets amounted to TEUR 1,092 (2021: TEUR 2,054).

Cost of materials consist mainly of expenses for clay, sand, plastics, sawdust and other additives, as well as expenses for pallets and other packaging materials. Maintenance expenses comprise the use of maintenance materials and other low-value spare parts as well as third party services.



11. Depreciation, amortization, impairment charges and reversal of impairment charges

The cost of goods sold, selling and administrative expenses and other operating expenses for the reporting year include TEUR 276,257 (2021: TEUR 251,237) of scheduled depreciation and amortization as well as special write-downs in accordance with IAS 36 of TEUR 10,410 (2021: TEUR 11,833) from the mothballing of plants and/or lines. The impairment tests carried out according to IAS 36 (see Note 22. Non-current assets) resulted in impairment charges to property, plant and equipment and intangible assets in a total amount of TEUR 18,389 (2021: goodwill impairment of TEUR 10,747). There were no reversals of impairment charges in 2022 (2021: TEUR 0).

Depreciation, amortization, impairment charges, and reversal of impairment charges to intangible assets and property, plant and equipment are as follows:

in TEUR	2022	2021
Depreciation	276,257	251,237
Special write-downs	10,410	11,833
Depreciation and special write-downs	286,667	263,070
Impairment charges to property, plant and equipment and intangible assets	18,389	0
Impairment charges to goodwill	0	10,747
Impairment charges	18,389	10,747
Depreciation, amortization, impairment charges and reversal of impairment charges	305,056	273,817

12. Personnel expenses

The cost of goods sold, selling and administrative expenses include the following personnel expenses:

in TEUR	2022	2021
Wages	409,499	364,331
Salaries	412,210	357,156
Temporary personnel	63,370	41,418
Expenses for long-term incentive programs	3,947	3,991
Expenses for severance payments (incl. voluntary severance payments)	4,345	5,693
Expenses for pensions	23,754	15,179
Expenses for statutory social security and payroll-related taxes and contributions	175,718	153,268
Other employee benefits (incl. anniversary bonuses)	45,654	23,176
Personnel expenses	1,138,497	964,212

For the business year 2022, the employees of the Wienerberger Group were granted a vested right to receive a certain number of shares in Wienerberger AG under the Employee Share Participation Program. In the reporting year, vested rights to receive a total of 218,335 shares were granted to employees of the Wienerberger Group. According to IFRS 2, the program was accounted for as a cash-settled share-based payment. Based on the average share price of EUR 23.5 at the grant date, an expense of TEUR 5,131 was recognized in other employee benefits. The obligation of the Group arising from the Employee Share Participation Program was transferred to Mitarbeiterbeteiligungs-Privatstiftung on the basis of individual agreements with all participating Group companies against compensatory payment.

In the reporting year, the fixed remuneration component of the Managing Board members amounted to TEUR 2,325 (2021: TEUR 2,179). The variable components comprise a short-term (STI Short-Term Incentive) and a long-term remuneration component (LTI Long-Term Incentive). The final entitlement to the short-term remuneration component earned in 2022 amounted to TEUR 2,325 (2021: TEUR 2,095) and will be paid out in 2023.



Since 2021, the LTI program for the long-term remuneration component of the Managing Board has been structured as a share-based remuneration program with a performance period of three years and a holding period of another two years for the allocated shares. The fixed salary of the Managing Board member concerned in 2022 is taken as the base amount for 100% target attainment. Maximum target attainment is capped at 150% for Managing Board members and 175% for the CEO.

In accordance with the Remuneration Policy, the following target parameters apply for all members of the Managing Board:

- RTSR (relative total shareholder return), measured against the performance of the reference group
- Return on Capital Employed after tax (ROCE)
- ESG-target: Reduction of group-wide CO₂-emissions compared to 2020

For 2022, the relevant targets and degrees of target attainment for these three categories are as follows:

Target	Weighting	Minimum target performance	100 % Target	Maximum target performance	Actual target achievement 2022	
2022						
RTSR	33.0%	25.0%	50.0%	≥75%	50%	100%
ROCE	33.0%	11.0%	11.5%	12.0%	18,1%	>150 %
CO ₂ emission reduction	33.0%	10.0%	11.7%	12.3%	13,2%	>150 %
2021						
RTSR	33.0%	25.0%	50.0%	≥75%	50%	100%
ROCE	33.0%	10.2%	10.6%	11.1%	18,1%	>150 %
CO ₂ emission reduction	33.0%	5.0%	6.7%	7.2%	13,2%	>150 %

The LTI entitlement for 2022, determined on the basis of target attainment, amounts to TEUR 1,086 for the LTI 2021 and TEUR 1,086 for the LTI 2022 (2021: TEUR 1,122). Depending on the attainment of the targets of the three-year plan, the entitlement from the LTI 2022 will be paid out in 2024; the entitlement from the LTI 2022 will be paid out in 2025. In accordance with the agreement on the LTI, the latter will be paid out at the end of the term, with at least 50% granted in shares and not more than 50% in cash. As target attainment is determined on the basis of a cash amount and the exchange ratio for the share component will therefore be defined at a later date, the fair value of the cash amount was used as a basis for measurement. For the LTI 2021 and the LTI 2022, an expense including incidental costs of TEUR 2,701 before discounting was recognized in the reporting year (2021: TEUR 1,191), of which 50% was recognized in equity for the share portion and 50% as a provision for the cash portion.

In 2020, it was decided to grant a "Special LTI" for the CEO. PSUs (performance share units) can be earned during an observation period from 2021 to 2023. The criteria and the definition of the target parameters for the PSUs for the CEO are shown in the following table:

Parameters	Explanation
Amount granted	2,500 TEUR
Period of performance	3 years with a holding period of another 2 years (vesting period 5 years)
Weighting of targets (PSUs)	70 % EBITDA growth in accordance with the Strategy 2023 30 % ESG targets (see table below)
Basic prerequisite	Annual payout of at least 50 % of the short-term variable bonus (STI); if this target is not met, the allocation of PSUs will be reduced by one third each year
Target achievement	Target achievement is determined linearly between the defined upper and lower limits (PSUs)
Maximum entitlement	Maximum 300 % (max. EUR 4,500 TEUR)
Allocation	Once in 3 years (+ 2 years holding period)
Claw-back, malus, leaver regulation	The provisions of the 2020–2024 Remuneration Policy apply



ESG targets for 2023	Weighting	Minimum target performance	100 % Target	Maximum target performance
CO ₂ reduction compared to 2020	10.0%	>5.0%	15.0%	≥ 30 %
Female employment				
Women in senior management	5.0%	< 10.0 %	15.0%	≥ 22,5 %
Women in white-collar positions	5.0%	< 20.0 %	30.0%	≥ 45,0 %
Increase of training hours per employee compared to 2020	10.0%	> 0.0 %	10.0%	≥ 25,0 %

Based on the increase in EBITDA achieved in 2022 and the projected EBITDA target attainment expected for the following years, as well as the expected attainment of the ESG targets, the expected value of the total PSUs of the Special LTI plan was determined. The number of PSUs was multiplied by the fair value per PSU and the percentage of the vesting period (20%).

Based on preliminarily determined values, an expense of TEUR 500, plus ancillary wage costs of TEUR 44, i.e. a total of TEUR 544 (non-discounted) was recorded in the reporting year and recognized as a provision.

For active members of the Managing Board during the reporting year, expenses for pensions in the form of contributions to pension plans (defined-contribution commitments) of TEUR 579 (2021: TEUR 864) were recorded. In the reporting year, a total of TEUR 1,062 (2021: TEUR 214) was recognized as an addition to the provision for severance pay. An amount of TEUR 130 was paid into pension plans (defined-contribution commitments) for former members of the Managing Board. Furthermore, an amount of TEUR 919 (2021: TEUR 877) was paid out to former members of the Managing Board and their surviving descendants. In 2022, Supervisory Board remuneration (paid out in 2023) amounted to a total of TEUR 963 (2021: TEUR 846 paid out in 2022).

13. Employees

The average number of employees is shown in the following table:

in FTE	2022	2021
Production	12,291	11,293
Sales	4,832	4,482
Administration	1,955	1,849
Total	19,078	17,624
Thereof apprentices	128	99

Changes compared to the previous year primarily result from changes in the scope of consolidation.



14. Other operating expenses

The cost of goods sold, selling and administrative expenses include the following other operating expenses:

in TEUR	2022	2021
Transportation costs for deliveries	309,068	247,626
Purchased services	166,290	127,358
Internal transport expenses	66,480	52,494
License and patent expenses	36,572	25,358
Non income-based taxes	34,858	25,994
Rental and leasing charges	17,499	13,362
Expenses for consumables, office materials and literature	16,171	9,025
Expenses for employee education and training	11,853	7,407
Expenses for environmental protection measures	10,067	12,729
Expenses for commissions	8,188	6,476
Expenses to economic associations	6,319	4,951
Expenses for expected credit losses	5,107	678
Losses on the disposal of fixed assets, excluding financial assets	2,221	2,319
Miscellaneous	74,856	141,364
Other operating expenses	765,549	677,141

The reconciliation of expenses under the total cost method to expenses under the cost of sales method is shown on page 274.

Purchased services predominantly include expenses for legal advisory and miscellaneous consulting services, advertising, insurance, business trips and travel as well as telecommunications. Expenses for the external auditor and members of the auditor's network totaled TEUR 2,775 (2021: TEUR 2,317) for the audit of the consolidated financial statements in the year under review, TEUR 131 (2021: TEUR 176) for other assurance services, TEUR 77 (2021: TEUR 10) for tax consulting services and TEUR 23 (2021: TEUR 111) for other services.

Miscellaneous other expenses consist mainly of expenses for customer claims and research and development. In 2022, research and development expenses amounted to TEUR 19,576 (2021: TEUR 17,004). In the prior year, this position included non-recurring items in connection with acquisitions, which primarily comprised the loss resulting from divestments of production plants and sales offices required by the authorities in the context of the acquisition of the Meridian Brick Group in the amount of TEUR 12,066 and acquisition-related costs of TEUR 11,331.

Expenses for rent and leases, shown under other operating expenses, comprise the following:

in TEUR	2022	2021
Expenses for short-term leases	7,857	5,818
Expenses for leases of low-value assets	2,356	1,922
Expenses for variable lease payments	405	247
Expenses for other lease payments	6,881	5,375
Rental and leasing charges	17,499	13,362

Expenses for other lease payments primarily comprise non-lease components of contracts for land and buildings and other rent and lease payments not within the scope of IFRS 16.



15. Other operating income

The cost of goods sold, selling and administrative expenses include the following other operating income:

in TEUR	2022	2021
Income from the disposal of tangible assets, excluding financial assets	31,788	17,221
Income from rental and lease contracts	5,930	3,961
Subsidies	1,476	1,990
Income from insurance claims	404	261
Miscellaneous	34,683	41,130
Other operating income	74,281	64,563

Other operating income includes revenue-like proceeds that are not part of the Wienerberger Group's principal business activity (TEUR 4,350), in the business year 2022, it also included proceeds from the release of obligations of prior periods (TEUR 1,929), and income from grid feed-ins of electricity (TEUR 946).

16. Reconciliation of results according to the cost of sales and total cost method

In the income statement prepared according to the cost of sales method, expenses are classified by functional area. Under the total cost method, the amounts are shown for each individual category of expenses and adjusted to reflect the increase or decrease in finished and semi-finished goods, own work capitalized and the proportional share of construction-related borrowing costs. The reconciliation of expenses under these two methods is explained below; changes in inventories and the capitalization of costs relating to the construction of qualified fixed assets are included in the cost of materials:

2022 in TEUR	Cost of freight	Cost of materials	Cost of merchandise	Appreciation/ depreciation	Cost of energy	Personnel expenses	Other Income	Other expenses	Total
Cost of goods sold	0	1,271,444	435,388	182,258	363,553	652,448	-3,431	127,774	3,029,434
Selling expenses	309,068	37,424	0	45,163	6,853	296,993	-4,687	168,204	859,018
Administrative expenses	0	3,535	0	26,127	1,725	189,056	-6,135	113,487	327,795
Other operating expenses	0	0	0	51,508	796	0	0	53,741	106,045
Other operating income	0	0	0	0	0	0	-60,028	-6,725	-66,753
	309,068	1,312,403	435,388	305,056	372,927	1,138,497	-74,281	456,481	4,255,539



2021 in TEUR	Cost of freight	Cost of materials	Cost of merchandise	Appreciation/ depreciation	Cost of energy	Personnel expenses	Other Income	Other expenses	Total
Cost of goods sold	0	935,425	460,897	168,986	272,649	545,334	-1,768	150,584	2,532,107
Selling expenses	247,626	21,233	1,449	37,614	5,251	255,202	-4,160	142,714	706,929
Administrative expenses	0	1,326	0	24,186	1,037	163,676	-5,844	91,108	275,489
Other operating expenses	0	0	0	43,031	997	0	0	48,872	92,900
Other operating income	0	0	0	0	0	0	-52,791	-3,764	-56,555
	247,626	957,984	462,346	273,817	279,934	964,212	-64,563	429,514	3,550,870

17. Interest and other financial result

In accordance with the classes of financial instruments defined by IFRS 9, the following items are included in the interest and other financial result:

2022 in TEUR	Total	Loans and receivables AC ¹⁾	FLAC ²⁾	FVtPL ³⁾	Derivatives
Interest and similar income	6,234	4,600			1,634
Interest and similar expenses	-42,683		-35,769		-6,914
Interest expense on lease liabilities	-4,535		-4,535		
Net interest result from defined benefit pension and severance obligations as well as anniversary bonuses	-1,277				
Interest result	-42,261	4,600	-40,304	0	-5,280
Income from third parties (dividends)	993			993	
Income from investments	993	0	0	993	0
Result from the disposal of investments	-1,534				
Valuation of derivative financial instruments	-2,546				-2,546
Impairment of financial instruments	-937	-24		-913	
write-ups on financial instruments	486	309		177	
Valuation of other investments	-2,756			-2,756	
Foreign exchange differences	10,734				
Net result	3,447	285	0	-3,492	-2,546
Bank charges	-5,171				
Other	3,582				
Other financial result	2,851	285	0	-2,499	-2,546
Total	-39,410	4,885	-40,304	-2,499	-7,826

1) loans and receivables carried at amortized cost // 2) financial liabilities carried at fair value through profit and loss // 3) financial assets carried at fair value through profit or loss

Impairments of loan receivables in the amount of TEUR 24 (2021: TEUR 161) and write-ups on financial instruments of TEUR 309 (2021: TEUR 120) are recognized in the financial result. The other financial result includes the gain on the net monetary position according to IAS 29 in the amount of TEUR 672 for the business year 2022.

The fair valuation of derivatives contributed a negative amount of TEUR 2,546 (2021: positive amount of TEUR 3,049) to the result of the period.



2021 in TEUR	Total	Loans and receivables			
		AC ¹⁾	FLAC ²⁾	FVtPL ³⁾	Derivatives
Interest and similar income	2,376	2,295	0	0	81
Interest and similar expenses	-34,485	0	-32,559	0	-1,926
Interest expense on lease liabilities	-4,336		-4,336		
Net interest result from defined benefit pension and severance obligations as well as anniversary bonuses	-1,522				
Interest result	-37,967	2,295	-36,895	0	-1,845
Income from third parties (dividends)	1,167			1,167	
Income from investments	1,167	0	0	1,167	0
Result from the disposal of investments	38				
Valuation of derivative financial instruments	3,049				3,049
Impairment of investments in associates and joint ventures	-8,525				
Impairment of financial instruments	-254	-161	0	-93	
Write-ups on financial instruments	4,421	112		4,309	
Foreign exchange differences	-8,776				
Net result	-10,047	-49	0	4,216	3,049
Bank charges	-3,396				
Other financial result	-12,276	-49	0	5,383	3,049
Total	-50,243	2,246	-36,895	5,383	1,204

1) loans and receivables carried at amortized cost // 2) financial liabilities carried at fair value through profit and loss // 3) financial assets carried at fair value through profit or loss

18. Income taxes

This item includes income taxes paid and owed by Group companies as well as deferred tax charges.

in TEUR	2022	2021
Current tax expense	120,742	75,478
Deferred tax income	-942	-13,275
Income taxes	119,800	62,203



The difference between the Austrian corporate tax rate of 25 % applicable in 2022 (2021: 25 %) and the Group effective tax rate arises on account of the following factors:

in TEUR	2022	2021
Profit/ loss before tax	688,346	374,273
Tax expense at tax rate of 25 %	-172,087	-93,568
Deviating foreign tax rates	6,192	13,707
Tax income and expense from prior periods	-2,142	2,402
Effect of non-taxable income from investments in associates and joint ventures	1,007	597
Change in unrecognized deferred tax assets	87,149	48,470
Permanent differences	-38,701	-32,517
Changes in tax rates	-1,218	-1,294
Effective tax expense	-119,800	-62,203
Effective tax rate in %	17.4%	16.6%

Details on deferred taxes are disclosed in Note 31. Deferred taxes.

19. Earnings per share, proposal for profit distribution

As of the balance sheet date, the number of shares issued totaled 111,732,343 (2021: 115,187,982). As of 31/12/2022, Wienerberger held 5,786,271 treasury shares (2021: 381,910), which were deducted for the calculation of earnings per share. In the reporting year, Wienerberger bought back 8,830,000 own shares for TEUR 213,445 TEUR. In the 2022 financial year, 3,455,639 shares with a nominal value of TEUR 3,456 and a premium of TEUR 87,107 were cancelled. Expenses for the cancelled shares amounted to TEUR 522. This resulted in a weighted average number of 109,883,711 shares outstanding as a basis for the calculation of earnings per share in 2022.

Number of shares	2022	2021
Outstanding	111,732,343	115,187,982
Treasury shares	5,756,271	381,910
Weighted average	109,883,711	113,104,817

Earnings per share of EUR 5.17 were calculated by dividing the profit/loss after tax attributable to equity holders of the parent company by the weighted average number of shares outstanding.

In accordance with the provisions of the Austrian Stock Corporation Act, the dividend payout is based on the separate financial statements of Wienerberger AG as of December 31, 2022, as prepared in accordance with Austrian accounting rules.

These financial statements show a net profit of EUR 104,269,196.62. The Managing Board proposes to the Annual General Meeting that a dividend of EUR 0.90 per share be paid out from the net profit of EUR 104,269,196.62 i.e. EUR 100,559,108.70 on the issued capital of EUR 111,732,343 less a proportional amount of EUR 5,180,643.90 attributable to treasury shares, i.e. EUR 95,378,464.80, and that the balance of EUR 8,890,731.82 be carried forward to new account.



Notes to the Consolidated Statement of Comprehensive Income

The statement of comprehensive income provides a reconciliation of profit/loss after tax to total comprehensive income as defined in IAS 1. Total comprehensive income comprises, in particular, currency translation differences, actuarial gains and losses from the measurement of defined benefit pension plans and similar post-employment benefits and the change in the hedging reserve. The components of comprehensive income are presented after tax.

In the reporting year, pre-tax currency translation differences of TEUR -16,571 (2021: TEUR 58,296) resulted primarily from the US dollar, the British pound, and the Russian ruble. Differences in the amount of TEUR 2,868 (2021: TEUR -9,232) previously recognized in the currency translation reserve were recycled to the Statement of Profit or Loss and primarily resulted from the redemption of Group loans in foreign currencies in the course of the reporting year.

The market valuation of hedging instruments increased the hedging reserve before deferred taxes by TEUR 38,816 (2021: decrease TEUR -12,334). Of this, a total of TEUR 8,359 (2021: TEUR -11,341 TEUR) was related to hedges of net investments in foreign operations and TEUR 30,457 (2021: TEUR -993) to hedges for future transactions (cash flow hedges).

Overall, market value changes of hedging instruments designated in hedges of net investments in foreign operations (net investment hedges) in the amount of TEUR -913 (2021: TEUR 518,) previously recognized in the hedging reserve, were recycled to the Income Statement in the reporting year. Ineffective components of TEUR -1,751 (2021: TEUR 876) were recognized in the Income Statement in the reporting year.

Deferred taxes in the total amount of TEUR -7,781 (2021: TEUR -4,698) were recognized in other comprehensive income. The following table shows the allocation of deferred taxes to the components of other comprehensive income:

in TEUR	2022	2021
deferred taxes on foreign exchange translation	2,141	-3,768
deferred taxed on changes in hedging reserves	-8,945	3,605
deferred taxes on actuarial gains/losses	-977	-4,535
Deferred taxes in other comprehensive income	-7,781	-4,698

In the reporting period, total comprehensive income after tax increased equity by TEUR 592,640 (2021: TEUR 385,000).



Notes to the Consolidated Statement of Cash Flows

The consolidated statement of cash flows of the Wienerberger Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. Cash and cash equivalents (liquid funds) include cash on hand and demand deposits with banks. Securities and current liabilities to banks do not qualify as cash and cash equivalents. The effects of company acquisitions are eliminated and shown separately under net payments made for the acquisition of companies. The amounts reported by foreign Group companies are generally translated at the average exchange rate for the year. Cash and cash equivalents are translated at the exchange rate in effect on the balance sheet date.

As of 31/12/2022, an amount of TEUR 17,912 was put up as cash collateral (2021: 0).

