

2022 | Remuneration Report

# Supervisory Board Chairman's Letter

## Dear Shareholders,

2022 was an extremely successful year for Wienerberger. At Group level Wienerberger generated revenues of roughly € 5 billion and operating EBITDA of about € 1 billion – the best results ever in the company's over 200-year history. Despite the volatile environment marked by post-Covid effects and geopolitical tension, Wienerberger succeeded in delivering very strong organic growth as well as growth through acquisitions. This outstanding performance was based on the Group's focus on innovation and the broadening of its portfolio of system solutions (30% and 20% of revenues respectively), the long-term orientation of its cost management, the continuous implementation of efficiency-enhancing measures (€ 45 million contributed in 2022), and fast integration of the acquired companies, notably Meridian in the USA and Canada.

In line with its value-accretive growth strategy, Wienerberger took over several companies in the course of 2022. Through the integration of Walzer Bausysteme GmbH in Austria, Wienerberger broadened its range of system solutions by adding prefabricated wall elements to its portfolio. The acquisition of Mayr Dachkeramik GmbH, a German specialist in roofing accessories, increased Wienerberger's exposure to the renovation sector. The takeover of Vargon, the leading provider of pipe systems in Croatia, enlarged the company's footprint in the in-house solutions segment. By acquiring QPS, the Norwegian water management specialist, Wienerberger added smart water management system solutions to its portfolio. The acquisition of the Terreal Group announced at the end of 2022 represents yet another important strategic milestone on Wienerberger's path to becoming the European expert in roofing solutions. The transaction is expected to be closed by the end of 2023.

As a consequence of the war between Russia and Ukraine, the Wienerberger Group announced the sale of its Russian brick business in the form of a management buyout. Moreover, the Group also sold off its French plastic pipe activities, as they no longer met the strict criteria for future growth.

In the 2022 reporting year a total of 7.7% of the share capital, i.e. 8,830,000 own shares, was bought back at a price of around € 213 million. Furthermore, 3% of the share capital or 3,455,639 shares worth approximately € 82 million were cancelled. The dividend paid out for the 2021 business year amounted to roughly € 84 million. Overall, this corresponds to a payout ratio of approximately 28% of free cash flow in 2022, which is within the range (20-40%) of Wienerberger's profit distribution policy.

The 2022 targets for the Managing Board of the Wienerberger Group set out in the 2020-2024 remuneration policy, adopted at the 151st Annual General Meeting on May 5, 2020, were outperformed. The Supervisory Board reviewed the criteria for payout and unanimously adopted them at its meeting on February 21, 2023.

Thanking you for a year of excellent cooperation, I remain  
Yours sincerely,

**Peter Steiner**  
Chairman of the Supervisory Board

# Introduction

## Remuneration Policy

The Remuneration Policy for the Managing Board and the Supervisory Board was approved by shareholders at the 151st Annual General Meeting in 2020. It was drafted considering local and global best practices and also taking into account input received from investors and other market players (such as proxy advisors). The Remuneration Policy creates a transparent, appropriate, equitable, and performance-driven remuneration system and aims at incentivizing sustainable value creation and the realization of key corporate targets to ensure maximum alignment with shareholders' interests. In addition, the incentive structure built into the Managing Board remuneration system is annually reviewed to determine its suitability for promoting a sustainable increase in enterprise value. The Remuneration Policy helped to significantly improve Wienerberger's performance and to stimulate Wienerberger's strong organic growth in line with its ESG targets. It is valid for the period from 2020 to 2024 and can be viewed on the company's website ([wienerberger.com](https://www.wienerberger.com)).

## Remuneration Report

The present Remuneration Report of Wienerberger for the 2022 business year was prepared by the Managing Board and the Supervisory Board and will be submitted to a vote at the 154th Annual General Meeting in 2023. The Remuneration Report provides a comprehensive overview of the remuneration components for current and former members of the Managing Board and the Supervisory Board, specifying the resulting entitlements and payouts for the 2022 business year. It was prepared in accordance with the provisions of the following guidelines and recommendations: (i) Shareholder Rights Directive II as transposed in the Austrian Stock Corporation Act; (ii) Statement 37 of the Austrian Financial Reporting and Auditing Committee (AFRAC) on the Remuneration Report pursuant to sect. 78c of the Austrian Stock Corporation Act (Aktiengesetz); and (iii) Remuneration Policy 2020–2024 of Wienerberger.

Looking ahead to 2023, the Supervisory Board and its Remuneration Committee will continue to ensure that the remuneration for the Managing Board members remains aligned to Wienerberger's performance and strictly adheres to the Policy approved by shareholders in 2020. As for the performance targets for the 2023 annual bonus and long-term incentive awards (LTI), as in previous years, these will be disclosed to shareholders ahead of the 2023 Annual General Meeting.

# Summary

## Wienerberger achieves new record results in 2022

Across the Group, the 2022 business year was marked by increased geopolitical and global economic uncertainties/instabilities, in particular due to the energy crisis as a result of the Russia-Ukraine war. Despite this challenging environment, Wienerberger was able to significantly outperform its relevant markets and not only matched but significantly surpassed its previous record result of 2021. In addition, Wienerberger's Managing Board ensured that, by implementing a sustainable purchasing and pricing policy, a significant overachievement was accomplished in the business year 2022.

- › **Revenues grew to a new record** of € 4,976.7 million (2021: € 3,971.3 million).
- › **EBITDA marks a new record** at € 1,026.2 million (2021: € 694.3 million).
- › **Free cash flow rose significantly** by 42% to € 597.7 million (2021: € 420.6 million).
- › **ROCE** increased to 18% (2021: 12%)
- › The Group's strong commitment to **environmental, social and governance (ESG) targets** is fully in line with its Strategy 2023 and the targets have been fully achieved.

The Supervisory Board strictly applied the Remuneration Policy approved by shareholders in 2020, which is continuing to prove highly effective in incentivizing sustainable value creation and realizing key corporate targets in line with shareholders' interests. No increases have been proposed to any of the incentive plans and no discretion was applied by the Supervisory Board during 2022.

