



Sustainability-Linked Finance Framework 2023

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*We want to make sure we raise our sustainability reporting
step by step to the level of our financial reporting.*

wienerberger at a Glance

Company profile

wienerberger is a leading international supplier of innovative solutions for the entire building envelope in new build and renovation as well as for infrastructure in water and energy management.



Background

We are the worldwide market leader in bricks and the number one producer of clay roof tiles in Europe. Moreover, we are among the leading suppliers of pipe systems in Europe and concrete pavers in Central and Eastern Europe. Through the acquisition of Meridian Brick in 2021, wienerberger also became the leading provider of façade solutions in the USA and Canada.

In December 2022, wienerberger announced its intention to take over significant parts of the Terreal Group, a successful European supplier of innovative roof and solar solutions. For wienerberger, this acquisition is the biggest step ever within the framework of the company's value-accretive growth strategy. The transaction is expected to be closed in the course of 2023.

Corporate Mission & Value Proposition

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

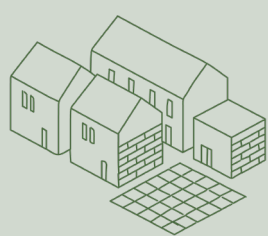
Our vision is to be the most highly regarded provider of sustainable building materials and infrastructure solutions and the preferred employer in our markets.

The primary goal of our entrepreneurial activities is to grow sustainably and continuously and to achieve our financial targets, all in compliance with our strict and ambitious ESG targets. Our entrepreneurial activities are subject to clearly defined and ambitious ESG criteria and aimed at achieving our challenging targets under our Sustainability program.

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CORE APPLICATIONS OF
OUR PRODUCTS AND SYSTEMS

Solutions for
the Building
Envelope and
Concrete Pavers



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

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

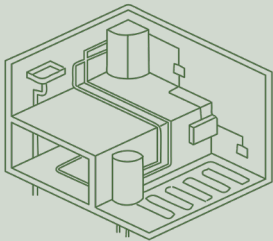
Decision-makers,
customer groups

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

Product users

Users of buildings, public at large

In-House
Solutions



- Electrical and heating installations
- Drinking water and wastewater
- Garden irrigation
- Irrigation systems and storage of water

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

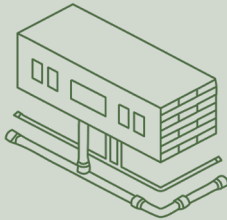
Decision-makers,
customer groups

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

Product users

End customers, users of buildings

Infrastructure
Solutions



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

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

Decision-makers,
customer groups

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

Product users

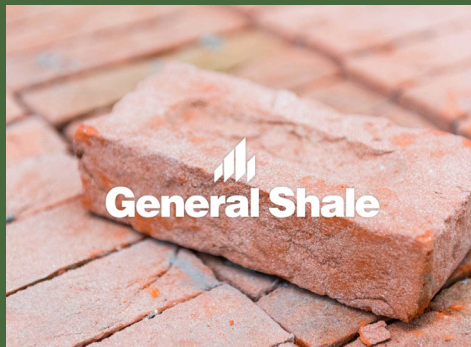
End customers, users of buildings, public at large, network operators

world of **wienerberger**

Strong brands in all local markets



As the world's biggest brick manufacturer, wienerberger is the leader in the field for Clay Blocks, Facing Bricks and Clay roof tiles and has a long history in sustainable entrepreneurship with great ambitions to build a sustainable, circular future.



General Shale is a market leader in sustainability within the masonry products industry and the preferred solutions provider of building materials in North America because of the enduring quality, energy efficiency and natural beauty that the products provide. Strong regional brands are positioned under General Shale.



Semmelrock is the leading brand for concrete pavements in Central and Eastern Europe, with extreme durability in products due to carefully selected raw materials.



Pipelife is a leading international manufacturer of sustainable piping solutions that connects people and communities with water, energy and data.



Steinzeug Keramo provides high quality and sustainable solutions for sewer systems, advanced expertise in the manufacture, laying and operation of wastewater systems.

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Sustainability at wienerberger

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wienerberger's commitment to sustainability covers all stages of the Group's value chain. The wienerberger sustainability strategy and the related Sustainability Program are integral parts of the wienerberger corporate strategy and provide a strong basis for sustainable growth.

Managing Board and Supervisory Board

The Managing Board and the Supervisory Board play a central role in the Group's sustainability management. The Managing Board of Wienerberger AG defines the wienerberger sustainability strategy and the sustainability program, and steers its implementation. The Supervisory Board monitors all important strategic projects. In addition to its supervisory and steering function, it also acts as an advisory body and assumes part of the entrepreneurial responsibility. This structure ensures that ESG criteria are taken into account in the Group's corporate strategy and its financial planning.

Functions at Group level

The Head of the Group Sustainability & Innovation Department reports directly to the Chairman of the Managing Board and coordinates sustainability management and the Group's innovation agenda.

Operating Segments

At a regional level, the COOs of Europe West and Europe East, as well as the CEO of North America, are responsible for implementing their sustainability targets. They are supported by sustainability officers, who are in continuous contact with the Group Sustainability & Innovation Department.

Local Management

The internal organizational structure is rounded out by our experienced local management teams, who play an important role in all ESG matters. They support the practical implementation of policies and measures at local level and thus ensure that the targets set at Group level are attained.

wienerberger

INTERNAL ORGANIZATIONAL STRUCTURE



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

Materiality Analysis 2020

In 2020, wienerberger performed a materiality analysis with the support of an external partner. It was implemented in accordance with the current regulatory requirements and the Global Reporting Initiative (GRI).

As a first step, wienerberger updated the value chains of its three core areas of activity – ceramic products and systems, plastic pipes and systems, and concrete products – and identified 52 ecological, social, and governance aspects along them. We classified these aspects according to five core thematic areas:

