

2022 | Corporate Governance Report

world of **wienerberger**

Credits: Auditorium-Theatre in the old quarter of Illueca, Spain | Architects: Magén Arquitectos S.L.P. Zaragoza | Photographer: Rubén P. Bescós



CORPORATE GOVERNANCE REPORT

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Report of the Supervisory Board

Dear Shareholders,

2022 was an exceptionally successful year for Wienerberger. The company was able to grow both organically and inorganically in an environment still characterized by the Covid pandemic and the consequences of the war in Ukraine. The focus on innovation and the expansion of the portfolio of system solutions, long-term oriented cost management, the continuous implementation of efficiency improvement measures and the rapid integration of acquired companies formed the basis for this strong development.

During the reporting year, cooperation within the Supervisory Board was based on an atmosphere of trust and maintained a clear focus. This also holds for the cooperation between the Supervisory Board and the Managing Board. The performance of the company is discussed at regular Supervisory Board meetings as well as in more short notice video conferences. Additionally, the Chairman of the Supervisory Board and the Chief Executive Officer are in frequent contact for a close and intensive exchange of information and opinions.

In 2022, most of the meetings of the Supervisory Board and its committees were again held as on-site meetings. The topics discussed included, in particular:

- › the effects of the fast-changing environment and the resulting challenges
- › measures to manage cost inflation
- › the implementation of our Sustainability Program 2023 and digitalization strategy
- › occupational health and safety
- › all M&A transactions

2022 also brought some organizational changes on the Supervisory Board: In May 2022, Thomas Birtel and Marc Grynberg were newly elected to the Supervisory Board. Kati ter Horst resigned from the Supervisory Board as of the end of September 2022, as she wanted to assume a new position on the Executive Committee of a competitor in October 2022. Within the framework of the 153rd Annual General Meeting, I was re-elected to the Supervisory Board and subsequently confirmed as its chairman at the constitutive meeting of the Supervisory Board.

Performance evaluation of the Supervisory Board

In November 2022, the Supervisory Board conducted an internal performance evaluation, in the course of which the Supervisory Board members answered numerous questions regarding the composition, organization, way of working, and chairmanship of the Supervisory Board. Alongside national and international corporate governance trends, the questions also referred to company-specific aspects as well as experience and feedback from previous evaluations. The answers to these questions were evaluated and discussed in detail at the December 2022 meeting of the Supervisory Board.

Results of the performance evaluation

Positive findings:

The results of the evaluation confirmed the professional and constructive nature of cooperation within the Supervisory Board. This also holds for the interaction between the Supervisory Board and the Managing Board, which was described as constructive, balanced, and mutually appreciative. The work done by the committees is perceived as a particularly valuable contribution to the efficient performance of the Supervisory Board's tasks. The members of the Supervisory Board expressed their appreciation of the chairmanship of the plenary sessions and the committee meetings and highlighted the efficient organization of the meetings as well as the provision of information. In the members' opinion, the Supervisory Board in its current composition encompasses all the skills and qualifications required for the fulfilment of its functions. Moreover, the members are in agreement as regards the qualifications and expertise as well as diversity criteria to be met by future candidates for the Supervisory Board.

Areas with room for improvement:

The members of the Supervisory Board agree that succession planning and talent management should remain high priority topics.

Overall, the evaluation led to the conclusion that the Supervisory Board is working very efficiently.



Evaluation of mandates held by Supervisory Board members

Within the framework of its annual review of the external mandates held by Supervisory Board members, the Nomination Committee concluded that all Supervisory Board members have sufficient time for intensive and committed Supervisory Board work. Moreover, the amount of time devoted to the Supervisory Board confirms that its members can fulfill their functions at Wienerberger without hindrance.

The Nomination Committee will continue to keep a close eye on all new mandates assumed by Supervisory Board members to ensure that they continue to effectively perform their duties at Wienerberger. With this in mind, the Nomination Committee amended the Rules of Procedure of the Supervisory Board of Wienerberger AG by formally limiting the number of mandates members are allowed to hold. For details, please refer to the section on Mandates and External Obligations on page 215.

Priority areas of Supervisory Board work in 2022

For a company with a free float of 100%, keeping investors informed of the Wienerberger Group's activities is particularly important. We therefore expect our financial reporting to meet the highest national and international standards. The Supervisory Board took great care in fulfilling its obligations during the financial year in accordance with the relevant legal provisions, the Articles of Association of the company, and the Rules of Procedure.

In 2022, the Supervisory Board held nine meetings, including three extraordinary ones. In the course of these meetings, the Supervisory Board and the Managing Board discussed the company's economic situation as well as important growth projects and the strategic orientation of the Group. In addition to its advisory and steering functions, the Supervisory Board focused on monitoring the legality, efficiency, and regularity of the company's management. The Managing Board provided the Supervisory Board with timely and comprehensive information at all meetings and submitted regular written and oral reports on the economic and financial situation of the Group, its personnel situation, and its acquisition and investment projects. In addition, the Chairman of the Supervisory Board and the committee chairpersons met regularly with the Managing Board to discuss the Group's strategy, its performance, and its approach to risk management, giving due consideration to the growing importance of sustainability aspects. Certain subjects were dealt with in greater detail by the committees and reported to the Supervisory Board. In 2022, the overall rate of attendance by the capital representatives at Supervisory Board meetings was very high. For a detailed overview of meeting attendance by the members of the Supervisory Board, please refer to page 205.

The following topics were discussed by the Supervisory Board:

- › Review and approval of the 2021 annual financial statements presented by the Managing Board
- › Preparation of the agenda of the 153rd virtual Annual General Meeting
- › Resolution on the 2021 Remuneration Report
- › Review of strategic acquisitions aimed at generating sustainable and value-adding growth and expanding the Group's industrial portfolio
- › Assessment of candidates for election to the Supervisory Board
- › Buyback of 8,830,000 treasury shares
- › Approval of the cancellation of 3,455,639 treasury shares of the company
- › Review, discussion, and approval of the 2023 budget
- › Discussion of progress made toward attaining the targets of the 2023 Sustainability Program and the extension of the program until 2026
- › Discussion of and agreement on the procedure to be followed in the event of conflicts of interest of Supervisory Board members
- › Resolution on the shareholding policy for the Supervisory Board
- › Resolution on the maximum number of mandates to be held by Supervisory Board members and the related amendment to the Rules of Procedure of the Supervisory Board of Wienerberger AG



Report of the Audit and Risk Committee

The committee met five times in 2022. Representatives of the external auditor were present at all committee meetings. At its meetings on February 21 and March 24, 2022, the Audit and Risk Committee discussed the Consolidated and Separate Financial Statements of Wienerberger AG, the Management Report, the Group Management Report, the Corporate Governance Report, the report on the functioning of the risk management system, the report on the Group's non-financial performance in fiscal 2021, and the Managing Board's proposal for profit distribution. After thorough examination, the Audit and Risk Committee unanimously recommended the approval and formal adoption of these reports by the Supervisory Board. In the interest of timely communication with capital market participants, the preliminary results of fiscal 2022 were published in the form of a short report on February 22, 2023. The full annual report was published on March 27, 2023.