## Overview of Managing Board Remuneration

Table 1: Overview of all remuneration components

### Managing Board's Pay Components

		Maximum Opportunity	Performance Measures (weighting)	Performance Period	Other Components
<b>Variable</b>	<b>Short-Term Incentive</b>	100% of base salary	- EBITDA LFL (1/3) - Free Cash Flow (1/3) - Efficiency Enhancing Measures (1/3)	1 Year	- Performance targets determined prospectively - Payment deferred to next year
	<b>Long-Term Incentive</b>	<b>CEO:</b> 175% of base salary <b>Other Managing Board Members:</b> 150% of base salary	- Relative TSR (1/3) - ROCE (1/3) - ESG (1/3)	3 Years	- Performance targets disclosed prospectively - 2-year lock-up period
<b>Fixed</b>	<b>Base Salary</b>	In accordance with employment agreement and indexed from time to time			
	<b>Benefits &amp; Pension</b>	Incidental benefits covering company car, insurance, voluntary defined-contribution pension agreement			

The results achieved by Wienerberger are reflected in the remuneration for the Managing Board, with all performance targets set by the Supervisory Board, and disclosed ahead of the 2022 Annual General Meeting. Table 2 shows a summary of the remuneration earned fixed remuneration and the short-term incentive for the financial year 2022 by Managing Board members in office as of December 31, 2022.

Table 2: Fixed and short-term remuneration 2022

Remuneration of Managing Board Members in office at December 31, 2022		Fixed Remuneration	Short-term incentive	Total
<b>Heimo Scheuch</b>				
<b>CEO</b>	2022	944,865	944,865	1,889,731
<b>Gerhard Hanke</b>				
<b>CFO</b>	2022	460,000	460,000	920,000
<b>Solveig Menard-Galli</b>				
<b>COO</b>	2022	460,000	460,000	920,000
<b>Harald Schwarzmayr</b>				
<b>COO</b>	2022	460,000	460,000	920,000

## Overview of Supervisory Board Remuneration

Since 2020, remuneration for the members of the Supervisory Board has been divided into annual fixed remuneration for Supervisory Board work and annual fixed remuneration for committee work. Committee remuneration is limited to one committee membership per person and is paid out only once, even if a Supervisory Board member is active on several committees.

**Table 3: Overview of Supervisory Board Remuneration**

Supervisory Board remuneration in EUR	2022		Total remuneration
	Fixed Supervisory Board remuneration	Fixed remuneration for committee work	
Peter Steiner	170,000	30,000	200,000
Myriam Meyer	105,000	30,000	135,000
Thomas Birtel <sup>3)</sup>	53,260	13,315	66,575
David Davies <sup>1)</sup>	80,000	40,000	120,000
Marc Grynberg <sup>3)</sup>	53,260	13,315	66,575
Peter Johnson	80,000	20,000	100,000
Regina Prehofer	80,000	20,000	100,000
Oswald Schmid	80,000	20,000	100,000
Kati ter Horst <sup>2)</sup>	59,836	14,959	74,795
<b>Total</b>	<b>761,356</b>	<b>201,589</b>	<b>962,945</b>

1) Chairman of the Audit and Risk Committee // 2) Member of the Supervisory Board since May 4, 2021 // 3) Member of the Supervisory Board since May 3, 2022

All Supervisory Board members continued to make significant contribution to Wienerberger's strategic direction. As in previous years, all Supervisory Board members recorded a strong attendance record.

# I. Managing Board Remuneration

The Remuneration Committee, in close cooperation with the Supervisory Board, is responsible for the structure of the remuneration system. It deals with all matters relating to the remuneration of the Managing Board members and the content of their employment contracts. The goal of the remuneration system is to align corporate goals with corporate strategy and shareholders' interests. Moreover, the members of the Managing Board are to receive remuneration that is appropriate by national and international standards.

## Fixed remuneration component

The fixed remuneration component reflects the functions and the scope of responsibility of the respective Managing Board member. Its adequacy is evaluated by the Remuneration Committee against companies that are both smaller and larger in size, industry, geography, or complexity<sup>1</sup> as well as adjusted to reflect macroeconomic conditions, such as the consumer price indices that are commonly applied in Austria.

Following a thorough evaluation, the Remuneration Committee undertook a more comprehensive review of the fixed remuneration paid to the Managing Board members. With the principle of ensuring alignment and equal pay amongst the Managing Board members, the Remuneration Committee approved a fixed remuneration of € 460,000 for Gerhard Hanke, Solveig Menard-Galli and Harald Schwarzmayr. The fixed remuneration of Heimo Scheuch, Chair of the Managing Board and CEO, was adjusted only on the basis of Statistics Austria's consumer price index, as with the broad approach taken with the wider employee base in Austria.

Table 4 below shows the fixed remuneration of the Managing Board members during the 2022 and 2021 business years. In line with common practice in Austria, fixed remuneration is divided into fourteen installments and paid at the end of each month; twice a year, the amount of the monthly salary is doubled.

**Table 4: Fixed remuneration**

in EUR	2022	2021
Heimo Scheuch	944,865	900,000
Gerhard Hanke <sup>1)</sup>	460,000	326,948
Solveig Menard-Galli	460,000	436,597
Harald Schwarzmayr	460,000	431,088
<b>Total</b>	<b>2,324,865</b>	<b>2,094,633</b>

<sup>1)</sup> The calculation in 2021 refers to the period from March 1 to December 31, 2021

## Variable remuneration component

Variable remuneration is composed of a short-term (STI) and a long-term (LTI) component, which is reviewed by the Remuneration Committee on an annual basis.

Variable remuneration is designed to create incentives to motivate the Managing Board to achieve key strategic targets and a sustainable increase in enterprise value. The Remuneration Committee is focused on ensuring that there is a strong pay-for-performance culture within the organization and the greatest possible alignment between shareholders' interests and that of the Managing Board. The Remuneration Policy devised by the Supervisory Board ensures a high degree of transparency by linking the performance targets to the communicated business strategy and market guidance, including of ESG targets. The performance targets set under incentive schemes are disclosed to all stakeholders on Wienerberger's website on a prospective basis ahead of the Annual General Meetings, making it one of the few companies to provide such level of transparency to the market.

