



# Employees

## *Principles, Processes and Instruments*

Our employees are the basis of our success and a key factor for the successful development of our company. It is our task to create the necessary basis and the best possible conditions for the safety, health and satisfaction of our employees. To this end, we are making every effort to achieve continuous improvements in the fields of occupational health and safety, diversity and equal opportunities, and initial and further training. A culture of open communication in our company, the consistent involvement of our employees, and a motivating working environment are essential in this context. Our values provide the basis for our entrepreneurial actions. In particular, responsibility, integrity and respect govern Wienerberger's relationship with its employees.

## *Results of our 2014 Materiality Analysis*

The results of our materiality analysis on social aspects relating to our employees are described on page 40 of our 2016 Sustainability Report.

The results of our materiality analyses provide the basis for our five-year plan of action, the Wienerberger Sustainability Roadmap 2020. The employee-related targets and measures within the framework of the Wienerberger Sustainability Roadmap 2020 are summarized at the end of this chapter under "Targets and Measures Relating to Employees".

## *Collection of Indicators*

Temporary and agency workers: In previous reports, temporary and agency workers were included only after three months of uninterrupted work at Wienerberger. As of 2017, in the interest of even higher transparency, all temporary workers, as well as full-time equivalents, are included in the calculation of accident indicators from their first hour of work at Wienerberger. All indicators concerned by this change of definition are marked accordingly.

Percentage of women by functional area: Up to 2016, the percentage of women was indicated as a percentage of the company's total headcount, including temporary and agency workers (having worked at Wienerberger for more than three months without interruption). From 2017 onwards, this indicator excludes temporary and agency worker. The indicators in previous Sustainability Reports did not correspond to the scope of the reporting system applied.

Since 2017, strategic decisions regarding the sustainability management of the Pipelife production site in North America have no longer been taken by the Pipelife Business Unit, but by the North America Division. In the reporting period, however, the production site is no longer part of Pipelife's and not yet part of North America's Sustainability Roadmap 2020. This change has no influence on the employee-related indicators, which have always been presented by Division and by operating segment since the inception of sustainability reporting. The integration of the production site into the Sustainability Roadmap 2020 is being prepared.

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

## *Employment Trends*

### **Number of employees**

In 2017, Wienerberger employed a workforce of 16,297 people (full-time equivalents), i.e. 1.9% more (306 FTEs) than in 2016. The highest increase (in FTEs) was reported by Clay Building Materials Europe (+239), followed by Pipes & Pavers Europe (+47), North America (+17) and Holding & Others (+5). In the latter, the increase in percentage terms is highest (+2.5%) on account of the low number of employees.

### Ø Employees by operating segment <sup>1)</sup> full-time equivalents

	2015	2016	2017	Chg. in %
Clay Building Materials Western Europe	6,035	5,983	6,121	+2.3
Clay Building Materials Eastern Europe	4,184	4,350	4,451	+2.3
Clay Building Materials Europe	10,219	10,333	10,572	+2.3
Pipes & Pavers Western Europe	1,757	1,841	1,884	+2.3
Pipes & Pavers Eastern Europe	2,368	2,322	2,326	+0.2
Pipes & Pavers Europe	4,125	4,163	4,210	+1.1
North America	1,272	1,289	1,305	+1.3
Holding & Others	197	205	210	+2.5
<b>Wienerberger Group</b>	<b>15,813</b>	<b>15,990</b>	<b>16,297</b>	<b>+1.9</b>

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.

The number of employees increased the most in production (+184 full-time equivalents), followed by

sales (+78) and administration (+45). In percentage terms, the increase was highest in administration (+3.1%).

### Ø Employees by functional area <sup>1)</sup> full-time equivalents

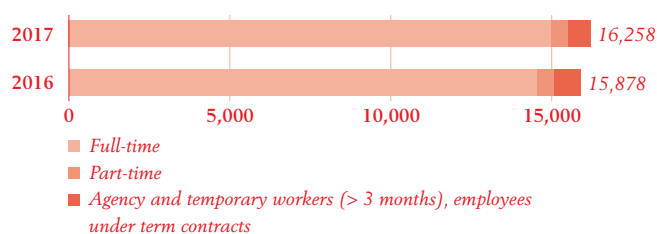
	2015	2016	2017	Chg. in %
Production	10,696	10,778	10,962	+1.7
Administration	1,404	1,462	1,507	+3.1
Sales (including marketing and inventories)	3,713	3,750	3,828	+2.1
<b>Total</b>	<b>15,813</b>	<b>15,990</b>	<b>16,297</b>	<b>+1.9</b>

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.

As at 31/12/2017, 92% of the total workforce (headcount) employed by the Wienerberger Group worked full-time and 3% part-time. Temporary and agency workers (regardless of the duration of their employment at Wienerberger) as well as employees under term contracts accounted for the remaining 5%. A very small part of the work at Wienerberger is performed by staff legally defined as self-employed. Altogether, the breakdown of employees by type of employment contract has remained almost unchanged since 2016.

### Employees by employment relationship <sup>1)</sup>

based on headcount



1) Temporary and agency workers (having worked at Wienerberger for more than 3 months without interruption) included until 2016. From 2017 onwards excluding agency workers, who are not directly employed by Wienerberger.

## Employee turnover

Compared with the previous year, the rate of employee turnover (defined in note 1 in the following table) in the Wienerberger Group increased from 9.0% in 2016 to 9.2% in 2017. The only exception was the Pipes & Pavers Europe Division, which reported a slight

decrease in employee turnover from 11.2% to 11.1%. As in previous years, the figures of the North America Division are not fully comparable due to specific local legal provisions and are therefore again reported separately.

