2020 | Sustainability Report

WOW

wienerberger

Blooming meadows, buzzing insects, migrating birds and in the midst of it all, humans. As here, in the Netherlands, Wienerberger fosters biodiversity all over the world. In the course of clay mining, tributaries to the Rhine were created. This resulted in increased flood control capacity in the region and created valuable natural areas covering nearly 6,700 hectares in total. Given that the rivers continuously bring down new clay from the mountains, the new habitats and biodiversity will be preserved for generations.

We support these initiatives

United Nations Global Compact

SUSTAINABLE DEVELOPMENT GOALS

Habitat for Humanity Europe, Middle East and Africa

Our sustainability ratings[1)]

ecovadis 2020

MSCI ESG RATINGS AAA

Corporate Responsibility Prime rated by ISS oekom

VÖNIX 21 22 INDEX MEMBER

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

Key Indicators of the Wienerberger Group

Financial Indicators

Corporate indicators		2018	2019	2020	Chg. in %
Revenues	*in MEUR*	3,305.1	3,466.3	**3,354.6**	-3
EBITDA	*in MEUR*	442.6	610.0	**558.0**	-9
EBIT	*in MEUR*	239.8	362.7	**192.5**	-47
Profit before tax	*in MEUR*	195.3	315.3	**148.7**	-53
Free cash flow	*in MEUR*	272.5	286.0	**397.3**	+39
Net debt	*in MEUR*	631.6	871.4	**882.1**	+1
Gearing	*in %*	32.6	42.0	**50.4**	-

Non-Financial Indicators

		2018	2019	2020	Chg. in %
Total energy consumption [1) 2)]	*in gigawatt-hours*	8,211	8,194	**7,415**	-9.5
Specific energy consumption [1) 2)]	*Index in % based on kWh/ton (2013 = 100%)*	98.7	98.6	**100.4**	+1.8
Direct CO_2 emissions (Scope 1) [2) 3) 4) 5) 6)]	*in kilotons*	2,608	2,604	**2,355**	-9.6
Indirect CO_2 emissions (Scope 2) [7)]	*in kilotons*	-	-	**296**	-
Direct and indirect CO_2 emissions (Scope 1+Scope 2) [2) 4) 6) 7)]	*in kilotons*	-	-	**2,652**	-
Specific direct CO_2 emissions from primary energy sources, ceramic production [2) 8) 9)]	*Index in % based on kg CO_2/ton (2013 = 100%)*	92.0	92.1	**92.7**	+0.7
Waste	*in kilotons*	148	159	**105**	-34.0
Ø Employees as at 31.12.	*Full-time equivalents (FTEs)*	16,596	17,234	**16,619**	-3.6
Employees as at 31.12.	*Headcount*	16,284	16,311	**16,446**	+0.8
New entrants	*Headcount*	2,429	2,331	**1,886**	-19.1
Employee turnover [10) 11)]	*in %*	12.2	11.3	**10.7**	-5.3
Ø Training hours / employee [12)]	*in hours*	15.8	16.0	**16.2**	+0.9
Percentage of women	*in %, relative to headcount*	14.3	14.8	**15.1**	+2.0
Percentage of women in senior management	*in %, relative to headcount*	11	12	**13**	+5.0
Percentage of women in white-collar positions [13)]	*in %, relative to headcount*	32	32	**32**	-0.3
Accident frequency [14)]	*Number of occupational accidents / number of hours worked x 1,000,000*	5.1	5.6	**5.4**	-2.7
Accident severity	*Accident-related sick-leave days / number of hours worked x 1,000,000*	155	158	**178**	+12.0
Number of fatal occupational accidents [15)]	*Number within the Wienerberger Group*	1	0	**1**	-
Ø Sick-leave days / employee [11)]	*in days*	10.5	10.7	**10.8**	+1.2
Number of corruption cases [16)]	*Number within the Wienerberger Group*	0	0	**0**	0.0
Percentage of innovative products in total revenues	*in %*	29.0	30.7	**32.7**	-

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible // 2) Five sites newly acquired in 2019 were not included in the indicators for 2019, as the necessary data collection structures were not yet in place, but have been included in 2020. // 3) Exclusively direct, absolute CO_2 emissions (Scope 1). // 4) ETS and non-ETS. // 5) In our previous sustainability reports, the indicator was reported under „total CO_2 emissions". // 6) From 2020 including biogenic inputs. // 7) This indicator is reported for the first time in 2020 for the entire Wienerberger Group. The calculation of indirect CO_2 emissions from purchased electricity is based on the current CO_2 emission factors of Corporate Procurement. // 8) Specific direct CO_2 emissions exclusively refer to fuel emissions in ceramic production. // 9) The index of specific direct CO_2 emissions from primary energy sources in ceramic production published in the 2020 Annual Report was corrected from 92.8 to 92.7 after publication of the validated emission indicators of the EU Transaction Log (EUTL). // 10) Excluding North America, as the indicators are not comparable to those of other Business Units on account of special national rules regarding the collection of employee-related indicators. // 11) Re-statement: The indicator on employee turnover published in the 2020 Annual Report was corrected from 13.1 to 10.7 after elimination of a technical error. // 12) Internal and external initial and further training measures; relative to employee headcount. International training hours are not included in this table. // 13) Percentage of women among all employees directly employed by Wienerberger, excluding production. // 14) Re-statement: The accident frequency indicator of the North America Business Unit for 2020 was corrected after publication of the 2020 Annual Report and the indicator for the Wienerberger Group published therein was recalculated. // 15) We report this indicator on account of its high relevance, although it is outside the reporting scope. // 2018 exclusively in a 50% subsidiary of Wienerberger. // 16) Proceedings newly initiated against Wienerberger in the reporting year, decisions taken, penalties imposed, negative findings.

***General remarks applying to all parts of the 2020 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. // Free cash flow equals cash flow from operating activities minus cash flow from investing activities plus growth capex. // The calculation methods used and the reporting scope are explained in the respective chapters of the 2020 Sustainability Report. Since 2017, all agency and temporary workers have been included in the calculation of accident indicators and full-time equivalents from their first hour of work at Wienerberger.*

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Heimo Scheuch
Chief Executive Officer of the Wienerberger AG

INTRODUCTION BY THE CHIEF EXECUTIVE OFFICER

Ladies and Gentlemen:

2020 was a year that confronted us with numerous challenges, a year we will never forget. The corona pandemic clearly showed us all that we cannot go back to the "old normal". The climate crisis, too, is here to stay, a central fact we can only counteract by pursuing ambitious sustainability targets in order to secure a livable future.

It is thanks to the extraordinary effort made by our roughly 17,000 colleagues that Wienerberger can nevertheless look back with pride. Together with our employees, customers, suppliers, and partners, we navigated the company safely through the past year. For that, I extend my heartfelt thanks to all of you! Despite the corona pandemic, we achieved the second-best result in the history of our company. At the same time, we were able to further strengthen our pioneering role as a leading provider of systems for innovative building and infrastructure solutions for the entire building envelope. This was possible thanks to the further development of our portfolio through innovation and the expansion of our end markets. With our durable and sustainable products for new build, renovation, and infrastructure, we are improving people's quality of life around the globe. We will continue on our value-creating growth path in the years to come. Our focus will remain on operational excellence, organic growth through innovation, and external growth through acquisitions. All our corporate activities are in line with our sustainability targets and subject to strict ESG (environment, social, governance) criteria. We are acting responsibly to ensure that future generations will have the same opportunities as we have today.

"All our corporate activities are in line with our sustainability targets and subject to strict ESG criteria."

With the Wienerberger Sustainability Program 2023 – enriched through experience gained from the program that expired in 2020 – we have responded to changing ecological, economic and social requirements. We analyzed our value chains and identified five core topics for Wienerberger: climate and energy, the circular economy, biodiversity and the environment, our employees, and business ethics and social impacts. In the course of our subsequent materiality analysis, we also involved our stakeholders, including our employees, customers, partners, and investors, as well as decision makers from the world of research and politics. On this basis, we designed the new Sustainability Program 2023, the successor to the Sustainability Roadmap 2020.

Based on three environmental pillars, the Wienerberger Sustainability Program 2023 is intended to translate the goals of the European Green Deal into practice. We have set ourselves ambitious targets in terms of decarbonization, the circular economy, and biodiversity. Even though we are already improving people's quality of life and promoting environmental protection with energy-efficient brick solutions and innovative pipe systems, we can do a great deal more

by expanding our know-how and making additional investments.

Decarbonization continues to be an important goal pursued by Wienerberger. We have committed ourselves to achieving zero net greenhouse gas emissions by 2050. On the way to this target, we will reduce our CO_2 emissions by 15% by 2023, as compared to 2020. We are optimizing our production processes and using green electricity at all our sites. We are advancing the decarbonization of our product portfolio through a variety of innovations. In 2020, innovative products already accounted for one third of our total revenues.

Climate change entails new requirements to be met by residential buildings and infrastructure. Our response consists in holistic, sustainable, and smart products and system solutions that generate added value for the environment and for society. This includes climate-resilient building solutions, green surfaces in cities, or water-permeable paver systems for infiltration.

The circular economy is another pillar of our sustainability program. For Wienerberger as a producing company, natural raw materials are indispensable. When resources are re-used or recycled, raw materials are saved and CO_2 emissions avoided. From 2023 onward, all new products will be designed so as to be re-usable or recyclable. This underlines our strong commitment to resource efficiency and closed value-creation cycles.

"Wienerberger's Sustainability Program 2023 translates the goals of the European Green Deal into practice. We have set ourselves ambitious targets in terms of decarbonization, the circular economy, and biodiversity."

Biodiversity is another essential topic for Wienerberger. We feel duty-bound to protect and preserve the environment: We respect nature reserves, use resources sparingly, and foster biodiversity at our sites. The loss of biodiversity on our planet over the past 40 years has been unprecedented, and we are determined to counteract this development. By fostering biodiversity, we improve land use and provide valuable habitats for flora and fauna. By 2023, we will roll out our biodiversity program to all our sites. Our employees will be fully involved in the implementation of the local biodiversity action plans.

This report describes how we are implementing our sustainability targets in practice. Specific stories provide insights into current projects and developments. Examples include our biodiversity program for the Orchard Farm clay mining site in southeastern England, plastic recycling at Wienerberger Piping Solutions, and the extra-slim eco-brick designed by Wienerberger Building Solutions.

Our actions are subject to clear ethical principles and follow the most demanding compliance and anti-corruption guidelines. For us, this means acting ethically, communicating openly, creating a transparent economic framework, being personally accountable for everything we do, and acting as a reliable and useful member of society.

We will continue our efforts to translate this credo into reality. We create lasting values and help to shape the future of building construction with our sustainable innovations. Let us embark on a new course together – for a livable planet for generations to come!

Yours

About Wienerberger

Company Profile

Wienerberger is an 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 197 production sites operating in 29 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.

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 the Management Report on pages 112 and 113 of the 2020 Annual Report.

Our 16,619 employees are the foundation of our organization. Their excellent cooperation is based on a firmly rooted, living corporate culture, which is characterized by shared values: expertise, passion, integrity and respect, customer orientation, entrepreneurship, quality, and responsibility.

Corporate Mission & Value Proposition

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

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

The primary goal of our entrepreneurial activities is to achieve continuous growth of our company on the basis of our strategic commitment to compliance with the ESG (environmental, social, governance) principles and to our financial targets.

We practice and uphold our values and share them with all our stakeholders. Building on our strong corporate culture, local teams contribute to the dynamic development of our international business.

Our employees are crucial to the success of our company. Thanks to their professionalism, their passion, and their entrepreneurial spirit, we are able to seize opportunities, act with determination, and create value for our stakeholders.

We use our profound market know-how and our networks to offer our customers attractive solutions that are tailored to their needs. Through our strong platforms and brands, we combine the advantage of maximum customer proximity in local markets with the potential of an internationally operating group of companies.

As the technology and innovation leader of our sector, we provide future-oriented products and solutions that create added value for our customers and enhance the efficiency of construction projects.

We are driving the digital transformation of our industry. Our digital tools enhance the efficiency of processes, from the planning phase to project execution.

We create value by continuously improving the efficiency of all success factors and we benefit from economies of scale through the group-wide exchange of successful projects.

We generate organic growth through innovation, improve our processes through operational excellence, and grow through mergers and acquisitions (M&A) and portfolio optimization.

Stakeholder Management

As a responsible member of society, Wienerberger takes the concerns of its stakeholders into account in its corporate strategy. We place great emphasis on open, continuous, and target-group-oriented dialogue, as it fosters mutual understanding of one another's interests, expectations and targets. Therefore, in 2020 we updated our materiality analysis, involving both internal and external stakeholders. The results have provided input for our Sustainability Program 2023 and form an integral part of our corporate strategy.

Wienerberger will continue this ongoing direct dialogue, especially with core stakeholder groups, the objective being to conduct in-depth analyses of essential topics and aspects. This enables us to identify risks and opportunities at an early point in time and to better understand the concerns and expectations of various groups in society.

Our stakeholders include our employees, customers and business partners, investors, analysts and banks, local residents and local authorities, suppliers, political decision-makers and representatives of the public administration, regulators, organized interest groups, research institutions and universities, media, and non-governmental organizations (NGOs).

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

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

Our customers and business partners – end customers as well as building-material dealers, developers, design engineers, and contractors – are mainly interested in high-quality, durable, and affordable products for buildings that ensure a safe, healthy, and comfortable environment.

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

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

Local residents, local authorities, and non-governmental organizations (NGOs) are also among our important stakeholders. Every production site is 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.

Policy-makers determine the legal framework and thereby exert a major influence on Wienerberger's entrepreneurial environment. For quite some time, we have been publicly advocating the provision of affordable and social housing in Europe. Moreover, we are trying to convince policymakers of the need for state aid for renovation measures and the construction of water

supply and wastewater disposal networks. It is an essential component of our success that we are determined to address the developments in the individual markets, such as the growing trend towards urbanization, and offer decision-makers practical, sustainable and, above all, affordable solutions for the construction and renovation of residential buildings as well as essential components of infrastructure, such as supply and disposal systems or the paving of outdoor surfaces.

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

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

Stakeholders & Communication Instruments

Primary Stakeholders

Our employees
- *Internal communication channels*

Our customers and business partners
- *Trained service center employees*
- *Digital planning tools*

Capital market participants
- *Annual and quarterly reports*
- *Presentations*
- *Mailings on current developments*
- *Roadshows*
- *Investor conferences*
- *Personal conversations*
- *Capital Markets Day*

Suppliers
- *Monitoring of suppliers with regard to terms and conditions, financial and non-financial performance*
- *Exchange in the course of our on-site supplier audits*
- *Cooperation on the basis of the suppliers' ESG rating results (optimization plans)*
- *Application of the Supplier Code of Conduct*

Community

Local residents, communities, and public authorities
- *On-site dialogue with stakeholder committee*
- *Informal exchange*

Research institutions and universities
- *Research cooperation*

Political level
- *Membership in European and National representative bodies and platforms*
- *Cooperation with technical committees*

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

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 2020, as in the previous year, Wienerberger was almost in full compliance with the rules of the Austrian Corporate Governance Code, including its R Rules. Slight non-compliances were reported in respect of two C Rules of the Code. These deviations, as well as further activities in the reporting year, are explained and described in detail in the consolidated Corporate Governance Report in the Annual Report starting on page 66.

For information on compliance and anti-corruption measures, please refer to the chapter "Business Ethics & Social Impacts" starting on page 106.

ESG criteria in variable remuneration

Variable remuneration at Wienerberger is composed of a short-term-incentive component (STI) linked to financial indicators, and a long-term-incentive (LTI) component, which all members of the Executive Board and top-level executives are entitled to. The LTI is intended to enhance the motivation of the Managing Board members and top executives to focus more intensively on increasing the enterprise value and to identify more strongly with the company's long-term planning and goals. The LTI comprises financial and ESG targets.

Variable Remuneration of the Managing Board

The variable components of remuneration for the members of Wienerberger's Managing Board are designed to create an adequate incentives scheme for the achievement of key strategic targets and a sustainable increase in enterprise value. The remuneration policy devised by the Supervisory Board ensures a high degree of transparency by linking the goals to clearly defined indicators of earnings and profitability as well as precisely measurable ESG criteria. Particular attention is paid to ensuring the greatest possible goal congruency between shareholders' interests and Managing Board remuneration. On this basis, the long-term remuneration component is primarily linked to the sustainable improvement of the enterprise

value, taking into account key financial indicators (relative total shareholder return, return on capital employed after tax) as well as clear environmental, social, and governance (ESG) targets.

In accordance with the remuneration policy for the business years 2021 to 2024 and in line with the Sustainability Program 2023, the following environmental, social, and governance (ESG) targets apply to the LTI program for all members of the Managing Board:

- Environmental target for climate protection: 15% less CO_2 emissions vs. 2020
- Social target for diversity: more than 15% women in senior management and more than 30% female employees in white-collar positions
- Social target for training and development: 10% more training hours per employee

For our top executives

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

For detailed information on Wienerberger's remuneration regime, please refer to the 2020 Remuneration report on our website at *(https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2021/2020-Wienerberger-Remuneration-Report_EN.pdf)*

Our Product Groups

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

All our efforts are 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 applications and extend our geographic market coverage.

Wienerberger Building Solutions

In our European markets, the Wienerberger Building Solutions (WBS) Business Unit offers a broad range of innovative products and system solutions for the building envelope and an integrated product mix for outdoor applications. WBS includes our business in all Wienerberger and Semmelrock brands. The Business Unit also comprises 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. 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 three priority areas: in-house solutions, infrastructure applications, and water management for agriculture.

North America

The main focus of the North America Business Unit is on innovative products and system solutions with facing bricks, concrete and calcium silicate products, and plastic pipes. The core properties and applications of these products in North America are comparable to those of the wall and façade products of Wienerberger Building Solutions (WBS). This also holds for plastic pipes produced by the North America Business Unit and by Wienerberger Piping Solutions (WPS).

Our Operating Units

Piping Solutions

Innovative solutions for in-house and infrastructure

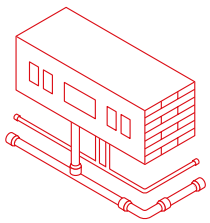
Building Solutions

Solutions for the building envelope (wall, roof, façade) and pavers

North America

Solutions for façades and plastic pipes for infrastructure

Infrastructure solutions



Water management & wastewater disposal, energy supply, data transfer, special products for industry

New build, renovation, rehabilitation

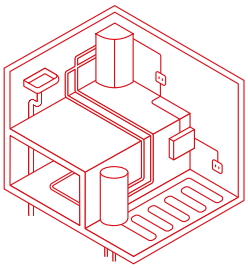
Decision-makers Customer groups

Investors, public-sector clients, planning engineers, contractors, processors, distribution partners, merchants, private customers

Product users

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

In-house solutions



Electrical and heating installations, potable water and wastewater, garden irrigation

New build, renovation

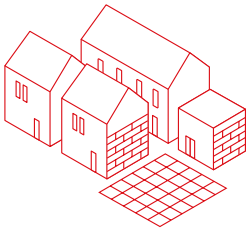
Decision-makers Customer groups

Designers, electricians, plumbers, contractors, processors, distribution partners, merchants

Product users

End customers, users of buildings

Solutions for the building envelope and pavers



Single and two-family homes, multi-family homes, non-residential construction, public spaces, gardens and roads

New build, renovation, rehabilitation, preservation of classified buildings

Decision-makers Customer groups

Architects, designers, public-sector clients, private investors, contractors, processors, distribution partners, merchants

Product users

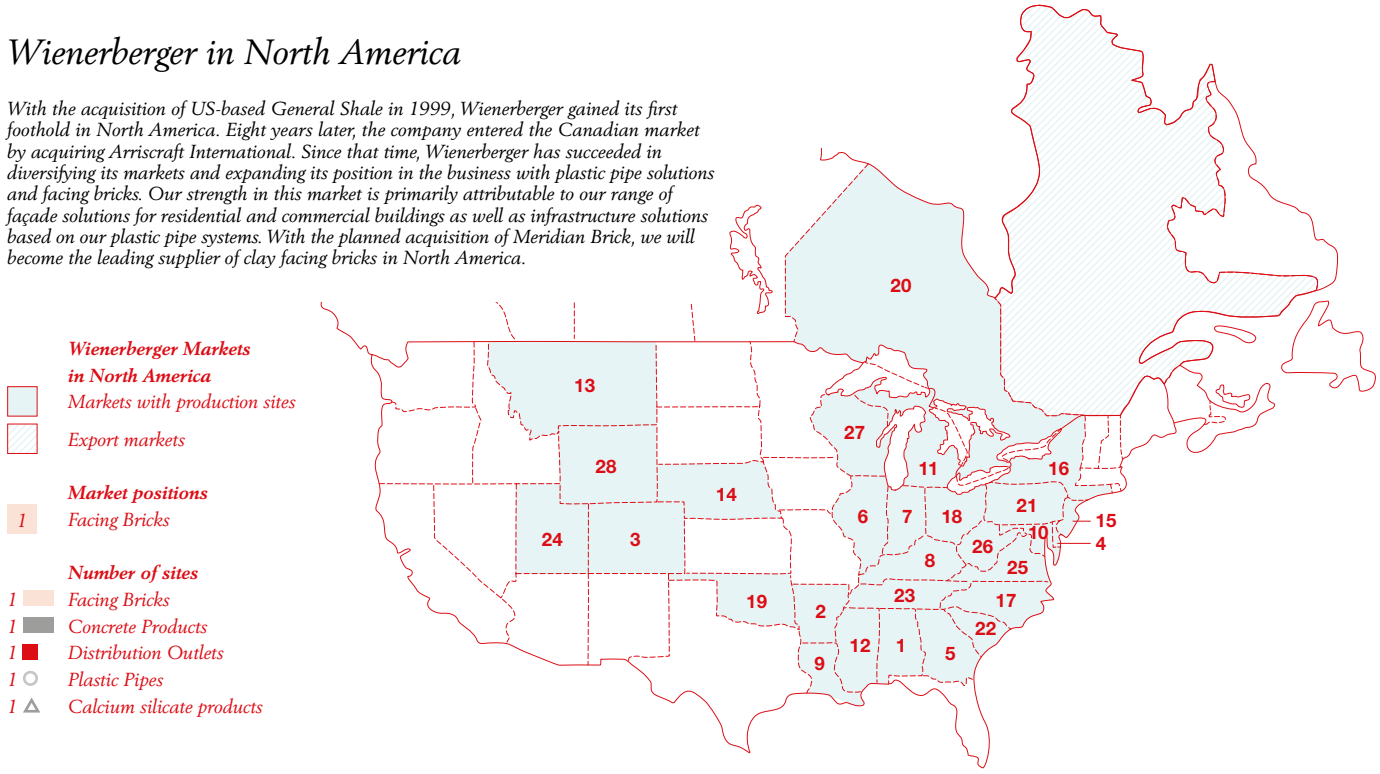
Users of buildings, public at large

Production sites and market positions

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 around 197 production sites in operation in 29 countries and we export our products to markets all over the world. We are the world's leading brick manufacturer and Europe's number one in clay roof tiles. Moreover, we hold top market positions in pipe systems around Europe and are a leading supplier for concrete pavers in Central and Eastern Europe.

Wienerberger in North America

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



1	Alabama	3			1 ■			15	New Jersey*	3							
2	Arkansas*	4				1 ○		16	New York*	3							
3	Colorado	1	1					17	North Carolina	1	2			4 ■			
4	Delaware*	5						18	Ohio*	2							
5	Georgia	1	1				1 △	19	Oklahoma*	6							
6	Illinois	3			2 ■			20	Ontario							1 △	
7	Indiana	1	1		1 ■			21	Pennsylvania	3	1						
8	Kentucky*	1						22	South Carolina	4				1 ■			
9	Louisiana*	2						23	Tennessee	1	1		1		6 ■		
10	Maryland*	2						24	Utah*	2							
11	Michigan	2			2 ■			25	Virginia	1	1			1 ■			
12	Mississippi	1	1					26	West Virginia*	1							
13	Montana	1			1 ■			27	Wisconsin*	5							
14	Nebraska*	6						28	Wyoming	1							

** Markets are served through exports from neighboring states.*
Note: Meridian's production sites will be taken into account after Closing.

Status 31 December 2020

Wienerberger in Europe

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

Wienerberger in India

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

Wienerberger Markets in Europe
Markets with production sites
Export markets

Market positions
1 Clay Blocks and/or Facing Bricks
1 Clay Roof Tiles

Number of sites
1 Clay Blocks
1 Facing Bricks
1 Roofing Systems
1 Pavers
1 Plastic Pipes
1 Ceramic Pipes
1 Digital Products & Solutions

1	*Belgium*	*1*	*1*	*3*	*6*	*2*		*3*	*1*	**14**	*North Macedonia*		*1*			*1*			
2	*Bulgaria*	*1*	*2*	*1*			*1*	*1*		**15**	*Norway**						*3*		
3	*Denmark**				*5*					**16**	*Austria*	*1*	*1*	*6*		*2*		*1*	
4	*Germany*	*1*	*4*	*13*	*3*	*4*	*1*	*1*	*1*	**17**	*Poland*	*1*	*2*	*7*		*1*	*5*	*2*	
5	*Estonia*	*1*			*1*			*1*		**18**	*Romania*	*1*	*1*	*4*			*3*		
6	*Finland**				*1*			*4*		**19**	*Russia*	*1*		*2*				*1*	
7	*France*	*2*	*4*	*4*	*1*	*3*		*2*		**20**	*Sweden**							*2*	
8	*Greece*							*1*		**21**	*Serbia*		*1*			*1*			
9	*Great Britain*	*2*	*1*		*9*	*7*				**22**	*Slovakia*	*1*	*1*	*2*			*1*		
10	*Ireland*							*1*		**23**	*Slovenia*	*1*	*1*	*1*		*1*			
11	*Italy*	*1*		*4*						**24**	*Czech Republic*	*1*	*1*	*7*		*3*	*1*	*2*	
12	*Croatia*	*1*	*1*	*1*		*1*	*1*			**25**	*Turkey*							*3*	
13	*Netherlands*	*1*	*1*	*1*	*10*	*3*	*5*	*3*	*2*	**26**	*Hungary*	*1*	*1*	*5*		*2*	*2*	*1*	

** In the clay business the Nordic markets (Denmark, Finland, Norway and Sweden), in which we hold a No. 2 market position, are managed by a regional management.*

Status 31 December 2020

Our Value Creation

Sourcing

Ceramics	› Extraction of own clay reserves or purchase of clay from third parties › Additives and aggregates › Alternative binders	› Packaging material › Secondary raw materials › Energy › Water
Plastics	› PVC, PP and PE granulate › Secondary raw materials › Additives	› Packaging material › Energy › Water
Concrete	› Cement › Alternative binders › Additives › Packaging material	› Secondary raw materials › Energy › Water

Products and system solutions (incl. planning and service)

- › Energy efficiency of buildings
- › Adaptation to climate change
- › Water management solutions
- › Promotion of biodiversity & environmental protection
- › Easy installation
- › Easy re-use and recycling

End of service life

Material recycling

Energy recovery
Appropriate disposal

Recycling of production waste

Production

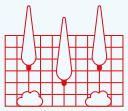
- Delivery / Storage
- Preparation
- Molding
- Drying
- Processing
- Glazing
- Firing
- Packaging

- Preparation
- Extrusion
- Injection molding
- Cooling
- Finishing
- Packaging

- Storage
- Mixing
- Molding
- Finishing
- Drying
- Packaging

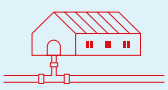
Re-use

Use Phase

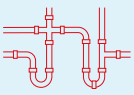


Pavers

- **Pavers**
- **Walls / fences**
- **Steps / edging stones / design elements**



In-house solutions Water and energy



Infrastructure Water and energy

- **Plastic pipes**
- **Fittings**
- **Accessories**

Building solutions

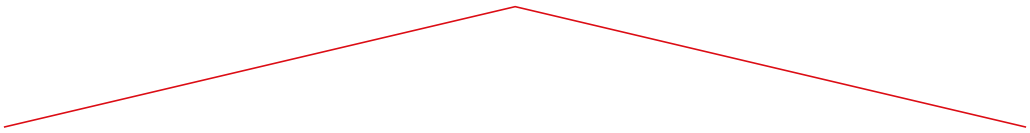
- **Roof tiles**
- **Clay blocks**
- **Facing bricks**
- **Ceramic accessories**
- **Ceramic pipes**
- **Accessories**

Corporate Strategy

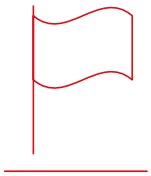
Our Priorities

All our entrepreneurial activities are subject to clearly defined and ambitious ESG criteria, the main focus being on decarbonization, a circular economy, and biodiversity.

Our primary goals are to increase our value creation in respect of the entire building envelope and to evolve into a full-range provider of system solutions for energy and water management. To achieve these goals, we focus on a number of key factors: innovation, operational excellence, and M&A and portfolio optimization. In our core markets in Europe and North America, we continuously pursue the expansion of our core segments: new build, renovation, and infrastructure.

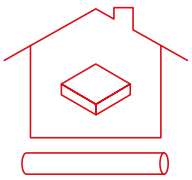


We focus on these growth areas



Core Markets

Europe,
North America

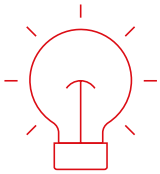


Core Segments

New build, renovation,
infrastructure

All our criteria are subject to clear ESG criteria

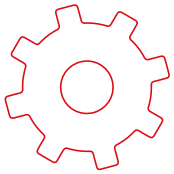
Decarbonization, Circular Economy, Biodiversity



Organic growth through

Innovation

During the past ten 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 our efficiency enhancement program focused on manufacturing and all relevant business processes.

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.

Materiality Analysis and the UN SDGs

Materiality Analysis 2020

In 2020, in the course of the reorientation of the Wienerberger strategy and the Sustainability Program 2023 (see pages 25–27), which replaces our Sustainability Roadmap 2020, Wienerberger again performed a materiality analysis in cooperation with an external partner. The most recent regulatory requirements as well as the international reporting frameworks (Global Reporting Initiative, GRI) were taken into account in the 2020 materiality analysis.