<sup>1)</sup> In addition to Austrian companies, companies considered that operate broadly in the same industry as Wienerberger include: Uponor OYJ, CRH Plc, Compagnie de Saint Gobain SA, Boral Limited, Holcim Ltd, Kingspan Group Plc, Rockwool A/S, Heidelberg Cement AG, Ibstock Plc, Forterra Plc, and Sika AG

### Short-term variable remuneration (STI)

For the Managing Board members, STI opportunities are capped at 100% of base salary, and are solely conditional on the attainment of short-term corporate financial targets that is directly aligned with Wienerberger's strategy: (1) adjusted EBITDA (EBITDA LFL); (2) free cash flow; and (3) efficiency-enhancing measures (including Fast Forward<sup>1</sup>). Each measure is equally weighted and the specific targets are defined at the end of the business year, set on the basis of all information available at that time, by a resolution of the Supervisory Board on the basis of a recommendation by the Remuneration Committee. The earned entitlements are paid out in the following year.

Each measure is equally weighted and the specific targets are defined at the end of the business year, set on the basis of all information available at that time, by a resolution of the Supervisory Board on the basis of a recommendation by the Remuneration Committee. The earned entitlements are paid out in the following year.

The Managing Board's STI target attainment and corresponding entitlements are shown in Table 5a and 5b, respectively. More specifically, during the period under review, the Remuneration Committee noted the following performance achieved by the Managing Board:

- › **EBITDA LFL:** EBITDA as reported excluding EBITDA contribution of companies acquired before January 1, 2022
- › **Free Cash Flow**
- › **EBITDA from Efficiency Enhancing Measures:** The calculation for the "Fast Forward" EBITDA contribution comprises manufacturing excellence (including supply chain management and G&A), innovation, and procurement.

Consequently, the target attainment and the earned entitlements for the 2022 business year (paid out in 2023) are as follows:

**Table 5a: Target attainment for short-term variable remuneration (STI) in 2022**

Target	Weighting	Minimum target attainment in MEUR	100% target attainment in MEUR	Maximum target attainment in MEUR	Actual target attainment in MEUR / %	
<b>2022</b>						
EBITDA LFL	33%	700	760	780	999.6	>150 %
Free cash flow	33%	310	385	400	597.7	>150 %
EBITDA from efficiency-enhancing measures	33%	20	45	50	48.3	133%

**Table 5b: Earned entitlements for short-term variable remuneration (STI) in 2022**

in EUR	Earned entitlement in 2022	Payout in 2023
Heimo Scheuch	944,865	944,865
Gerhard Hanke	460,000	460,000
Solveig Menard-Galli	460,000	460,000
Harald Schwarzmayr	460,000	460,000
<b>Total</b>	<b>2,324,865</b>	<b>2,324,865</b>

1) Wienerberger drives many different initiatives to increase efficiency. The largest of these is the "Fast Forward" program, implemented in 2018. The "Fast Forward" program provides the framework for measures to increase efficiency and improve profitability. Through strategic investments in the areas of operational excellence, innovation, digitization and sustainability, an incremental EBITDA contribution of around €135 million is to be generated as part of the "Fast Forward" program between 2021 and 2023.

For the business year 2021, the target attainment and the earned entitlements were as follows:

**Table 6a: Target attainment for short-term variable remuneration (STI) in 2021**

Target	Weighting	Minimum target attainment in MEUR	100% target attainment in MEUR	Maximum target attainment in MEUR	Actual target attainment in MEUR / %
<b>2021</b>					
EBITDA LFL	33%	580	610	630	<b>670.8</b> >150 %
Free cash flow	33%	260	285	300	<b>420.6</b> >150 %
EBITDA from efficiency-enhancing measures	33%	10	40	45	<b>42.5</b> 125%

**Table 6b: Earned entitlements for short-term variable remuneration (STI) in 2022**

in EUR	Earned entitlement in 2021	Payout in 2022
Heimo Scheuch	900,000	900,000
Gerhard Hanke	326,948	326,948
Solveig Menard-Galli	436,597	436,597
Harald Schwarzmayr	431,088	431,088
<b>Total</b>	<b>2,094,633</b>	<b>2,094,633</b>

### Long-term variable remuneration component (LTI)

Every member of the Managing Board is entitled to a long-term variable remuneration component that is designed as a long-term incentive (LTI) program. The LTI program is structured as a share-based remuneration program with a performance period of three years and a lock-up period of another two years for allocated shares. The CEO is eligible to be granted awards at a maximum of 175% of the fixed remuneration and the remaining Managing Board members a maximum of 150% of the fixed remuneration.

For the business years 2021 to 2024, the following performance measures for the LTI program were set for all members of the Managing Board:

- › **Relative total shareholder return** (relative TSR is measured by the performance of the peer group)  
Relative TSR creates an incentive to increase the long-term earnings power of the company and is directly aligned with shareholder interests by centering on the long-term creation of shareholder value
- › **Return on capital employed after tax (ROCE)**  
ROCE is the key indicator of Wienerberger's value-oriented business management. It reflects the value creation by the individual business units and by the Group as a whole. ROCE meets the requirements of the Austrian Code of Corporate Governance and is used by investors to assess long-term profitability and capital efficiency.
- › **Environmental, social, and governance (ESG) targets** in line with the Strategy 2023.

The relevant targets for relative TSR, ROCE, and the reduction of CO<sub>2</sub> emissions (ESG target) were defined by the Remuneration Committee and submitted to the plenary of the Supervisory Board for adoption. The targets were determined on the basis of all information available at the time of adoption. Moreover, a target corridor with upper and lower limits was defined.

Table 7 and 8 show the degree of target attainment for the LTI 2021 and LTI 2022, and Table 9 shows the entitlements resulting from

the degree of target attainment for LTI 2021 and LTI 2022 in the 2022 business year. During the three-year performance period, entitlements are allocated on a pro-rata basis up to an annual maximum of one-third of the total amount earned. The actual payout is done after the end of the three-year performance period, with at least 50% paid out in Wienerberger shares and not more than 50% in cash. 2021 LTI is paid out in 2024 while 2022 LTI is paid out in 2025. The calculation of the share component is based on the average share price during the last 20 ATX trading days of the performance period.

