



**Annual and
Sustainability Report**
2025



Our year 2025



Revenue +1.4%

€ 21.5 bn

RCO +5.5%

€ 3.4 bn

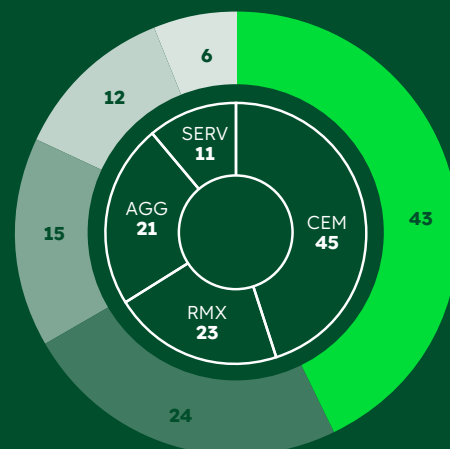
Earnings per share +€1.05

€ 10.92

ROIC +0.5 percentage points

10.4 %

Revenue by Group areas and business lines



in %

- Europe
- North America
- Asia-Pacific
- Africa-Mediterranean-Western Asia
- Group Services

CEM Cement
RMX Ready-mixed concrete-asphalt
AGG Aggregates
SERV Service-joint ventures-other

CO₂ emissions -3%

↓ 512 kg

specific net CO₂ emissions per tonne of cementitious material (Scope 1)

Share of revenue from sustainable products +1.9 percentage points

37 %

share of revenue from sustainable products



Outlook 2026

Result from current operations (RCO)

↑ € 3.40 – 3.75 bn

ROIC

> 10 %

CO₂ emissions

↓ slight reduction



Employees

48,973

employees in almost 50 countries



About this report

With our “Strategy 2030: Making a Material Difference,” we are driving Heidelberg Materials towards innovation and sustainable value creation. In this report, we fully implement the requirements of the CSRD for the first time, offering you, our stakeholders, a new level of transparency.

We have expanded our TCFD report to include the IFRS S1 and S2 standards in order to present climate-related opportunities and risks even more comprehensively. For the first time, we are also reporting in line with the guidelines of the Taskforce on Nature-related Financial Disclosures.

This report provides you with an integrated view of our business model, our financial performance, and our impact on the environment and society. Discover how we combine business success, sustainability, digitalisation and technical excellence – ambitiously, transparently, and with an eye to the future.

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Strategy 2030

Material Impact

Building on a strong track record with profitable growth in recent years, we are creating added value for our customers, our shareholders, and society as a whole.

[What defines our material impact?](#)



Dr Dominik von Achten
Chairman of the Managing Board

Dear Shareholders, Dear Readers,

In 2025, we continued to deliver – on all fronts.

Despite a challenging environment, we closed the 2025 financial year with excellent results. The return on invested capital (ROIC) was at a record level of 10.4%. The result from current operations (RCO) rose by 6% to €3.4 billion.

Combining profitability and sustainability within a strong business model is vital to our long-term success. Our significant progress in the past financial year confirms that we are also firmly on track in this regard. We reduced our specific net CO₂ emissions by 3% and increased the share of revenue from sustainable products to 37%.

I have great respect for the efforts of our teams across the globe, who are pursuing our targets with impressive determination in these volatile times. This consistent approach inspires confidence – among our customers and on the capital market. Our share price jumped sharply in the past financial year, exceeding the €200 mark for the first time in our company’s history at the end of the year.

I would like to take this opportunity to thank you, our valued shareholders, for the confidence you place

in us. Dependable, supportive alliances are critically important – especially in times of great change. They are key to overcoming challenges together and reaping the rewards of our success.

We are therefore proposing to the Annual General Meeting 2026 the distribution of a dividend of €3.60 per share. After all, consistency plays an important role in our progressive dividend policy. At the same time, the share buyback programme already underway further underscores our clear focus on shareholder return. Following the cancellation of all shares acquired under the second tranche in January 2026, we will launch the third and final tranche of the current programme immediately after the Annual General Meeting.