The materiality analysis served to identify the ecological, social and governance aspects relating to five core topics along our value chains that were rated as material on account of their relevance to our stakeholders and our business as well as their impact and risk assessment:

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

By means of systematic online surveys, the five core topics were analyzed from three perspectives:

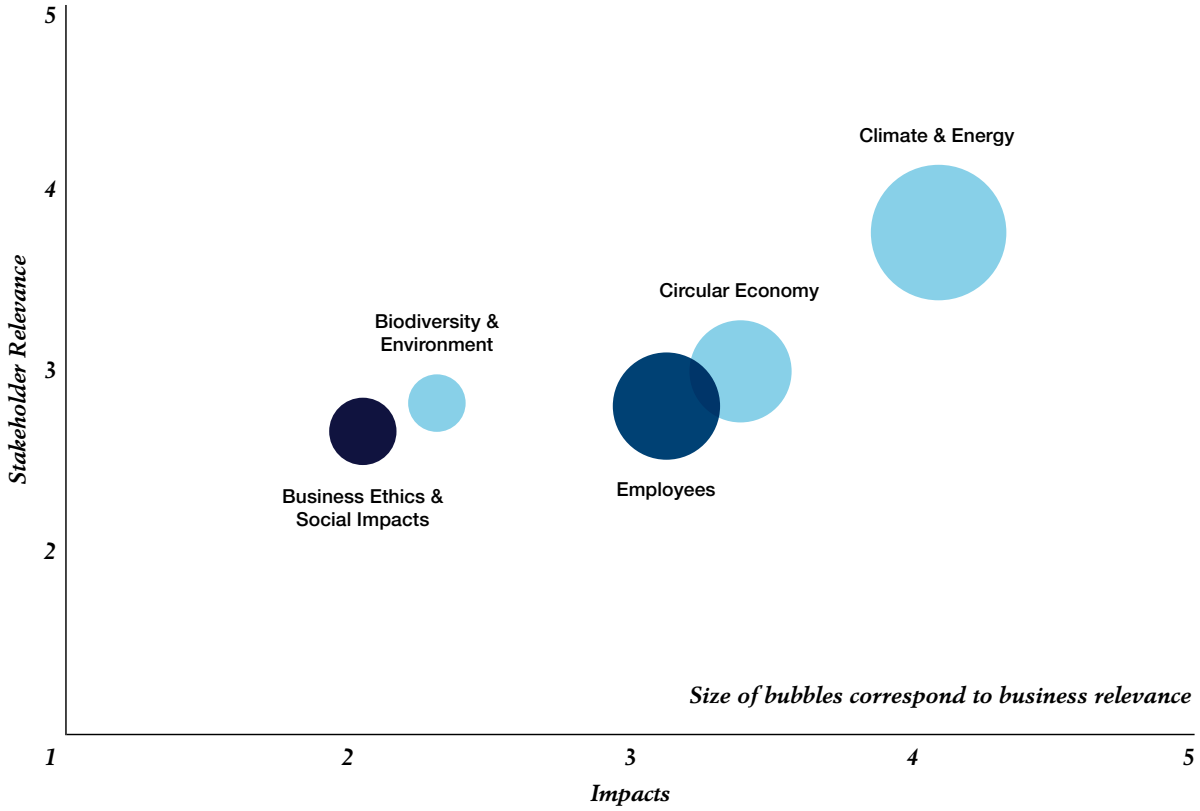
- Stakeholder relevance as per stakeholder survey
  - Core question: What is material for our stakeholders?
  - Feedback from internal and external stakeholders
- Business relevance as per management survey
  - Core question: What is material for our business?
  - Feedback from Wienerberger top management
- Impacts and risks resulting from Wienerberger as per impact and risk survey
  - Core question: What are the most important environmental and social impacts and risks resulting from Wienerberger?
  - Feedback from internal experts

The results of the 2020 materiality analysis, in addition to the results of the internal analysis of the Sustainability Roadmap 2020 in its final year, provided an important basis for the orientation of the Wienerberger strategy and the identification of targets and measures for the Wienerberger Sustainability Program 2023.

In the interest of a clear definition of the action areas for the Wienerberger strategy and the related Sustainability Program 2023, aspects required on account of legal provisions and international reporting frameworks (GRI) were also taken into consideration.

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

Wienerberger Materiality Matrix 2020



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

Circular Economy
- Long product lifetime and long-term value of products
- Share of secondary and recycled raw material in production
- Design of products and systems for re-use and recycling
- 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
- Safety and health in supply chain, construction & demolition
- Product and system design supporting ease of installation
- Affordability of building materials and solutions
- Ethical conduct of suppliers
- Human rights and working conditions in the supply chain
- Healthy indoor climate through good air quality in buildings

SDGs of relevance to the Wienerberger Group

The Agenda 2030 for Sustainable Development of the United Nations comprises 17 Sustainable Development Goals (SDGs).

Within the framework of its business activity, Wienerberger considers its impact on the SDGs along the entire value chain. In the course of the update of the materiality analysis in 2020, the direct and indirect impacts of Wienerberger on the SDGs were evaluated. It was found that across Wienerberger's entire value chain ten of the seventeen SDGs are more or less relevant, although in different phases and different product groups.

For an overview of the relevant SDGs and targets in respect of the material topics of the Wienerberger Group along the entire value chain, please refer to pages 39, 61, 75, 87, and 109.

Relevant SDGs – relating to the entire Wienerberger Group

Sustainability Program 2023

The Wienerberger management and the Sustainability and Innovation Committee of the Supervisory Board, established in 2020, developed the Wienerberger strategy, which sets out the Group's vision and its medium-term and long-term targets, including core ESG topics. The strategy is based on our mission statement and our value proposition: that we will act responsibly, protect the environment, improve people's quality of life, and, at the same time, ensure that future generations will have the same opportunities as we have today.

In the process of developing our strategy, we also elaborated the Sustainability Program 2023 for the Wienerberger Group. It replaces the Sustainability Roadmap 2020 (see page 28), which had been in effect since 2015 and represented a conscious commitment to continuously improving the ecological, social, societal, and economic performance of the Wienerberger Group.

Experience gained in implementing the Wienerberger Sustainability Roadmap 2020 and the results of the 2020 materiality analysis provided the basis for the new three-year program of work. The Sustainability Program 2023 contains group-wide, measurable targets on environmental, social, and governance topics Wienerberger wants to achieve by 2023.

In our Sustainability Program 2023, which distinguishes between environmental, social, and governance topics, we defined targets for climate action, the circular economy, biodiversity, diversity, training and development of employees, and CSR projects. In addition, we have made a commitment to meet the highest national and international governance standards (see overview page 26). Further information on the core topics, targets, and achievements of Wienerberger is contained in the following chapters "Climate Change & Decarbonization", "Circular Economy", "Biodiversity & Environment", "Employees", and "Business Ethics & Social Impacts".

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

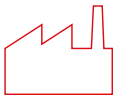
Heimo Scheuch
CEO of Wienerberger

Our Targets 2023

Non-financial targets

In the years to come, we will continue on our resilient and successful growth path. Our focus remains on operational excellence, organic growth through innovation, and external growth through M&A. All related activities are fully in line with our ambitious ESG targets. Moreover, we are committed to achieving the target of net zero greenhouse gas emissions within the framework of the Green Deal of the EU by 2050.

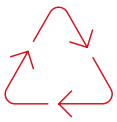
Environment



Decarbonization

15%

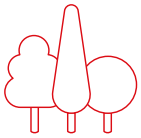
less CO_2 emissions



Circular Economy

100%

of new products will be designed in a way that they are re-usable or recyclable

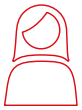


Biodiversity

100%

biodiversity program for all our sites in place

Social



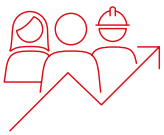
Diversity

≥15%

female employees in Senior Management

≥30%

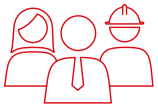
female employees in white-collar positions



Training and Development

10%

more training hours per employee



Social Projects

200

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

Note: All goals are set vs. the reference year 2020. // The absolute CO_2 emissions or the corresponding CO_2 indicators communicated on our climate management always refer to emissions of carbon dioxide equivalents (CO_{2e}).

Financial target

Governance

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

- *Business strategy*
- *Board diversity and composition*
- *Executive compensation*
- *Succession management*

€ 135 million

We will deliver an EBITDA enhancement of € 135 million through self-help measures until 2023

Growth investments

to achieve our ambitious target for 2023

€ 60 million p.a.

ESG Investments
in the reduction of CO_2 emissions, circular economy and biodiversity

€ 80 million p.a.

Special Investments
in circular economy, innovative product design and broadening the range of our system solutions

The Wienerberger Sustainability Roadmap 2020

Background

For many years, Wienerberger has been consistently pursuing its ESG targets, most recently within the framework of its Sustainability Roadmap 2020 for the period from 2015 to 2020. This sustainability program was based on the results of a materiality analysis performed in 2014. The primary focus was on topics on which Wienerberger has a particularly strong influence and which were assessed as material by the company's stakeholders.

The Sustainability Roadmap 2020 was designed as a sustainability action plan with targets set for the entire Group and the individual Business Units; it also provided for specific activities to achieve these targets. It represented Wienerberger's conscious commitment to continuously improving its ecological, social, societal, and economic performance.

In each of our previous annual sustainability reports, we transparently and openly described the measures taken, how much progress was made in achieving the targets set, and which ones had already been attained, as well as any setbacks encountered along the way. In this Sustainability Report, we are taking stock of the results and concluding our reporting on the Sustainability Roadmap 2020.

The Sustainability Roadmap 2020 was based on the topics most relevant to Wienerberger. The structure of the Sustainability Roadmap 2020 followed our value creation phases:

- Sourcing
- Production (environmental and social aspects)
- Products and system solutions (use phase and end-of-life)

Results 2020

The following sections show the results and highlights of the Wienerberger Sustainability Roadmap 2020 along the core topics. Detailed information along the core topics of the Sustainability Roadmap 2020, the corresponding targets and results, as well as specific activities undertaken by the individual Business Units and their product groups are described in the Annex on pages 124–139.

Results relating to our sourcing

Core topics	Target Attainment and Highlights
ESG criteria in our supplier management	✓ Group-wide procurement policy for responsible sourcing in line with ESG criteria. ✓ Uniform group-wide Supplier Code of Conduct. ✓ ESG rating and auditing of our suppliers. ✓ Monthly supplier scan against international sanctions lists. ✓ Availability of all financial, non-financial and commercial indicators of suppliers via a supplier relationship management tool.
Availability of resources	✓ Securing long-term availability of resources. ✓ Comprehensive, group-wide (secondary) raw material sourcing strategy and risk management, including ESG criteria.

✓ *Target completely achieved*
~ *Target partly achieved*
– *Target not achieved*

Business Units of Wienerberger:
WBS: Wienerberger Building Solutions
WPS: Wienerberger Piping Solutions
NOAM: North America

* *Recalculated with 2013 as the reference year (owing to changes as of third emissions trading period in 2013), the target corresponds to -13% by 2020 (as an index in % based on tons of CO_2 emissions per ton of products, 2013 = 100%).*
** *Water usage is relatively low in any case.*

Core topics	Target Attainment and Highlights
Avoidance of hazardous substances	✓ Monitoring of compliance with all legal requirements, including standards with even stricter requirements (e.g. Cradle-to-Cradle® re-certification for selected product groups). ✓ Broadening the scope of the guideline on the use of secondary raw materials and the avoidance of hazardous substances for WBS as a whole.
Protection of local residents, employees and nature, subsequent use of depleted extraction sites	✓ Application of all the supplier management instruments mentioned above in compliance with ESG criteria for the protection of people and the environment. ✓ Continuous monitoring (e.g. dust and noise) in the vicinity of our production sites. ✓ Open communication with local residents and local authorities. ✓ Cooperation with experts and the University of Wageningen in the development of a group-wide biodiversity program.

Results relating to environmental topics in our production

Core topics	Target Attainment and Highlights
Energy efficiency	~ **Target WBS, Bricks and Tiles:** Reduction of specific energy consumption by 20% vs. 2020. Result 2020: WBS, Bricks and Tiles, total: -13 %,of which clay blocks nearly -23%, roof tiles -18%, facing bricks & clay pavers -5%. ✓ Retrofitting of demo plant: 30% less natural gas consumed, rollout of findings and technologies to other plants. ✓ Energy awards, R&D projects, e.g. EU DryFiciency project, TOREtech project, Plant Improvement Program (PIP+), Fast Forward projects. ✓ **Target WPS, Plastic Pipes:** 3% reduction in specific energy consumption achieved in 2020.
Climate action	~ **Target WBS, Bricks and Tiles:** Reduction of specific CO_2 emissions by 20% vs. 2010 (-13% vs. 2013 *). Result 2020, with 2013 as base year, WBS, Bricks and Tiles, total: -5%, of which clay blocks -10%, roof tiles -17%, facing bricks & clay pavers -5%. ✓ R&D on the use of alternative energy generation systems, new technologies. ✓ Retrofitting of Uttendorf demo plant resulting in 30% less CO_2 emissions. ✓ R&D on the reduction of the CO_2 footprint of concrete pavers. ✓ **Target WPS, Plastic Pipes:** Reduction of specific CO_2 emissions by 11%. Result 2020: Target more than achieved with 24%. ✓ **Target WPS, Ceramic Pipes:** 5% of the annual CO_2 emissions generated by the respective plant again offset through climate protection projects in 2020. ✓ Step-by-step conversion of country organizations to green electricity; project completed in WBS, Ceramic Pipes.
Resource efficiency and waste management	✓ **Target WBS, Concrete Pavers:** Reduction of scrap rate from 4.7% in 2014 to 2% in 2020. Result 2020: Target almost achieved at 2.12%, corresponding to a 55% reduction.
Sparing use of water	– **Target WPS, Plastic Pipes:** Reduction of the specific amount of water drawn from public networks to 0.85 m³ per ton of products. Result 2020: 1 m³/ton.**

Results relating to social topics in our production

Core topics	Target Attainment and Highlights
Occupational safety and health of our employees	~ **Group-wide annual target:** zero accidents. Results 2020: ✓ Reduction of accident frequency by 73% since 2010 ~ Group-wide accident frequency: 5 (reporting unit defined as: number of occupational accidents/number of hours worked x 1,000,000). ✓ **Group-wide target:** Percentage of ceramic production sites reporting core indicators on protection from respirable crystalline silica: >95% since 2015; target more than achieved at 98%. New standard on respirable crystalline silica is being developed. ✓ Group-wide safety policy as a minimum standard. ✓ Group-wide "Health & Safety Initiative" continued. ✓ Health & Safety portal for the reporting of accidents, hazards and near-accidents, as a training platform and for sharing documents. ✓ Safety app completely rolled out and licenses granted to third parties. ✓ Training sessions and awards for occupational safety. ✓ Occupational safety programs: Safety Improvement Plan, "Take Care" Campaign, Safety Leadership Program, hazard alarm reporting system. ✓ Health care programs. ✓ Health insurance for all full-time employees of North America, partly going beyond the scope of the Affordable Care Act (ACA).
Business ethics and compliance	✓ **Group-wide annual target:** zero incidents of corruption. Result 2020: No charges were brought or sentences pronounced against Wienerberger for corruption and no penalty payments were due.
Employee satisfaction and training of employees	✓ Group-wide employee surveys, implementation of appropriate measures and evaluation of their effectiveness. ✓ Return rate in 2021 employee survey: 80%.
Communication with and involvement of employees	✓ Focus on interactive communication processes and two-way communication instruments with dialogue capability.

✓ *Target completely achieved*
~ *Target partly achieved*
– *Target not achieved*

Business Units of Wienerberger:
WBS: Wienerberger Building Solutions
WPS: Wienerberger Piping Solutions
NOAM: North America

Results relating to our products (use phase to end-of-life)

Core topics	Target Attainment and Highlights
Innovative and durable products	✓ **Group-wide percentage of innovative products in total revenues in 2020:** 33%; all Business Units outperformed their targets: WBS, Bricks and Tiles 32% (target: 25%); WBS, Concrete Pavers 41% (target: 30%); WPS Plastic Pipes 24% (target: 20%); WPS, Ceramic Pipes 50% (target: 35%); North America 57% (target: 50%). ✓ Example WBS: Climate-neutral brick, produced with reduced energy input/CO_2 emissions, 100% green electricity and carbon offsetting projects for the remaining CO_2 emissions. ✓ Example WPS: hydrogen and biogas pipeline systems based on plastics (reinforced thermoplastic piping system).
Recycleability, recycling and re-use, use of secondary raw materials	~ **Target WPS, Plastic Pipes:** Increase of the percentage of secondary raw materials to a total of 70 kg per ton of products produced by 2020. Additional target due to early target attainment in 2017: amount of secondary raw materials 90 kg/ton of products, amount of external secondary raw materials 50 kg/ton of products by 2020. Result 2020: total secondary raw materials 83 kg/ton of products ***, external secondary raw materials 44 kg/ton of products. ✓ WPS, Ceramic Pipes: Cradle to Cradle® re-certification. ✓ WBS: Use of secondary raw materials according to guideline on the use of secondary raw materials and the avoidance of hazardous substances. ✓ R&D on possible applications for secondary raw materials.
Contribution to the energy efficiency of buildings	✓ Energy-efficient building systems with high thermal storage capacity, e.g. clay blocks filled with insulating material, high thermal insulation clay blocks without infill material but with a special hole geometry, novel facing brick formats for double-shell exterior walls, energy-efficient upon-rafter insulation for pitched roofs, etc. ✓ High-quality solar panels integrated in roof system.
Ease of installation	✓ Products and system solutions for fast, easy and error-free work at the construction site. ✓ Digital design tools and personal planning support for architects and design engineers. ✓ Pilot partnership regarding the use of masonry robots and the prefabrication of wall elements. ✓ New, large-volume Stormbox II with higher holding capacity (415 liters) and easier connections, simplified inspection and cleaning. ✓ PREFLEX Spider system with pre-wired and pre-connected flexible electro conduits for entire buildings.

*** *The indicator published in the Annual Report was corrected from 82 to 83 kg of secondary raw materials per ton of products.*

Sustainability Management at Wienerberger

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 "Corporate Strategy", pages 20–21). 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 page 22).

To ensure a uniform approach and the efficient implementation of the measures taken, as well as the attainment of our targets, we have established clear structures and responsibilities for sustainability management across the entire Group. Moreover, we regard sustainability as a crucial factor of our corporate success and therefore integrate ESG criteria in areas such as our remuneration policy (see pages 12–13) or corporate financing.

Green financing

Wienerberger assumes responsibility for its entire value chain not only in its operational business, but also in corporate financing. Therefore, in 2019, Wienerberger for the first time opted for a sustainability-oriented form of finance. To refinance the 4% corporate bond that matured in April 2020, a € 170 million loan was taken out at a rate of interest that is linked not only to the usual financial indicators, but also to the company's sustainability rating. An improvement in the Wienerberger Group's sustainability performance thus results in lower financing costs. As required, the Group's ESG rating, which is to be reviewed annually, was updated in 2020. Owing to Wienerberger's improved sustainability performance, the Group obtained a significantly improved rating in all sustainability areas, especially in the field of supplier management.

Organizational Structure

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

Operational management

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 comprises the Managing Board of the Wienerberger Group – the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of Wienerberger AG, and the Chief Operating Officers (COOs) of Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) – and acts as the top-level internal steering body for all matters related to ESG. The Group Sustainability & Innovation Department, newly established in 2020, is headed by a Senior Vice President, Group Sustainability & Innovation. The latter reports directly to the Chairman of the Managing Board of Wienerberger AG, ensures group-wide coordination of the sustainability and innovation strategy, the sustainability program (currently Sustainability Program 2023), and sustainability management, and is responsible for Wienerberger's sustainability reports. The department is in charge of aligning Wienerberger's sustainability strategy with the Group's innovation agenda. It supports the implementation of both agendas as well as continuous dialogue with and involvement of customer groups and users of our products and system solutions.

At Business Unit level, the COOs of WBS and WPS and the CEO of North America are responsible for implementing the sustainability targets. They are supported by their respective sustainability officers. Continuous exchange with the Group Sustainability & Innovation Department on the progress achieved broadens the scope of responsibility and influence in the integration of our sustainability strategy in all Business Units.

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.

The risks and opportunities resulting from the transition to a low-carbon, climate-resilient economy are covered by the Group's risk management processes.

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 in particular:

- Sustainability and Innovation Committee
- Audit and Risk Committee

Sustainability and Innovation Committee

The Sustainability and Innovation Committee, which was established by the Supervisory Board and has been operational since January 1, 2020, deals with current topics of Wienerberger's sustainability and innovation management. The committee comprises four members of the Supervisory Board and meets three times a year. It discusses progress achieved in the implementation of the Wienerberger sustainability strategy and program, Wienerberger's ESG performance relative to the targets set, and the introduction of risk mitigation standards and policies. It reports to the Supervisory Board on the topics discussed and the conclusions reached. The main responsibilities of the Sustainability and Innovation Committee are as follows:

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

Audit and Risk Committee

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

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

In 2020, the Audit and Risk Committee had four members. It meets five times a year. Within the framework of the standardized risk management process, the committee also discusses ESG risks and opportunities, including climate-related risks. After each meeting, the committee chairman formally reports to the Supervisory Board on the committee's activities in all matters within its mandate. Moreover, a formal report on the performance of the committee's duties of control is submitted to the Supervisory Board.

Our Sustainability Reporting

Every year since 2010, Wienerberger has published the Group's non-financial indicators. In combination with the Wienerberger Sustainability Program 2023, the sustainability report constitutes an important steering instrument supporting Wienerberger in the pursuit of its long-term goals and showing how the company meets its responsibility as a corporate citizen. The reports focus on the ecological, social and governance aspects of our activities, the corresponding management approaches, and our innovations. For further information on Wienerberger's economic performance, organizational profile, and corporate governance, please refer to Wienerberger's 2020 Annual Report, which is available online at *(https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2021/2020-Wienerberger-Annual-Report_EN.pdf)*.

To date, a full Sustainability Report has been published every two years; it alternates with a concise update presenting the most essential facts and figures for the year in between. The last full Sustainability Report for 2018 was published in June 2019, followed by the most recent update for 2019 published in June 2020.

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

The topics covered in this Sustainability Report are based on the materiality analysis performed in 2020 and the Sustainability Program 2023. The information contained therein refers to the company's activities in the 2020 business year. The indicators also include 2019 and 2018, thus reflecting a three-year trend.

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

Data management & 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 taken by the Business Units and at Group level.

Sustainability reporting follows the scope of consolidation of the Wienerberger Group, which is described in detail in the Notes to the 2020 Annual Report on page 128. 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.

Since 2019, in accordance with the new corporate structure, we have reported 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 Business Unit. Developments in our European plastic pipe business and our ceramic pipe operations are reported under the Wienerberger Piping Solutions Business Unit. North America remains a separate Business Unit with its own reporting framework. The indicators reported separately under Holding & Others up to 2018 are now allocated to and reported within the three aforementioned Business Units on a pro-rata basis. Since 2019, the clay block production site in India has been part of the Wienerberger Building Solutions Business Unit.

Five sites newly acquired in 2019, where the structures required for the collection of non-financial indicators were yet to be implemented, have been included for the reporting year 2020. Other deviations of individual indicators from the reporting scope are indicated wherever they apply.

External audit

Most of the data presented in this report are based on internal analyses. Essential topics covered in the report have been externally validated by an independent auditor. In the reporting year, the primary focus was on information and indicators on energy consumption and emissions, diversity at executive level and among staff, occupational safety and health, including work-related injuries, and the determination of the content of the report and its topics, including a list of material topics. The audit also covered the underlying sustainability management, the processes of data collection, and the implementation of the sustainability strategy.

Climate reporting based on TCFD recommendations

Wienerberger takes climate-related risks and opportunities very seriously and is therefore committed to supporting the Task Force on Climate-related Financial Disclosures (TCFD) and its recommendations. In doing so, Wienerberger not only guarantees steadily increasing transparency in its climate reporting, but also justifies the confidence that sustainability-oriented investors have placed in Wienerberger for years. Starting in 2021, the TCFD recommendations are being implemented in three steps.

ESG structure: Cooperation between the Supervisory Board and the Managing Board as well as the organizational structure of Wienerberger's sustainability management in respect of the environment (including climate-relevant content), social topics, and governance is described in the section "Organizational structure" on pages 32–33. The section contains information on the structure, working methods, and main responsibilities of the relevant committees of the Supervisory Board.

ESG risks: The identification of climate-related risks and/or potential risks in terms of climate resilience was implemented within the existing structures and processes of Wienerberger's risk management. For information on risk management systems and processes, please refer to the Management Report (Annual Report, pages 114–117).

Wienerberger is pursuing ambitious targets in order to minimize its climate-related risks and is continuously developing solutions aimed at increasing the company's climate resilience. These targets and solutions, including progress achieved, are described in the chapters "Climate Change & Decarbonization" (pages 36–57), "Circular Economy" (pages 58–71), and "Biodiversity & Environment" (pages 72–83).

ESG opportunities: The global megatrends, especially those relating to climate change and the resultant requirements, such as water management, are essential drivers in the development of Wienerberger's product and system solutions. Further information is contained in the chapter "Climate Change & Decarbonization" (pages 36–57).

Commitment to Comply 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 platform for corporate social responsibility and sustainable development. Thus, Wienerberger is officially committed to the implementation of the ten principles regarding human rights, labor standards, environmental protection – including the precautionary principle – and the fight against 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 back in 2001.

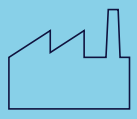
Through the Wienerberger Social Charter, which is published on our website, the company demonstrates its global commitment to respect for human rights, fair working conditions, payment of adequate remuneration, the avoidance of excessive working hours, permanent employment relationships, and respect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

Wienerberger

Climate Change & Decarbonization

Climate change is threatening our survival on this planet. The building sector alone accounts for more than one third of worldwide energy consumption and almost 40% of CO_2 emissions. With our innovative products and systems we are providing solutions for decarbonization. In doing so, we are supporting the European Green Deal and preparing the ground for the future.

Target of our
Sustainability Program 2023



15%

less CO_2 emissions (scope 1 and 2) by 2023 as compared to 2020

Wienerberger's objective is to be as climate-friendly as possible in its production activities. Our contribution to climate protection comprises measures such as the enhancement of energy efficiency, the careful selection of raw materials for our ceramic production, and the conversion of our energy consumption to climate-neutral electricity and low-emission thermal energy sources. Moreover, we are developing new technologies aimed at reducing CO_2 emissions.

A LIVABLE PLANET FOR FUTURE GENERATIONS

Our Commitment

Holistic and Smart Solutions

Decarbonization and adaptation to climate change are important topics for Wienerberger. We address these challenges by providing solutions that are fit for the future.

Group-wide commitment:
Within the Wienerberger Group, we are committed to decarbonization along the entire value chain – from product design to sourcing and production through to recycling.

Positive climate balance of buildings:
In the future, buildings ought to store more CO_2 than they emit over their entire life cycle. With our products and building material solutions, we are actively contributing to the achievement of this target.

Plastic pipe systems that meet the future demands of energy supply:
We are working on the development and supply of plastic-based pipeline systems for hydrogen and biogas. Such high-pressure systems are used in transport and industry.

Climate-resilient habitats, energy-efficient products:
Global trends, such as climate change, are creating new requirements, for instance in water management. They are acting as drivers in the development of holistic and smart products and system solutions.

Our Measures

What We Are Doing

- In our sourcing, we promote circularity by increasing the amount of secondary raw materials used. Group-wide supply management facilitates the optimization of transport. Moreover, we have decided to convert fully to green electricity.
- In production and product design, we are minimizing CO_2 emissions through technological innovations. The remaining greenhouse gas emissions are offset by climate protection programs.
- Through ongoing optimization programs, such as the Plant Improvement Program (PIP+) and the Production Excellence Program (PEP), as well as the Design for Lean Six Sigma (DFSS) management approach, we are improving our production procedures and optimizing our processes.

- We are advancing the decarbonization of our product portfolio through innovations and novel product designs. Examples include climate-neutral bricks and solar panels integrated into roof surfaces.
- Our products and system solutions represent our response to climate change. Examples include our smart pumping stations, rainwater management systems, and the greening of roofs and façades to improve the micro-climate.

Our Success and our Challenges

Optimizing Processes and Breaking New Ground

- Our decarbonization effort has been particularly successful in the clay block and roof tile segments. In recent years, we outperformed our targets in terms of efficiency enhancement.
- However, genuine decarbonization will take more than mere process optimization. New ways will have to be found and new processes developed.
- Wienerberger will invest a total of € 60 million per year, part of which will be spent on decarbonization. These investments comprise research and development, innovative processes and novel products.

Sustainable Development Goals

What We Want to Achieve

7.3

13.1

Decarbonization in Figures	Units	2018	2019	2020	Change (in %)
Total energy consumption	*in gigawatt-hours*	8,211	8,194	**7,415**	-9.5
Specific energy consumption	*Index in % based on kilowatt hours/ ton (2013 = 100%)*	98.7	98.6	**100.4**	+1.8
Direct absolute CO_2 emissions (Scope 1)	*in kilotons*	2,608	2,604	**2,355**	-9.6
Indirect CO_2 emissions (Scope 2)	*in kilotons*	-	-	**296**	-
Total CO_2 emissions (Scope 1 and 2)	*in kilotons*	-	-	**2,652**	-
Specific direct CO_2 emissions from fuels	*Index of ceramic production in % based on kilogram CO_2/ton (2013 = 100%)*	92.0	92.1	**92.7**	+0.7

Scope 1 emissions: direct CO_2 emissions from primary energy sources and from raw materials (of special relevance in ceramic production).
Scope 2 emissions: indirect CO_2 emissions from the Wienerberger Group's electricity consumption; emissions from electricity generation.
For further information and the definitions of Scope 1 and 2, please refer to the following chapter "Climate Change & Decarbonization".

"Our long-term target is to implement the European Green Deal: Wienerberger wants to be climate-neutral by 2050 at the latest. The decarbonization of production processes, an innovative product portfolio, and new technologies will take us there."

Johannes Rath

CTO of Wienerberger Building Solutions

Climate Change & Decarbonization

Wienerberger is making a continuous effort to minimize the impact of its entrepreneurial activities on the environment and the associated risks along the entire value chain. At the same time, we are developing solutions in response to the challenges of global megatrends, such as climate change and its consequences, in coordination with our customers.

Decarbonization, that is the reduction of CO_2 emissions, along our value chain, with climate neutrality as the ultimate goal, and adaptation to climate change are topics of special importance to Wienerberger. In this chapter, we describe how we consistently reduce our CO_2 emissions and which building and infrastructure solutions we provide to facilitate adaptations to climate change. Our activities are focused on the following action areas:

- Decarbonization in our sourcing
- Decarbonization in our production
- Energy efficiency and decarbonization with our products and system solutions
- Adaptation to climate change with our products and system solutions

Our possibilities of influencing these areas and addressing the related challenges and opportunities, as well as our performance in 2020, are described in detail in the following sections.

Decarbonization in our Sourcing

CO_2 emissions in sourcing originate from the production of the raw materials we need for our products, such as plastic granulate for our plastic pipes or cement for our concrete products, but also from the transport of raw materials and finished products. We advance decarbonization through our increasing use of secondary raw materials in production, which reduces the volume of CO_2 emissions generated in the production of primary raw materials. Optimized transport management helps us to transport raw materials, products and system solutions efficiently and in the most climate-friendly way possible.

