wienerberger

Attn. Shareholder Wienerberger AG

Vienna, April 2, 2021

Dear Shareholder,

It is with great pleasure that I write to you as the new Chair of Wienerberger AG's Supervisory Board. Since taking over the role from Peter Johnson on 1 January 2021, I have had the chance to meet many of our shareholders (see also our ESG Roadshow presentation available on our website) and will continue to proactively engage with you to communicate our equity story and solicit feedback to strengthen our Environmental, Social, and Governance (ESG) practices and disclosures.

For more than 200 years, Wienerberger has helped to build around the lives of people and is a major driving force behind the future of construction. Through our focus on innovation, combined with our expertise and experience, we bring clear added value for customers and partners alike. Despite the challenging global environment, Wienerberger nearly matched the record revenues of 2019 and increased its free cash flow by c. 40%.

As reflected in our current share price performance, which is at its highest level since 2008, Wienerberger has strong foundations for sustainable growth. In September 2020, Wienerberger unveiled its Strategy 2023 which was very well-received and considered ambitious by the market and analysts covering the stock.

Demonstrating our integrated thinking, alongside our 2023 financial objectives, we also announced our Sustainability Strategy 2023 that covers our ambitions ranging from climate change to improving diversity within our workforce. Our 2023 sustainability targets are fully aligned with the EU Green Deal and we are committed to achieve net zero emissions by 2050. We also initiated the process of disclosing our efforts relating to climate change in line with the Task Force on Climate-related Financial Disclosures (TCFD).

At the upcoming Annual General Meeting (the "2021 AGM"), we will be asking for your support on key items that will help drive the growth envisioned for Wienerberger. In the interest of building a long-standing relationship with you and helping you to reach an informed decision, I wanted to provide additional context on some of the items that are coming to a vote.

Board Elections

In our effort to refresh the Supervisory Board and bring relevant experience and skills to the boardroom, we are excited to welcome Kati ter Horst as a new independent Board member. Kati ter Horst is currently within the Leadership Team of the global renewable materials company Stora Enso Oyj and a board member of the Climate Leadership Coalition, the largest non-profit climate business network in Europe. She also serves as an independent board member of Outokumpu Oyj, one of the largest steel producers globally. The Supervisory Board will seek to mandate Kati ter Horst for the remaining period of former Supervisory Board Member Caroline Grégoire Sainte Marie until the 154th AGM in 2023.

We also propose to renew the mandate of David Davies as an independent board member and Peter Johnson as a non-independent board member. Due to Peter Johnson's sector expertise and deep knowledge of the company, the Board felt that stability and continuity in the current economic context is high-valuable. As such, the Supervisory Board will seek to renew Peter Johnson's mandate for an additional term. Finally, I'll take this opportunity to thank Christian Jourquin for sharing his valuable insights and experience as an independent board member over the past seven years as he has retired from the Board.

Considering the abovementioned changes, and within the boundaries of our Articles of Association, we are proposing to reduce the number of shareholder-elected Board members from eight to seven. After the 2021 AGM, the Supervisory Board and its key Committees will remain independent in its majority with more than one-third of its members being women. All key Committees will be chaired by independent Board members. Finally, all shareholder-elected Board members attended more than 75% of Board and Committee meetings they were eligible to attend, and their external commitments were in line with the major investors' guidelines.

Executive Remuneration

At last year's AGM, shareholders approved the remuneration policy which is applicable for the year 2020 to 2024. Whilst shareholders were broadly supportive of the changes we had made to our remuneration policy, there were two areas of concern that emerged from our discussions with certain investors: (1) the timing of our disclosure of long-term incentive plan performance targets; and (2) the ability for the Remuneration Committee to use discretion.

Regarding the disclosure of performance targets for our incentive awards, we have made this available on our website. The Remuneration Committee has always ensured that the targets set are sufficiently stretching, as evidenced by the historic payout levels of awards granted. As for the ability for the Remuneration Committee to use discretion, this provision is strictly limited to extraordinary situations and would need to be clearly explained when used.

Given the exceptional circumstances surrounding COVID-19 and its impact on society, including on Wienerberger, the Remuneration Committee has had to re-evaluate the suitability of the remuneration policy and apply discretion in two instances to ensure that the executive team was appropriately incentivized.