Strategy 2030: accelerating profitable growth

Building on a strong track record over recent years, we are looking ahead. With our “Strategy 2030: Making a Material Difference,” which we presented at our Capital Markets Day in Brevik in May last year, we are mapping out an ambitious pathway to accelerated growth and profitability.

I am very confident that our company is now better placed than ever to maintain our growth trajectory and strengthen our leading position. As we do so, we stand to benefit from important megatrends. Our building materials are laying the foundation for the world of tomorrow – from the energy transition to infrastructure expansion and residential construction to defence and digitalisation. It makes sense, therefore, that we continue to focus on our core business. Doing so reinforces our position as a global leader in the heavy building materials industry. It also means that we are targeting our efforts at markets with attractive growth potential and taking a disciplined approach to our ongoing portfolio optimisation.

To achieve our 2030 targets, we are driving forward our activities across all regions and business lines with local roots, global networks, and a digital focus. Our global presence enables us to leverage significant synergies in the three key areas of sustainability, digitalisation, and technical excellence by means of transnational platforms.

On the path to net zero – pulling all levers

We are combining our ambitious CO₂ reduction targets with future-proof, attractive business models. And we are also demonstrating our pioneering role in decarbonisation with conventional measures. In addition to using alternative raw materials and fuels, replacing traditional cement clinker with supplementary cementitious materials is a key lever in this regard. Since last year, for example, we have been successfully operating the world's largest flash calciner for clay as part of a joint venture in Ghana. In doing so, we are enabling our customers to significantly re-

duce the carbon footprint of their projects through the use of calcined clay cement with reduced clinker content. At our cement plant in Górażdże, Poland, we have commissioned a new industrial pilot plant for enforced carbonation. This marks the industrial-scale implementation of our patented ReConcrete process. ReConcrete combines circularity with decarbonisation to substantially reduce the carbon footprint of our products. Scalable projects like this one serve as a blueprint for further initiatives worldwide. They play a key role in the continuous expansion of evoBuild®, our sustainable portfolio of low-carbon and circular products.

Brevik CCS: standing out from the competition and paving the way for near-zero cement

Let us turn our attention to Norway for an example of how we are fully exploiting our global competitive advantages when it comes to sustainability. With the official opening of Brevik CCS, we marked a turning point in the decarbonisation of our sector: the world's first industrial-scale carbon capture and storage (CCS) facility in the cement industry. Brevik CCS is expected to capture 400,000 tonnes of CO₂ annually, enabling the production of evoZero®, the world's first carbon captured near-zero cement. Across Europe, our customers are already using evoZero® in their pioneering flagship projects – and charting the course to a sustainable future. Together, we are sending a strong signal of our determination to reach new heights in sustainability and technological innovation.

After all, Brevik is just the beginning. Following the successful conclusion of a funding agreement with

the UK Government, our CCS project in Padeswood, North Wales, has entered the implementation phase. Padeswood is set to become the world's first cement plant operating an nearly completely decarbonised production process. The system is designed to capture around 800,000 tonnes of CO₂ annually – roughly twice as much as our first large-scale capture facility in Brevik. Our colleagues in the UK are building on the expertise acquired in Brevik and driving construction forward with great enthusiasm.

These pioneering projects have an impact that extends far beyond national borders. For example, the EU Innovation Fund has selected four other forward-looking projects for the preparation of funding agreements, including in Belgium and Italy. This support sends a strong signal of confidence in our decarbonisation strategy and our projects.

**Consistent approach
inspires confidence –
among our customers
and on the capital
market.**

Fit for the future

To continue our transformation even in these volatile times, we must continue to reduce our costs and drive innovation. I am therefore especially pleased that the Transformation Accelerator Initiative announced in November 2024 is exceeding expectations and has already contributed to company results with significant savings in the 2025 financial year. It focuses on the optimisation of the production network, cross-functional efficiency enhancements, and technical initiatives on a global scale. We are confident that the programme will achieve its annual target of at least €500 million in savings by the end of 2026.