Other focal points of the Audit and Risk Committee's work included:

- › Verification of the statement submitted by the external auditor regarding its legal relations with the Wienerberger Group and the members of the Group's Boards for the year 2022
- › Evaluation of the quality of the external auditor's work
- › Verification and confirmation of compliance with Rules 77-83 of the Austrian Corporate Governance Code
- › Approval of the internal audit plan and the IT audit plan (incl. cyber security) for 2023; analysis of the reports on the audits performed in accordance with the internal audit plan and discussion of measures to be taken
- › Monitoring the effectiveness of the internal control system (ICS) and the risk management system (RMS)
- › Completion of the questionnaire for audit committees issued by the Auditor Oversight Body
- › Discussion of the restructuring of the group-wide finance organization
- › Discussion and evaluation of the financial impacts of strategic growth projects and divestments
- › Discussion of the extended reporting requirements in accordance with the EU Taxonomy Regulation and the Corporate Sustainability Reporting Directive (CSRD)

David Davies (financial expert),
Chairman of the Audit and Risk Committee

Report of the Nomination Committee

The Nomination Committee met twice in 2022 and dealt with the following priority topics:

- › Performance review of the Managing Board members
- › Succession planning and the continuous search for and evaluation of potential candidates for the Supervisory Board, supported by an internationally renowned consultant, considering future strategic requirements, the diversity criteria and the skills matrix established by the Supervisory Board
- › Submission of proposals of suitable candidates to the Supervisory Board
- › Adaptation of the skills matrix and discussion of the appropriate size of the Supervisory Board
- › Elaboration of a procedure to be followed in the event of conflicts of interest of Supervisory Board members
- › Reorientation of the organizational structure of the Group from 2023 onward, against the background of its fast growth in recent years

Peter Steiner,
Chairman of the Nomination Committee

Report of the Remuneration Committee

The Remuneration Committee held three meetings in 2022 and dealt with the following priority topics:

- › Elaboration of the 2021 Remuneration Report and submission of the proposed resolution to the Supervisory Board
- › Confirmation of attainment of the targets for the variable short-term and long-term remuneration components of the Managing Board members for 2021
- › Consideration of the feedback received from shareholders and proxy advisors on the 2021 Remuneration Report



- › Discussion of potential targets for the variable remuneration components of the Managing Board members for 2023
- › Discussion of Supervisory Board remuneration with a view to a possible reduction of the number of capital representatives
- › Elaboration of a shareholding policy for the Supervisory Board

Peter Steiner,

Chairman of the Remuneration Committee

Report of the Sustainability and Innovation Committee

The Sustainability and Innovation Committee met four times in 2022 and dealt with the following priority topics:

- › Sustainability Program 2023 and progress achieved in 2022
- › Updates on innovations, such as robotics, digitalization projects, smart products, products for carbon-neutral buildings
- › Consideration of feedback gathered through annual ESG dialogues conducted with investors, architects, real estate developers and municipalities
- › Progress report on the requirements for voluntary sustainability reporting:
 - › Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD): implementation of the second phase, including the elaboration of a climate-related scenario analysis
 - › Carbon Disclosure Project (CDP): Disclosure of climate-related information within the framework of the CDP
- › Progress report on Wienerberger's decarbonization strategy and related research projects and risk analyses
- › Update on the group-wide Health & Safety Strategy
- › Discussion on the Sustainability Program 2026
- › Progress of reporting under the EU Taxonomy Regulation
- › Discussion of important HR topics, such as diversity, training, and employee development

Myriam Meyer,

Chairwoman of the Sustainability and Innovation Committee

Composition of the Managing Board

In the reporting year, there were no changes in the composition of the Managing Board of Wienerberger AG. For further information on the division of responsibilities, please refer to page 207 - 208.

Composition of the Supervisory Board

At the 153rd Annual General Meeting in May 2022 I was re-elected to the Supervisory Board and subsequently confirmed as its chairman at the constitutive meeting of the Supervisory Board. Moreover, Marc Grynberg and Thomas Birtel were newly elected to the Supervisory Board. We were happy to welcome two experienced CEOs with extensive industry expertise, especially in matters regarding our sector of industry as well as ESG-related topics. They are very well qualified to further strengthen the broad range of skills represented on the Supervisory Board.

Kati ter Horst left the Supervisory Board as of September 30, 2022. On behalf of my colleagues, I would like to thank her for her commitment and the valuable contribution she made to the success of the Wienerberger Group in her capacity as an internationally experienced manager with broad industry know-how.

Prior to the Supervisory Board meeting in February 2022, the members of the Supervisory Board reiterated their declarations of independence in accordance with the Austrian Corporate Governance Code. Peter Johnson, having been a member of the Supervisory Board for more than 15 years, has no longer been deemed "independent" since May 13, 2020.



2022 Financial Statements and Consolidated Financial Statements

At its meeting on May 3, 2022, pursuant to section 270(1) of the Austrian Company Code, the Supervisory Board appointed Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, elected at the Annual General Meeting, as external auditor for the 2022 financial year.

The 2022 Financial Statements and the Management Report of Wienerberger AG as well as the 2022 Consolidated Financial Statements and the Group Management Report prepared in accordance with IFRS rules were therefore audited for the sixth consecutive year by Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, and received an unqualified audit opinion. The Notes to the Financial Statements, the Managing Board's proposal for profit distribution, and the audit reports of the external auditor were discussed in detail with the external auditor by the Audit and Risk Committee and submitted to the Supervisory Board. The Supervisory Board examined the documents pursuant to section 96(4) of the Austrian Stock Corporation Act and approved the result of the audit. Having analyzed the financial position of the company, the Supervisory Board endorsed the Managing Board's profit distribution proposal.

In my own name and on behalf of my colleagues on the Supervisory Board, I would like to thank the Managing Board, the senior management, and all the employees of the company for their outstanding commitment in 2022. The company's extraordinary success in the year under review is reflected in its organic and inorganic growth.

The decisive factors for the successful implementation of our growth strategy are the energy and dedication of our employees. Their professionalism, their passion, and their entrepreneurial spirit enable us to seize opportunities, act with determination, and create added value for our shareholders.

The 2022 business year once more demonstrated our ability to react swiftly to changing circumstances, cope with new challenges, and grow in a time of crisis. I am therefore confident that the Wienerberger Group, with its clear strategy, is well positioned for the future and will continue on its successful course in 2023. With this in mind, I would like to thank you, our esteemed shareholders, for accompanying us on this path.

Vienna, March 14, 2023

Peter Steiner,
Chairman of the Supervisory Board



Corporate Governance at Wienerberger

Commitment to the Corporate Governance Code

As a listed company with international operations, Wienerberger is committed to strict principles of good corporate governance, a maximum level of transparency, and the continuous further development of an efficient system of corporate control. We regard a responsible, long-term approach to the management of the Wienerberger Group as an essential prerequisite for the achievement of our corporate targets, which are all set in line with our Sustainability Program 2023. This understanding of our role as a company is based on Austrian law, the Austrian Corporate Governance Code, our Articles of Association, the rules of procedure of the Boards of the company, and our internal policies.

Since 2002, Wienerberger has committed itself to follow the rules of the Austrian Corporate Governance Code in their entirety (see corporate-governance.at). The Code provides a framework for the management and supervision of a company and is intended to strengthen the confidence of investors in the company and in Austria as a financial marketplace. Its guiding principles include the following:

- › Equal treatment of all shareholders and the highest possible level of transparency
- › Independence of the Supervisory Board
- › Open communication between the Supervisory Board and the Managing Board
- › Avoidance of conflicts of interest between the Boards of the company
- › Efficient monitoring by the Supervisory Board and the external auditor

In 2022, Wienerberger fully complied with the rules of the Austrian Corporate Governance Code, including its R Rules, i.e. those rules which do not require public disclosure of deviations from the recommendations.

Compliance

To prevent insider trading and the unlawful disclosure of inside information, the company has a compliance policy in place that implements the provisions of European and Austrian law on insider trading and market abuse. A compliance officer, supported by a deputy, has been appointed to monitor compliance.

Wienerberger AG introduced a large number of internal policies, which apply across the Group and are designed to ensure compliance with relevant legal provisions. Among others, there are policies on competition law, the fight against corruption, data privacy, and lobbying. Compliance with these policies is verified at regular intervals. Moreover, compliance training programs are being organized throughout the Group.

In October 2021, a group-wide Code of Conduct was implemented, which constitutes a binding guideline for all employees, suppliers, and representatives of joint ventures in which Wienerberger has a stake of at least 50%. At the same time, a Whistleblowing Service was installed through which any illegal, unethical or inappropriate conduct can be reported anonymously. Each report is verified by a Whistleblowing Committee which, depending on the circumstances of the case, imposes sanctions or initiates corrective measures. As part of the internal audit updates, the Audit and Risk Committee of the Supervisory Board receives high-level reports. Among other provisions, the Code of Conduct stresses in particular the prohibition of corruption and bribery and explains how to deal with inside information. For detailed information, please refer to the chapter ESG Governance and Management Approach starting on page 41. The document can also be downloaded on our website under Investors - Download Center.