The major part of the entire carbon footprint of the concrete pavers produced by the Wienerberger Building Solutions Business Unit is caused upstream in raw material production. Producing cement is particularly CO_2-intensive. We are therefore committed to reducing these emissions, for example through research projects on recycled concrete and climate-friendly cement production. In this context, partnerships with suppliers and technical or scientific institutions play an important role for us. Reducing the scrap rate in production is another measure aimed at reducing our specific CO_2 output in sourcing. The less scrap is generated in production and returned into the production process, which is meaningful and necessary from the viewpoint of circularity, the lower is the amount of cement in each ton of finished product ready for sale. Back in 2015, Wienerberger Building Solutions, Concrete Pavers, therefore set itself the target to significantly reduce the scrap rate by 2020. For detailed information, please refer to the chapter "Circular Economy" on pages 68–69.

As regards our plastic pipes produced by the Wienerberger Piping Solutions Business Unit, we want to reduce the CO_2 footprint caused by the plastic granulate required as a raw material for production. To this end, we use secondary raw materials, such as recycled material, as a substitute for primary raw materials. Wienerberger Piping Solutions, Plastic Pipes, has therefore set itself the target of increasing the amount of secondary raw materials per ton of products step by step by 2020. For detailed information, please refer to the chapter "Circular Economy" on page 65.

Group-wide supply management enables Wienerberger to plan ahead and effectively manage its transport operations, such as the supply of raw materials to our plants and the delivery of our products and system solutions to customers. We pay attention to the efficient loading of our means of transport in order to minimize transport distances. Wherever possible, we give preference to low emission means of transport. These processes and measures help us reduce the volume of CO_2 emissions from transport.

For the time being, the Wienerberger Group does not have any group-wide data collection structures in place to determine the volume of CO_2 emissions in sourcing (Scope 3). Hence, quantitative information in the form of validated indicators on CO_2 emission savings achieved through the measures described above cannot be provided.

Decarbonization in our Production

Wienerberger's objective is to minimize the impact of its production activities on climate change. Through a continuous increase in energy efficiency, the careful selection of the raw materials for our ceramic production, and the transition in energy consumption to climate-neutral electricity and low-emission thermal sources of energy, in combination with the development of new technologies for the reduction of CO_2 emissions [1], we are contributing to climate protection.

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

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

"15% less CO_2 emissions by 2023 as compared to 2020" [2]

This target comprises the reduction of our:

- Scope 1 emissions: direct CO_2 emissions from primary sources of energy and from raw materials (of particular relevance in ceramic production).
- Scope 2 emissions: indirect CO_2 emissions from the Wienerberger Group's electricity consumption; emissions from electricity generation.

Our ceramic production engineers are making continuous efforts to reduce our Scope 1 emissions by developing new technologies to enhance energy efficiency in the drying and firing processes, avoid or recover waste heat, and optimize our processes and our product portfolio. For example, findings from our demo plant project are being rolled out to other plants. Moreover, we are developing new production technologies for the efficient use of low-emission or carbon-neutral energy sources. Raw materials used in ceramic production are carefully selected with a view to the targeted reduction of process emissions. To arrive at the best possible solutions, we operate our own internal research facilities and cooperate with external research institutes.

By 2023, we intend to drastically reduce the entire Wienerberger Group's Scope 2 emissions from electricity. This is achieved through power purchase agreement (PPA) projects, our own generation facilities, such as solar panels, and contributions to certified climate protection projects to offset the remaining consumption of electricity from fossil energy sources.

Quality and environmental management

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

1) Greenhouse gases such as methane, nitrous oxide or chlorofluorocarbons (CFC) are irrelevant in our production. The absolute CO_2 emissions from our production processes (Scope 1) therefore correspond to carbon dioxide equivalents. Indirect CO_2 emissions (Scope 2) from electricity are recorded as CO_{2e} (calculation according to market-based method). The absolute CO_2 emissions or the corresponding CO_2 indicators communicated in our climate action reporting therefore always refer to emissions in carbon dioxide equivalents (CO_{2e}). // 2) Measured on the basis of product-group-specific KPIs.

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

Effective technical controlling systems have been installed in all fields of production of the Wienerberger Group. These systems 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.

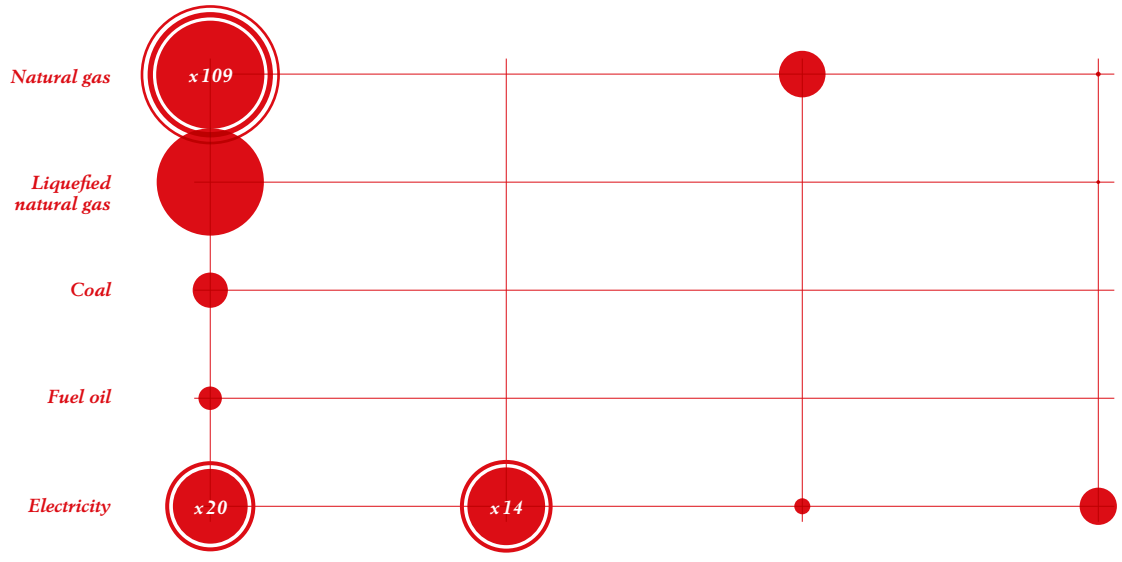
Use of energy sources in our production processes

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

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

Proportional energy input and type of use in the production areas 2020

broken down by energy source and product group



Ceramic production	Plastic pipes	Concrete and calcium silicate products in North America	Concrete pavers
Mainly thermal energy for the drying process and to heat the tunnel kiln for firing of products. Electrical energy for raw material mixing and preparation, extrusion, and grinding and transport equipment	Mainly for the operation of equipment and machinery to heat the plastic granulate in the extruder and for molding through the extrusion die	Mainly for heat treatment of products under overpressure for steam curing (autoclaving)	Mainly for the operation of equipment and machinery for mixing, molding, drying and surface treatment (washing, grinding, sandblasting or coating)

Absolute energy consumption

The data on energy input correspond to the actual consumption values of the entire Group. Data on absolute and specific energy consumption, relative to the respective production volume, are converted on the basis of the measured consumption values into a unit harmonized across the Group.

Compared to the previous year, the Wienerberger Group's total absolute energy consumption declined significantly (-9.5%) in 2020. The major part of the Group's energy consumption is accounted for by natural gas used in ceramic production (see diagram on page 44), consumption of which dropped by 9.1% in 2020, as compared to 2019. Electricity consumption in 2020 was almost 9% below the previous year's value. In 2020, the COVID-19 pandemic resulted in the temporary shutdown of individual plants and a generally lower volume of production, which had a direct influence on our absolute energy consumption values.

Wienerberger is making continuous efforts to convert production processes to low-emission energy sources. The substitution of alternative sources of energy for coal and liquefied natural gas is a major concern for us. Compared to the previous year, the consumption of coal, fuel oil and liquefied natural gas dropped by a total of 39.2%. However, these sources of energy account for less than 1% each of the Group's total energy consumption. (See diagram on pro-rata energy input and types of energy use in production on page 44). As of 2021, the consumption of these three energy sources will therefore be reported as an aggregate figure.

The percentage of renewable energy sources in the consumption of electricity in 2020 (in kWh) increased by two percentage points over the previous year's level to 42%. 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.

Consumption of energy sources [1) 2)] *in gigawatt-hours*	**2018**	**2019**	**2020**	**Chg. in %**
Natural gas	6,978	6,945	**6,310**	-9.1
Coal	32	43	**20**	-53.6
Fuel oil	8	9	**14**	+63.3
Liquefied natural gas	52	54	**30**	-44.2
Sum of coal, fuel oil and liquefied natural gas [3)]	93	106	**65**	-39.2
Electricity	1,141	1,142	**1,040**	-8.9
Wienerberger Group	**8,211**	**8,194**	**7,415**	**-9.5**
Percentage of renewable energy in total electricity consumption	37%	40%	**42%**	-

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019 the necessary data collection structures for non-financial indicators were not yet in place in 2019; the indicators have been included for 2020. // 3) As the percentages of high-emission energy sources are comparatively very low, they will in future be recorded as an aggregate figure. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Method of calculating the indices of specific indicators on the basis of production volume

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, CO_2 emissions) in tons and, as of the 2020 reporting year, for individual product groups in m² and TNF (thousand normal formats) and used for index calculation as of the reporting year 2021. The conversion factor for the respective product weight is created in the product-group-specific recording system, and product weights are updated annually.

Owing to the long-term trend toward lighter products (due to dematerialization and avoidance of over-engineering, resulting in lower material input), with product quality remaining unchanged, we no longer calculate the index of specific indicators solely on the basis of production volumes in tons. For selected product groups, Wienerberger also measures production volumes in other units: square meters for roof tiles and facing bricks produced by WBS (see Annex, page 140) and as of 2020 for façade products (calcium silicate) in North America, and TNF for clay blocks in WBS.

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

The index-linked specific indicators, such as energy input (in % based on kWh/ton of products) or CO_2 emissions, reflect the development of the individual product groups over time.

Specific energy consumption

In the following table, absolute energy consumption in kWh is related to production volumes in tons to obtain the specific energy consumption values. For details, please also refer to the previous section on the method of calculating the indices of specific indicators (see this page).

In 2020, the index of specific energy consumption by the Wienerberger Group was 0.4% above 2013 as the reference year and 1.8% above 2019. This was primarily due to the COVID-19 pandemic, which led to temporary drops in production and the enforced temporary idling of some plants. More frequent shut-down and start-up processes as well as operation below capacity automatically resulted in a lower degree of energy efficiency and higher specific CO_2 emissions. This is a short-term trend which we intend to counteract through comprehensive measures.

Index of specific energy consumption [1) 2)] *in % based on kWh/ton (2013 = 100%)*	**2018**	**2019**	**2020**	**Chg. vs. 2019 in %**	**Chg. vs. 2013 in %**
Clay blocks	91.0	91.2	**91.2**	-0.0	-8.8
Roof tiles	86.3	85.0	**84.4**	-0.6	-15.6
Facing bricks	98.7	100.6	**100.6**	+0.0	+0.6
Ceramic pipes	116.4	100.7	**106.5**	+5.8	+6.5
Ceramic production	**95.9**	**95.7**	**96.7**	**+1.1**	**-3.3**
Plastic pipes	102.9	110.1	**101.3**	-8.0	+1.3
Concrete and calcium silicate products North America	108.7	88.1	**92.7**	+5.2	-7.3
Concrete pavers	82.4	88.0	**97.6**	+10.9	-2.4
Wienerberger Group	**98.7**	**98.6**	**100.4**	**+1.8**	**+0.4**

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019 the necessary data collection structures for non-financial indicators were not yet in place in 2019; the indicators have been included for 2020. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. Differences against the previous year are partly in the decimal range.

Owing to the aforementioned influences, the measures aimed at reducing specific energy consumption, although continuously implemented, succeeded only in a few areas. In ceramic production, specific energy consumption was 3.3% below the reference value of 2013, but 1.1% above the previous year's value.

The Wienerberger Building Solutions Business Unit succeeded in reducing its specific energy consumption in roof tile production by almost 16% compared to 2013 through energy conservation projects and process optimization. Up to 2020, one of the targets pursued by Wienerberger Building Solutions, Bricks and Tiles, was to reduce specific energy consumption, measured per ton of products produced, by 20% as compared to 2010. The Business Unit succeeded in reducing its specific energy consumption in production across all product groups by 13% compared to 2010 (calculated as an index in % based on kWh/ton; 2010 = 100%). Compared to 2010, specific energy consumption was reduced by nearly 23% in clay block production and by 18% in roof tile production, whereas savings achieved in facing brick and clay paver production only reached 5%. This was primarily due to the trend away from simple extruded products with low energy consumption and low scrap rates and the move toward a high-quality product portfolio (soft-mud bricks). Almost all extrusion plants were closed down in recent years.

Throughout 2020, Wienerberger Building Solutions continued to retrofit the Uttendorf plant into a demo plant. As a result of various measures taken there, the plant's natural gas consumption was reduced by almost one third. The plant continues to operate at a stable level. Findings obtained in the process of retrofitting the Uttendorf plant, such as the installation of heat pump technology, were rolled out to other plants.

Moreover, within the framework of the DryFiciency project of the EU, the first industrial compression heat pump for high-temperature applications was designed and tested at the demo plant in cooperation with the Austrian Institute of Technology (AIT). Among other innovations, a refrigerant for use at high temperatures and a suitable lubricant were developed. (For further information, please refer to the Annex, starting on page 127.)

Absolute CO_2 emissions (Scope 1)

Direct CO_2 emissions result from the combustion of fossil fuels, the release of CO_2 during the calcination of lime /dolomite, and the combustion of organic components contained in the raw materials used in ceramic production (process emissions). The absolute volume of CO_2 emissions in kilotons (= 1,000 t) is recorded and calculated throughout the Group in accordance with the calculation method of the European Union Emissions Trading System (EU ETS). The data source used is the EU Transaction Log (EUTL). We record and report the direct CO_2 emissions of the entire Wienerberger Group, including those plants that are not covered and regulated by the EU ETS.

In the interest of increased transparency in reporting the development of our CO_2 emissions, these are presented in absolute figures, broken down by product group, and shown in a three-year trend. Our reporting has so far been concentrated on CO_2 emissions from ceramic production. The direct CO_2 emissions of all product groups of the Wienerberger Group are being reported for the first time as of the 2020 reporting year.

Direct CO_2 emissions from primary energy sources and raw material (Scope 1) [1) 2)] *in kilotons*	**2018**	**2019**	**2020**	**Chg. in %**
Clay blocks	1,531	1,532	**1,355**	-11.6
Roof tiles (clay and concrete)	366	345	**329**	-4.8
Facing bricks and clay pavers	548	561	**514**	-8.4
Concrete pavers	-	-	**-**	-
Wienerberger Building Solutions	**2,444**	**2,438**	**2,198**	**-9.9**
Plastic pipes [3) 4)]	-	-	**6**	-
Ceramic pipes	31	26	**21**	-18.9
Wienerberger Piping Solutions	**31**	**26**	**27**	**+3.9**
Facing bricks and concrete pavers	125	134	**125**	-6.5
Façade (calcium silicate products) [3)]	-	-	**5**	-
Concrete products [3)]	-	-	**0**	-
Concrete and calcium silicate products North America, total	8	6	**5**	-10,6
Plastic pipes [3)]	-	-	**-**	-
North America	**133**	**140**	**131**	**-6.7**
Wienerberger Group	**2,608**	**2,604**	**2,355**	**-9.6**

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, CO_2 process emissions are also reported. Including CO_2 emissions from biogenic inputs: Quantities from Wienerberger's CO_2 monitoring corresponding to national rules. // 2) For five production sites newly acquired in 2019, the necessary data collection structures for non-financial indicators were not yet in place in 2019; the indicators have been included for the 2020 reporting year. // 3) In 2020, the indicator for this product group is being reported and recorded separately for the first time. // 4) Due to the very low use of primary energy sources, these are not shown in the graphic on page 44. // Rates of change of all non-financial indicators against previous years are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

In 2020, absolute CO_2 emissions from primary energy sources and raw materials (Scope 1), as well as the Wienerberger Group's consumption of energy, were strongly influenced by the COVID-19-related drop in production. Hence, the 9.6% reduction in direct CO_2 emissions compared to the previous year's value is almost in line with the reduction in absolute energy consumption (-9.5%).

Wienerberger Building Solutions reported the highest direct CO_2 emission, i.e. 2,198 kilotons in absolute terms, which is almost 10% below the previous year's value. In the course of 2020, the Business Unit further pursued possibilities of using alternative energy generation systems and sustainable energy sources at various production sites. Moreover, R&D projects involving new technologies for kilns, dryers and heat pumps, as well as projects focused on raw material preparation and the industrial production of clay building materials, were implemented.

Specific direct CO_2 emissions (Scope 1)

Reductions of specific CO_2 emissions can be achieved through enhanced efficiency in production (i.e. lower energy consumption per ton of products produced), on the one hand, and the replacement of CO_2-intensive fuels (coal, fuel oil, LNG) by less CO_2-intensive or renewable energy sources, on the other hand. Thus, the ongoing conversion to natural gas as a fuel also contributes to the reduction of specific CO_2 emissions. So far, the amounts of renewable sources of energy used in our production processes have been negligible and can therefore be disregarded for our purposes.

Since the transition to the third trading period of the European Union Emissions Trading System, the indicators from 2013 have been used as the reference base for the calculation of specific CO_2 emissions from primary energy sources (in % based on kg CO_2/ton).

The specific CO_2 emissions shown in the following table are calculated on the basis of absolute CO_2 emissions relative to the production output in tons (kg CO_2/t of product). For details, please also refer to the method of calculating the indices of specific indicators on page 46.

Our reporting has so far been concentrated on CO_2 emissions from ceramic production. Given that the direct CO_2 emissions of all product groups of the Wienerberger Group are being recorded as of 2020, the indices of specific CO_2 emissions, based on 2020 as the reference year, will be available for all product groups as of the 2021 reporting year.

Index of specific direct CO_2 emissions from primary energy sources, ceramic production [1) 2)] *in % based on kg CO_2/ton (2013 = 100%)*	**2018**	**2019**	**2020**	**Chg. vs. 2019 in %**	**Chg. vs. 2013 in %**
Clay blocks	89.7	90.2	**89.6**	-0.6	-10.4
Roof tiles	85.7	84.5	**83.3**	-1.4	-16.7
Facing bricks	90.2	91.9	**91.9**	+0.1	-8.1
Ceramic pipes	111.7	101.8	**103.2**	+1.4	+3.2
Ceramic production Wienerberger Group [3)]	**92.0**	**92.1**	**92.7**	**+0.7**	**-7.3**

1) Specific CO_2 emissions exclusively refer to fuel emissions from the Wienerberger Group's ceramic production. // 2) Five new acquisitions of 2019 were not included in the 2019 indicators, as the data-collection structures were not yet in place; the indicators were included in the 2020 report. // 3) The index of specific direct CO_2 emissions from primary energy sources in ceramic production published in the 2020 Annual Report was corrected from 92.8 to 92.7 after publication of the validated emission indicators of the EU Transaction Log (EUTL).

Up to 2020, one of the targets pursued by Wienerberger Building Solutions, Bricks and Tiles, was to reduce the specific CO_2 emissions, measured per ton of products produced, by 20% by 2020, as compared to 2010. Following the transition to the third emissions trading period, 2010 was replaced by 2013 as the reference year. Recalculated for 2013 as the reference year (due to changes resulting from the transition to the third emissions trading period in 2013), the aforementioned definition corresponds to a target of -13% by 2020 (calculated as an index in % based on tons of CO_2/ton of product produced; 2013 = 100%). Owing to changes in the product mix, the trend toward lighter products, and the less significant reduction in facing brick production, the target was only partially attained. In 2020, the specific CO_2 emissions from primary energy sources of the Wienerberger Building Solutions Business Unit, Bricks and Tiles, were 5.1% below the 2013 value, but 0.4% above the value reported for 2019. Compared to the value of the reference year 2010, specific CO_2 emissions from primary energy sources in production were reduced by 15% across all product groups. This reduction was achieved through enhanced energy efficiency in production, the consistent conversion to low-emission energy sources, and raw material optimization.

Wienerberger Building Solutions is making every effort to further advance the measures aimed at reducing specific CO_2 emissions and thus contribute significantly to the attainment of our group-wide target of a 15% reduction in specific CO_2 emissions by 2023, as compared to 2020. These measures of Wienerberger Building Solutions include, for example:

- the evaluation of possibilities of using alternative energy generation systems and/or sustainable energy sources at various production sites;
- the implementation of further R&D projects involving new technologies for kilns, dryers, and heat pumps as well as projects regarding raw material preparation and the industrial production of clay building materials;
- the measures aimed at enhancing energy efficiency (described on page 43–44) also contribute to the reduction of specific CO_2 emissions from primary energy sources in production.

The development of the specific CO_2 emissions of all fields of ceramic production, as compared to the previous year, was also marked by the temporary plant closures and the lower volumes of production attributable to the COVID-19 pandemic. Like specific energy consumption, measured in terms of products ready for sale, specific CO_2 emissions also showed a negative trend during the pandemic.

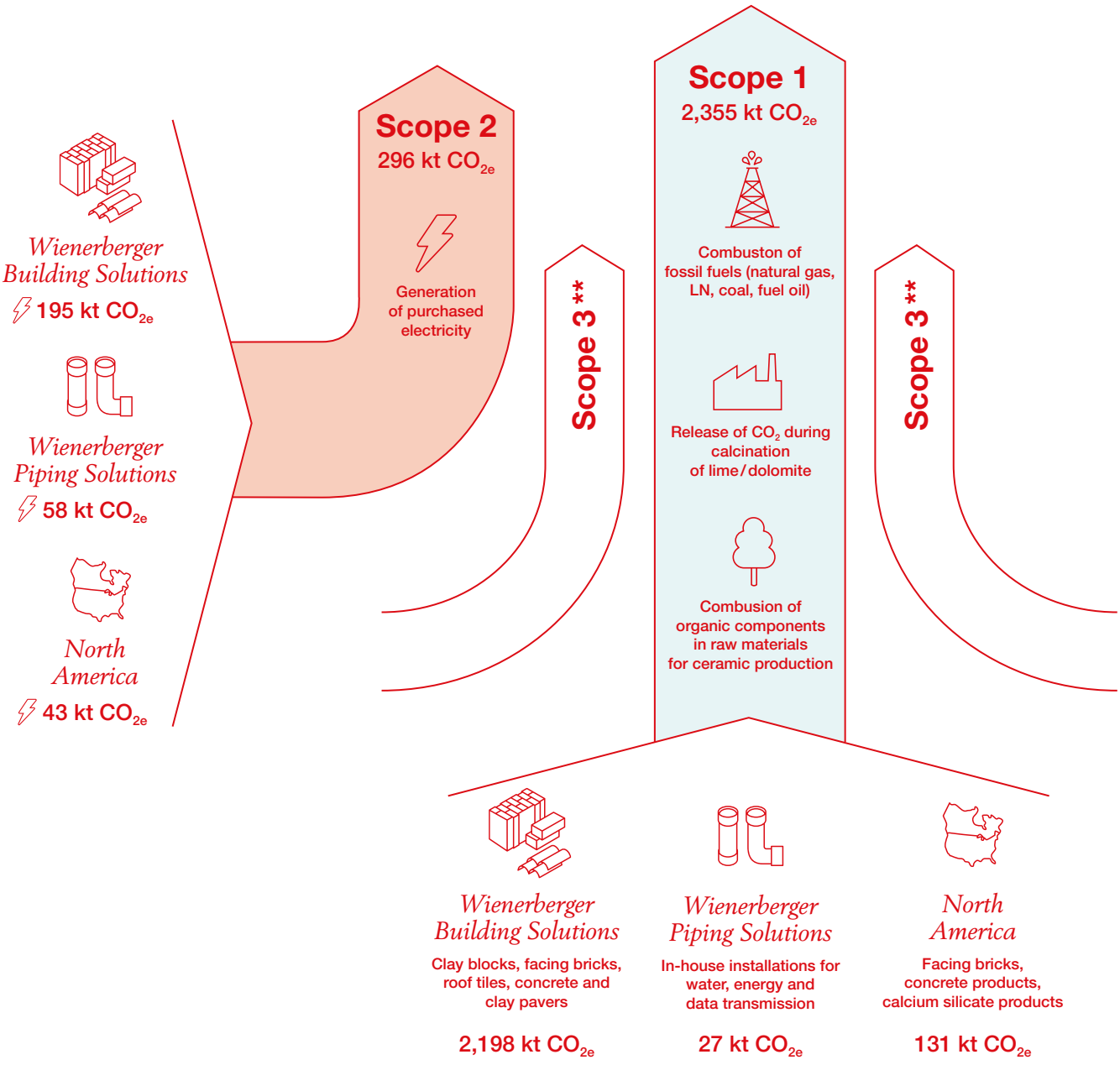
Indirect CO_2 emissions from electricity (Scope 2)

Wienerberger intends to drastically reduce the Group's total Scope 2 emissions from electricity by 2023. To this end, Wienerberger is concluding power purchase agreements (PPA), utilizing its own generation facilities, such as solar panels, and offsetting the remaining percentage of electricity from fossil sources. In 2020, the Wienerberger Group's total absolute CO_2 emissions (Scope 1 and Scope 2) amounted to 2,652 kilotons. Indirect CO_2 emissions (Scope 2) are being reported for the first time in 2020.

Indirect CO_2 emissions from electricity (Scope 2) by product group [1)] *in kilotons*	**2018**	**2019**	**2020**	**Chg. in %**
Clay blocks	-	-	**113**	-
Roof tiles (clay and concrete)	-	-	**48**	-
Facing bricks and clay pavers	-	-	**24**	-
Concrete pavers	-	-	**11**	-
Wienerberger Building Solutions	**-**	**-**	**195**	**-**
Plastic pipes	-	-	**58**	-
Ceramic pipes	-	-	**0**	-
Wienerberger Piping Solutions	**-**	**-**	**58**	**-**
Facing bricks and concrete pavers	-	-	**29**	-
Façade (calcium silicate products)	-	-	**2**	-
Concrete products	-	-	**1**	-
Concrete and calcium silicate products North America, total	-	-	**2**	-
Plastic pipes	-	-	**12**	-
North America	**-**	**-**	**43**	**-**
Wienerberger Group	**-**	**-**	**296**	**-**

1) The indicator for this product group is being reported for the first time in 2020. // The calculation of indirect CO_2 emissions from purchased electricity is based on the current CO_2 emission factors of Corporate Procurement. // Electronic data processing may result in rounding differences.

*Absolute Emissions Scope 1 and 2 in 2020**



* Greenhouse gases such as methane, nitrous oxide or chlorofluorocarbons (CFC) are irrelevant in our production. The absolute CO_2 emissions from our production processes (Scope 1) therefore correspond to carbon dioxide equivalents. Indirect CO_2 emissions (Scope 2) from electricity are recorded as CO_{2e} (calculation according to market-based method). The absolute CO_2 emissions or the corresponding CO_2 indicators communicated in our climate action reporting therefore always refer to emissions in carbon dioxide equivalents (CO_{2e}).
** Scope 3 emissions, i.e. indirect emissions, e.g. from the purchase, transport or sale of raw materials and other materials, are currently not reported.

Energy Efficiency and Decarbonization with our Products and System Solutions

Our innovation strategy is marked by the global challenges of our time, such as climate change. Buildings account for more than one third of worldwide final energy consumption and almost 40% of total direct and indirect CO_2 emissions. With its innovative products and systems, Wienerberger aims to provide targeted solutions in terms of decarbonization.

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

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

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

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

Wall and roof systems by Wienerberger reduce the CO_2 emissions of buildings by up to 80% compared to old building stock from the 1970s.

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

High-quality roof systems with integrated solar panels: Another EU strategy aimed at reducing greenhouse gas emissions is based on the use of non-fossil, renewable energy sources. For example, our solar panels integrated into roof systems improve the energy performance of buildings and even add an aesthetic feature to the roof.

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

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

Pipeline systems for hydrogen and biogas: Wienerberger also plays a pioneering role in the development and supply of plastic-based hydrogen and biogas pipeline systems (Reinforced Thermoplastic Piping System). Such systems operate along the entire chain from the wind-based electrolysis process under high pressure to end users in transport and industry. Compared to conventional steel pipes, the composite plastic pipes require no maintenance and are flexible and corrosion-proof.

ECO-BRICK: EXTRA-SLIM AND CLIMATE-FRIENDLY

Wienerberger's eco-brick is thinner than a conventional facing brick. This saves valuable resources and permanently reduces emissions. Product innovations like this are our contribution to decarbonization.

Up to 30% less CO_2 emissions per square meter: This is one of the advantages of the eco-brick. Thinner than conventional models by about one third, this facing brick is also considerably lighter than others. This means that we can transport more bricks per truck or boat, which in turn diminishes the emission of greenhouse gases.

Less raw material and less energy

The eco-brick, which was designed in Belgium, is our response to new requirements in façade construction and a contribution to climate protection. The amount of raw material and energy required for its production, e.g. for drying and firing, is almost one third less than in the production of traditional facing bricks.

The brick comes in various versions and is suited for double-shell walls of new buildings and for renovation. Owing to its reduced thickness, extra space is gained for additional thermal insulation or a larger useful surface. Thanks to its natural properties, the eco-brick regulates the indoor climate. The additional insulation reduces heating requirements by up to one tenth and thus increases the energy efficiency of the building envelope.

The target: Climate-neutral by 2050

Decarbonization is an essential pillar of our Sustainability Program 2023, the underlying target of which is in conformity with the European Green Deal: Wienerberger wants to be completely CO_2-neutral by 2050. The key to attaining this target lies in a further reduction of energy consumption in its plants and an increased use of green electricity. To this end, innovative technologies are being used and new ones developed; a good example is the first industrial heat pump for high-temperature applications.

At the same time, efforts are being made to further decarbonize the product portfolio: In the future, every product and every solution will have to make its contribution to climate protection. By 2023, Wienerberger's CO_2 emissions are to be reduced by another 15% compared to 2020. Product innovations, such as the eco-brick or the world's first climate-neutral brick, are important steps on the way to this goal. During its lifetime, the climate-neutral brick saves more greenhouse gases than are emitted during its production.

"It's great to see how Wienerberger responds to new challenges, such as climate change. I am proud of the eco-brick. This innovative product helps us to reduce greenhouse gases, it decreases resource consumption, and it facilitates masonry works."

Danny Wallaert

Process Innovation Manager at Wienerberger in Belgium

Adaptation to Climate Change with our Products and System Solutions

Our mission is to improve people's quality of life: We supply products and system solutions which serve to protect the safety and health of our customers and product users.