### Employee turnover by operating segment <sup>1)</sup> in %

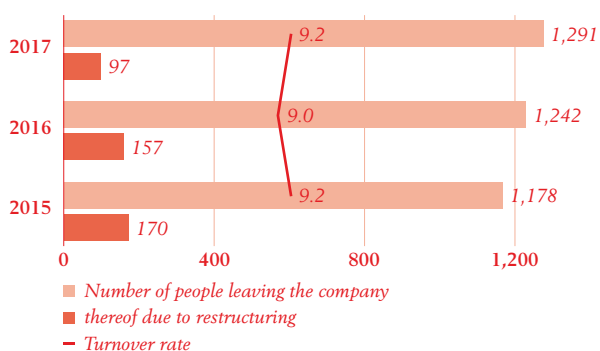
	2015	2016	2017
Clay Building Materials Western Europe	7.9	7.6	7.0
Clay Building Materials Eastern Europe	11.3	9.3	10.5
Clay Building Materials Europe	9.1	8.3	8.5
Pipes & Pavers Western Europe	6.8	7.8	9.5
Pipes & Pavers Eastern Europe	11.5	14.0	12.5
Pipes & Pavers Europe	9.4	11.2	11.1
Holding & Others	9.3	5.4	8.6
<b>Gesamt ohne North America</b>	<b>9.2</b>	<b>9.0</b>	<b>9.2</b>
North America <sup>2)</sup>	24.7	28.4	30.0

1) Ratio of persons leaving the Wienerberger Group (termination by employee or employer as well as mutually agreed termination) to average number of employees (headcount) in permanent employment during the year; excluding temporary and agency workers as well as workers under term contracts; persons retiring or on leave do not count as persons leaving the company. // All non-financial indicators are calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) Figures not fully comparable with those of other Divisions due to special local legislation.

A total of 1,291 employees left the company in the reporting year (headcount; excl. North America Division, which is not fully comparable with other Divisions due to specific local legislation). Restructuring measures led to the elimination of 97 jobs. 1,194 employees – 212 women

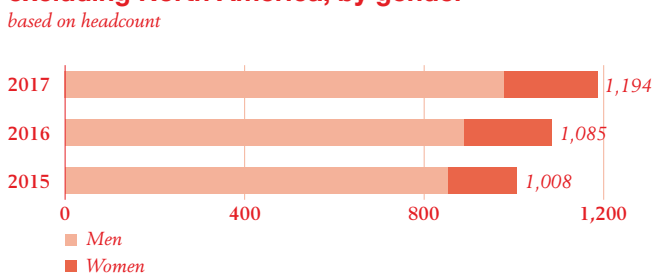
and 982 men – left the Wienerberger Group for other reasons. 662 of these employees were between 30 and 49 years of age; 261 were under 30 and another 271 were over 50 years of age.

### Employee turnover excluding North America <sup>1)</sup> based on headcount



1) Employees in permanent employment

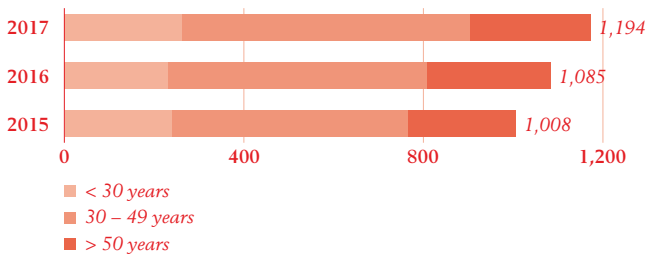
### Employees leaving, excluding restructuring, excluding North America, by gender <sup>1)</sup> based on headcount



1) Employees in permanent employment

**Employees leaving, excluding restructuring, excluding North America, by age <sup>1)</sup>**

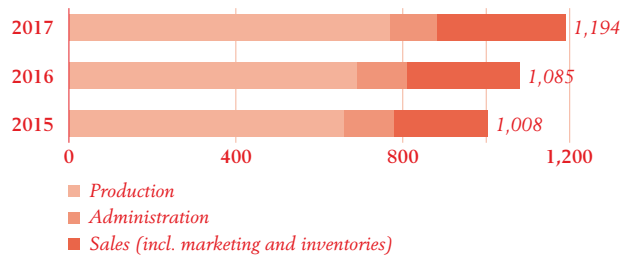
*based on headcount*



1) Employees in permanent employment

**Employees leaving, excluding restructuring, excluding North America, by functional area <sup>1)</sup>**

*based on headcount*



1) Employees in permanent employment

Broken down by functional area, employee turnover declined in administration (-5%), contrasting with the Group-wide trend, which shows that employee turnover is highest in production and sales. The differentiated presentation of employee turnover, broken down by functional area, age and sex, supports our efforts to counteract employee turnover through targeted measures.

The average length of service with the company remains high at 13 years. We regard this as a strong vote of confidence in the Wienerberger Group by our employees.

**Employee satisfaction**

The Wienerberger employee survey launched at holding company level in 2015 in cooperation with a competent partner was rolled out to another 25 organizations in 17 countries in 2017. The degree of satisfaction of our employees at these locations was established on the basis of a set of criteria. About 3,200 employees took part in the anonymous survey. The results, broken down by department cluster, were communicated to all employees at the locations concerned and further steps were initiated. By 2018, the employee survey will be completed in all country organizations of the Wienerberger Group and used as a basis for targeted measures to further improve employee satisfaction.

