



OPEN LETTER FROM PIERRE-ANDRE DE CHALENDAR, CHAIRMAN & CEO OF SAINT-GOBAIN



Dear shareholders, employees, customers, suppliers and stakeholders of Sika,

During the past months, much has been written and said about the acquisition by Saint-Gobain of Schenker-Winkler Holding, the holding company of the family of the founders of Sika. I am writing this Open Letter as it is important to ensure a clear understanding of the facts and of our intentions as a future shareholder of Sika through Schenker-Winkler Holding.

Let me first briefly introduce the company I am managing. Saint-Gobain can look back on a 350 year history. We are the worldwide leader in sustainable habitat solutions, we manufacture and distribute building materials and high-performance materials. Entrepreneurship and innovation characterise the Saint-Gobain spirit worldwide. Today Saint-Gobain comprises more than 900 companies with more than 180'000 employees in 64 countries. They generate a turnover of more than 42 billion Euros. We have research centres all over the world and have been ranked this year, for the 4th consecutive year, among the 100 most innovative companies in the world.

Since 1937 Saint-Gobain has been expanding in Switzerland. Did you know that the well-known and successful Swiss companies Vetrotech, Sanitas Troesh, Rigips, Weber-Marmoran and Isover are all members of the Saint-Gobain family? Their management teams are totally Swiss. Saint-Gobain today employs around 2'000 people in Switzerland.

Sika is a first class company with which we have done business for a number of years. With Saint-Gobain, Sika will continue its growth strategy and will be even more successful. It will clearly be in the interests of Saint-Gobain and all

shareholders of Sika for Sika to continue to flourish. We strongly believe in Sika's current business model. Sika will continue to be run as today, out of its existing offices in Switzerland and overseas, and will remain a Swiss company. The listing of Sika shares on the Swiss Stock Exchange SIX will be maintained. We do not intend to bid for the outstanding shares of Sika. Sika's current financial policy will not be changed.

Within the Saint-Gobain Group we see enhanced employment prospects for Sika employees. **We undertake not to perform any redundancy of Sika employees nor any restructuring due to our acquisition of the holding company of the family.** The employees' contractual rights will of course be fully respected. At Saint-Gobain, we care for our people: **we are regularly certified Top Employer® in numerous countries and social dialogue is part of our DNA.**

As it is a key part of Sika's success, we have a high regard for the management of Sika on all levels. This is why we intend to maintain the decentralised operational structure of Sika with its extremely competent management teams around the world. Saint-Gobain has always been a highly decentralised company, as can be confirmed by the operation of our Swiss companies.

Sika and Saint-Gobain together have the potential to become the world's leading group for innovation and high performance solutions for the habitat and for the industry.

Sika and Saint-Gobain complement each other in their product ranges, in their sales channels as well as in their geographic presence in the world. These complementarities will bring additional sales for both Sika and Saint-Gobain. There is a strong industrial logic in cross-selling Sika and Saint-Gobain products. This will lead to higher growth and profitability for Sika and for Saint-Gobain. These important benefits stemmed from the reconciliation, mainly thanks to additional sales and better purchasing efficiencies, will be realized and shared fairly between Sika and Saint-Gobain. As we have consistently explained, transactions between

Saint-Gobain and Sika will be effected on an arm's length and fair basis and will be subject to Sika's Board approval, on which there will be important independent representation. We will also work closely with the Special Expert Committee established at the last Sika AGM, which will oversee transactions between Saint-Gobain and Sika and guarantee their fairness for all Sika shareholders.

There is no doubt that the transaction between the Burkard family and Saint-Gobain is perfectly legal. The delaying tactics of certain members of the Board of Sika with the sole intention of deferring the closing of the transaction can only have negative consequences for all Sika's stakeholders. Delays in the implementation of the industrial logic will postpone the value creation for all shareholders, and result in longer insecurity for managers and employees, and extended uncertainties for customers and suppliers.

The time has come to act in the best interests of all Sika's stakeholders and to start constructive discussions on the future governance of the company. Saint-Gobain has been and will always be open for such discussions with the Sika board members.

The backing of Saint-Gobain is:

- good for the long-term interests of all the shareholders of Sika, as they will get additional value deriving from the synergies with Saint-Gobain;
- good for the management and employees of Sika, as they will have additional opportunities and will have additional resources, given the size of the Saint-Gobain Group;
- good for suppliers and customers of Sika, as they will gain access to more opportunities, more products, and more services that will bring more value to them.

The future of Sika is best assured within the Saint-Gobain family.

A handwritten signature in blue ink, reading "P. de Chalendar".

Pierre-André de Chalendar
Chairman & CEO