Wienerberger's objective is to provide innovative products and systems that protect people, the environment, and the economy from damage caused by climate change and minimize the related risks. In close cooperation with the public sector and private economic operators, Wienerberger is continuously developing holistic and smart solutions for climate-resilient habitats.

Climate-resilient building solutions

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

Wienerberger provides solutions for buildings by supplying building materials with high thermal insulation values, efficient thermal storage properties, and high mechanical strength. These solutions facilitate temperature regulation under conditions of extreme heat and cold. Overheating of buildings in summer constitutes a growing risk for human health and well-being, especially in urban areas. Wienerberger provides solutions that avoid the overheating of buildings in summer and, at the same time, keep their CO_2 balance low.

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

Rainwater management systems

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

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

In Poland, the city of Gdansk has so far invested the most and has built an extensive flood control system. Complementing an impressive number of reservoirs and dikes, Wienerberger Piping Solutions (WPS), Plastic Pipes, contributed to this project with engineered underground stormwater structures, such as collectors and drainage channels along newly built streetcar lines, underground retention and filtration systems for the Gdansk airport, and collectors leading to reservoirs and the port. Over the past four years, WPS Poland supplied over 705 kilometers of pipes, 75,000 pipe fittings, 3,200 cisterns, and 5,100 Raineo Stormboxes for the city.

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 network, especially in Central and Eastern Europe, Wienerberger recorded an impressive increase in road and railway drainage projects using WPS stormwater drainage systems.

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

Smart technologies for a climate-resilient Europe

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

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

Positive influences on the micro-climate

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

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

Wienerberger

Circular Economy

The circular economy is a central pillar of Wienerberger's Sustainability Program 2023: It enables us to ensure the long-term availability of raw materials. In the future, all new Wienerberger products will be 100% recyclable or re-usable. At the same time, we are continuously increasing the amount of secondary or recycled raw materials used in production.

Target of our
Sustainability Program 2023

100%

of our new products are designed so as to be re-usable 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.

A FUNCTIONING CYCLE

Our Commitment

Longer Life Cycles, Lower Material Consumption, Circular Product Design

The circular economy is the only meaningful alternative to the linear economic model. It has the potential to reduce the burden on the environment, ensure a secure supply of raw materials, trigger intensified competition, and promote innovation. If resources are re-used or recycled, raw materials are saved and emissions reduced.

Secure raw material supply:
For Wienerberger, as an industrial company, the secure, long-term supply of raw materials is essential. We aim at securing our raw material reserves for a period of at least 20 years through targeted raw materials management.

Reduced consumption of resources:
We save resources by reducing the consumption of raw materials. At the same time, we are continuously increasing the amount of secondary or recycled materials used in our products.

Design for a second life:
In product design, attention is focused on reusability and recyclability. The possibility of sorting and separating the materials used is taken into account in the design process.

Our Measures

What We Are Doing

- We are focusing on innovation, research, and development. Through R&D projects, we are improving the reusability and recyclability of our products.
- We are continuously optimizing our processes and facilities, which results in sustainable savings of resources and costs.
- Wherever possible, we use secondary raw materials in production. We also use production waste (scrap) from our own production processes.

Circularity in Figures	Segments	Facts and figures
Secondary raw materials	*Wienerberger Piping Solutions*	*Amount of internal and external secondary raw materials increased from 59 kg (2014) to 83 kg (2020) per ton of products*
Scrap rate	*Wienerberger Building Solutions*	*Scrap rate in concrete paver production reduced by 55% between 2014 and 2020*
Waste volume	*Wienerberger Group*	*104,637 tons of waste generated in 2020, 78% thereof non-hazardous and recyclable*

Our Success and our Challenges

Creating Products for the Circular Economy

- We are involved in organizations and working groups promoting a circular economy. For example, our subsidiary Pipelife, a member of TEPPFA (The European Plastic Pipes and Fittings Association), signed the Circular Plastics Alliance.
- When designing new products, we take the properties essential for their reusability and recyclability into account, including post-use separability of the materials used for our products and system solutions.

Sustainable Development Goals

What We Want to Achieve

- In the plastic pipe segment, we outperformed our targets, having achieved them two years earlier than planned: Between 2014 and 2020, the amount of internal and external secondary raw materials used was increased from 59 kg to 83 kg per ton of products.
- The use of secondary raw materials as a substitute for primary raw materials, for instance in ceramic production, is not always economically viable. To obtain material of the required quality, construction debris must be sorted and processed.
- The key to products for the circular economy lies in product design. We are therefore stepping up our efforts to develop re-usable and recyclable products and system solutions.

8.4

9.4

12.2, 12.5

"We won't get a second chance to save our environment. We therefore are promoting the principle of circularity and continuously increasing the useful life of our pipe solutions. This enables us to save valuable raw materials and diminish the volume of plastic waste."

Zoran Davidovski

Head of R&D and Sustainability at Pipelife International

Circular Economy

Wienerberger supports the European Green Deal of the European Commission and the related targets and measures aimed at promoting a circular economy. A stronger emphasis on the principle of circularity has the potential to generate benefits for the economy, including less environmental pollution, greater security of raw material supply, increased competitiveness, and the promotion of innovation. [1]

The availability of raw materials for many years to come is a crucial aspect of the company's long-term performance. Wienerberger aims to secure the availability of raw materials for at least 20 years. To mitigate the risks of potential shortages, we primarily focus on savings in raw material consumption, the use of secondary and/or recycled raw materials from internal and external sources in areas of production where this is technically and economically feasible, and the continuous reduction of scrap rates and waste volumes.

Reusability and recyclability are central principles taken into account in the design of all our products ("design for recycling").

The early recognition of potential shortages and the diversification of sources of supply are further essential components of our raw materials management. While we own about two thirds of the clay reserves for our ceramic production, we rely on long-term contracts concluded with external suppliers for the remaining third.

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

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

Moreover, in a voluntary effort, Wienerberger has for years been working intensively on the preparation of eco-balances and environmental product declarations (EPDs) for its entire product range. All ceramic pipes and fittings produced by Wienerberger Piping Solutions have been certified successfully according to the Cradle to Cradle® concept and are being re-certified at regular intervals. In 2020, a family of products of WBS, Concrete Pavers, was additionally certified according to the Cradle to Cradle® concept in Romania.

Wienerberger Building Solutions and Wienerberger Piping Solutions are continuously optimizing their processes with a view to achieving sustainable savings of resources and costs (e.g. Plant Improvement Program (PIP+) in brick production, Production Excellence Program (PEP) in the concrete paver segment, and the Design for Lean Six Sigma (DFSS) management approach in plastic pipe production).

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

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

Resource Efficiency in Raw Material Sourcing

In terms of resource efficiency, the recovery and re-use of waste products and the use of secondary raw materials in production are matters of high priority for Wienerberger and topics that will be intensively pursued in the future. However, technical feasibility largely depends on the materials available and their respective applications.

Subject to availability, we also use renewable secondary raw materials for our production wherever this is technically feasible.

In plastic pipe production (WPS), the use of secondary raw materials has been well established for quite some time. In 2020, we participated in the revision of various EN standards, the objective being to facilitate the use of secondary raw materials in larger quantities. WPS, Plastic Pipes, currently holds the chair of the TEPPFA (The European Plastic Pipes and Fittings Association) Working Group on Health, Safety & Environment. Moreover, we have continued cooperating intensively with TEPPFA on the ecological footprint (Product Environmental Footprint, PEF) and the elaboration and introduction of uniform PEF rules for the entire sector regarding plastic pipes for in-house hot and cold water supply.

In plastic pipe production in Europe, we outperformed the target for the amount of internal and external secondary raw materials in our products originally defined in the Roadmap 2020, having achieved it two years earlier than planned. The amount of internal and external secondary raw materials used per ton of products increased from 59 kg in 2014 to 83 kg in 2020. Wienerberger launched several new pipe system solutions based on 100% post-consumer materials.

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. In contrast, the use of secondary ceramic material from external sources is inefficient in many cases, at least for the time being. In order to obtain secondary raw materials of adequate quality, construction debris needs to be carefully sorted and processed. The use of secondary raw materials as a substitute for primary ones therefore constitutes a major challenge. We are continuously examining further options of using our own ceramic waste wherever possible. At two production sites in North America, the percentages of secondary raw materials used in production were validated in 2020. The high percentage of secondary raw materials (40% and 35% respectively) will qualify the products for LEED certification[2].

For the production of clay blocks, our European plants also use secondary raw materials. For example, saw dust, rice husks or sunflower seed shells, ash and slag, as well as refractories, are used as pore-forming agents to optimize the thermal insulation properties of the clay blocks. The quantities used are recorded in a raw material report for the respective product group. In 2020, almost 9% of the raw materials used were secondary raw materials.

2) LEED (Leadership in Energy and Environmental Design) certification is an internationally recognized symbol of sustainability performance. It was developed by the U.S. Green Building Council (USGBC) to promote the construction of energy- and resource-efficient buildings for healthy indoor living. Other countries have introduced similar quality seals, for example the German Gütesiegel Nachhaltiges Bauen, BREEAM (Building Research Establishment Environmental Assessment Methodology) in Great Britain or GRIHA (Green Rating for Integrated Habitat Assessment) in India.

"I am very proud that we from Pipelife Bulgaria developed ECOCorr, a piping system with very low CO_2 emissions and based on recycled materials. ECOCorr has been very well accepted by the market. Private investors and major developers are increasingly opting for solutions with low CO_2 emissions and with ECOCorr we are supporting their efforts to be ecologically sustainable."

Stanislav Staynov

Plant Manager at Wienerberger in Bulgaria

The guideline on the use of secondary raw materials and the avoidance of hazardous substances applied by Wienerberger Building Solutions specifies the format and content of the annual raw material report, including 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. The guideline was again successfully applied in 2020.

We will further advance our research projects, one of the objectives being to optimize the ratio of primary to secondary raw materials in our products. We will continue to investigate the technical feasibility of using secondary raw materials and identify potential production sites for implementation.

Reduction of Production Waste

At Wienerberger, the optimization of the closed resource cycle comprises not only a reduction of production waste, but also a reduction of the scrap rate. Wherever possible, production waste (e.g. fired brick waste, non-coated plastic waste) is returned to the production process. Production waste that cannot be re-used or recycled is disposed of by certified waste management companies using state-of-the-art methods.

Optimization measures are being taken at all our plants within the framework of the quality management systems in place, which take environmentally relevant aspects into account. Some production sites have additionally been certified according to ISO 14001 Environmental Management Systems.

Ongoing optimization programs, such as the Plant Improvement Program (PIP+) in brick production and the Production Excellence Program (PEP) in the concrete paver segment of Wienerberger Building Solutions, are primarily aimed at achieving sustainable resource and cost savings through improved production processes. For example, the scrap rate in brick production is checked

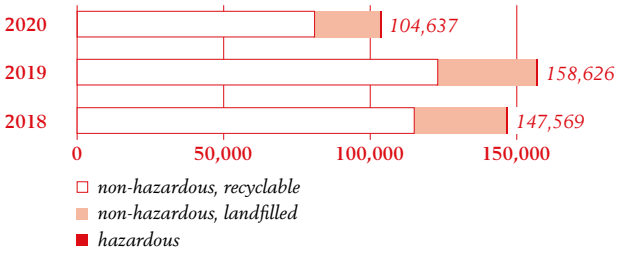
regularly within the framework of PIP+ and appropriate corrective measures are taken, if necessary. In 2020, the savings achieved by reducing the scrap rate in brick and tile production amounted to roughly € 3 million.

Within the framework of the Sustainability Roadmap 2020, the scrap rate in concrete pavers production, for example, was reduced by 55% between 2014 and 2020. Nevertheless, the target of a maximum scrap rate of 2% in production was missed by a small margin, the reported scrap rate being 2.12%.

In the plastic pipe segment of WPS, we promote the Design for Lean Six Sigma management approach in order to achieve quality improvements and process optimizations. Among other results achieved, the scrap rate in this field of production was reduced to 3.87% (2019: 4.02%). As a signatory to Operation Clean Sweep®, we ensure that no losses of plastic granulate occur during the production process. Three of our plants have already implemented Operation Clean Sweep®. By the end of 2022, most of the plants of WPS, Plastic Pipes, are to be equipped accordingly.

Waste generation

in tons



In 2020, the total volume of waste generated by Wienerberger amounted to 104,637 tons, 78% of which was non-hazardous and recyclable.

PLASTIC RECYCLING: A PIPE WITH THREE LIVES

Wienerberger Piping Solutions is committed to the principle of a circular economy. From 2023, all new products will be fully recyclable or re-usable. This is our way of supporting the European Green Deal. Together with local communities and energy utilities, we create closed cycles and pipes with three lives.

More recycling, less plastic waste, and a mindful use resources: with our piping solutions, we are pursuing ambitious targets in terms of sustainable product development. Wienerberger has positioned itself as a pioneer of the circular economy in the European plastics industry.

Percentage of recycled materials more than tripled since 2010

Every year, Wienerberger's subsidiary Pipelife processes hundreds of thousands of tons of plastics to produce plastic pipes and pipe systems. The amount of recycled material used in production is being continuously increased: Since 2010, it has grown by more than 200%. In 2020, 83 kg of recycled plastic material were used per ton of products. Between 2025 and 2030, the amount is to be doubled.

Today, already, almost 95% of all Pipelife products can be recycled or re-used. From 2023 onward, this will be true of all our new products. Pipes with three lives, with a total useful life of 300 years or more, will thus become a reality. Numerous local teams are working on product innovations designed to reduce the volume of waste. Examples include sewage and rainwater pipes made of recycled material, such as the Durofort pipe in the Netherlands, ECOCorr in Bulgaria, or a pipe made of bio-based PVC in Sweden.

In sync with the European Green Deal

At Wienerberger, we are making every effort to advance the circular economy in Europe and are committed to the EU Plastics Strategy and the European Green Deal. As a member of TEPPFA (The European Plastic Pipes and Fittings Association), Pipelife signed the declaration of the Circular Plastics Alliance (CPA). The members of TEPPFA achieved their target of increasing the total amount of recycled material used in plastic pipe systems to 220,000 tons – a target originally set for 2025 – in 2020. Plastic pipe producers are thus contributing to the EU target: 10 million tons of recycled plastic materials in new products by 2025.

For a functioning circular economy, all stakeholders need to join forces. We are calling for a uniform industry standard for recycled plastic products in Europe. It is now up to lawmakers to advance this project.

Durable Products and Systems Based on Circularity

Innovation leadership is part of our value proposition to our shareholders, by which we create added value and distinguish ourselves from our competitors. As a pioneer of innovation in our industry, our goal is to continuously improve the resource efficiency, as well as the useful life and the recyclability of our products and system solutions.

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

"100% of our new products are designed so as to be re-usable or recyclable."

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

The re-use of roof tiles and pavers, which has been practiced for quite some time, is an excellent example. Moreover, Wienerberger successfully launched a re-usable facing brick, which is marketed as the ClickBrick. Integrated into the façade structure without mortar, it can easily be dismantled and re-used. The ClickBrick also meets high aesthetic quality requirements, a matter of particular importance to us in building construction.

To meet the requirements of high-end façades, Wienerberger introduced completely maintenance-free, digitally engobed façade panels with an extremely long service life. Digital engobing offers the advantage of high-end design options without reducing the durability of ceramic façade solutions.

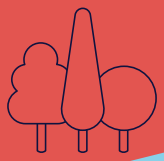
A research project on the re-use and/or recycling of plastic pipe material introduced the concept of color coding of different pipe generations, which permits the cascading use of plastic materials. What begins its life as a yellow low-pressure gas pipe could be converted into a red cable conduit and finally recycled into a grey sewer pipe. All in all, the PVC raw material can be used up to three times. Given that PVC has a useful life of at least 100 years, the total life cycle of the material can, in theory, be prolonged to more than 300 years. The "Pipe with 3 Lives" concept won the bronze medal in the "Sustainable Innovations" category of the Inovyn Prize at the K-2019 International Plastics and Rubber Trade Fair in Düsseldorf.

Wienerberger

Biodiversity & Environment

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

Target of our
Sustainability Program 2023



100%

Biodiversity program
for all our sites until 2023

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

PRESERVING NATURE'S TREASURES

Our Commitment

Environmental Protection as Part of our Business Model

For Wienerberger as a producing company, natural resources are indispensable. Our commitment is to supply top-quality products and, at the same time, protect the environment to the best of our abilities.

Value creation:
Half of the global gross domestic product (GDP), i.e. EUR 40 trillion, is dependent on nature. For Wienerberger, the preservation of the environment is an essential factor of sustainable business management. Environmental protection plays a crucial role along our entire value chain.

Biodiversity:
All over the world, the natural balance has been profoundly upset. The main causes relate to the classic environmental problems, including climate change due to the emission of greenhouse gases, the sealing of surfaces, and nutrient and pollutant input in ecosystems. Over the past 40 years, 60% of the global wildlife population has been lost. A million species are at risk of extinction. By fostering biodiversity at all our sites, we improve land use and provide valuable habitat for flora and fauna in terms of quality and quantity.

Climate change:
Biodiversity loss and the climate crisis are two phenomena that are closely connected and reinforce one another. The efforts necessary to contain climate change by 2030 therefore also involve measures such as soil rehabilitation, the restoration of wetlands, or the creation of green oases in cities.

Our Measures

What We Are Doing

- We are doing our utmost to minimize the impacts of raw material extraction and production on the environment. We are committed to nature conservation and the improvement of biodiversity.
- We are recultivating and renaturing depleted clay extraction sites or making them available for subsequent use. Depleted clay pits provide ideal conditions to attract rare plants and animals. We are implementing appropriate measures in cooperation with local partners from agriculture or with local residents.
- We avoid and substitute hazardous waste, especially in raw materials.
- Climate action and biodiversity are taken into account in the design of products and system solutions.

Our Success and our Challenges

Habitats for Animals and Plants

- Our clay pits provide an environment conducive to biodiversity. The Biodiversity Action Plan is being adapted to the local conditions at our sites. Take the example of Orchard Farm in Kent, in the southeast of England, where Wienerberger is converting clay extraction sites step by step into habitat for animals and plants that are at risk of extinction.
- Our product range for roofs and façades includes nesting boxes for birds and bats. Ceramic products can be fitted with insect hotels and nesting options for small mammals.
- In our efforts to promote biodiversity, we are drawing on best practice examples. These include renaturing projects at depleted clay pits or beehives on the roof of the Wienerberger headquarters in Vienna.
- Our objective is to ensure that land use by Wienerberger has a positive long-term impact on biodiversity. To this end, we will upgrade existing surfaces and enter into new partnerships for compensatory measures.

Sustainable Development Goals

What We Want to Achieve

3.9

6.3

12.2, 12.4

15.1, 15.5

"As a manufacturing company, Wienerberger cares about environmental responsibility. The Bio-diversity Program is an important part of our Sustainability Program 2023. We are looking forward to implementing this program across all our production sites."

Johan Van Der Biest

COO WBS Region North-West Europe

Biodiversity & Environment

Wienerberger not only aims for top quality in its products, but also strives to protect the environment as effectively as possible.

We are therefore continuously optimizing our processes at our production sites. In doing so, we are not only enhancing the energy and resource efficiency of our operations and contributing to climate protection, but also diminishing our air and water pollutant emissions (see chapter "Climate Change & Decarbonization", pages 36–57, and chapter "Circular Economy", pages 58–71). This is our direct contribution to the quality of the local environment, which in turn benefits the eco-systems on site.

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

At our own clay pits we take care not to interfere with protected areas; we recultivate and renature depleted extraction sites or make them available for subsequent use. We also assume responsibility for the sourcing of raw materials from the plastics industry. This ranges from nature conservation to energy-efficient processing in the petrochemical industry (see section "Decarbonization in our Sourcing", page 42).

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

"A Biodiversity Program will be in place for all our sites by 2023"

By 2023, we intend to implement biodiversity action plans, based on Wienerberger's Biodiversity Program, at all Wienerberger production and office sites. The objective of these action plans is to optimize land use in rural and urban areas, fight against the loss of biodiversity, and contribute to the rehabilitation of eco-systems. We will involve our employees in the implementation of these action plans in order to heighten their awareness of the importance of biodiversity on our planet. Fostering biodiversity at our sites will also improve the health and well-being of our employees. Our enhanced commitment is reflected in the appointment of a biodiversity ambassador, a newly created role, for each site.

In 2020, in cooperation with external experts and the University of Wageningen, a group-wide program was drafted, which is to be consistently implemented in the coming years.

In the following sections, we describe further processes, initiatives, and measures we are taking for the benefit of biodiversity and the environment relating to

- Nature conservation at and subsequent use of depleted extraction sites
- Avoidance of hazardous substances
- Contribution of products and systems that promote biodiversity.

Nature Conservation at and Subsequent Use of Depleted Extraction Sites

The responsible and environment-friendly use of clay pits, with due consideration given to the surrounding environmental conditions and the eco-system, is an essential aspect of Wienerberger's sustainable business management.

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

As a rule, the competent public authority defines the type of subsequent use of depleted clay pits at the time of approval of clay extraction. Environmental impact assessments and ecological studies are always part of the approval procedures. Given the fact that clay pits are to be operated as long and as sustainably as possible, the question of subsequent use usually arises only after several decades.

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

In special cases, Wienerberger even takes measures to renature parts of the clay pit while extraction is still going on. In cooperation with experts, every effort is made to create the best possible living conditions for rare species. For example, we support the planting of vegetation likely to attract rare animal species that are at risk of extinction. By implementing biodiversity action plans at all Wienerberger sites by 2023, we will ensure that sufficient emphasis is placed on nature conservation and biodiversity even while our clay pits are still in operation.

"At Orchard Farm, Wienerberger has cosidered the ecological impact of extraction from the design to the aftercare stage. I hope that during the post-extraction biodiversity monitoring, we will find the great crested newt thriving on this site along-side many other species."

Stephanie Palmer

Sustainability Manager
Wienerberger UK

ORCHARD FARM – A NEW HOME FOR THE GREAT CRESTED NEWT

In South East England, at the Orchard Farm quarry in the County of Kent, Wienerberger planned for the conservation of biodiversity from the outset of its clay extraction activities. The project is a good example of how to preserve and foster biodiversity.

The extraction of clay for brick production at the Orchard Farm site began in 2016, with an annual clay quarrying campaign each summer season for a period of six years. Given the relatively short lifespan of this clay quarry, Wienerberger designed the site layout to minimise disturbance to wildlife, and to enable species to recolonise the area swiftly after quarrying operations were completed.

Wildlife corridor with ponds and wood piles

During the planning stage, ecological surveys were undertaken to identify the sensitive habitats and species present at Orchard Farm. The results were incorporated into the site design, retaining an existing pond, woodland and some hedgerow. In addition, a wildlife corridor, at least 10m wide, was incorporated along the site boundary. This wildlife corridor was enhanced with small ponds and piles of wood for invertebrates and amphibians. The placement of these habitats is intended to encourage the great crested newt to expand its range into Orchard Farm. The great crested newt is a protected species in the UK and has been spotted on land adjacent to Orchard Farm.

During each quarrying campaign, Wienerberger removed the topsoil and stored it on site, returning it to the land after each quarrying phase was completed. This process of progressive restoration enables flora and fauna to recolonise the soil more quickly after phased extraction, compared to restoring soil at the end of the quarry's service life.

Five-year monitoring after quarrying phase

Following brick clay extraction, the excavated area of the site will be returned to agricultural land. The company's commitment does not end here: the site will be maintained and monitored for a further five years, measuring ecological parameters such as vegetation growth and species biodiversity.

The implementation of the project was in the responsibility of the raw materials and planning teams at Wienerberger, supported by ecology experts and the management of Wienerberger's Smeed Dean factory, which received Orchard Farm's brick clay. Orchard Farm is just one of around 200 quarries managed by Wienerberger worldwide.

Avoidance of Hazardous Substances

We conscientiously ensure the avoidance and substitution of hazardous substances. Wienerberger meets all legal requirements at European, national and regional level 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 strict classification of inputs and contains mandatory instructions for employees working at production sites regarding the use of secondary raw materials and the avoidance of hazardous substances. Compliance with these provisions is verified by means of the raw material reports to be submitted annually.

Contribution of Products and Systems that Promote Biodiversity

Developments and requirements

All over the world, concern over the rapid loss of biodiversity is growing, given that a lack of biodiversity threatens life on this planet as least as much as climate change. Wienerberger wants not only to actively reduce its biodiversity footprint, but also to make a positive contribution to the protection and preservation of biodiversity (see target definition on page 26). This is fully in line with our principles of acting responsibly, improving people's quality of life, and ensuring that future generations have the same opportunities as we have today.

Biodiversity in urban areas is threatened, among other factors, by rising temperatures and soil sealing. The greening of roofs, façades and ground surfaces, in combination with our system solutions for smart water management and our products for permeable surfaces in light colors, result in significant cooling of such surfaces and improve the surrounding micro-climate. Additionally, green surfaces are a habitat for plants and animals and improve people's quality of life.

Biodiversity in our product design

Our products and system solutions are designed in the context of climate action and biodiversity. By 2023, 100% of our new products are to be designed so as to be either re-usable or recyclable (design for recycling, see also target definition on page 26). The life cycle of Wienerberger's products and system solutions, which is long in any case, can thus be further prolonged, with added benefits for the environment.

Buildings can provide nesting space and caves for birds, insects, and other animals without adversely affecting the human inhabitants' quality of life. Green roofs and façades serve as additional nesting space and a source of food. Wienerberger has designed solutions to accommodate bird and bat boxes under roofs and on façades. Ceramic products are also used for the creation of insect hotels and nesting space for small mammals. Drainage and irrigation systems are available for green façades and roofs. Our range of pavers comprises a broad variety of systems for infiltration of water-permeable surfaces, which have a positive influence on the micro-climate and the groundwater level. Surfaces in light colors minimize heat stress.

For infrastructure applications, Wienerberger provides system solutions that contribute to the preservation of biodiversity. Pipe solutions are designed to enable the re-use, infiltration, and drainage of water and are equipped with monitoring devices and sensors. They are used for the protection as well as the installation of smart water and wastewater systems for the efficient and eco-friendly management of water as a vital resource. With our systems, water is collected, stored and filtered for subsequent use for irrigation. Smart, sensor-based technologies serving to optimize and maintain the water level contribute to the preservation of natural biotopes.

Wienerberger

Employees

Wienerberger's employees are the company's most important success factor. Thanks to their know-how and their dedication, we are able to improve people's quality of life. We promote the development of the full potential of our employees and offer them a safe and motivating work environment.

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 but 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.

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 fashion and in facilitating networking and the cross-border exchange of knowledge.

BEING THE NUMBER ONE EMPLOYER

Our Human Resources Management

Developing Talents, Increasing Diversity, and Ensuring Safety

Strategic human resources management is a central lever of our corporate success. The shortage of skilled labor, demographic change, and our demanding safety requirements are essential aspects to be addressed, alongside many other important topics.

Managing our demand for skilled labor:
The identification, development and retention of high-potential employees is a central topic for Wienerberger. The shortage of skilled labor, a problem faced by many companies, calls for a new approach to talent management.

Human resources development:
We support the development of our employees. To this end, we are increasing the amount of training provided for internal career planning. We also care about the satisfaction of our employees.

Safety and health:
Health and safety at the workplace is a matter of particular importance to us. The group-wide Safety Initiative and the new Health & Safety Policy underline our commitment.

Diversity:
At Wienerberger, we want to achieve a high level of diversity. Our recruiting strategy, our human resources development, and our succession planning, as well as our talent management, have been adjusted to our ambitious targets.

Our Measures

What We Are Doing

- In new appointments, especially to senior management and executive positions, we give preference to women when male and female candidates are equally qualified. Indicators (such as gender KPIs) are measured by way of internal reporting and summarized in an HR report.
- We are fostering internal talents through competence development and further training programs, such as Ready4Expertise and Ready4Excellence. We will further extend our internal reporting on training.
- Employee surveys and measures taken on the basis of the results obtained ensure the satisfaction of our employees.

- Safety experts and safety officers in all country organizations and plants ensure that all health & safety rules are observed. We have safety systems in place at our production sites and continuously invest in occupational safety. Examples include our Health & Safety Policy, the safety app, safety training programs, awareness-building campaigns, and safety portals.

Our Success and our Challenges

More Women in Executive Positions, Fewer Accidents

- The percentage of women in executive positions, especially in top management, has increased significantly. Recruiting women for engineering positions remains our greatest challenge.
- In 2020, despite the COVID-19 pandemic, we met our target of providing an average of 16 training hours per employee. All safety and health rules were complied with.
- The frequency of accidents declined by 3% in 2020 compared to the previous year. However, we regret to report an increase in accident severity and one fatal accident. We always thoroughly examine the circumstances of any accident and are stepping up our health & safety measures.

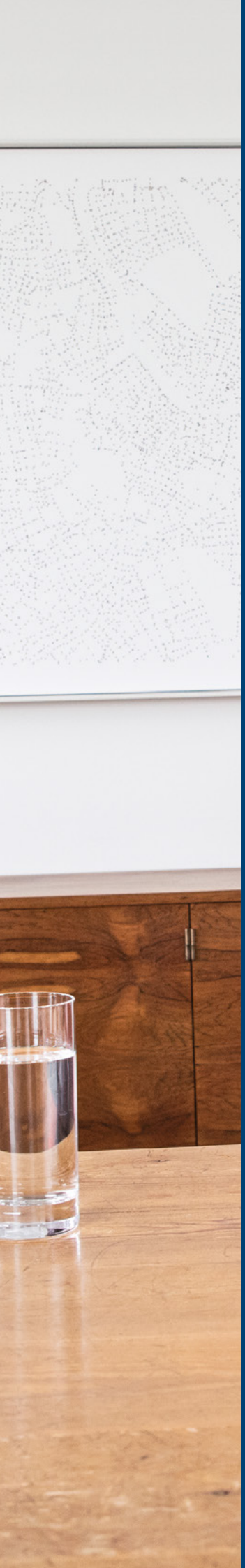
Sustainable Development Goals

What We Want to Achieve

3.9

8.5, 8.6, 8.8

Human Resources Indicators	Units	2018	2019	2020	Change *(in %)*
Women in senior management	*in %, relative to headcount*	11	12	**13**	+5
Women in white-collar positions	*in %, relative to headcount*	32	32	**32**	0
Average number of training hours per employee	*in hours*	16	16	**16**	+1
Accident frequency	*Number of occupational accidents / number of hours worked x 1,000,000*	5	6	**5**	-3
Accident severity	*Accident-related sick-leave days / number of hours worked x 1,000,000*	155	158	**178**	+12
Fatal occupational accidents	*Number of occupational accidents*	1	0	**1**	-
Average number of sick-leave days per employee	*Number of sick-leave days*	10.5	10.7	**10.8**	+1



"The health and safety of our employees is a matter of fundamental importance, especially in the producing industry. As an employer, Wienerberger takes this heavy responsibility very seriously. In accordance with the 'Safety First' principle, every top management meeting starts with safety at work as its first agenda item."