One example resulting from this initiative is HROC, our Heidelberg Remote Optimization Center in Dallas, Texas. HROC supports the operation of twelve North American plants, using aggregated location data to



increase our productivity and reduce CO₂ emissions through process optimisations and energy savings. This is another opportunity for us to leverage our global advantage and apply innovations in digitalisation and technical excellence worldwide.

Maintaining our growth trajectory with discipline

Another key contributor to our long-term competitiveness is the ongoing optimisation of our portfolio of locations and plants. In the past financial year, we strengthened our positioning, particularly in the attractive core markets of North America and Australia. Through acquisitions including BURNCO Rock Products (Canada) and Walan Specialty Construction Products (USA), we were able to further expand our circular and low-carbon portfolio in North America in particular. In Australia, we expanded our range of sustainable solutions and increased our presence in key markets by acquiring Midway Concrete’s ready-mixed concrete business. The sale of our majority stake in Cimenterie de Lukala SA in the Democratic Republic of the Congo is a further example of our unwavering focus on high-potential markets.

In February this year, we signed an agreement to purchase the construction materials business of the Maas Group, a listed diversified industrial group and leading supplier of aggregates, ready-mixed concrete, and asphalt in eastern Australia. Our single largest transaction in the past ten years comprises 40 quarries with aggregates reserves of over 350 million tonnes, 22 ready-mixed concrete plants, two asphalt plants, and one recycling plant.

Resilience in turbulent times

The past year has not been an easy one for any of us. With geopolitical tensions, ongoing uncertainties, and a noticeably weakened economic climate in several regions, our operating environment has become much more challenging. We continue to advocate strongly for the necessary frameworks and strategic policy decisions that will support the long-term success of the transformation.

Despite these challenging market conditions, we have been steadfast in our drive to seize opportunities and further accelerate our profitable growth. This resilience is what sets our company apart and enables us to remain a reliable partner even in difficult times. We are proud to create value together – for our employees, for our customers, for society, and for you, our valued shareholders.

In recent years, we have repeatedly demonstrated that we can hold our course even in the face of headwinds. Our Strategy 2030 will help us continue this record of success in the years ahead. Our goal remains clear: we want to deliver profitable growth while resolutely pursuing progress towards net zero.

Thank you for travelling with us on this journey. With your support, and in keeping with our motto “Making a Material Difference,” I am confident that we will continue to make a difference in our industry.

Yours sincerely,

Dr Dominik von Achten
Chairman of the Managing Board

A group of nine people, eight men and one woman, are standing in a modern office hallway. They are dressed in business attire, including suits and blazers. The woman is the only one with her arms crossed. The background features large glass windows and a staircase. The overall atmosphere is professional and collaborative.

[illegible]

Report of the Supervisory Board



Dr Bernd Scheifele
Chairman of the Supervisory Board

Heidelberg,
25 March 2026

Dear Shareholders,

Heidelberg Materials continued its growth trajectory in the past reporting year despite ongoing geopolitical and economic uncertainties. The Supervisory Board closely monitored and supported the Group’s management and engaged intensively with economic and strategic issues.

With its “Strategy 2030: Making a Material Difference” launched last year, Heidelberg Materials has set itself ambitious growth and profitability targets for 2030. Building on a strong track record, the company continues to focus on its core business of heavy building materials in markets with high growth potential, underlining its leading position as a global heavy building materials manufacturer. The company benefits from worldwide synergies in three areas: sustainability, digitalisation, and technical excellence.

One area of focus in the past reporting year was on further developing and implementing the Group’s sustainability strategy and continuing to tighten the sustainability targets up to 2030. For example, Heidelberg Materials began delivering evoZero® to customers across Europe from its cement plant in Brevik, Norway. As the world’s first near-zero cement produced using CCS (carbon capture and storage) technology, evoZero® sets a new benchmark for decarbonisation in the construction industry. With the final investment decision reached, the company also started construction of Padeswood CCS in the United Kingdom. Four additional carbon capture projects in Europe have been selected by the EU Innovation Fund with a view to drawing up grant agreements.