Internal audit and risk management

In order to further improve Wienerberger's system of risk management, an internal audit function has been set up as a staff unit reporting to the Managing Board. The Managing Board and Internal Audit regularly analyze operational processes for potential risks and possible improvements in efficiency; they also monitor compliance with legal provisions as well as internal policies and processes. These activities are based on an internal audit plan approved by the Managing Board and the Audit and Risk Committee, as well as a group-wide system of risk assessment covering all the company's operations. Internal Audit reports to the Managing Board and the Audit and Risk Committee on the audit findings. Moreover, the internal control system (ICS) is being further developed to permit the early identification and management of risks; the implementation of the respective measures is subject to regular reviews (see Management Report, page 248).



The external auditor reviews the risk management process once a year, confirms its effectiveness, and reports thereon to the Managing Board. No material deficiencies were found in the internal auditing and accounting processes. The external auditor's report on the effectiveness of the Group's risk management was submitted to the Chairman of the Supervisory Board and discussed in detail by the Supervisory Board.

Disclosures pursuant to section 243 of the Austrian Company Code

The disclosures required pursuant to section 243 of the Austrian Company Code can be found in the following sections: Information on the composition of Wienerberger's capital, types of shares, restrictions and rights, as well as the authorization of the Managing Board to issue or buy back shares is contained in the Management Report in the section Wienerberger Share and Shareholders from page 244 and in the Consolidated Financial Statements under Note 28 (Group Equity) starting on page 290. Furthermore, the section Wienerberger Share and Shareholders contains information on direct and indirect investments in Wienerberger's share capital. The principles and structure of the Company's remuneration policy, a table indicating the amounts of remuneration due to the individual members of the Managing Board and the Supervisory Board, and an overview of Wienerberger shares held by Board members are contained in the Remuneration Report and can be downloaded on our website under Investors – Corporate Governance. Updates on the purchase and sale of Wienerberger shares by Board members are disclosed on the Investor Relations website in the section Shareholdings by members of the Managing Board and the Supervisory Board under Corporate Governance. Change of control clauses are included in the employment contracts of the members of the Managing Board and in the terms and conditions of corporate bonds and syndicated loans and other loans.

Related party transactions

Business transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are carried out at arm's length. Information on related party transactions is provided in the Notes to the Consolidated Financial Statements on page 324.

External audit

The 153rd Annual General Meeting appointed Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, to audit the 2022 consolidated and separate financial statements of Wienerberger AG. In addition to its auditing function, Deloitte also provides certain tax and financial consulting services for the Group through its global network of partner offices. In 2022, consultancy fees charged by Deloitte, excluding fees for auditing the financial statements, amounted to € 231 thousand (2021: € 297 thousand). The fee for the audit of the financial statements of the Wienerberger Group and related services amounted to € 2,775 thousand (2021: € 2,317 thousand). To ensure the independence of the external auditor, we comply with the respective provisions of the Austrian Corporate Governance Code (L Rule 78). Pursuant to these rules, lead auditors are not allowed to hold a Board function or an executive position in the company within two years of having signed the audit opinion on that company. Auditor rotation is mandatory when an audit firm has audited a company for ten years (external rotation). The lead auditors responsible for the performance of the audit step down from the audit team not later than after seven consecutive business years (internal rotation).

Shareholders

As of 31 December 2022, Wienerberger AG had 111,732,343 shares in circulation. There are no preferred shares or restrictions on common shares. The "one share – one vote" principle therefore fully applies. In accordance with the Austrian Corporate Takeover Act, each shareholder will receive the same price for his/her Wienerberger shares in the event of a takeover bid (mandatory offer). Wienerberger AG has no core shareholder. The Company's shareholder structure is shown in the Management Report on page 246.



Diversity Concept

Success through diversity

We are convinced that diversity in teams results in higher performance and therefore contributes to a company's economic success. Being aware of the great diversity of talents in our society, Wienerberger is making every effort to identify, address and tap this talent pool. We believe that our sustainable economic success is based on the skills and dedication of our employees as well as on our corporate culture. We therefore want to bring together people with diverse talents, personality features, gender identities, career histories, and cultural backgrounds. The resultant diversity of competencies and the internationality of our employees reflect the diversity of our customers, investors, business partners, and markets. They additionally reaffirm our innovative mindset, and make us fit for the challenges of a dynamic business environment. For information on our concrete diversity targets as part of our Sustainability Program 2023, please refer to the Sustainability Report on page 14.

Our principles

The principles of Wienerberger's human resources policy provide the basis for the achievement of our targets for diversity and training. They can be summarized as follows:

- › Equal rights and opportunities for all employees, regardless of age, gender, culture, religion, origin or other diversity features
- › Integration of minorities
- › Integration of people with disabilities
- › Equal opportunities by not allowing any gender-specific pay gap
- › Apprenticeship programs to support the young generation
- › Range of initial and further training programs

Based on these principles, we take a firm stance against any form of discrimination. Since 2009, we have collected data on diversity and equal opportunities within the framework of our sustainability reports. Discrimination is a matter we take very seriously. If necessary, corrective measures are taken to counteract any such manifestation as quickly as possible. The Code of Conduct implemented in October 2021 also covers issues such as fairness, diversity, and inclusion. It provides a possibility for employees to report any illegal, unethical or inappropriate conduct anonymously via an external Whistleblowing Service. For detailed information, please refer to the section ESG Governance and Management Approach on page 41 and on our website under Investors – Download Center.

Local employment and internationality within the company

As an international group of companies with a decentralized structure, Wienerberger respects local cultures. Internal talents and potential future executives are being developed as successors for certain key positions through targeted training measures. Within the framework of our talent management and succession planning process, we design individual development plans for both women and men identified as high-potential employees and candidates for succession. Job rotation schemes between different functional areas and country organizations are an important component of employee development. They enable our employees to gain new insights and a deeper understanding of various business areas and strengthen the international character of the company.

This internationality is illustrated by the following statistics from 2022:

- › People from 38 countries were employed at the Wienerberger headquarters in Vienna
- › Our senior management across the Group consisted of 28 nationalities and 15% women



Measures for the advancement of women

The next generation of our executives and the composition of our teams will be even more diverse. We aim to maintain the degree of internationality of our management teams. At the same time we also regard gender diversity as very important and are making every effort to increase the percentage of women in middle and senior management positions.

To this end, we implement the following measures targeted at both internal and external female candidates:

External

- › We ensure that diversity is part of our employer branding, especially when recruiting in schools and universities
- › When recruiting staff externally for administrative positions (e.g. in finance, HR, legal) and certain commercial functions such as marketing, communication, and customer service, the list of candidates is to include at least 50% women in order to reflect the potential pool of applicants

Internal

- › By continuously nominating female employees for internal training and development programs, we ensure that high-potential women are guided toward senior management positions
- › Additionally we offer
 - › attractive working time models (including part-time) and remote work options that suit the needs of our employees, women but also men
 - › mentoring and networking programs for women (from within and outside the company)
 - › support of access to child-care facilities or day-care institutions

Our uniform group-wide human resources policy guarantees the same rights and opportunities for all employees. As a company of the building materials industry, Wienerberger traditionally has a high percentage of male employees, given the fact that most of the company's workers employed in production are men. However, we are making every effort to promote the career development of women and provide continuous training for them, thus enabling them to apply for any vacant position at Wienerberger.



Supervisory Board

The international orientation and balanced composition of the Supervisory Board are essential prerequisites for the further development and lasting success of the Wienerberger Group. As the terms of office of the individual Supervisory Board members are staggered, the composition of the Supervisory Board is subject to continuous renewal. At the same time, consistent succession planning ensures that the necessary skills and professional qualifications are represented on the Supervisory Board at all times. This is a prerequisite for the Supervisory Board to fulfil its monitoring function and advise the Managing Board on strategic issues.