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

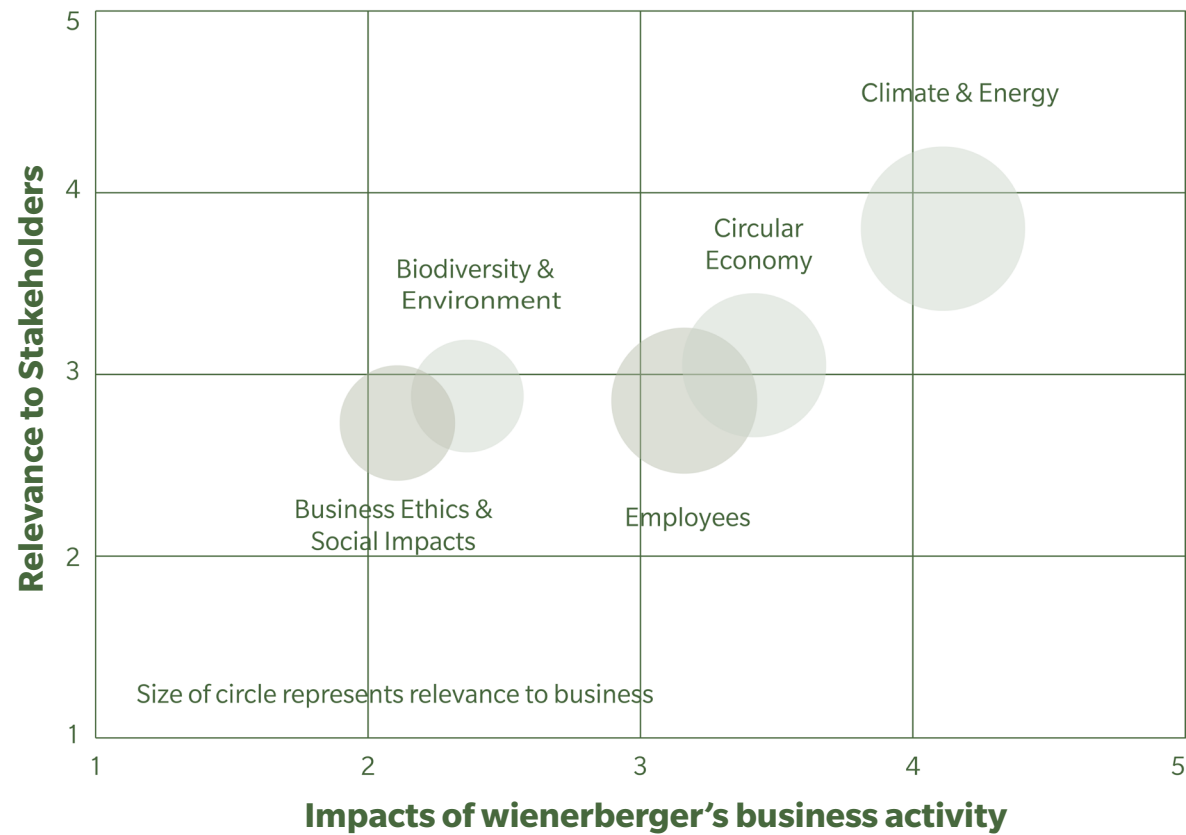
The results of the 2020 materiality analysis provided an important basis for the orientation of the wienerberger strategy and the determination of targets and measures for the wienerberger Sustainability Program 2020-2023.

The materiality matrix on the right shows the result of the analysis in the form of a diagram and provides an overview of the topics that were identified as being material for the entire wienerberger along the value chains of all product groups.

In the course of 2022, the relevance of various aspects of the material topics was again thoroughly evaluated in dialogue with our stakeholders, and based on this evaluation, we have, in our Sustainability Program 2023-2026 and consequently in our sustainability report, added targets and information on certain topics. One example of such topic is water management, which has recently gained more significance due to intensified weather conditions with heavy rain and drought, as increased awareness of climate resilience has put more emphasis on harvesting, saving, and re-using water.

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MATERIALITY ANALYSIS 2020



1 Climate & Energy

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

2 Circular Economy

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

3 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.

4 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)

5 Business Ethics & Social Impacts

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

Sustainability Program 2023-2026

The wienerberger Sustainability Program 2023-2026 is an essential step on the path towards achieving climate neutrality in 2050 and aligning with the sustainability targets of the European Green Deal.

wienerberger has a strong track record of improving our production processes and the sustainable performance of our products. We have been at the forefront of adopting reporting standards, providing high levels of transparency on our impact on the planet and people and our improvement in this matter.

Background

In 2020, we introduced our Sustainability Program 2020-2023. The program outlined clear targets on the most material aspects of our business, and it was well received by both internal and external stakeholders. Our sustainable development accelerated as a result, and we were able to differentiate ourselves by integrating compelling new elements like circularity

















and biodiversity targets.

In recent years, demand for sustainable performance from all stakeholder groups has increased even further. In addition, the upcoming mandatory European Corporate Sustainability Reporting Directive (CSRD) will require more transparency on sustainable performance and transformation plans. Based on the CSRD, the new European Sustainability Reporting Standards (ESRS) are a set of guidelines which will provide companies a framework on how to report on their sustainability performance starting on reporting year 2024. The new regulations also require sustainable solutions for building and infrastructure, where wienerberger can strengthen its position as an innovative systems provider.



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Expansion of 2023 ESG Target Roadmap until 2026

2023 Targets			2026 Targets		
	Decarbonization	✓		Decarbonization	
	Circularity	✓		Circularity	
	Biodiversity	✓		Biodiversity	
	Training & Development	✓		Revenue from products supporting net zero buildings	+
	Diversity & Inclusion	✓		Water management	+
	CSR	✓		Waste management	+
				Health & Safety	+
				Training & Development	
				Diversity & Inclusion	
				CSR	

Sustainability Program 2023-2026

Our three-year Sustainability Program covers calendar years 2024, 2025 and 2026. It builds on the success of the previous Program and integrates our lessons learned. The successor builds on our Task force on climate-related financial disclosures (TCFD) aligned reporting, where we transparently disclose our climate-related risks and opportunities. The new program extends the environmental and social topics, leveraging our sustainability targets to increase our business performance, both within our internal processes as well as assisting society with products supporting energy efficiency and climate resilience.

The new Sustainability Program is also fully aligned with our company’s mission and vision and is built on the CSRD/ESRS reporting requirements. It provides the right strategic and operational focus for our company’s sustainable development.

Sustainability Program 2023-2026

2026 Environmental Targets



Decarbonization and Energy Mix

25% reduction CO₂ emissions scope 1 & 2 (2020 - 2026)

10% reduction CO₂ emissions scope 3 (2022 - 2026)

15% of renewable energy used in own operations (2023 - 2026)

25% reduction CO₂ emissions scope 1 & 2 (2020 - 2026)

The reduction target of 25% in scope 1 & 2 emissions by 2026 compared to the base year 2020 is a solid basis for achieving our vision to be climate neutral in 2050.

We will lower our own CO₂ footprint by more energy efficient processes, increased share of green energy and the use of secondary raw materials in our production. Investments in innovative electrical kilns, better suited for green energy, and efficient digital printing are examples of the measures we will undertake. Furthermore, we will develop and introduce innovative products such as brick-slips, catering for lower impact at our end, in transport, for the construction site and for the end user, as they need less space and allow more room for insulation.

10% reduction CO₂ emissions scope 3 (2022 - 2026)

The scope 3 reporting focuses on the three highly material categories for wienerberger, namely the emissions from purchased goods and services, energy related emissions and the transport from our production to the customers. The reduction shall be realized by focusing on suppliers with lower emissions on raw materials. wienerberger's transport efficiency per ton delivered shall improve by using vehicles with lower emissions. Our energy related emissions shall decrease by improved efficiency in the plants and producing our own renewable electricity.

