Wienerberger Covid-19 update
Status as per March 30, 2020
Wienerberger takes all necessary measures to quickly adapt to the Covid-19 situation

› **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
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
  › Adaptions to labour market regulations are being implemented in each country

Wienerberger relevant countries
(34% of revenue share)
Eastern Europe
Managing the local situation with clear local measures

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