Ulrike Baumgartner-Foisner

Senior Vice-President, Group Organizational Development & HR at Wienerberger

Employees

In this chapter, we provide an overview of our initiatives, tools and processes, and our performance in the following areas:

- Occupational safety and health
- Job creation and stability of employment
- Competence development and advancement of our employees
- Diversity and equal opportunities

Our employees constitute the basis of our success and are a key factor for the successful further development of our company. Wienerberger is making every effort to identify the great diversity of talents in our society, address them, and win them for our company. We are convinced that sustainable economic success is based on the skills, the diversity, and the dedication of our employees, as well as on our corporate culture.

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

Our values provide the basis for our entrepreneurial activity. Responsibility, integrity and respect are the values we regard as particularly important in our relationship with our employees.

Safety, Health and Education (SHE) reporting, a tertiary system of key data collection on developments in the fields of occupational safety and health, and training and development of employees, serve as the basis for targeted measures and as a steering instrument for the management.

Occupational Safety and Health

Wienerberger takes its responsibility for providing safe and healthy working conditions for its employees very seriously.

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

Wienerberger Safety Initiative

The Wienerberger Safety Initiative sets out mandatory requirements on safety standards and provides for activities aimed at ensuring the highest possible level of safety at all plants of the Wienerberger Group. In 2014, the standards in place since 2010 were further developed for the entire Wienerberger Group and activities undertaken within the framework of the Safety Initiative were stepped up.

The implementation of this mandatory, group-wide initiative was consistently pursued in 2020. No further provisions on occupational safety and health have been laid down in collective bargaining agreements. In addition to the Wienerberger Safety Initiative, each operating segment implements specific internal programs based on sector-specific standards and requirements as well as local laws in order to protect the safety and health of our employees at the workplace. For example, 15% of all WBS production sites and 12.5% of WPS production sites have already been certified according to ISO 45001 Occupational safety and health management systems. Certification is to be rolled out step by step to all countries in the coming years.

Contingency planning

Wienerberger employs the method of contingency planning for various safety topics and areas of work. This includes large warning signs, notices on machines and, in particular, initiatives such as LOTOTO (Lock-Out, Tag-Out, Try-Out), a safety system which disconnects the power supply to machines and equipment while repair and maintenance work is going on and verifies that the safety mechanism is operational. Alongside the technical and mechanical safety provisions and notices, continuous training on occupational safety is provided.

Safety Training

Wienerberger provides various safety training programs for its employees on site and in the local languages. The kind of training provided depends on the position and the field of work of the employees concerned. Besides courses with physical attendance at the production sites, e-learning programs are also available. Wienerberger has launched the "Visible 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.

Notification of work-related hazards or hazardous situations

At Wienerberger Building Solutions and Wienerberger Piping Solutions, work-related hazards or hazardous situations are identified and evaluated by means of a Health & Safety (H&S) app. Employees can report safety concerns via this app without having to fear any negative consequences. Training is provided on how to use the app. Given our strict reporting requirements, not only the local H&S managers, but also the heads of H&S of both Business Units have access to the safety concerns reported. The reporting of safety concerns is also strongly encouraged at Group level. In an office environment potential hazards can be reported to the appointed safety officers, the works council or a safety expert. An occupational safety committee 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. For the purpose of a thorough analysis of crucial safety and health indicators, above all lost time accidents (LTA), quarterly meetings between HR and employee representatives (Chairman of the European Works Council) take place.

Investigation of work-related safety and health incidents

Wienerberger has defined and implemented clear procedures for the investigation of work-related accidents and incidents at the various management levels involving, above all, the local H&S management. 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.

Involvement of our employees in the development and implementation of safety and health management systems at the workplace

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) or a comparable institution, and the H&S app.

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 include health screenings, vaccinations, psychological counselling, ergonomic advice and similar services. On account of the global COVID-19 pandemic, COVID tests are performed free of change at many sites. Wienerberger also offers a broad range of non-occupational medical health-related services, which are flexibly adjusted to the on-site needs of the country organizations.

Health, safety, and human rights at our own raw material extraction sites

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

Based on the uniform, group-wide Supplier Code of Conduct, these 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 to respirable crystalline silica performed within the framework of the NEPSI social partnership agreement (Negotiation Platform on Silica www.nepsi.eu) [1]. According to schedule, the last survey covered the reporting year 2019 (see Sustainability Update 2019, page 75).

Apart from that, Wienerberger is making every effort to provide the best possible protection against respirable crystalline silica for its employees. In 2020, a new standard for the protection of employees from exposure to respirable crystalline silica was elaborated, which will be implemented in the first half of 2021.

Efforts to cope with the COVID-19 pandemic at Group level

It goes without saying that minimizing health risks and protecting our employees was Wienerberger's foremost concern during the COVID-19 pandemic. As a producing company, we also take the protection of our external partners and customers very seriously and are making every effort to support them. When the pandemic broke out in early 2020, we therefore immediately set up an internal business resilience team so that we were able to react swiftly and sustainably to the current requirements and provide the entire organization with transparent, regular and timely information on the internal measures taken. Strict health and safety measures were implemented along the entire value chain and a work-from-home regime was implemented without delay. As we care not only about the physical safety of our employees, but also about their mental health, a psychological support hotline was installed and regular management and team talks were introduced.

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.

HEALTH & SAFETY: FEELING GOOD AT THE WORKPLACE

Wienerberger's top priority is the health and safety of its nearly 17,000 employees. Providing a safe, motivating and pleasant work environment is our key responsibility.

Our vision is to be the number one employer in the building materials industry and in infrastructure solutions – a goal that includes, above all, safety at the workplace. We invest in a safe environment in our plants, in training for all staff members and executives, and in a broad variety of initiatives relating to the topic of health & safety.

Our stated objective: zero occupational accidents

As a leading industrial company with worldwide operations and 197 production sites, Wienerberger takes occupational safety very seriously. We have a clear vision: "Zero occupational accidents!" Over the past ten years, the frequency of occupational accidents has been reduced by almost 80%. In order to further improve our safety performance, we are investing in operational machine safety, initial and further training, and in raising the safety awareness of employees. Take, for example, the "safety app", which all employees can use to report potential hazards via a smartphone. These are processed, documented and reported without delay by our health & safety officers.

"Visible Leadership" is another health & safety instrument: Executives at all levels regularly visit our production sites and coach our employees by means of a tried and tested approach. Safety training sessions are organized and held throughout the year.

Health care and COVID-19 measures

In the interest of the health of its employees, Wienerberger attributes great importance to prevention. All employees have access to regular health screenings, medical services provided by company physicians, vaccinations and other services, such as advice on ergonomic workplace design and memberships in fitness clubs. Currently, we are offering an increasing range of services in the fields of mental health and mindfulness, topics which are continuously gaining in importance.

Numerous measures were taken during the Covid-19 pandemic: At an early point in time Wienerberger provided testing facilities, distributed face masks, and introduced a work-from-home regime. Special Covid-19 task forces were in charge of ensuring a safe environment for employees working in our plants.

Recording of occupational accidents

Within the framework of Safety, Health and Education (SHE) reporting by the Wienerberger Group, all accidents that lead to a loss of at least one working day for the employee concerned are recorded.

Accident frequency

In 2020, the frequency of accidents at Group level – defined as the number of occupational accidents per million hours worked – was reduced to 5.4. Year-on-year, accident frequency thus decreased by 2.7% (2019: 5.6). Owing to the relatively low value of the indicator for the North America Business Unit, the increase from 0.9 in 2019 to 1 in 2020 translated into a high relative rate of change. In contrast, Wienerberger Building Solutions and Wienerberger Piping Solutions succeeded in reducing the frequency of accidents.

For Wienerberger Piping Solutions, 2020 set a new record in terms of occupational safety and health. The Business Unit again delivered the best occupational safety performance since the beginning of data collection within the Wienerberger Group (2012), with an accident frequency of slightly below 2 (2019: 2).

Accident frequency by operating segment [1]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions	5.8	7.2	**7.1**	-2.3
Wienerberger Piping Solutions	4.5	2.0	**2.0**	-0.8
North America	1.3	0.9	**1.0**	+9.8
Wienerberger Group [2]	**5.1**	**5.6**	**5.4**	**-2.7**

1) Number of occupational accidents / number of hours worked x 1,000,000; including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts. // 2) Re-statement: The accident frequency indicator of the North America Business Unit for 2020 was corrected after publication the 2020 Annual Report and the indicator for the Wienerberger Group published therein was recalculated. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

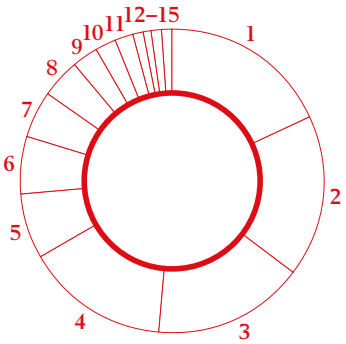
Accident severity

In 2020, as in previous years, the most frequent types of injuries at Group level were fractures, followed by cuts, bruising, sprains and strains. The circumstances and causes of every accident are analyzed in detail. Based on these findings, we consistently implement measures to increase the safety of our employees.

Accident severity, measured in accident-related sick-leave days per million hours worked, unfortunately increased across the Group in 2020.

Types of injuries Wienerberger Group in 2020 [1]

in %



1 *Fractures 18%*
2 *Cuts 17%*
3 *Bruising 16%*
4 *Sprains & strains 15%*
5 *Crush 7%*
6 *Swelling 6%*
7 *Other 5%*
8 *Superficial 4%*
9 *Puncture / rupture 3%*
10 *Burns 2%*
11 *Eye injury 2%*
12 *Amputation 1%*
13 *Dislocation 1%*
14 *Abrasion 1%*
15 *Acute general health problem 1%*

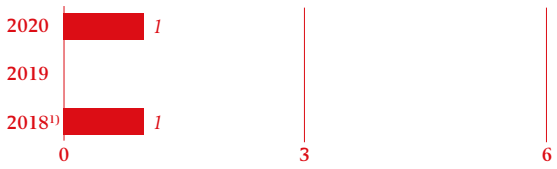
1) Injuries resulting in at least one day of sick leave. // Based on the specific definitions of the individual business areas.

Despite all the measures taken and training in occupational safety provided, accident severity increased at Group level by 12% in 2020 (178 vs. 158 in 2019), which was attributable to accidents resulting in longer sick-leave periods, especially in the Wienerberger Building Solutions Business Unit, which also reported one fatal accident, and accidents with longer lost time in North America.

We are saddened to report that one fatal accident occurred within the Wienerberger Group in 2020. We deeply regret this accident and will not tire in our efforts to provide the highest possible level of safety for our employees. The circumstances of the accident were thoroughly investigated within the Business Unit and beyond, and appropriate steps were taken. We continued to draw our employees' attention to potential sources of danger and strengthened their awareness of the binding nature of safety rules and technical protective measures.

The outstanding performance of Wienerberger Piping Solutions in terms of occupational safety in 2020 was reflected in a significant decrease in accident severity from 78 in 2019 to 50 in 2020, relative to the number of accident-related sick-leave days per million hours worked. This corresponds to a reduction by more than one third (-35.6%).

Number of fatal occupational accidents within the Wienerberger Group



1) In a 50% subsidiary of Wienerberger.

The Business Unit's consistent pursuit of its safety-related activities, such as the "Take Care" campaign, the WPS Safety Award, the newly developed concept of "safety non-negotiables", and ongoing training, as well as the exchange of best practices between WPS production sites and with other companies, contributed to this excellent result in matters of occupational safety.

The specific occupational safety measures taken by the individual operating segments in 2020 are described in the Annex starting on page 124.

Accident severity by operating segment [1)]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions	194	200	**235**	+1.6
Wienerberger Piping Solutions	89	78	**50**	-35.6
North America	9	24	**35**	+45.9
Wienerberger Group	**155**	**158**	**178**	**+12.0**

1) Number of accident-related sick-leave days / 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. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

"During the corona crisis, our main concern was to keep our employees and their families safe. We mastered the situation well and can now see light at the end of the tunnel. I am happy to work for a company that really cares for all its employees."

Alison Kestner

Senior Manager HR and Benefits at Wienerberger's subsidiary General Shale

Sick-leave days

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) remained almost stable at 10.8 compared to 10.7 in 2019 (+1.2%). Among other factors, the slight increase is primarily due to the higher severity of accidents in the WBS Business Unit and, in some instances, longer sick-leave periods.

Sick-leave days per employee per operating segment [1]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions	10.6	11.2	**11.3**	+1.2
Wienerberger Piping Solutions	10.1	8.9	**9.1**	+2.0
Wienerberger Group, exluding North America	**10.5**	**10.7**	**10.8**	**+1.2**
North America [2]	3.1	2.2	**3.4**	+50.6

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) 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.

Wienerberger Health & Safety Policy

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

In 2021, in their continued pursuit of this target, Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) joined forces in drafting a new joint Health & Safety Policy, which is based on our shared commitment, our efforts and our responsibility.

At Wienerberger, we are convinced that health and safety generate added value and enhanced commitment and, above all, empower our employees to take competent decisions. 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, if necessary, 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 properly maintained and be in perfect condition.*

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 2020, about 69.5% of all Wienerberger employees were covered by collective bargaining agreements.

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

Total number of employees

In 2020, Wienerberger employed a workforce of 16,619 people (full-time equivalents), i.e. 3.6% (615 full-time equivalents) less than in 2019. The reasons for the lower number include M&A activities, plant closures and organizational changes. The most significant decrease (in FTEs) was reported by Wienerberger Building Solutions (-527), followed by North America (-98). Wienerberger Piping solutions reported a slight increase year-on-year of ten FTEs.

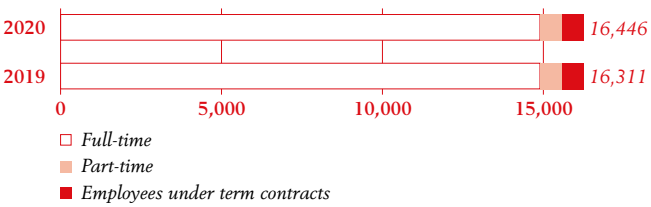
In terms of headcount as at 31/12/2020, the number of employees of the Wienerberger Group was 16,446, i.e. nearly 1% above the previous year's figure (16,311).

Ø Employees by operating segment [1)]
full-time equivalents

	2018	2019	2020	Chg. in %
Wienerberger Building Solutions	11,912	12,466	**11,939**	-4.2
Wienerberger Piping Solutions	3,285	3,317	**3,328**	+0.3
North America	1,399	1,450	**1,352**	-6.8
Wienerberger Group	**16,596**	**17,234**	**16,619**	**-3.6**

1) All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // Temporary and agency workers are included as of their first hour of work at Wienerberger.

Employees by type of employment contract [1)]
based on headcount



1) Employees directly employed by Wienerberger.

As at 31/12/2020, 93% of the total workforce (headcount) employed by the Wienerberger Group was working full-time and 4% part time. Employees under term contract accounted for the remaining 3%. A very small part of the work at Wienerberger is performed by staff legally defined as self-employed. The number of employees under permanent employment contracts in 2020 was 1.1% above the previous year's value (+177 permanent employees, headcount), while the number of employees under term contracts declined by 7.5% (-42 employees under term contracts, headcount).

Employee turnover

Compared to the previous year, the rate of employee turnover in the Wienerberger Group decreased from 11.3% in 2019 to 10.7% in 2020. WPS, in particular, reported a substantial decrease in employee turnover from 10.7% to 7.7%.

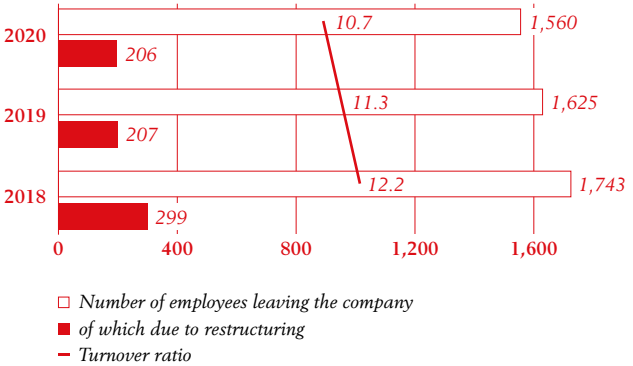
As in previous years, the figures of the North America Business Unit are reported separately, since they are not fully comparable with those of other segments due to specific national legal provisions. The percentage of the holding company, which is accounted for as part of the North America segment 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]
in %

	2018	2019	2020
Wienerberger Building Solutions	11.9	11.5	**11.5**
Wienerberger Piping Solutions	13.4	10.7	**7.7**
Wienerberger Group, excluding North America [2]	**12.2**	**11.3**	**10.7**
North America [3]	31.1	27.4	**31.0**

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (headcount) in permanent employment in the reporting year, excluding temporary and agency workers as well as workers under term contracts; persons retiring or on maternity leave do not count as persons leaving the company. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) Re-statement: The indicator on employee turnover published in the 2020 Annual Report was corrected from 13.1 to 10.7 after elimination of a technical error. // 3) Figures not comparable with those of the other Business Units due to special national legislation.

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



1) Employees under permanent employment contracts.
2) Re-statement: The indicator of employee turnover published in the 2020 Annual Report was corrected from 13.1 to 10.7 after elimination of a technical error.

A total of 1,560 employees, i.e. 65 fewer than in 2019, 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 206 jobs. 1,354 employees – 230 women and 1,124 men – left the Wienerberger Group for other reasons. 280 of these employees were younger than 30, 679 were between 30 and 49 years of age, and 395 were over 50 years of age.

In 2020, the number of employees newly recruited by the Wienerberger Group dropped by 445 compared to the previous year (based on headcount), which corresponds to a 19.1% reduction. Under the influence of the COVID-19 pandemic, prudence was exercised in the recruitment of new employees. The company's top priority was and still is to retain its current workforce, which meant that various recruitment projects had to be postponed. In particular, Wienerberger Building Solutions reported 422 fewer new entrants in 2020 than in 2019, corresponding to a reduction by 26.9%.

The increase in new entrants reported in North America is partly due to an acquisition closed in 2020. In principle, we aim to rely less on temporary and agency workers and to recruit more own employees under direct employment con-tracts with Wienerberger. The average length of service with the Wienerberger Group remains high at 12 years. We regard this as a strong vote of confidence by our employees and an indication of a high level of employee satisfaction.

New entrants by operating segment [1] *based on headcount*	**2018**	**2019**	**2020**	**Chg. in %**
Wienerberger Building Solutions	1,581	1,568	**1,146**	-26.9
Wienerberger Piping Solutions	431	462	**379**	-18.0
North America	417	301	**362**	+20.0
Wienerberger Group	**2,429**	**2,331**	**1,886**	**-19.1**

1) 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.

Competence Development and Advancement of our Employees

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

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

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

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

Training and HR development

In 2020, as in previous years, the Wienerberger Group took a number of initiatives – always subject to compliance with all the necessary COVID-19-related protective measures – aimed at advancing and supporting employees in a targeted way and facilitating the cross-border exchange of knowledge. The average number of hours per employee spent in training increased slightly from 16.0 in 2019 to 16.2 in 2020 (+0.9%). Safety training was continued as well. Training within the framework of our safety programs enjoys a high priority and is being thoroughly and consistently implemented. The data collection tools currently used by Wienerberger do not permit a group-wide breakdown of hours spent in training by gender, age group, functional area or position of the participants.

For high-potential employees pursuing a career as experts, a new development path was created in 2020: the Ready4Expertise program. Within the framework of this three-module further training program, target-group-specific contents, such as strength-based self-leadership, lateral leadership and remote working, as well as change and intercultural management are being communicated. Currently, 13 participants are attending this training course. At the same time, we are continuing our Ready4Excellence

program, which promotes the development of our junior executives and high-potential employees pursuing a general, cross-divisional career goal. Over 130 colleagues have already attended this program and undergone training in areas such as project communication, performance indicators, process and conflict management, change management, and intercultural skills. In 2020, 13 employees from ten different organizations started training under the heading of this program.

Within the framework of the Wienerberger Engineering Academy of the Wienerberger Building Solutions Business Unit, the main focus in 2020 was on short, virtual training formats on a great variety of topics relating to ceramic production as well as occupational safety. More than 3,000 employees used this opportunity for further training.

The table on "Training hours per employee and year" does not include international training events and on-the-job training. International training measures include group-wide programs, such as Ready4Excellence or the Leadership Journey, which are organized centrally and financed by the holding company. Including international training events, the number of hours per Wienerberger employee spent in training amounted to 16.6 in 2020, up from 16.4 hours in 2019.

In the interest of long-term succession management, an annual process for the evaluation of senior management and succession planning for senior management positions has been implemented in order to ensure structured and transparent career and succession planning. In 2020, 140 persons (excluding Managing Board members) were included in the management database.

Training hours per employee and year by operating segment [1]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions	16.0	17.3	**12.0**	-30.6
Wienerberger Piping Solutions	16.7	11.7	**35.0**	+198.6
North America	11.8	15.0	**6.8**	-54.5
Wienerberger Group	**15.8**	**16.0**	**16.2**	**+0.9**

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. // All non-financial indicators are calculated on the basis of non-rounded values. // Electronic data processing may result in rounding differences.

Employee satisfaction

Between 2015 and 2018, a comprehensive, anonymous employee survey was performed at all sites of the Wienerberger Group in cooperation with an experienced external partner. Based on a detailed set of criteria, the degree of satisfaction of our employees was ascertained. The results, broken down by department cluster, were communicated to all employees at the respective locations. In the course of 2020, we initiated and/or continued to implement the follow-up measures derived from the results of the survey. These include improvements to the work environment (renovation, organizational changes in production, working tools), measures regarding the leadership style, team-building efforts, and engaging in dialogue with external stakeholders. The package also comprises targeted initial and further training measures and the optimization of workflows and communication processes.

The next employee survey, as already planned in 2020, was conducted in 2021, covering all employees of the Wienerberger Group at the same time. Among other things, the efficiency of the measures taken will be evaluated. Subsequently, group-wide employee surveys are to be organized regularly every other year. The return rate of the 2021 employee survey was 80%, up by more than 21% from the survey conducted in 2018 (66%).

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, skills, personality features, career histories and cultural backgrounds. (For information on our diversity policy, please refer to the 2020 Corporate Governance Report on pages 69-72). The resultant diversity of competencies and the internationality of our employees reflect the diversity of our customers, investors, business partners and markets, reaffirm our innovative mindset and make us fit for the challenges of a dynamic and fast-changing business environment.

Our values include integrity and respect. The principles of human resources management at Wienerberger ensure that all employees, regardless of age, gender, culture, religion, origin or other diversity features, have the same rights and opportunities. Based on these principles, Wienerberger does not tolerate any form of discrimination. In 2009, we started to collect data on diversity and equal opportunities within the framework of our sustainability reporting. Since the beginning of data collection, no incidents of discrimination have been reported.

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

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

"At least 15% women in senior management positions"

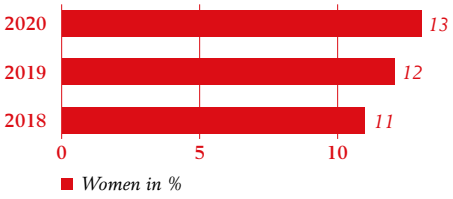
"At least 30% women in white-collar positions"

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

In 2020, the total number of women employed by the Wienerberger Group was 2,414 (headcount), up by 3% from 2019. Compared to 2019, the percentage of women employed by the Wienerberger Group increased by 2%.

Share of women in senior management [1)]

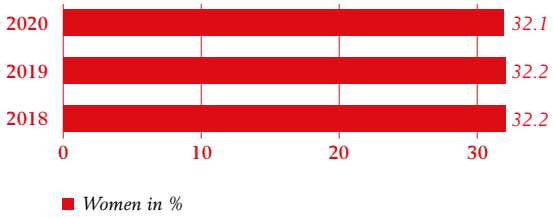
based on headcount



1) Exclusively 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.

Share of women in white-collar positions [1)]

based on headcount



1) Exclusively employees directly employed by Wienerberger. // Percentage of women in administration and 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.

In 2020, the percentage of women in senior management positions across the Group further increased to 13%, as compared to 12% in the previous year. We continue to give preference to women in new appointments to senior management and executive positions, provided their qualifications are equivalent to those of male candidates.

In 2020, the percentage of women working in white-collar jobs came to 32.1%, almost unchanged from the previous year (32.2%).

The Wienerberger Managing Board, comprising three members in 2019, was enlarged in 2020 through the appointment of a male internal candidate holding the position of COO (Chief Operating Officer) of Wienerberger Piping Solutions. With one female member of the Managing Board integrated in 2019 and holding the function of COO (Chief Operating Officer) of Wienerberger Building Solutions since 2020, the percentage of women on the four-member Managing Board has since been 25%. As regards the Supervisory Board, 30% of its members were women in 2020.

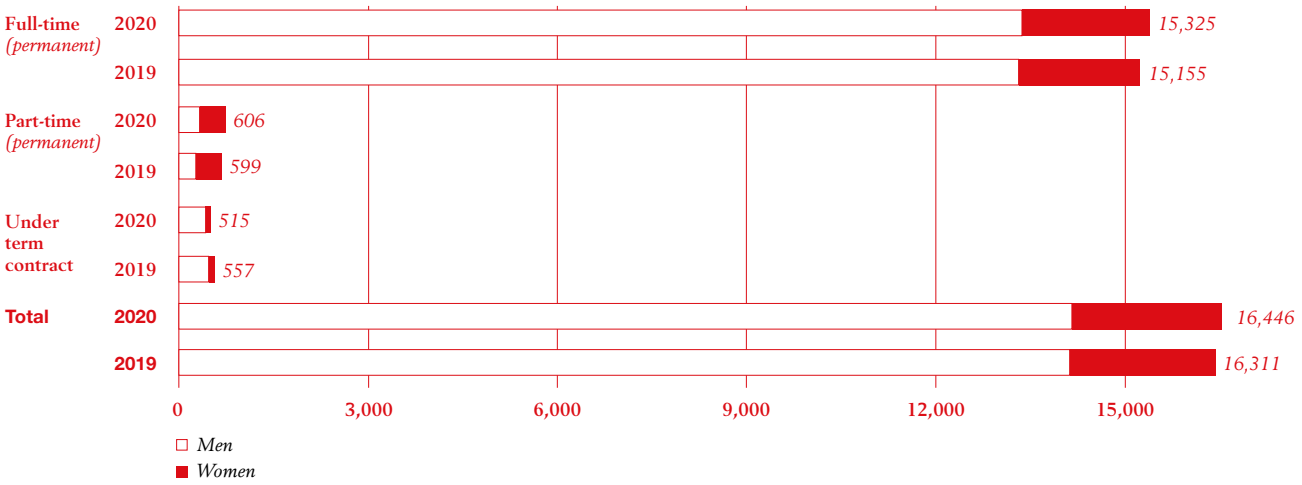
As at 31/12/2020, the total percentage of women employed by the Wienerberger Group was 15.1%, i.e. 2% above the previous year's value of 14.8%. The percentages of women in the individual functional areas have remained almost unchanged compared to 2019.

Numbers and percentages of women by functional area [1)]		2018	2019	2020	Chg. in %
Women	*Headcount*	2,328	2,414	**2,479**	3%
In production	*in %*	4.5	4.6	**4.8**	4%
Administration	*in %*	47.9	46.7	**46.1**	-1%
Sales (incl. marketing and inventories)	*in %*	25.9	26.1	**26.1**	0%
In white-collar positions (administration and sales) [2)]	*in %*	32.2	32.2	**32.1**	0%
Wienerberger Group	*in %*	**14.3**	**14.8**	**15.1**	**2%**

1) Employees directly employed by Wienerberger. // 2) 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 2019/2020 [1)]

based on headcount



1) Exclusively 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.

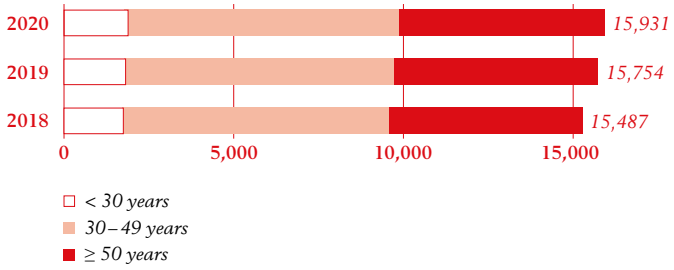
In 2020, the percentage of women in permanent employment working full-time was 82.7% (2019: 81.9%), compared to 95.1% of men (2019: 94.8%).

The percentage of permanently employed women working part-time was 14.3% in 2020, i.e. slightly below the previous year's value of 14.9%. The relative percentage of permanently employed men working part-time increased slightly from 1.7% in 2019 to 1.8% in 2020. Of all employees working part-time, the percentage of women remains comparatively high.

The percentage of women directly employed by Wienerberger under term contracts was 3% in 2020, i.e. slightly lower than the corresponding percentage of men directly employed by Wienerberger under term contracts (3.2%).

Age structure of our employees [1)]

based on headcount



1) Employees under permanent employment contracts.

As in previous years, the long average length of service of 12 years with the Wienerberger Group was reflected in the age structure of our permanently employed workforce in 2020, which hardly changed in comparison to 2019. In 2020, 50% of our employees were between 30 and 49 years old. As in the previous year, 12% were younger than 30 and 38% were older than 50 years. Thus, the age structure of our employees under permanent employment contracts was exactly the same in 2020 as in 2019.

Wienerberger

Business Ethics & Social Impacts

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. We observe clear ethical principles and a firmly established compliance policy.

Targets of our Sustainability Program 2023

0

cases of corruption
in the Wienerberger Group

200

housing units
per year for people in need – with our products and in the markets, we operate in

CREATING BENEFIT FOR SOCIETY

Our Commitment

Business Ethics at Wienerberger

Principles:
We are committed to the UN Global Compact and its ten principles regarding human rights, occupational safety, environmental protection and the fight against corruption.

Sourcing:
We require our suppliers to act responsibly in dealing with people and the environment.

Customers:
We interact with our customers on an equal footing. We want to understand their needs and tailor our products and system solutions to their requirements.

Products:
We design durable and innovative products and solutions for a society that will be fit for the future (examples: health, adaptation to climate change).

Social topics:
In its effort to create benefit for society, Wienerberger is involved in numerous social projects and initiatives.