As the target achievement was determined on the basis of a cash payment and the exchange ratio for the share component will therefore only be defined at a later date, the cash amount was used as the fair value in the measurement. For the business year 2022 covering LTI 2021 and LTI 2022, an expense including incidental costs of € 2,701 thousand was recognized in the reporting year, of which 50% was recognized in equity for the share portion and 50% was recognized as a provision for the cash portion.

**Table 7: Target attainment for long term variable remuneration LTI 2022 in 2022**

Target	Weighting	Minimum target attainment in MEUR	100% target attainment in MEUR	Maximum target attainment in MEUR	Actual target attainment in 2022	
<b>LTI 2022</b>						
Relative total shareholder return	33%	25.00%	50.00%	≥75%	50%	100%
ROCE	33%	11.00%	11.50%	12.00%	18.10%	>150 %
ESG – reduction of CO <sub>2</sub> emissions	33%	10.00%	11.70%	12.30%	13.20%	>150 %

**Table 8: Target attainment for long term variable remuneration LTI 2021 in 2022**

Target	Weighting	Minimum target attainment in MEUR	100% target attainment in MEUR	Maximum target attainment in MEUR	Actual target attainment in 2022	
<b>LTI 2021</b>						
Relative total shareholder return	33%	25.00%	50%	≥75%	50%	100%
ROCE	33%	10.20%	10.60%	11.10%	18.10%	>150 %
ESG – reduction of CO <sub>2</sub> emissions	33%	5.00%	6.70%	7.20%	13.20%	>150 %

**Table 9: Earned entitlements for long-term variable remuneration (LTI 2021 and LTI 2022) in 2022**

in EUR	Assessment base	Cap <sup>2)</sup>	Earned entitlement <sup>3)</sup> in 2022	Earned entitlement <sup>3)</sup> in 2021
<b>2022</b>				
Heimo Scheuch	944,865	1,653,514	472,433	
Gerhard Hanke <sup>1)</sup>	460,000	690,000	204,444	
Solveig Menard-Galli	460,000	690,000	204,444	
Harald Schwarzmayr	460,000	690,000	204,444	
<b>Total</b>	<b>2,324,865</b>	<b>3,723,514</b>	<b>1,085,766</b>	
<b>2021</b>				
Heimo Scheuch	944,865	1,653,514	472,433	525,000
Gerhard Hanke <sup>1)</sup>	460,000	690,000	204,444	163,474
Solveig Menard-Galli	460,000	690,000	204,444	218,299
Harald Schwarzmayr	460,000	690,000	204,444	215,544
<b>Total</b>	<b>2,324,865</b>	<b>3,723,514</b>	<b>1,085,766</b>	<b>1,122,317</b>

1) For 2021, pro-rata as of March 1, 2021 in accordance with the STI agreement/side letter // 2) Upper limit for maximum target attainment // 3) No more than one third of the maximum amount per year, payout not earlier than 2024 for LTI 2021 and 2025 for LTI 2022, at least 50% in shares (holding period 2 years)

### Long-term variable remuneration component (LTI) of prior years

In 2022, two Managing Board members were still entitled to payments based on a LTI program established in 2019 (CFROI). The program lapsed on December 31, 2021, hence no further payments will occur after 2022. An overview of the entitlements to remuneration earned in 2022 is presented in Table 10.

**Table 10: Earned entitlements and payouts from LTI programs of prior years (gross amounts in €)**

Managing Board member	LTI program	Total amount of LTI	Earned entitlement in 2021	Earned entitlement in 2022	Payout in 2021	Payout in 2022
Solveig Menard-Galli	2019	122,693	40,898		0	51,194
	2018	100,000			34,837	
Willy van Riet <sup>1)</sup>	2019	691,934	230,645		0	230,645
	2018	494,478			164,826	

1) Willy Van Riet left the company on December 31, 2019.

### One-time, long-term share-based remuneration for CEO (Special LTI)

With respect to the one-time Special LTI granted to the CEO in 2020, performance share units (PSUs) representing a share-based payment with cash compensation are accounted for at their fair value at each cut-off date of the respective financial statements. Based on the increase in EBITDA achieved in 2022 and the projected EBITDA target attainment expected for the following years, as well as the expected attainment of the ESG targets, the expected value of the total PSUs of the special LTI plan was determined. The number of PSUs was multiplied by the fair value per PSU and the percentage of the vesting period (20%).

Based on preliminarily determined values, an expense of TEUR 500, plus ancillary wage costs of TEUR 44, i. e. a total of TEUR 544 (non-discounted) was posted and recognized as a provision in the reporting year.

Table 11: Performance share units (PSUs) CEO:

Parameters	Explanations
<b>Plan</b>	Performance share units (PSUs)
<b>Period of performance</b>	3 years with a holding period of another 2 years for PSUs (vesting period 5 years)
<b>Weighting of targets (PSUs)</b>	70% EBITDA growth in accordance with the Strategy 2023 30% ESG targets: <b>(10%) environment (climate protection)</b> 15% reduction in CO <sub>2</sub> emissions compared to 2020 <b>(10%) social (diversity)</b> more than 15% women in senior management positions and more than 30% women in white-collar positions in the Wienerberger Group <b>(10%) social (initial and further training)</b> 10% more training hours per employee compared to 2020
<b>Basic prerequisite</b>	Annual payout of at least 50 % of the short-term variable bonus (STI); if this target is not met, the allocation of PSUs will be reduced by one third each year
<b>Target achievement</b>	Target achievement is determined linearly between the defined upper and lower limits (PSUs)
<b>Maximum entitlement</b>	PSU portion maximum 300 % (max. EUR 4.5 MEUR)
<b>Allocation</b>	Once in 3 years (+ 2 years holding period) valid for PSUs
<b>Claw-back, malus, leaver regulation</b>	The provisions of the 2020–2024 Remuneration Policy apply

### Overview of recurring remuneration components in 2021 and 2022

Table 12 summarizes components of recurring remuneration received by members of the Managing Board in the business years 2021 and 2022. The members of the Managing Board earned entitlements totaling € 7,578,897 (2021: € 6,311 thousand) including fixed remuneration components, discretionary defined-contribution pension agreements, incidental benefits, as well as variable remuneration components (STI, LTI).