20. Cash flow from operating activities and from investing activities

Owing to the increase in net profit and despite the build-up of working capital, cash flow from operating activities increased to TEUR 723,804 (2021: TEUR 510,563). Working capital build-up was primarily due to the increase in inventories by the amount of TEUR 171,285 (2021: TEUR 95,875).

The acquisition of property, plant and equipment and intangible assets resulted in an outflow of funds totaling TEUR 352,573 (2021: TEUR 279,756). This amount includes TEUR 134,722 (2021: TEUR 120,358) in maintenance capex and TEUR 217,851 (2021: TEUR 159,398) for the expansion and optimization of plants, the development of new products, environmental and/or sustainability projects, and digitalization (special capex). A total of TEUR 52,447 (2021: TEUR 467,136) was paid out for acquisitions (M&A) and on investments in financial assets.

Non-cash additions to non-current assets in the amount of TEUR 80,315 (2021: TEUR 76,030) mainly result from the capitalization of right of use assets and obligations for site restorations.

Cash inflows from the sale of non-current assets amounted to TEUR 65,428 (2021: TEUR 52,932). In the year under review, net cash inflows from the sale of companies in the amount of TEUR 12,100 (2021: TEUR 8,909) resulted from the sale of our business activities in Switzerland in 2020.

The reconciliation of total investments in maintenance and special capex as well as payments made for the acquisitions of companies (M&A) of the Wienerberger Group is as follows:

in TEUR	2022	2021
Maintenance capex	134,722	120,358
Special capex	217,851	159,398
Payments made for investments in tangible and intangible assets	352,573	279,756
Net payments made for the acquisition of companies	52,447	464,730
Payments made for investments in financial assets	0	2,406
M&A capex	52,447	467,136
Total investments including financial assets	405,020	746,892



21. Cash flow from financing activities

The change in financial liabilities, as shown on the balance sheet, results from cash inflows and outflows recognized in cash flow from financing activities on the one hand, and from non-cash changes on the other hand:

in TEUR	Short-term financial liabilities	Long-term financial liabilities	Total financial liabilities
Balance on 1/1/2022	212,995	1,326,108	1,539,103
Cash inflows	116,732	15,434	132,166
Cash outflows	-220,016	0	-220,016
Repayment of lease liabilities	-63,627	0	-63,627
New and amended lease contracts	0	64,935	64,935
Change in scope of consolidation	1,135	5,270	6,405
Market value changes in derivatives	-2,543	0	-2,543
Currency translation differences and other effects	-4,072	-132	-4,204
Reclassifications	166,553	-166,553	0
Balance on 31/12/2022	207,157	1,245,062	1,452,219

in TEUR	Short-term finan- cial liabilities	Long-term finan- cial liabilities	Total financial liabilities
Balance on 1/1/2021	437,720	1,159,795	1,597,515
Cash inflows	321,676	253,458	575,134
Cash outflows	-460,797	0	-460,797
Repayment of lease liabilities	-49,793	0	-49,793
New and amended lease contracts	0	53,421	53,421
Change in scope of consolidation	32,144	24,216	56,360
Market value changes in derivatives	4,592	0	4,592
Repayment of hybrid capital (incl. hybrid coupon)	-225,362	0	-225,362
Currency translation differences and other effects	-14,448	2,482	-11,966
Reclassifications	167,263	-167,263	0
Balance on 31/12/2021	212,995	1,326,108	1,539,103



Notes to the Consolidated Balance Sheet

22. Non-current assets

The development of non-current assets is disclosed on page 286. The figures presented for foreign exchange rate changes represent amounts arising from the use of different exchange rates to translate the assets of foreign companies at the beginning of the year and at year-end.

Wienerberger defines its cash-generating units (CGUs) as plants, which are aggregated into groups of CGUs by division and region. Intangible assets with an indefinite useful life, such as goodwill and trademarks that are not amortized on a scheduled basis, are tested at least annually for indications of impairment in accordance with IAS 36. These intangible assets are allocated to groups of CGUs for the purpose of impairment testing. The carrying amounts are as follows:

in TEUR	Goodwill		Trademarks	
	2022	2021	2022	2021
Wienerberger Building Solutions	415,085	339,655	17,129	18,112
Building Solutions Central & East	59,603	58,634	11,622	12,402
Building Solutions North & West	355,482	281,021	5,507	5,710
Wienerberger Piping Solutions	73,973	148,666	47,098	44,550
WPS Eastern Europe	4,970	0	15,909	14,927
WPS Western Europe	20,182	20,207	18,889	17,323
WPS Northern Europe	25,029	23,941	11,478	11,478
WPS UK/ Ireland	23,792	104,518	822	822
North America	0	0	1,875	1,765
WBS NOAM	0	0	1,875	1,765
Wienerberger Group	489,059	488,321	66,102	64,427

Other intangible assets consist primarily of acquired customer bases totaling TEUR 154,377 (2021: TEUR 163,562), acquired trademarks with an indefinite useful life in the amount of TEUR 66,102 (2021: TEUR 64,427), CO₂ certificates, patents and licenses. Internally generated intangible assets of TEUR 1,261 (2021: TEUR 1,504) were capitalized during the reporting year.

Wienerberger monitors its goodwill on the basis of 9 CGU groups.

In the Wienerberger Building Solutions segment, Wienerberger's brick business is characterized by plants serving entire regions instead of individual countries. In particular, the production and the product portfolio of roof tiles and facing bricks are optimized for an entire region. This also applies to the optimization of the network of clay block plants, although for reasons of efficiency, deliveries of these products are generally made over shorter distances than in the roof tile and facing brick business. In any event, plants close to the German and French borders can also cover most of the Benelux region. Due to the interdependencies in the Western European region, goodwill is managed at regional level in the CGU group of Building Solutions North & West. The CGU group of Bricks and Roof Eastern Europe is characterized by the region's cross-border business and increasing integration of the brick and roof tile business under a single management for both the brick and roof tile segments during the reporting period.

The Wienerberger Piping Solutions (WPS) segment comprises the CGU groups of WPS Eastern Europe, WPS Western Europe, WPS UK/Ireland, and WPS Northern Europe. The business activities of FloPlast and Cork Plastics, two companies acquired in 2021, resulted in goodwill in the amount of TEUR 102,985, which was allocated in 2022 between the CGU groups of Building Solutions North & West and Piping Solutions UK/Ireland according to their relative shares in business activity.

In the North America segment, the CGU groups are distinguished by product group: Bricks North America comprises the entire brick business, and WPS USA comprises the entire American plastic piping business.



The carrying amounts of the goodwill and operating assets allocated to the CGU groups are compared with their recoverable amounts and, if necessary, written down to the lower value in use or, as the case may be, the fair value less cost of disposal. In principle, the recoverability of the tested assets of the CGU groups is determined on the basis of their value in use. If the value in use is lower than the book value of the tested assets, the fair value less cost of disposal is determined additionally. The value in use of a CGU group is generally determined using an income approach by discounting the expected free cash flows at the weighted average cost of capital after tax (WACC) to arrive at the present value.

For the determination of the value in use, the post-tax weighted average cost of capital is derived from external sources on the basis of generally accepted financial methods. The currency translation of the values in use is performed at the exchange rate on the day of the impairment test. An average weighted post-tax WACC of 7.77 % (2021: 6.36 %) was used for impairment testing in the Wienerberger Group, with specific cost of capital rates applied to all markets outside the euro zone. In accordance with IAS 36, all cost of capital rates are interpolated to their pre-tax value for disclosure.



For the purpose of impairment testing, the following pre-tax cost of capital rates and growth rates were used:

in %	Pre-tax WACC	Growth rate
	2022	2022
Wienerberger Building Solutions		
Building Solutions Central & East	12.25	2.63
Building Solutions North & West	10.88	1.18
Building Solutions Emerging Markets	15.75	6.54
Wienerberger Piping Solutions		
WPS Eastern Europe	13.87	2.24
WPS Western Europe	10.86	1.31
WPS Northern Europe	10.12	1.84
WPS UK/ Ireland	10.65	1.98
Building Materials North America		
WBS NOAM	12.30	1.51
WPS USA	13.70	1.44
Wienerberger Group	11.81	1.84

In 2021, the following pre-tax cost of capital rates and growth rates were used, based on the then relevant CGU structure:

in %	Pre-tax WACC	Growth rate
	2021	2021
Wienerberger Building Solutions		
Bricks and Roof Eastern Europe	10.28	3.67
Bricks Russia	13.85	2.06
Bricks and Roof Western Europe	9.47	1.99
Bricks Finland and Baltics	8.75	2.00
Bricks Italy	11.45	1.63
Bricks India	14.51	6.83
Pavers Semmelrock	10.48	3.80
Wienerberger Piping Solutions		
Pipes Pipelife East	11.42	3.16
Pipes Pipelife West	8.99	2.36
Pipes Steinzeug Group	9.49	1.88
North America		
Bricks North America	9.21	2.37
Pipes North America	9.29	2.39
Wienerberger Group	9.73	2.62



The expectation of future cash surpluses is based on the latest internal plans prepared by the top management and approved by the Managing Board and the Supervisory Board for the period from 2023-2026. These mid-term plans do not include the earnings potential of future strategic growth investments, such as potential acquisitions. Planned expansion investments that concern individual production lines and the related contributions to a CGU's results are eliminated for the determination of the value in use.

The quality of these mid-term plans is reviewed on a regular basis by way of a variance analysis comparing the projected data with actual results, which are then incorporated into the subsequent planning process in the form of corrections. The calculation is based on four detailed planning periods (2023-2026); based on the going-concern assumption, the surplus cash inflows in the following planning period are assumed to be sustainable over the long term and used as the basis for determining the present value of the terminal value. These perpetual cash flows are based on the assumption of country-specific growth rates derived from an external source (IMF, October 2022, World Economic Outlook Database). In the interest of long-term growth, profits are deemed to be fully retained to be used in future for the provision of production capacities. Wienerberger tests its assets for impairment at least annually in connection with the corporate planning process. If interim forecasts or analyses indicate a significant negative variance from the original plan, the cash-generating unit concerned is again tested for impairment. In such cases, the impairment tests are recalculated on the basis of updated planning data and extended by a sensitivity analysis to include stress tests. Similarly, impairment tests are updated in the event that any external factors change significantly.

Assumptions regarding the future development of local markets, sales and prices constitute the decisive factors for determining the value in use. Therefore, the value in use is determined on the basis of forecasts published by statistical agencies and international organizations as well as management's experience. The estimates for cost structures are based primarily on the extrapolation of historical values and incorporate macroeconomic forecasts for the most important production factors, such as energy prices, plastic granulate prices, and wage and salary trends.

As a consequence of the outbreak of the Russia-Ukraine conflict in the first quarter of 2022, the operational brick business in Russia and the operationally dependent façade business in Estonia had to be subjected to an impairment test. In the light of decreased long-term earnings expectations and due to increasing costs of capital, an impairment charge to non-current assets of the Wienerberger Building Solutions segment in the amount of TEUR 16,592 had to be recorded. Applying a weighted average cost of capital (WACC) after tax of 22.65% for Russia and 7.38% for Estonia, a value in use of approximately TEUR 6,012 was determined for the CGUs concerned. Based on 9.22% WACC after tax, the Northern European piping business, which is part of the Wienerberger Piping Solutions segment, was written down by TEUR 1,797 in the fourth quarter of 2022.

Non-current assets include land with a value of TEUR 413,009 (2021: TEUR 411,575). As at the balance sheet date, commitments for the purchase of property, plant and equipment amounted to TEUR 57,082 (2021: TEUR 52,279).

The balance sheet item investment property includes real estate and buildings with a carrying amount of TEUR 37,921 (2021: TEUR 43,905), that are not used in current business operations. These assets are scheduled for sale over the medium to long term and are therefore classified as investment property. The fair values of these assets derived from comparable transactions are measured at level 2 in the fair value hierarchy according to IFRS 13 and are estimated at TEUR 86,078 (2021: TEUR 90,945). The fair value was determined mainly on the basis of purchase offers from third parties for the properties concerned or on the basis of prices observable in the market for similar properties. In 2022, these properties generated rental and other income of TEUR 1,423 (2021: TEUR 1,532). Expenses for investment property that generated rental income in the year under review amounted to TEUR 276 (2021: TEUR 100); expenses in the amount of TEUR 3,076 (2021: TEUR 2,011) were incurred for investment property that did not generate rental income. Investment property with a carrying amount of TEUR 9,629 (2021: TEUR 5,415) was sold during the reporting year.



Leases

The change in rights of use for leases, reported as part of property, plant and equipment, is recognized as follows:

in TEUR	1.1.2022	Foreign exchange incr./decr.	Change in scope of consolidation	Additions	Deprecia- tion	Disposals	31/12/2022
Land and buildings	153,058	-866	1,616	30,514	19,864	6,910	157,548
Machinery and equipment	7,118	-158	57	1,315	2,936	522	4,874
Fixtures, fittings, tools and equipment	75,114	167	108	41,027	38,961	543	76,914
Right-of-use asset leases	235,290	-857	1,781	72,856	61,761	7,975	239,336

in TEUR	1.1.2021	Foreign exchange incr./decr.	Change in scope of consolidation	Additions	Deprecia- tion	Disposals	31/12/2021
Land and buildings	141,682	1,287	7,004	26,642	18,417	5,140	153,058
Machinery and equipment	6,860	65	236	3,099	3,052	90	7,118
Fixtures, fittings, tools and equipment	60,255	1,059	16,095	32,664	29,386	5,573	75,114
Right-of-use asset leases	208,797	2,411	23,335	62,405	50,855	10,803	235,290

Wienerberger primarily rents vehicles, office space, storage facilities, production sites and showrooms. Lease contracts are negotiated individually under different terms and conditions. Plant and equipment include rented vehicles.

In the interest of operational flexibility, contracts for real estate, in particular, frequently include extension and termination options. In individual cases, unlimited contract terms with termination options are agreed upon. In principle, long contract terms are assumed, with due consideration given to contractual and economic factors. In the majority of cases, the exercise of extension options and/or the non-exercise of termination rights are assumed. The group's material lease contracts do not contain purchase options.

Details on lease liabilities, including an analysis of maturities, are disclosed in Note 32. Liabilities. For a break-down of other expenses for rent and leases, see Note 14. Other operating expenses.



Asset table in TEUR	Acquisition or construction costs						Depreciation and amortization							Balance on 31/12/2022	Carrying amount 31/12/2022
	Balance on 1/1/2022	Change in scope of con- solidation	Foreign exchange incr./decr	Additions	Disposals	Transfers	Balance on 1/1/2022	Foreign exchange incr./decr	Depreciation/ amortization	Special write- downs and Impairments	Disposals	Transfers			
Goodwill ¹⁾	923,133	10,310	1,862	0	9,540	267	926,032	434,812	11,701	0	0	9,540	0	436,973	489,059
Other intangible assets	590,168	15,187	-8,947	26,326	6,818	-7,918	607,998	221,118	-3,834	39,532	5,308	2,804	-9,033	250,287	357,711
Intangible assets and goodwill	1,513,301	25,497	-7,085	26,326	16,358	-7,651	1,534,030	655,930	7,867	39,532	5,308	12,344	-9,033	687,260	846,770
Land and buildings	1,672,642	15,516	2,640	80,889	17,747	-12,677	1,741,263	667,081	967	52,104	12,319	4,438	-19,109	708,924	1,032,339
Machinery and equipment	2,835,844	8,670	8,796	78,171	75,873	51,128	2,906,736	2,025,195	8,929	129,079	8,379	76,498	-46,433	2,048,651	858,085
Fixtures, fittings, tools and equipment	296,538	662	456	51,514	15,901	-433	332,836	172,416	-153	54,211	1,639	15,325	-5,262	207,526	125,310
Assets under construction	177,708	2,959	-3,343	195,252	821	-117,167	254,588	1,887	-90	0	899	225	-1,034	1,437	253,151
Property, plant and equipment	4,982,732	27,807	8,549	405,826	110,342	-79,149	5,235,423	2,866,579	9,653	235,394	23,236	96,486	-71,838	2,966,538	2,268,885
Investment property	89,824	36	161	736	16,730	4,619	78,646	45,919	-91	1,331	255	7,100	411	40,725	37,921
Intangible assets and property, plant and equipment	6,585,857	53,340	1,625	432,888	143,430	-82,181	6,848,099	3,568,428	17,429	276,257	28,799	115,930	-80,460	3,694,523	3,153,576

1) Disposal of previously impaired goodwill of IGM Cigiana d.o.o. (deconsolidated in 2022)

Asset table in TEUR	Acquisition or construction costs						Depreciation and amortization							Balance on 31/12/2021	Carrying amount 31/12/2021
	Balance on 1/1/2021	Change in scope of con- solidation	Foreign exchange incr./decr	Additions	Depreciation	Transfers	Balance on 1/1/2021	Foreign exchange incr./decr	Depreciation/ amortization	Special write- downs and Impairments	Disposals	Transfers			
Goodwill	798,311	96,518	28,304	0	0	0	923,133	403,390	20,675	0	10,747	0	0	434,812	488,321
Other intangible assets	442,748	126,703	10,013	14,591	5,925	2,038	590,168	192,099	4,221	31,814	814	4,946	-2,884	221,118	369,050
Intangible assets and goodwill	1,241,059	223,221	38,317	14,591	5,925	2,038	1,513,301	595,489	24,896	31,814	11,561	4,946	-2,884	655,930	857,371
Land and buildings	1,451,249	159,311	23,701	64,779	32,545	6,147	1,672,642	628,122	8,139	52,810	4,499	18,687	-7,802	667,081	1,005,561
Machinery and equipment	2,720,022	75,487	45,847	96,444	143,721	41,765	2,835,844	2,001,988	33,282	121,979	5,454	129,856	-7,652	2,025,195	810,649
Fixtures, fittings, tools and equipment	252,370	18,323	3,977	46,737	23,740	-1,129	296,538	146,444	1,981	42,284	545	17,148	-1,690	172,416	124,122
Assets under construction	109,943	6,756	338	132,760	605	-71,484	177,708	1,511	402	0	521	691	144	1,887	175,821
Property, plant and equipment	4,533,584	259,877	73,863	340,720	200,611	-24,701	4,982,732	2,778,065	43,804	217,073	11,019	166,382	-17,000	2,866,579	2,116,153
Investment property	103,518	0	1,532	475	13,203	-2,498	89,824	53,351	345	2,350	0	7,788	-2,339	45,919	43,905
Intangible assets and property, plant and equipment	5,878,161	483,098	113,712	355,786	219,739	-25,161	6,585,857	3,426,905	69,045	251,237	22,580	179,116	-22,223	3,568,428	3,017,429



23. Investments

Investments in associates and joint ventures as well as other investments comprise the following:

in TEUR	2022	2021
Investments in associates and joint ventures	20,420	18,166
Investments in subsidiaries	58	58
Other investments	16,297	17,261
Financial Investments	36,775	35,485

24. Inventories

in TEUR	2022	2021
Raw materials and consumables	258,614	223,700
Semi-finished goods	139,873	121,776
Finished goods and merchandise	631,613	532,196
Prepayments	6,111	5,629
Inventories	1,036,211	883,301

Pallets are included in raw materials and consumables. Clay purchased from third parties is presented together with clay extracted from the Group's own pits under semi-finished goods. Write-downs of inventories of TEUR 9,857 (2021: TEUR 9,947) were recognized for products with a net realizable value (selling price less selling and administrative expenses) lower than their acquisition or production costs.

25. Receivables, securities and other financial assets

Loans and receivables

in TEUR	2022			2021		
	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Trade receivables from third parties	373,645	373,645	0	343,006	343,006	0
Trade receivables from subsidiaries	869	869	0	410	410	0
Trade receivables	374,514	374,514	0	343,416	343,416	0
Financial receivables from subsidiaries	21,145	21,145	0	21,425	21,425	0
Receivables arising from loans	6,483	6,483	0	8,086	8,086	0
Loans granted	27,628	27,628	0	29,511	29,511	0
Loans and receivables AC ¹⁾	402,142	402,142	0	372,927	372,927	0

1) financial assets at amortized cost



Trade receivables include contract assets of TEUR 1,603 (2021: TEUR 1,165) from customer-specific production orders. They represent a conditional right to consideration for complete performance of the contractual obligations by Wienerberger.

Loans and receivables are recognized at amortized cost and adjusted to reflect weighted expected credit loss. Valuation allowances are deducted directly from receivables and other assets. In accordance with the derecognition criteria of IFRS 9, receivables sold (factoring) are derecognized. As of December 31, 2022, trade receivables in the amount of TEUR 124,954 (2021: TEUR 115,042) had been sold to third parties. Trade receivables in a total amount of TEUR 2,271 (2021: TEUR 1,520) are secured by notes payable.

Financial receivables from subsidiaries result from loans granted to companies consolidated at equity and other investments.

Financial assets measured at fair value through profit or loss in a total amount of TEUR 22,453 (2021: TEUR 25,352) include securities of TEUR 5,554 (2021: TEUR 6,285) recognized in current assets, derivatives of TEUR 602 (2021: TEUR 1,748) and other investments recognized in non-current assets amounting to TEUR 16,355 (2021: TEUR 17,319).