To facilitate the objective assessment and transparent comparisons of different candidates for election to the Supervisory Board, the Nomination Committee defines multifaceted requirements profiles. Apart from the general requirements of professional competencies and experience, a proven track record in the management of international companies, ESG experience, and the ability to contribute to strategic discussions on a variety of geographic markets are important criteria for the selection process. In order to ensure a comprehensive and diversified body of expertise on the Supervisory Board, the need for specialized know-how, depending on the current priorities of the Group's strategy, is taken into account. When a position falls vacant, a first analysis serves to identify the type of expertise to be replaced or strengthened. On this basis, special emphasis is placed on maximum diversity of the membership in terms of gender, age and nationality.

To cover these diverse aspects, a skills matrix was elaborated in 2018 in cooperation with a reputable international HR consultant specializing in executive search. The matrix shows the specific expertise of the individual members of the Supervisory Board and reflects the high degree of diversity of its current membership. The skills matrix was updated in 2022 and extended to reflect ESG expertise. The matrix also serves as a useful tool for the transparent search for new candidates for the Supervisory Board, as it illustrates the competencies that have been identified as essential and need to be taken into account and strengthened in the nomination process. This is to ensure that the search for successors to outgoing members is based on a specific requirements profile, which facilitates long-term succession management in the interest of a balanced composition of the Supervisory Board.

These principles are laid down in the Diversity Policy for the Supervisory Board. In combination with the skills matrix and suggestions received from investors, this policy is to serve as a basis for succession management. The implementation of the policy is being monitored by the Nomination Committee.

As of December 31, 2022, five nationalities were represented among the eight capital representatives and the three employee representatives. After the election of Thomas Birtel and Marc Grynberg at the 153rd Annual General Meeting and until the departure of Kati ter Horst on September 30, 2022, the percentage of women on the Supervisory Board was 33%. The mandatory 30% quota for women on supervisory boards in effect since 2018 is thus fulfilled by Wienerberger¹. Through consistent succession planning, the Supervisory Board intends to further improve the quota.

¹⁾ The ratio at the time of appointment shall be decisive for the fulfillment of the quota regulation.



Attendance 2022	Supervisory Board	Audit and Risk Committee	Nomination Committee	Remuneration Committee	Sustainability and Innovation Committee
Capital Representatives					
Peter Steiner ¹⁾	9/9	-	2/2	3/3	-
Myriam Meyer ²⁾	9/9	-	2/2	-	4/4
Thomas Birtel ³⁾	6/6	-	-	2/2	2/2
David Davies ⁴⁾	6/9 ⁵⁾	5/5	2/2	-	-
Marc Grynberg ³⁾	6/6	3/3	-	2/2	2/2
Kati ter Horst ⁶⁾	5/5	-	-	-	2/3
Peter Johnson	8/9	-	2/2	3/3	-
Regina Prehofer	8/9	5/5	-	3/3	-
Oswald Schmid	8/9	5/5	-	-	2/2 ⁷⁾
Employee Representatives					
Gerhard Seban	9/9	5/5	2/2	3/3	4/4
Claudia Schiroky	8/9	-	-	-	-
Wolfgang Wallner	7/9	-	-	-	-

1) Chairman of the Supervisory Board, Nomination and Remuneration Committee

2) Vice Chairwoman of the Supervisory Board, Chairwoman of the Sustainability and Innovation Committee

3) Elected at the 153rd Annual General Meeting, May 3, 2022

4) Chairman of the Audit and Risk Committee

5) The absences of David Davies were due to the short notice scheduling of the meetings. In each case, however, he was briefed in detail by the Supervisory Board Chairman afterwards

6) Member of the Supervisory Board and Sustainability and Innovation Committee until September 30, 2022

7) Oswald Schmid resigned from the committee after Thomas Birtel and Marc Grynberg were added as new members following the 153rd Annual General Meeting

Managing Board

In an international group of companies like Wienerberger, the members of the top executive body must have outstanding professional qualifications and international leadership experience.

As of December 31, 2022, the Managing Board of Wienerberger AG consisted of four members (percentage of women: 25%). They look back on international professional careers of different lengths and are distinguished by mutually complementary professional expertise and a profound knowledge of the industry. In the event of a new appointment, the search for suitable candidates is to be guided by this diverse qualifications profile.

In the interest of long-term succession planning at all levels, the Supervisory Board and the Managing Board are making a continuous effort to identify and promote high-potential candidates, if possible from within the Wienerberger Group. Nomination decisions are taken based on a uniform catalogue of criteria, which is in line with Wienerberger's strategic orientation and used for the assessment of both internal and external candidates.



OVERVIEW

CORPORATE GOVERNANCE

OUR COMMITMENT TO INTERNATIONAL GOVERNANCE STANDARDS

The Supervisory Board and the Managing Board engage in open and transparent communication with all stakeholders. In order to effectively exercise its advisory and supervisory function, the Supervisory Board has installed committees dealing with the following areas: audit & risk, remuneration, nomination, and sustainability & innovation.

SUPERVISORY BOARD ¹⁾

EXPERIENCED, DIVERSE, INDEPENDENT

9

SHAREHOLDER REPRESENTATIVES

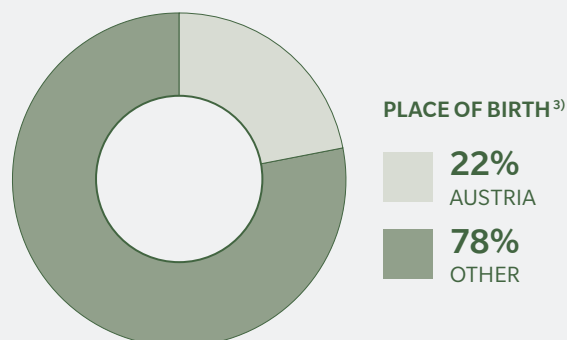
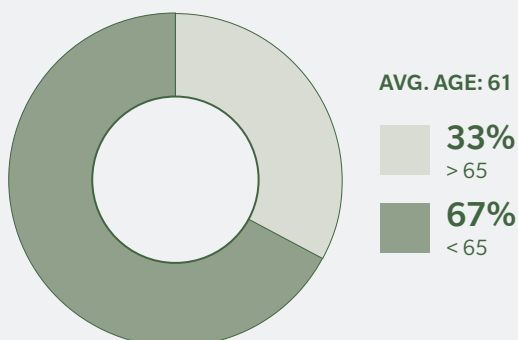
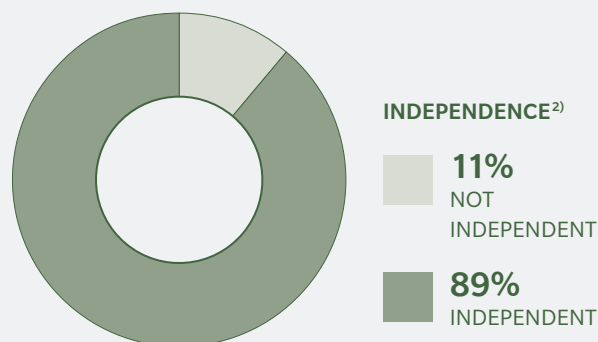
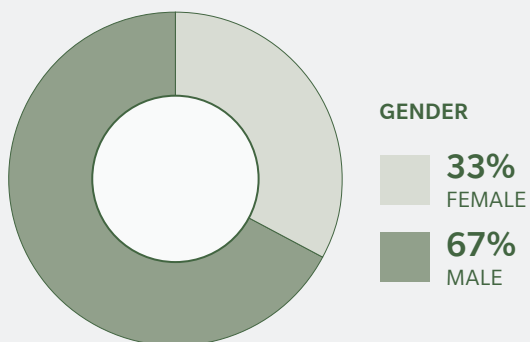
Elected by the Annual General Meeting
for a fixed term

BOARD MEMBERS

3

EMPLOYEE REPRESENTATIVES

Delegated by the Works Council for an unlimited
period of time (mandatory in Austria)



¹⁾ As of 153rd AGM, May 3, 2022

²⁾ 8/9 shareholder representatives are independent as of the 153rd AGM, May 3, 2022. Peter Johnson is not independent since May 13, 2020 according to the understanding of the Austrian Corporate Governance Code

³⁾ Only capital representatives



Members of the Managing Board



HEIMO SCHEUCH

CEO of Wienerberger AG
Chairman of the Managing Board

Appointed until December 31, 2025; first appointed on August 1, 2009
Born 1966

Heimo Scheuch is responsible for the strategic and operational development of the company. Thanks to his over 20 years of industry and management experience and his strong focus on sustainability, digitalization, innovation, and growth, he has led Wienerberger onto a path of success and growth. He has a great wealth of international management experience and has focused on implementing a set of strong corporate values within the organization. Over the years, he has developed Wienerberger into a leading provider of sustainable building material and infrastructure solutions.