15% of renewable energy used in own operations (2023 - 2026)

The long-term development is strongly correlated with the usage of renewable energy resources. In the short-term, maximizing the sourcing of green electricity and using biogas in regions where this is available shall increase the usage of renewable energy in our own production. The centrally organized energy procurement and engineering organization supports and ensures the efficient transition.



Circularity

>80% of sales from highly durable products (>100 years)

>90% of products sold are recyclable and / or reusable (2023 - 2026)

> 80% of sales from highly durable products (> 100 years)

The main goal in a circular economy is to minimize the extraction of raw materials and the generation of waste by promoting the reuse, repair, and recycling of products and materials. Durability plays a pivotal role in shifting from the traditional linear economy, where products are disposed of after a short lifespan, to a more sustainable circular economy that prioritizes resource efficiency, waste reduction, and environmental protection. Furthermore, durability is a leading circular principle according to CSRD/ESRS as it directly addresses the issue of resource consumption and waste generation. wienerberger has highly durable products, lasting for over 100 years. This is reflected in our strategy as an essential and unique target.



> 90% of products sold are recyclable and/or reusable (2023 - 2026)

In our previous Sustainability Program 2020-2023 we focused on introducing products which are reusable and recyclable. Building on this achievement we are now able to report on the total sales of reusable and recyclable products within the new program. It is vital that we focus on developing innovative reusable products like roof tiles and click-bricks to ensure our sustainable growth.



Biodiversity

10% improvement of fauna, through implemented biodiversity plans for all production plants (2023 - 2026)

400 biodiversity ambassadors trained (2020 - 2026)

100,000 trees planted, equaling to one tree per employee each year (2022 - 2026)

10% improvement of fauna, resulting from the implemented biodiversity plans, for all production plants (2023 - 2026)

wienerberger shall have at the end of 2023 an implemented biodiversity action plan for all its production plants. They are documented within a geographic information system with digitally flagged potential biodiversity measures. By implementing these measures, we strive for an increase in the flora and fauna. Our biodiversity team will collect and analyse the data and will also support the biodiversity community to learn and to improve the results.

400 biodiversity ambassadors trained (2020 - 2026)

We have targeted 400 ambassadors who shall be trained until 2026. Biodiversity ambassadors can measure fauna species such as birds, bees, and butterflies, which are indicators of a good biodiversity, urban habitat and can have a positive effect on the production site and its surroundings.

100.000 trees planted, equalling to one tree per employee each year (2022 - 2026)

wienerberger is a supporter of the global biodiversity framework and promotes the global goal for nature to be net nature positive by 2030. Therefore, wienerberger is on a journey towards becoming nature positive. Planting trees supports a powerful nature positive strategy because of the benefits for ecosystems services that trees provide. Trees provide habitats for biodiversity, they sequester carbon, restore degraded soil, conserve water resources, and enhance the well-being of communities.



Revenue from products supporting net zero buildings

By 2026, **75%** of total revenue coming from building products contributing to net zero buildings

75% of total revenue coming from building products contributing to net zero buildings

Existing buildings are responsible for approximately 39% of global energy and process-related CO₂ emissions. This includes emissions from the operation and maintenance of buildings, which covers some 28%, as well as the energy for materials and construction which covers the remaining 11%¹. Hence, due to the big impact of the building sector on global emissions, the European Commission is focusing on regulations to move from nearly zero energy buildings to net zero-emission buildings by 2030².

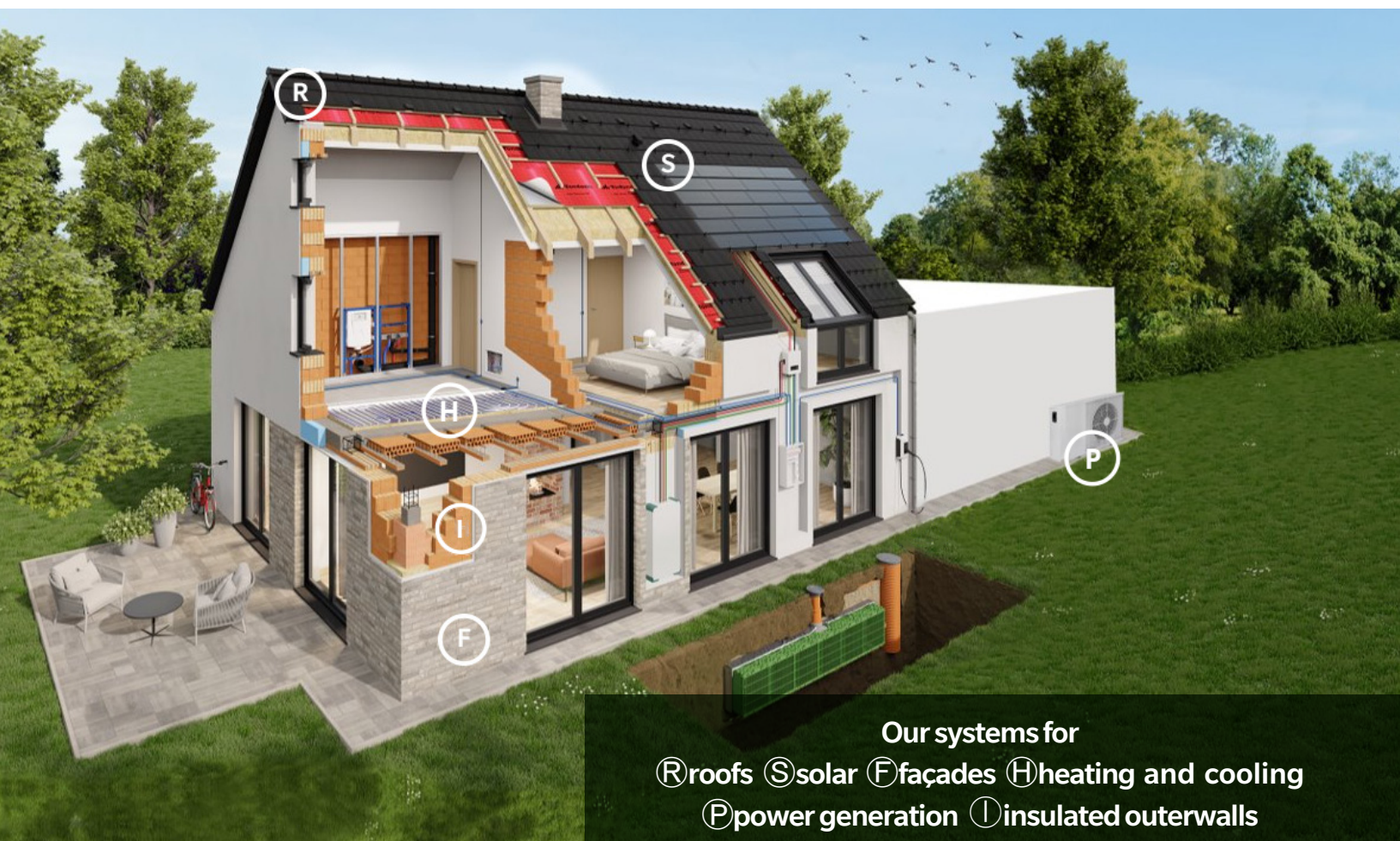
wienerberger's innovative systems and technologies for the building sector have an essential role in designing, constructing, and operating net zero buildings. Driving development, growth and availability of these products will be essential for the buildings sector and Europe's ambition to become CO₂ neutral by 2050.