Financial assets at fair value through profit or loss

2022 in TEUR	Carrying amount	Market value	Market value changes recog. in financial result	Ø Effective interest rate in %
Shares in funds	5,146	5,146	153	0.22
Stock	76	76	0	-
Other	332	332	0	-
Securities	5,554	5,554	153	

2021 in TEUR	Carrying amount	Market value	Market value changes recog. in financial result	Ø Effective interest rate in %
Shares in funds	5,881	5,881	78	0.19
Stock	64	64	0	-
Other	340	340	0	-
Securities	6,285	6,285	78	

Securities are held for short-term investment of excess liquidity and to cover pension and severance obligations; they primarily include shares in funds and stock, which are accounted for at fair value. Market value changes are recognized in financial result. As of the balance sheet date, no debt instruments measured at fair value through other comprehensive income were held.



Derivatives

in TEUR	2022		2021	
	Carrying amount	Market value	Carrying amount	Market value
Derivatives designated in cash flow hedges	31,086	31,086	1,893	1,893
Derivatives designated in net investment hedges	8,026	8,026	876	876
Other derivatives	602	602	1,748	1,748
Derivatives with positive market value	39,714	39,714	4,517	4,517

The balance sheet item of securities and other financial assets can be broken down as follows:

in TEUR	2022	2021
Loans granted	27,628	29,511
Securities	5,554	6,285
Derivatives hedge accounting	39,112	2,769
Other derivatives	602	1,748
Securities and other financial assets	72,896	40,313

26. Other receivables

in TEUR	2022			2021		
	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Receivables from current taxes	12,488	12,488	0	10,718	10,718	0
Right-of-return asset	26,551	26,551	0	14,461	14,461	0
Prepaid expenses and deferred charges	16,586	13,928	2,658	14,471	13,576	895
Miscellaneous receivables	84,744	80,386	4,358	94,422	90,526	3,896
Other receivables	127,881	120,865	7,016	123,354	118,563	4,791

Assets for the right to recover products from customers (right-of-return assets) result from the accounting of rights of return, such as returnable pallets. The remaining other receivables mainly include receivables from tax authorities and social security institutions.



27. Non-current assets held for sale

In the second quarter of 2022, Wienerberger announced the sale of its Russian activities in a management buyout as a consequence of the Russia-Ukraine conflict. The related assets and liabilities were recognized as a disposal group according to IFRS 5. The negotiations with the buyer were finalized in the fourth quarter. The closing of the transaction, which is subject to approval by the responsible authorities, is expected for the first half of 2023. "Assets held for sale" are defined as assets available for immediate sale in their current condition, the sale of which is highly probable to occur. Liabilities to be disposed of together with the assets in a single transaction are part of the disposal group.

As of 31/12/2022, "non-current assets held for sale" primarily comprise inventories and cash and cash equivalents in the amount of TEUR 23,131. The amount of TEUR 11,335 shown in the previous year exclusively comprised the disposal group in France in the Piping Solutions segment (see also Note 3). Liabilities associated with assets held for sale in the amount of TEUR 14,760 (2021: TEUR 0) as of 31/12/2022 primarily comprise other liabilities, provisions and intercompany liabilities. Reserves included in equity amounting to TEUR -40,059, primarily resulting from currency translation and long-term Group financing, which are linked to the disposal group.

28. Group Equity

The development of Group equity in 2022 and 2021 is shown on page 258.

The 153rd Annual General Meeting of Wienerberger AG on May 3, 2022, authorized the Managing Board for a period of 30 months to buy back own shares of up to 8% of the share capital at a price of no less than one euro and no more than twice the stock exchange price of May 3, 2022 per share. Moreover, the Managing Board was authorized, subject to approval by the Supervisory Board, but without further resolution by the Annual General Meeting, to cancel own shares (authorization valid for a period of 30 months) or to resolve to sell and/or use them other than on the stock exchange or by public offering (authorization valid for a period of five years). This authorization replaces the authorization to buy back or sell own shares granted by the Annual General Meeting on May 5, 2020.

The 150th Annual General Meeting held on May 6, 2019, approved authorized capital of EUR 17,452,724. This authorization covers an ordinary capital increase by contributions in cash or in kind within a period of five years, subject to approval by the Supervisory Board. The share capital can be increased by a maximum of EUR 17,452,724 through the issue of up to 17,452,724 new bearer shares with the possibility of excluding subscription rights for fractional amounts. The capital increase can be carried out in several tranches, if necessary. The type of shares, the issue price and the issue conditions are to be determined by the Managing Board, subject to approval by the Supervisory Board. In principle, the shareholders have statutory subscription rights. However, the Managing Board was authorized to exclude the shareholders' statutory subscription rights in two special cases: first, for a capital increase in case of a contribution in kind for the granting of shares as currency for the acquisition of companies, parts of companies or participations in companies, and second, for multiple allotments in connection with the placement of new shares by the company (greenshoe). The number of shares issued subject to the exclusion of subscription rights must not exceed 5,817,574.

Wienerberger's group equity amounted to TEUR 2,450,422 as of December 31, 2022, compared to TEUR 2,149,068 in the previous year. Profit after tax increased equity by TEUR 568,546 (2021: TEUR 312,070). The other components of comprehensive income led to an increase in equity by a further TEUR 24,094 (2021: increase of TEUR 72,930) net of deferred taxes. In addition, the change of TEUR 1,351 in the stock option plan was recognized in capital reserves (see detail note 12) and retained earnings were increased by the effect of the first-time application of IAS 29 in the amount of TEUR 4,679. As of December 31, 2022, the share of equity in total assets amounted to 47.1 % (2021: 43.8 %), and net debt decreased from TEUR 1,134,483 in 2021 to TEUR 1,079,292.

At the end of the financial year, total non-controlling interests amounted to TEUR 1,571 (2021: TEUR 900).

The share capital of Wienerberger AG totaled EUR 111,732,343 as of December 31, 2022, and is divided into 111,732,343 no-par value shares that all carry the same rights. All shares are fully paid in. A dividend of EUR 0.75 per share was paid out in 2022, i.e. TEUR 86,391 less TEUR 2,520 for treasury shares (pro rata), or TEUR 83,871 in total.



In the reporting year, Wienerberger bought 8,830,000 own shares for a price of TEUR 213,445, including transaction costs of TEUR 1,354. On October 20, 2022, the Managing Board resolved to cancel 3,455,639 shares with a nominal value of TEUR 3,456 and a premium of TEUR 87,107. Transaction costs for the cancellation of shares amounted to TEUR 522.

Retained earnings of TEUR 1,677,900 (2021: TEUR 1,189,703) include the retained earnings of Wienerberger AG and all retained earnings of subsidiaries not eliminated during capital consolidation. Group results for 2022, excluding the share of profit or loss attributable to non-controlling interests, are included in retained earnings.

Other reserves include the components of other comprehensive income. These include actuarial gains and losses from pension and severance pay plans, which are not subsequently reclassified to profit or loss. The remaining other reserves include those components of other comprehensive income which, as a matter of principle, must be reclassified to profit or loss. The currency translation reserve includes all differences from foreign currency translation after tax that are recognized in other comprehensive income, with the differences from companies reported at equity presented separately. The hedging reserve includes market value changes in the value of hedging instruments that are recognized in other comprehensive income. These hedge accounting transactions comprise hedges of net investments in foreign operations (net investment hedges) as well as hedges for foreign currency transactions (cash flow hedges).

Change of control clauses are included in the employment contracts of the members of the Managing Board, the terms and conditions of the 2018 and 2020 corporate bonds, and in various syndicated term loans and other loans.

29. Provisions

in TEUR	1/1/2022	Foreign exchange incr./decr.	Change in scope of consolidation	Reversal	Use	Addition	31/12/2022
Provisions for warranties	27,744	-390	22	1,716	4,761	11,131	32,030
Provisions for site restoration	58,277	1,114	0	6,598	17,215	14,196	49,774
Miscellaneous non-current provisions	12,649	1	-3	421	4,208	13,443	21,461
Other non-current provisions	98,670	725	19	8,735	26,184	38,769	103,264
Taxes provision	2,027	24	0	137	338	167	1,743
Other current provisions	42,539	-72	288	7,015	42,258	65,576	59,058
Current provisions	44,566	-48	288	7,152	42,596	65,743	60,801
Other provisions	143,236	677	307	15,887	68,780	104,512	164,065

Miscellaneous non-current provisions primarily include other non-current employee-related and environmental provisions. Other current provisions mostly include restructuring provisions as well as other current employee-related provisions.



30. Employee benefits

in TEUR	2022	2021
Provisions for severance payments	22,041	26,762
Provisions for pensions	41,597	61,625
Provisions for anniversary bonuses	10,231	11,787
Employee-related provisions	73,869	100,174

The relevant accounting and valuation principles are described on page 313.

The company is exposed to various risks in connection with the plans for post-employment benefits. In addition to general actuarial risks, such as an increase in the life expectancy for retirement benefits and interest rate risks, the company is also exposed to foreign exchange risks or investment risks on the capital markets.

Pension Obligations

Wienerberger has made pension commitments to employees in the Netherlands, Great Britain, Scandinavia, the USA, Canada, Germany and Belgium as well as to selected managers in Austria. Future pension agreements are granted to employees in the form of defined contribution plans. Defined benefit pension agreements have been regularly converted to defined contribution pension models through the transfer of previously earned claims to pension funds. Wienerberger has also made a number of defined pension commitments, mainly to former managers, based on unfunded pension plans; the length of service forms the basis for retirement benefits under these plans. The employees of General Shale Brick Inc. (USA) have a funded defined benefit pension plan as well as an unfunded (retirement) health insurance scheme. Entitlements earned by Dutch employees are satisfied through a defined contribution pension plan, primarily through contributions to an industry-wide pension fund in the Netherlands. In Great Britain, a defined contribution pension plan covers all employees. The companies of thebrickbusiness, acquired in 2004, as well as Baggeridge, acquired in 2007, had defined benefit models; a provision was recognized to reflect these obligations. There are also defined benefit pension plans for the employees of the Steinzeug-Keramo Group. The Pipelife Group has defined benefit pension plans for individual members of the management in the Netherlands, Belgium, Austria and Germany.



The calculations are based on the following weighted average parameters:

Parameters	2022	2021
Discount rate	4.5%	0.6%
Expected salary increases	0.2%	0.2%
Expected pension increases	1.1%	1.5%
Average employee turnover	0.2%	0.0%
Mortality tables		
Austria	AVÖ 2018-P ANG	AVÖ 2018-P ANG
Germany	Heubeck 2018 G	Heubeck 2018 G
USA	Pri.A-2012 Fully Generational with Scale MP 2021	Pri.A-2012 Fully Generational with Scale MP 2021
Great Britain	105% of SAPS "S2" Combined	105% of SAPS "S2" Combined
Belgium	MR-3/FR-3	MR-3/FR-3
Sweden	DUS14/DUS21	DUS14
Canada	CPM Improvement Scale B	CPM Improvement Scale B
Netherlands	AG Prognosetafel 2020	AG Prognosetafel 2020

The country-specific discount rate is based on the average return on first-rate, fixed-interest industrial bonds with a term to maturity that reflects the average maturity of the obligations to employees.

Total pension expenses for 2022 cover both defined contribution and defined benefit pension plans. The current and past service cost and the effects of plan settlements are included operating result and the net interest effect in financial result.

in TEUR	2022	2021
Defined contribution plans	20,998	16,045
Defined benefit plans		
Service cost for defined benefit plans	2,756	2,973
Past service cost	0	-3,839
Net interest cost	912	1,258
Expenses for defined benefit plans	3,668	392
Total expenses for pensions	24,666	16,437

The gross pension obligations can be reconciled to net obligations as shown on the balance sheet by deducting the fair value of plan assets. Of the total net obligations, TEUR 6,870 (2021: TEUR 9,136) is related to the US (retirement) health insurance program. A change in the cost trend for medical services would not have any material impact on the interest cost or the defined benefit pension obligation.



The components of pension obligations and their coverage by plan assets are shown below:

in TEUR	Defined benefit pension obligations		Fair Value of plan assets	
	2022	2021	2022	2021
Value as of 1 / 1	336,707	352,269	275,082	253,954
Change in scope of consolidation	0	55	321	0
Reclassifications	369	0		
Foreign exchange increase/decrease	1,412	16,404	-1,099	13,136
Service cost for defined benefit pension plans	2,756	2,973	0	0
Interest cost	5,780	4,798	0	0
Expected income from plan assets	0	0	4,873	3,540
Effects of plan curtailments	0			
Actuarial gains/losses	-93,605	-21,141	-87,895	10,567
Past service cost	0	-3,839	0	0
Payments to retirees	-15,029	-14,583	-15,149	-14,583
Payments received from employees	143	185	143	185
Settlements	305	0	287	
Payments received from employers	-1,682	-414	18,996	8,283
Value as of 31 / 12	237,156	336,707	195,559	275,082
Fair value of plan assets	-195,559	-275,082		
Net pension obligations	41,597	61,625		
Actuarial gains/losses resulting from pension plans				
Actuarial gains/losses from changes in demographic assumptions	-2,218	-2,836		
Actuarial gains/losses from changes in financial assumptions	-64,123	-5,992		
Actuarial gains/losses from experience adjustments	-27,264	-12,313		
Deviation of return on plan assets	87,895	-10,567		
Actuarial gains (-)/losses (+) in other comprehensive income	-5,710	-31,708		

Pension plan assets consist mainly of the assets of funded defined benefit pension plans in the USA, Great Britain and Pipelife's plan in the Netherlands. The plan assets are invested in shares (31 %; 2021: 45 %), bonds (37 %; 2021: 25 %) and other assets (32 %; 2021: 30 %).



The sensitivity of the gross pension obligation was tested by modifying the major actuarial assumptions individually while keeping all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

	Change of parameter	Increase of parameter	Decrease of parameter
	in basis points (bp)/years	in TEUR	in TEUR
Sensitivity of the gross pension obligation			
Discount rate	+/- 25 BP	-5,941	6,304
Salary increases	+/- 100 BP	316	-219
Employee turnover	+/- 100 BP	-69	70
life expectancy	+/- 1 J	7,020	-7,048

The payments to defined benefit pension plans are expected to total TEUR 9,641 in 2023. As of December 31, 2022, the weighted average duration of the pension obligations was 11.7 years (2021: 12.1 years).

Severance compensation obligations

Legal regulations grant Austrian employees who joined the company before January 1, 2003, the right to a lump-sum payment upon retirement or termination by the employer, the amount of the payment being dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations in France, Italy, Poland and Turkey.

The country-specific discount rate used to calculate the severance compensation obligations under the projected unit credit method was based on the same yield curve used to calculate the pension obligations. The calculations are based on the following weighted average parameters:

Parameters	2022	2021
Discount rate	4.4%	0.7%
Expected salary increases	3.9%	2.6%
Average employee turnover	2.0%	1.9%

The current and past service cost and the effects of settlement payments from defined benefit severance compensation plans are included in operating results, while the net interest effect is included in financial result.

in TEUR	2022	2021
Defined contribution plans	1,726	1,631
Defined benefit plans		
Service cost for defined benefit plans	891	1,174
Past service cost	75	86
Effects of settlements	-791	0
Net interest cost	262	215
Expenses for defined benefit plans	437	1,475
Expenses for severance payments	2,163	3,106



The severance compensation obligations in France are covered by plan assets, which are held in shares (14 %; 2021: 13 %), bonds (76 %; 2021: 78 %) and other assets (10 %; 2021: 9 %).

The following table shows the composition of the severance compensation obligations and their coverage through plan assets:

in TEUR	Defined benefit severance obligation		Fair value of plan assets	
	2022	2021	2022	2021
Value as of 1/1	29,390	33,440	2,628	2,614
Change in scope of consolidation	33	0	0	0
Foreign exchange increase/decrease	-145	-270	0	0
Service cost for defined benefit severance obligations	891	1,174	0	0
Interest cost	282	229	0	0
Expected income from plan assets	0	0	19	14
Effects of settlements	-519	25	0	0
Actuarial gains/losses	-3,411	141	210	0
Past service cost	75	86	0	0
Payments	-1,899	-5,318	0	0
Payments received from employers	-317	-117	0	0
Value as of 31/12	24,380	29,390	2,857	2,628
Fair value of plan assets	-2,857	-2,628		
Net severance compensation obligations	21,523	26,762		
Thereof provision for severance	22,041	26,762		
thereof: market value of plan assets in excess of severance obligations	-518			
Actuarial gains/losses resulting from severance payment plans				
Actuarial gains/losses from changes in demographic assumptions	-103	-1,717		
Actuarial gains/losses from changes in financial assumptions	-1,766	1,694		
Actuarial gains/losses from experience adjustments	-1,542	164		
Deviation of return on plan assets	-210	0		
Actuarial gains (-)/losses (+) in other comprehensive income	-3,621	141		

The sensitivity of the gross severance obligation was tested by modifying the major actuarial assumptions individually while keeping all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

Sensitivity of the gross severance obligation	Change of parameter	Increase of parameter	Decrease of parameter
	in basis points (bp)/years	in TEUR	in TEUR
Discount rate	+/- 25 BP	-528	546
Salary increases	+/- 100 BP	2,103	-1,880
Employee turnover	+/- 100 BP	-285	301



The payments to defined benefit severance compensation plans are expected to total TEUR1,516 in 2023. As of December 31, 2022, the weighted average duration of the severance compensation obligations was 10.2 years (2021: 11.0 years).

31. Deferred Taxes

The following deferred tax assets and deferred tax liabilities as of December 31, 2022, and December 31, 2021 are the result of temporary differences between the carrying amounts of assets and liabilities recorded in the consolidated financial statements and their respective tax bases:

in TEUR	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Intangible assets	1,834	-63,306	930	-64,870
Property, plant and equipment and financial assets	11,704	-147,255	11,240	-131,354
Inventories	5,133	-4,668	4,137	-5,254
Receivables	17,264	-13,075	18,566	-11,413
Miscellaneous receivables	32,880	-47	52,526	-33
	68,815	-228,351	87,399	-212,924
Provisions	19,883	-10,460	23,725	-3,282
Liabilities	63,195	-4,408	61,904	-7,233
Prepayments received	998	-1,132	523	-212
	84,076	-16,000	86,152	-10,727
Tax losses carried forward	262,554		318,220	
Deferred tax assets/liabilities	415,445	-244,351	491,771	-223,651
Unrecognized deferred tax assets	-210,014		-301,262	
Offset within legal tax units and jurisdictions	-143,677	143,677	-116,382	116,382
Recognized tax assets/liabilities	61,754	-100,674	74,127	-107,269

Deferred taxes are calculated on the basis of the tax rates applied or announced to be applied in the individual countries pursuant to tax legislation currently in effect or substantially enacted. In Austria, the Eco-Social Tax Reform Act was published in the Federal Law Gazette on February 14, 2022. It stipulates for a gradual reduction of the corporate income tax rate to 23% as of January 1, 2024. In Austria, the calculation of deferred taxes is therefore based on a corporate income tax rate of 23%.

For the foreign companies, deferred taxes are calculated on the basis of the respective country-specific tax rates, which in the 2022 business year ranged from 0% to 30%.



Deferred tax assets in the amount of TEUR 4,544 were recognized in companies with a negative tax result for the reporting year. Given the underlying mid-term planning, their recoverability is justified.

At Group level, deductible temporary differences and tax loss carryforwards (including pro-rata depreciation and amortization) amounted to TEUR 816,817 (2021: TEUR 1,163,842), for which no deferred tax assets were recognized as their recoverability is not fully evidenced by mid-term planning. Thereof, TEUR 75,479 (2021: TEUR 254,991) relate to deductible temporary differences and TEUR 741,339 (2021: TEUR 908,851) to tax loss carryforwards (including pro-rata depreciation and amortization). This corresponds to unrecognized deferred tax assets of TEUR 210,014 (2021: TEUR 301,262) for temporary differences and tax loss carryforwards.

The following table shows when unused tax losses expire:

in TEUR	2022	2021
Expiry date of unused tax losses ≤ 5 years	8,167	13,742
Expiry date of unused tax losses 6–10 years	1,605	975
Unlimited carryforward of unused tax losses	731,567	894,134
Total of unused tax losses	741,339	908,851

Temporary pro-rata tax depreciation (over 7 years), which is tax-deductible under Austrian law, amounted to TEUR 56,710 (2021: TEUR 61,639) for Wienerberger AG. As in prior year, no deferred tax assets were recognized for this amount.

As of December 31, 2022, taxable temporary differences associated with investments in subsidiaries amounted to TEUR 334,217 (2021: TEUR 281,659), for which no deferred tax liabilities were recognized in accordance with IAS 12.39 (outside basis differences).

32. Liabilities

Liabilities are generally measured at amortized cost, except for derivatives with negative market values, which are measured at fair value.