At the same time, the Group successfully continued its ongoing portfolio optimisation, strengthening its position in key markets through attractive acquisitions, including in North America and the Asia-Pacific region. Meanwhile, efficiency at the plants has been further improved and additional synergies have been leveraged. The Transformation Accelerator initiative made a significant contribution in this regard in the past financial year.

Consultation and monitoring

The Supervisory Board closely monitored and supported the Group’s development during the past financial year and discussed it with the Managing Board at meetings of the plenary session and its committees as well as outside the scheduled meetings. It also received regular, timely, and comprehensive reports, both in writing and verbally, about all matters of relevance to the Group, particularly in relation to business policy, strategy and planning, the progress of businesses, the financial situation, the risk situation and risk management, compliance, innovations, and sustainability. The Supervisory Board reviewed, discussed, and analysed the Managing Board’s reports in detail. The Managing Board agreed on the Group’s strategy with the Supervisory Board. Deviations of the actual business development from the plans were explained in detail by the Managing Board.

The Supervisory Board was directly involved at an early stage in all decisions of fundamental importance to the Group. A catalogue drawn up by the Supervisory Board, which is reviewed regularly and adjusted as necessary, outlines transactions and measures of fundamental importance that require the consent of the Supervisory Board. In the reporting year, the Supervisory Board took decisions on the transactions and measures submitted by the Managing Board that required its approval, having first reviewed them and discussed them with the Managing Board. In particular, investment projects and financing matters requiring authorisation were explained in detail by the Managing Board and discussed before decisions were made. In addition, the Supervisory Board has satisfied itself that the Managing Board has installed an internal control and risk management system appropriate to the business activities and risk situation of the Group, as well as a functioning monitoring system that is effective and capable of recognising at an early stage any developments that could jeopardise the company as a going concern. With regard to the accounting-related internal control system and the early risk detection system, the Supervisory Board also had this confirmed by the auditor. Furthermore, it has satisfied itself of the effectiveness of the compliance management system, which guarantees Group-wide compliance with the law, legality, and internal guidelines. In the relevant meetings, the responsible line managers of the Group below Managing Board level were available together with members of the Managing Board to provide information to the Audit Committee and to answer questions. The Chairman of the Supervisory Board and the Chairman of the Audit Committee also discussed topics relating to the audit with the auditor outside the scheduled meetings and without the participation of the Managing Board. In addition, the

Chairman of the Supervisory Board was in regular and ad hoc contact with the Chairman of the Managing Board outside the scheduled meetings.

During the reporting year, the Chairman of the Supervisory Board remained open to dialogue with investors at all times and willing to receive suggestions from investors on topics specific to the Supervisory Board and to consider these suggestions in the Supervisory Board's discussions. As part of a governance roadshow in March/April 2026, the Chairman of the Supervisory Board expanded this exchange and held talks with investors. In the physical and virtual meetings with international shareholders from the United Kingdom, Germany, and the USA, governance-specific topics were discussed, in particular the tasks, work, and composition of the Supervisory Board as well as environmental, social, and governance (ESG) issues.

Overall, the Supervisory Board continuously and thoroughly monitored the work of the Managing Board and provided it with advice, particularly with

regard to the Group's management, the alignment and implementation of its strategy, and its development. In doing so, it assessed the Managing Board's management of the Group in terms of its lawfulness, propriety, expediency, and economic efficiency. The Managing Board and Supervisory Board worked together in a spirit of mutual trust for the benefit of the Group and maintained an open and intensive dialogue. In summary, it can be said that the Supervisory Board has again duly and diligently fulfilled the duties incumbent upon it under the law, the Articles of Association, the Rules of Procedure, and the German Corporate Governance Code (with the exception of any declared deviations) in the 2025 financial year.

During the reporting year, the plenary session of the Supervisory Board convened at six ordinary meetings (29 January, 23 March, 15 May before the Annual General Meeting, 14 and 15 September, and 20 November). The number and format of Supervisory Board meetings and committee meetings in the reporting year are shown in the following overview.