Relevant functions:

Chairman of the Supervisory Board of Wiener Börse AG, President of the Association of Vienna Stock Exchange Issuers, Vice President of the European Ceramic Industry Association, Managing Director of ANC Anteilsverwaltung GmbH

The following units report directly to Heimo Scheuch:

- › Group Organizational Development & Human Resources
- › Corporate Secretary
- › Investor Relations
- › Business Development, M&A and Disposals
- › Corporate Communication/PR
- › Corporate Sustainability & Innovation
- › North America
- › New Digital Business
- › Special technical projects



GERHARD HANKE

CFO of Wienerberger AG
Member of the Managing Board

Appointed until February 29, 2024; first appointed on March 1, 2021
Born 1971

Gerhard Hanke is primarily responsible for the financial matters of the Group as well as for procurement, IT & Cyber Security. For more than 20 years, he successfully held various executive positions, often combining financial and operational responsibilities, within the Wienerberger Group. Most recently he served as COO of the East/Central Region of the Wienerberger Building Solutions Business Unit. As an experienced expert with excellent industry and finance know-how, he successfully implemented numerous strategic growth projects and M&A transactions. He also has a strong track record in setting up high-performing financial organizations.

Relevant functions:

Managing Director of ANC Anteilsverwaltung GmbH

The following units report directly to Gerhard Hanke:

- › Business Support & Controlling
- › Group Reporting, Tax & Accounting
- › Group Treasury
- › Procurement
- › IT & Cyber Security
- › Internal Audit
- › Corporate Risk Management
- › Legal Services

**SOLVEIG MENARD-GALLI****COO of Wienerberger Building Solutions****Member of the Managing Board of Wienerberger AG**

Appointed until May 31, 2025; first appointed on June 1, 2019

Born 1969

Solveig Menard-Galli is responsible for the Wienerberger Building Solutions (WBS) Business Unit. Her current activities focus on the development of innovative system solutions and the implementation of digital business models and new smart services for the building envelope.

In her previous position of Chief Performance Officer (CPO) she was responsible for the Group's performance-enhancing and digitalization measures. She was highly successful in implementing the Fast Forward program and the associated transformation process. She studied economics and obtained a Master's Degree in Controlling, Strategic Management, Marketing and International Management at the University of Klagenfurt, where she also held teaching assignments.

All functions of the WBS Business Unit report directly to Solveig Menard-Galli.

**HARALD SCHWARZMAYER****COO of Wienerberger Piping Solutions****Member of the Managing Board of Wienerberger AG**

Appointed until June 30, 2026; first appointed on July 1, 2020

Born 1969

Harald Schwarzmayer is responsible for the Wienerberger Piping Solutions (WPS) Business Unit, where he focuses on enhancing the Group's system competence in infrastructure solutions and on expanding the in-house portfolio. He is an experienced manager with excellent industry know-how.

Since 1997, he has held various executive positions within the Group and implemented numerous strategic growth projects and M&A transactions in the course of his 25-year career at Wienerberger. Since he took over the management of Wienerberger Piping Solutions in 2018, he has taken important strategic steps in developing the business unit into one of the leading suppliers of pipe systems in Europe. Thanks to his outstanding leadership skills, he succeeded in driving operational and cultural improvements in a multinational environment.

All functions of the WPS Business Unit report directly to Harald Schwarzmayer.



Members and Committees of the Supervisory Board

9¹ capital representatives



PETER STEINER

Chairman since January 1, 2021

Independent, born 1959, appointed until the 157th AGM (2026), first elected on June 14, 2018

Mandates in publicly listed companies

Member of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination Committee of Clariant AG, Chairman of the Supervisory Board of Zeal Network SE

Other mandates

None

Career

1985 Degree in Business Administration from the Universities of Cologne and Mannheim, 1985–1989 Arthur Andersen (Frankfurt/Chicago), 1989 tax advisor, 1990 certified public accountant, from 1991 Member of the Managing Board of SÜBA Freie Baugesellschaft mbH & Co. KG responsible for finance, controlling and international business, 1995 CFO of SÜBA Bau AG, 1998 CFO of Dyckerhoff AG, 2001 Member of the Board (COO) of Dyckerhoff AG and Chairman of the Managing Board of Dyckerhoff Zement GmbH, 2002 Chief Executive Officer of Dyckerhoff AG, 2004 Member of the Board and CFO of MG Technologies AG (renamed GEA Group AG), 2006 Partner at One Equity Partners, since 2012 certified public accountant, tax advisor, business consultant with special focus on M&A, finance and investment management



MYRIAM MEYER

Deputy Chairwoman

Independent, born 1962, appointed until the 154th AGM (2023), first elected on May 22, 2015

Mandates in publicly listed companies

None

Other mandates

Member of the Supervisory Board of KUKA AG (no longer publicly listed), Member of the Supervisory Board of Lufthansa Technik AG, Member of the Board of Directors of Bedag Informatik AG, Member of the Board of Trustees of the Swisscontact Foundation, Member of the Industry Advisory Board of ETH Zurich/ Department of Mechanical Engineering

Career

1987 Master of Science in Mechanical Engineering at ETH Zurich, 1994 Ph. D. in Mechanics at ETH Zurich, 1994–2001 Vice President and Member of the Executive Committee of Swissair Flight Operations, General Manager of SR Technics, 2002–2005 Vice President of Global Human Resources & Organization Development of F. Hofmann La Roche and Member of the Executive Committee of Roche Consumer Health, 2005–2008 CEO and Member of the Executive Committee of RUAG Group, 2009–2010 Group CEO of WIFAG-Polytype Holding, since 2011 Owner and Managing Partner of mmtec



THOMAS BIRTEL

Member of the Supervisory Board

Independent, born 1954, appointed until the 157th AGM (2026), first elected on May 3, 2022

Mandates in publicly listed companies

CEO of STRABAG SE (until the end of 2022)

Other mandates

Supervisory Board Chairman STRABAG AG, Ed. Züblin AG and STRABAG Property and Facility Services GmbH, Supervisory Board member of three companies of VHV Versicherung, Member of the advisory boards of Deutsche Bank AG and HDI Global SE, Chairman of the Board of CONCORDIA Sozialprojekte Stift. Deutschland, Member of the Board of CONCORDIA Sozialprojekte gem. Privatstift. Wien

Career

1978 Economics and Law, Ruhr University Bochum, 1982 Research Fell. Konrad-Adenauer-Stift., Dr. rer. oec., 1983–1989 Division Manager Klöckner Industrieanlagen GmbH, 1989–1996 Chairman Management Board Frigoscandia Holding GmbH, Member Executive Board Frigoscandia AB, 1996–2002 Member Executive Board STRABAG Hoch- & Ingenieurbau AG, 2002–2013 Member Executive Board STRABAG AG, since 2014 Supervisory Board Chairman STRABAG AG, 2006–2013 Member Executive Board, 2013–2022 CEO STRABAG SE

1) Kati ter Horst left the Supervisory Board as of September 30, 2022. Since then, the number of capital representatives is 8.