The remaining terms of the various classes of liabilities are shown in the following tables:

2022 in TEUR	Total	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years
Interest-bearing loans	1,204,554	151,643	904,594	148,317
Lease liabilities	247,633	55,482	97,547	94,604
Financial liabilities owed to subsidiaries	32	32	0	0
Financial liabilities	1,452,219	207,158	1,002,140	242,921
Trade payables owed to third parties	438,481	438,481	0	0
Trade payables owed to subsidiaries	1,086	1,086	0	0
Trade payables	439,567	439,567	0	0
Payables for current taxes	49,636	49,636	0	0
Contract liability	7,876	7,876	0	0
Amounts owed to tax authorities and social security institutions	80,071	80,071	0	0
Refund liabilities	33,872	33,872	0	0
Prepayments received	13,631	11,677	288	1,666
Miscellaneous liabilities	318,595	305,041	1,762	11,792
Other liabilities	454,045	438,537	2,050	13,458
Total liabilities	2,395,467	1,134,898	1,004,190	256,379

2021 in TEUR	Total	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years
Interest-bearing loans	1,293,830	160,677	914,818	218,335
Lease liabilities	245,273	52,318	98,558	94,397
Financial liabilities	1,539,103	212,995	1,013,376	312,732
Trade payables owed to third parties	421,950	421,950	0	0
Trade payables owed to subsidiaries	1,128	1,128	0	0
Trade payables	423,078	423,078	0	0
Payables for current taxes	18,154	18,154	0	0
Contract liability	8,875	8,842	33	0
Amounts owed to tax authorities and social security institutions	71,161	71,871	-710	0
Refund liabilities	18,891	18,891	0	0
Prepayments received	8,697	6,449	383	1,865
Miscellaneous liabilities	316,079	288,081	16,166	11,832
Other liabilities	423,703	394,134	15,872	13,697
Total liabilities	2,404,038	1,048,361	1,029,248	326,429

Leases already concluded but not yet commenced on the balance sheet date have not been taken into account in the valuation of lease liabilities. On the basis of information available on the balance sheet date, such arrangements will result in an increase in right-of-use assets and lease liabilities in the following year by TEUR 9,453 (2021: TEUR 3,268). The entire cash outflow for leases amounted to TEUR 68,162 (2021: TEUR 54,129).



Refund liabilities primarily comprise rights of return recognized for returnable pallets.

Contract liabilities comprise advance payments received from customers and are recognized on the balance sheet in other liabilities. On the balance sheet date, they amounted to TEUR 7,876 (2021: TEUR 8,875). Revenues generated from these orders are recognized at the time of transfer of the goods/services to the customer.

Miscellaneous liabilities include TEUR 85,231 (2021: TEUR 83,815) due to employees and TEUR 173,940 (2021: TEUR 170,569) from accruals for bonuses and other sales deductions due to customers. Prepayments received include TEUR 7,410 (2021: TEUR 6,026) of subsidies and investment grants from third parties, which are reversed to income over the useful life of the related items of property, plant and equipment. In addition to liabilities from current taxes, amounts owed to tax authorities and social security institutions also include tax liabilities of TEUR 50,902 (2021: TEUR 42,341).

Financial liabilities include the following derivatives with negative market values:

Derivatives

in TEUR	2022	2021
Derivatives designated in cash flow hedges	1,278	2,428
Derivatives designated in net investment hedges	3,899	5,301
Derivatives designated in fair value hedges	0	448
Other derivatives	992	534
Derivatives with negative market value	6,169	8,711

Total liabilities include TEUR 2,377,831 (2021: TEUR 2,381,381) of financial liabilities measured at amortized cost, TEUR 11,467 (2021: TEUR 13,945) in other liabilities measured at fair value, TEUR 5,177 (2021: TEUR 8,177) in derivatives designated as hedging instruments, and TEUR 992 (2021: TEUR 534) in other derivatives measured at fair value through profit or loss.



Financial liabilities are expected to result in the following cash flows:

Analysis of contractual cashflows

2022 in TEUR	Carrying amount as at 31/12/2022	Total	< 6 months	6–12 months	1–2 years	2–5 years	> 5 years
Bonds	656,833	-693,000	-16,000	0	-266,000	-411,000	0
Liabilities to banks	540,306	-612,511	-57,849	-104,863	-82,195	-210,673	-156,931
Lease liabilities	247,633	-282,881	-29,520	-25,330	-42,286	-79,641	-106,104
Liabilities to non-banks	1,278	-1,294	-384	-3	-86	-821	0
Financial instruments	1,446,050	-1,589,686	-103,753	-130,196	-390,567	-702,135	-263,035
Interest rate derivatives	3,899	-4,583	-4,583	0	0	0	0
Forward exchange contracts and swaps	2,270	-2,918	-2,208	-710	0	0	0
Derivative financial instruments	6,169	-7,501	-6,791	-710	0	0	0
Carrying amounts/ Contractual cash flows	1,452,219	-1,597,187	-110,544	-130,906	-390,567	-702,135	-263,035

2021 in TEUR	Carrying amount as at 31/12/2021	Total	< 6 months	6–12 months	1–2 years	2–5 years	> 5 years
Bonds	655,488	-709,000	-16,000	0	-16,000	-677,000	0
Liabilities to banks	628,685	-652,922	-65,564	-92,311	-95,545	-178,988	-220,514
Lease liabilities	245,273	-282,192	-29,562	-26,247	-41,359	-64,575	-120,449
Liabilities to non-banks	946	-955	-3	-131	-821	0	0
Financial instruments	1,530,392	-1,645,069	-111,129	-118,689	-153,725	-920,563	-340,963
Interest rate derivatives	8,177	-15,840	-2,497	-2,114	-4,879	-6,350	0
Forward exchange contracts and swaps	534	-4,309	-2,736	-1,573	0	0	0
Derivative financial instruments	8,711	-20,149	-5,233	-3,687	-4,879	-6,350	0
Carrying amounts/ Contractual cash flows	1,539,103	-1,665,218	-116,362	-122,376	-158,604	-926,913	-340,963

The cash flows shown in the above tables include interest paid for both fixed-interest and floating-rate financial liabilities. They were determined on the basis of the interest rates established at the end of the reporting period.



33. Contingent liabilities and guarantees

Contingent liabilities result from obligations to third parties, and include the following:

in TEUR	31.12.2022	31.12.2021
Guarantees	15,050	15,225
Other contractual obligations	2,079	1,582
Contingent liabilities	17,129	16,807

All events reported under contingent liabilities reflect possible future obligations that are contingent upon the occurrence of a future event that is completely uncertain as of the balance sheet date.

34. Financial Instruments

Interest-bearing financial liabilities comprise the following items:

2022	Currency	Nominal value	Market Value	Carrying amount as at 31/12/2022	Effective interest rate
		in 1,000 local currency	in TEUR	in TEUR	in %
Long-term loans	EUR	49,311	48,560	49,311	0.88
	HRK	1,273	179	169	2.18
	TRY	3,839	189	192	17.81
Roll-over	TRY	369,878	18,597	18,526	19.14
Short-term loans	EUR	47,423	46,777	47,423	1.06
	HRK	1,526	209	203	2.01
	TRY	18,987	984	951	22.63
Fixed interest liabilities due to financial institutions			115,495	116,775	

2021	Currency	Nominal value	Market Value	Carrying amount as at 31/12/2021	Effective interest rate
		in 1,000 local currency	in TEUR	in TEUR	in %
Long-term loans	EUR	84,016	84,141	84,016	1.00
	TRY	11,305	677	742	18.18
Roll-over	TRY	46,993	3,084	3,085	18.59
Short-term loans	EUR	52,225	52,460	52,225	1.12
	TRY	58,000	3,742	3,808	19.23
Fixed interest liabilities due to financial institutions			144,104	143,876	



2022	Currency	Nominal value	Market Value	Carrying amount as at	Effective interest rate
				31/12/2022	
		in 1,000 local currency	in TEUR	in TEUR	in %
Long-term loans	EUR	351,537	349,844	351,537	2.70
	TRY	72,475	3,010	3,630	18.07
Roll-over	EUR	520	522	519	9.98
	TRY	141,520	7,116	7,088	19.22
Short-term loans	EUR	52,783	52,710	52,783	2.97
	CAD	894	619	619	-
	BGN	6	3	3	-
	DKK	202	27	27	-
	HRK	62	8	8	-
	NOK	94	9	9	-
	TRY	14,347	697	719	17.69
	USD	7,028	6,589	6,589	-
Derivatives	EUR	246,252	6,169	6,169	-
Variable interest liabilities due to financial institutions			427,323	429,700	

2021	Currency	Nominal value	Market Value	Carrying amount as at	Effective interest rate
				31/12/2021	
		in 1,000 local currency	in TEUR	in TEUR	in %
Long-term loans	EUR	401,667	400,083	401,667	0.45
Roll-over	EUR	17,000	17,006	17,000	0.80
	TRY	221,790	14,649	14,559	26.05
Short-term loans	EUR	47,349	47,350	47,393	0.91
	CAD	995	691	691	-
	CZK	20	1	1	-
	USD	3,962	3,498	3,498	-
Derivatives	EUR	478,453	8,711	8,711	-
Variable interest liabilities due to financial institutions			491,989	493,520	



2022	Currency	Nominal value	Market Value	Carrying amount as at 31/12/2022	Effective interest rate
		in 1,000 local currency	in TEUR	in TEUR	in %
Bonds – fixed interest (long-term)	EUR	650,000	626,585	647,175	2.69
Bonds – fixed interest (accrued interest)	EUR	9,658	9,658	9,658	-
Long-term loans – fixed interest	EUR	898	848	898	0.75
Short-term loans – fixed interest	EUR	264	264	264	-
Short-term loans – variable interest	CAD	122	84	84	-
Lease liabilities (long-term)	diverse		192,151	192,151	-
Lease liabilities (short-term)	diverse		55,482	55,482	-
Financial liabilities owed to subsidiaries	EUR	32	32	32	-
Financial liabilities owed to non-banks				905,744	

2021	Currency	Nominal value	Market Value	Carrying amount as at 31/12/2021	Effective interest rate
		in 1,000 local currency	in TEUR	in TEUR	in %
Bonds – fixed interest (long-term)	EUR	650,000	683,695	645,830	2.69
Bonds – fixed interest (accrued interest)	EUR	9,658	9,658	9,658	-
Long-term loans – fixed interest	EUR	898	910	898	0.75
Short-term loans – fixed interest	TRY	737	48	48	30.76
Lease liabilities (long-term)	diverse		192,955	192,955	-
Lease liabilities (short-term)	diverse		52,318	52,318	-
Financial liabilities owed to non-banks				901,707	

Interest rates (variable, fixed) can be swapped through the conclusion of interest rate swaps. The structure of financial liabilities (variable and fixed interest rates), including the effects of interest rate swaps, is shown on page 321.

35. Derivative financial instruments and hedge accounting

The market value of derivative financial instruments represents the value the company would receive or be required to pay upon settlement as of the balance sheet date. Current market conditions – above all current interest rates, foreign exchange rates and the credit standing of the counterparty – are taken into account. These valuation parameters are observable on the market and are available to all relevant market participants. The fair value of the respective derivative instruments corresponds to the net present value determined by means of recognized mathematical methods, including adjustments according to IFRS 13 (credit value and debit value adjustments – CVA/DVA).

As of December 31, 2022, Wienerberger held foreign exchange forward contracts that were concluded to hedge transactional risks for a period of up to 12 months. The risk positions covered by these hedges are documented in the Group's foreign-currency-based liquidity planning. These derivatives are designated as hedging instruments in cash flow hedges of future transactions, and changes in their market value during the term are recognized in the hedging reserve. The ineffective portion of the change in market value is recognized through profit or loss and consists primarily of the CVA/DVA adjustments as defined in IFRS 13. On the maturity date of the hedge, the cumulative, effective market value differences are reclassified from other comprehensive income to profit or loss.



The Wienerberger Group also holds currency swaps that are used to hedge cash pool and bank account balances in foreign currencies. The foreign currency differences on the bank account balances that are hedged with these instruments are recognized through profit or loss and, consequently, the market value differences of the hedges are also recognized through profit or loss. As these are natural hedges, hedge accounting is not applied.

As of the balance sheet date, two interest rate swaps to partially hedge the interest expense were in effect, which are designated as hedging instruments in cash flow hedges and for which the effective portion of the market value changes were recorded in the hedging reserve. The ineffective part of the market value change is determined by means of the hypothetical derivative method and recognized in profit or loss.

The cross-currency swaps are derivatives that hedge the Group's net investments in various currencies (US dollars, British pounds, Canadian dollars) and are therefore classified as hedges of a net investment in a foreign operation. The effectiveness of these hedges is measured at least quarterly by comparing the cumulative market value changes with the cumulative currency differences of the hedged position, which is represented by a hypothetical derivative. The effective portion of the hedge is recognized in the hedging reserve, and the ineffective portion is recognized in the statement of profit or loss.

	31/12/2022			31/12/2021		
	Currency	Nominal Value in 1,000 local currency	Market Value in TEUR	Currency	Nominal Value in 1,000 local currency	Market Value in TEUR
Forward exchange contracts	NOK	430,852	1,371	NOK	267,939	-385
	GBP	72,986	2,185	GBP	122,286	-2,093
	USD	10,000	18	USD	135,000	237
	DKK	19,000	1	DKK	27,000	0
	CAD	0	0	CAD	30,000	-131
	CZK	207,692	-233	CZK	479,476	-194
	HUF	4,493,824	-264	HUF	2,615,395	318
	PLN	77,403	-495	PLN	33,854	115
	SEK	184,374	352	SEK	263,088	124
	RUB	0	0	RUB	103,262	26
	RON	5,000	4	RON	0	0
	CHF	0	0	CHF	12,500	-448
	BGN	9,500	0	BGN	3,000	0
	HRK	0	0	HRK	5,000	0
	TRY	51,370	-54	TRY	0	0
	EUR	259,487	-595	EUR	199,123	1,365
	USD/NOK	6,212	96	USD/NOK	776	188
	TRY/USD	35,605	-75	TRY/USD	0	0
	USD/TRY	200	8	USD/TRY	0	0
Interest rate swaps	EUR	206,667	27,100	EUR	218,000	1,110
Cross currency swaps	GBP/EUR	85,000	4,609	GBP/EUR	85,000	-2,381
	USD/EUR	120,000	-787	USD/EUR	80,000	-1,240
	PLN/EUR	0	0	PLN/EUR	60,000	876
	CAD/EUR	47,500	304	CAD/EUR	47,500	-15
	CZK/EUR	0	0	CZK/EUR	700,000	-1,666
			33,545			-4,194



36. Disclosure on financial instruments

Financial instruments are classified in three levels that reflect the degree of valuation certainty. Wienerberger uses the following hierarchy to classify financial instruments measured at fair value according to the valuation method used:

- › Level 1: Valuation based on the market price for a specific financial instrument
- › Level 2: Valuation based on the market prices for similar instruments or on valuation models that only use parameters that can be monitored on the market
- › Level 3: Valuation based on models with significant parameters that cannot be monitored on the market

The financial instruments carried at fair value by the Wienerberger Group are generally classified as level 1 (shares in funds and stock; see Note 25. Receivables, securities and other financial assets) or level 2 (other financial assets and derivative financial instruments; see Note 35. Derivative financial instruments and hedge accounting). No items were reclassified between hierarchy levels during the reporting year.

Other securities recognized as financial instruments at fair value through profit or loss are partly classified as level 3 of the valuation hierarchy. They serve as reinsurance for pension obligations and netting against the provision is not permitted.

Investments in subsidiaries and other investments are recognized at fair value, which is determined on the basis of the underlying planning by means of a DCF method. They are therefore classified as level 3 of the valuation hierarchy.

Other liabilities accounted for at fair value are contingent purchase price liabilities in connection with the acquisition of companies referring primarily to a liability of TEUR 10,907 for 20.33% of the outstanding shares in Vargon d.o.o. The put option was discounted on the basis of the agreed purchase price up to the option's exercise date. Therefore, the liability is classified at level 3 of the fair valuation hierarchy. Furthermore, a contingent purchase price liability of TEUR 560 results from other acquisitions. A further amount of TEUR 1,036 results from non-contingent liabilities from acquisitions. The liability for the acquisition of the outstanding 15% share in Vesterled Teglvaerk A/S, Helligsø Teglvaerk A/S and Egersund Tegl a.m.b.a in the amount of TEUR 8,745 recognized in the previous year was paid in 2022.

The following table shows the financial assets and financial liabilities carried at fair value:



Financial assets and financial liabilities carried at fair value

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2022
Assets				
Investments in subsidiaries and other investments			16,355	16,355
Stock	76			76
Shares in funds	5,146			5,146
Other			332	332
At fair value through profit or loss	5,222		16,687	21,909
Derivatives designated in cash flow hedges		31,086		31,086
Derivatives designated in net investment hedges		8,026		8,026
Other derivatives		602		602
Derivatives with positive market value		39,714		39,714
Liabilities				
Derivatives designated in cash flow hedges		1,278		1,278
Derivatives designated in net investment hedges		3,899		3,899
Other derivatives		992		992
Derivatives with negative market value		6,169		6,169
Contingent purchase price liability			11,467	11,467

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2021
Assets				
Investments in subsidiaries and other investments			17,319	17,319
Stock	64			64
Shares in funds	5,881			5,881
Other			340	340
At fair value through profit or loss	5,945		17,659	23,604
Derivatives designated in cash flow hedges		1,893		1,893
Derivatives designated in net investment hedges		876		876
Other derivatives		1,748		1,748
Derivatives with positive market value		4,517		4,517
Liabilities				
Derivatives designated in cash flow hedges		2,428		2,428
Derivatives designated in net investment hedges		5,301		5,301
Derivatives from fair value hedges		448		448
Other derivatives		534		534
Derivatives with negative market value		8,711		8,711
Contingent purchase price liability			13,945	13,945



The development of financial instruments classified under level 3 is shown in the following table:

in TEUR	Investments		Other securities		Contingent purchase price liability	
	2022	2021	2022	2021	2022	2021
Balance on 1/1	17,319	13,159	340	679	13,945	17,558
Additions	1,781	7	0	0	0	0
Change in scope of consolidation	13	16	0	0	10,812	0
Results from valuation in income statement	-2,758	4,150	-8	-339	-3,964	70
Disposals	0	-13	0	0	-9,326	-3,683
Balance on 31/12	16,355	17,319	332	340	11,467	13,945

Wienerberger generally carries loans and receivables as well as liabilities at amortized cost, whereas a provision for expected credit losses on loans and receivables is deducted from loans and receivables in accordance with IFRS 9. The fair value of these liabilities is either observable on the market, which permits classification under level 1 (bonds), or can be derived by means of an income approach-valuation, which permits classification under level 2 (loans).

Trade receivables and trade payables, loans granted, and other receivables and liabilities mostly have a term of less than one year. The respective carrying amounts generally correspond to fair values and are therefore not reported separately.



Financial assets and financial liabilities at amortized cost

in TEUR	Fair Value			Carrying amount as at 31/12/2022
	Level 1	Level 2	Level 3	
Assets				
Other receivables		6,483		6,483
Liabilities				
Long-term loans		401,782		404,839
Roll-over		26,235		26,133
Short-term loans		108,632		109,334
Financial liabilities owed to financial institutions		536,649		540,306
Bonds	636,243			656,833
Long-term loans		848		898
Short-term loans		348		348
Lease liabilities		247,633		247,633
Financial liabilities owed to subsidiaries		32		32
Financial liabilities owed to non-banks	636,243	248,861		905,744
Purchase price liability		1,036		1,036

in TEUR	Fair Value			Carrying amount as at 31/12/2021
	Level 1	Level 2	Level 3	
Assets				
Other receivables		29,871		29,871
Liabilities				
Long-term loans		484,901		486,425
Roll-over		34,739		34,644
Short-term loans		107,742		107,616
Financial liabilities owed to financial institutions		627,382		628,685
Bonds	693,353			655,488
Long-term loans		910		898
Short-term loans		48		48
Lease liabilities		245,273		245,273
Financial liabilities owed to non-banks	693,353	246,231		901,707
Purchase price liability		1,708		1,708



Accounting and Valuation Policies

Revenues: Income from deliveries of goods and the rendering of services is recognized when control of the goods delivered is transferred to the buyer. As a rule, at Wienerberger this corresponds to the time of delivery to the customer.

In individual cases, revenue is already recognized during production, if an asset produced is customer-specific and has no alternative use and Wienerberger has an enforceable right to payment against the customer. In the case of manufacturing contracts revenue is recognized on the basis of production progress and, is generally calculated by means of output-oriented methods (e.g. based on the amount produced relative to the total amount). Revenue from services, however, is calculated by means of an input-oriented method on the basis of the costs incurred by the cut-off date relative to the expected total costs of the contract (cost-to-cost method). Such services include, for instance, 3D models for building design produced within the framework of building information modelling. If the costs for a specific contract are expected to exceed the agreed revenues, a provision for impending losses is recognized.

Variable considerations are recognized in revenue only up to the extent to which it is highly probable that there will be no significant revenue reversals in the future. Revenues are reported net of rebates, discounts, bonuses, penalties and rights of return. The recognition of variable considerations is based largely on historical data. Payments to customers are deducted from revenue, unless they represent payments for distinct goods and services.

Costs of goods sold: The cost of goods sold includes direct material and production costs as well as a proportional share of overhead expenses for production equipment. Other components of the cost of goods sold are fixed production costs that cannot be capitalized due to the underutilization of capacity, impairment charges to inventories and the procurement cost of sold merchandise.

Government grants: Wienerberger recognizes government grants at their fair value under liabilities. Their reversal is reported under other income during the relevant accounting period when there is reasonable assurance that all conditions attached to the grant have been met.

Earnings per share: The calculation of earnings per share is based on Group profit after tax less non-controlling interests, divided by the weighted number of shares outstanding (less treasury shares).

Intangible assets: Identifiable intangible assets purchased by the Group are reported at acquisition cost less straight-line amortization and any impairment charges. Capitalized trademarks which on the date of purchase have been established for a long time and continue in use, are counted as intangible assets with an indefinite period of use to be subjected to annual impairment tests.