Number and type of Supervisory Board and committee meetings

	Type of meeting		Total number of meetings
	In person	Conference call and/or video-conference	
Plenary session of the Supervisory Board	5	1	6
Sustainability and Innovation Committee	2	0	2
Nomination Committee	0	0	0
Personnel Committee	3	0	3
Audit Committee	2	4	6
Mediation Committee	0	0	0

Participation of the members of the Supervisory Board at the plenary sessions and committee meetings

Supervisory Board member	Plenary session		Audit Committee	Personnel Committee	Sustainability and Innovation Committee	Nomination Committee	Mediation Committee	Total	
	Participation/number	Rate	Participation/number	Participation/number	Participation/number	Participation/number	Participation/number	Participation/number	Rate
Dr Bernd Scheifele, ¹⁾ Chairman of the Supervisory Board	6/6	100 %	–	3/3	–	–	0/0	9/9	100 %
Werner Schraeder, ²⁾ Deputy Chairman of the Supervisory Board	6/6	100 %	6/6	3/3	–	–	0/0	15/15	100 %
Barbara Breuninger ²⁾	6/6	100 %	6/6	–	2/2	–	–	14/14	100 %
Gunnar Groebler ¹⁾	5/6	83.33 %	–	–	2/2	–	–	7/8	91.67 %
Katja Karcher ²⁾	6/6	100 %	–	3/3	2/2	–	–	11/11	100 %
Ludwig Merckle ¹⁾	6/6	100 %	6/6	3/3	2/2	0/0	–	17/17	100 %
Luka Mucic ¹⁾	6/6	100 %	6/6	3/3	–	–	–	15/15	100 %
Markus Oleynik ²⁾	6/6	100 %	–	3/3	2/2	–	–	11/11	100 %
Peter Riedel ²⁾	6/6	100 %	6/6	3/3	–	–	–	15/15	100 %
Margret Suckale ¹⁾	6/6	100 %	6/6	3/3	–	0/0	0/0	15/15	100 %
Dr Sopna Sury ¹⁾	6/6	100 %	–	3/3	2/2	0/0	–	11/11	100 %
Anna Toborek-Kacar ²⁾	6/6	100 %	–	3/3	–	–	0/0	9/9	100 %
Total	71/72	98.61 %	100 %	100 %	100 %	0/0	0/0	149/150	99.33 %

1) Shareholder representative
2) Employee representative

The participation rate of all members of the Supervisory Board at the six plenary sessions of the Supervisory Board in the 2025 reporting year was 98.61%. The participation rate at all the committee meetings held in the reporting year was 100%.

Members of the Supervisory Board and its committees are listed in the [Corporate Governance statement chapter](#).

Separate preliminary meetings of the employee representatives were held in connection with the Supervisory Board meetings. In the reporting year, the members of the Managing Board generally attended the meetings of the Supervisory Board, although the Supervisory Board also met regularly and on an ad hoc basis without the Managing Board to discuss certain agenda items and topics.

Topics of discussion in the meetings of the Supervisory Board and its committees

The **plenary sessions** in the first half of 2025 dealt with, among other things, the discussion, auditing, and approval of the 2024 annual financial statements and consolidated financial statements, including the non-financial statement and the dividend proposal to the Annual General Meeting, the preparation of the 2024 remuneration report, the approval of the 2025 operational plan, the review of the remuneration of the Supervisory Board, the Strategy 2030, and preparations for the 2025 Annual General Meeting. Further matters discussed by the Supervisory Board were the cancellation of all 3,637,360

treasury shares purchased under the first tranche of the 2024–2026 share buyback programme between 23 May and 25 November 2024 and the continuation of the programme in a second tranche with a planned volume of up to €450 million, based on the authorisation granted by the Annual General Meeting on 15 May 2025. At the first plenary session of 2026, the Supervisory Board addressed the cancellation of all 2,065,695 treasury shares purchased under the second tranche of the 2024–2026 share buyback programme between 5 June and 1 December 2025. The share buyback programme is in line with the Group’s financial policy and may be seen in the context of its successful reduction of net debt, good business performance in previous financial years, and the participation of shareholders in the Group’s success.