**Occupational Safety and Health**

Wienerberger takes its responsibility for providing safe and healthy working conditions for its employees very seriously. This focus was confirmed by the materiality analysis performed in 2014 as an aspect of special relevance in our value chain. All normal capex and standard maintenance activities are carried out with the health and safety needs of our employees in mind. The Wienerberger Safety Initiative, launched in 2010, implemented Group-wide safety standards aimed at reducing the frequency and severity of occupational accidents. In 2014, the existing standards were up-graded for the entire Wienerberger Group and activities undertaken within the framework of the safety initiative were again stepped up. Moreover, each Business Unit implements its specific internal programs. Our indicators of the frequency and severity of accidents at Group level confirm the success of these activities. The safety measures taken by the individual Business Units are described at the end of this chapter under “Targets and Measures Relating to Employees”.

### Accident frequency

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 person concerned are recorded. In 2017, the frequency of accidents continued to decrease in almost all operating segments. At Group level, accident frequency was reduced by almost 17%. The Pipes & Pavers Europe Division even succeeded in reducing its accident frequency by 22%, followed by North America with 18% and Clay Building Materials Europe with 14% reductions. We are particularly proud of the steep reduction in accident frequency by 51% reported by the Pipes & Pavers Western Europe segment, which confirms the excellent success achieved through the consistent implementation of Steinzeug-Keramo's program of safety measures. To our regret,

however, accident frequency more than doubled in the Pipes & Pavers Eastern Europe segment due to the particularly steep increase in the number of accidents at Semmelrock. The circumstances of the accidents were thoroughly analyzed and comparable patterns identified. Since that time, specific measures have been implemented and targeted training sessions have been organized, the objective being to ensure a constantly high level of attention among our employees and, at the same time, reduce risk-taking behavior. We continue to cooperate intensively with our employees across all management levels. Our main focus is on drawing employees' attention to potential sources of danger and on driving home the binding nature of safety rules and the use of personal protective equipment. We continue to work toward our zero accidents target for the entire Group.

Accident frequency by operating segment <sup>1)</sup>	2015	2016	2017	Chg in %
Clay Building Materials Western Europe	10.7	8.3	6.0	-27.8
Clay Building Materials Eastern Europe	6.6	5.1	5.8	+15.4
Clay Building Materials Europe	8.9	6.9	5.9	-14.0
Pipes & Pavers Western Europe	15.5	15.1	7.4	-51.0
Pipes & Pavers Eastern Europe	3.2	2.2	4.8	>100
Pipes & Pavers Europe	8.3	7.6	5.9	-22.0
North America	1.9	1.9	1.5	-18.3
Holding & Others	0.0	0.0	0.0	-
<b>Wienerberger Group</b>	<b>8.0</b>	<b>6.5</b>	<b>5.4</b>	<b>-16.8</b>

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) as well as 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. // 2) The indicator for 2015 published in the 2016 Sustainability Report was restated, as the data base was updated.

### Accident severity

The severity of accidents, measured as the number of accident-related sick-leave days per million hours worked, also declined throughout the Group in a year-on-year comparison from 177 to 173 (-2.1%). Although fewer accidents were reported in the Clay Building Materials Europe Division (see paragraph on accident frequency), these led to more accident-related sick-leave days. We

reacted to this development by fine-tuning our program of occupational safety measures in the Division. We note with satisfaction that the intensive occupational safety program implemented at Steinzeug-Keramo had a highly positive impact on the segment's accident severity indicators, which decreased by 46.4%. The steep increase in accident severity in the Pipes & Pavers Eastern Europe segment is due to the relatively high number of

occupational accidents with longer sick-leave periods at Semmelrock. Pipelife succeeded in continuously reducing the level of accident severity in recent years, but a single accident resulting in a longer sick-leave period had a negative impact on the indicator for 2017. The operating

segments react to this development with clearly targeted measures. In North America, accident severity dropped by almost 30%, as an employee returned to work after a long period of accident-related sick leave.

Accident severity by operating segment <sup>1)</sup>	2015	2016	2017	Chg. in %
Clay Building Materials Western Europe	339	218	216	-0.9
Clay Building Materials Eastern Europe	201	165	174	+5.4
Clay Building Materials Europe	279	195	198	+1.6
Pipes & Pavers Western Europe	185	328	175	-46.4
Pipes & Pavers Eastern Europe	71	71	162	>100
Pipes & Pavers Europe	119	179	168	-6.1
North America	25	71	50	-29.5
Holding & Others	0	0	0	-
<b>Wienerberger Group</b>	<b>209</b>	<b>177</b>	<b>173</b>	<b>-2.1</b>

1) Number of occupational accidents / number of hours worked x 1,000,000; // incl. agency and temporary 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.

It saddens us to report that in 2017 again two fatal accidents occurred in the Clay Building Materials Europe segment of the Wienerberger Group. The victims were production workers, one in France and one in Romania. Wienerberger deeply regrets these accidents. We studied the circumstances of the accidents in great depth and consistently pursued our measures aimed at increasing safety at work for our employees.

Going beyond the Group-wide safety standard, each Business Unit has implemented its own safety programs, which are described in detail on page 45 of the 2016 Sustainability Report

### Sick-leave days not due to occupational accidents

The average number of sick-leave days not due to occupational accidents per employee of the Wienerberger Group (excl. the North America Division) increased from 9.6 in 2016 to 10.2 in 2017. This development is due to

more long-term sick-leave periods in almost all operating segments, especially in Clay Building Materials Eastern Europe and Pipes & Pavers Western Europe. Due to specific local legislation, the numbers and percentages of sick-leave days in North America are not comparable with the figures for the rest of the Wienerberger Group.

Prevention is an important health-promoting factor, especially in view of the increasing frequency of long-term sick-leave periods. Besides regular health screenings, company physicians are available for consultation by employees; workplaces are analyzed for their ergonomic characteristics, and employees are encouraged to participate in programs promoting fitness and health.