In accordance with the one-time, long-term share-based remuneration defined by the remuneration committee in 2020 (Special LTI), the CEO earned an entitlement to € 500,000 (2021: € 464 thousand) in 2022 in addition to the recurring remuneration components.

As already reported in 2021, certain one-time payments of executive remuneration components occurred in 2021. Such one-time payments were related to the transfer of shares (Restricted Stock Units) totalling € 1,287,435 and severance payments totalling € 2,500,000 to the CEO as well as compensatory payments of € 3,637,997 to the former CFO Carlo Crosetto, whose contract ended 2021. Taking into account these one-time payments, the total remuneration of the Managing Board amounted to € 14,201 thousand in 2021.

The ratio of fixed to variable remuneration paid out for the 2022 business year is 51%/49% for Heimo Scheuch, 58%/42% for Gerhard Hanke, 49%/51% for Solveig Menard-Galli and 52%/48% for Harald Schwarzmayr.

**Table 12: Overview of recurring Managing Board remuneration components in 2021 and 2022 (amounts granted and owed, gross amount in €**

Managing Board member, Position	Year	Fixed remuneration components		Variable remuneration components			Amounts paid out	
		Fixed remuneration	Incidental benefits*	Short-term variable remuneration (STI)	Long-term variable remuneration (LTI)	Pension fund contributions	Total	Total amounts paid out
Heimo Scheuch CEO	2022	944,865	12,142	944,865	944,865	371,637	3,218,374	1,844,865
	2021	900,000	15,096	900,000	525,000	360,000	2,700,096	3,400,000
Gerhard Hanke CFO <sup>1)</sup>	2022	460,000	12,787	460,000	408,889	69,000	1,410,676	786,948
	2021	326,948	10,656	326,948	163,474	49,042	877,068	326,948
Carlo Crosetto CFO <sup>2)</sup>	2022					130,000	130,000	
	2021	84,634	1,528			324,553	410,715	3,722,631
Solveig Menard-Galli COO WBS	2022	460,000	12,046	460,000	408,889	69,000	1,409,935	947,791
	2021	436,597	12,046	436,597	218,299	65,490	1,169,029	736,007
Harald Schwarzmayr COO WPS	2022	460,000	12,023	460,000	408,889	69,000	1,409,912	891,088
	2021	431,088	12,023	431,088	215,544	64,663	1,154,406	579,838
Willy Van Riet CFO <sup>3)</sup>	2022							230,645
	2021							164,826
	<b>2022</b>	<b>2,324,865</b>	<b>48,998</b>	<b>2,324,865</b>	<b>2,171,532</b>	<b>708,637</b>	<b>7,578,897</b>	<b>4,701,337</b>
<b>Total</b>	<b>2021</b>	<b>2,179,267</b>	<b>51,349</b>	<b>2,094,633</b>	<b>1,122,317</b>	<b>863,748</b>	<b>6,311,314</b>	<b>8,930,250</b>

\*) Incidental benefits include the company car and insurance // 1) The calculation for 2021 refers to the period from March 1 to December 31, 2021. // 2) The calculation in 2021 refers to the period from January 1 to February 28, 2021 // 3) Willy Van Riet left the company on December 31, 2019.

**Performance-related pay in the previous five years**

Table 13 provides an overview of:

- › Development of total remuneration paid to all Managing Board members in comparison to business performance.
- › Development of annual remuneration (comprising incidental payments of the CEO in relation to the average and median pay of an Austrian FTE (blue collar and white collar) of € 77,440 and € 61,757, respectively).
- › All Austrian employees were entitled to at least 7% salary increase compared to 2021 according to collective bargaining agreements while the CEO's remuneration decreased by 46% compared to 2021.

**Table 13: Comparative overview of remuneration paid out and business performance over the five previous business years, gross amount in €**

<b>Annual change in %</b>	<b>2022 vs. 2021</b>	<b>2021 vs. 2020</b>	<b>2020 vs. 2019</b>	<b>2019 vs. 2018</b>	<b>2018 vs. 2017</b>	<b>2017 vs. 2016</b>	<b>2016 vs. 2015</b>	<b>Base <sup>3)</sup></b>
Total payout Managing Board								
Heimo Scheuch	-46%	31%	9%	-30%	57%	-13%	43%	3,400,000
Gerhard Hanke <sup>1)</sup>	141%	n/a	n/a	n/a	n/a	n/a	n/a	326,948
Solveig Menard-Galli	29%	12%	57%	n/a	n/a	n/a	n/a	736,007
Harald Schwarzmayr	54%	36%	n/a	n/a	n/a	n/a	n/a	579,838
Willy van Riet <sup>2)</sup>	n/a	-86%	-29%	-34%	53%	-13%	43%	n/a
Business performance								
Operating EBITDA	47%	20%	-6%	25%	18%	5%	5%	694 Mio. €
Profit after tax	82%	>100 %	-62%	79%	5%	22%	65%	312 Mio. €
ROCE	590 bps	330 bps	-170bps	310 bps	20 bps	150 bps	180 bps	12.20%
Annual remuneration of the CEO in relation to the average pay of an Austrian FTE								
Ratio CEO/employee (average)	24	51	41	38	53	35	42	77,440
Ratio CEO/employee (median)	30	51	41	38	53	35	42	61,757

*1) CFO as of March 1, 2021 // 2) Willy Van Riet left the company on December 31, 2019. // 3) Basis for calculation of the increase is the annual remuneration of the precedent year, ie for 2022, the basis is 2021.*

**Other remuneration components and agreements**
**Claw-back clauses**

The Supervisory Board is authorized to resolve on the forfeiture or return (claw-back) of the payment of a Managing Board member's variable remuneration (or any portion thereof) in circumstances showing that the variable remuneration has accrued or been paid out based on inaccurate or erroneous information/data, or where mandatory internal corporate rules or applicable laws are subsequently proven to have been breached. As far as legally permissible, the Supervisory Board may impose on the Managing Board adjustments to the elements, criteria, thresholds, and limits of long-term variable remuneration components, thus deviating from long-term variable remuneration paid out in view of exceptional circumstances due to extraordinary internal or external factors or events.