In the second quarter of 2025, the Supervisory Board adjusted the peer group relevant for measuring the relative total shareholder return (TSR), as a company in this group had been delisted from the stock exchange. The Supervisory Board also recommissioned the auditor to perform a material audit of the 2025 remuneration report.

In the second half of 2025, the Supervisory Board focused in particular on the positioning and commercialisation of the company’s decarbonised products. Furthermore, it discussed Heidelberg Materials’ global business activities and the associated risks and opportunities. In this context, geopolitical issues were also the focus of the Supervisory Board’s deliberations. In addition, the Supervisory Board supported the Managing Board in the implementation of the digitalisation strategy and discussed related milestones. It also addressed the issue of enhancing efficiency in operating activities through digitalisation and the use of artificial intelligence.

Throughout the 2025 reporting year, the Supervisory Board devoted considerable attention to the further development and implementation of the sustainability strategy. The focus was on the updated CO₂ roadmap and the decarbonisation of cement production through the use of carbon capture and storage (CCS). In this context, the Supervisory Board's discussions centred in particular on the opening of Brevik CCS in Norway in June 2025, the final investment decision for the construction of the carbon capture facility at the Padeswood cement plant in the United Kingdom, and the planned CCS project in Edmonton, Canada. The Supervisory Board also considered further measures to improve the carbon footprint of emission-intensive plants, new technologies for low-carbon products, the EU Emissions Trading System, and the EU's Carbon Border Adjustment Mechanism (CBAM). The expected implementation of the EU's Corporate Sustainability Reporting Directive (CSRD) and the associated double materiality analysis were once again on the Supervisory Board's agenda in the reporting year.

Sustainability and digitalisation thus remain key areas of focus for the Supervisory Board's monitoring and advisory activities.

In the 2025 financial year, the Supervisory Board also examined the process of securing raw materials in the cement and aggregates business lines and the results achieved. In addition, the Supervisory Board held several meetings with the Managing Board to discuss major investments, divestments, and portfolio optimisations, as well as the Group's underlying M&A strategy. The main focus of these meetings was on measures that could affect Heidelberg Materials' strategic targets and lead to an improvement of its balance sheet structure. Further topics addressed by

the Supervisory Board and its committees in the reporting year included the adjustment of the Supervisory Board's Rules of Procedure, in particular with regard to its obligation since the 2025 financial year to audit the income tax information report; the simplification of the Group structure; the corporate governance rankings; the further development of the company's corporate governance; and the Managing Board's regular reports on business development.

The Supervisory Board's work also focused on the 2025 annual bonus plan prepared by the Personnel Committee, the long-term bonus plan for 2025 to 2027, the target achievement of the 2024 annual bonus, the target achievement of the capital market component from the long-term bonus for 2021 to 2023/2024 and the management component from the long-term bonus for 2022 to 2024/2025, and matters relating to the Managing Board.

In the reporting year, the **Audit Committee** engaged extensively with the further development of the Group's corporate governance, risk management, and internal control system, including the effectiveness of the compliance management system. The Audit Committee dealt regularly and intensively with compliance issues in particular. One area of focus was on resources and organisation in relation to compliance. The Director Group Legal & Compliance regularly reported to the committee on his activities and on the status of the compliance management system and its further development. He was also in direct contact with the Chairman of the Audit Committee in the reporting year. The members of the Audit Committee also received reports from the Director Group Treasury, Insurance & Corporate Risk on the risk management system and from the Director Group Internal Audit on the internal control system.

In addition to the reports regarding internal audit, risk management, and compliance, meetings of the Audit Committee dealt with the 2024 annual financial statements and consolidated financial statements, including the non-financial statement, as well as the points of focus for the audit, the half-year financial report, and quarterly statements for the 2025 financial year. After convincing itself of the auditor's independence and evaluating the quality of the audit, the Audit Committee prepared the Supervisory Board's proposal to the 2025 Annual General Meeting for the appointment of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) as the auditor and Group auditor and – after the Annual General Meeting followed this proposal – issued the audit assignment to PwC. In this context, it also defined the points of focus for the 2025 audit. Furthermore, it monitored the development of the non-audit services by the auditor and received reports from the Managing Board on the nature and scope of the non-audit services performed by the auditor. It also discussed sustainability reporting in the context of the CSRD, which has not been transposed into German law.

