

Regina Prehofer, Chairwoman of the Supervisory Board, Wienerberger AG
Wienerbergerstraße 11, A-1100 Wien
cc: David Davies (Vice Chairman of the Supervisory Board)

London, 31st May 2018

Dear Ms Prehofer,

As we have emphasised in our letters of 19 April and 7 May, we are a substantial shareholder of Wienerberger and have a constructive interest in value creation at the company. Against this backdrop, we have communicated our conviction of the existing improvement potential and proposed two strong independent candidates for the Supervisory Board election on 14 June.

So far, we consider Wienerberger's reaction surprisingly aggressive and designed for escalation.

(1) Imposed communication ban with Messrs Jourquin and Steiner by Wienerberger

You should be aware from our letter of 19 April that we would propose the candidates De Leener and Buck-Emden. However, we still have an interest in meeting and speaking with Messrs Jourquin and Steiner, something you have so far kept us – but not other shareholders – from doing, and alleged we had no interest in such discussions. As we already explained to you, we have a vital interest in meeting your candidates and, furthermore, see a violation of our rights in relation to the principle of equal treatment of all shareholders under Austrian capital markets law.

(2) Unfair public exposure of the candidates De Leener and Buck-Emden

You have used Wienerberger's website as a public forum to allege – contrary to the declarations of independence both candidates made available to you – they had a conflict of interest that would disqualify them from a position on Wienerberger's Supervisory Board. This was done without contacting the candidates, a move we consider extremely unusual and aggressive per se. In addition, your allegations are highly misleading and unfair:

a) Pierre-Marie De Leener:

To our understanding, Pierre-Marie De Leener simply has a commercial confidentiality obligation as provided in every standard employment contract. Both existing members of the Supervisory Board and the candidates you propose have similar undertakings from previous employment or director's contracts. Even more worrying than your manipulative presentation of this fact is that Wienerberger has communicated to important decision makers that Mr De Leener was subject to a non-compete with Braas Monier, which is a serious misinformation. Finally, we would like to state that it is extremely aggressive and against internationally recognised professional standards to publicly use the letterhead of a competitor that points to an internal relationship between Mr De Leener and his former employer without prior validation.

b) Jan Buck-Emden

The assumption that Mr Buck-Emden's role as CEO at hagebau does not qualify him as a suitable candidate for the Supervisory Board due to conflicts of interest is also unfair and at odds with reality. Mr Buck-Emden has extremely useful knowledge that would benefit Wienerberger in growth areas such as digitisation, distribution, marketing and branding. It seems extremely disproportionate to reject his candidacy on account of a potential

conflict of interest that could easily be prevented by restricting access to certain detailed information, as is standard practice.

(3) Legally inadmissible instruction form

Wienerberger uses what we believe is a non-compliant instruction form, which gives the Management Board and the Supervisory Board enormous flexibility for manipulation and thus violates all principles of sound, professional governance. We fear further attempts at deception and manipulation are to be expected.

(4) Repeated rejection of our compromise proposals

We have repeatedly tried to point out solutions that optimise value creation at Wienerberger in a fair and transparent manner. So far, you have consistently been swift to ignore them. Lastly, we proposed an increase of the Supervisory Board by one seat to 9 seats to make the proxy-fight you have opted for less dramatic. You rejected this proposal immediately and did not even deem it necessary – as suggested by us and as our lawyers do not see any legal obstacles – to let our respective lawyers discuss this topic.

We would like to state that we have so far experienced such illogical and escalating behaviour only in companies with something to hide – we hope that this is not the case at Wienerberger!

As we have communicated to you, we do not think that Mr Jourquin should be a member of the Supervisory Board. As a former CEO of Solvay, he is a chemical and pharmaceutical expert. He merely managed the Pipelife business as a JV with Wienerberger and is thus no more an expert than the Wienerberger team. Ever since Mr Jourquin has served on the Supervisory Board, Wienerberger's pipes business has underperformed peers by some 100bp in revenue growth per year and by 150-500bp in EBITDA margin. As fact-driven shareholders, we cannot see that in a positive light. His age of 70 years as of June 2018 and the ensuing necessity for the third (!) age limit waiver for your Supervisory Board are another reason why Mr Jourquin would be an extremely weak candidate.

We continue to hope for a constructive and shareholder-friendly approach on the part of Wienerberger. Therefore, we propose to expand the Supervisory Board by one seat, and recommend you withdraw the candidacy of Mr Jourquin. A proxy fight on 14th June could be avoided in the interest of all parties, especially Wienerberger.

Yours faithfully



Klaus Umek
Managing Partner



Till Hufnagel
Partner