**DAVID DAVIES****Member of the Supervisory Board**

Independent, born 1955,
appointed until the 156th AGM (2025),
first elected on May 19, 2017

Mandates in publicly listed companies

Member of the Board of Directors and
Chairman of the Audit Committee of Pet-
rofac Ltd

Other mandates

None

Career

1975–1978 studies in economics at the University of Liverpool, 1986–1988 MBA Program at the Cass Business School, 1978–1981 Chartered Accountant at Touche Ross & Co., 1981–1983 Senior Auditor at Price Waterhouse SA, 1983–1988 Internal Auditor, Finance Manager BOC Special Gases, Financial Controller BOC Health Care – Disposable Products Division, 1988–1994 various positions at Grand Metropolitan plc (1988–1989 Commercial Director – Retail Enterprises Division, 1989–1991 Finance Director – European Restaurant Division, 1991–1994 Corporate Controller – Burger King Corporation), 1994–1997 VP at Walt Disney Company – The Disney Store Europe, 1997–2000 Group Finance Director at London International Group plc, 2000–2002 Group Finance Director at Morgan Crucible plc, 2002–2016 Member of the Executive Board (CFO) and Deputy Chairman of the Executive Board at OMV AG

**MARC GRYNBERG****Member of the Supervisory Board**

Independent, born 1965,
appointed until the 157th AGM (2026),
first elected on May 3, 2022

Mandates in publicly listed companies

Member of the Supervisory Board and the
Strategy & Sustainability Committee, and
Climate Director at Nexans SA

Other mandates

None

Career

1988 Studies in commercial engineering at the Solvay Brussels School of Economics and Management (Université Libre de Bruxelles), 1988–1989 Misui Bank, Belgium, foreign-exchange trader, 1989–1996 Du Pont de Nemours: various management positions in Brussels and Geneva, since 1996 Umicore, Belgium: 1996–2000 Group Controller, 2000–2006 Chief Financial Officer, 2006–2008 Executive Vice President in charge of the catalyst business (Germany), 2008–2021 Chief Executive Officer

**KATI TER HORST¹****Member of the Supervisory Board**

Independent, born 1968,
appointed until the 154th AGM (2023),
first elected on May 4, 2021

Mandates in publicly listed companies

Member of the Supervisory Board and
the Audit/Remuneration Committee of
Outokumpu

Other mandates

Member of the Board of the Finnish Forest Industries Federation, Chairwoman of the Supervisory Board of EURO-GRAPH asbl, Member of the Board of the Climate Leadership Coalition

Career

1992 Master of Science (Economics) at the University of Tampere, Finland, 1993 MBA (International Business), University of Oregon, USA, 1994–1996 business analyst at Jaakko Pöyry Consulting, Singapore, 1996–2009 various managerial positions in paper sales in the Netherlands, 2009–2010 responsible for the restructuring program to establish European customer service centers at Stora Enso Publication, Netherlands, 2010–2014 various managerial positions at Stora Enso in Belgium and Finland, since 2014 Executive Vice President, Head of Stora Enso Paper, Finland, 2018 Advanced Management Program of Harvard Business School, Boston/USA

¹⁾ resigned from the Supervisory Board as of September 30, 2022

**PETER JOHNSON****Member of the Supervisory Board**

Not independent since May 13, 2020, according to the declaration of independence within the meaning of the Austrian Corporate Governance Code, born 1947, appointed until the 156th AGM (2025), first elected on May 12, 2005

Mandates in publicly listed companies

None

Other mandates

Chairman of the Remuneration Committee of St. Edmund Hall, University of Oxford

Career

1965–1970 studies in economics at Oxford University, 1970–1973 Unilever plc, 1973–1996 various senior positions at Redland plc, responsible for the brick and roof tile business from 1988–1996, 1996–2000 CEO of Rugby Group plc, 2000–2006 CEO of George Wimpey plc, 2007–2012 Chairman of the Board of Directors of DS Smith plc

**REGINA PREHOFER****Member of the Supervisory Board**

Independent, born 1956, appointed until the 154th AGM (2023), first elected on May 13, 2011

Mandates in publicly listed companies

First Deputy Chairwoman of the Supervisory Board of AT&S Austria Technologie & Systemtechnik AG

Other mandates

Chairwoman of the Supervisory Board of Förderung & Begleitung GmbH (non-profit), Member of the Supervisory Boards of SPAR Holding AG and SPAR Österreichische Warenhandels-AG, Member of the Supervisory Board of 6B47 Real Estate Investors AG, Member of the Board of Karlheinz und Agnes Essl Privatstiftung, Member of the Advisory Board of “aws venture-capital-Initiative”, Member of the Committee of Shareholders of Vamed Engineering GmbH

Career

1974–1980 studies in business and law in Vienna, 1981–2010 career in the Austrian banking industry, including positions as Member of the Managing Board of Bank Austria Creditanstalt AG from 2003–2008 and Member of the Managing Board of BAWAG P.S.K. from 2008–2010, 2011–2015 Vice Rector for Financial Affairs and Infrastructure of the Vienna University of Economics and Business

**OSWALD SCHMID****Member of the Supervisory Board**

Independent, born 1959, appointed until the 154th AGM (2023), first elected on May 6, 2019

Mandates in publicly listed companies

Chief Executive Officer and Member of the Supervisory Board of NV Bekaert SA

Other mandates

Founder and owner of Sinigual Consulting GmbH

Career

1983 Degree in Mechanical Engineering in Vienna, 1984–1990 responsible for procurement and distribution at Semperit AG Holding, 1990–1994 Head of Procurement at Continental AG, 1994–1995 Group Head of Materials Management at RHI AG (formerly Veitsch-Radex), 1995–2002 various executive positions at Continental AG, 2002–2017 various executive positions and CEO at Schindler Austria (2007–2010) and CEO of Schindler Germany (2010–2013), 2017–2018 CEO of Kalle Group, 2019–2021 COO of Bekaert Group



3 Employee representatives

GERHARD SEBAN

Born 1967

First delegated on February 3, 2006

Chairman of the Works Council at the Hengersdorf plant (Austria), Chairman of the Central Works Council of Wienerberger Österreich GmbH, the Group Works Council, and the European Works Council of Wienerberger AG

CLAUDIA SCHIROKY

Born 1971

First delegated on July 2, 2002

Chairwoman of the Works Council and the Central Works Council of Wienerberger AG, Deputy Chairwoman of the Group Works Council of Wienerberger AG

WOLFGANG WALLNER

Born 1970

First delegated on May 6, 2019

Deputy Chairman of the Group Works Council of Wienerberger AG, foreman and works council member of Pipelife Austria GmbH & Co KG

4 Committees

Audit and Risk Committee

David Davies (Chairman),
Regina Prehofer, Oswald Schmid,
Marc Grynberg, Gerhard Seban*

Nomination Committee

Peter Steiner (Chairman), Myriam Meyer,
Peter Johnson, David Davies,
Gerhard Seban*

Remuneration Committee

Peter Steiner (Chairman),
Regina Prehofer, Peter Johnson,
Marc Grynberg, Thomas Birtel,
Gerhard Seban*

Sustainability and Innovation Committee

Myriam Meyer (Chairwoman),
Marc Grynberg, Thomas Birtel,
Gerhard Seban*

* Employee representative



Mode of Operation of the Supervisory Board and the Managing Board

Mode of operation of the Supervisory Board

The Supervisory Board decides on issues of fundamental importance and on the strategic orientation of the company. In particular, the Supervisory Board is responsible for the following:

- › Appointment of members of the Managing Board, succession planning, elaboration of the remuneration policy, and determination of Managing Board and Supervisory Board remuneration
- › Proposals of candidates for the Supervisory Board to be voted on by the Annual General Meeting
- › Formal adoption of the Annual Financial Statements and the report to the Annual General Meeting
- › Resolutions on transactions requiring the approval of the Supervisory Board or its committees in accordance with the Rules of Procedure
- › Elaboration of the remuneration report in cooperation with the Managing Board

The Supervisory Board and the Managing Board maintain intensive cooperation. Their chairpersons regularly engage in discussions on the sustainable development and strategic orientation of the company. To exercise its advisory and monitoring functions in an efficient manner, the Supervisory Board has set up four committees, which deal with specific issues and prepare the relevant decisions to be taken by the Supervisory Board. The Rules of Procedure of the Supervisory Board, including details on the tasks of the individual committees, are published on the Wienerberger website.