References

¹[Global Status Report for Buildings and Construction 2019 – Analysis - IEA](#)

²[Nearly zero-energy buildings \(europa.eu\)](#)



The target captures those product categories which support energy efficient buildings, such as: systems for roofs, outer walls including façades, heating, cooling and solar power generation.

Targeting 75% of total revenue coming from building products contributing to net zero buildings is a very strong strategic pillar. The biggest impact wienerberger can have on the worldwide reduction of CO₂ emissions is supporting the design and renovation of buildings to become net zero.



Water management

35 million m³ of water harvested, retained and saved through our products in infrastructure and agriculture (2023 - 2026)

15% reduction of water consumption in own operations (2023 - 2026)

35 million m³ of water harvested, retained, and saved through our products in infrastructure and agriculture cumulatively reported in this three-year period (2023 - 2026)

In water management the European policies urge companies to preserve and restore water. Due to climate change, longer periods of draught cause heat stress in cities and lower the output of our agricultural sectors. By using less water in its own production plants, wienerberger alleviates the impact of such events and contributes to this goal. More importantly we provide solutions for harvesting, reusing, and saving water in vast and increasing numbers.

Within the products and services wienerberger is providing to the infrastructure market, the water management application is growing. The solutions provided in water management ensure harvesting of water for ground water retention or it can be reused for various applications. By new smart technologies and innovative products, the water consumption in water intense applications like agriculture can be lowered. Increased sales in this application and innovations leads to increase in the performance and m³ saved and will result in impressive 35 million m³ of water harvested, retained, and saved through our products.

15% reduction of water consumption in own operations (2023 - 2026)

Our second ambitious target under water management is to reduce 15% of our water consumption in own production. We already have a best practice in place which serves as an example for target realization. The implementation of the target allows wienerberger to showcase water management solutions we are developing such as the Linz Austria pilot plant. In this location rainwater is filtered and used for green façades.



Waste management

15% reduction of waste in own operations (2023 - 2026)

15% reduction of waste in own operations (2023 - 2026)

wienerberger is reporting already three categories of waste. The typical production waste in ceramic and plastic materials is already re-used. According to CSRD/ESRS wienerberger shall provide information on its strategy to retain the value of the resources. Therefore, we have set a new reduction target which focuses also on generic categories of waste. We already have a best practice in place which serves as an example for target realization.

Sustainability Program 2023-2026

2026 Social Targets



Health & Safety

Zero harm (principle)

20,000 visible leadership hours (VLM) per year (2023 – 2026)

>20,000 visible leadership hours per year (2023 - 2026)

The focus on health and safety will be relentlessly continued as we can only principally strive for zero harm. In addition, the focus of our new target is on setting of leading indicators which support wienerberger's safety culture. Especially the involvement of the management in shop floor dialogue meetings supports this cultural change and improves a true involvement of management on safety issues.



Training & Development

18 hours of training per employee per year (2023 - 2026)

500 apprentices cumulatively trained (2023 - 2026)

30,000 cumulative number of training hours for installers (2023 - 2026)

18 hours of training per employee per year (2023 - 2026)

The training effort for all functions company-wide is an important tool for our organizational development. Setting a training target helps employees to acquire and enhance the skills necessary to perform their jobs effectively. It shows employees that wienerberger values their professional advancement and is willing to invest in their success.

500 apprentices trained (2023 - 2026)

By providing possibilities for apprentices from various backgrounds we increase the availability of motivated, diverse, and skilled people who can share wienerberger's mission and vision.

30,000 cumulative number of training hours for installers (2023 - 2026)

One of the larger bottlenecks in the current building industry is the lack of skilled persons on the building sites. In various countries we have already developed excellent trainings for persons who strive to become a building installer and provide application and product trainings to increase the level of know-how. These trainings also provide a strong connection with wienerberger and our brand. wienerberger currently invests 5,900 hours on training installers per year. Improving our cumulative target to 30,000 hours for the period of 2023 to 2026 improves the convenience in using and installing our products.



Diversity & Inclusion

Development and implementation of inclusion and diversity action plan in all countries (2023 - 2026)

Every action plan will include an equal pay and equal opportunity policy

Development and implementation of an inclusion and diversity action plan in all countries (2023 - 2026). Every action plan will include an equal pay and equal opportunity policy

The objective of realizing an inclusion and diversity action plan for all countries where wienerberger is active, is a large extension on our 2023 target on gender diversity. Gender diversity remains an important element of reporting. We aim to achieve this target using a three-year implementation plan. The inclusion and diversity plans are a structure which will be implemented per country recognizing differences in culture and beliefs. By doing so the transition to more equality will be better embedded.



Corporate Social Responsibility

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

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

wienerberger has a long-lasting and trustful cooperation with Habitat for Humanity. The company is also involved in the strategic development of the NGO in Europe and will be involved in new innovative affordable housing concepts. This cooperation both in the US and Europe gives us on average about 100 housing units built for people in need per year. In the last years we also developed an additional regional approach. This allows country management teams to support local needs. These needs can be unforeseen due to natural disasters and conflicts in regions. Our fast and agile local approach has been very effective and shall continue in the Sustainability Program 2023-2026.

UN Sustainable Development Goals (UN SDGs)

The Agenda 2030 for Sustainable Development of the United Nations (UN) comprises 17 Sustainable Development Goals (SDGs). Ten of the 17 SDGs were identified as more or less relevant to wienerberger.

Goal 8 “Decent work and economic growth” was identified as the goal most relevant. Within the framework of its business activity, wienerberger aims, on the one hand, to provide high-quality jobs, and, on the other hand, to decouple economic growth from the degradation of the environment. This includes the enhancement of efficiency and

the increased use of clean and sustainable technologies by the company.

By increasing its own resource and energy efficiency in production, wienerberger also contributes significantly to the achievement of Goal 12 “Responsible consumption and production”.

