



## MODERN SLAVERY STATEMENT 2016

'Modern Slavery' encapsulates slavery, servitude, forced or compulsory labour, and human trafficking.

“Wienerberger welcomed the addition of the Transparency in Supply Chains Provisions to the UK Modern Slavery Act 2015, as it provides a framework for the business community to expand its efforts to combat modern slavery and human trafficking on a global scale. This is the first annual statement produced by Wienerberger Ltd, outlining actions taken during 2016 which we will continue to build upon in the coming years.”

Harald Schwarzmayr, MD of Wienerberger Ltd.

### About Wienerberger Ltd

Wienerberger Ltd is a leading provider of wall, roof and landscaping innovations. In the UK there are 14 production sites; six distribution depots; four showrooms and the head office situated in Cheadle, Cheshire.

Wienerberger Ltd is part of the Wienerberger Group which, since it was founded in Vienna in 1819, has become the world's largest producer of bricks and Europe's largest clay roof tile producer. In 2015 Wienerberger generated revenues of € 2,972 million and operating EBITDA of € 370 million.

### Our supply chain

Wienerberger Ltd utilises a global supply chain of goods and services to produce bricks, clay roof tiles, concrete roof tiles and clay pavers. We source the majority of our raw materials (such as clay, sands and additives) from within the UK, either from our own quarries or through our strategic partners. Within the framework of our business relations we ensure that we clearly communicate our various policies, processes and procedures with our global supply network addressing modern slavery, sustainability and ecological and social standards.

The vast majority of staff working at Wienerberger Ltd are direct employees with a small percentage of temporary staff employed through local agencies.

### Building on a history of zero tolerance

Wienerberger Ltd, as part of the Wienerberger Group, has ascribed to labour practices since 2001 with the publication of our [Social Charter](#), a public commitment to comply with the recommendations of the International Labor Organization (ILO) and to adhere to the principles of the EU Fundamental Rights Charter.

In 2003 the Group acceded to the UN Global Compact, which consists of 10 ethical business principles including action on human rights, labour standards, environmental protection and preventing corruption. In the context of this Modern Slavery Statement, our commitment to Principle 4: the elimination of all forms of forced and compulsory labour is particularly relevant. The Wienerberger Group publishes a [Communication on Progress](#) against the 10 Principles of the UN Global Compact annually.

“When we signed the UN Global Compact in 2003, we officially acknowledged our responsibility as a corporate citizen. We actively promote business ethics and see to it that the ten guiding principles of the UN Global Compact are consistently implemented throughout the Wienerberger Group. To date, our commitment to “good corporate citizenship” throughout the Wienerberger Group has won us wide public recognition.”

Heimo Scheuch, CEO of Wienerberger AG.

In a further effort to promote social progress, the Clay Building Materials Europe division of Wienerberger has communicated expectations for our supply chain in a Supplier Code of Conduct. The Code includes provisions that prohibit modern slavery, use of child labour and bribery. In the UK, Wienerberger Ltd.'s operations have been independently assessed against the Responsible Sourcing Standard BES 6001 since 2009. The standard promotes best practice in supply chain management, with auditors mapping our progress against criteria such as raw material traceability, community engagement and ethical labour. In 2016 all of Wienerberger Ltd.'s products manufactured in the UK achieved a 'Good' or 'Very Good' rating under BES 6001.

### Slavery and human trafficking policies

To date Wienerberger's public commitment to ethical labour practices has been published in several places; including our Annual Report, Sustainability Report, Social Charter and in departmental policies. We have now brought these commitments together in Wienerberger Ltd.'s [Modern Slavery Policy](#), which details our approach to combating modern slavery and details the whistleblowing procedure for reporting suspected cases. Wienerberger Ltd.'s Modern Slavery Policy complements our [Responsible Sourcing Policy](#) which holistically addresses the environmental and social aspects of our operations. Wienerberger Ltd.'s policies apply to all individuals working for or on behalf of Wienerberger Ltd. in any form, including agency workers and contractors.

To support the implementation of these policies we have also reviewed our recruitment procedure, including employee inductions, identifying improvements to be implemented during 2017.

### Staff training

At a minimum Wienerberger Ltd.'s employees should understand how to identify potential victims of modern slavery and how to report suspected cases. We are currently reviewing training options to be delivered in 2017 and will report on the progress of our training roll-out in subsequent statements.

### Methods to identify, assess and manage risk

Wienerberger Ltd. has conducted a review of existing communications with our suppliers and we have added a clause to our standard Supply Agreement specifically addressing modern slavery offenses. The clause outlines the expectation that no supplier shall knowingly engage or support activities constituting modern slavery, and reserves the right for Wienerberger Ltd. to terminate a contract if a supplier does not implement corrective actions following discovery of modern slavery within their company or supply chain.

We have devised a procedure for supply chain risk assessment which prioritises segments considered to be high risk markets and/or high risk countries. As part of this plan our due diligence process will be updated to incorporate checks specific to the identification and

prevention of modern slavery. Wienerberger Ltd. will undertake all reasonable and practical steps to ensure that our standards are being implemented throughout our supply chain. Any instances of non-compliance will be assessed on a case by case basis and we will tailor remedial actions appropriately. Wienerberger Ltd. will only trade with those that fully comply with our policy or those who are taking verifiable steps towards compliance.

### Summary of progress

In 2016 Wienerberger Ltd. has laid the foundations for combating modern slavery. We have strengthened our contractual agreements; reviewed relevant company policies and introduced a whistle-blowing procedure so that suspected cases can be reported anonymously without reprisal. We have also designed a supply chain risk assessment procedure which will be implemented in 2017 and we have started exploring options to deliver modern slavery awareness training for our workforce, whose vigilance will be vital in identifying cases of modern slavery at work and in local communities.

In forthcoming statements on modern slavery we intend to report on our progress using the following key performance indicators:

1. Number of whistle-blowing cases raised
2. Number of modern slavery cases identified
3. Percentage of employees trained on modern slavery risks and prevention

**"Wienerberger recognises that these actions, which reiterate our company values and strengthens policies and procedures across the business, are initial but vital steps toward the ultimate goal of eradicating modern slavery. However this is not something Wienerberger can achieve alone; it will require proactive partnerships with our suppliers and the commitment of our staff. I hope to be able to share success stories with you in future statements."**

**Harald Schwarzmayr, MD of Wienerberger Ltd.**

Signed on behalf of the Board of Directors



Harald Schwarzmayr  
**Managing Director**

Wienerberger Ltd.