Our Measures

What We Are Doing

- We are complying with the ten principles of the UN Global Compact, which Wienerberger acceded to in 2003.
- A number of group-wide policies on various legal topics were introduced in 2020.
- We are focusing on strong compliance management. Internal Audit regularly verifies compliance with internal policies and processes.
- We are continuously developing our supplier management with a view to digitalization and ESG criteria. Examples include our responsible sourcing policy, the internal data platform, the supplier code of conduct, our supplier audits, and monthly supplier scans against international sanctions lists.
- We are escalating product innovations that generate added value for the environment and for society. This includes climate-resilient building solutions, green spaces in cities, and water-permeable pavings.
- We are doing our utmost to ensure occupational safety and health along our supply chain and to protect local residents.
- We are supporting social projects and institutions. We are helping people in need by donating our products, especially in the countries we operate in. Our cooperation with Habitat for Humanity International is just one example.

Our Success and our Challenges

Award-Winning Sustainability Management

- Awards and index ratings, such as the EcoVadis Silver Sustainability Rating, the AAA rating on the MSCI ESG Index, and the prime status awarded by the responsible investment experts of ISS ESG, confirm the success of Wienerberger's sustainability strategy.
- Our focus is on sustainable and forward-looking solutions: In 2020, one third of our total revenues was accounted for by innovative products.
- Responsible supplier management in accordance with ESG criteria remains a challenge to be addressed. In the course of 2020, we took major steps forward by adopting the new responsible sourcing policy and providing training for internal supplier auditors.
- Conditions and trends are rapidly changing, which also has an impact on our ambitious targets regarding compliance with ESG criteria (see Sustainability Roadmap 2020). Experience gained in recent years provided input for the Wienerberger Sustainability Program 2023.

Sustainable Development Goals

What We Want to Achieve

6.4

8.8

11.1

16.5, 16.6, 16.7

Indicators of Business Ethics and Social	Units	2018	2019	2020
Cases of corruption [1]	*Number within the Wienerberger Group*	0	0	**0**
Anti-trust cases [1]	*Number within the Wienerberger Group*	0	0	**0**

1) In 2020, no proceedings for corruption or anti-trust issues were initiated against Wienerberger or judgments rendered nor were any fines imposed. Monitoring by the competent authorities did not result in any negative findings.


ecovadis
WIENERBERGER AG (GROUP)
has been awarded a
Silver medal
as a recognition of their EcoVadis Rating
– NOVEMBER 2020 –
SILVER
2020
ecovadis
Sustainability
Rating

"The group-wide procurement team is driving sustainability throughout our supplier value chain, laying the foundations for a greener future. Through this focus, we are setting new standards and sending a clear and strong signal as the market leader in sustainable procurement in our industry."

Craig Edwards

Head of Corporate Procurement at Wienerberger

Business Ethics & Social Impacts

As a company operating successfully on an international scale, Wienerberger bears a heavy responsibility. Our actions are guided by clear ethical principles and a firmly established compliance policy. For us, this responsibility encompasses a commitment to business ethics in all our actions, honest communication, active involvement in the creation of a transparent economic environment, personal accountability for what we do, and acting as a reliable and useful member of society.

Since the foundation of the company 200 years ago, Wienerberger has assumed responsibility for generations to come. Determined to assume this responsibility for our entire value chain, we also hold our partners to account for their actions. We expect our suppliers to adopt a responsible approach in dealing with people and the environment.

In order to understand our customers' concerns even better and adapt our products to their needs as far as possible, it is essential for us to engage in continuous dialogue with them. We also inform our customers about the technological and ecological properties of our products.

We are involved in numerous social projects and initiatives. We support people in need with product donations, especially in the regions we operate in.

In the following sections, we provide an overview of our initiatives, tools, and processes as well as our performance in the following areas:

- Compliance and anti-corruption measures
- Supplier management
- Safe and healthy with Wienerberger
- Societal commitment

Compliance and Anti-Corruption Measures

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, Wienerberger undertakes to observe the relevant conventions and recommendations of the International Labor Organization (ILO).

In 2020, no new proceedings were initiated against Wienerberger, nor were any decisions taken to that effect or fines imposed. The fact that there were no negative findings by the competent authorities confirms the effectiveness of our compliance management.

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

Capital market compliance

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

Corporate Governance Code, the Articles of Association, the rules of procedure of the Boards of the company, and internal policies.

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

Wienerberger Links

Corporate Governance Report as part of the 2020 Annual Report (starting on page 58)
https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2021/2020-Annual-Report_EN.pdf

Code of conduct pursuant to the Austrian Lobbying and Transparency Act
https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/other-investors-downloads/corporate-governance/Code-of-Conduct-for-Lobbying-Acitivites.pdf

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 in order to clarify the issues raised swiftly and thoroughly.

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

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

Within the framework 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 events take place at least once every two years and are conducted by a national anti-trust expert or the in-house legal counsel. The local management is responsible for the organization of the training events and the selection of employees to be trained. Internal Audit verifies that training events have been held 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.

Prevention of corruption

Wienerberger is committed to the principle of free and fair competition, which includes a firm stance against any form of corruption.

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

We expect all our employees to act accordingly.

An important instrument for the prevention of corruption is the four-eyes principle applicable to the signing of business transactions with third parties. Whenever rights and obligations are established, modified or terminated, the signatures of two competent authorized persons from the local entity are required. This instruction is laid down in international Group policies and supports the prevention of corruption at international level, as does the group-wide policy on business gifts and gratuities, which was updated in 2016 and continues to apply. In general, the risk of corruption is assessed to be low.

In 2020, no charges were brought or sentences pronounced against Wienerberger for corruption and no penalty payments were due, nor were any negative findings reported by the competent authorities.

Internal Audit

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

In 2020, 18 companies (listed in the Management Report, published as a separate part of the 2020 Annual Report, on page 202, chapter "Group Companies"), were audited by Internal Audit with a special focus on organization, purchasing, materials management, sales, human resources, and corruption and anti-trust legislation. Another focus area of the audits was compliance with the group-wide safety and health standards for our employees.

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

Complaints management

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

Data protection

The protection of personal data 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 regulations. We continuously invest in data security measures to ensure the best possible protection of personal information.

In order to maintain the high level of quality in data protection, an international team of data protection coordinators operates at holding level of the Wienerberger Group and in the country organizations.

Supplier Management

Within the framework of our business relations, we ensure that our suppliers also comply with social and ecological standards. In 2020, the scope of Corporate Procurement was further extended at Group level, the objective being to utilize synergies in important areas, standardize and optimize existing processes, and, as in other areas, achieve a higher level of efficiency. Several processes and tools were implemented to facilitate efficient supplier management in respect of non-financial matters.

Responsible sourcing policy and the ESG Steering Committee

Corporate Procurement at Wienerberger will step up its activities regarding ESG. Alongside the application of all instruments and processes implemented already in 2019, the new responsible sourcing policy was elaborated in 2020.

Responsible sourcing policy

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

- *Climate change and energy efficiency*
- *Circular economy and increased use and availability of secondary raw materials*
- *Health and well-being of people*

At the beginning of 2021, implementation of the policy as an integral component of Corporate Procurement at Wienerberger was begun. By consistently pursuing and implementing these new rules, we will be able to steer the ESG performance along our supply chain even more effectively.

Additionally, an ESG Steering Committee will be set up within the framework of Corporate Procurement in order to ensure continuous progress in matters relating to ESG. The Committee will not only steer the development of procurement, but also take decisions whenever supplier-side risks are detected.

Executive Position for Digitalization and ESG in Procurement

In 2020, a new executive position for digitalization and ESG in Procurement was created and its head appointed. Through this function, ESG-related developments in responsible supplier management are to be further advanced. Important action areas include:

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

"Our new procurement system based on ESG criteria has taken my talks with our partners to an entirely different level. It motivates our suppliers to join forces in embarking on a new and more sustainable course."

Theodora Rompoti

Head of International Plastics Raw Materials Purchasing at 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 requirement which Wienerberger expects its suppliers to meet in terms of responsible action regarding the environment, social topics and governance, including respect for human rights and compliance with other requirements of the ten principles of the UN Global Compact. The implementation of the Supplier Code of Conduct was substantially advanced by the new group-wide procurement structure managed by the Head of Corporate Procurement.

Supplier Code of Conduct

Wienerberger expects all its suppliers to meet minimum requirements in terms of responsible action in respect of the environment, social topics, and governance. To ensure compliance with these minimum standards, Wienerberger conducts regular supplier audits and rates their sustainability performance.

Supplier Relationship Management Tool

The implementation of an internal data platform containing information on the financial terms and conditions as well as the ESG performance and risks of all Wienerberger suppliers was continued in 2020 and finalized at the beginning of 2021. The supplier relationship management tool facilitates efficient and coordinated data capture. For example, internal performance ratings, compliance with the supplier code of conduct, or the results of ratings by EcoVadis are referred to as a basis for supplier-specific evaluations (see page 119). We will use these evaluations for recommendations regarding the further development of our supplier partners in terms of ESG criteria, as well as for the benchmarking of suppliers against one another. Moreover, instruments such as the scanning of suppliers against international sanctions lists (see page 119) and the verification of their financial resilience help us minimize supplier-side risks as much as possible.

Performance of supplier audits

By 2020, 12% of all employees working in Procurement were trained as accredited supplier auditors by external certification bodies (technical inspection bodies or equivalent institutions). A formal training program run by external certification bodies was introduced in 2018 to qualify employees working in procurement for the performance of supplier audits. Ultimately, 20% of all employees in procurement are to be trained to perform professional on-site supplier audits in cooperation with local colleagues having undergone similar training, in particular if concerns have arisen over a supplier's performance. Corporate Procurement nominates employees on the basis of strategic considerations and rolls 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 certified employee in each country organization qualified to perform supplier audits.

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

The audits also cover essential ESG criteria, such as health and safety of employees, respect for human rights, the fight against corruption and bribery, and environmental protection. On the basis of the audit results, the suppliers concerned are informed of corrective measures to be taken and deadlines will be set for the implementation of improvements.

Accredited supplier auditors at Wienerberger

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

Rating of suppliers by a rating agency on the basis of sustainability criteria

Since 2019, Wienerberger has had the sustainability performance and potential supplier risks in selected areas of procurement rated by EcoVadis, an international partner for sustainability ratings (ESG ratings). Within the framework of cooperation with EcoVadis, the sustainability ratings and risk analyses of suppliers in selected areas of procurement are being rolled out step by step. The ratings of the suppliers' sustainability performance by EcoVadis are stored on the internal data platform (supplier relationship management tool). Moreover, employees working in procurement are being trained not only by Wienerberger, but also by EcoVadis to heighten their awareness of the relevance of sustainability ratings and risk analyses.

Screening of suppliers and customers against international sanction lists

Since 2019, all of Wienerberger's suppliers and customers registered in the SAP system have been screened via an interactive data platform for their inclusion in international sanction lists (published by United Nations – UN, EU, Office of Foreign Asset Control – OFAC - US Department of the Treasury) and the corresponding steps have been taken. The screening is performed centrally by a 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 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.

SUSTAINABLE SOURCING: BREAKING NEW GROUND TOGETHER

From raw material sourcing to energy consumption, packaging, and supplier management: We have put sourcing at Wienerberger on a new footing, with ESG criteria as an essential focus topic.

ing green together: This is our commitment in the procurement of resources, materials, and products, as well as in our supplier management. In these key areas, we apply strict ESG criteria to ensure compliance with predefined ecological and social standards along the entire value chain.

A new and sustainable sourcing policy

Every year, Wienerberger buys goods and services worth € 1.6 billion. In 2020, our procurement management was put on an entirely new basis with a clear focus on climate protection, energy efficiency, biodiversity, and circular economy. Furthermore, digital platforms have been implemented to facilitate our central and local Procurement colleagues to record, measure and monitor our improvement in this area. Development of our employees working in procurement is key and specialized training on ESG topics has been implemented.

We have set ourselves clear targets to be achieved by 2023: CO_2 emissions from the company's vehicle fleet will be reduced by more than a quarter. Over 95% of the electricity used will be green electricity, and biogas will be introduced. The principle of circularity will also be applied in packaging: More than 30% of the packaging films used will be made from recycled materials.

Silver medal for Wienerberger's sustainability management

Sustainable sourcing is a pillar of our business ethics. By signing the Wienerberger Social Charter back in 2001, we undertook to comply with the conventions of the International Labor Organization (ILO). In 2003, Wienerberger acceded to the UN Global Compact. The company also endorses the UN Sustainable Development Goals. Last year, the Responsible Sourcing Policy was rolled out to the entire Group.

Our efforts are bearing fruit: In 2020, Wienerberger's sustainability management was awarded a silver medal by EcoVadis, a leading international sustainability rating agency, with our specific Sustainable Procurement score doubling over the 12 months from the previous assessment. This distinction underlines our strong position as an advocate of sustainability in the building materials industry: Wienerberger ranks above the sector's average in all areas from sustainable sourcing to ethics to environmental protection, labor rights, and human rights.

Safe and Healthy with Wienerberger

We are committed to protecting people's safety and health along our supply chain, as well as in construction and demolition work.

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

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

Protection of local residents

Local residents and the environment are directly affected by our production activities and the extraction of raw materials. We are making every effort to minimize these impacts by employing the most advanced technologies in our plants, taking efficient measures to reduce emissions, and optimizing our logistics. As regards the extraction of clay, Wienerberger has committed itself to taking extensive health and safety measures and protecting employees and local residents from exposure 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 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 meets all legal requirements regarding the avoidance and substitution of hazardous materials at European, national and regional level (chapter "Biodiversity & Environment", page 83).

Healthy and climate-resilient living

Rising expectations to be met in the design of affordable, energy-efficient, and climate-resilient housing and infrastructure represent new challenges we have to address with our system solutions. With our energy-efficient building material solutions we protect 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 rising incidence of overheating), the influence of open spaces on the micro-climate is gaining in importance. With its products and system solutions, Wienerberger supports measures that contribute to the adaptation to climate change (see chapter "Climate Change & Decarbonization", pages 51–52).

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 new Sustainability Program 2023, our target for the entire Wienerberger Group is:

"200 dwelling units 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 in a targeted manner through product donations in the markets we operate in. Additionally, we provide building construction and infrastructure know-how for social projects. Moreover, cooperative volunteering campaigns are organized, with Wienerberger employees providing hands-on assistance in the construction of houses on site.

Cooperation with Habitat for Humanity

Providing sustainable, safe and affordable housing is an important concern of Wienerberger. Since 2012, the company has been supporting social projects in various countries in cooperation with Habitat for Humanity, an international non-profit organization, and thus helped more than 3,140 people in need. Founded in 1976 in the USA, the activities of this organization are focused on the provision of sustainable housing for and with people in the poorest regions in many countries of the world. All projects are based on the principle of "helping people help themselves". Habitat for Humanity actively advocates every human being's right to shelter.

Since the beginning of our cooperation with Habitat for Humanity in 2012, we have helped over 3,140 people and enabled them to live under healthier and safer conditions. Our cooperation with Habitat for Humanity also contributes substantially toward drawing the public's attention to the importance of affordable housing. So-called "housing forums" were co-organized with Habitat for Humanity, the objective being to build heightened awareness for the importance of social housing among political stakeholders and the public administration.

During the current partnership period (2018–2021) Wienerberger supports the construction and renovation of residential and non-residential buildings as well as the organization of "housing forums" in Bulgaria, Hungary, North Macedonia, Poland, Slovakia and Great Britain. Through these efforts, help has been provided for 1,136 people in need: The living conditions of 121 families (597 persons) have been improved and 539 people in need of help were supported through community projects (centers for people with disabilities, community centers, and the like). In total, this corresponds to 106 housing units created, 38 of which in 2020.

Big Build is an annual volunteer event at which hundreds of people voluntarily join forces to build homes for families in need. As almost all construction sites operated by volunteers were closed down due to COVID-19 in 2020, only few construction and renovations projects were launched. Nevertheless, a number

of construction projects were implemented in North Macedonia, Poland, Romania, Slovakia and Hungary in 2020. The principle of voluntary work is extremely important for all Habitat projects, as the organization would not be able to finance projects carried out exclusively by skilled labor. The figures for 2020 therefore should not be taken as representative of Wienerberger's long-standing cooperation with Habitat for Humanity.

Local partnerships and cooperation projects

Besides its cooperation with Habitat for Humanity, Wienerberger also carries out social projects organized by its country organizations. A few examples from 2020 are described below.

In Romania, Wienerberger donates products to the ELIJAH Association run by Father Georg Sporschill SJ and Ruth Zenkert, which is devoted to the goal of building a better future for families and their children. Help is provided on the condition that fathers cooperate and parents are willing to send their children to school. A special learning program run at the ELIJAH social centers supports the achievement of this goal. In 2020, 14 housing units were built within the framework of cooperation with ELIJAH. In Austria, Wienerberger supported Caritas, a charity operated by the Archdiocese of Vienna, in the implementation of two shared housing projects for 14 young children with mental retardation or physical disabilities. The children moved into the buildings at the end of 2020.

After the disastrous earthquake in Croatia in the region around Petrinja and Sisak in December 2020, employees of the local country organizations of the Wienerberger Group organized a humanitarian relief campaign for the inhabitants affected. Almost 3,000 residential buildings were completely destroyed and more than 33,000 severely damaged by the earthquake. Wienerberger is represented by four establishments in this region. To date, we have donated about 150 tons of clay blocks and roof tiles, 8.500 plastic pipes and 800 fittings. After this emergency relief operation, Wienerberger also participated proactively during the phase of organized reconstruction of the regions concerned. Together with local partners, new houses are being built that meet the highest standards of earthquake-proof construction.

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.

Annex

Sustainability Roadmap 2020 in Detail

Social topics in production

Safety of our employees

At Group level

Quantitative target

- Our goal is to reach the zero-accident target throughout the Group every year.

2020

- The accident frequency was reduced to 5 per million hours worked.
- Compared to 2010, accident frequency was reduced by 73%.
- Compared to the previous year, accident frequency was reduced by -2,7%.
- Compared to the previous year, accident severity increased by 12%. This was due to the higher number of accident-related sick-leave days.
- Regrettably, one fatal accident occurred in the Wienerberger Group. This triggered major changes in the way machine risks are handled at production sites.
- We thoroughly analyzed the circumstances of every accident and consistently implemented the necessary measures to improve the safety of our employees.

Wienerberger Building Solutions, Bricks and Tiles

2020

- The Safety Award was again given out to the production sites with the best occupational safety performance.
- The Health & Safety portal was again used extensively to report accidents, hazards and near accidents. It also served as a training platform and for the sharing of documents.
- Despite the COVID-19 pandemic, the central team as well as local teams performed almost 130 safety audits at all production sites.
- The Safety App was rolled out completely and even licensed for use by third parties.
- The standardization of workwear and personal protective equipment (PPE) was continued and completed in the remaining countries.
- The development of a safety standard for existing and new vehicles (Wienerberger Vehicle Safety Standard) was begun.
- The new remuneration system with targets set for occupational safety continued to be applied at all executive levels in production.

Wienerberger Building Solution, Concrete Pavers

2020

- Based on the Safety Improvement Plan (SIP), improvements aimed at risk mitigation were introduced.
- The Safety App was again used to record, analyze and track accidents, hazards and near accidents.
- Compliance with and implementation of company guidelines was checked through internal safety audits.

Safety of our employees

Wienerberger Piping Solutions, Plastic Pipes	**2020** › The best occupational safety performance since the inception of data collection in the Wienerberger Group (2012) was again achieved: accident frequency was again slightly below 2 (2019: also 2) and, additionally, an excellent result was delivered in reducing the severity of accidents (number of working days lost reduced by 35%). › The "Take Care" campaign and the WPS Plastic Pipes Safety Portal were completely revised, refreshed and re-released. › Best practices were exchanged not only within WPS Plastic Pipes between the individual plants and country organizations, but also with other member companies of TEPPFA (The European Plastic Pipes and Fittings Association). › The WPS Annual Health and Safety Award went to Pipelife France for best overall performance and improvements. Moreover, numerous individual plants were honored with the Zero Accident Club for long accident-free periods of operation. › The notion of "safety non-negotiables" (indispensable safety measures) was introduced. The term covers the management of major risks which could result in life-threatening injuries or fatal accidents.
Wienerberger Piping Solution, Ceramic Pipes	**2020** › The new Safety Leadership Program with so-called "safety talks" was rolled out to all plants. This coaching technique is an occasion for all managers to demonstrate their commitment to safety. › The health and safety targets were adjusted within the framework of the introduction of a new balanced-scorecard approach. The targets are bonus-related and based KPIs for preventive action and results achieved.
North America	**2020** › The "hazard alert" system introduced in 2018 remained in operation. The system collects data on near-accidents, which did not result in injuries, but could have done so if conditions had only been slightly different. Data on the sources of danger identified were compiled on a monthly basis and telephone conferences were organized with the employees working in production to raise awareness and ensure that everyone knows what to do in a given situation. › The installation of an electronic locking system for improved protection of our employees, e.g. during repair, maintenance and cleaning work, was completed. This "Lock-Out Tag-Out" (LOTO) system disconnects the power supply to machines and equipment while repair and maintenance work is going on and starts them up again when the work is finished. It prevents unauthorized access to or manipulation of machines.

Social topics in production

Health of our employees

At Group level	**Quantitative target** › At least 95% of all ceramic production sites are to report on measures to protect employees from respirable crystalline silica. **2020** › According to schedule, no data on exposure to respirable crystalline silica and measures to protect employees from exposure were collected via the shared online platform NEPSI, (Negotiation Platform on Silica, www.nepsi.eu).
Wienerberger Building Solutions, Bricks and Tiles	**2020** › A new standard for respirable crystalline silica was elaborated, which is expected to be implemented in the first half of 2021. › Further improvements were implemented to protect employees from exposure to respirable crystalline silica and best practice examples were rolled out.
Wienerberger Building Solutions, Concrete Pavers	**2020** › Dust extraction from machinery was defined as a matter of priority. A new dust extractor was installed in a production plant in Hungary.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › All areas of work were again analyzed for ergonomic and manual handling risks. › Equipment for the handling of powder was further optimized in order to reduce the workers' exposure to dust from raw materials.
North America	**2020** › At least one qualified first aider was available at each production site. › Supplementary health insurance coverage was provided for all full-time employees of the North America Business Unit, the scope of which goes beyond the provisions of the Affordable Care Act (ACA) in some respects.

Employee satisfaction

At Group level	**2020** › Preparations for the 2021 employee survey were carried out, which was performed simultaneously at all sites of the Wienerberger Group. Above all, the effectiveness of the measures taken is to be evaluated. The return rate of the 2021 employee survey was 80%, up by more than 21% from the survey conducted in 2018 (66%). In the future, group-wide employee surveys are to be performed every two years.

Environmental topics in production

Energy efficiency

Wienerberger Building Solutions, Bricks and Tiles

Quantitative target

- By 2020, specific energy consumption in production is to be reduced by 20% as compared to 2010.

2020

- Specific energy consumption in production across all product groups was reduced by 13.0% compared to 2010 (calculated as an index in % based on kWh/t; 2010 = 100%). The target was achieved clearly for clay blocks (nearly -23%) and almost for roof tiles (-18%), whereas it was missed for facing bricks and clay pavers with savings of only 5%. This was primarily due to the trend away from simple extruded products with low energy consumption and low scrap rates toward a high-quality product portfolio (soft-mud bricks). Almost all extrusion plants were closed down in recent years.
- Retrofitting of the Uttendorf plant as a demo plant was continued. Owing to various measures taken there, natural gas consumption was reduced by almost one third. Since then, the plant has been operating at a stable level.
- The findings gained in retrofitting the Uttendorf plant as a demo plant, such as the use of heat pump technology, were further rolled out to other plants.
- Within the framework of the DryFiciency project of the EU, the first industrial compression heat pump for high-temperature applications was designed and tested in cooperation with the Austrian Institute of Technology (AIT). Moreover, a refrigerant suited for high temperatures and a suitable lubricant were developed. For additional information: http://dry-f.eu/Demonstrations/Wienerberger-Brick-Industry
- The TOREtech project was initiated. Besides the development of simulation software for kilns, the project also aims to develop a highly efficient gas burner based on the Venturi principle.
- Implementation of the Plant Improvement Program (PIP+) and the Fast Forward projects were continued.
- Energy audits were again performed within the framework of the PIP+ strategy.
- Numerous energy conservation projects were again implemented. However, their effects were not always visible due to COVID-19 related low production rates and repeated shut-down and start-up runs.
- Energy conservation training, partly live and partly online due to the COVID-19 restrictions, was provided for more than 300 employees in all countries with production sites.
- Best practice examples from the operating units were again exchanged and the audit results were used as a basis for further improvements. The average PIP+ audit score was higher than in the previous year.
- The Energy Award was again handed out as an incentive for the local organizations.

Energy efficiency

Wienerberger Building Solutions, Concrete Pavers	**2020** › Preparations were made for the evaluation of the energy conservation effect of thermal insulation of the curing chamber. › The energy audit of compressed air generation and distribution was prepared.
Wienerberger Piping Solutions, Plastic Pipes	**Quantitative target** › By 2020, total specific energy consumption in production (electricity plus other energy sources, such as fuels) is to be reduced by 3% compared to 2010. **2020** › Total specific energy consumption was 97% of the value of 2010 and therefore, the defined target reached. Generally, the long-term trend towards lighter plastic pipe products with smaller pipe diameters leads to an increase in specific energy consumption (measured per ton of net additions to inventories). However, total energy consumption was lower in 2020, which was partly due to the closure of some production sites during the COVID-19 pandemic. Subsequently, production was ramped up again and our production sites were used more efficiently. › Best practice examples were again exchanged and benchmarks set.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › The fast firing kiln was retrofitted with low-lambda burners and the heating and cooling zone was optimized, which resulted in a significant reduction of gas consumption of the fast firing production line. › Energy efficiency monitoring at the production sites was continued. › The working group set up jointly with Wienerberger Building Solutions, Bricks and Tiles, continued its activities and scientific data were regularly exchanged with the WBS Business Unit.

Climate action

Wienerberger Building Solutions, Bricks and Tiles	**Quantitative target** › By 2020, specific CO_2 emissions from primary energy sources used in production is to be reduced by 20% compared to 2010. Recalculated to 2013 as the base year (due to the changes resulting from the third emissions trading period), this target corresponds to a reduction of 13% by 2020 (calculated as an index in % based on tons of CO_2/ton of product produced; 2013 = 100%). **2020** › Compared to the reference year 2013, specific CO_2 emissions from primary energy sources in production were reduced by 5% across all product groups. Broken down by product group, the reductions achieved amounted to 10% in clay blocks and even 17% in roof tiles, whereas a mere 5% reduction was recorded in facing bricks and clay pavers.

Climate action

Wienerberger Building Solutions, Bricks and Tiles	**2020** › Compared to the reference year 2010, specific CO_2 emissions from primary energy sources in production were reduced by 15% across all product groups. Broken down by product group, the reductions achieved amounted to 25% in clay blocks and 18% in roof tiles, whereas a mere 7% reduction was recorded in facing bricks and clay pavers. Despite the changes introduced at the beginning of the third emissions trading period in 2013, we are still reporting these developments compared to 2010, as the Sustainability Roadmap 2020 and the corresponding reporting period ended at the end of 2020. › Possibilities of using alternative energy generation systems/sustainable energy sources were further explored at various production sites. › Additional R&D projects to explore new technologies for kilns, dryers and heat pumps as well as new methods of raw material preparation and industrial clay paste production were implemented. › The measures aimed to enhance the level of energy efficiency (see pages 43–44) also contributed to the reduction of specific CO_2 emissions from primary energy sources.
Wienerberger Building Solutions, Concrete Pavers	**2020** › Various possibilities of reducing the CO_2 footprint of the products were investigated and evaluated. Possibilities of achieving this target include the reduction of clinker content in cement, the partial replacement of cement by latent hydraulic substances, and the reduction of cement consumption by optimizing the packing density. › Work on the development of a geopolymer binder was continued.
Wienerberger Piping Solutions, Plastic Pipes	**Quantitative target** › By 2020, specific indirect CO_2 emissions (from electricity used in production) are to be reduced by 11% compared to 2010. **2020** › Indirect CO_2 emissions (from electricity in production) were 24% below the base value from 2010 and 17% below the value of 2019. Besides the more efficient utilization of our production sites (see comments on energy efficiency on pages 43–44), this is also attributable to the updated CO_2 emission factors of purchased electricity used for the calculation and the first-time use of green electricity in a number of countries.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › 100% of the electricity used again came from renewable sources. › The products of a complete fast firing production line were made climate-neutral through optimized production processes and the use of renewable energy. › Within the framework of the current Cradle to Cradle® certification, more than 5% of the annual CO_2 emissions of the respective plant were again offset by climate protection projects.

Resource efficiency and waste management

Wienerberger Building Solutions, Bricks and Tiles

2020

- As in previous years, the guideline on the use of secondary raw materials and the avoidance of hazardous substances was successfully applied.
- Automatic production checks helped to further reduce the scrap rate and the consumption of raw materials.
- Regular benchmarking of scrap rates – a key performance indicator (KPI) of our Plant Improvement Program (PIP+) – was again performed and measures to reduce scrap were taken. In 2020, the reduction of scrap rates resulted in total savings of about € 3 million.
- Within the framework of all R&D projects dealing with "new materials", various tests were performed to explore the feasibility of the internal use of scrap.
- The optimization of roof tiles by means of the finite elements method (FEM) was continued.

Wienerberger Building Solutions, Concrete Pavers

Quantitative target

- The scrap rate in production is to be permanently reduced to a maximum of 2.0%.

2020

- The scrap rate in production was 2.12% (2019: 2.18%). The main reason why the target was missed by a small margin is the higher quality of the product mix.
- Quality improvement measures were continued, e.g. through training for machine operators and the performance of audits. Monthly evaluations were performed per plant and production line.

Wienerberger Piping Solutions, Plastic Pipes

2020

- We continued our efforts to increase the amount of secondary raw materials used in plastic pipe production (see chapter "Circular Economy", pages 58–71). We thus want to contribute toward the achievement of the target of the Circular Plastics Alliance, which is to increase the use of secondary raw materials in Europe to 10 million tons by 2025. The Declaration of the Circular Plastics Alliance can be downloaded here: *https://ec.europa.eu/docsroom/documents/36361/attachments/1/translations/en/renditions/native*
- As a signatory to Operation Clean Sweep®, we continued our efforts at all production sites of WPS Plastic Pipes to ensure that no loss of plastic granulate occurs during the production process. Operation Clean Sweep® had already been implemented in three of our plants in 2020. By the end of 2022, most of the plants of WPS Plastic Pipes are to be equipped accordingly.
- We continued working intensively on the product environmental footprint (PEF) of plastic pipes for in-house hot and cold water supply in close cooperation with TEPPFA (The European Plastic Pipes and Fitting Association). Since the inception of the EU's PEF pilot project in 2013, we have been cooperating with TEPPFA on the elaboration and introduction of uniform PEFCR (Product Environmental Footprint Category Rules) for this sector. These rules still apply up to and including 31/12/2021. [1]
- We participated in the revision of various European standards, the objective being to permit a more extensive use of secondary raw materials. WPS Plastic Pipes holds the chair of the respective TEPPFA working group (Health, Safety and Environment).