Business ethics and social impacts

Ensuring compliance with the highest standards of integrity and business ethics is a matter of special importance for wienerberger. The company reaffirms its global commitment to fair working conditions and respect for human rights. Within its sphere of influence, it guarantees the protection of fundamental human rights. It goes without saying that wienerberger tolerates neither child labour nor forced labour nor any form of discrimination.

wienerberger is steadily pursuing the strictly defined target of “zero incidents of corruption” and expects all its employees to act accordingly. In 2021, wienerberger elaborated a group-wide Code of Conduct,

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

Reporting frameworks and initiatives supported

Reporting frameworks















Consultation process 2023

International initiatives supported



United Nations
Global Compact







RELEVANT SDGs RELATING TO THE ENTIRE wienerberger



Relevance: high					<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	
Relevance: medium					<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>
Relevance: low			<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>	<div>15</div> <div>LIFE ON LAND</div> <div></div>	<div>13</div> <div>CLIMATE ACTION</div> <div></div>	<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> <div></div>	<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>
Relevance: zero	<div>1</div> <div>NO POVERTY</div> <div></div>	<div>2</div> <div>ZERO HUNGER</div> <div></div>	<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<div>10</div> <div>REDUCED INEQUALITIES</div> <div></div>	<div>14</div> <div>LIFE BELOW WATER</div> <div></div>	<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> <div></div>

Sustainability ratings and recognitions

Sustainability has always been in our DNA and is therefore an essential part of our company's 200-year history. We assume responsibility - under ecological, social and economic aspects - for a liveable future. This is also reflected in our external recognitions.

Ratings

MSCI ESG: AAA rating



For the fifth time in a row, MSCI ESG Rating awarded wienerberger the highest rating of AAA again in November 2022. With measures such as detailed anti-bribery and whistle-blower protection policies, and improved audit practices, wienerberger leads most home market peers on business ethics practices. Further, with strong board practices and shareholder rights, we lead most home market peers on corporate governance.

Ecovadis: Gold



In November 2022, wienerberger received the GOLD medal and is among the top 4% of the evaluated companies in our industry. While we have continued to improve in all areas, we are among the top 1% of the evaluated companies in our industry in the area of sustainable procurement.

ISS ESG: Prime status



wienerberger improved its rating to B- and was again classified as a Prime investment in July 2023. This status was first awarded to us in 2013 and places us in the top decile of rated companies in the building materials industry. This makes our market-traded securities stand out as an attractive ESG investment. Particularly well rated was our commitment in the area of eco-efficiency, i.e. energy efficiency, carbon intensity, water efficiency and waste intensity.

CDP: "B" rating (management band)



wienerberger reported to the CDP (Carbon Disclosure Project) platform for the first time in 2022 and was awarded a B rating (management band) in December 2022. This rating confirms that wienerberger takes coordinated action on climate issues. Through disclosure in the CDP questionnaire on climate change, wienerberger has made itself available to respond to the increasing demand for environmental transparency from financial institutions, our customers and policy makers.

Sustainalytics: Medium ESG risk



In August 2023, wienerberger received an ESG risk rating of 23.6 and was again classified at medium risk of being exposed to material financial impacts from ESG factors. The result was positively influenced in particular by our strong corporate governance performance.

Indices

Vönix Sustainability Index



wienerberger continues to be represented in the VÖNIX Sustainability Index for the years 2023/24, where we have been listed since its inception in 2005. It was one of the first national sustainability indices and demonstrates the long-term benefits of sustainable management and investment.



Sustainability has always been in our DNA!



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By meeting our ambitious short-, medium-, and long-term sustainability targets, we will give future generations the same opportunities we have today.

26

The five core components:

- Selection of Key Performance Indicators (KPIs)
- Calibration of Sustainability Performance Targets (SPTs)
- Financial characteristics
- Reporting
- Verification

Sustainability-Linked Finance Framework

Rationale for issuing sustainability-linked finance instruments

Sustainability has always been an integral part of wienerberger's corporate strategy. With our sustainable solutions for housing construction, energy-efficient renovation, and water management, we are continuously improving people's quality of life. By meeting our ambitious short-, medium-, and long-term sustainability targets, we will give future generations the same opportunities we have today. Our measures aimed at decarbonisation, the preservation of biodiversity, circular economy as well as in the new additions - revenue from products supporting net zero buildings, and water and waste management - are our contribution to a sustainable future.

As a natural next step, by setting up this document (the Sustainability-Linked Finance Framework or Framework), we intend to link our funding with our key objectives in decarbonisation of our own operations and revenue from products supporting net zero buildings, which we feel are the most material for our own and our society's long-term sustainability performance. In doing so, we are also reinforcing our commitment to drive the green transition and prepare the ground for the future.

The Framework is developed in alignment with the Sustainability-Linked Bond Principles (SLBP) published in 2023 by the International Capital Market Association (ICMA) and the Sustainability-Linked Loan Principles (SLLP) published in 2023 by LMA, APLMA and LSTA.

The five core components are:

- Selection of Key Performance Indicators (KPIs)
- Calibration of Sustainability Performance Targets (SPTs)
- Financial characteristics
- Reporting
- Verification

The Framework allows wienerberger to raise capital through sustainability-linked bonds and loans (Sustainability-Linked Finance Instrument). The terms and conditions of the underlying documentation for each Sustainability-Linked Finance Instrument issued by wienerberger shall provide a reference to this Framework. The purpose of the Framework is to define the KPIs, SPTs, financial characteristics, disclosure and verification related to our sustainability-linked financing.

Selection of Key Performance Indicators

wienerberger has selected two KPIs, which are core, relevant, and material to its operations and measure its sustainability improvements.

Climate & Energy is identified as being the most material topic for the entire wienerberger along the value chains of all product groups. Existing buildings are responsible for approximately 39% of global energy and process-related CO₂ emissions. With the KPI 1, we primarily address the emissions from materials and construction, which cover some 11% of global emissions, and with the KPI 2, we primarily address the emissions from the operation and maintenance of buildings, which cover some 28% of global emissions.

As an example, our dematerialized bricks, which are produced with less CO₂ (KPI 1), also require less CO₂ in transport, while still covering the same area of façades, allowing for better insulation in walls due to slimmer bricks (KPI 2) – all with the same functionality as the previous materials. Hence, a reduction in our production related CO₂ emissions will have the effect that also the construction and use phase emissions of that building will achieve a similar reduction, resulting in lower emissions both in materials and construction (11% of global emissions) as well as in operation and maintenance of buildings (28% of global emissions).

KPI 1: Scope 1 and 2 greenhouse gas (GHG) emissions intensity

Definition

Reduction of our scope 1 and 2 emissions intensity as kg CO₂/quantity of products ready for sale.

Scope

Scope 1 emissions: direct CO₂ emissions from primary sources of energy and from raw materials

Scope 2 emissions: indirect CO₂ emissions from the wienerberger's consumption of electricity

Combined, our scope 1 and scope 2 CO₂ emissions represented approximately 50% of our total CO₂ emissions in 2022.

Calculation methodology

In accordance with the Greenhouse Gas Protocol, we report the specific values as an index in % relative to the defined baseline year, the values of which are set at 100%. The Index-linked specific CO₂ emissions are indicated in % based on kg CO₂/quantity of products ready for sale (2020 = 100%).

Specific CO₂ emissions are calculated on the basis of absolute CO₂ emissions (excluding CO₂ from biogenic input material) in kilograms relative to the quantity of products ready for sale (kg CO₂/quantity of products ready for sale in tons, m², or TNF).