Heidelberg Materials is ideally prepared to secure financing for its business transactions in the short, medium, and long term with its existing debt instruments. The maturity profile of the liabilities shows its usual balanced structure.

The Audit Committee continued to focus on the topic of IT security in this financial year. Furthermore, it again looked at the use of enterprise resource planning systems in the individual Group countries and their standardisation.

The Chairman of the Audit Committee is Luka Mucic. Mr Mucic, like Audit Committee member Ludwig Merckle, is regarded as a financial expert pursuant to section 100(5) of the German Stock Corporation Act (Aktiengesetz, AktG). The Supervisory Board is of the opinion that both Mr Mucic and Mr Merckle have expertise in the areas of accounting and auditing, including sustainability reporting and the auditing thereof. For more information, see the [Corporate Governance statement chapter](#).

In the reporting year, the **Personnel Committee** focused on the preliminary discussion and recommendation to the Supervisory Board regarding the determination of the variable Managing Board remuneration for the 2024 financial year and on the definition of the parameters for the variable Managing Board remuneration in 2025 and in the years from 2025 to 2027/2028. Furthermore, the Personnel Committee conducted the pre-audit of the 2024 remuneration report and prepared the related decision of the plenary session of the Supervisory Board. The Personnel Committee also dealt intensively with matters relating to the Managing Board, particularly salary reviews and the acceptance of external supervisory board mandates, and prepared the decisions of the plenary session in this regard. Finally, the Personnel Committee assured itself that all members of the Managing Board have carried out the required individual investment in Heidelberg Materials shares as part of the Managing Board remuneration system.

The **Sustainability and Innovation Committee** focused intensively on the market launch of and business case for products based on carbon capture and storage technology: evoZero® and evoBuild®. Together with the Audit Committee, it oversaw the audit of the sustainability reporting and the assessment of

risks and opportunities related to environment, social, and governance (ESG) topics. It also discussed the current status of the EU Emissions Trading System and related developments, as well as reporting pursuant to the CSRD and the Corporate Sustainability Due Diligence Directive (CSDDD). Further areas of focus included the relevant ESG ratings and monitoring progress on and updating the CO₂ roadmap.

The **Nomination Committee** and the **Mediation Committee**, formed in accordance with section 27(3) of the German Co-Determination Law (Mitbestimmungsgesetz, MitbestG), did not need to meet in the reporting year.

The results of the committees' meetings were reported at the subsequent plenary sessions.

During the reporting year, there were no potential conflicts of interest of any Managing Board or Supervisory Board member that would have had to be disclosed to the Supervisory Board without undue delay. There were also no consulting or other contracts for services or work between any member of the Supervisory Board and the Group in the reporting year.

In the reporting period, there were no related party transactions requiring disclosure within the meaning of sections 111a(1)(2) and 111b(1) of the AktG.

Every two years, the Supervisory Board carries out a regular self-assessment of the effectiveness of the work of the Supervisory Board and its committees, as required by the German Corporate Governance Code. The last such self-assessment took place in the second half of 2025. To avoid repetition, details are included in the **[Corporate Governance statement chapter](#)**.

Corporate Governance

The declaration of compliance in the reporting year was submitted by the Managing Board on 17 January 2025 and by the Supervisory Board on 29 January 2025. The declaration of compliance for the current financial year was submitted by the Managing Board on 15 January 2026 and by the Supervisory Board on 29 January 2026. The complete text can be found in the **[Declaration of compliance section](#)** pursuant to section 161 of the AktG in the **[Corporate Governance statement chapter](#)**. The current declaration of compliance is made permanently available on the company's **[website](#)**.