In North America, all full-time employees are covered by supplementary health insurance, the scope of which exceeds that of the Affordable Care Act (ACA) in some respects.

<b>Sick-leave days not due to occupational accidents per employee by operating segment <sup>1)</sup></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Chg. in %</b>
Clay Building Materials Western Europe	10.4	11.3	<b>11.4</b>	+1.4
Clay Building Materials Eastern Europe	7.6	7.8	<b>8.8</b>	+13.3
Clay Building Materials Europe	9.3	9.8	<b>10.3</b>	+5.5
Pipes & Pavers Western Europe	9.8	10.5	<b>12.1</b>	+15.0
Pipes & Pavers Eastern Europe	8.0	8.4	<b>8.7</b>	+4.0
Pipes & Pavers Europe	8.8	9.3	<b>10.3</b>	+9.8
Holding & Others	4.3	4.1	<b>3.6</b>	-11.2
<b>Total excl. North America</b>	<b>9.1</b>	<b>9.6</b>	<b>10.2</b>	<b>+6.5</b>
North America <sup>2)</sup>	2.9	3.4	<b>2.9</b>	-15.3

1) Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not 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) Figures not fully comparable with those of other Divisions due to special local legislation (regarding sick leave of employees) and therefore reported separately. separat ausgewiesen.

### Protection against respirable crystalline silica

Since 2008, companies from numerous industries have reported on measures taken to protect employees against respirable crystalline silica on a voluntary basis. The survey is conducted every two years within the framework of the NEPSI social partnership agreement between employees and employers (Negotiation Platform on Silica, [www.nepsi.eu/en/nepsi](http://www.nepsi.eu/en/nepsi)). 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 production lines concerned.

Within the framework of the 2017 survey, Wienerberger for the first time reports additional indicators for which comparative values from prior years are not available. Moreover, the definitions of certain indicators were clarified and are therefore no longer fully comparable with those of previous years. In its 2017 survey, Wienerberger applied the NEPSI system limits and collected indicators exclusively at ceramic production sites. At the same time, however, we extended the geographic scope of the NEPSI system in order to obtain a clear picture of all ceramic production sites of the Wienerberger Group. Details on the geographic scope are contained in the footnotes of the following table.

<b>Core indicators on respirable crystalline silica CBME <sup>1)</sup></b> <i>in %</i>	<b>2013 <sup>2)</sup></b>	<b>2015</b>	<b>2017</b>
<b>Percentage of production sites concerned:</b>			
Number of production sites reporting	97.7	97.7	<b>96.9</b>
Production sites with technical measures to reduce the generation / dispersion of respirable crystalline silica	98.4	92.9	<b>98.4</b>
Production sites with organizational measures to reduce the generation of respirable crystalline silica	100.0	92.1	<b>100.0</b>
Production sites where personal protective equipment is distributed to and used by the employees	100.0	99.2	<b>100.0</b>
<b>Percentage of employees at the production sites concerned:</b>			
Employees potentially exposed to respirable crystalline silica	80.2	87.4	<b>84.9</b>
of which employees potentially exposed to respirable crystalline silica subject to hazard assessment <sup>3)</sup>	n.a.	n.a.	<b>100.0</b>
of which employees potentially exposed to respirable crystalline silica subject to dust monitoring <sup>4)</sup>	91.2	96.7	<b>80.7</b>
of which employees potentially exposed to respirable crystalline silica subject to general health monitoring	96.4	98.5	<b>97.7</b>
of which employees potentially exposed to respirable crystalline silica who have received training	93.0	90.6	<b>94.5</b>
of which employees potentially exposed to respirable crystalline silica requiring medical screening for silicosis <sup>3)</sup>	n.a.	n.a.	<b>36.1</b>
of which employees potentially exposed to respirable crystalline for whom a silicosis screening file was created <sup>3)</sup>	n.a.	27.3	<b>48.4</b>

1) CBME: Clay Building Materials Europe Business Unit (including Russia and India). // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) Data for Norway and Switzerland not included in 2013. // 3) n.a.: No information available, as data were not collected or not included at the time of the survey. // 4) In 2017 the term "monitoring" was specified and differentiated into "hazard assessment" and "dust measurement". Therefore, the indicator "of which employees potentially exposed to respirable crystalline silica and subject to dust monitoring" is not directly comparable with previous years.

The percentage of reporting production sites was lower in 2017 than in 2015, as the internal definition applied in 2017 was fine-tuned and non-ceramic production sites were excluded in accordance with the NEPSI system limits. In 2015, non-ceramic production sites were included in North America, which has an influence on the following table.

Wienerberger included the indicator "employees potentially exposed to respirable crystalline silica subject to hazard assessment" for the first time in the 2017 survey. It permits a clearer differentiation between hazard assessment and dust monitoring, which has a direct influence on the indicator "employees potentially exposed to respirable crystalline silica subject to dust monitoring". Starting in 2017, only on-site measurements qualify as dust monitoring for this indicator, which results in a reduction of the value reported for 2017 compared to 2015.



“Employees potentially exposed to respirable crystalline silica requiring medical screening for silicosis” is a new indicator introduced in 2017. The indicator shows how many employees have to undergo medical screening for silicosis, e.g. as required by the labor inspectorate and/or by national legislation.

The percentage of “employees potentially exposed to respirable crystalline silica for whom a silicosis health check file was created” was reported for the first time in 2015. The indicator shows how many employees potentially exposed to respirable crystalline silica underwent a specific medical check for respirable crystalline silica and for whom a silicosis health check file was created.