Goodwill: In accordance with IFRS 3, goodwill arising through a business combination is allocated to cash-generating units and not reduced through scheduled amortization but tested at least annually for indications of impairment.

Property, plant and equipment: Items of property, plant and equipment are recognized at acquisition cost less straight-line depreciation or usage-based depletion (clay pits). The recognition of internally constructed plant or equipment includes an appropriate component of material and production overheads but excludes general administrative and selling expenses. In accordance with IAS 23, borrowing costs incurred during the production of qualified assets are capitalized as part of acquisition cost and depreciated over their useful life. Research and development expenses at Wienerberger also include the costs for product development, process technology, the improvement of environmental standards and laboratory activities. Development costs are capitalized as part of the related asset category provided they meet the criteria for recognition of IAS 38.



The Group-wide depreciation rates are based on the useful economic lives of the respective assets (component approach) as shown in the following table:

Production plants (incl. warehouses)	10 - 40 years	Other machinery	4 - 30 years
Administrative and residential buildings	40 years	Fittings, furniture and office equipment	4 - 15 years
Building infrastructure	4 - 40 years	Customer bases	5 - 15 years
Kilns and dryers	5 - 30 years	Other intangible assets	4 - 10 years

Repairs that do not increase the useful life of assets are expensed as incurred. In accordance with IFRS 5, scheduled depreciation is discontinued when assets are classified as held for sale.

When plant or equipment is sold or retired, the gain or loss arising from the difference between the net proceeds on sale and the remaining carrying amount or impairment charge is reported in other operating income or expenses.

Leases: Upon conclusion of a contract, Wienerberger, as the lessee, reviews the contract in order to assess if it contains a lease and recognizes the present value of the lease payments as a lease liability and as a right of use, plus initial direct payments and advance payments made, according to IFRS 16.

Payments for short-term leases for a term of not more than 12 months, as well as leases of low-value assets, are treated according to the practical expedient and continue to be recognized linearly as rental and lease expenses over the term of the respective lease.

The Group's activities as a lessor are immaterial.

Impairment of non-financial assets: In accordance with IAS 36, impairment tests are carried out on a regular basis and whenever there is any indication of impairment. Assets are tested separately for impairment when it is possible to allocate distinct cash inflows to the individual asset. Impairment testing involves comparing the carrying amount of an asset with its recoverable amount, which represents the higher of fair value less costs to sell or the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount. Fair value less costs to sell is the price that would be received on the sale of an asset, after the deduction of selling costs. The value in use is determined on the basis of an income approach and represents the present value of expected future cash flows to be derived from the asset or cash-generating unit.

Independent cash flows cannot be allocated to intangible assets with an indefinite useful life. These assets are tested for impairment as part of a cash-generating unit at least annually in accordance with IAS 36.

Reversals of impairment are recorded if the causes for impairment cease to exist or an alternative use is found for the item. In accordance with IAS 36, previously recognized impairment losses to goodwill are not reversed.

Investment property is carried at depreciated cost and, with the exception of land, is depreciated on a straight-line basis.

Investments in associates and joint ventures: Investments in associates over which Wienerberger exercises a significant influence (presumed if the equity stake held is between 20 % and 50 % of the shares) and joint ventures are carried at equity.

Inventories: Inventories are carried at the lower of cost and net realizable value, with valuation based on the moving average price method. Cost includes direct expenses as well as allocated overhead and depreciation based on normal capacity usage (between 85 % and 100 % of capacity). Interest charges as well as



selling and administrative expenses are not included in the production cost of current assets. Risks resulting from the length of storage or other impairments in value are reflected through appropriate write-downs.

Rights of return: When Wienerberger is obliged to take back products returned by the customer, e.g. pallets, the payment expected is accounted for as a refund liability and revenue is reduced by the corresponding amount. At the same time, an asset is recognized for the right to take the returned products back. The refund liability is recognized under other liabilities, while the return asset is reported in other receivables. The estimate of the return rate is based on historical return rates, among other factors.

Emission certificates: In accordance with IAS 20 and IAS 38, Wienerberger uses acquisition cost of zero to report the emission certificates allocated free of charge based on the EU Emissions Trading Directive. If actual emissions exceed the free certificates, a liability is recognized. Purchased certificates are recognized at cost or the lower market price on the balance sheet date.

Spot transactions in financial assets are recognized on the transaction date. A financial asset is derecognized when the contractual rights to cash flows from that asset expire.

Loans and receivables are carried at amortized cost, with identifiable individual risks reflected in appropriate valuation adjustments. Additionally, a discount is recognized for expected credit losses, which in the case of trade receivables is calculated by applying a weighting factor for different economic scenarios. Long-term, interest-free or non-interest-bearing receivables with terms of more than one year are recognized at the discounted net present value and adjusted for expected credit losses, depending on the credit rating of the counter party. Receivables in foreign currencies are measured at the average spot exchange rate on the balance sheet date.

Other investments classified as non-current assets are treated as equity instruments according to IFRS 9 and therefore measured at fair value through profit or loss, with gains and losses resulting from changes in fair values recognized in the financial result.

Securities held for short-term investment in investment funds, corporate debt instruments and equities and reported under short-term assets and measured at fair value, with changes in value being recognized in the income statement or in other comprehensive income, depending on their character (equity instrument or debt instrument). For listed securities the fair value is determined on the basis of stock exchange prices, whereas non-listed financial assets are measured on the basis of discounted cash flows in a DCF (discounted cash flow) model. Valuation gains and losses are recognized in profit or loss.

Derivative financial instruments: Derivative financial instruments are used exclusively to hedge risks arising from business operations. Foreign exchange futures are used to hedge transaction risks, and interest rate swaps serve to optimize the fixed and/or variable interest rate component of financial liabilities. Cross currency swaps are used to hedge net investments in foreign subsidiaries whose accounts are kept in a currency other than the euro. All derivative financial instruments are recognized at fair value upon conclusion of the contract and on the balance sheet date in accordance with IFRS 13, with the counterparty credit risk being taken into account. Current stock exchange prices are used for listed financial instruments; for non-listed interest-bearing financial instruments, the fair values are determined by discounting future payments by using the current market interest rate. According to IFRS 9, derivative financial instruments not designated as hedging instruments are measured at fair value through profit or loss.

Hedge Accounting: Wienerberger applies the IFRS 9 rules to hedge balance sheet items (translation risk) and future cash flows (transaction risk). A cash flow hedge provides protection against fluctuations in future cash flows. Changes in the market value of an effective hedge are recognized in other comprehensive income in the hedging reserve, while non-effective components are recognized in profit or loss within the financial result. The hedge of a net investment in a foreign operation is treated in the same way, with all changes in the value of the effective component of the hedging instrument used shown under the hedging reserve. The hedged risk, i.e. the result from currency translation of the hedged investment, is recognized in other comprehensive income.



Non-current assets held for sale: Wienerberger owns land and buildings that are not used in business operations and for which the Group intends to realize the value of these assets through a sale. In accordance with IFRS 5, non-current assets must be reclassified as held for sale when they are available for immediate sale in their present condition and their sale is highly probable within twelve months from designation. If these requirements are met, the items are reported separately in the balance sheet and measured at the lower of the carrying amount or fair value less costs to sell. Scheduled depreciation is not recognized on assets held for sale.

Cash and cash equivalents include cash on hand, checks received, demand deposits and short-term investments as well as deposits with financial institutions that have a fixed term of up to three months.

Provisions for pensions: The Wienerberger Group has both defined contribution and defined benefit pension plans. Defined contribution plans carry no further obligation for the employer after the payment of premiums. The employer's contributions to these pension plans are reported under expenses for pensions. If any additional contributions have to be made by Wienerberger, a provision will be recognized as for the defined benefit commitments. Under defined benefit plans, the employee is promised a certain retirement benefit. The risk related to the actual retirement benefit is carried by the company up to the time of payment. The provisions for defined benefit pension plans are calculated using the projected unit credit method. The valuation of pension commitments includes future increases in wages/salaries and pensions. The provisions for pensions are calculated by independent actuaries.

Expenses for additions to the provisions for pensions are allocated to the various functional areas. Commitments by US companies to cover medical costs for retired employees are recognized under provisions for pensions because of their pension-like character.

Provisions for severance compensation: Legal regulations grant Austrian employees the right to a lump-sum payment at retirement or termination by the employer, with the amount of the payment being dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations, among others, in France, Italy, Poland and Turkey. The provisions for severance compensation are calculated according to actuarial principles using the projected unit credit method. For Austrian employees, whose employment started after December 31, 2002, the employer contributes 1.53 % of the gross wage or salary each month to an employee severance compensation fund. This is classified as a defined contribution plan in accordance with IAS 19, and the related employer contributions are reported under severance expense.

Provisions for anniversary bonuses: A number of employees in the Wienerberger Group are entitled to long-service bonuses when they reach a specified number of years of employment with the company. Provisions are recognized for these obligations based on the projected unit credit method. Any actuarial gains or losses are recognized immediately in profit or loss.

Provisions for site restoration: In accordance with IAS 37, a provision for site restoration is created when a clay pit is purchased and is reported as an addition to non-current assets according to IAS 16. The underlying assumptions for these obligations are generally based on the regulations applicable in the respective countries. Non-current provisions that are expected to be used after 12 months are discounted and reported at their present value.

Provisions for warranties: Wienerberger provides manufacturer's warranties, especially for clay products, which assure the customer that the products concerned correspond to the contractually agreed specifications. As a rule, such warranties cannot be purchased separately. Such "assurance-type warranties" are recognized in the balance sheet under provisions for warranties according to IAS 37. To calculate the provisions for warranties, single risks are measured, and a risk total is calculated on the basis of empirical values from the past. To this end, losses experienced in the past are evaluated and the extent of potential obligations is derived by means of stochastic methods. "Service-type warranties" representing a separate performance obligation are not concluded with customers within the Wienerberger Group.



Other provisions: Other current obligations that result from a past event and are expected to lead to an outflow of resources, but whose timing or amount are uncertain, are recognized at their full cost in accordance with IAS 37 and reported as provisions.

Deferred taxes: In accordance with IAS 12, the calculation of deferred taxes includes all temporary valuation and accounting differences of assets and liabilities recognized on the balance sheet date and their corresponding tax bases. Deferred tax assets also include tax credit entitlements which arise from the expected use of existing losses carried forward in future years and whose realization is probable. These entitlements are calculated on the basis of planned operating results and the earnings effects from the reversal of taxable temporary differences. Deferred taxes are calculated using the tax rate expected to be in effect when these differences reverse in the future and are based on the local tax rate applicable to the individual Group company. Future changes in tax rates are applied if the relevant legal amendment has been substantially enacted as of the balance sheet date.

Financial liabilities: Liabilities are stated at the actual amount received, less transaction costs. Any premium, discount or other difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method and recognized in financial result. Therefore, the measurement of these items reflects amortized cost. Foreign currency liabilities are translated at the exchange rate in effect on the balance sheet date. Wienerberger has not elected to use the option provided by IFRS 9, which permits the initial recognition of a financial liability at fair value through profit or loss.

Transfer prices: There are several regional supply and delivery relationships between the individual operating segments. Prices for the sale of goods between Group companies are established at arm's length terms based on the resale price method. Prices for the provision of services between Group companies are established at arm's length terms based on the cost-plus method.

37. Foreign exchange translation

The accounts of foreign companies are translated to euros based on the functional currency method. The relevant local currency is the functional currency in all cases, as these companies operate independently in financial, economic, and organizational terms. All balance sheet items, with the exception of equity, are translated at the closing rate at the end of the reporting year (i.e. December 31, 2022). Goodwill is recognized as an asset in local currency and is also translated at the closing rate on the balance sheet date for the consolidated financial statements. Expense and income items are translated at the average exchange rate for the year. The only exception to this principle is the expense and income items of subsidiaries in hyperinflationary economies that are translated at the average spot rate as of the balance sheet date.

Unrealized currency translation differences arising from non-current Group loans are recorded in the translation reserve without recognition in profit or loss. Currency translation differences arising from the use of the closing rate for the balance sheet and the average exchange rate for the income statement are also reported under other comprehensive income.

Cross currency swaps are used to limit the translation risk arising from the Group's business activities in the USA, Canada, Great Britain and certain countries in Eastern Europe. These transactions involve the conclusion of a cross currency swap equal to the value of the foreign currency assets to be hedged.



The most important exchange rates used for foreign currency translation developed as follows during the reporting year:

	Closing rate on		Average rate for the year	
	31/12/2022	31/12/2021	2022	2021
British pound	0.88693	0.84028	0.85276	0.85960
Bulgarian lev	1.95583	1.95583	1.95583	1.95583
Danish krone	7.43650	7.43640	7.43956	7.43703
Canadian dollar	1.44400	1.43930	1.36949	1.48257
Croatian kuna	7.53650	7.51560	7.53487	7.52841
Norwegian krone	10.51380	9.98880	10.10261	10.16333
Polish zloty	4.68080	4.59690	4.68611	4.56518
Romanian lei	4.94950	4.94900	4.93131	4.92148
Russian ruble	77.70000	85.30040	73.33214	87.15272
Swedish krone	11.12180	10.25030	10.62958	10.14646
Czech koruna	24.11600	24.85800	24.56593	25.64049
Turkish lira	19.96490	15.23350	17.40879	10.51237
Hungarian forint	400.87000	369.19000	391.28646	358.51612
US dollar	1.06660	1.13260	1.05305	1.18274



Risk Report

Principles of risk management

The conduct of global operations exposes the Wienerberger Group to a variety of risks that are inseparable from entrepreneurial activities. These risks have an effect on the business segments of the Group and on its assets, liabilities and planned commercial decisions.

Throughout the Group, Wienerberger focuses on the early identification and active management of risks in its operating environment. To this end, regular surveys are being performed among the Managing Board as well as the Business Unit managers and Corporate Function heads in charge in order to update the existing risk catalogue and to identify new risks. In the course of this process, strategic and operational risks are identified along the entire value chain. The impact of these risks on cash flow is assessed and appropriate risk mitigation strategies and measures are adopted and implemented.

Risk situation and operating risks relating to the Group's markets

As a well-diversified and resilient provider of building material and infrastructure solutions, Wienerberger operates in the end markets newbuild, renovation and infrastructure. The Group is dependent on macro-economic parameters in the countries it operates in, which include, in particular, general economic developments and building activities in newbuild and renovation as well as the public construction sector. Consumer confidence, the unemployment rate, long-term interest rates, the availability of financing, tax legislation, building regulations and subsidies for housing construction, the availability of labor for construction sites, as well as other factors beyond the Group's sphere of influence also have an impact on the level of business activity. The economic cycles of the construction industry that influence Wienerberger's business are notably longer than in other sectors and vary in timing from market to market.

Unfavorable developments of any or all of these factors can have a negative impact on demand for Wienerberger products and system solutions, sales volumes, and the price level. Cyclical fluctuations in demand harbor the risk of excess capacity, which in turn may result in increased pressure on prices, lower margins, and revenues that fail to cover production costs. With regard to cost allocation, a distinction must be made at Wienerberger between the ceramics business and the piping business. The share of fixed costs in the ceramics business is higher than that of the plastic piping business due to the comparatively greater intensity of fixed assets. Production capacities are therefore analysed on an ongoing basis and adjusted to market conditions through measures such as temporary or permanent plant closures and the relocation of production to efficient facilities.

In the long term, Wienerberger regards the Central and Eastern European markets with their pent-up demand for new residential construction and infrastructure as growth markets. Weakening demand and a higher pressure on prices in these growth markets may represent risks for the Wienerberger Group.

Moreover, Wienerberger products compete with other building materials, such as concrete, timber, calcium silicate, glass, steel, or aluminium, which exposes the Group to a substitution risk. This also applies to the piping business. Based on our strong position as an industry leader in terms of quality and the development of innovative products, we are making every effort to minimize this risk. Our innovations primarily aim at improving the physical properties of building materials and their cost-efficiency.

Developments in the plastic piping business are largely influenced by raw material prices, which usually correlate with the crude oil price. Synthetic polymers account for a substantial part of plastic pipe production costs. The volatility of raw material prices has increased significantly in recent years. Major fluctuations within a single month call for a flexible pricing policy to keep such price fluctuations under control or pass them on to the market in a targeted manner. In price management, fast reactions are crucial in order to secure sustainable profitability. Alongside the price risk, this business segment is also exposed to a supply risk. Any interruption of supply invariably leads to disruption in production. With few exceptions, alternative raw material suppliers are available to counter the supply risk.

Building material and infrastructure activities are subject to seasonal fluctuations, with quantities sold between April and October being substantially above those sold during the rest of the year. Like the building material and infrastructure sectors as a whole, the Wienerberger Group is partly dependent on weather conditions for its earnings, as long periods of frost and rain slow down construction work and have a notable impact on demand.

To avoid fluctuations in earnings wherever possible, Wienerberger has adopted a strategy of diversification in terms of geography and end markets, while at the same time concentrating on its core business of providing solutions for walls, roofs and façades as well as



pavers and piping systems. Wienerberger has positioned itself as a provider of building material solutions for residential and non-residential construction and infrastructure. Our activities are subject to the usual local market risks. We have to continuously defend our positions against competitors and substitute products. We expect to see a growing degree of concentration among our customers, with building material dealers playing an important role, and a resultant increase of the pressure on prices. Specific market situations can also have a negative impact on the price level and may force Wienerberger to adapt its pricing strategy if necessary.

As a multinational corporation, Wienerberger operates in countries that are in different stages of economic and social development. Unfavorable changes in the political, legal, and economic framework therefore represent additional sources of risk. Risks arising from changes in the tax law governing the markets concerned, risks from changes in the taxation of energy sources, risks from amendments to labor law, risks from linguistic and cultural differences encountered in international activities demanding an effort of coordination, restrictions on the repatriation of profits, and risks arising from increasingly stringent legal provisions on the use of raw materials, product standards, and product liability, as well as environmental and safety standards, may also have a significant impact on the activities of the Wienerberger Group. Additionally, in certain markets such as Russia and India there is a risk of expropriation of production facilities without any guarantee of adequate compensation. In these markets, in particular, Wienerberger is exposed to potential tax risks resulting from changes in tax law or the interpretation of tax law in effect. From today's perspective, Wienerberger is not able to quantify the probability of occurrence or the extent of such potential risks.

Wienerberger does not operate in Ukraine. Its business in Russia accounts for less than 1% of revenues at Group level. In the second quarter of 2022, Wienerberger AG announced the sale of its Russian activities in a management-buyout as a consequence of the Russia-Ukraine conflict. The corresponding negotiations were concluded in the fourth quarter. The effects on the consolidated financial statements are described in detail on page 290. Furthermore, non-current assets in Russia and Estonia were written down in the first quarter of the business year (see page 284).

Procurement, production, investment and acquisition risk

Wienerberger has a modern and regional plant network. Therefore, the risk of operating breakdowns or a longer loss of production due to technical problems is low. Supplies of clay raw materials or synthetic polymers for our plants are guaranteed on a lasting basis by sufficient deposits and long-term supply contracts.

The cost of energy for the firing of bricks represents a significant percentage of the Group's cost structure. In 2022 energy costs for the Wienerberger Group totaled TEUR 372,927 (2021: TEUR 279,934) or 7.5 % (2021: 7.0 %) of revenues. These expenses consist of 57 % for natural gas, 37 % for electricity and 6 % for other materials. Energy prices are dependent on international and local market developments and are subject to fluctuations. Wienerberger minimizes the risk connected with rising energy prices in liberalized markets (in total, roughly 90 % of energy costs) by concluding futures contracts or fixed-price agreements with national and international suppliers. These prices are usually fixed on a long-term or medium-term basis. In a limited number of Eastern European countries (in total, roughly 10 % of energy costs) the prices for natural gas are regulated by the federal government and contracts with local suppliers are negotiated each year. In 2014, Wienerberger was granted carbon leakage status for its European brick operations. Based on a further qualitative evaluation performed in 2018, the brick industry has been included in the new carbon leakage list for the fourth trading period. This means that Wienerberger retains its carbon leakage status and will continue to be allocated a major part of the required CO₂ certificates free of charge, although free allocation will be subject to tougher competition in the future. Wienerberger therefore established the ETS Strategy Task Force to prepare for these changes. Investments in decarbonization currently in the process of implementation are expected to offset the negative impact of fewer CO₂ certificates being allocated free of charge.



In addition to price risk Wienerberger is also exposed to energy supply risk (natural gas and electricity), in particular with respect to the current conflict between Russia and Ukraine. A disruption in supply inevitably results in a loss of production and can therefore have a negative effect on operating results if demand cannot be met from inventories or through the exploitation of alternative energy sources.

Continuing optimization (operational excellence) and product innovations as well as internal and external growth projects are implemented to increase the value of Wienerberger. The future profitability of these projects is dependent to a large degree on the investment volume and/or acquisition price as well as the development of the market. For this reason, all growth projects must meet the defined return on investment criteria for the Group's bolt-on and strategic projects. The entry into new markets is also connected with risks involving competition, planning accuracy and the evaluation of the political situation as well as the successful, profitable development of business. New projects are therefore analyzed extensively in advance, both from a qualitative and quantitative standpoint.