**Pension fund agreements**

The members of the Managing Board are covered by voluntary defined-contribution pension agreements that require the Company to make annual contributions to the relevant pension scheme for each Managing Board member. There are no statutory contribution obligations to pension schemes for Managing Board members under Austrian law.

**Directors' and officers' liability insurance**

Wienerberger has concluded directors' and officers' liability insurance with a sum insured of € 100 million for the members of the Supervisory Board, Managing Board, operational bodies, and senior employees. This insurance also covers any loss to the company arising from the failure of these parties to act conscientiously (without any intentional or deliberate violation of duties). There is no deductible for the insured corporate bodies and employees of the Wienerberger Group.

**Incidental benefits**

Incidental benefits provided to members of the Managing Board especially include a company car as well as mobile and other communication devices.

**Severance compensation**

The members of the Managing Board are entitled to severance compensation (Abfertigung) upon termination of employment. This compensation is calculated based on the Austrian legal provisions with respect to mandatory severance payments for employees on the basis of total remuneration including variable remuneration and the length of service with the company. In the 2022 business year, the provision for severance compensation entitlements amounted to € 1,723,009 (2021: € 660,765). The increase compared to 2021 stems from the increase of the fixed remuneration and consequently a higher STI as well as a higher LTI for all entitled Members of the Managing Board.

**Change of control clauses**

The employment contracts concluded with the members of the Managing Board contain change of control clauses, which regulate payment obligations in the event that a Board member's appointment is terminated prematurely following a change in the control of the company. The Articles of Association of Wienerberger AG define a change of control as an increase in an owner's shareholding to over 20%, which triggers a mandatory takeover offer to all other shareholders. Under these change of control clauses, the payment obligations agreed upon in the employment contracts with the members of the Managing Board are to be met until the end of the contract period as originally specified. Total entitlements are capped at two annual salaries. There are no further entitlements.

**Outside activities**

The members of the Managing Board require the prior approval of the Supervisory Board in order to enter into any activities outside the scope of their work with Wienerberger. This guarantees that neither the time required nor the related compensation could lead to a conflict with their duties for the company. All outside activities that involve seats on Supervisory Boards or comparable positions at publicly traded companies are listed on pages 234–235 in the Corporate Governance Report and disclosed on the Wienerberger website. No compensation is provided for positions in Group companies.

**Remuneration of senior management**

The remuneration of the senior management within the Wienerberger Group is designed along the lines of the incentive scheme for Managing Board members. Apart from fixed remuneration reflecting the tasks and the scope of responsibility of the person concerned, a short-term remuneration component is provided as an adequate incentive. Depending on the functional profile of each executive, the targets for the short-term remuneration component are determined on the basis of the Group budget or the budget of their respective fields of activity and supplemented by individually agreed financial or non-financial targets. The degree of target attainment can be measured for each goal and is determined on a linear basis within a corridor. The entitlement earned is paid out in the following period. In addition, selected executives participate in the LTI program. The earned entitlements are paid out in the following period. Both the short-term and long-term variable remuneration components are capped at agreed limits.

**Employee participation program**

In 2022, all members of the Managing Board were entitled to take part in Wienerberger's employee share participation program (ESPP) which was launched in Austria in 2019. In 2022, the employee participation program included not only Austria but also the Netherlands, Belgium, Czech Republic, Great Britain, Hungary, Denmark, Norway, Finland, Estonia, Latvia and Lithuania. In Austria, the investment is capped at € 9,000 per person and year. In accordance with Austrian law, shares purchased with the employee's own funds and the bonus shares allocated must be held until the employee leaves the Wienerberger Group in order to take full advantage of the related tax benefit.

**Considering Employee Views**

When determining the remuneration of Managing Board members, the Remuneration Committee takes the compensation arrangements of other employees, including those of top management, into account to ensure that remuneration arrangements for Managing Board members remain consistent and reasonable in a group-wide context.

## II. Supervisory Board Remuneration

The 151st Annual General Meeting adopted the Remuneration Policy 2020–2024 for the Supervisory Board of Wienerberger, which provided for a new pattern of remuneration for the elected Supervisory Board members, effective as of the 2020 business year:

- › Remuneration was divided into annual fixed remuneration for Supervisory Board work and annual fixed remuneration for committee work. Committee remuneration is limited to one committee membership per person and is paid only once, even if a Supervisory Board member is active on several committees.
- › The fixed annual remuneration for Supervisory Board work is determined in accordance with the function of the member:
  - › For the chairperson of the Supervisory Board: €170,000
  - › For each deputy chairperson of the Supervisory Board: €105,000
  - › For each additional member of the Supervisory Board: € 80,000
- › The fixed annual remuneration for committee work is also determined in accordance with the scope of a member's responsibility:
  - › For the chairperson of the audit risk committee: € 40,000
  - › For the chairperson of any other committee: € 30,000
  - › For the deputy chairperson of a committee: € 30,000
  - › For ordinary committee members: € 20,000
- › The above amounts are gross amounts and not subject to indexation.

The Supervisory Board obtained feedback from several shareholders and proxy advisors before establishing the new Remuneration Policy so as to align its principles better with increasingly stringent market expectations and shareholder interests. The elimination of attendance fees reflects the shift from a meeting-based to a responsibility-based remuneration structure.

This remuneration pattern results in different remuneration for different Supervisory Board members, reflecting each Board member's individual engagement in the Board's work. Apart from the above remuneration components, there is no variable remuneration tied to the business results achieved by the company. Supervisory Board members do not receive any fringe benefits or pension commitments and are not permitted to participate in the companies' employee participation program.

No compensation was paid for services outside the aforementioned Supervisory Board duties, in particular for consulting or agency services. The salaries received by the employee representatives as part of their employment contracts are the only exceptions. No loans were granted to the members of the Supervisory Board. Any business transactions with companies in which members of the Supervisory Board of Wienerberger are active are carried out at arm's length terms. Information on related party transactions is provided in the Notes to the Consolidated Financial Statements on page 324.