1) Product Environmental Footprint Category Rules (PEFCR) for hot and cold water supply plastic piping systems in the building. Version 6.3. Date of publication: February 2020 (original publication date is 11 September 2019). Validity date: 31/12/2021. Prepared by the Technical Secretariat of the PEF pilot on hot and cold water supply plastic piping systems in the building. https://ec.europa.eu/environment/eussd/smgp/pdf/PEFCR%20for%20hot%20and%20cold_Feb%202020.pdf and https://ec.europa.eu/environment/eussd/smgp/pdf/PEFCR_Pipes_Errata.pdf

Resource efficiency and waste management

North America

2020

- Continued efforts were made to reduce the volume of waste generated. Our target is 0% waste at all production sites.
- Our work on optimizing the closed resource cycle continued. At several brick production sites, fired brick waste was returned into the production process.
- As in the previous year, new possibilities of using secondary materials as additives were tested.
- At numerous production sites in the vicinity of local recycling facilities equipped to accept post-consumer waste, metal, plastic, paper, aluminum and cardboard waste was sorted and collected for recycling. Owing to market conditions and given the market value of waste metal, metal waste is the only waste fraction accepted for recycling at most sites. In many areas, waste plastic is accepted for recycling only to a limited extent, as demand for recycled plastics is declining.

Sparing use of water

Wienerberger Building Solutions, Bricks and Tiles

2020

- The engineering project to introduce digital moisture measurements of the clay mix (during preparation) was continued; the project is intended to optimize and/or minimize the addition of water to the process.
- As in previous years, the water used to wash the molds was re-used in the clay mix.

Wienerberger Building Solutions, Concrete Pavers

2020

- The water recycling facility was installed in Bulgaria.
- Installation of the water recycling facility in Poland could not go ahead as planned. The project is to be completed in 2021.
- Analyses were performed with a view to further increasing the rate of water re-use.

Wienerberger Piping Solutions, Plastic Pipes

Quantitative target

- By 2020, specific water usage from public networks is to be reduced to 0.85m³ per ton of plastic pipes produced.

2020

- Compared to the previous year (0.99 m³/ton), the quantity of water drawn from public networks increased slightly to over 1 m³/t of products, although water conservation measures were successfully implemented at numerous plants. This is primarily attributable to above-average temperatures and the associated higher demand for cooling water.

North America

2020

- More than 95% of the total production of thin-cut facing bricks came from plants using recycled water. The remainder is accounted for by small plants where the low volume of production would not justify the costs of a recycling system.

Group-wide topics relating to sourcing

Availability of raw materials

Wienerberger Building Solutions, Bricks and Tiles	**2020** › All relevant clay pits and their characteristics were again monitored and measures were taken to ensure the availability of raw materials for at least 20 years. › Regular exchanges with Corporate Procurement regarding the availability of raw materials and additives also included supplier ratings. › The risk management system introduced to assess the supply of clay from external sources was continued.
Wienerberger Building Solutions, Concrete Pavers	**2020** › The raw material sourcing strategy, coordinated by WBS Procurement, was again consistently implemented by all country organizations and at all plant levels.
Wienerberger Piping Solutions, Plastic Pipes	**2020** › In order to secure the availability of the required quantity and quality of secondary raw materials, price quotations were obtained from various suppliers and the materials offered were tested in the production process.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › Supplier audits were again performed in accordance with the internal audit plan. No critical risks were identified. › The silo capacity was enlarged in order to avoid bottlenecks in the availability of individual raw materials in winter.
North America	**2020** › Regular monitoring of raw material availability from our own clay pits for at least 20 years of operation on the basis of the „raw material availability map“ was continued.

Avoidance of hazardous substances

At Group level	**2020** › It goes without saying that Wienerberger meets all European, national and regional legal requirements regarding the avoidance and substitution of hazardous substances. Compliance with all legal provisions is continuously monitored and the necessary measures are taken without delay.

Avoidance of hazardous substances

Wienerberger Building Solutions, Bricks and Tiles	**2020** › The internal guideline on the use of secondary raw materials and the avoidance of hazardous substances was again applied by all local organizations. Reports were submitted to central WBS Raw Materials Management, as required. In 2020, all country organizations submitted their annual raw material reports for 2019, including the results of chemical analyses. Within the framework of their internal approval procedures, the managing directors on site confirmed in writing that the types of materials used and the results of the analyses performed were known to them and in line with the authorizations obtained. › The internal guideline was updated. The release/approval process, especially regarding additives already in use, and the provisions on how to handle materials in which the internal limits are exceeded, were specified. › Central Engineering again supported the local organizations in the performance of chemical analyses and the evaluation of raw materials.
Wienerberger Building Solutions, Concrete Pavers	**2020** › The internal guideline of WBS, Bricks and Tiles, regarding the use of secondary raw materials and the avoidance of hazardous substances was reviewed and adjusted for the production of concrete pavers.
Wienerberger Piping Solutions, Plastic Pipes	**2020** › The semi-annual updates performed by the HSE group (Health, Safety, Environment) of TEPPFA showed that none of the substances used by Pipelife have been newly classified as hazardous substances. › ADCA (azodicarbonamide, a blowing agent) remained on the list of substances of very high concern (SVHC) of the REACH Regulation [2] of the European Union. A decision by ECHA, the European Chemicals Agency, as to whether ADCA is to be included in Annex XIV of the REACH Regulation, which would make it subject to authorization, is still outstanding. › ADCA continues to be used in very small quantities in just a few products. › Lead, which can still be found in old pipes made from recycled material, remains an open issue. However, this only concerns external secondary raw materials. No decision has yet been taken at European level on how to deal with this issue. The proposed exemptions were not adopted and a new round of discussions is expected to take place in 2021.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › No materials or products containing potentially hazardous substances were obtained from first-level suppliers. This was again verified and confirmed within the framework of the Cradle to Cradle® re-certification in 2020.
North America	**2020** › Information and training for all employees regarding the standards to be observed when handling hazardous substances was continued.

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

Protection of local residents and employees, nature conservation and re-use of clay pits

At Group level	**2020** › A uniform "Supplier Code of Conduct" was rolled out for the entire Wienerberger Group. › Uniform follow-up processes to be implemented after the performance of supplier audits on the basis of the audit results were defined. › Cooperation with EcoVadis was continued and further suppliers from selected areas of procurement were assessed in terms of their sustainability performance and potential risks. › Monthly screenings of all of Wienerberger's suppliers and customers registered in the SAP system were performed via an interactive data platform and checked against international sanctions lists (published by the United Nations, the EU and the Office of Foreign Asset Control (OFAC) of the US Department of the Treasury) and the corresponding steps were taken. All decisions taken in this context were documented in the sanctions management software. › Further employees working in the procurement units of the local organizations were trained by an external certification body to perform supplier audits. The objective is to perform standardized supplier audits throughout the Group and to have at least one certified employee in each country organization qualified to perform supplier audits. › The development of a group-wide biodiversity program was initiated in cooperation with external experts and the University of Wageningen.
Wienerberger Building Solutions, Bricks and Tiles	**2020** › The renaturing of own clay pits was continued.
Wienerberger Piping Solutions, Ceramic Pipes	**2020** › Measures relating to nature conservation and the meaningful subsequent use of external clay pits were implemented according to the company's own standards. › Supplier audits were again performed according to the internal audit plan. No critical risks were identified.
North America	**2020** › The regular annual checks for dust emissions and water quality were performed at the production sites. › Open and transparent communication with local residents and local authorities was continued. We engage in an active open-door policy with our neighbors.

Use of secondary raw materials

The quantitative targets and activities are presented in the following section "Products and System Solutions".

Group-wide topics relating to our products and system solutions

Innovative and durable products

Wienerberger Building Solutions, Bricks and Tiles

Quantitative target

› The percentage of innovative products is to be maintained at no less than 25% of the Business Unit's total revenues through continuous product development activities and market launches.

2020

› As in the previous year, innovative products accounted for 32% of the Business Unit's revenues.

Wienerberger Building Solutions, Concrete Pavers

Quantitative target

› The percentage of innovative products is to be maintained at no less than 30% of the Business Unit's revenues through continuous product development activities and market launches.

2020

› Innovative products accounted for 40.7% of the Business Unit's revenues.
› Tests performed in cooperation with the Neuwied Materials Testing Institute (MPVA) in Germany to investigate the specific infiltration performance of unsealed paved surfaces were continued.
› The production and market launch of the new grass pavers was begun.
› The production and market launch of new permeable concrete pavers was begun.
› The industrial-scale tests of "draining concrete", our new permeable surface with high rain water seepage potential, were continued.
› Work on product solutions for permeable surfaces and the use of paver laying robots/machines were continued.

Wienerberger Piping Solutions, Plastic Pipes

Quantitative target

› The percentage of innovative products is to be maintained at no less than 20% of the Business Unit's revenues through continuous product development activities and market launches.

2020

› Innovative products accounted for 24.4% of the Business Unit's revenues, based on the newly adopted definition aligned to that of other product groups for reasons of comparability.
› Despite COVID-19-related delays, sales of new products, such as Master 3 plus for buildings, generated satisfactory results. Our Raineo system, comprising the Stormbox I/II with our brand-new Raineo meter, also sold extremely well.

Wienerberger Piping Solutions, Ceramic Pipes

Quantitative target

› The percentage of innovative products is to be maintained at no less than 35% of the Business Unit's revenues through continuous product development activities and market launches.

2020

› Innovative products accounted for 50% of the Business Unit's revenues.
› KERA.iXP, a new and innovative product, was launched. It is distinguished by highly functional clays with a high percentage of secondary raw materials and ideally suited for recycling on account of its innovative connecting system.

Innovative and durable products

North America

Quantitative target

- The percentage of innovative products is to be maintained at no less than 50% of the Business Unit's revenues through continuous product development activities and market launches.

2020

- Innovative products accounted for almost 57% of the Business Unit's revenues (2019: just under 51%).
- Product tests were again performed at the production sites and reported to the Research Committee.
- The Research Committee again held its quarterly review meetings, which either released products to be placed on the market or decided on a change of direction in product development.

Recyclability, recycling and re-use // Use of secondary raw materials

Wienerberger Building Solutions, Bricks and Tiles

2020

- Secondary raw materials continued to be used in production wherever this is technically feasible, economically viable and in line with our internal guideline.
- The projects set up to investigate possible applications of secondary raw materials were continued.
- The internal use of own ceramic waste was further investigated and, where appropriate, introduced and/or continued (e.g. use of dust from the production of plane-ground clay blocks as raw material).

Wienerberger Building Solutions, Concrete Pavers

2020

- One product family was successfully certified in Romania according to the Cradle to Cradle® standard.

Wienerberger Piping Solutions, Plastic Pipes

Quantitative targets

- Increasing the amount of secondary raw materials to 90 kg per ton of products produced by 2020.
- Increasing the amount of exclusively external secondary raw materials to 50 kg per ton of products produced by 2020.

2020

- We did not achieve our growth targets, as some of our plants were temporarily shut down and we had to change our product mix due to COVID-19. The amount of secondary raw materials per ton of products therefore fell short of the previous year's level at 83.0 kg[3] (2019: 85.1 kg). However, we succeeded in increasing the amount of external secondary raw materials to 44.0 kg/ton of products (2019: 42.9 kg/ton of products).
- The new environmental product declarations (EPD) were published on the website of Wienerberger Piping Solutions, Plastic Pipes (pipelife.com) and can be downloaded via our EDP app (available for IOS and Android).

3) The indicator published in the Annual Report was corrected from 82 to 83 kg/ton of products of secondary raw materials per ton of products.

Recyclability, recycling and re-use // Use of secondary raw materials

Wienerberger Piping Solutions, Ceramic Pipes	**2020** › Cradle to Cradle® re-certification of our products was successfully completed. › The minimum content of external recycled and/or re-used material in the products of all our production sites was certified according to ISO 17067 by the Italian certification body ICMQ [4].
North America	**2020** › The analysis of production waste generated on site and a potential further optimization of waste and its return to production processes was continued. We are aiming at 0% waste at all production sites. › The percentage of secondary raw materials contained in the finished products was successfully certified at two production sites. The products contain 40% and 35% secondary raw materials, respectively, which is an excellent value for LEED certification [5].

4) https://www.icmq.it/download2.php?f=DOWNPUBDOC_0x8meeodn
5) LEED certification (Leadership in Energy and Environmental Design) is an internationally recognized symbol of sustainability performance. It was developed by the U.S. Green Building Council (USGBC) to promote the construction of energy- and resource-efficient buildings for healthy indoor living. Other countries have introduced similar quality seals, for example the German Gütesiegel Nachhaltiges Bauen, BREEAM (Building Research Establishment Environmental Assessment Methodology) in Great Britain or GRIHA (Green Rating for Integrated Habitat Assessment) in India.

Product-group-specific topics relating to our products and system solutions

Contribution to the energy efficiency of buildings

Wienerberger Building Solutions, Bricks and Tiles

Quantitative target

- The continuous further development of product solutions that contribute to the energy efficiency of buildings is a high priority for WBS, Bricks and Tiles. In recent years, clay blocks filled with insulating material, high thermal insulation clay blocks without infill material but with a special hole geometry, new facing brick formats for double-shell exterior walls, energy-efficient upon-rafter insulation for pitched roofs, etc. were developed.

2020

- Continuous efforts were made to achieve further improvements of products and building solutions. For example, studies aimed at the development of alternative anorganic infill materials (foams) for bricks were continued in cooperation with an external partner.
- Research projects focused on reducing the heat conductivity of our products were continued.

Wienerberger Piping Solutions, Plastic Pipes

2020

- The new SLAB-16 ceiling heating and cooling system was successfully introduced in several countries.
- The development of innovative products contributing to the energy efficiency of buildings was continued.

North America

North America is working continuously on the development of new products and system solutions that facilitate compliance with the new energy standards (International Energy Conservation Code, IECC) and offer a higher degree of energy efficiency. A recently published study performed by the National Brick Research Center (NBRC) showed that brick veneer wall assemblies consistently provide significantly more energy savings than other masonry assemblies.[6]

2020

- Representatives of the Business Unit continued to be actively involved in the committees of the Brick Industry Association (BIA) and the National Brick Research Center (NBRC).
- Owing to the COVID-19 pandemic, flexibility and adaptability in interacting with customers were called for. For example, the various sustainability aspects of our products and system solutions were communicated within the framework of 24 webinars, each attended by 350 people on average, and at 124 box-lunch presentations with an average of 75 participants each.

6) Brick Industry Association (BIA): CHOOSE BRICK FOR ENERGY-EFFICIENT, HIGH-PERFORMANCE WALL ASSEMBLIES. 5/10/2020. https://www.gobrick.com/docs/default-source/Who-Am-I/bia_commercial-collateral_4-pager.pdf?sfvrsn=0

Ease of installation

Wienerberger Building Solutions, Bricks and Tiles	**2020** › The development of new products and/or system solutions designed to speed up and facilitate flawless masonry work on the construction site was continued with a view to further optimization. › Special digital planning tools as well as personal support services were provided to familiarize architects and designers with the best possible ways of using brick and tile products. › The pilot partnership to test the use of masonry robots for the erection of walls on the construction site was continued with an external partner. › The pilot partnership to test the prefabrication of wall assemblies was continued with another external partner.
Wienerberger Piping Solutions, Plastic Pipes	**2020** › The new, large-volume Stormbox II was placed on the market. With a capacity of 415 liters, it cannot only hold far more water than the old Stormbox (216 l), but is easier to assemble without additional connecting elements. The patented base plate and the side walls have been optimized to facilitate inspection and cleaning. › Our PREFLEX Spider concept was launched. Based on a 3D design, the system consists of prewired and preassembled flexible electro pipes, which only need to be rolled out and connected at the construction site. Entire buildings can thus be wired efficiently, without loose cables and components scattered all over the place.

Comprehensive Overview of Non-Financial Indicators

Climate Change & Decarbonization

Consumption of energy sources [1) 2)] *in gigawatt-hours*	2018	2019	2020	Chg. in %
Natural gas	6,978	6,945	**6,310**	-9.1
Coal	32	43	**20**	-53.6
Fuel oil	8	9	**14**	+63.3
Liquefied natural gas	52	54	**30**	-44.2
Total of coal, fuel oil, and liquefied natural gas [3)]	93	106	**65**	-39.2
Electricity	1,141	1,142	**1,040**	-8.9
Wienerberger Group	**8,211**	**8,194**	**7,415**	**-9.5**
Percentage of renewable energy in electrical energy consumption	37%	40%	**42%**	-

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting period. // 3) As the percentages of high-emission energy sources are comparatively very low, they will in future be recorded as an aggregate figure. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Index of specific energy consumption [1) 2)] *in % based on kWh/ton (2013 = 100%)*	2018	2019	2020	Chg. vs. 2019 in %	Chg. vs. 2013 in %
Clay blocks	91.0	91.2	**91.2**	-0.0	-8.8
Roof tiles	86.3	85.0	**84.4**	-0.6	-15.6
Facing bricks	98.7	100.6	**100.6**	+0.0	+0.6
Ceramic pipes	116.4	100.7	**106.5**	+5.8	+6.5
Ceramic Production Wienerberger Group total	**95.9**	**95.7**	**96.7**	**+1.1**	**-3.3**
Plastic pipes	102.9	110.1	**101.3**	-8.0	+1.3
Concrete and calcium silicate products North America	108.7	88.1	**92.7**	+5.2	-7.3
Concrete pavers	82.4	88.0	**97.6**	+10.9	-2.4
Wienerberger Group	**98.7**	**98.6**	**100.4**	**+1.8**	**+0.4**

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting year. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. The differences versus the previous year are partly in the decimal range.

Index of specific energy consumption WBS, Bricks and Tiles [1) 2)] *in % based on kWh/m² (2013 = 100%)*	2018	2019	2020	Chg. vs. 2019 in %	Chg. vs. 2013 in %
Roof tiles	82.6	81.0	**81.2**	+0.2	-18.8
Facing bricks	91.9	92.5	**92.5**	+0.1	-7.5

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting period. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. The differences versus the previous year are partly in the decimal range.

Index of specific energy consumption [1) 2)] *in % based on kWh/ton (2010 = 100%)*	2018	2019	2020	Chg. vs. 2019 in %	Chg. vs. 2010 in %
Clay blocks	77.3	77.5	**77.5**	-0.0	-22.5
Roof tiles	84.3	83.0	**82.4**	-0.6	-17.6
Facing bricks Wienerberger Building Solutions only	95.9	96.8	**95.5**	-1.4	-4.5
Wienerberger Building Solutions ceramic production total	**87.0**	**86.7**	**87.4**	**+0.7**	**-12.6**
Facing bricks including North America	101.2	103.1	**103.2**	+0.0	+3.2
Plastic pipes	100.2	107.2	**98.7**	-8.0	-1.3
Concrete pavers	78.2	83.5	**92.6**	+10.9	-7.4

1) Total energy consumption includes energy consumed in production, but excludes administration, except for countries where separate accounting is not possible. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting year. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. The differences versus the previous year are partly in the decimal range.

Direct CO_2 emissions from primary energy sources and raw materials (Scope 1) [1) 2)] *in kilotons*	2018	2019	2020	Chg. in %
Clay blocks	1,531	1,532	**1,355**	-11.6
Roof tiles (clay and concrete)	366	345	**329**	-4.8
Facing bricks and ceramic pavers	548	561	**514**	-8.4
Concrete pavers	-	-	**-**	-
Wienerberger Building Solutions	**2,444**	**2,438**	**2,198**	**-9.9**
Plastic pipes [3) 4)]	-	-	**6**	-
Ceramic pipes	31	26	**21**	-18.9
Wienerberger Piping Solutions	**31**	**26**	**27**	**+3.9**
Facing bricks and concrete pavers	125	134	**125**	-6.5
Façade (calcium silicate products) [3)]	-	-	**5**	-
Concrete products [3)]	-	-	**0**	-
Concrete and calcium silicate products North America total	8	6	**5**	-10.6
Plastic pipes [3)]	-	-	**-**	-
North America	**133**	**140**	**131**	**-6.7**
Wienerberger Group	**2,608**	**2,604**	**2,355**	**-9.6**

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, CO_2 emissions from processes are also reported. Including CO_2 emissions from biogenic inputs: Quantities from Wienerberger's CO_2 emission monitoring according to national rules. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting year. // 3) In 2020, the indicator for this product group is being reported and recorded separately for the first time. // 4) Due to the very low use of primary energy sources, these are not shown in the graphic on page 44. // Changes of non-financial indicators versus previous reporting periods are all calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Direct CO_2 emissions (Scope 1) *in kilotons*	2018	2019	2020	Chg. in %
From primary energy sources [1]	1,162	1,155	**1,043**	-9.7
From processes [1]	887	891	**767**	-14.0
Total - within ETS [1] [2]	**2,049**	**2,047**	**1,810**	**-11.6**
Plants not covered by ETS [3]	**263**	**269**	**285**	**+6.2**
Wienerberger Group (ETS and non-ETS)	**2,312**	**2,316**	**2,096**	**-9.5**
From biogenic inputs [4]	296	289	**254**	-12.0
Pipelife [5]	-	-	**6**	-
Total of direct CO_2 emissions (Scope 1) in kilotons per year	**2,608**	**2,604**	**2,355**	-9.6

1) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting period. // 2) ETS and non-ETS. ETS source: EU Transaction Log (EUTL). // 3) Calculation in accordance with national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO_2 emissions from processes are also reported. // 4) Quantities from Wienerberger's CO_2 monitoring according to national rules. // 5) Wienerberger Piping Solutions, Plastic Pipes, reports CO_2 emissions, Scope 1, from primary energy sources for the first time for ETS and non-ETS.

CO_2 emissions (Scope 1), ETS and non-ETS [1] [2] *in kilotons*	2018	2019	2020	Chg. in %
Clay blocks	1,531	1,532	**1,355**	-11.6
Roof tiles	366	345	**329**	-4.8
Facing bricks	673	695	**639**	-8.0
Ceramic pipes	31	26	**21**	-18.9
Concrete and calcium silicate products North America	8	6	**5**	-10.6
Plastic pipes	-	-	**6**	-
Wienerberger Group	**2,608**	**2,604**	**2,355**	**-9.6**

1) ETS source: EU Transaction Log (EUTL). Non-ETS: Calculation according to national rules (Switzerland) or on the basis of EU standard emission factors. For plants in the USA, CO_2 emissions from processes are also reported. Including CO_2 emissions from biogenic inputs: Quantities from Wienerberger's CO_2 monitoring according to national rules. // 2) For five production sites newly acquired in 2019, no indictors were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting year.

Index of specific direct CO_2 emissions from primary energy sources, ceramic production [1] [2] *in % based on kg CO_2/ton (2013 = 100%)*	2018	2019	2020	Chg. vs. 2019 in %	Chg. vs. 2013 in %
Clay blocks	89.7	90.2	**89.6**	-0.6	-10.4
Roof tiles	85.7	84.5	**83.3**	-1.4	-16.7
Facing bricks	90.2	91.9	**91.9**	+0.1	-8.1
Ceramic pipes	111.7	101.8	**103.2**	+1.4	+3.2
Ceramic production Wienerberger Group [3]	**92.0**	**92.1**	**92.7**	**+0.7**	**-7.3**

1) Specific CO_2 emissions exclusively refer to fuel emissions in ceramic production of the Wienerberger Group. // 2) For five production sites newly acquired in 2019, no indicators were reported in 2019, as the necessary data collection structures were not yet in place; the indicators have been included for the 2020 reporting year. // 3) The index of specific direct CO_2 emission from primary energy sources in ceramic production published in the 2020 Annual Report was corrected from 92.8 to 92.7 after publication of the validated emission indicators of the EU Transaction Log (EUTL).

Indirect CO_2 emissions from electricity (Scope 2) by product group [1] *in kilotons*	2018	2019	2020	Chg. in %
Clay blocks	-	-	113	-
Roof tiles (clay and concrete)	-	-	48	-
Facing bricks and clay pavers	-	-	24	-
Concrete pavers	-	-	11	-
Wienerberger Building Solutions	**-**	**-**	**195**	**-**
Plastic pipes	-	-	58	-
Ceramic pipes	-	-	0	-
Wienerberger Piping Solutions	**-**	**-**	**58**	**-**
Facing bricks and concrete pavers	-	-	29	-
Façade (calcium silicate products)	-	-	2	-
Concrete products	-	-	1	-
Concrete and calcium silicate products North America total	-	-	2	-
Plastic pipes	-	-	12	-
North America	**-**	**-**	**43**	**-**
Wienerberger Group	**-**	**-**	**296**	**-**

1) The indicator for this product group is being reported for the first time in 2020. // The calculation of indirect CO_2 emissions from purchased electricity is based on the current CO_2 emission factors of Corporate Procurement. // Electronic data processing may result in rounding differences.

Circular Economy

Volume of waste *in tons*	2018	2019	2020	Chg.
non-hazardous, recyclable	115,980	128,799	81,971	-46,828
non-hazardous, landfilled	30,163	28,442	21,496	-6,946
hazardous	1,426	1,386	1,170	-216
Wienerberger Group	**147,569**	**158,626**	**104,637**	**-53,990**

Employees

Occupational safety and health

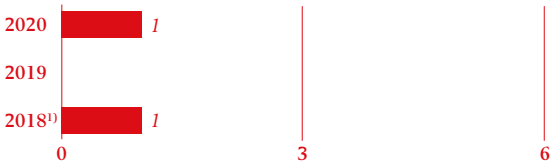
Accident frequency by operating segment [1]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	3.5	5.3	**5.4**	+0.7
Wienerberger Building Solutions West	8.0	9.0	**8.8**	-3.1
Wienerberger Building Solutions	5.8	7.2	**7.1**	-2.3
Wienerberger Piping Solutions East	1.1	1.1	**1.4**	29.0
Wienerberger Piping Solutions West	7.3	2.7	**2.5**	-9.9
Wienerberger Piping Solutions	4.5	2.0	**2.0**	-0.8
North America [2]	1.3	0.9	**1.0**	9.8
Wienerberger Group [2]	**5.1**	**5.6**	**5.4**	**-2.7**

1) Number of occupational accidents / number of hours worked x 1,000,000; including temporary and agency workers (from their first hour of work at Wienerberger) and employees under term contracts. // 2) Re-Statement: The accident frequency indicator of the North America Business Unit for 2020 was corrected after publication of the 2020 Annual Report and the indicator for the Wienerberger Group published therein was recalculated. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Accident severity by operating segment [1]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	146	221	**228**	+3.3
Wienerberger Building Solutions West	239	179	**241**	+34.4
Wienerberger Building Solutions	194	200	**235**	+17.6
Wienerberger Piping Solutions East	17	14	**33**	+141.9
Wienerberger Piping Solutions West	148	132	**65**	-50.6
Wienerberger Piping Solutions	89	78	**50**	-35.6
North America	9	24	**35**	+45.9
Wienerberger Group	**155**	**158**	**178**	**+12.0**

1) Number of accident-related sick-leave days / 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. // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

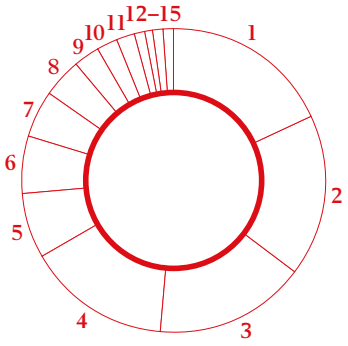
Number of fatal occupational accidents within the Wienerberger Group



1) In a 50% subsidiary of Wienerberger.

Types of injuries Wienerberger Group in 2020 [1)]

in %



1 *Fracture 18%*
2 *Cut 17%*
3 *Bruising 16%*
4 *Sprains & strains 15%*
5 *Crush 7%*
6 *Swelling 6%*
7 *Other 5%*
8 *Superficial 4%*
9 *Puncture/rupture 3%*
10 *Burn 2%*
11 *Eye injury 2%*
12 *Amputation 1%*
13 *Dislocation 1%*
14 *Abrasion 1%*
15 *Acute general health problem 1%*

1) Injuries resulting in at least one day of sick leave. // Based on the specific definitions used by the individual operating segments.

Sick-leave days per employee by operating segment [1)]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	8.6	8.8	**10.0**	+13.4
Wienerberger Building Solutions West	12.5	13.4	**12.5**	-6.9
Wienerberger Building Solutions	10.6	11.2	**11.3**	+1.2
Wienerberger Piping Solutions East	7.1	5.6	**6.7**	+18.8
Wienerberger Piping Solutions West	12.1	11.3	**10.8**	-4.3
Wienerberger Piping Solutions	10.1	8.9	**9.1**	+2.0
Wienerberger Group, excluding North America	**10.5**	**10.7**	**10.8**	**+1.2**
North America [2)]	3.1	2.2	**3.4**	+50.6

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 were calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) 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]	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	8.3	8.4	**9.5**	+14.0
Wienerberger Building Solutions West	12.0	13.1	**12.1**	-7.6
Wienerberger Building Solutions	10.3	10.8	**10.9**	+0.9
Wienerberger Piping Solutions East	7.1	5.6	**6.6**	+18.2
Wienerberger Piping Solutions West	11.8	11.0	**10.7**	-3.2
Wienerberger Piping Solutions	9.9	8.7	**9.0**	+2.6
Wienerberger Group, excluding North America	**10.2**	**10.3**	**10.5**	**+1.1**
North America [2]	3.0	2.2	**3.3**	+49.5

1) Data on non-accident-related sick-leave days include all employees directly employed by Wienerberger. // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in round differences. // 2) 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*	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	5,650	5,853	**5,707**	-2.5
Wienerberger Building Solutions West	6,262	6,613	**6,232**	-5.8
Wienerberger Building Solutions	11,912	12,466	**11,939**	-4.2
Wienerberger Piping Solutions East	1,393	1,439	**1,487**	+3.4
Wienerberger Piping Solutions West	1,892	1,879	**1,841**	-2.0
Wienerberger Piping Solutions	3,285	3,317	**3,328**	+0.3
North America	1,399	1,450	**1,352**	-6.8
Wienerberger Group	**16,596**	**17,234**	**16,619**	**-3.6**

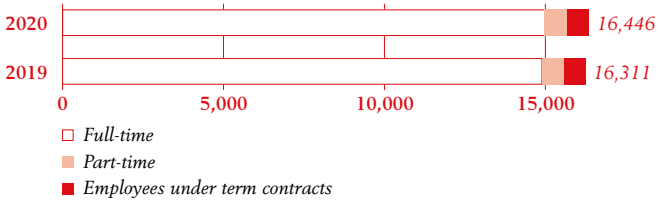
1) All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // Temporary and agency workers are included as of their first hour of work at Wienerberger.