Financial risks

In addition to financing risk, operating activities expose Wienerberger to interest rate and exchange rate risks. Derivative financial instruments, in particular forward exchange contracts and interest rate swaps, as well as operational measures are used to limit and manage this risk. All cash flow hedges and hedges of investments in foreign operations are classified as highly effective as a means of offsetting the hedged risks in keeping with risk management objectives. No derivatives are held for speculative purposes.

The refinancing sources open to Wienerberger are determined by numerous financial, macroeconomic and other factors beyond the control of management. These factors include covenants in the existing and future debt arrangements as well as the maintenance of the current rating. According to these covenants, the ratio of net debt to EBITDA may not exceed 3.9 years; this ratio came to 1.1 years as of December 31, 2022. Part of the earnings are used to pay interest and is therefore not available for other purposes. If the Group's rating should deteriorate or covenants are not met, additional interest expense could arise due to an increase in the credit risk premium and lead to higher financing costs and lower cash flow. The failure to comply with covenants could also result in a loan becoming due immediately.

Exchange rate risks

A significant portion of the revenues and earnings of the Wienerberger Group is generated by subsidiaries whose headquarters are not located in the euro zone. Wienerberger recorded 60 % of its revenues for the reporting year in currencies other than the euro, predominately Eastern European currencies (20 %), the US dollar (17 %) and the British pound (12%). The exchange rate risk inherent in cash flows is immaterial due to the local nature of the building materials business. Cash flows into or out of the euro region are primarily related to Group dividends or loans and the sale of goods and services. The foreign exchange risk on these intragroup cash flows is managed by the holding company.

Credit financing for the purchase of current assets is concluded in the local currency of the individual companies because of the decentralized structure of the Wienerberger Group. Foreign exchange risk in the financing area is therefore reduced to a minimum, since the Group companies generally issue their invoices in local currency and these transactions form a natural hedge. The exposure of financial liabilities to foreign exchange risk is disclosed in Note 34. Financial instruments (see pages 302-304).

However, the translation of foreign company financial statements into the euro results in currency translation differences (translation risk), which are recognized in other comprehensive income under foreign exchange adjustments. The revenues, earnings, and balance sheet items of companies not headquartered in the euro region are therefore dependent on the relevant euro exchange rate. Since June 30, 2022, according to IAS 29, Turkey has been classified as a hyperinflationary economy. From January 1, 2022, the annual financial statements of the Turkish subsidiary have therefore been restated on the basis of the price index published by the Turkish Statistical Institute (see page 265).



The Wienerberger risk strategy calls for reducing the translation risk arising from net investments in foreign subsidiaries to a certain extent through hedging. The following table shows Group revenues and capital employed by currency, with the calculation of capital employed including the effects of forward exchange contracts and foreign currency swaps:

Revenues	2022		2021	
	in MEUR	Share in %	in MEUR	Share in %
Euro	2,015	40.5	1,788	45.0
Eastern European currencies	988	19.9	865	21.7
British pound	600	12.1	460	11.6
US dollar	865	17.4	459	11.6
Other	509	10.2	400	10.1
Group revenues	4,977	100	3,971	100

Capital employed	2022		2021	
	in MEUR	Share in %	in MEUR	Share in %
Euro	2,085	56.5	2,193	67.5
Eastern European currencies	569	16.3	432	13.3
US dollar	352	13.3	253	7.7
British pound	233	6.7	189	5.8
Other	252	7.2	181	5.6
Capital employed after hedging effect	3,491	100	3,248	100

The effects of a hypothetical change in foreign exchange rates on the consolidated income statement and the consolidated statement of comprehensive income are calculated by use of sensitivity analyses. For the purpose of this presentation, an annual volatility is assumed as of the balance sheet date. This volatility is calculated on the basis of the daily change in the relevant exchange rate against the euro. In accordance with IFRS 7, foreign exchange risks result from monetary financial instruments not denominated in the functional currency of the reporting entity. Consequently, receivables, liabilities, cash and cash equivalents as well as derivative foreign-currency financial instruments form the basis of the calculation of the sensitivity of the consolidated income statement. The sensitivity of the consolidated statement of comprehensive income reflects the differences of long-term loans to subsidiaries as well as valuation effects of cash flow hedges for currency risks reported in other comprehensive income. Translation differences arising from the translation of financial statements prepared in a currency other than the euro were not included in the calculation.



A change in the annual volatility of the euro against the most relevant exchange rates as of the reporting date would affect the consolidated income statement and the consolidated statement of comprehensive income as follows:

Sensitivity of the consolidated income statement

in TEUR	2022			2021		
	Annual volatility	if the euro depreciates	if the euro appreciates	Annual volatility	if the euro depreciates	if the euro appreciates
EUR/GBP	7.74%	4,431	-4,431	5.19%	846	-846
EUR/PLN	9.03%	1,617	-1,617	5.26%	608	-608
EUR/SEK	7.30%	1,336	-1,336	5.34%	464	-464
EUR/HUF	13.51%	791	-791	6.11%	411	-411
EUR/RUB	53.43%	483	-483	9.51%	129	-129
EUR/NOK	10.31%	369	-369	8.69%	817	-817
EUR/USD	9.99%	293	-293	5.60%	-6,560	6,560

Sensitivity of the consolidated statement of comprehensive income

in TEUR	2022			2021		
	Annual volatility	if the euro depreciates	if the euro appreciates	Annual volatility	if the euro depreciates	if the euro appreciates
EUR/USD	9.99 %	4,171	-4,171	5.60 %	8,227	-8,227
EUR/PLN	9.03 %	2,747	-2,747	5.26 %	775	-775
EUR/NOK	10.31 %	2,506	-2,506	8.69 %	2,796	-2,796
EUR/TRY	12.55 %	1,958	-1,958	-	-	-
EUR/GBP	7.74 %	-1,686	1,686	5.19 %	-2,090	2,090
EUR/SEK	7.30 %	1,569	-1,569	5.34 %	-408	408

Interest rate risks

Interest rate risk comprises two components: the relevant value of the average term for the Group's financing and the separation into fixed and variable interest rates. The risk associated with fixed interest rates lies in a possible decline in interest rate levels, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. A parallel upward shift of 100 basis points in interest rates would have decreased profit after tax by TEUR 587 (2021: TEUR 1,418) and, through this change in the income statement, also changed equity by the same amount. A decrease of 100 basis points in interest rates would have increased (2021: decreased) profit after tax and equity by the same amount.

The risk position of Wienerberger AG with respect to the interest rate risks arising from liabilities with fixed and variable interest rates is explained below.

In order to analyze interest rate risk (fixed and variable interest rates), financial liabilities (see pages 302 to 304) are adjusted for the effects of derivative instruments (hedging) and short-term fixed-interest financial liabilities are treated as variable interest items. Sensitivity analyses were carried out on fixed interest and variable interest financial liabilities to estimate the impact on earnings and equity.



in TEUR	2022		2021	
	Fixed interest rate	Variable interest rate	Fixed interest rate	Variable interest rate
Interest-bearing loans	1,022,403	429,816	1,045,583.0	493,520
Reclassification of short-term fixed interest rate loans	-77,024	77,024	-68,824.0	68,824
Effects of derivative instruments (hedging)	206,667	-206,667	218,000.0	-218,000
Financial liabilities after hedging effects	1,152,046	300,173	1,194,759.0	344,344

Credit risk

Wienerberger has established strict requirements for the credit standing of its financial partners, which are defined in internal financial and treasury guidelines. The credit risk inherent in the investment of liquid funds and securities is limited because Wienerberger works only with financing partners whose credit rating leads to expectations of a sound financial standing and sets counterparty limits based on this credit rating. However, financial partners with an excellent rating can also pose a credit risk and Wienerberger therefore continuously monitors developments on financial markets and adjusts credit limits accordingly. The following table shows the maximum exposure of trade receivables and miscellaneous receivables (including receivables from current taxes) to credit risks as of December 31, 2022, classified by region:

Credit risk	2022		2021	
	in MEUR	Share in %	in MEUR	Share in %
Western Europe	295.6	59	259.3	56
Central-Eastern Europe	98.0	20	97.6	21
North America	93.9	19	95.8	21
Other	10.9	2	10.3	2
Total trade receivables and miscellaneous receivables	498.3	100	463.0	100
thereof insured against default	290.0		244.5	

Trade receivables consist primarily of receivables due from building material retailers and large customers. If an amount is overdue for more than 360 days, default is assumed, and the receivable is written off in its entirety. Receivables are derecognized when there is a legal basis for the assumptions that no more payments will be received.

The following table shows the aging of trade receivables and impairment charges to trade receivables:

in MEUR	2022			2021		
	Gross receivable	Loss - allowance	Carrying amount	Gross receivable	Loss - allowance	Carrying amount
Not due	296.9	-1.4	295.5	292.2	-1.4	290.8
Up to 30 days overdue	64.4	-1.6	62.8	41.6	-1.2	40.4
31 to 60 days overdue	11.2	-0.8	10.4	8.6	-1.0	7.6
61 to 90 days overdue	3.6	-1.1	2.5	2.7	-0.9	1.8
More than 90 days overdue	20.0	-16.7	3.3	14.6	-11.8	2.8
Trade receivables	396.1	-21.6	374.5	359.7	-16.3	343.4

Loans granted and other long-term receivables primarily comprise receivables from financing activities in respect of companies included at equity and non-consolidated Group companies. In the reporting year, credit losses were calculated mainly for defaults expected in the following 12 months, as the assessment of the counterparties' credit risk has not changed materially. As a matter of principle, default is defined on the basis of generally recognized rating classes as well as externally available or internally calculated ratings. Additional information available internally is also used to assess the risk of default. On the balance sheet date, there were no receivables (2021: 2) for which an expected credit loss was assumed over the residual term.



Loans granted and other long-term receivables can be classified by rating class as follows:

Rating categories	2022			2021		
	Gross receivable	Loss - allowance	Carrying amount	Gross receivable	Loss - allowance	Carrying amount
in MEUR						
Grade 1: low risk	3.2	0.0	3.2	21.9	-0.1	21.8
Grade 2: fair risk	24.2	0.0	24.2	29.3	-0.2	29.1
(Partial) default	1.1	-0.8	0.3	1.1	-0.8	0.3
Loans granted and other non-current receivables	28.5	-0.8	27.7	52.3	-1.1	51.2

Loss allowances of trade receivables and loans granted can be reconciled as follows:

Loss allowance	2022		2021	
	Trade receivables	Loans and other non-current receivables	Trade receivables	Loans and other non-current receivables
in MEUR				
Balance on 1/1	16.3	1.1	17.0	1.1
Foreign exchange translation	0.2	0.0	0.0	0.0
Provision for expected credit losses	5.0	0.0	0.7	0.0
Change in scope of consolidation	0.8	0.0	0.0	0.0
Disposals	-0.7	-0.3	-1.4	0.0
Balance on 31/12	21.6	0.8	16.3	1.1

Liquidity risks

The preservation of liquidity and the preservation of a healthy financial base represent the focal points of the Wienerberger strategy. The most important instruments in this respect are the maximization of free cash flow through cost reduction, active working capital management and a cutback in investments to the necessary minimum.

Liquidity risks arise, above all, when cash flows from revenues fall below expectations because of weaker demand and the measures to reduce working capital and cash outflows for fixed costs (active capacity management) are not sufficient or can only be implemented with a delay.

Liquidity is managed on a regular basis, among others, on the basis of rolling quarterly liquidity planning as well as a regular analysis of the cash conversion cycle, which is based on average accounts payable turnover, inventory turnover and receivables conversion, coming to 62 days in 2022 (2021: 61 days). As per the balance sheet date, the outstanding receivables days improved from 32 to 27 days compared to prior year. For a disclosure of liquidity risk arising from financial liabilities, refer to the disclosure of contractual cash flows on page 301.

As of the balance sheet date, credit lines in the amount of TEUR 400,000 (2021: TEUR 400,000) were committed, of which TEUR 400,000 were not drawn (2021: TEUR 383,000).



Legal risks

Business combinations may be subject to the approval of antitrust authorities, depending on the market position in individual countries and/or the size of the planned acquisition. These approval procedures could lead to delays or, in individual cases, to the prohibition of specific acquisitions or mergers. Wienerberger evaluates the anti-trust risk associated with an acquisition together with national and international legal and business experts during the early stages of work on a project in order to minimize this risk. No acquisitions planned by the Group have ever been prohibited.

In connection with real estate transactions carried out in earlier years, Wienerberger AG is liable for possible contamination and the resulting damage during its ownership.

In various countries the Group is subject to local tax law, the further development of which may have financial implications in the form of changes in charges and taxes. In February 2023, the Hungarian government enacted a law with immediate effect for companies in the mining industry to tax increases in sales prices above a statutory threshold. Wienerberger is currently examining the financial impact on the operating business of Hungary, which represents approximately 3.3 % of Group revenues.

Other risks

Wienerberger is subject to extensive and increasingly strict environmental, health and safety laws (environment social governance, ESG) in many countries, which requires investments for compliance with these regulations. Failure to comply with these regulations could result in administrative fines, claims for damages or the withdrawal of operating permits.

Wienerberger plants exceed current legal requirements for the prevention of environmental damage, but the intensification of environmental standards presents the Group with a continuous range of new challenges. Legal commitments are identified and met through knowledge of current legal and contractual requirements as well as cooperation with experts and external consultants. Risks arising from the restoration of clay pits are part of the company's operating risk and are monitored continuously.

As a leading provider of building material and infrastructure solutions, we are committed to the transparent disclosure of climate-related opportunities as well as risks. The identification and analysis of climate-related risks is part of Wienerberger's overall approach to risk management. Since 2020, we have therefore supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as regards the identification, analysis and assessment of physical and transition risks.

The risks associated with a breakdown of our centralized Group data processing system as the result of natural disasters have been minimized through the installation of redundant system at facilities in different locations and cloud solutions.

A number of building materials companies with operations in the USA are subject of class action suits from patients with asbestos-related diseases. After an examination of our US activities, we have classified this risk as minimal because none of our American subsidiaries has ever produced or sold asbestos products.

A number of older buildings of the Wienerberger Group contain a certain percentage of asbestos products. The company takes utmost care to ensure that such products do not constitute a direct threat to its staff and utilizes specialized services when removing such asbestos products.

The Wienerberger Group also competes with other firms in the labor market. In order to train future managers and prepare these persons for management positions, Wienerberger has developed curricula that include the Sales Academy, the Plant Manager Program and the Ready4Excellence Program. Wienerberger uses these programs and personalized training measures to optimally train its employees and to also strengthen their ties to the company (see the Wienerberger Sustainability Report for additional information).



The Covid-19 pandemic declared by the World Health Organization (WHO) on March 11, 2020, triggered strict health-related restrictions in some of the countries Wienerberger operates in. Wienerberger minimizes the risk of infection clusters at its sites through strictly regulated workflows and hygiene measures both in its plants and at its administrative locations.

Other disclosures

38. Related party transactions

The following companies and persons are considered to be related parties of Wienerberger: the members of the Supervisory and Managing Boards and close members of their families, associated companies, joint ventures and non-consolidated subsidiaries of Wienerberger AG as well as ANC Private Foundation and its affiliates. Transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are conducted at arm's length conditions. Business relationships between the company and related parties, in particular members of the Managing and Supervisory Boards of Wienerberger AG, are disclosed in Note 12. Personnel expenses if any payments to these persons are involved.

ANC Private Foundation and its affiliates operates landfill activities in Austria that were transferred by Wienerberger AG in 2001 and owns a limited amount of assets (in particular real estate and securities). The managing board of ANC Private Foundation consists of three members, of which one member is part of Wienerberger top management. The total assets of ANC Private Foundation amounted to TEUR 35,020 as of December 31, 2022 (2021: TEUR 32,853) and consist primarily of land and buildings totaling TEUR 6,920 (2021: TEUR 7,350) and securities and liquid funds of TEUR 23,562 (2021: TEUR 21,189). The foundation had provisions of TEUR 10,502 (2021: TEUR 11,071) and no financial liabilities as of December 31, 2022.

Wienerberger AG and its subsidiaries finance associates, joint ventures and non-consolidated subsidiaries through loans granted at arm's length conditions. The outstanding loan receivables due from joint ventures amounted to TEUR 17,079 as of December 31, 2022 (2021: TEUR 16,494), while the comparable amount for non-consolidated subsidiaries was TEUR 4,043 (2021: TEUR 4,912). In addition, trade receivables due from joint ventures amounted to TEUR 204 (2021: TEUR 419), including the sale of an asset, while the comparable amount for non-consolidated subsidiaries was TEUR 559 (2021: TEUR 27) as of the balance sheet date. Revenues of TEUR 1,308 were recognized with joint ventures in 2022 (2021: TEUR 4,863).

Other related party transactions relate to clay supplies in the amount of TEUR 1,044 (2021: TEUR 855) as well as rental services of TEUR 320 (2021: TEUR 316) received by non-consolidated subsidiaries. In addition, products in the amount of TEUR 956 (2021: TEUR 834) were sold to a related party in the financial year 2022. Transactions with natural persons as related parties in the reporting year amounted to TEUR 257 (2021: TEUR 270).



39. Significant events after the balance sheet date

In January 2023, the Group acquired 100% of Ziegelwerk Otto Bergmann GmbH in Steinheim, Germany. By the acquisition of this plant, which specializes in the production of high-thermal-insulation clay blocks, the Group is expanding its production capacities and strengthening its regional market position. In February 2023, 100% of Komproment Holding af 2007 ApS, and thus 100% of its direct subsidiaries Kromponent ApS and Kromponent Danish Building Design ApS in Støvring, Denmark, were taken over. The Komproment Group is a leading provider of claddings and façade solutions. Both companies were consolidated for the first time in the first quarter of 2023, with the purchase price allocation being provisional for the time being.

The consolidated financial statements were prepared by the Managing Board of Wienerberger AG on March 14, 2023, and submitted to the Supervisory Board on March 24, 2023, for authorisation for issue.

Vienna, March 14, 2023

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 Schwarzmayr
Member of the Managing
Board of Wienerberger AG
COO WPS



Statement by the Managing Board

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces

Vienna, March 14, 2023

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 Schwarzmayr
Member of the Managing
Board of Wienerberger AG
COO WPS



Group companies

Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Wienerberger International N.V.	Zaltbommel	50,001	EUR	100.00%	VK	
Wienerberger Roof Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Österreich GmbH	Wien	5,000,000	EUR	100.00%	VK	
Wienerberger Bausysteme GmbH	Wien	35,000	EUR	100.00%	VKE	
Wienerberger zRt.	Budapest	5,000,000	HUF	100.00%	VK	
Wienerberger s.r.o.	České Budějovice 1	50,000,000	CZK	100.00%	VK	
Cihelna Kinsky, spol. s r. o.	Kostelec nad Orlicí	2,000,000	CZK	68.80%	VK	
Wienerberger eurostroj, spol. s r. o.	České Budějovice 1	32,100,000	CZK	100.00%	VK	
Silike keramika, spol. s r.o	České Budějovice 1	100,000	CZK	50.00%	EQ	
Wienerberger s.r.o.	Zlaté Moravce	3,319,392	EUR	100.00%	VK	
Wienerberger Ceramika Budowlana Sp. z o.o.	Warszawa	374,324,808	PLN	100.00%	VK	
Handel Ceramika Budowlana Sp. z o.o.	Warszawa	50,000	PLN	100.00%	OK	1)
Wienerberger d.o.o.	Karlovac	8,988,000	HRK	100.00%	VK	
Wienerberger d.o.o.	Sarajevo	2,000	BAM	100.00%	VK	
Wienerberger Opekarna Ormož d.o.o.	Križevci pri Ljutomeru	951,986	EUR	100.00%	VK	
Opekarna Pragersko d.o.o.	Pragersko	1,022,743	EUR	100.00%	VK	
Wienerberger Backa d.o.o	Kanjiza	651,652	EUR	100.00%	VK	
WIENERBERGER S.R.L.	Bucuresti	39,147,100	RON	100.00%	VK	
Wienerberger TOV ("in liquidation")	Kyiv	3,000,000	UAH	100.00%	VK	
Semmelrock International GmbH	Wien	3,000,000	EUR	100.00%	VK	
Semmelrock Baustoffindustrie GmbH	Wien	1,000,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH	Wien	35,000	EUR	100.00%	VK	
Semmelrock Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
SEMMLROCK STEIN + DESIGN Dlazby s.r.o.	Sered	3,027,286	EUR	100.00%	VK	
Semmelrock Stein & Design d.o.o.	Ogulin	22,870,000	HRK	100.00%	VK	
Semmelrock Stein & Design Sp. z o.o.	Warsaw	46,000,000	PLN	100.00%	VK	
Semmelrock Stein + Design S.R.L.	Bolintin-Vale	1,328,400	RON	100.00%	VK	
Semmelrock Stein + Design Dlazby s.r.o.	Ledcice	2,000,000	CZK	100.00%	VK	
Semmelrock Stein und Design EOOD	Sofia	11,500,000	BGN	100.00%	VK	
Wienerberger GmbH	Hannover	9,500,000	EUR	100.00%	VK	
Schlagmann Beteiligungs GmbH	Zeilarn	26,000	EUR	50.00%	OK	1)
Schlagmann Poroton GmbH & Co KG	Zeilarn	10,300,000	EUR	50.00%	EQ	
Schlagmann Poroton Vertriebs GmbH	Zeilarn	25,000	EUR	50.00%		4)
Tongruben Verwaltungs GmbH	Hannover	26,000	EUR	100.00%	OK	1)
Argeton GmbH	Hannover	100,000	EUR	100.00%	VK	
Wienerberger Deutschland Service GmbH	Hannover	1,000,000	EUR	100.00%	VK	
RM 2964 Vermögensverwaltungs GmbH	Zeilarn	25,000	EUR	50.00%		4)
MR Erwerbs GmbH & Co. KG	Zeilarn	50,000	EUR	50.00%		4)
Redbloc Elemente GmbH	Plattling	25,000	EUR	15.00%		4)



Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Redbloc Systems Deutschland GmbH	Plattling	25,000	EUR	12.50%		4)
Mayr Dachkeramik GmbH	Salching	25,565	EUR	100.00%	VKE	
Ammonit Vermögensverwaltungs GmbH	Hannover	25,000	EUR	100.00%	VK	
Ammonit GmbH. & Co. KG	Hannover	100	EUR	100.00%	VK	
Wienerberger S.p.A.	Mordano	10,000,000	EUR	100.00%	VK	
Fornaci Giuliane S.r.l.	Cormons	100,000	EUR	30.00%	EQ	
Wienerberger NV	Kortrijk	47,557,745	EUR	100.00%	VK	
Wienerberger Asset Management NV	Zonnebeke	5,240,053	EUR	100.00%	VK	
Deva-Kort NV	Kortemark	247,894	EUR	100.00%	VK	
TV Vanheede-Wienerberger	Kortrijk	0	EUR	50.00%	EQ	
Struxura BV	Poperinge	20,000	EUR	100.00%	VK	
Struxys BV	Poperinge	18,600	EUR	100.00%	VK	
Wienerberger B.V.	Zaltbommel	36,778,680	EUR	100.00%	VK	
Van Hesteren & Janssens B.V.	Zaltbommel	363,024	EUR	100.00%	VK	
BrickTrading Holland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
German Brick Trading B.V.	Zaltbommel	249,700	EUR	100.00%	VK	
Aberson B.V.	Zwolle	60,000	EUR	100.00%	VK	
Aberson SmartBuild BV	Zwolle	1	EUR	100.00%	VK	
DEKO Beheer BV	Elst	18,000	EUR	100.00%	VK	
Bricks BV	Elst	15,750	EUR	100.00%	VK	
Bricks GBMH	Rhede	25,000	EUR	100.00%	VK	
Deko Industrieel BV	Elst	1,000	EUR	100.00%	VK	
Deko Mobiele Steenzagerij BV	Elst	10,000	EUR	100.00%	VK	
Deko Produkten BV	Elst	18,000	EUR	100.00%	VK	
Deko Solutions BV	Elst	1,000	EUR	100.00%	VK	
Deko Steenzagerij BV	Elst	18,000	EUR	100.00%	VK	
Steinzentrale Nord Leeuwis GmbH	Rellingen	52,500	EUR	100.00%	VK	
EXA IP B.V.	The Hague	100.00	EUR	50%	EQ	
Wienerberger Limited	Cheadle	81,120,552	GBP	100.00%	VK	
Galileo Brick Limited (in Liquidation)	Cheadle	2,000,000	GBP	100.00%	VK	
Chelwood Group Unlimited (in Liquidation)	Cheadle	1	GBP	100.00%	VK	
The Brick Business Limited (in Liquidation)	Cheadle	900,002	GBP	100.00%	VK	
Sandtoft Roof Tiles Limited	Cheadle	11,029	GBP	100.00%	VK	
Building Product Design Limited	Sale	612,720	GBP	100.00%	VK	
Richmond GmbH	Königswinter	25,000	EUR	100.00%	VK	
WIENERBERGER PARTICIPATIONS SAS	Achenheim	36,000,000	EUR	100.00%	VK	
WIENERBERGER SAS	Achenheim	63,000,000	EUR	100.00%	VK	
Briqueterie de Rouffach SAS	Achenheim	336,120	EUR	100.00%	VK	



Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Egernsund Wienerberger A/S	Helsingø	11,765,882	DKK	100.00%	VK	
Wienerberger AS	Oslo	43,546,575	NOK	100.00%	VK	
Wienerberger AB	Malmö	17,550,000	SEK	100.00%	VK	
Egernsund Wienerberger Production A/S	Sonderborg	1,602,000	DKK	100.00%	VK	
Egernsund Tegl a.m.b.a.	Egernsund	9,000,000	DKK	100.00%	VK	
General Shale Brick Inc.	Johnson City	1,000	USD	100.00%	VK	
General Shale Building Materials, Inc.	Johnson City	1,000	USD	100.00%	VK	
Watsontown Brick Company	Watsontown	72,050	USD	100.00%	VK	
Pipelife Jet Stream, Inc.	Siloam Springs	0	USD	100.00%	VK	
Meridian Brick LLC	Alpharetta	0	USD	100.00%	VK	
Arriscraft Canada Inc.	Halifax	42,300,000	CAD	100.00%	VK	
Meridian Brick Canada Ltd	Vancouver	1	CAD	100.00%	VK	
Wienerberger EOOD	Sofia	12,500,000	BGN	100.00%	VK	
Uspeh AD	Sofia	2,141,220	BGN	99.66%	VK	
OOO „Wienerberger Kirpitsch“	Kiprevo	612,694,577	RUB	100.00%	VK	
OOO „Wienerberger Kurkachi“	Kurkachi	568,418,785	RUB	100.00%	VK	
Wienerberger OY AB	Helsinki	1,000,000	EUR	100.00%	VK	
Wienerberger AS	Aseri	1,540,736	EUR	100.00%	VK	
UAB Wienerberger Statybine Keramika	Vilnius	2,925	EUR	100.00%	VK	
Wienerberger India Private Limited	Bangalore	990,000,000	INR	100.00%	VK	
WBI Industries Private Limited	Chennai	1,000,000	INR	100.00%	VK	
PIPELIFE International GmbH	Wien	29,000,000	EUR	100.00%	VK	2)
PIPELIFE Austria GmbH & Co KG	Wien	4,360,370	EUR	100.00%	VK	
PIPELIFE Austria GmbH	Wien	36,337	EUR	100.00%	VK	
Pipelife Always Part of your Life GmbH	Wien	35,000	EUR	100.00%	VK	
Pipelife Pipes for Life GmbH	Wien	35,000	EUR	100.00%	VK	
Pipelife Belgium NV	Kalmthout	510,926	EUR	100.00%	VK	
Pipelife Bulgaria EOOD	Botevgrad	30,000	BGN	100.00%	VK	
Pipelife Czech s.r.o.	Otrokovice	202,971,000	CZK	100.00%	VK	
PIPELIFE Deutschland Asset Management GmbH	Bad Zwischenahn	26,000	EUR	100.00%	VK	
PIPELIFE Deutschland GmbH & Co. KG	Bad Zwischenahn	5,000	EUR	100.00%	VK	
PIPELIFE Deutschland Verwaltungs-GmbH	Bad Zwischenahn	5,726,469	EUR	100.00%	VK	



Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Pipelife Eesti AS	Harjumaa	25,024	EUR	100.00%	VK	
Pipelife Finland OY	Oulu	33,637	EUR	100.00%	VK	
Talokaivo Oy	Vantaa	2,000,000	EUR	100.00%	VK	
Pipelife France SNC	Gaillon	35,605,800	EUR	100.00%	VK	
Pipelife Hellas S.A. (in Liquidation)	Thiva	2,343,999	EUR	100.00%	VK	
PIPELIFE-HRVATSKA cijevni sustavi d.o.o.	Sveta Nedelja	47,171,500	HRK	100.00%	VK	
Vargon d.o.o	Kukuljanovo	8,210,100	HRK	79.67%	VKE	
Pipelife Hungaria Kft.	Debrecen	3,123,520,000	HUF	100.00%	VK	
QUALITY PLASTICS HOLDINGS LTD	Cork	635,000	EUR	100.00%	VK	
Cherry Blossom Avenue Limited	Cork	343,503	EUR	100.00%	VK	
Pipelife Ireland Solutions Limited	Cork	487,500	EUR	100.00%	VK	
Kenfern Investments Ltd (in Liquidation)	Cork	447	EUR	100.00%	OK	1)
Pipelife UK Ltd	Corby	244,001	GBP	100.00%	VK	
FloPlast Limited	Sittingbourne	30,000	GBP	100.00%	VK	
Pipelife Latvia SIA	Riga	426,600	EUR	100.00%	VK	
Soluforce B.V.	Enkhuizen	10,000	EUR	100.00%	VKE	
Pipelife Nederland B.V.	Enkhuizen	11,344,505	EUR	100.00%	VK	
Pipelife Finance B.V.	Enkhuizen	18,000	EUR	100.00%	VK	
Inter Act B.V.	Apeldoorn	1	EUR	100.00%	VK	
Inter ACT industrial automation B.V.	Apeldoorn	20,000	EUR	100.00%	VK	
TeleControlNet B.V.	Apeldoorn	20,000	EUR	100.00%	VK	
Inter Act GmbH.	Nordhorn	25,000	EUR	100.00%	VK	
Pipelife Norge AS	Surnadal	50,000,000	NOK	100.00%	VK	
QPS AS	Levanger	400,000	NOK	100.00%	VKE	
Pipelife Polska S.A.	Krokowa	112,243,963	PLN	100.00%	VK	
Pipelife Romania S.R.L.	Bucuresti	7,323,115	RON	100.00%	VK	
Pipelife Serbia d.o.o.	Beograd	168,493,895	RSD	100.00%	VK	
Pipelife RUS LLC	Zhukov	104,458,072	RUB	100.00%	VK	
Pipelife Hafab AB	Haparanda	3,000,000	SEK	100.00%	VK	
Pipelife Nordic AB	Ölsremma	167,000,000	SEK	100.00%	VK	
Pipelife Sverige AB	Ljung	3,600,000	SEK	100.00%	VK	
Isoterm AB	Stenkullen	200,000	SEK	100.00%	VK	
Pipelife Slovenija d.o.o.	Trzin	843,258	EUR	100.00%	VK	
Pipelife Slovakia s.r.o.	Piestany	6,700	EUR	100.00%	VK	
Arili Plastik Sanayii A.S.	Pendik/Istanbul	39,616,800	TRY	100.00%	VK	
Preflexibel Invest NV	Ninove	1,200,000	EUR	100.00%	VK	
Preflexibel NV	Ninove	312,000	EUR	100.00%	VK	
Preflexibel France SAS	Salindres	370,000	EUR	100.00%	VK	
Preflex France SAS	Salindres	46,500	EUR	100.00%	VK	
Wienerberger Dach Beteiligungs GmbH	Wien	500,000	ATS	100.00%	VK	
WIBRA Tondachziegel Beteiligungs-GmbH	Wien	500,000	ATS	100.00%	VK	
Tondach Beteiligungs GmbH	Wien	200,000	EUR	100.00%	VK	



Company	Headquarters	Share capital	Currency	Interest in %	Type of consolidation	Notes
Tondach Gleinstätten GmbH	Gleinstätten	500,000	EUR	100.00%	VK	3)
Wienerberger doo Kanjiza	Kanjiza	605,394,000	RSD	100.00%	VK	
Wienerberger DOOEL Vinica	Vinica	349,460,010	MKD	100.00%	VK	
TONDACH Ingtatlanhasznosító Zrt.	Budapest	5,000,000	HUF	100.00%	VK	
TONDACH ROMANIA SRL	Sibiu	36,137,155	RON	100.00%	VK	
Wienerberger Anteilsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Tondach Holding GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Finance Service B.V.	Zaltbommel	18,151	EUR	100.00%	VK	
Wienerberger Finanz Service GmbH	Wien	25,435,492	EUR	100.00%	VK	
Wienerberger West European Holding GmbH	Wien	35,000	EUR	100.00%	VK	
WiTa Social Business Venture Holding GmbH	Wien	35,000	EUR	49.00%	EQE	
Dryfix GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Gamma Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Steinzeug-Keramo GmbH	Frechen	18,408,000	EUR	100.00%	VK	
Steinzeug - Keramo NV	Hasselt	9,400,000	EUR	100.00%	VK	
Keramo-Wienerberger Immo NV	Hasselt	14,068,558	EUR	100.00%	VK	
SOCIETA DEL GRES S.p.A.	Sorisole	2,000,000	EUR	100.00%	VK	
Steinzeug Keramo s.r.o.	České Budějovice	40,000,000	CZK	100.00%	VK	
Steinzeug - Keramo SARL	Marolles-en-Hurepoix	38,125	EUR	100.00%	VK	
Steinzeug-Keramo Sp. z.o.o.	Piekary Slaskie	2,000,000	PLN	100.00%	VK	

VK = Full consolidation

VKE = first time full consolidation

EQ = At equity consolidation

EQE = First time at equity consolidation

OK = No consolidation

OKE = First time no consolidation

1) Immaterial

2) Holding Company of the Pipelife Group

3) Holding company of the Gleinstätten Group

4) Subsidiary of Schlagmann Poroton GmbH & Co KG



Auditor's report

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Wienerberger AG, Vienna, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2022, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 and with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of our report is sufficient and appropriate to provide a basis for our opinion as of that date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following matters were of most significance for our audit:

1. Assessment of the carrying value of goodwill
2. Assessment of the carrying value of property, plant and equipment

1. Assessment of the carrying value of goodwill

Description and Issue

Goodwill represents a significant amount on the balance sheet (EUR 489 million). The carrying amounts of the assets of the respective cash generating units are compared to their recoverable amount, which represents the higher of fair value less costs of disposal and the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount. The value in use calculation involves significant estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital. Small changes in the assumptions used in determining the value in use can result in materially different outcomes of the impairment tests.

Management describes the approach to assess the carrying value of goodwill in the Section "General Information" in Note 6 "Estimates and Judgements" in the notes to the financial statements. The allocation of the goodwill to the respective cash generating units and the assumptions and valuation results are described in Note 22 "Non-current assets".



The valuation model used for the impairment test necessitates a large number of input factors for the assessment of the market. In case of negative changes in the future development of the assumptions there is a risk that the goodwill is overstated. Due to the complexity of the valuation model and the dependence of the outcome of the impairment test on the management's assessment of the input factors this matter was of particular importance for our audit.

Our Response

We have challenged the parameters used for the impairment testing with entity and industry specific information as well as market expectations from internal and external sources and have assessed the appropriateness of the valuation model. Furthermore, we gained an overview of the planning process and have critically reviewed the back testing performed by the management. We have assessed the consistency of the future cash flows used in the calculation by comparing them to the budgets approved by the supervisory board.

For the verification of the capital costs by the means of a comparative analysis, we have used internal experts.

In cases where the fair value less costs of disposal was used as recoverable amount in the impairment test, we have also involved internal experts to validate the assumptions made in the valuation.

2. Assessment of the carrying value of property, plant and equipment

Description and Issue

The carrying value of property, plant and equipment amounts to EUR 2.269 million, representing 44% of the total assets shown on the consolidated balance sheet of Wienerberger AG. Management assesses on an annual basis, or whenever triggering events are identified, whether the carrying value of property, plant and equipment is impaired. For purposes of the impairment testing within a division plants are aggregated to groups of cash generating units. The carrying amount of the assets is compared to the recoverable amount, which represents the higher of fair value less costs of disposal and the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount.

Management describes the approach to assess the carrying value of property, plant and equipment in the Section "General Information" in Note 6 "Estimates and Judgements" in the notes to the financial statements. The details of the valuation method and the assumptions and valuation results are described in Note 22 "Non-current assets".

The impairment tests involve complex calculations and the assumptions include a degree of uncertainty regarding the future development of cash flows and discount rates. Minor changes in the assumptions can have a significant effect on the outcome of the impairment tests. Therefore, this matter was of particular importance for our audit.

Our Response

We performed similar procedures to those described above in relation to property, plant and equipment impairment testing in respect of the key assumptions used in the impairment model. Therefore, we refer to the section above for further details.

Other Information

Management is responsible for the other information. The other information comprises all information in the annual report, but does not include the consolidated financial statements, the consolidated management report and our auditor's report thereon. We obtained the consolidated corporate governance report (except for the Report of the Supervisory Board included therein) and the consolidated non-financial report prior to the date of this auditor's report, the other parts of the annual report are expected to be made available to us after that date.



Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. With respect to the information in the consolidated management report we refer to the section “Report on the Audit of the Consolidated Management Report”.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the additional requirements under section 245a UGB and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis on these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- › Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- › Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.



- › Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- › Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- › Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- › We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Consolidated Management Report

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

Opinion

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

Statement

In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.



Other Matters which we are required to address according to Article 10 of Regulation (EU) No 537/2014

We were appointed as auditors by the annual general meeting on May 3, 2022 and commissioned by the supervisory board on July 6, 2022 to audit the consolidated financial statements for the financial year ending December 31, 2022. We have been auditing the Group since the financial year ending December 31, 2017.

We confirm that our opinion expressed in the section "Report on the Audit of the Consolidated Financial Statements" is consistent with the additional report to the audit committee referred to in Article 11 of Regulation (EU) No 537/2014.

We declare that we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 and that we remained independent of the Group in conducting the audit.

Engagement Partner

The engagement partner responsible for the audit is Gerhard Marterbauer.

Vienna, March 15, 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer m.p.
Certified Public Accountant

This report is a translation of the audit report according to section 273 of the Austrian Commercial Code (UGB). The translation is presented for the convenience of the reader only. The German wording of the audit report is solely valid and is the only legally binding version. Section 281(2) UGB applies.



SERVICE



Glossary

Explanatory Notes on Management Report and Financial Statements

ADR American Depository Receipt Deposit certificates that confirm ownership of a foreign stock and are traded on US stock exchanges or over-the-counter as shares; US banks buy stock and issue ADR's in order to give foreign companies access to the US capital market

Asset coverage Equity divided by non-current assets; indicates the percentage to which land, buildings, machinery etc. are covered by equity

ATX Abbreviation for the "Austrian Traded Index" of the Vienna Stock Exchange

Bearer shares Shares that are not issued to a specific person; the rights to these securities accrue to the person holding them

Capital employed (CE) Equity plus interest-bearing debt (incl. net intercompany balance) less liquid funds and financial assets; the sum of capital engaged in a company

Clay block Brick made of burned clay, used for load-bearing exterior monolithic or cavity walls as well as for interior walls

Clay roof tile Roof tile made of burned clay in various shapes and colors

Common shares Shares that carry full rights in a stock corporation (including participation in the Annual General Meetings, voting rights and dividend rights)

Corporate governance Rules for the responsible management and control of companies that are set forth in the Austrian Corporate Governance Code

Covenant (financial) A clause in a credit agreement that obliges the borrower not to exceed or fall below a specific indicator

Cross currency swap Agreement between contract partners to exchange cash flows in two different currencies over a certain period of time; a hedge against foreign currency fluctuations

Deferred taxes The result of temporary differences in income recognition between tax law and the individual and consolidated financial statements prepared accounting to IFRS

Depreciation ratio Depreciation (excluding impairment charges to goodwill and assets) as a percentage of revenues

Dividend yield Ratio of the dividend per share paid out to the share price

EBIT Earnings before interest and taxes, or operating profit

EBIT, operating EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets

EBITDA Earnings before interest, taxes, depreciation and amortization, or operating profit before depreciation and amortization = gross cash flow

EBITDA LFL EBITDA adjusted for effects of changes in the scope of consolidation, foreign exchange effects, disposal of non-core and core assets and structural adjustments

EBITDA margin EBITDA divided by revenues

Equity method Valuation method used for the consolidation of investments of between 20% and 50% in other companies

Equity ratio Equity divided by total assets

Facing brick Brick made of burned clay, used for external, non-load-bearing walls of buildings



Forward exchange contract Foreign exchange transaction that is not realized at conclusion of the relevant contract, but at a later point in time; a hedge against exchange rate fluctuations

Free cash flow Cash flow from operating activities less cash flow from investing activities plus growth capex; the amount of cash earned in the current year that is available for growth projects, dividends and the repayment of debt or share buy-backs

Free float company Publicly traded corporation with a majority share of free float

GARP investor Growth at a reasonable price; investor who aims to identify those growth stocks that meet his/her criteria for buying at reasonable prices

Gearing net debt divided by equity including non-controlling interests; an indicator of financial security

Goodwill Surplus of the price paid for a company over the net assets acquired

Hedging Measures used in the management of financial risk to limit or avoid negative market changes in the areas of interest rates, foreign currency, market values or raw materials

Hybrid capital Subordinated perpetual corporate bond, which is ranked between equity and debt as mezzanine capital

IFRS International Financial Reporting Standards

Interest cover EBITDA divided by interest result; indicates the number of times operating income covers the interest result

Interest rate swap Agreement to exchange cash flows with different terms over a specific period of time; these cash flows are based on fixed and variable interest rates; provides security against interest rate fluctuations

Investments Additions to plant, property and equipment and intangible assets

Joint venture Agreement by two or more companies to jointly operate a business enterprise

LLLD (Long Length Large Diameter Pipes) Pipes for industrial facilities with a diameter of up to 2.5 meters and a length of up to 600 meters

Long-term incentive (LTI) program A long-term variable remuneration program for the Managing Board and key Group managers to synchronize management goals with shareholders' interests

Net debt Net sum of financial liabilities – cash and cash at bank – securities and other financial assets – intercompany receivables and payables from financing

Net result Profit after tax attributable to equity holders of the parent company

NF Abbreviation for "Normalformat", the standard size of clay blocks (250 x 120 x 65 mm)

NOPAT Net operating profit after tax, or operating profit less taxes and adjusted taxes (tax effects from financial results)

Paver Product made of clay or concrete, used in the design of gardens and public spaces

PE Polyethylene, a synthetic material

PP Polypropylene, a synthetic material

PVC Polyvinyl chloride, a synthetic material

P/E ratio Price/earnings ratio; an indicator for the market valuation of a stock



Rating Standardized evaluation of the credit standing of a company, which indicates the probability of insolvency or delayed payments

Return on equity Profit after tax divided by equity, or the rate of return on shareholders' investments

ROCE after tax Return on capital employed after tax, or NOPAT divided by average capital employed = net yield on capital employed

Self help program Group-wide optimisation programme in the areas of: Manufacturing Excellence, Innovation and Organic Growth, Procurement, Supply Chain Management and Administration

Translation risk Arises from the conversion of foreign currency items on the balance sheet; these foreign exchange fluctuations are not offset by balance sheet items in the same currency

Treasury Staff function to safeguard the financing, cash management and financial risk management of a company

UGB "Unternehmensgesetzbuch" (the Austrian Company Code)

WACC Weighted average cost of capital, or the average price a company must pay on financial markets for equity and debt

WF Abbreviation for "Waalformat"; the standard size of a facing brick (210 x 100 x 50 mm)

Explanatory Note on Non-financial Indicators

Average sick-leave days per employee Excluding North America (figures not fully comparable due to special local legislation on sick-leave).