Audit and Risk Committee

The Audit and Risk Committee monitors the Group's system of accounting as well as the effectiveness of the systems of internal control, internal audit and risk management. Wienerberger's comprehensive risk management approach also includes the identification and analysis of climate-related risks. In addition, the committee monitors compliance with the expanded reporting obligations under the EU Taxonomy Regulation. An integral part of the work performed by this committee consists in monitoring the audit process regarding the Group's annual financial statements in a preparatory capacity for the Supervisory Board. This includes the annual verification of the independence of the external auditor, who is regularly invited to attend the committee meetings.

The Audit and Risk Committee is chaired by **David Davies**, a renowned financial expert with years of experience gained as chief financial officer of a listed company.

Nomination Committee

The Nomination Committee deals with all personnel matters relating to the Supervisory Board and the Managing Board. It is responsible, in particular, for evaluating qualified candidates for Board functions and for succession management. On the basis of a requirements profile derived from a skills matrix and our diversity policy, the committee proposes candidates for election to the Supervisory Board as capital representatives. They are then submitted to a shareholders' vote at the Annual General Meeting. Moreover, the Committee prepares decisions on appointments to the Managing Board.

Peter Steiner, Chairman of the Supervisory Board, who has many years of experience in managing board functions in industrial companies, chairs the Nomination Committee.

Remuneration Committee

The Remuneration Committee deals with all matters relating to the remuneration of Managing Board members and the content of their employment contracts. Moreover, it submits proposals regarding the remuneration of the Supervisory Board. In particular, the Remuneration Committee elaborates the remuneration policy applicable to the members of the Managing Board and the Supervisory Board. The policy has to be adopted by the Supervisory Board and submitted to the Annual General Meeting for adoption at least once in four years. The remuneration of holders of managerial position below the Managing Board level as well as all other employees is not within the remit of the Nomination Committee.



In accordance with C Rule 43 of the Austrian Corporate Governance Code, the Chairman of the Supervisory Board must also be a member of the Remuneration Committee. **Peter Steiner**, with his profound industry knowledge and many years of experience as a certified public accountant and a tax advisor, therefore chairs the Remuneration Committee.

Sustainability and Innovation Committee

By contributing its experience, the Sustainability and Innovation Committee supports the top management in the review and implementation of the Group's Sustainability Program 2023 and innovation strategy. This includes, among other things, monitoring the progress of climate related measures such as decarbonization projects. An essential aspect of the committee's work consists in the support of the management in reviewing and identifying relevant new legislation, requirements and trends at global and European level impacting on the sustainability and innovation policies of the various business areas of the Group.

The Committee is chaired by **Myriam Meyer**, whose relevant expertise derives from many years of experience in the fields of technology and innovation gained in board functions in various sectors of industry.

Independence

Pursuant to C Rule 53 of the Austrian Corporate Governance Code, the majority of capital representatives on a supervisory board are to be independent. The Code specifies that in companies with a free float of more than 50% at least two capital representatives must be independent (C Rule 54). A supervisory board member is deemed to be independent if he or she has no relationship, either business or personal, with the company or its managing board that constitutes a material conflict of interest and consequently may influence his or her behavior. Annex 1 of the Austrian Corporate Governance Code – Guidelines for Independence – specifies six criteria of independence. Accordingly, a supervisory board member is considered to be independent if he or she

- › has not served as a member of the Managing Board or in an executive position of Wienerberger AG or a company of the Wienerberger Group during the past five years
- › does not maintain, or did not maintain in the past year, business relations with Wienerberger AG or a company of the Wienerberger Group to an extent of significance for the member of the Supervisory Board concerned (this also applies to business relations with companies in which the Supervisory Board member has a material economic interest)
- › has not acted as an external auditor of Wienerberger AG or been a partner or an employee of the public accounting firm mandated to perform the audit during the past three years
- › is not a member of the management board of another company in which a member of the Managing Board of Wienerberger AG serves on the supervisory board
- › has not been a member of the Supervisory Board for more than 15 years
- › is not closely related to a member of the Managing Board of Wienerberger AG or to persons holding one of the aforementioned positions

In accordance with the above criteria, eight of the nine Supervisory Board members elected by the Annual General Meeting confirmed their independence. Peter Johnson, having been a member of the Supervisory Board for more than 15 years, has no longer qualified as "independent" since May 13, 2020. None of the capital representatives holds an investment of more than 10% or represents the interests of such a shareholder.

Conflict of interest

Pursuant to the provisions of the Austrian Corporate Governance Code (Rules 44 ff), the members of the Supervisory Board undertake to disclose any conflict of interest without delay and, if applicable, abstain from votes taken by the Supervisory Board. Additionally, the Supervisory Board, acting on recommendations expressed by the Nomination Committee, defined and adopted a procedure to be followed in the event of conflicts of interest of Supervisory Board members.



Employee representatives

Pursuant to L Rule 59 of the Austrian Corporate Governance Code, the representation and participation of the company's employees on a supervisory board and its committees is regulated by law as an integral part of the Austrian corporate governance system. In accordance with the Austrian Labor Relations Act, the body representing employee interests is entitled to delegate to the supervisory board of a joint stock corporation and its committees one member from among its ranks for every two members elected by the Annual General Meeting (capital representatives). The employee representatives act in accordance with the following principles:

- › They exercise their function in an honorary capacity and their appointment can only be terminated (at any time) by the works council (central works council)
- › They have the same rights and duties as the capital representatives (which applies, in particular, to their rights to information and monitoring rights, the duty of diligence, the duty of confidentiality, and liability for any breach of duty)
- › In the event of personal conflicts of interest, employee representatives, as well as capital representatives, have to abstain from voting

Currently, three employee representatives are delegated to the Supervisory Board. Unlike the elected capital representatives, the members delegated by the employees serve on the Supervisory Board for an unlimited term of office.

Succession management

The succession management process for the Managing Board and the Supervisory Board involves a structured search and nomination process that is supported by external consultants. Based on a predefined requirements profile that takes into account the interests of the organization and its various stakeholders, a list of potential internal and external candidates is prepared. After the examination of the list of nominees by the Nomination Committee, the short-listed candidates are subject to an assessment and interview. As a result of this process, the best candidate is selected by the Supervisory Board and proposed to the Annual General Meeting for election. This process was laid down in a succession planning and recruiting policy adopted by the Supervisory Board in December 2021. It is up to the Nomination Committee to regularly revise this policy for its efficiency and, if necessary, adjust it accordingly. Additionally, succession management is guided by the diversity policy for the Supervisory Board adopted in December 2021.

Term of office

The members of the Wienerberger Supervisory Board are elected for a term of office of three years (not counting the year of election). This is one year below the upper limit allowed by the Austrian legislator.

Training

In accordance with Article 6 (10) of the Rules of Procedure of the Supervisory Board, training sessions on relevant topics are organized for the members of the Supervisory Board if necessary. For new Supervisory Board members, a comprehensive onboarding program is provided, which covers not only legal and organizational aspects of Supervisory Board work, but also company-specific topics.

Mandates and external obligations

To ensure that the Supervisory Board members have enough time and resources for the exercise of their functions at Wienerberger, the maximum number of external positions held per member at listed companies is limited to five. To determine the number of mandates, ordinary membership in a supervisory body counts as one position, whereas the chairmanship of a supervisory body counts as two mandates and membership of an executive body as three mandates.

The Nomination Committee conducts an annual review of the external mandates held by each Supervisory Board member to ensure that all members have sufficient time to perform their duties at Wienerberger. The Nomination Committee considers a number of factors, including the size and location of the other companies, the extent of activities on the boards of large private companies, board tenure, and attendance.



Before accepting external mandates in supervisory or executive bodies, the members of the Supervisory Board will inform the chairperson and seek an agreement before assuming the external function.