Remuneration to the members of the Supervisory Board for the business year 2022 came to a total of € 962,945 (2021: € 846 thousand) (paid out in 2023).

Table 14: Overview of total Supervisory Board remuneration in 2021-2022

Supervisory Board remuneration in EUR	2021			2022		
	Fixed Supervisory Board remuneration	Fixed remuneration for committee work	Total remuneration	Fixed Supervisory Board remuneration	Fixed remuneration for committee work	Total remuneration
Peter Steiner	170,000	30,000	200,000	170,000	30,000	200,000
Myriam Meyer	105,000	30,000	135,000	105,000	30,000	135,000
Thomas Birtel <sup>3)</sup>	0	0	0	53,260	13,315	66,575
David Davies <sup>1)</sup>	80,000	40,000	120,000	80,000	40,000	120,000
Marc Grynberg <sup>3)</sup>	0	0	0	53,260	13,315	66,575
Peter Johnson	80,000	20,000	100,000	80,000	20,000	100,000
Regina Prehofer	80,000	20,000	100,000	80,000	20,000	100,000
Oswald Schmid	80,000	20,000	100,000	80,000	20,000	100,000
Christian Jourquin <sup>4)</sup>	19,726	4,932	24,658	0	0	0
Kati ter Horst <sup>2)</sup>	53,041	13,260	66,301	59,836	14,959	74,795
<b>Total</b>	<b>667,767</b>	<b>178,192</b>	<b>845,959</b>	<b>761,356</b>	<b>201,589</b>	<b>962,945</b>

1) Chairman of the Audit and Risk Committee // 3) Member of the Supervisory Board from May 4, 2021 until September 30, 2022 // 4) Member of the Supervisory Board since May 3, 2022 // 4) Member of the Supervisory Board until March 31, 2021

## III. Shareholdings of Members of the Managing Board and Supervisory Board

The members of the Managing Board and Supervisory Board have undertaken to disclose their holdings of Wienerberger shares. In accordance with Article 19 of Regulation (EU) No 596/2014, any purchase or sale by members of the Supervisory Board and Managing Board is reported to the Austrian Financial Market Authority. Moreover, the transactions are also disclosed via an EU-wide dissemination system as well as on the Wienerberger Investor Relations website.

In 2022, members of the Supervisory Board and the Managing Board purchased a total of 46,695 Wienerberger shares. No sales of Wienerberger shares were made. The number of Wienerberger shares held by members of the Managing Board and the Supervisory Board at the end of 2022 totaled 304,026.

**Table 15: Shareholdings of Supervisory and Managing Board**

Shareholdings in numbers of shares		Purchase	12/31/2021	Purchase	12/31/2022
Managing Board	Heimo Scheuch	50,678 <sup>4)</sup>	215,849	3,012	218,861 <sup>8)</sup>
	Gerhard Hanke <sup>1)</sup>	1,420 <sup>3)</sup>	2,911	7,212	10,123 <sup>8)</sup>
	Carlo Crosetto <sup>1)</sup>	0	0	0	0
	Solveig Menard-Galli	420 <sup>3)</sup>	4,911	4,512	9,423 <sup>8)</sup>
	Harald Schwarzmayr	2,420 <sup>3)</sup>	6,311	7,012	13,323 <sup>8)</sup>
	Peter Steiner	0	2,100	12,180	14,280
	Myriam Meyer	0	1,000	0	1,000
	Thomas Birtel <sup>7)</sup>	0	0	0	0
	David Davies	9,200	11,480	0	11,480
	Marc Grynberg <sup>7)</sup>	0	0	5,000	5,000
Supervisory Board	Peter Johnson	0	5,225	0	5,225
	Regina Prehofer	0	0	0	0
	Claudia Schiroky <sup>2)</sup>	14 <sup>3)</sup>	44	17	61 <sup>8)</sup>
	Oswald Schmid	0	7,500	7,750	15,250
	Gerhard Seban <sup>2)</sup>	0	0	0	0
	Wolfgang Wallner <sup>2)</sup>	0	0	0	0
	Christian Jourquin <sup>5)</sup>	0	0	0	0
	Kati ter Horst <sup>6)</sup>	0	0	0	0
<b>Total</b>		<b>64,152</b>	<b>257,331</b>	<b>46,695</b>	<b>304,026</b>

1) Carlo Crosetto left the company on February 28, 2021, and was succeeded by Gerhard Hanke on March 1, 2021. // 2) Employee representative // 3) Of which a maximum number of 420 shares purchased within the framework of a share option program within the meaning of Art. 19 para. 6 point e of Regulation (EU) No 596/2014 // 4) On May 20, 2021, the Supervisory Board of the company decided to allocate a total of 40,258 shares to Heimo Scheuch within the framework of the applicable share-based remuneration scheme without payment of consideration. Additionally, 420 shares were purchased within the framework of a share option program within the meaning of Art. 19 para. 6 point e of Regulation (EU) No 596/2014. // 5) Member of the Supervisory Board until March 31, 2021 // 6) Member of the Supervisory Board since May 4, 2021 // 7) Member of the Supervisory Board since May 3, 2022 // 8) Of which a maximum number of 512 shares purchased within the framework of a share option program within the meaning of Art. 19 para. 6 point e of Regulation (EU) No 596/2014

## IV. Shareholder Feedback

In 2022, Wienerberger reached out to at least two-thirds of its shareholder base as part of its latest annual engagement program, led by the Supervisory Board Chair. The Remuneration Committee, the Supervisory Board as a whole, took account of the concerns that some of our shareholders raised at last year's general meeting regarding the Remuneration Report. More specifically, shareholders communicated their strict policies surrounding severance payments and their expectation that the Supervisory Board try to limit, as much as legally possible, potential payments. Additional feedback was also received to provide information regarding Wienerberger's peer group used, which such information was included in this year's Remuneration Report. Other stakeholders, such as proxy advisors, were also engaged during the period under review.