Tons for plastic pipes, ceramic pipes, and other concrete products.

Thousand normal formats (**TNF**) for clay blocks.

m² for roof tiles, facing bricks, and pavers as well as calcium silicate products.

Rationale and materiality of the KPI

The building sector accounts for more than one third of worldwide energy consumption and almost 40% of CO₂ emissions. We support the European Green Deal and set the course for the future by lowering our own process CO₂ footprint. Our dematerialized products also cater for less CO₂ in transport and for net zero buildings. To this, wienerberger product and system solutions have a long useful life of over 100 years and help to make buildings user phase climate-neutral and cost efficient through low maintenance. With our building and infrastructure systems, we provide long-term solutions for the adaptation to climate change.

In wienerberger's materiality analysis conducted in 2020, and reconfirmed in 2022, the Climate & Energy was defined as the most important thematic area for us in terms of relevance to stakeholders and impacts to our business activities.

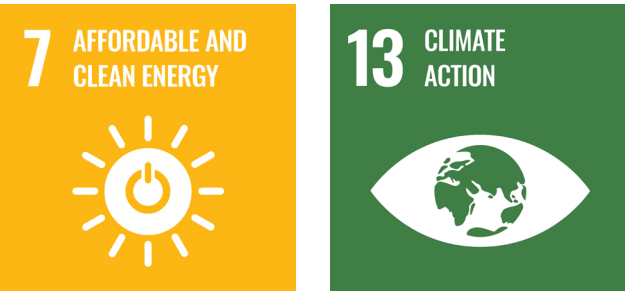
The reduction of CO₂ emissions to become net zero in 2050 is the most material topic within our ESG strategy. The scope 1 and 2 emissions are emissions in which wienerberger has the highest control and responsibility to reduce.



Historical performance (baseline year = 2020)

(2020 = 100%)	2020	2021	2022
Index of specific direct (scope 1) and indirect (scope 2) CO ₂ emissions in %, based on kg CO ₂ /quantity of products ready for sale	100.0	91.9	86.8

Contribution to SDGs



The KPI refers to the United Nations Sustainable Development Goal 13 “Climate Action” and 7 “Affordable and Clean Energy”, as well as the EU environmental objective “Climate Change Mitigation”.

KPI 2: Revenue from products supporting net zero buildings

Definition

Revenues coming from building products contributing to net zero buildings, meaning revenues from products that:

- Meet the substantial contribution to climate change mitigation criteria (U-value threshold), part of the technical screening criteria, under the EU Taxonomy Regulation 2020/852 economic activity 3.5.
Manufacture of energy efficiency equipment for buildings; or
- Contribute to a lower energy consumption within the buildings, even if not yet covered by the Taxonomy Regulation³; or
- Contribute to energy consumption through renewable energy in the buildings⁴; or
- Contribute to a lower embodied energy footprint of the building⁵.

Any material scope change with regards to the above definition in the future will be subject to external verification of the framework.

Scope

In 2022, the total wienerberger revenues of approx. EUR 5bn consisted of approx. EUR 3.6bn (73%) Buildings Products Revenues and approx. EUR 1.4bn (27%) infrastructure, agriculture and other. For the purpose of this KPI, we focus on the revenues of building products. All revenues from building products in wienerberger’s portfolio that are considered as part of the building envelope (the “wienerberger Building Products Revenues”).

Calculation Methodology

Sales of building products fitting the definition of products contributing to net zero buildings divided by the total wienerberger Building Products Revenues.

Revenues from building products contributing to net zero buildings

Total Wienerberger Building Products Revenues

31



References

³ Low temperature cooling and heating systems
⁴ Photovoltaic (PV)
⁵ Products with extremely low CO₂ emission: Products with almost zero-emission in the production phase (at least 80% lower CO₂ emission in production compared to 2020)

Rationale and materiality of the KPI

Globally we need to lower the energy use from construction and maintenance of buildings as well as from the use phase. This is supported by the European Commission, focusing on zero-emission building regulations.

wienerberger’s innovative systems and technologies for the building sector have an essential role in designing, constructing, and operating net zero buildings. Driving development, growth and availability of these products will be essential for the buildings sector and Europe’s ambition to become CO₂ neutral by 2050.

The biggest impact wienerberger can have on the worldwide reduction of CO₂ emissions is to support the market with products designed for buildings to become net zero. This KPI refers to the so called scope 4 emissions, i.e. avoided emissions outside a company’s value chain.



Historical performance (baseline year = 2020)

	2020	2021	2022
% revenue from products supporting net zero buildings	69	68	70



Contribution to SDGs

7 AFFORDABLE AND
CLEAN ENERGY



13 CLIMATE
ACTION



11 SUSTAINABLE CITIES
AND COMMUNITIES



The KPI refers to the United Nations Sustainable Development Goal 13 “Climate Action”, 7 “Affordable and Clean Energy” and 11 “Sustainable Cities and Communities”, as well as the EU environmental objective “Climate Change Mitigation”.

Calibration of Sustainability Performance Targets

SPT 1

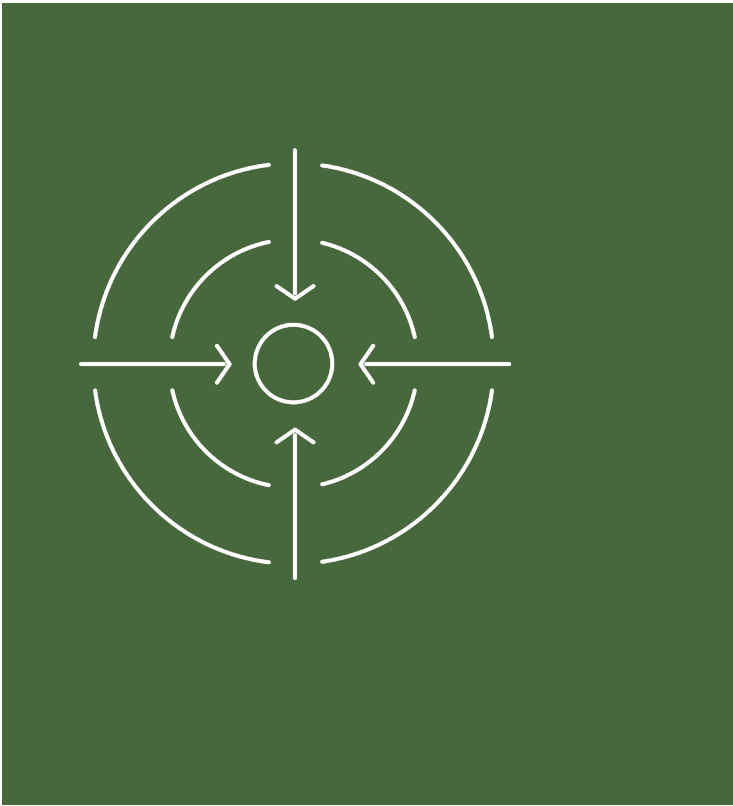
Reduce intensity of specific direct CO₂ emissions (scope 1) and indirect CO₂ emissions from electricity (scope 2)