Mode of operation of the Managing Board

As of December 31, 2022, the Managing Board of Wienerberger AG consists of four members. In 2022, the division of responsibilities was as follows:

- › CEO Heimo Scheuch is responsible for the strategic and operational development of the Wienerberger Group
- › CFO Gerhard Hanke is responsible for all financial matters and for procurement, IT & digitalization, and performance management
- › COO Solveig Menard-Galli oversees the Wienerberger Building Solutions Business Unit
- › COO Harald Schwarzmayer oversees the Wienerberger Piping Solutions Business Unit

The work of the Managing Board is based on shared responsibility for strategic and operational issues and a continuous exchange of information. The formal framework for such exchange is provided by the Managing Board meetings, which are normally held once a week, supplemented by continuous informal communication. Transactions requiring the approval of the Supervisory Board are first discussed at the Managing Board meetings and then submitted to the Supervisory Board. Decisions taken by the Managing Board require unanimity. The four-eyes principle applies when contracts are to be signed by the Managing Board. Transparency regarding the exercise of external mandates and strict compliance with the rules for proprietary transactions ensure that the members of the Management Board are not subject to any conflict of interest in this respect within the meaning of the Austrian Corporate Governance Code. Monthly meetings are held with the management of the business units to discuss current business developments and, in particular, trends in demand, prices and costs, as well as capacity utilization. Strategic issues are also discussed at these meetings, with a special focus on the development of markets, products, sustainability, and technologies. The measures agreed upon are implemented by the management teams of the business unit concerned.

The management of the company is based on a high quality reporting system. Monthly reporting is of special importance and covers data aggregated at Group level as well as essential detailed information relating to the business units. Moreover, the Managing Board receives monthly reports on various topics, such as energy consumption and the financial situation of the Group, raw materials for plastic pipe production, as well as the status of projects in the process of implementation. Data relating to markets and the macroeconomic situation, as well as non-financial indicators, are also collected regularly.

Organizational restructuring in Europe

Megatrends such as climate protection, adaptation to climate change, circular economy, biodiversity, the persistent shortage of skilled labor, and the associated changes in legislation will confront us with new challenges. These changes concern all our markets, but with national differences in the speed at which their impacts will be felt and the regulatory developments resulting from them. Being no longer specific to individual product groups, these changes will be determined primarily by local or regional requirements to be met by the entire building stock and the business environment.

With these developments in mind, we decided to adapt the operational structure of our European business at Managing Board level as of 2023. It will be changed from a structure centered on business units – Wienerberger Building Solutions (WBS) and Wienerberger Piping Solutions (WPS) – to a regional structure based on Western and Eastern Europe. Going forward, Solveig Menard-Galli in her capacity as COO will be responsible for all Wienerberger activities (WBS and WPS) in Eastern Europe, while Harald Schwarzmayer will be in charge as COO of all Wienerberger activities (WBS and WPS) in Western Europe.

This new structure will contribute toward harnessing synergies between the various operating segments within the countries and regions. A combined management structure of this type has been practiced successfully in North America for several years.

Wienerberger's reporting structure will be adapted accordingly as of the 2023 business year.



External evaluation of the Consolidated Corporate Governance Report

The rules of the Austrian Corporate Governance Code go beyond the requirements of the law and take effect upon the company's voluntary self-commitment. Once committed to the Code, the company has to justify any non-compliance with C Rules ("comply or explain"). The implementation of the Code and the correctness of our public statements were evaluated by the external auditor, Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, within the framework of its review of the Consolidated Corporate Governance Report.

The report prepared by the external auditor can be accessed on our website under Investors – Corporate Governance. The most recent evaluation of the Corporate Governance Report for 2022 did not result in any negative findings regarding our public disclosures on compliance with the Code. Compliance with the provisions of the Code relating to the external auditor was verified by the Audit and Risk Committee. In its report to the Supervisory Board, the Audit and Risk Committee stated that no deviations from the rules of the Code were identified in 2022.

Vienna, March 14, 2023

Heimo Scheuch
Chairman of the Managing
Board of Wienerberger AG
CEO

Gerhard Hanke
Member of the Managing
Board of Wienerberger AG
CFO

Solveig Menard-Galli
Member of the Managing
Board of Wienerberger AG
COO WBS

Harald Schwarzmayer
Member of the Managing
Board of Wienerberger AG
COO WPS



Auditor's Report

Report on the evaluation of Wienerberger AG's compliance with the Austrian Corporate Governance Code in the financial year 2022

Due to the listing of the shares of Wienerberger AG on the Prime Market of the Vienna Stock Exchange, the Management Board, together with the Supervisory Board, are obligated to apply the rules of the Austrian Corporate Governance Code 2021 ("ÖCGK 2021") in the current version. According to rule 62 of the ÖCGK, a regular external evaluation of compliance with the ÖCGK is recommended.

Wienerberger AG follows this recommendation, which is why the Management Board of Wienerberger AG commissioned us to assess Wienerberger AG's compliance with the rules of the ÖCGK 2021 in the 2022 financial year ("evaluation"). The aim of the evaluation is to give the public a picture of Wienerberger AG's compliance with the principles of Corporate Governance.

Responsibility of the legal representatives

The proper preparation of the Corporate Governance Report 2022 in accordance with the ÖCGK 2021 lies with the legal representative of Wienerberger AG.

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 Corporate Governance Report is not in compliance, in all material respects, with the Austrian corporate law regulations and the regulations of the ÖCGK 2021 on the preparation of a (consolidated) corporate governance report.

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"). 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:

- › Inquiry with legal representatives and employees of Wienerberger AG
- › Inspection of a sample of relevant documents and papers (in particular the articles of association of Wienerberger AG, rules of procedure for the supervisory board and management board, minutes of the supervisory board, etc.), insofar as these or their content must be consistent with the rules of the ÖCGK 2021
- › Review of the explanations on the deviations from "C Rules" as part of the corporate governance report of Wienerberger AG for the 2022 financial year and examination of their compliance with the requirements of the ÖCGK 2021

The subject of our engagement is neither an audit nor an auditor's review of financial statements. Likewise, neither the detection and clarification of criminal facts, such as embezzlement or other acts of fraud and administrative offenses, nor the assessment of the effectiveness and profitability of the management is the subject of our evaluation. Since we are also the auditors for Wienerberger AG in the 2022 financial year, the evaluation does not include compliance with C and R Rules 77 to 83 of the ÖCGK 2021.



Conclusion

No deviations from the C rules in the Corporate Governance Report of Wienerberger AG were identified.

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Corporate Governance Report of Wienerberger AG, for the year 2022 has not been prepared, in all material respects, in accordance with the requirements with the ÖCGK 2021.

Restriction on Distribution and Use

This audit serves to support your company in proving an external evaluation of the Corporate Governance Report of Wienerberger AG. Our report on the audit may only be published on the homepage of Wienerberger AG and may only be shared on the condition that our overall responsibility towards you and any other recipient who receives the report with our consent is limited to the amount resulting from the following Terms and Conditions of the Engagement (in particular the General Conditions of Contract for Public Accounting Professions (AAB 2018)). A distribution in extracts of the report (e.g., enclosures to the report) is not permitted.

Terms and Conditions of the Engagement

We prepare this report based on the contract concluded with you, which is based on the General Conditions of Contract for Public Accounting Professions (AAB) attached to this report.

We are only liable for verbal information and advice if they are confirmed by us in writing. Beyond the scope of services, we do not have any protection and due diligence obligations of any kind, in particular no warning obligations.

Our liability is limited to claims for damages based on at least grossly negligent behaviour on our part. Liability for slight negligence is excluded. We are not liable for the work of any external auditors or lawyers. All limitations of liability also apply to Deloitte employees engaged by us. Insofar as claims for damages against us do not exist or no longer exist, claims for another legal reason (e.g., warranty, error) are also excluded.

To the extent permitted by law, our liability for gross negligence towards Wienerberger AG and also towards third parties (this also applies if there are several beneficiaries or bases for a claim) is limited to a maximum total liability of five times the fee received (excluding any cash expenses and expenses and excluding sales tax) towards Wienerberger AG and also towards third parties (this also in the case of several beneficiaries or bases of claims), but limited to a maximum of ten times the minimum sum insured for professional liability insurance in accordance with section 11 of the "Wirtschaftstreuhandberufsgesetz" (WTBG). Claims for damages are limited to positive damage. We are only liable for lost profits in the event of intent or gross negligence, to the extent permitted by law. We are not liable for unforeseeable or atypical damage that we could not have expected.

Vienna, March 15, 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Certified public accountant

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