**Core indicators on respirable crystalline silica at Group level <sup>1)</sup>**  
in %

	2013 <sup>2)</sup>	2015	2017
<b>Percentage of production sites concerned:</b>			
Production sites reporting	97.9	98.0	<b>97.8</b>
Production sites with technical measures to reduce the generation / dispersion of respirable crystalline silica	98.4	93.8	<b>98.5</b>
Production sites with organizational measures to reduce the generation of respirable crystalline silica	100.0	88.3	<b>100.0</b>
Production sites where personal protective equipment is distributed to and used by the employees	100.0	99.3	<b>100.0</b>
<b>Percentage of employees at the production sites concerned:</b>			
Employees potentially exposed to respirable crystalline silica	75.5	84.3	<b>85.4</b>
of which employees potentially exposed to respirable crystalline silica subject to hazard assessment <sup>3)</sup>	n.a.	n.a.	<b>99.0</b>
of which employees potentially exposed to respirable crystalline silica subject to dust monitoring <sup>4)</sup>	89.4	95.2	<b>79.3</b>
of which employees potentially exposed to respirable crystalline silica subject to general health monitoring	92.6	95.9	<b>96.2</b>
of which employees potentially exposed to respirable crystalline silica who have received training	89.8	90.6	<b>92.2</b>
of which employees potentially exposed to respirable crystalline silica requiring medical screening for silicosis <sup>3)</sup>	n.a.	n.a.	<b>34.4</b>
of which employees potentially exposed to respirable crystalline for whom a silicosis screening file was created <sup>3)</sup>	n.a.	26.1	<b>47.7</b>

1) CBME (including Russia and India), North America, Steinzeug-Keramo. // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences. // 2) Data for Norway and Switzerland not included in 2013. // 3) n.a.: No information available, as data were not collected or not included at the time of the survey. // 4) In 2017 the term “monitoring” was specified and differentiated into “hazard assessment” and “dust measurement”. Therefore, the indicator “of which employees potentially exposed to respirable crystalline silica and subject to dust monitoring” is not directly comparable with previous years.

### Health, safety and human rights at our own extraction sites

When we examined the supply chain within the framework of our materiality analysis, we first took a closer look at our own clay pits. Compliance with all rules on occupational safety and protection against health

hazards is an absolute must at Wienerberger. This also applies to our clay extraction sites. Protecting workers from exposure to dust and noise as well as avoiding occupational accidents at our own extraction sites are our top priorities.

### ***Communication and Employee Involvement***

It is our goal to further strengthen the values of our corporate culture through continuous communication measures and translate them into practice throughout the Group. We use a variety of communication channels and platforms to inform our employees about corporate targets and strategies as well as about current developments relating to our shared values: competence, passion, integrity and respect, customer orientation, entrepreneurship, quality and responsibility.

Examples of communication measures at Group level aimed at fostering employee involvement are described on page 47 of the 2016 Sustainability Report.

### **Industrial Relations**

The Wienerberger Social Charter, which confirms the company's commitment to compliance with the relevant conventions and recommendations of the International Labor Organization (ILO), was signed in 2001 by the Managing Board of Wienerberger AG and the chairman of the European Forum, a social partnership body, in Strasbourg. Through this charter, Wienerberger demonstrates its global commitment to the respect of 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. In 2017, about 72% of all Wienerberger employees were covered by collective bargaining agreements.

The European Works Council was established in 2011 as the successor to the European Forum. The goals of the European Works Council are to engage in constructive social dialogue and to facilitate networking among local bodies representing employee interests. Other important objectives of the European Works Council are to improve workplace conditions (protection of employees against hazards and implementation of safety standards) and to protect employees' health. The European Works Council also strives to ensure fair and

just remuneration. Currently, eleven countries are represented by 34 delegates. The steering committee of the European Works Council includes five elected delegates from Austria, the Netherlands, Germany and Poland. The European Works Council meets twice a year; the steering committee also holds at least two meetings a year. Several employee representatives are members of the Supervisory Board of Wienerberger and, as such, closely involved in the strategic development of the Wienerberger Group.

### ***Initial and Further Training and Human Resources Development***

At Wienerberger, we believe in advancing and supporting our employees in a targeted fashion and in facilitating the cross-border exchange of knowledge. The training program offered includes internal as well as external initial and further training measures. The average number of hours per employee spent in training increased from 12.7 in 2016 to 13.6 in 2017 (+7.1%). Efforts in the field of safety training were stepped up as well. In particular, training within the framework of our safety programs enjoys a high priority and is being thoroughly and consistently implemented.

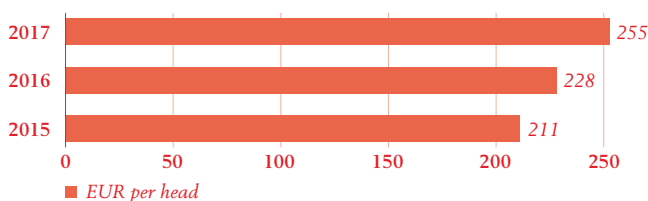
The following table, broken down by operating segment, does not include international training events and on-the-job-training. International training measures include Group-wide programs, such as Ready4Excellence or the Leadership Journey, which are organized centrally and financed by the holding company. In contrast to the local initiatives, the number of hours per employee spent in international training decreased by 23% from the previous year's level. This development was due to high demand for international training programs with contents tailor-made to specific local needs. Therefore, some of the international training programs were reported as local training activities. Including international training events and on-the-job training, the number of hours per Wienerberger employee spent in training amounted to 14.1 in 2017, up by 6% from 13.3 hours in 2016.