The feedback received from the investors was that they remained overall supportive of the Remuneration Policy and the transparency that Wienerberger provides regarding both short- and long-term performance targets and their associated weightings. As such, no changes are being proposed for the upcoming year and the Remuneration Policy was strictly applied for the period under review.

The Remuneration Committee and the Supervisory Board will engage extensively with shareholders in 2023 to ensure their input is reflected in the new Remuneration Policy, including the performance measures considered and weights, that will be subject to a vote at the 2024 Annual General Meeting.

Vienna, 24 March 2023



**Heimo Scheuch**  
Chairman of the Managing Board  
of Wienerberger AG,



**Peter Steiner**  
Chairman of the Supervisory Board  
of Wienerberger AG

# Independent Assurance Report<sup>1</sup>

## Independent assurance report on the compliance of the Remuneration Report as of 31.12.2022 with the provisions pursuant to sections 78c and 98a Austrian Stock Corporation Act (AktG)

Dear Ladies and Gentlemen,

due to the listing of the shares of the Wienerberger AG (“Company”) on the Vienna Stock Exchange, the Management Board, together with the Supervisory Board, is required to prepare a Remuneration Report annually in accordance with the provisions amended by the Stock Corporation Law Amendment Act 2019 (AktRÄG 2019) and to submit it to the Annual General Meeting for voting.

We have been engaged to perform a limited assurance engagement to determine whether the Remuneration Report as of 31.12.2022 complies, in all material respects, with the provisions of sections 78c and 98a Austrian Stock Corporation Act (AktG). We report on this as follows:

## Independent Assurance Report<sup>1</sup>

We have reviewed the accompanying Remuneration Report as of 31.12.2022 of Wienerberger AG (“Company”).

### Responsibilities of the Management Board and the Supervisory Board

The responsibility for compliance with legal requirements and for the proper preparation of the Remuneration Report in accordance with sections 78c and 98a Austrian Stock Corporation Act (AktG) lies with the Company’s Management Board and Supervisory Board. This also includes the preparation of adequate documentation and the establishment of internal controls.

### Responsibilities of the Practitioner

Our responsibility is to express a conclusion as to whether, based on our procedures performed and the evidence obtained, any matters have come to our attention that cause us to believe that the Remuneration Report prepared by the Company’s Management Board and the Supervisory Board is not in compliance, in all material respects, with the requirements of sections 78c and 98a Austrian Stock Corporation Act (AktG).

We have performed the engagement in accordance with ISAE 3000 (“International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information”) of the “International Auditing and Assurance Standards Board” (IAASB) as a limited assurance engagement. Those standards require that we comply with ethical requirements, including independence rules, and plan and perform the engagement, taking into account the principle of materiality, so as to provide our conclusion with limited assurance.

In a limited assurance engagement, the audit procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, less assurance is obtained.

The procedures selected depend on the Practitioner’s professional judgment and included, in particular, the following activities:

- › Review for compliance with the minimum content pursuant to sections 78c and 98a Austrian Stock Corporation Act (AktG)
- › Inspection of remuneration contracts of the members of the Management Board and the Supervisory Board as well as of the Articles of Association, and reconciliation with the stated remuneration components in the Remuneration Report
- › Reconciliation of the specified remuneration components with payroll accounts as well as actually made payments according to accounting records

1) This English language assurance report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

- › Inquiries of members of the Management Board and Supervisory Board
- › Inspection of the remuneration policy drawn up in 2020, supplementary Supervisory Board minutes (e.g., Remuneration Committee), relevant documents and other records
- › Recalculation of the remuneration of the Supervisory Board for 2022 based on the available minutes of the Annual General Meeting
- › Recalculation of the variable Management Board remuneration for 2022 based on the Management Board contracts and the available minutes of the Supervisory Board Meetings and the Annual General Meeting

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The subject matter of our engagement is neither an audit nor a review of financial statements. Also, neither the detection and clarification of criminal offenses, such as misappropriations or other acts of embezzlement and irregularities, nor the conclusion of the effectiveness and efficiency of the management is the subject of our engagement.

### **Conclusion**

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Remuneration Report as of 31.12.2022 of Wienerberger AG is not in compliance, in all material respects, with sections 78c and 98a Austrian Stock Corporation Act (AktG).

### **Restriction on Distribution and Use**

Since our report is prepared exclusively on behalf of and in the interest of the client, it does not provide a basis for any reliance by third parties on its contents. Claims of third parties can therefore not be derived from this report. Accordingly, this report may not be passed on to third parties or made accessible to third parties in any other way, either in whole or in part, without our express prior consent. Our report on the audit may only be published on the Wienerberger AG website and may only be passed on under the condition that our overall responsibility towards you and any other recipient who receives the report with our consent is limited to the amount stated in the terms and conditions of the engagement below.

### **Terms and Conditions of the Engagement**

We issue this report on the basis of the engagement concluded with the Company, which is also based, with effect towards third parties, on the General Conditions of Contract for the Public Accounting Professions (AAB 2018) annexed to this report.

Our liability is limited to claims for damages based on at least gross negligence on our part. Liability for slight negligence is excluded. We shall not be liable for the activities of any external auditors or attorneys who may have been called in. Insofar as claims for damages against us do not exist or no longer exist, claims based on another legal ground (e.g., warranty, error) are also excluded.

As far as legally permissible, our liability in case of gross negligence towards the Company and also towards third parties (this also in case of several claimants or bases of claims) is limited to the total maximum liability amount of five times the fee received (excluding any cash expenses and out-of-pocket expenses and excluding value added tax) but not more than ten times the minimum insurance sum of the professional liability insurance pursuant to section 11 of the Austrian Professional Accountants and Tax Advisors Act 2017 (Wirtschaftstreuhandberufsgesetz 2017). Claims for damages are limited to the actual damage. We shall only be liable for loss of profit in the event of intent or gross negligence, to the extent permitted by law. We are not liable for unforeseeable or untypical damages that we could not have expected.

March 24, 2023, Vienna, Austria

*Deloitte Audit Wirtschaftsprüfungs GmbH*

Mag. Gerhard Marterbauer  
Certified Public Accountant

pp. Margaretha Germann M.A. (HSG), ACCA  
Certified Public Accountant