Ø Employees by functional area [1] *full-time equivalents*	2018	2019	2020	Chg. in %
Production	10,992	11,197	**10,613**	-5.2
Administration	1,499	1,668	**1,752**	+5.0
Sales (including marketing and inventories)	4,105	4,369	**4,254**	-2.6
Wienerberger Group	**16,596**	**17,234**	**16,619**	**-3.6**

1) All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // Temporary and agency workers are included as of their first hour of work at Wienerberger.

Employees by type of employment contract [1)]

based on headcount



1) Employees directly employed by Wienerberger.

Employees with permanent employment contracts [1)] *based on headcount*	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	5,433	5,552	**5,475**	-1.4
Wienerberger Building Solutions West	5,796	5,872	**6,034**	+2.8
Wienerberger Building Solutions	11,229	11,424	**11,509**	+0.7
Wienerberger Piping Solutions East	1,249	1,315	**1,372**	+4.3
Wienerberger Piping Solutions West	1,729	1,716	**1,790**	+4.3
Wienerberger Piping Solutions	2,978	3,031	**3,162**	+4.3
North America	1,280	1,299	**1,260**	-3.0
Wienerberger Group	**15,487**	**15,754**	**15,931**	**+1.1**

1) 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)] *based on headcount*	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	225	218	**136**	-37.6
Wienerberger Building Solutions West	410	221	**258**	+16.7
Wienerberger Building Solutions	635	439	**394**	-10.2
Wienerberger Piping Solutions East	17	21	**18**	-14.2
Wienerberger Piping Solutions West	143	96	**102**	+6.3
Wienerberger Piping Solutions	160	117	**120**	+2.5
North America	2	0	**0**	+7.1
Wienerberger Group	**797**	**557**	**515**	**-7.5**

1) 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.

Employee turnover by operating segment [1]

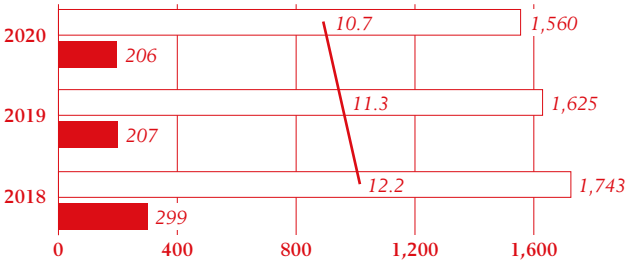
in %

	2018	2019	2020
Wienerberger Building Solutions East	14.3	12.3	**14.9**
Wienerberger Building Solutions West	9.7	10.7	**8.3**
Wienerberger Building Solutions	11.9	11.5	**11.5**
Wienerberger Piping Solutions East	11.0	10.0	**9.9**
Wienerberger Piping Solutions West	15.1	11.3	**6.0**
Wienerberger Piping Solutions	13.4	10.7	**7.7**
Wienerberger Group, excluding North America [2]	**12.2**	**11.3**	**10.7**
North America [3]	31.1	27.4	**31.0**

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer or mutually agreed termination) to average number of employees (headcount) in permanent employment in the reporting year, excluding temporary and aency workers as well as employees under term contracts; persons retiring or on leave do not count as persons leaving the company. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) Re-statement: The indicator of employee turnover published in the 2020 Annual was corrected from 13.1 to 10.7 after elimination of a technical error. // 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.

Employee turnover excluding North America [1] [2]

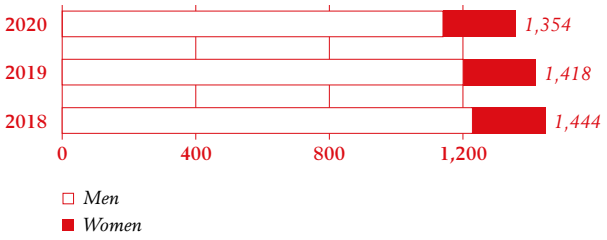
based on headcount



1) Employees with permanent employment contracts.
2) Re-statement: The indicator of employee turnover published in the 2020 Annual Report was corrected from 13.1 to 10.7 after elimination of a technical error.

Leaves not due to restructuring, broken down by gender (excluding North America) [1]

based on headcount



1) Employees with permanent employment contracts.

New entrants by operating segment [1]

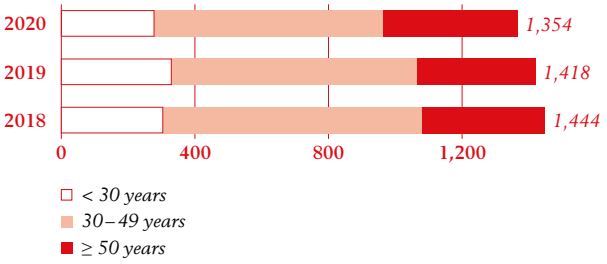
based on headcount

	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	921	861	**623**	-27.7
Wienerberger Building Solutions West	660	707	**523**	-26.0
Wienerberger Building Solutions	1,581	1,568	**1,146**	-26.9
Wienerberger Piping Solutions East	187	195	**202**	+3.5
Wienerberger Piping Solutions West	244	267	**177**	-33.7
Wienerberger Piping Solutions	431	462	**379**	-18.0
North America	417	301	**362**	+20.0
Wienerberger Group	**2,429**	**2,331**	**1,886**	**-19.1**

1) 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.

Leaves not due to restructuring, broken down by age group (excluding North America) [1)]

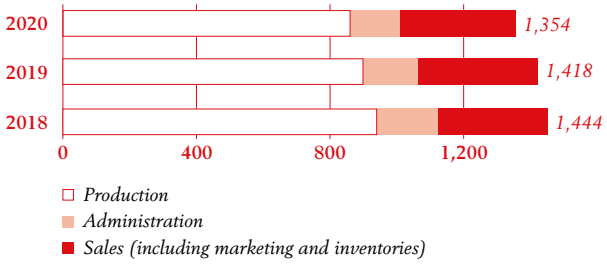
based on headcount



1) Employees with permanent employment contracts.

Leaves not due to restructuring, broken down by functional area (ohne North America) [1)]

based on headcount



1) Employees with permanent employment contracts.

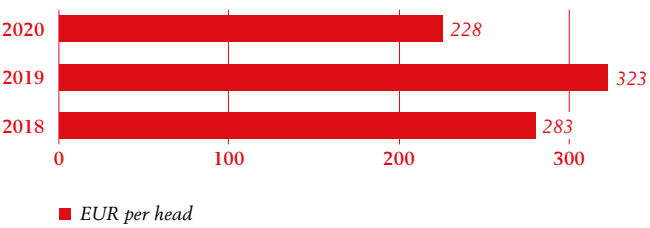
Competence Development and Advanvement of our Employees

Training hours per employee and year by operating segment [1)] *based on headcount*	2018	2019	2020	Chg. in %
Wienerberger Building Solutions East	16.1	18.9	**13.9**	-26.5
Wienerberger Building Solutions West	16.0	15.8	**10.3**	-34.6
Wienerberger Building Solutions	16.0	17.3	**12.0**	-30.6
Wienerberger Piping Solutions East	14.5	7.3	**4.9**	-33.2
Wienerberger Piping Solutions West	18.1	15.0	**57.1**	+281.2
Wienerberger Piping Solutions	16.7	11.7	**35.0**	+198.6
North America	11.8	15.0	**6.8**	-54.5
Wienerberger Group	**15.8**	**16.0**	**16.2**	**+0.9**

1) Internal and external initial and further training measures per employee (headcount). International training hours are not included in this table. // 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.

Average training expenses per employee [1)]

based on headcount



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.

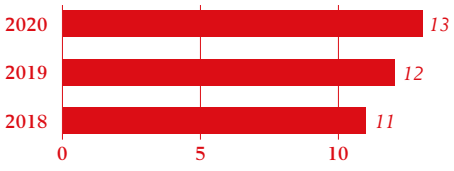
Diversity and Equal Opportunities

Numbers and percentages of women by functional area [1]		2018	2019	2020
Women	*headcount*	2,328	2,414	**2,479**
Production	*in %*	4.5	4.6	**4.8**
Administration	*in %*	47.9	46.7	**46.1**
Sales (including marketing and inventories)	*in %*	25.9	26.1	**26.1**
In white-collar positions (administration and sales) [2]	*in %*	32.2	32.2	**32.1**
Wienerberger Group	*in %*	**14.3**	**14.8**	**15.1**

1) All employees directly employed by Wienerberger. // 2) 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.

Share of women in senior management positions [1]

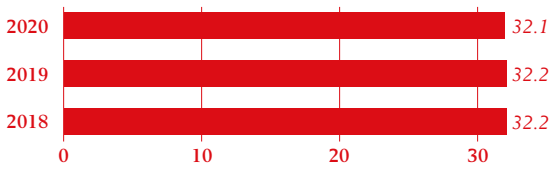
based on headcount



1) Exclusively 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.

Share of women in white-collar positions [1]

based on headcount



1) Exclusively employees directly employed by Wienerberger. // Percentage of women in administration and 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.

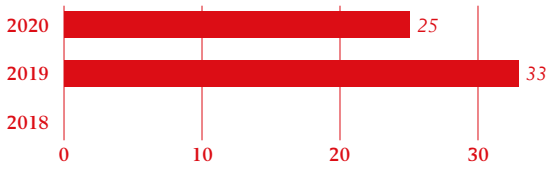
Share of women on the Supervisory Board [1]

based on headcount

1) All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Share of women on the Managing Board [1]

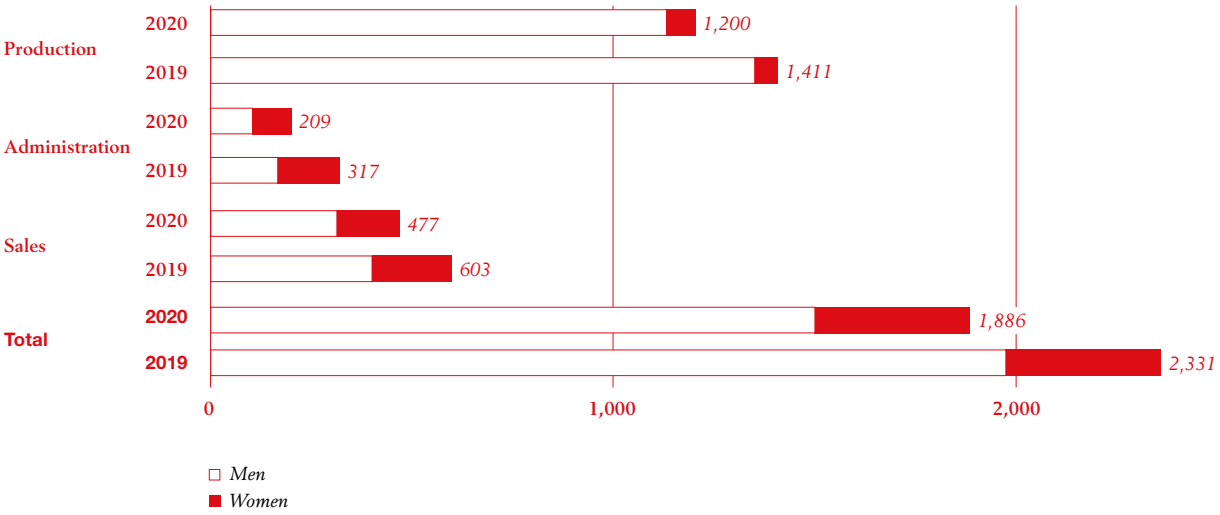
based on headcount



1) All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

Number of new entrants by gender and functional area 2019/2020 [1)]

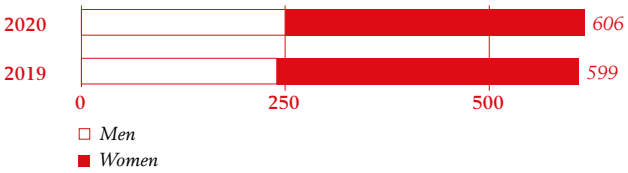
based on headcount



1) 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.

Numbers and percentages of permanently employed women and men working part-time in 2019/2020 [1)]

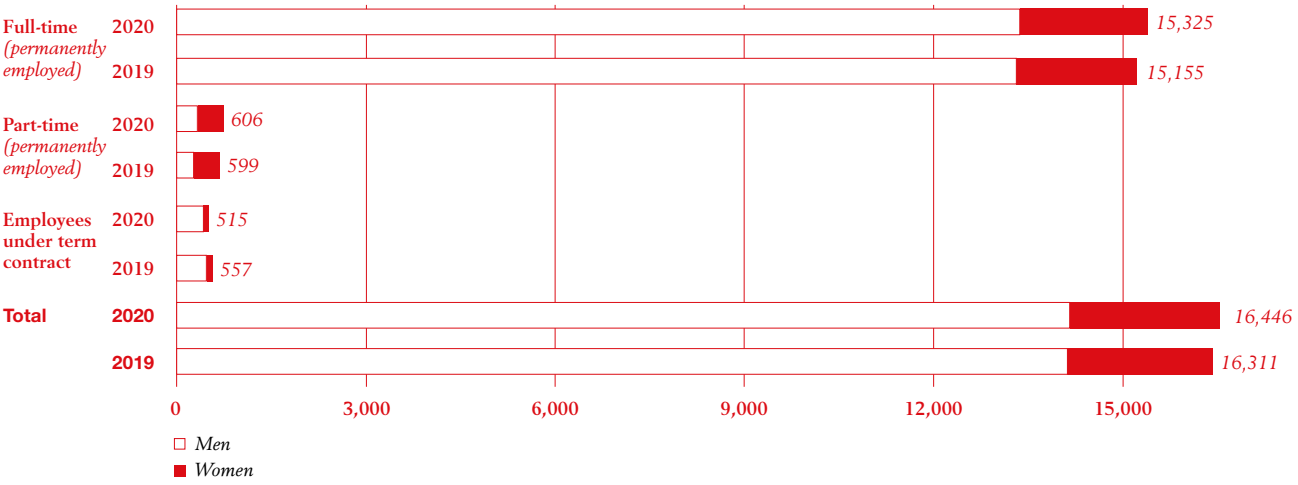
based on headcount



1) Employees permanently employed by Wienerberger. // 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 2019/2020 [1)]

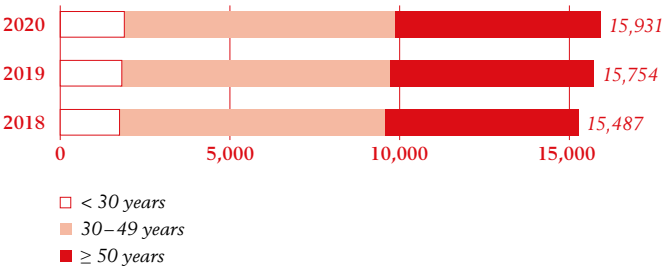
based on headcount



1) 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.

Age structure of our employees [1)]

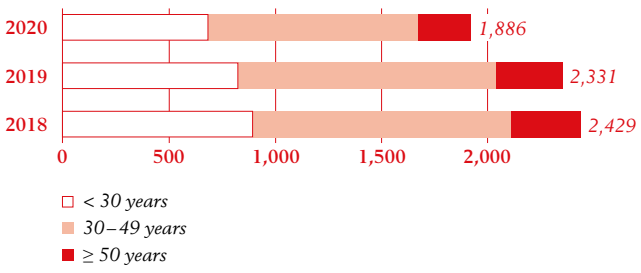
based on headcount



1) Employees permanently employed.

New entrants by age structure [1)]

based on headcount



1) Employees permanently employed.

Business Ethics & Social Impacts

Corporate Governance at Wienerberger [1] *Number within the Wienerberger Group*	**2018**	**2019**	**2020**
Number of incidents of corruption	0	0	**0**
Number of anti-trust violations	0	0	**0**

1) In 2020, no charges were brought or sentences pronounced against Wienerberger for corruption or anti-trust violations or sentences pronounced and no penalty payments were due, nor were any negative findings reported by the competent authorities.

GRI Content Index

GRI 102 (2016): General Disclosures

	Disclosure	Page in Sustainability Report	Omission, Explanation	Part of external assurance	UN Global Compact Principles
	Organizational profile				
102-1	Name of the organization	Imprint			
102-2	Activities, brands, products, and services	14–17			
102-3	Location of headquarters	Imprint			
102-4	Location of operations	16–17			
102-5	Ownership and legal form	9, Management Report in Annual Report 2020: 112–113			
102-6	Markets served	9, 14-17, 20–21			
102-7	Scale of the organization	9, 14–17, Financial Statements in Annual Report 2020: 136–137			
102-8	Information on employees and other workers	99, 105			
102-9	Supply Chain	18–19			
102-10	Significant changes to the organization and its supply chain	34, Financial Statements in Annual Report 2020: 128			
102-11	Precautionary Principle or approach	9, 25–27			UNGC 7
102-12	External initiatives	35, 65, 112			
102-13	Membership of association	35, 65			
	Strategy				
102-14	Statement from senior decision-maker	7–8			
102-15	Key impacts, risks, and opportunities	22–24		**yes**	
	Ethics an integrity				
102-16	Values, principles, standards, and norms of behavior	9, 12, 112–123			
	Governance				
102-18	Governance structure	32–33, Corporate Governance Report in Annual Report 2020: 58–84		**CG report reviewed by Deloitte**	
	Stakeholder engagement				
102-40	List of stakeholder groups	10–11			
102-41	Collective bargaining agreements	99			
102-42	Identifying and selecting stakeholders	10–11			
102-43	Approach to stakeholder engagement	10–11, 22			
102-44	Key topics and concerns raised	22–24			

GRI 102 (2016): General Disclosures

	Disclosure	Page in Sustainability Report	Omission, Explanation	Part of external assurance	UN Global Compact Principles
	Reporting practice				
102-45	Entities included in the consolidated financial statements	34, Financial Statements in Annual Report 2020: 202–205			
102-46	Defining report content and topic Boundaries	22–23, 25		**yes**	
102-47	List of material topics	23		**yes**	
102-48	Re-statement of information	34, in footnotes of the respective indicators			
102-49	Changes in reporting	34			
102-50	Reporting period	34			
102-51	Date of most recent report	34			
102-52	Reporting cycle	34			
102-53	Contact point for questions regarding the report	Imprint			
102-54	Claims of reporting in accordance with the GRI Standards	34			
102-55	GRI content index	154–160			
102-56	External assurance	35, 161–162			

Topic-specific Standards – Economic

	Disclosure	Page in Sustainability Report	Omission, Explanation	Part of external assurance	UN Global Compact Principles
	GRI 201 (2016): Economic performance				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	9, 20–21			
201-1	Direct economic value generated and distributed	Management Report and Financial Statements in Annual Report 2020			
201-3	Defined benefit plan obligations and other retirement plans	Financial Statements in Annual Report 2020: 164–165			
	GRI 203 (2016): Indirect economic impacts				
103-1 - 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27; 122–123			
203-1	Infrastructure investments and services supported	122–123			
	GRI 205 (2016): Anti-corruption				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 112–114			UNGC 10
205-1	Operations assessed for risks related to corruption	114			UNGC 10
205-3	Confirmed incidents of corruption and actions taken	109, 114, 153			UNGC 10
	GRI 206 (2016): Anti-competitive behavior				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 112–114			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	109, 112, 153			

Topic-specific Standards – Environmental

	Disclosure	*Page in Sustainability Report*	*Omission, Explanation*	*Part of external assurance*	*UN Global Compact Principles*
	GRI 301 (2016): Materials				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22–23, 24–27, 64–65, 68*			*UNGC 7, 8, 9*
301-1	*Materials used by weight or volume*	*65*	*Due to the confidentiality of product formulations, no information on renewable and non-renewable materials used by weight or volume can be disclosed at present. Renewable raw materials are used primarily in ceramic production, where technically possible, as aggregates in the form of secondary raw materials.*		*UNGC 7, 8, 9*
301-2	*Recycled input materials used*	*60, 65*	*Information on the recycled raw materials in percentages is currently only available in Europe for brick production, for North America for individual production sites and in kg/ton of products in plastic pipe production. Reporting in other business areas is being evaluated.*		*UNGC 7, 8, 9*
	GRI 302 (2016): Energy				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22-23, 42-52*		***yes***	*UNGC 7, 8, 9*
302-1	*Energy consumption within the organization*	*39, 44-45, 140*		***yes***	*UNGC 7, 8, 9*
302-3	*Energy intensity*	*39, 46, 140-141*	*We present specific energy consumption as an index in % relative to the defined reference year, the values of the reference year being set at 100%.*	***yes***	*UNGC 7, 8, 9*
302-4	*Reduction of energy consumption*	*39, 44-45, 140*			*UNGC 7, 8, 9*
	GRI 304 (2016): Biodiversity				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22–23, 24–27, 78–83*			
304-2	*Significant impacts of activities, products, and services on biodiversity*	*83*			
304-3	*Habitats protected or restored*	*79*	*Quantitative information on the size and location of protected or renatured areas of depleted clay pits and the status of such areas is not available. The subsequent use of clay pits is determined in the course of the approval procedures and depleted clay pits are made available by Wienerberger accordingly.*		

Topic-specific Standards – Environmental

	Disclosure	Page in Sustainability Report	Omission, Explanation	Part of external assurance	UN Global Compact Principles
	GRI 305 (2016): Emissions				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 42–52		**yes**	UNGC 7, 8, 9
305-1	Direct (Scope 1) GHG emissions	39, 48, 141–142		**yes**	UNGC 7, 8, 9
305-2	Energy indirect (Scope 2) GHG emissions	39, 50, 143		**yes**	UNGC 7, 8, 9
305-3	Other indirect (Scope 3) GHG emissions		At present, the Wienerberger Group has not established any group-wide recording structures for the collection of CO_2 emissions from our sourcing (Scope 3). Adjustments, including a possible timetable, will be evaluated.		UNGC 7, 8, 9
305-4	GHG emissions intensity	39, 49, 142	The specific values are presented as an index in % relative to the defined reference year, the values of the reference year being set at 100%. With direct and indirect (Scope 2) CO_2 emissions of all product areas of the Wienerberger Group being collected as of the reporting year 2020, the indices of specific CO_2 emissions, with 2020 as the reference year, are available for all product areas as of the reporting year 2021.	**yes**	UNGC 7, 8, 9
305-5	Reduction of GHG emissions	39, 48, 50, 141–142			UNGC 7, 8, 9
	GRI 306 (2020): Waste				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 64, 68–69, 71			
306-1	Waste generation and significant waste-related impacts	68–69, 71			
306-2	Management of significant waste-related impacts	68–69, 71			
306-3	Waste generated	60, 69, 143			
	GRI 308 (2016): Supplier environmental assessment				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 112, 115–119			UNGC 7, 8
308-2	Negative environmental impacts in the supply chain and actions taken	118–119	All suppliers are continuously monitored with regard to ESG criteria through various processes (e.g. supplier relationship management tool). On-site audits are carried out by certified procurement staff in case of suspicion.		UNGC 7, 8

Topic-specific Standards – Social

	Disclosure	*Page in Sustainability Report*	*Omission, Explanation*	*Part of external assurance*	*UN Global Compact Principles*
	GRI 401 (2016): Employment				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22–23, 24–27, 90, 99*			*UNGC 3, 4, 5, 6*
401-1	*New employee hires and employee turnover*	*100–101, 148–149, 152*			*UNGC 3, 4, 5, 6*
	GRI 403 (2016): Occupational health and safety				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22–23, 90–98*		***yes***	
403-1	*Occupational health and safety management system*	*90, 92, 98*			
403-2	*Hazard identification, risk assessment, and incident investigation*	*91*			
403-3	*Occupational health services*	*91*			
403-4	*Worker participation, consultation, and communication on occupational health and safety*	*91*			
403-5	*Worker training on occupational health and safety*	*91*			
403-6	*Promotion of worker health*	*91-92*			
403-7	*Prevention and mitigation of occupational health and safety impacts directly linked by business relationships*	*92, 118, 121*			
403-8	*Workers covered by an occupational health and safety management system*	*90*			
403-9	*Work-related injuries*	*87, 94–95, 144–145*	*Given the current data collection structures, the requirement of the renewed GRI Standard to differentiate between employees directly employed by Wienerberger and those not directly employed, and the number of accidents suffered by each category, including a breakdown by slight and severe injuries, and the number of hours worked, cannot be met. The number of accidents will be reported as of the reporting period of 2021; further GRI-compliant disclosures and differentiations are being aimed at.*	***yes***	
	GRI 404 (2016): Training and education				
103-1 to 103-3	*Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach*	*22–23, 24–27, 90, 101–103*			
404-1	*Average hours of training per year per employee*	*87, 102, 149*	*Currently, complete differentiation by gender and employee category is not yet available. Further detailed reporting to achieve approximately GRI-compliant presentation is being evaluated.*		

Topic-specific Standards – Social

	Disclosure	Page in Sustainability Report	Omission, Explanation	Part of external assurance	UN Global Compact Principles
	GRI 405 (2016): Diversity and equal opportunity				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 90, 103			UNGC 6
405-1	Diversity of governance bodies and employees	104–105, 150–151	Currently, complete differentiation by age group is not available. A GRI-compliant presentation is being evaluated.	**yes**	UNGC 6
	GRI 406 (2016): Non-discrimination				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 35, 103			UNGC 6
406-1	Incidents of discrimination and corrective actions taken	103			UNGC 6
	GRI 413 (2016): Local communities				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 112, 121			
413-2	Operations with significant actual and potential negative impacts on local communities	121			
	GRI 414 (2016): Supplier social assessment				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 112, 115–119			
414-2	Negative social impacts in the supply chain and actions taken	118–119	All suppliers are continuously monitored with regard to ESG criteria through various processes (e.g. supplier relationship management tool). On-site audits are carried out by certified procurement staff in case of suspicion.		UNGC 1, 2
	GRI 416 (2016): Customer health and safety				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 83, 112, 121			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	83, 121			
	GRI 419 (2016): Socioeconomic Compliance				
103-1 to 103-3	Explanation of the material topic and its Boundary, the management approach and its components, evaluation of the management approach	22–23, 24–27, 112–114			
419-1	Non-compliance with laws and regulations in the social and economic area	112			

Courtesy Translation of the Independent Assurance on Non-Financial Reporting*

Introduction

We performed procedures to obtain limited assurance on whether, based on our audit procedures, matters have come to our attention that cause us to believe that the non-financial performance indicators "GRI 102-15 Key impacts, risks, and opportunities", "GRI 102-46 Defining report content and topic Boundaries", "GRI 102-47 List of material topics", "GRI 302-1 Energy consumption within the organization", "GRI 302-3 Energy intensity", "GRI 305-1 Direct (Scope 1) GHG emissions", "GRI 305-2 Energy indirect (Scope 2) GHG emissions", "GRI 305-4 GHG emissions intensity", "GRI 403-9 Work-related injuries" and "GRI 405-1 Diversity of governance bodies and employees" stated in the sustainability Report 2020 (hereinafter "Report") have not been prepared, in all material respects, in accordance with the reporting criteria.

Responsibility of the management

The preparation of the Report in accordance with the reporting principles as well as the selection of the scope of the engagement is the responsibility of the management of Wienerberger AG. The reporting criteria are the GRI Standards issued by the Global Sustainability Standards Board (GSSB).

This responsibility of the management includes the selection and application of appropriate methods for preparing the Report, making assumptions and estimates of individual non-financial disclosures that are plausible under the given circumstances. The responsibility of the management also includes designing, implementing, and maintaining internal controls, which have been determined as necessary for the preparation of the Report free from material misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express an opinion with limited assurance on whether, based on our audit procedures, matters have come to our attention that cause us to believe that the non-financial performance indicators "GRI 102-15 Key impacts, risks, and opportunities", "GRI 102-46 Defining report content and topic Boundaries", "GRI 102-47 List of material topics", "GRI 302-1 Energy consumption within the organization", "GRI 302-3 Energy intensity", "GRI 305-1 Direct (Scope 1) GHG emissions", "GRI 305-2 Energy indirect (Scope 2) GHG emissions", "GRI 305-4 GHG emissions intensity", "GRI 403-9 Work-related injuries" and "GRI 405-1 Diversity of governance bodies and employees" stated in the sustainability Report have not been prepared, in all material respects, in accordance with the reporting criteria.

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 above mentioned non-financial Standard disclosures have not, in any material aspect, been prepared in accordance with the reporting criteria of the GRI Standards.

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
- Interview of employees of Wienerberger AG to assess the methods of data collection, data processing and internal controls
- Inspection of the relevant documentation of the systematics and processes for the collection, analysis and aggregation of the data of the audit-relevant performance indicators of the Report during the reporting period
- Execution of a media analysis
- Comparison of the non-financial disclosures shown in the sustainability report and lying within the audit scope, with the calculation Documents provided

We performed the audit at our premises in Vienna using electronic forms of communication.

Summarized Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the non-financial performance indicators "GRI 102-15 Key impacts, risks, and opportunities", "GRI 102-46 Defining report content and topic Boundaries", "GRI 102-47 List of material topics", "GRI 302-1 Energy consumption within the organization", "GRI 302-3 Energy intensity", "GRI 305-1 Direct (Scope 1) GHG emissions", "GRI 305-2 Energy indirect (Scope 2) GHG emissions", "GRI 305-4 GHG emissions intensity", "GRI 403-9 Work-related injuries" and "GRI 405-1 Diversity of governance bodies and employees" stated in the sustainability report have not, in any material aspects, been prepared in accordance with the reporting criteria of the GRI Standards.

Engagement approach

The basis for this engagement are the "General Conditions of Contract for the Public Accounting Professions" ("Allgemeine Auftragsbedingungen für Wirtschaftstreuhandberufe", see appendix) as issued by the Austrian Chamber of Tax Advisers and Auditors. In accordance with chapter 7 of the AAB, our liability shall be limited to intent and gross negligence. In cases of gross negligence, our liability is limited to a maximum of five times the auditor's 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, June 29th, 2021
Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Austrian Certified Public Accountant

Mag. Christof Wolf
Austrian Certified Public Accountant

**) The German text of the signed statement, which refers to the German version of the report, is the only binding one. The English translation is not binding and shall not be used for the interpretation of the English version of the report.*

Imprint

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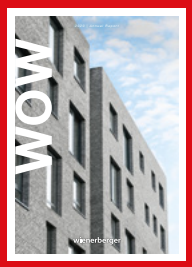
Remark

The Wienerberger Sustainability Report 2020 is available in English and German. Both documents are available online and can be downloaded under www.wienerberger.com.

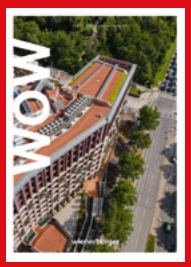
WOW – World of Wienerberger

World of Wienerberger is diverse.
Many topics that all deserve attention.

World of Wienerberger 2020



Annual Report 2020



Remuneration Report 2020


www.wienerberger.com