Training hours per employee/year by operating segment <sup>1)</sup>	2015	2016	2017	Chg. in %
Clay Building Materials Western Europe	15.2	14.6	13.7	-5.7
Clay Building Materials Eastern Europe	15.6	10.6	15.2	+42.7
Clay Building Materials Europe	15.3	12.9	14.3	+11.1
Pipes & Pavers Western Europe	10.7	13.8	13.3	-4.0
Pipes & Pavers Eastern Europe	16.7	7.5	10.9	+45.5
Pipes & Pavers Europe	14.0	10.4	12.0	+15.7
North America	22.7	12.8	10.5	-18.0
Holding & Others	13.9	50.5	28.4	-43.8
<b>Wienerberger Group</b>	<b>15.5</b>	<b>12.7</b>	<b>13.6</b>	<b>+7.1</b>

1) Internal and external initial and further training measures; number of hours per employee. International training events and on-the-job training not included in this table. Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not 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.

We are convinced that investments in the development of our employees generate added value for Wienerberger. The average training expenses per employee in 2017, including international training programs, amounted to € 255, which corresponds to an increase of € 27 per employee over the previous year's value.

**Average training expenses per employee <sup>1)</sup>**  
based on headcount



1) Internal and external initial and further training measures; number of hours per employee. International training events and on-the-job training not included in this table. Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not directly employed by Wienerberger.

All Wienerberger training programs are designed to promote networking and facilitate international knowledge transfer. They are aimed at providing training that is tailored to the employees' specific areas of work and foster long-term succession management. Examples of individual training programs are presented on page 49 of the 2016 Sustainability Report.

### Diversity and Equal Opportunities

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. Since the beginning of data collection on possible cases of discrimination, no such incidents have been reported.

For further information on Wienerberger's fundamental principles and activities in the field of diversity and equal opportunities, please refer to page 49 of the 2016 Sustainability Report. The Wienerberger diversity policy is introduced on page 54 of the 2017 Annual Report.

## Gender

As at 31/12/2017, the total percentage of women employed by the Wienerberger Group was 13.8%, i.e.

slightly above the previous year's value (13.6%). The percentages of women in the individual functional areas remained almost unchanged.

Percentage of women by functional area <sup>1)</sup>		31/12/2015	31/12/2016	31/12/2017
Percentage of women	<i>in headcount</i>	2,115	2,155	<b>2,248</b>
Production	<i>in %</i>	4.1	4.2	<b>4.3</b>
Administration	<i>in %</i>	48.1	48.1	<b>47.3</b>
Sales (incl. marketing and inventories)	<i>in %</i>	24.3	24.1	<b>25.1</b>
<b>Total</b>	<i>in %</i>	<b>13.5</b>	<b>13.6</b>	<b>13.8</b>

1) Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not 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.

## Share of women in senior management

*based on headcount*



In 2017, 12% of senior management positions were held by women, unchanged from the previous year. We continue to adhere to our policy of giving preference to women for new appointments to senior management and

executive positions, provided the candidates' qualifications are equal. One specific measure to increase the number of women in senior management and executive positions at Wienerberger is to enable women to embark on suitable career paths at an early point in time.

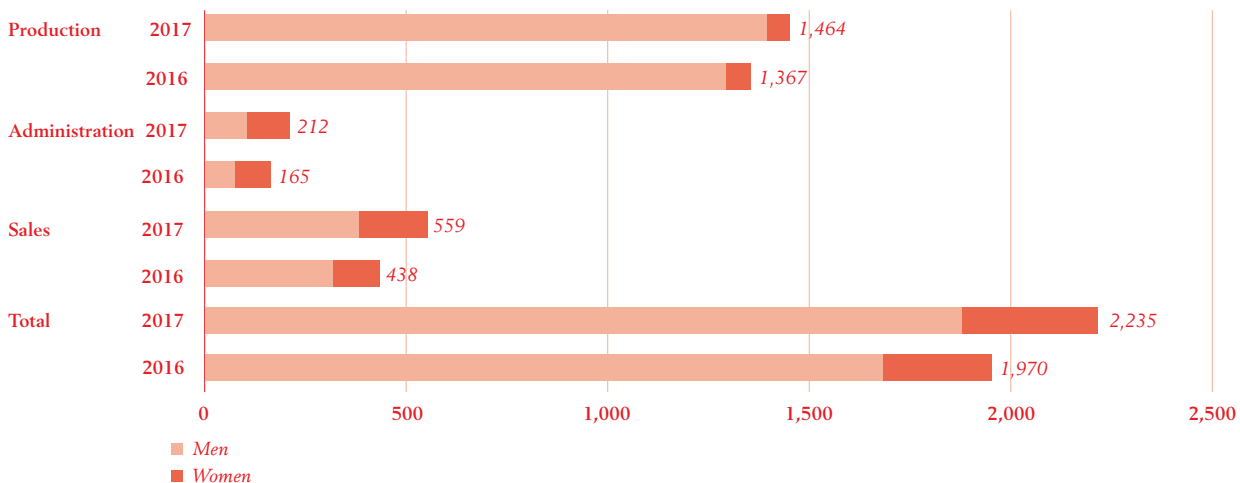
We collect data not only on the percentage of women in the functional areas, but also on the number and share of newly recruited women and men and on employees working part-time. On the basis of these indicators, we can take a more differentiated approach in human resources management in order to position ourselves as a family-friendly company and to define appropriate quantitative targets for the future.

Number of newly recruited employees by gender and functional area <sup>1)</sup> <i>Headcount as at 31/12/2017</i>	Women	Women in %	Men	Men in %
Production	58	4.0	1,406	96.0
Administration	109	51.4	103	48.6
Sales (incl. marketing and inventories)	175	31.3	384	68.7
<b>Total</b>	<b>342</b>	<b>15.3</b>	<b>1,893</b>	<b>84.7</b>

1) Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not 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.