Average training hours per employee Internal and external initial and further training measures per employee; relative to headcount.

CO₂ emissions from electricity These CO₂ emissions refer to indirect emissions (Scope 2) from electricity (calculation according to market-based method) purchased by the entire Wienerberger Group.

CO₂ emissions from primary energy sources These CO₂ emissions refer to direct fuel emissions (Scope 1); primarily relevant to ceramic production.

CO₂ emissions from raw materials (process emissions) These CO₂ emissions refer to direct emissions (Scope 1) from raw materials in ceramic production.

CO₂e emissions versus CO₂ emissions "Carbon dioxide equivalents" or "CO₂e" is a term used to describe the global warming potential (GWP) of various greenhouse gases in a single unit. Greenhouse gases such as methane, nitrous oxide, or chlorofluorocarbons (CFC) are of no relevance to Wienerberger's range of production. The absolute, direct CO₂ emissions (Scope 1) from our production processes are therefore to be equated 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 thus always refer to emissions of carbon dioxide equivalents (CO₂e). This also applies to the new climate action target in our new Sustainability Program 2023.

Employee turnover in full-time equivalents (Full Time Equivalents – FTE) Ratio of persons leaving the Wienerberger Group (termination by employee or employer, termination by mutual consent) to average number of employees in permanent employment. Excluding North America (figures not fully comparable due to special local legislation)

Housing unit for humanitarian projects Buildings New construction/renovation of residential and non-residential buildings. Single-family home/apartment or predefined non-residential surface = one housing unit.

Infrastructure (connection to potable water or sewage) New construction/renovation: Connection of four housing units to potable



water or connection to sewage, or connection of predefined surface in non-residential construction = one housing unit

Percentage of women Calculation based on headcount

Specific CO₂ emissions Specific CO₂ emissions refer to emissions from production caused by the sources of energy used (Scope 1) and are calculated on the basis of the absolute volume of CO₂ emissions in kg of CO₂ relative to the production output in tons. This value is shown as an index in % relative to the defined reference year, with the values of the reference year set at 100%.

Specific energy consumption For the calculation of specific energy consumption, absolute energy consumption in kWh is related to the production volume in tons. Specific energy consumption is shown as an index in % relative to the defined reference year, the values of which are set at 100%.

Total energy consumption Total energy consumption comprises energy consumed in production, excluding administration.



Financial Calendar

April 20, 2023	Start of the quiet period
April 25, 2023	Record date for participation in the 154 th Annual General Meeting
May 5, 2023	154 th Annual General Meeting
May 9, 2023	Deduction of dividends for 2022 (ex-day)
May 10, 2023	Record date for 2022 dividends
May 11, 2023	Results for the First Quarter of 2023
May 12, 2023	Payment day for 2022 dividends
July 19, 2023	Start of the quiet period
August 10, 2023	Results for the First Half-Year of 2023
October 19, 2023	Start of the quiet period
November 9, 2023	Results for the First Three Quarters of 2023

Information on the Company and the Wienerberger Share

Head of Investor Relations	Daniel Merl
Shareholder' Telephone	+43 1 601 92 10221
E-Mail	investor@wienerberger.com
Internet	www.wienerberger.com
Vienna Stock Exchange	WIE
Thomson Reuters	WBSVVI; WIE-VI
Bloomberg	WIE AV
Datastream	O: WNBA
ADR Level 1	WBRBY
ISIN	AT0000831706

Wienerberger Online Annual Report 2022:
annualreport.wienerberger.com/2022



Ten-Year Review

Corporate Data		2012	2013	2014 ²⁾	2015	2016	2017 ¹⁾	2018 ¹⁾	2019	2020	2021	2022
Revenues	in MEUR	2,356	2,663	2,834	2,972	2,974	3,120	3,305	3,466	3,355	3,971	4,976.7
EBITDA	in MEUR	217	276	317	370	404	415	443	610	558	694	1,026.2
EBITDA margin	in %	9	10	11	12	14	13	13	18	17	17	20.6
EBIT	in MEUR	-22	65	-165	163	191	179	240	363	192	420	721.2
Operating EBIT	in MEUR	31	55	100	168	198	194	248	363	305	431	739.6
Profit before tax	in MEUR	-36	-3	-215	107	159	145	195	315	149	374	688.3
Profit after tax	in MEUR	-41	-8	-230	70	115	141	147	263	100	312	568.5
Free cash flow	in MEUR	164	93	134	135	246	179	273	286	397	421	597.7
Total investments	in MEUR	269	107	163	148	181	163	216	255	201	280	352.6
Net debt	in MEUR	602	539	622	534	632	566	632	871	882	1,134	1,079.3
Capital employed	in MEUR	2,931	2,768	2,592	2,570	2,460	2,459	2,537	2,912	2,594	3,248	3,492.9
Gearing	in %	26	24	31	26	34	30	33	42	50	53	44.0
		1	1	2	4	6	5	6	9	5	11	17.1
Return on equity	in %	-2	-0	-12	3	6	7	8	13	6	15	238.9
ROCE	in %	0	1	3	4	6	7	8	11	9	12	18.1
Ø Employees	in FTE	13,060	13,787	14,836	15,813	15,990	16,297	16,596	17,234	16,619	17,624	19,078

Condensed Balance Sheet		2012	2013	2014 ²⁾	2015	2016	2017 ¹⁾	2018 ¹⁾	2019	2020	2021	2022
Non-current assets	in MEUR	2,800.8	2,610.0	2,433.8	2,426.3	2,355.0	2,290.3	2,377.7	2,727.0	2,475.7	3,036.1	3,176.3
Inventories	in MEUR	700.9	666.0	701.4	753.3	718.4	741.6	761.7	827.6	729.0	883.3	1,036.2
Other assets	in MEUR	638.0	935.4	695.8	512.0	563.8	627.9	603.6	578.0	1,122.3	984.4	986.7
Total assets	in MEUR	4,139.7	4,211.4	3,831.0	3,691.6	3,637.2	3,659.9	3,742.9	4,132.6	4,327.0	4,903.8	5,199.3
Equity ⁷⁾	in MEUR	2,363.7	2,254.2	1,986.5	2,054.2	1,849.0	1,911.2	1,939.1	2,076.8	1,749.0	2,149.1	2,450.4
Provisions	in MEUR	265.9	224.5	253.5	290.3	278.0	270.6	272.0	279.7	251.3	243.4	237.9
Liabilities	in MEUR	1,510.1	1,732.7	1,591.0	1,347.1	1,510.2	1,478.1	1,531.9	1,776.1	2,326.7	2,511.3	2,496.1

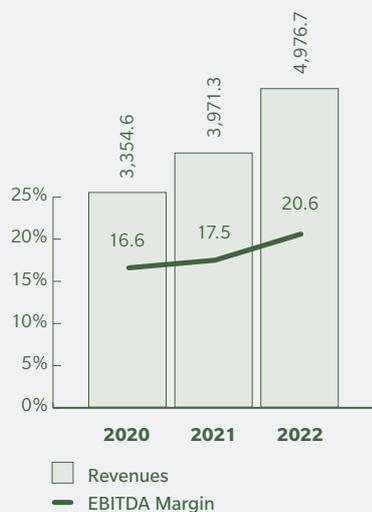
Stock Exchange Data		2012	2013	2014 ²⁾	2015	2016	2017 ¹⁾	2018 ¹⁾	2019	2020	2021	2022
Earnings per share	in EUR	-0.61	-0.34	-2.26	0.31	0.70	1.05	1.15	2.18	0.79	2.75	5.17
Adjusted earnings per share	in EUR	-0.25	-0.40	0.03	0.35	0.76	1.19	1.23	2.18	1.79	2.84	5.34
Dividend per share	in EUR	0.12	0.12	0.15	0.20	0.27	0.30	0.50	0.60	0.60	0.75	0.90
Dividend	in MEUR	13.81	13.81	17.54	23.39	31.58	35.10	57.37	68.05	67.36	86.10	95.38
Equity per Share ⁵⁾	in EUR	16.30	15.31	12.90	13.37	13.53	14.10	14.40	16.06	15.52	19.00	22.3
Share price at year-end	in EUR	6.93	11.53	11.45	17.09	16.50	20.17	18.00	26.42	26.08	32.34	22.6
Shares outstanding (weighted) ⁶⁾	in Tsd.	115,063	115,063	116,017	116,956	116,956	116,956	116,154	114,320	112,680	113,105	109,884
Market capitalization at year-end	in MEUR	814.3	1,354.5	1,345.1	2,008.532397	1,938.603972	2,370.5	2,115.481752	3,074	3,004.10257	3,725.179	2,520.7

1) Total investments and free cash flow were adjusted according to the new capex definition // 2) The figures for the year 2014 were restated in accordance with IAS 8 // 3) Profit after tax / Equity // 4) 2014 and 2012 calculated on pro-forma 12-month basis // 5) Equity including non-controlling interests; excluding hybrid capital // 6) Adjusted for treasury stock // 7) Equity including non-controlling interest and hybrid capital (Hybrid capital was reported as part of equity up to and including 2019) // 8) Cash flow from operating activities less cash flow from investing activities and cash outflows from the repayment of lease liabilities plus special capex and net payments made for the acquisition of companies



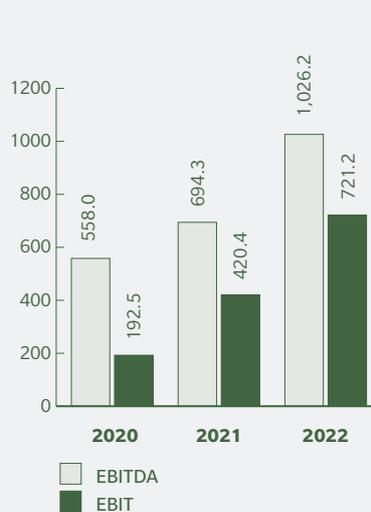
Revenues and EBITDA Margin

in MEUR and %



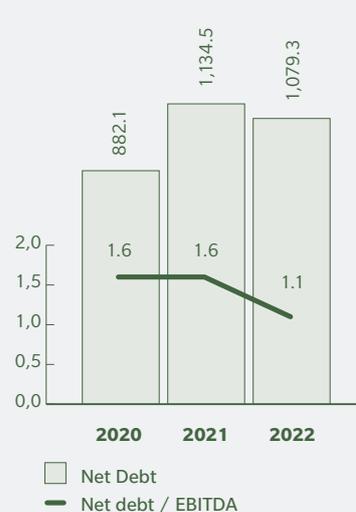
EBITDA and EBIT

in MEUR



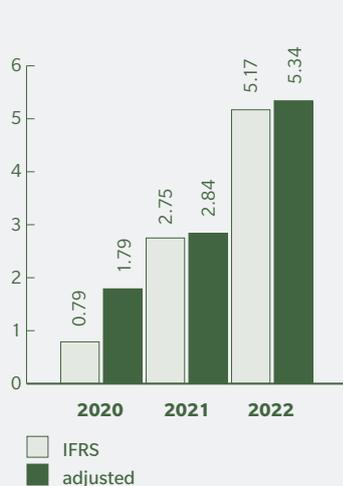
Net Debt and Net Debt / EBITDA

in MEUR



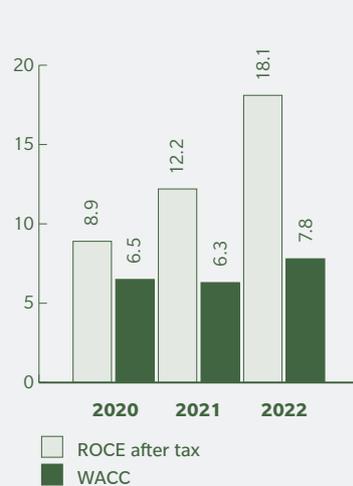
Earnings per Share

in EUR



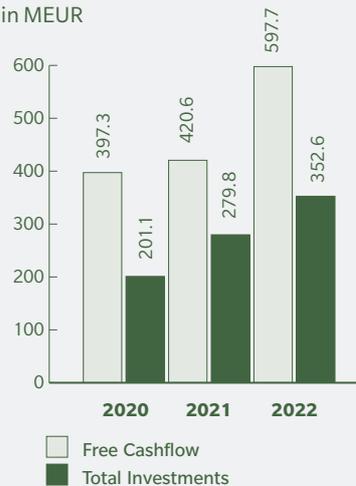
ROCE after tax and WACC

in %

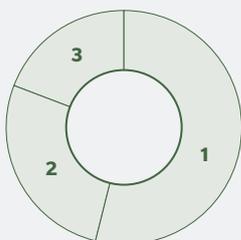


Free Cash Flow and Total Investments

in MEUR



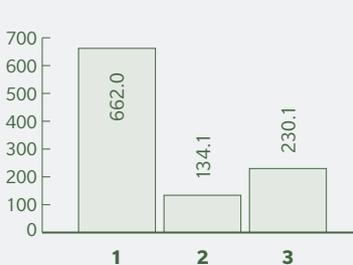
Revenues by Segment



1 Wienerberger Building Solutions	54%
2 Wienerberger Piping Solutions	27%
3 North America	19%

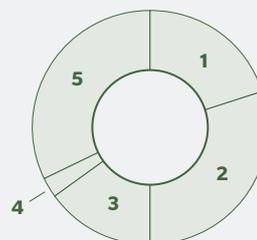
EBITDA by Segment

in MEUR



1 Wienerberger Building Solutions	662.0
2 Wienerberger Piping Solutions	134.1
3 North America	230.1

Revenues by Product



1 Wall	20%
2 Facade	30%
3 Roof	15%
4 Surface	3%
5 Pipes	32%



Key Performance Indicators

Earnings Data		2022	2021	Chg. in %	2020
Revenues	in MEUR	4,976.7	3,971.3	+25	3,354.6
Operating EBITDA ¹⁾	in MEUR	1,020.9	693.9	+47	561.4
EBITDA	in MEUR	1,026.2	694.3	+48	558.0
Operating EBIT	in MEUR	739.6	431.2	+72	305.1
Impairment charges to assets	in MEUR	-18.4	0.0	<-100	-22.3
Impairment charges to goodwill	in MEUR	0.0	-10.7	>100	-90.4
EBIT	in MEUR	721.2	420.4	+72	192.5
Profit before tax	in MEUR	688.3	374.3	+84	148.7
Net result	in MEUR	567.9	310.7	+83	88.5
Free cash flow ²⁾	in MEUR	597.7	420.6	+42	397.3
Maintenance Capex	in MEUR	134.7	120.4	+12	125.9
Special Capex	in MEUR	217.9	159.4	+37	75.2
ROCE	in %	18.1	12.2	-	8.9
Ø Employees	in FTE	19,078	17,624	+8	16,619

Balance Sheet Data		2022	2021	Chg. in %	2020
Equity ³⁾	in MEUR	2,450.4	2,149.1	+14	1,749.0
Net debt	in MEUR	1,079.3	1,134.5	-5	882.1
Capital employed	in MEUR	3,492.9	3,248.1	+8	2,594.1
Total assets	in MEUR	5,199.3	4,903.8	+6	4,327.0
Gearing	in %	44.0	52.8	-	50.4

Stock Exchange Data		2022	2021	Chg. in %	2020
Earnings per share	in EUR	5.17	2.75	+88	0.79
Adjusted earnings per share	in EUR	5.34	2.84	+88	1.79
Dividend per share	in EUR	0.90	0.75	+20	0.60
Share price at end of period	in EUR	22.56	32.34	-30	26.08
Shares outstanding (weighted) ⁴⁾	in 1,000	109,884	113,105	-3	112,680
Market capitalization at end of period	in MEUR	2,520.7	3,725.2	-32	3,004.1

Operating Segments 2022 in MEUR and % ⁵⁾	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Group eliminations	Wienerberger Group
External Revenues	2,684.9 (+17%)	1,345.7 (+15%)	944.8 (+89%)		4,975.3 (+25%)
Inter-company revenues	1.4 (-72%)	0.4 (+56%)	0.0 (-)	-0.3	1.4 (-71%)
Revenues	2,686.2 (+17%)	1,346.1 (+15%)	944.8 (+89%)	-0.3	4,976.7 (+25%)
Operating EBITDA	654.5 (+37%)	140.5 (+14%)	225.9 (>100%)		1,020.9 (+47%)
EBITDA	662.0 (+39%)	134.1 (+5%)	230.1 (>100%)		1,026.2 (+48%)
EBIT	475.2 (+52%)	57.0 (+15%)	189.0 (>100%)		721.2 (+72%)
Total investments	206.7 (+17%)	94.7 (+17%)	51.2 (>100%)		352.6 (+26%)
Capital employed	1,972.7 (+10%)	948.6 (+3%)	571.7 (+6%)		3,492.9 (+8%)
Ø Employees (in FTE)	12,734 (+2%)	3,944 (+9%)	2,400 (+51%)		19,078 (+8%)

¹⁾ Adjusted for effects from sale of core and non-core assets as well as structural adjustments // ²⁾ Cash flow from operating activities less cash flow from investing activities and cash outflows from the repayment of lease liabilities plus special capex and net payments made for the acquisition of companies // ³⁾ Equity including non controlling interests // ⁴⁾ Adjusted for treasury stock // ⁵⁾ Changes in % to the comparable prior year period are shown in brackets // Explanatory notes to the report: Rounding differences may arise from automatic processing of data.



Adresses of Major Companies

Wienerberger AG

1100 Vienna, Austria
Wienerbergerplatz 1
T +43 1 60 192 0
office@wienerberger.com
www.wienerberger.com

Semmelrock International GmbH

1100 Vienna, Austria
Wienerbergerplatz 1
T +43 1 60 192 10901
international@semmelrock.com
www.semmelrockgroup.com

Steinzeug-Keramo GmbH

50226 Frechen, Germany
Europaallee 63
T +49 2234 507-0
info@steinzeug-keramo.com
www.steinzeug-keramo.com

Pipelife International GmbH

1100 Vienna, Austria
Wienerbergerplatz 1
T +43 1 602 2030 0
info@pipelife.com
www.pipelife.com

General Shale Brick, Inc.

USA-Johnson City TN 37601
3015 Bristol Highway
T +1 423 282 4661
office@generalshale.com
www.generalshale.com



IMPRINT

Media owner (publisher)

Wienerberger AG
Wienerbergplatz 1, 1100 Vienna, Austria
T +43 1 601 92 0
F +43 1 601 92 10159

Inquiries may be addressed to

The Managing Board:
Heimo Scheuch, CEO
Gerhard Hanke, CFO
Solveig Menard-Galli, COO WBS
Harald Schwarzmayr, COO WPS

Investor Relations:

Daniel Merl
Corporate Sustainability & Innovation:
Mark van Loon

Concept

The Skills Group GmbH

Design

All Channels Communication Austria GmbH

Photos & Illustrations

All Channels Communication, Nik Pichler, Uwe Strasser, Jukka Erätuli, Daniel Hinterramskogler, Adobe Stock, Pixabay, Shutterstock, Wienerberger Ceramica Budowlana, Hiroyuki Oki, Wienerberger / Brick Award / Photographer: Rafael Gamo; Architect: TALLER | Mauricio Rocha + Gabriela Carrillo, Mexico, Pipelife

Scientific consulting Sustainability Report

BZL Kommunikation und Projektsteuerung GmbH, Oyten (GER)

This publication contains information and forecasts that relate to the future development of the Wienerberger Group and its companies. These forecasts are estimates based on all the information available to us at this point in time. If the assumptions underlying these forecasts do not materialize or if risks materialize, the actual results may differ from the results currently expected. The publication does not, in any way whatsoever, constitute a recommendation to buy or sell Wienerberger AG securities. This financial report is also available in German. In case of doubt, the German version takes precedence.

If you want to learn more about Wienerberger: Annual & quarterly reports as well as further information can be found on our website www.wienerberger.com.

