Agreement: Wienerberger Social Charter

The following agreement is hereby concluded between

WIENERBERGER AG
A-1100 Vienna, Wienerbergstrasse 11

on the one hand, and the

EUROPEAN EMPLOYEES’ COUNCIL of WIENERBERGER AG
A-1100 Vienna, Wienerbergstrasse 11

on the other hand, for the Support and Protection of Employee Rights
Wienerberger is a company group that is active in the building materials industry in 28 countries throughout Europe, North America and Asia. The Group currently has a workforce of more than 11,000 employees in 214 production facilities as well as in marketing and administration.

The Wienerberger Group is well aware of its responsibility in all markets, and has declared its support for the principles of sustainable development. For Wienerberger, social progress, environmental protection and the careful use of resources are key factors that shape the actions of the Group over the long-term.

In order to implement these principles in daily work and enable verification, Wienerberger and the European Employees’ Council of the Wienerberger Group hereby define what is meant by the “support and protection of employee rights” in this Social Charter. This also includes compliance with all relevant agreements and recommendations issued by the International Labor Organization (ILO) in Geneva, which are mentioned in the appendix to this Agreement, as well as ratification of the Charter of Human Rights of the European Union (proclaimed on December 7, 2000 in Nice).

The Wienerberger Group accepts the social and ethical responsibility that results from the globalization of the company and markets. Therefore, the Group declares its intention to strive for employment and working conditions in all its production and sales companies throughout the world, which meet or exceed the requirements of tariff agreements and/or national law. Group production and sales companies are also required to comply with all agreements and recommendations of the International Labor Organization (ILO) that are relevant to their business activities. For example, this includes the prohibition of child labor and the freedom of employees to join the union of their choice and participate in free collective bargaining negotiations.

The Wienerberger Group therefore declares its intention to maintain the standards and recommendations set forth in the Social Charter, which are included as an appendix to this Agreement.
A committee will be established to monitor compliance with this Agreement. The Monitoring Committee will be comprised of an equal number of representatives of Wienerberger and the European Employees’ Council of Wienerberger. The office of the Chairman of the European Employees’ Council will serve as the contact address for the Monitoring Committee, and will always be mentioned in publications of or about the Social Charter. The Committee will meet at least once every two years and, whenever possible, will hold its meetings in Wienerberger production or sales companies.

The members of the Monitoring Committee will receive all information necessary for the performance of their duties. The management of the Wienerberger Group will report to the European Employees’ Council at least once each year at a meeting, and provide information on the status of implementation and compliance with the Social Charter in the Wienerberger Group.

Strasbourg, October 11, 2001

Managing Board of Wienerberger AG
European Employees’ Council of Wienerberger AG

Reviewed:
International Association of Construction and Wood Workers
Appendix to the Agreement between Wienerberger AG and the European Employees’ Council of Wienerberger AG

SOCIAL CHARTER

1. Free choice of employment
The Group will not make use of any forced labor, including debt servitude and compulsory prison labor (ILO Agreements Nr. 29 and 105).

2. No discrimination in employment
All employees will receive the same opportunities and same treatment, regardless of race, color of skin, sex, religion, political beliefs, national or social origin, or other distinguishing features (ILO Agreements Nr. 100 and 111).

At the same time, Wienerberger will work to combat social discrimination.

3. No child labor
Child labor will not be used in any Group company. All employees must be older than school age (minimum age of 15 years) (ILO Agreement Nr. 138).

Children under 18 years of age may not perform any work that could damage their physical or mental health, safety or morals (ILO Agreement Nr. 182).

4. Respect for the freedom of organization and right to collective bargaining negotiations
All employees are entitled to form and join unions, and to negotiate collectively (ILO Agreements Nr. 87 and 98). Wienerberger therefore pledges not to oppose any efforts by unions to record its employees, and guarantees that employee representatives will not suffer discrimination. Furthermore, Wienerberger ensures that these representatives will receive access to all facilities necessary for the fulfillment of their functions (ILO Agreement Nr. 135 and Recommendation Nr. 143).
5. Payment of sufficient compensation
Employees will receive wages/salary and benefits for a normal working week at an amount that safeguards their livelihood, in accordance with similar jobs in the appropriate trade or branch of industry in the region in which the work is performed. Employees will not be paid less than the minimum legal and/or tariff wage.

Under no circumstances will deductions be made from an employee's wage or salary without his/her explicit approval, unless such deductions are permissible under national law.

6. No excessive working time
Working time will not be longer than the maximum working time defined by national law, national agreements, or tariff agreements for the relevant branch of industry.

7. Adequate working conditions
A safe, clean and lasting working environment will be provided (ILO Agreement Nr. 155). Optimal actions in the area of industrial safety will be required, safety equipment and training will be provided, and specific dangers such as poisonous or other toxic materials will be avoided wherever possible. Alternatives that are not dangerous will be applied or used wherever possible.

Conditions prevailing during the performance of work duties will not represent any danger for physical or mental health.

No work that represents a violation of law or safety regulations may be performed.

8. Fixed employment
The obligations of the employer towards employees under employment law or social security law and regulations arising from the normal employment relationship will be observed.

The Wienerberger Group does not employ any illegal workers.
The Wienerberger Group will provide written and verbal information on this Agreement in all places of work. Every employee will receive a copy in the language of his/her country.

Employee representatives have the right to hold meetings to provide employees with information on this Social Charter, and to report known violations to the European Employees' Council of Wienerberger. Employees and employee representatives who report known violations of this Social Charter may not be punished for such actions.

In order to implement the goals and intentions set forth in this document, Wienerberger and the European Employees' Council of Wienerberger will enter into an ongoing dialogue, independent of the work of the Monitoring Committee, and will meet regularly or as required to evaluate the implementation of this Agreement and any reported violations of its provisions.

Both parties agree to examine differences over the interpretation or implementation of this Agreement together, so recommendations may be provided to the parties concerned.