## Number of newly recruited employees by gender and functional area 2016/2017 <sup>1)</sup>

based on headcount



1) Agency and temporary workers (having worked at Wienerberger for more than 3 months without interruption) and employees under term contracts included until 2016. From 2017 onwards excluding agency workers, who are not directly employed by Wienerberger.

In 2017, the number of new entrants was 2,235, i.e. 265 more than in 2016. The number of women among the new entrants rose from 274 to 342 in 2017, the number of men from 1,696 to 1,893. The percentage of women among the new entrants increased from 13.9% to 15.3%, while the percentage of men declined from 86.1% to 84.7%.

The reconciliation of work and family life is an issue of special concern to Wienerberger. We therefore offer our employees the possibility of working part-time. This offer is being taken up by a growing number of female as well as male employees.

### Number of women and men working part-time <sup>1)</sup>

Headcount as at 31/12/2017

	Total	of which part-time	Part-time in %
Women	2,134	344	16.1
Men	13,397	208	1.6
<b>Total</b>	<b>15,531</b>	<b>552</b>	<b>3.6</b>

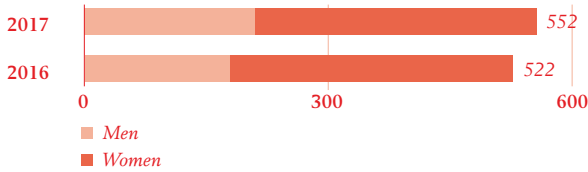
1) Employees in permanent employment. // All non-financial indicators were calculated on the basis of non-rounded values. Electronic data processing may result in rounding differences.

The percentage of Wienerberger employees working part-time increased slightly to 3.6% in 2017 (+0.1 percentage points). The percentage of women in part-time employment amounted to 16.1% in 2017 and

was slightly lower than in the previous year (-0.7 percentage points), while the percentage of men working part-time increased slightly to 1.6% in 2017 (+0.2 percentage points).

**Number of women and men working part-time 2016/2017 <sup>1)</sup>**

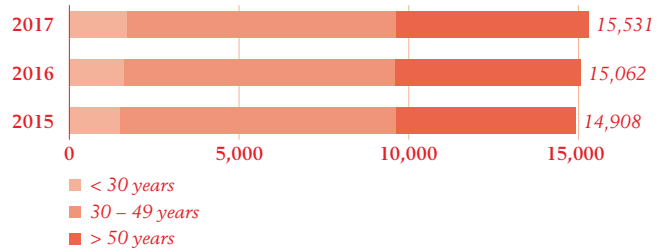
*based on headcount*



*1) Share of employees in permanent employment*

**Employees by age <sup>1)</sup>**

*based on headcount*



*1) Share of employees in permanent employment*

**Age**

As in previous years, the long average length of service of 13 years with the company was reflected in the age structure of the workforce with permanent contracts in 2017, which hardly changed in comparison with 2016. In 2017, 52% (-1 percentage point) of our employees were between 30 and 49 years of age. As in the previous year, 11% were younger than 30 and 37% were older than 50.

Information on Group-wide training and development measures for young employees as well as on succession management and continuity in positions that are critical for Wienerberger's success is contained on page 51 of the 2016 Sustainability Report.

**Targets and Measures Relating to our Employees**

The targets and measures described in the following were defined by the Managing Board of Wienerberger AG and the management of the respective Wienerberger Business Units on the basis of the materiality matrix elaborated in 2014. They are part of the Wienerberger Sustainability Roadmap 2020.

The data for North America and/or Pipelife based on the Sustainability Roadmap 2020 do not include the Pipelife site in North America. Nevertheless, the targets and measures defined for the entire Wienerberger Group also apply to this production site.

## Safety of our employees

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### *At Group level*

#### **Quantitative target**

- › The long-term target is zero accidents within the Wienerberger Group.
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### *Clay Building Materials Europe*

#### **2017**

- › The Health & Safety Standard with specific minimum requirements to be met by the Division and the measures and instruments provided for were rolled out to the country organizations; implementation was audited on site.
- › The activities of the Safety Roadmap were implemented. The Safety Roadmap is a binding plan of action to improve occupational safety within the Division.
- › Online training programs on occupational safety were implemented.
- › The Safety Alert and the Safety Award programs were continued; occupational safety was addressed within the framework of the Health & Safety Conference.

#### **2018**

- › Further measures of the Health & Safety Standard as well as the instruments provided for are being implemented by the country organizations.
  - › Implementation of the Health & Safety Standard by the country organizations is being audited.
  - › The activities along the Safety Roadmap continue to be implemented.
- 

### *North America*

#### **2017**

- › Accident severity was reduced by 29.5% through a joint focus on communication, training and the analysis of causes of accidents.
- › The monthly meetings on current safety issues and accident indicators between the top management and the local management were continued.
- › Accident reports were sent to the top management and the local management on a monthly basis.
- › Annual safety targets and corresponding measures were defined for each production site (instead of targets for the coming two years).