The high-level adjustments are described below, and further details can be found in our Remuneration Report (available on our website).

- ***Short-Term Incentive Plan ("Annual Bonus")***

The Remuneration Committee had initially selected three performance criteria to determine the executives' annual bonus – (1) EBITDA LFL; (2) Free Cash Flow; and (3) Efficiency Enhancement Measures. In light of COVID-19, the Committee considered that the short-term objectives for Free Cash Flow and Efficiency Enhancement Measures had materially changed and that executive team bonuses should focus solely on EBITDA LFL.

In light of this decision, the Remuneration Committee reduced the maximum opportunity from 100% of base salary to 70% of each executive's respective base salaries, as well as re-aligned the targets with the revised guidance communicated to the market in August 2020.

The CEO, Heimo Scheuch, was not eligible to earn an annual bonus as described below.

- ***Long-term Equity Award to Meet Wienerberger's Ambitious Financial and Extra-Financial Strategic Objectives***

For the CEO, Heimo Scheuch, the adjustments to the annual bonus did not apply and the 2020 bonus was waived. All outstanding entitlements relating to the long-term variable compensation component (prior to 2020) and the 2020 bonus have been combined and channeled into a new five-year one-off equity award to incentivize the CEO to meet Wienerberger's ambitious long-term financial and extra-financial strategic goals, that was announced to the capital markets in September 2020, whilst navigating the short-term pressures created by COVID-19. This one-off award is fully aligned with shareholders' interests and strongly signals the CEO's commitment to Wienerberger's future.

The grant amount of € 2.5 million, which roughly represents the 2020 opportunity under the bonus and long-term equity incentive plan, is split into an award where 60% will be delivered as performance-based stock units (PSUs) and the remaining part in restricted stock units (RSUs). The RSUs will be subject to a 5-year holding period with the taxes incurred to be paid upfront by the CEO.

As for the PSUs, these will be subject to a three-year performance period followed by a two-year holding period. The PSUs are strictly aligned with the 2023 strategic targets that were communicated to the market, where 70% of the award is linked to EBITDA enhancement and the remaining 30% on ESG criteria (i.e. CO2e emissions reduction, diversity, and employee training and development). Details of the performance targets as well as commentary from market analysts regarding the rigor of our communicated strategy can be found in Appendix 1. From the Board's and market analysts' belief, maximum vesting will occur only in the event of truly exceptional performance.

The decision to provide this one-off award for the CEO was crafted after months of internal boardroom deliberation and consideration of shareholder views. An award of this type will not be replicated in the future. The Remuneration Committee believes the existing remuneration policy, approved by shareholders last year, works well and the Remuneration Committee remains committed to its application going forward.

Dividends

Wienerberger's resilient business model has enabled the Board to propose a €0.60 dividend per share, equal to the amount paid out from 2019 results. This distribution is in line with our clear commitment to shareholders where we will distribute 20-40% of free cash flow, by means of progressive dividends and share buybacks.

I hope the above context and information is useful in better understanding our approach to ESG issues and the items coming to a vote at the upcoming AGM.

We are looking for your support on all items and if you have any questions or comments regarding this letter or the AGM, you can contact Elisabeth Falkner, Head of Investor Relations (investor@wienerberger.com).

Kind regards,

Peter Steiner

Chair of the Supervisory Board

Wienerberger AG

Appendix 1 – Long-term Equity Award to Meet Wienerberger's Ambitious Financial and Extra-Financial Strategic Objectives

Market Commentary Following the Capital Markets Day

- ***Exane****: "CMD unveils ambitious three-year plan. The group 2023 strategy provides a positive message on the group ability to drive further cost-reduction and efficiency measures in these uncertain times as well as incremental EBITDA from innovative and ESG investments."*
- ***Berenberg****: "Given management's success (so far) in delivering the current Fast Forward programme, we believe the delivery of this new programme is in safe hands."*
- ***Citi****: "Management continues to target incremental EBITDA of c.€135m over 2021-23e on the back of self-help measures which could arguably offset some of the demand softness from a potential macro downturn."*
- ***Commerzbank****: "We regard 2023 targets positive, considering margin upside to be the dominating effect."*
- ***UBS****: "Overall, we walked away with a positive impression on the area of new investments and its potential contribution to profitability."*