Wienerberger Covid-19 update

Status as per March 30, 2020
Strong start in 2020: very satisfactory performance in the first two months; March however was already affected by Covid-19 outbreak in certain countries.

Wienerberger has been taking proactive measures to ensure the health and safety of all employees, customers, partners and stakeholders since the outbreak in Europe and North America.

Newly established Business Resilience Team is continuously reviewing necessary measures to ensure that our strategy is fully aligned with changing market conditions.

We wish to notify our investors of the current situation and the respective actions taken in our regions for all business units, by especially looking at:

- Changes in local markets
- Capacity adjustments
- Cost reductions
- Capital expenditure and M&A
Regional overviews
Western Europe and Nordics

Governmental measures

› Sanctions for individuals: borders mostly closed
› Restricted mobility for people: call to stay at home
› Closure of schools and retail stores (only supply of essentials)
› Trade flow between countries still ongoing
› State support in various forms are being implemented in each country
  › Subsidized short-term work
  › Compensation measures
  › Stimulus packages
  › State-guarantees for business lending
  › Tax cuts and deferrals

Wienerberger relevant countries
(56% revenue share)
Western Europe and Nordics
Managing the local situation with clear local measures

Specific Wienerberger actions

› Use the advantage of strong local presence to **adjust to local needs**

› **Ensure maintenance** of local supply chains and deliveries to plants in operation (raw material, spare parts,...)

› White collar workers in **home-office** where possible

› Blue collar workers act under highest health and safety instructions, **no interactions between shifts**

› **Government support schemes** will be used wherever possible to optimize cost structures

› Close collaboration along the local supply chains and customer contact **highly digital**

› **Fast cost reductions** in line with market developments

Wienerberger capacity actions

- No measures required so far
- Temporary capacity adjustments
- Closure preparation phase
- Government imposed closure
Eastern Europe

Governmental measures

› **Sanctions for individuals**: borders mostly closed & restricted mobility

› Trade flow between countries **still ongoing**

› **State support schemes** in various forms are being implemented in each country
  › Subsidized short-term work
  › Aid packages for specific industries
  › Interest-free loans
  › Adoptions to labour market regulations are being implemented in each country

Wienerberger relevant countries
(34% of revenue share)
Specific Wienerberger actions

- Use the advantage of strong local presence to **adjust to local needs**
- Demand is still healthy in most of the markets, **most plants are still up and running**
- White collar workers in **home-office** where possible
- Blue collar workers act under highest health and safety instructions, **no interactions between shifts**
- Preparations for reduced shift patterns if required
- **Government support schemes** will be used wherever possible to optimize cost structures
- Close collaboration along the local supply chains and customer contact **highly digital**
- **Fast cost reductions** in line with market developments

Wienerberger capacity actions
North America
Managing the local situation with clear local measures

Governmental measures

› Sanctions for individuals: National borders mostly closed & restricted mobility
› **USA**
  › Situation differs from state to state
  › Fiscal stimulus package approved
  › Direct payments to Americans and greater unemployment benefits
  › Federally-guaranteed loans and lending to distressed companies
  › Forbearance on mortgage-payments

› **Canada**
  › Direct support for workers and businesses
  › Emergency care benefit package
  › Tax delays

Specific Wienerberger actions
(10% of revenue share)

› Covid-19 task force formed
› White collar: work rotations, teleworking wherever possible
› Blue collar workers act under highest health and safety instructions, no interactions between shifts
› Close collaboration along the local supply chain and customer contact highly digital
› Fast cost reductions in line with market developments
Wienerberger Group measures
Group wide measures taken to drive cash preservation strategy

Capex and M&A
- Maintenance capex: Reduced to a strict minimum
- Special capex: Smaller projects carried out, rest is on hold
- M&A transactions: All projects currently put on hold

Personnel costs
- Publicly financed temporary compensation measures used for white and blue collar workers (depending on country specifics)
- Wage and benefit cuts for white collars in other countries (where support schemes are not in place)
- Redundancies of white and blue collar workers where required

Discretionary costs
- All discretionary costs reduced to strict minimum

Liquidity
- Wienerberger is driving a clear cash preservation strategy
- We are prepared for different stress scenarios and can act quickly to changing environments
- Besides existing strong liquidity position, extensions and additional credit lines are currently under negotiation
Wienerberger has taken fast and clear actions

✓ Health & Safety is our highest priority
  Strict safety and hygiene rules in all countries, teleworking implemented wherever possible

✓ Local measures for local conditions
  Strong local management works closely together with authorities and quickly reacts to changes
  Local presence ensures maintenance of local supply chains

✓ Clear cash preservation strategy through temporary cut in investments
  Minimizing maintenance capex to minimum, stop of special capex and M&A projects

✓ Using government support
  Making use of i.e. short work and compensation measures wherever possible

✓ Streamlining our cost structure
  Cost reductions ongoing to secure a sustainable long-term performance

✓ Quickly reacting to market changes
  First capacity adjustments implemented