#### **2018**

- › The processes described above are being continued.
  - › New criteria for success will be introduced to foster more active involvement of employees in matters of occupational safety.
- 

### *Pipeline*

#### **2017**

- › The safety app was upgraded: The software for the documentation of potential safety risks is easier to use, responsibilities are clearly assigned, and an overview of the measures implemented is instantly available.
  - › All occupational safety programs and measures were consistently continued: the Safety Call, incl. accident reports and accident analyses, safety audits, 5 S (a method to keep workplaces and their environment safe, clean and tidy), the Zero Accident Club, and programs aimed at observing employee behavior, such as the Behavior Observation Program (BOP) and Lock-out/Tag-out (LOTO).
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## Safety of our employees

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### *Pipelife*

#### 2017

- › The “Take Care” campaign was continued: All Pipelife production sites were provided with a uniform set of material: brochures, warning signs and stickers for machinery and equipment in the local language, containing safety instructions for employees and visitors touring the plant.
- › The Pipelife Safety Portal, a centralized online platform for exchanges on safety issues within the Pipelife Group, remained operational. All guidelines on the Group’s minimum safety standards as well as information on current measures and programs can be accessed via this platform. It also includes a compilation of all written accident reports, complete with detailed analyses and recommendations for accident prevention for other organizations.
- › Within the framework of the Zero Accident Club, the organization reporting the longest accident-free period was honored with the Pipelife Safety Award for the year 2016.

#### 2018

- › The processes outlined above are being continued.

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### *Semmelrock*

#### 2017

- › The “Safety Book” was translated into all local languages of the Semmelrock production sites and the rollout of its contents was completed through workshops and training programs.
- › The “Safety@Semmelrock” program was continued; production processes were optimized and plant safety was enhanced through technical safety measures.
- › The “Accident Investigation Report Semmelrock” (AIRS) system, with an improved method of accident analysis and a focus on the cause(s) of accidents, as well as an internal communication platform remained in use.
- › A “safety improvement plan” was drawn up for each plant; measures to enhance safety are documented, prioritized and implemented over a period of three years, depending on the availability of resources.

#### 2018

- › The “Safety@Semmelrock” program and the use of the AIRS system will be continued.
- › Implementation of the “safety improvement plan” will be audited in order to verify if the safety-related measures provided for have been implemented.
- › Training programs for shift leaders with a special focus on “cleaning, repair and maintenance” will be organized in order to raise awareness for potential hazards.
- › A new safety app will be introduced.

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### *Steinzeug-Keramo*

#### 2017

- › DuPont™ STOP® (safety training observation program) was continued at all three production sites.
- › External audits were performed by DuPont™.
- › Risk analyses were performed at production workplaces.

#### 2018

- › The activities outlined above are being continued.
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## Health of our employees

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### *At Group level*

#### **Quantitative target**

- › At least 95% of all ceramic production sites reporting on measures to protect employees against respirable crystalline silica.

#### **2017**

- › All relevant data on exposure to respirable crystalline silica and the protection of employees against exposure were collected at the ceramic production sites across the Group. This survey was performed via NEPSI, (Negotiation Platform on Silica, [www.nepsi.eu/de/nepsi](http://www.nepsi.eu/de/nepsi)), a shared online platform.

#### **2018**

- › The measures to protect our employees against exposure to respirable crystalline silica are being continued.
- 

### *Clay Building Materials Europe*

#### **2017**

- › The issue of protection against respirable crystalline silica was addressed within the framework of the health & safety program.
- › The local standards of protection against exposure to respirable crystalline silica were redefined.
- › Based on the new NEPSI indicators, the necessary measures were implemented at the production sites.
- › Best practice examples of how to avoid exposure of employees to respirable crystalline silica were documented.
- › Technological improvements were implemented.

#### **2018**

- › Work on the protection of employees against exposure to respirable crystalline silica is being continued within the framework of the health & safety program.
  - › The document listing best practice examples of how to avoid exposure of employees to respirable crystalline silica will be completed.
  - › Additional technological improvements are being implemented.
- 

### *North America*

#### **2017**

- › Ongoing programs providing for protective measures for employees potentially exposed to respirable crystalline silica were continued according to previously defined standards.
- › Supplementary health insurance coverage was provided for all full-time employees of North America, the scope of which goes beyond the provisions of the Affordable Care Act (ACA) in some respects.

#### **2018**

- › The aforementioned initiatives regarding the measurement of respirable crystalline silica and protection against exposure to respirable crystalline silica are being continued.
  - › An external expert will perform measurements of respirable crystalline silica at all relevant production sites.
-

## Health of our employees

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### *North America*

#### 2018

- › Supplementary health insurance coverage will again be provided for all full-time employees of North America, the scope of which goes beyond the provisions of the Affordable Care Act (ACA) in some respects.

### *Semmelrock*

#### 2017

- › The measures aimed at ensuring healthy workplace conditions were implemented within the framework of the “Safey@Semmelrock” program.
- › Best practices aimed at reducing stress factors at the workplace (e.g. noise, dust, suboptimal lighting) as well as measures taken to reduce excessive burdens of physical labor were exchanged between production sites.
- › Within the framework of two projects, working conditions at selected production sites were evaluated and improved.

#### 2018

- › The measures described above are being continued.

### *Steinzeug-Keramo*

#### 2017

- › All fields of work were analyzed for potential exposure to respirable crystalline silica.
- › Technical equipment for the reduction of respirable crystalline silica was further optimized.

#### 2018

- › The measures aimed at protecting employees from respirable crystalline silica are being continued.

## Communication and employee involvement

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### *At Group level*

#### 2017

- › The rollout of the new Intranet (iComm) to all business units and their local companies, aimed at improving employee communication and interaction, was completed.

#### 2018

- › The user-friendliness of the Intranet (iComm) is being increased and Group-wide access via mobile devices will be possible.

## Employee satisfaction

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### *At Group level*

#### 2017

- › Corporate Human Resources rolled out the employee survey aimed at evaluating employee satisfaction to another 25 organizations in 17 countries and developed a set of measures on the basis of the results obtained. The employee survey, which was conducted by external partners, was started at the Wienerberger holding company in 2015.

#### 2018

- › The employee survey will be completed across the entire Wienerberger Group.
-