	SPT 1a	SPT 1b
	Reduce scope 1 & 2 CO ₂ emissions intensity by 25% by 2026 from a 2020 base year	Reduce scope 1 & 2 CO ₂ emissions intensity by 40% by 2030 from a 2020 base year
Target Observation Date	December 31, 2026	December 31, 2030

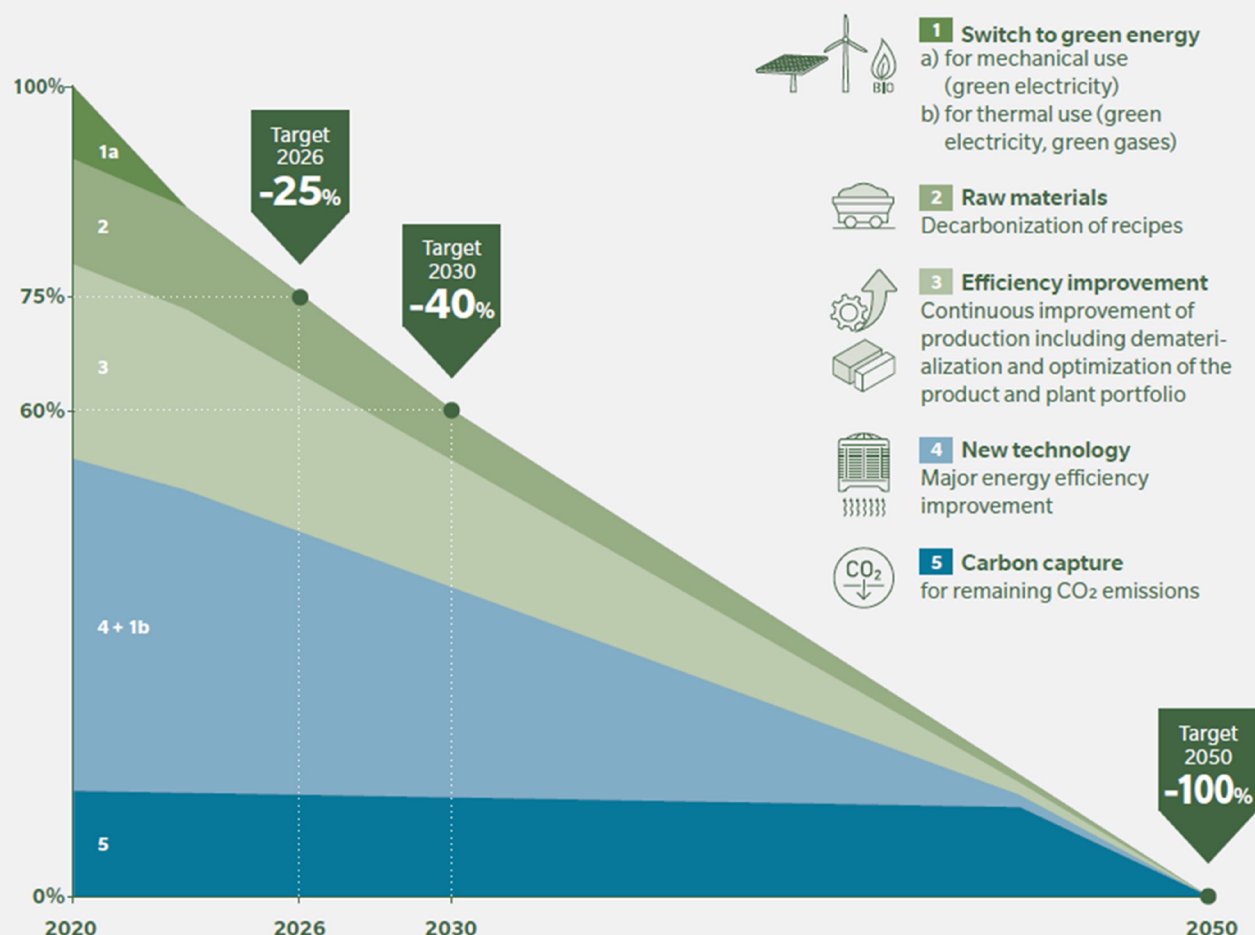
Proposed target

For wienerberger, climate change mitigation and adaptation to climate change along the entire value chain are material topics in wienerberger’s mission to improve people’s quality of life and create a better world for future generations.

wienerberger is committed to the European Union’s long-term target of climate neutrality by 2050. wienerberger’s medium-term target is to reduce its specific CO₂ emissions by 25% by 2026 and by 40% by 2030, as compared to 2020. These are to be achieved through targeted programs and measures.



wienerberger's PATH TO CARBON NEUTRALITY BY 2050 FOR SCOPE 1 AND SCOPE 2 EMISSIONS



Strategy to achieve SPT 1

In production and product design, we are minimizing CO₂ emissions through technological innovations and more efficient processes.

Through ongoing optimization programs, such as the Plant Improvement Program (PIP) and the Production Excellence Program (PEP), as well as the Lean Six Sigma management approach, we are improving our production procedures and optimizing our processes.

In our sourcing, we promote circularity by increasing the amount of secondary raw materials used. In addition, our group-wide supply management facilitates the optimization of transport and our dematerialized products

also require less transport per unit. Moreover, we have decided to fully convert to green energy. The remaining greenhouse gas emissions will be offset by climate protection programs.

We are advancing the decarbonisation 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 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.

Key factors that could affect the ability to meet the SPT 1

Key factors beyond wienerberger's direct control that may affect the achievement of the SPT1 include extreme events such as pandemics and natural disasters, market constraints in availability and pricing of renewable energy as well as M&A activity and organic growth that significantly change the profile of our emissions.

SPT 2

75% of total revenue coming from building products contributing to net zero buildings

	SPT 2
	75% of total revenue coming from building products contributing to net zero buildings
Target Observation Date	December 31, 2026

Proposed target

wienerberger's mission to improve people's quality of life and create a better world for future generations alongside the European Union's long-term target of climate neutrality by 2050, can't be better served by wienerberger than to develop and make building products supporting net zero buildings available.

Climate change mitigation and adaptation to climate change is crucial throughout the entire value chain, even past products leaving our premises, for this reason the target of 75% of total revenue coming from building products contributing to net zero buildings is where we can contribute the most. By dedicated R&D activities and by introducing innovative product systems solutions, we aim to increase the share to 75% by 2026.



Strategy to achieve SPT 2

For buildings, wienerberger provides solutions for roofs, façades, walls, in-house piping, PV, and heat pumps.

Various initiatives are part of our strategy to increase the share of products which contribute to net zero buildings.

To meet our ambitious target of increasing revenue from building products contributing to net zero buildings, we are developing products that fit the definition and support affordable buildings. Succeeding in this we put ourselves in a position where we can increase market shares at the same time as we contribute to a low emission society.

To achieve the target, we need to grow further in these prioritised areas:

- Roof sector, through innovative roof systems which will also include integrated PV solutions with a special focus on renovation
- Wall and façade systems, which do not require additional insulation or have integrated insulation supporting both heating and cooling
- In-house technology solutions for low temperature heating and cooling

Key factors that could affect the ability to meet the SPT 2

Key factors beyond wienerberger's direct control that may affect the achievement of the SPT 2 include extreme events such as pandemics and natural disasters due to their slowing effect on our development processes, as well as market constraints in availability and pricing of needed materials and renewable energy.

Financial Characteristics

The financial characteristics of any Sustainability-Linked Finance Instrument issued under this Framework will be specified in the transaction-specific documentation, and will change if a trigger event occurs, resulting in a financial impact.

The financial characteristics selected, include specification of financial impact, implementation of the financial impact, Target Observation Date and Reporting End Date, and will be stated in the transaction-specific documentation, where, unless otherwise specified:

- > The financial impact will be in the form of a redemption price premium, coupon step-up or margin adjustment.
- > Any applicable redemption price premium will be paid at maturity, and any applicable coupon step-up will apply from the first day of the next interest period following the Reporting End Date.
- > SPT 1 (a or b) and SPT 2 will always be used jointly. SPT 1 will carry a weighting of approximately one third and SPT 2 a weighting of approximately two thirds out of the total financial impact.
- > The Target Observation Date is defined as the date when the performance of the KPI is observed and measured and will fall on the last day of the calendar year.
- > The Reporting End Date is defined as the date falling on 120 days after the relevant Target Observation Date.
- > For other Sustainability-Linked Finance Instruments than bonds, wienerberger has intermediate internal annual SPTs available.

A trigger event occurs if:

- > The performance in respect of one or more of the selected KPIs fail to satisfy the applicable SPTs at the relevant Target Observation Date; or
- > The reporting does not meet the requirements as set out in the transaction-specific documentation; or
- > The verification has not been provided and made publicly available as set out in the transaction-specific documentation.





Recalculation policy

Any material changes in wienerberger’s organizational structure, calculation methodology or data quality will result in a recalculation of the baseline level for each KPI and the related SPT. The recalculated baseline levels or SPTs will be reported in the next sustainability-linked progress report, as stipulated in the Reporting section, and will be verified by a qualified external reviewer as outlined in the Verification section. The recalculations are expected to be consistent with wienerberger’s sustainability strategy and materially in line with the initial ambition level of the SPTs.

For the avoidance of doubt, any new or updated framework, in relation with any subsequent securities issuance, shall not have any implications on the securities issued under this Framework.



Reporting

wienerberger will annually publish a sustainability-linked progress report to ensure that investors and other stakeholders have updated and adequate information about wienerberger's performance of the selected KPIs against the SPTs.

The reporting may be in the form of either a stand-alone report or incorporated into the integrated Annual Report. The performance level of each of the KPIs against the relevant SPTs shall be verified by a qualified external reviewer with relevant expertise.

In the case wienerberger would have other Sustainability-Linked Financing Instruments than bonds outstanding the company may choose to report, in relation to these other financial instruments, directly and non-publicly, to the lenders or counterparts.



The sustainability-linked progress report will include:

- > The performance of the KPIs against the SPTs, as per the relevant reporting period, including calculation methodologies and baselines;
- > Information about recalculations of the baselines, if any;
- > Information on any relevant updates to wienerberger's sustainability strategy and/or governance with a potential impact on the KPIs and SPTs;
- > A list of Sustainability-Linked bonds outstanding.

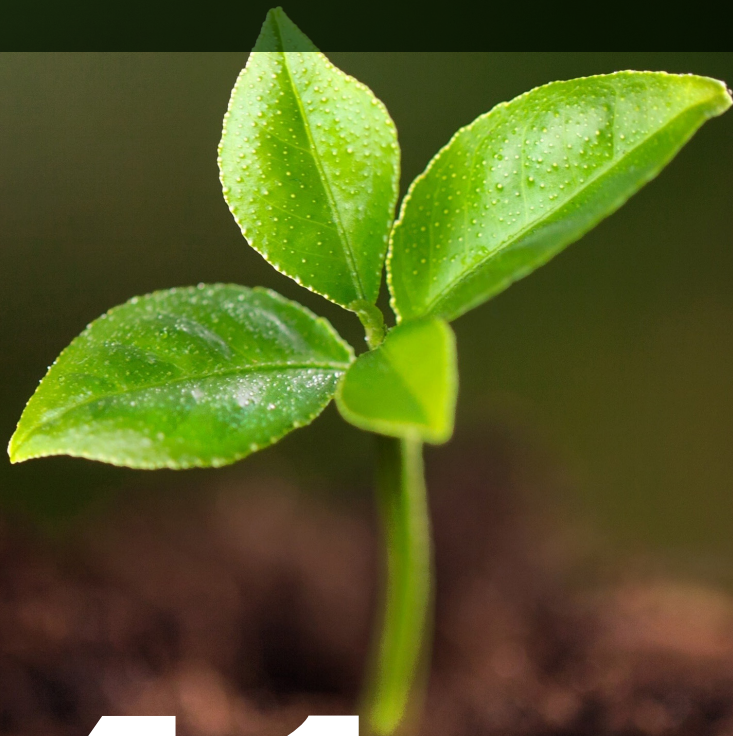


Where feasible and relevant the reporting will also include:

- > Qualitative and/or quantitative explanations of the major contributing factors behind the development of the performance of the KPIs on an annual basis;
- > Illustration of the positive sustainability impacts of the performance improvement;
- > Updates on new or proposed regulations from regulatory bodies relevant to the KPIs and the SPTs.



wienerberger’s mission to improve people’s quality of life and create a better world for future generations alongside the European Union’s long-term target of climate neutrality by 2050, can’t be better served by wienerberger than to develop and make building products supporting net zero buildings available.



Verification

Post issuance verification

wienerberger will annually seek an external and independent verification of its performance against each SPT for each KPI, by a qualified external reviewer with relevant expertise. The external reviewer will be chosen in accordance with the Voluntary Guidelines for External Reviews developed by the Principles for Green, Social, Sustainability and Sustainability-Linked Bonds, and may at the discretion of wienerberger be changed subject to fulfilling the requirements set out herein. The verification shall be conducted at least with a limited assurance.

Second party opinion

wienerberger has engaged Moody's Investors Service to provide a second party opinion to this framework, assessing the relevance, robustness, reliability and ambition level of the selected KPIs and SPTs and confirming their alignment with the Sustainability-Linked Bond and Loan Principles.

Publicly available documents

The Framework and the second party opinion will be publicly available on wienerberger's website together with the annual reporting and verification, once published.





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Concept and design

Corporate Communications

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