With regard to its composition and that of the Managing Board, the Supervisory Board thoroughly complies with the requirements of the German Corporate Governance Code regarding the principles of diversity when appointing corporate bodies and leadership positions within the Group and of section 289f(2) (6) of the German Commercial Code (Handelsgesetzbuch, HGB) (diversity concept). Regarding its own composition, it implements the diversity targets stated in the Code and the profile of skills for the Supervisory Board adopted on 23 March 2022. Detailed information on this topic can be found in the **[Corporate Governance statement chapter](#)**.

On 18 March 2020, the Supervisory Board resolved to set the target figure for the proportion of women on the Managing Board to at least one woman for the period from 1 July 2020 to 30 June 2025. With Dr Nicola Kimm as a member of the Managing Board from 1 September 2021 until 31 August 2024, succeeded by Dr Katharina Beumelburg on 1 October 2024, this target was achieved ahead of schedule. The Supervisory Board also welcomes and supports the Managing Board's target of further increasing the proportion of women in management positions in the

first and second leadership levels below the Managing Board. The Managing Board has formulated a global¹⁾ target for the proportion of women in leadership positions of 25%¹⁾ by 2030. For details, please refer to the **[Corporate Governance statement chapter](#)**.

With regard to the remuneration for the members of the Managing Board for the 2025 financial year, specifics are included in the **[Remuneration report chapter](#)** to avoid repetition. A description of the 2024+ Managing Board remuneration system approved by the 2024 Annual General Meeting and applicable from 1 January 2024, can also be found there. Having been commissioned to do so by the company's Supervisory Board, the auditor also carried out the voluntary audit of the correctness of the content of the 2025 remuneration report and issued an unqualified audit opinion. The Supervisory Board also examined the remuneration report on this basis and approved it together with the Managing Board. The 2025 remuneration report will be submitted to the 2026 Annual General Meeting for approval and will be available on the company's **[website](#)** for ten years.

The members of the Supervisory Board are themselves responsible for obtaining the training required for their tasks and are supported by the company in this respect. The company also offers specific training sessions – sometimes with external support – for members of the Supervisory Board, most recently in November 2025. These training courses cover topics that are particularly relevant to the Group and the work of the Supervisory Board – for example, with regard to legal changes, the selection of suitable investment projects, sustainability reporting under the CSRD, and, most recently, tax issues and governance considerations relating to the Group structure.

1) Excluding the North America Group area

In addition, the Managing Board reports on corporate governance at Heidelberg Materials, including on behalf of the Supervisory Board, in the **[Corporate Governance statement chapter](#)**.

With all of the above statements, the Supervisory Board reaffirms its commitment to effective corporate governance in the Group.

Auditing and approval of annual financial statements, consolidated financial statements, and sustainability report

Before the contract for the auditing of the annual financial statements of the company and the consolidated financial statements of the Group was awarded, the points of focus for the audit and the content of the audit were discussed with the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main. The Audit Committee discussed the audit fee and, with the auditor, the assessment of audit risk, the audit strategy, audit planning, and the audit results. The Chairman of the Audit Committee and the auditor regularly exchanged information on the progress of the audit, after which the Chairman reported to the committee.

In January 2026, the Managing Board informed the Supervisory Board about the preliminary, unaudited key figures for the 2025 financial year and provided a status report on the financial statements work. The annual financial statements of Heidelberg Materials AG, the consolidated financial statements as at 31 December 2025, and the combined management report for the company and the Group, as prepared by the Managing Board, were audited by the auditor. In addition, the auditor performed a limited assurance on the sustainability report (sections 289b and 315b of the HGB) contained in the combined management report on behalf of the Supervisory Board.

Although the CSRD has not yet been transposed into national law in Germany – meaning that there is currently no legal obligation to report in full pursuant to the European Sustainability Reporting Standards (ESRS) – Heidelberg Materials is already reporting in full compliance of the CSRD for the 2025 financial year. The sustainability report was voluntarily audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and an assurance report was issued. The financial statements documents together with the reading copies of the auditors' reports were sent in advance to the members of the Supervisory Board. At first, the Audit Committee dealt intensively with the financial statements, including the combined management report and the sustainability report, in the presence of the auditor. The auditor reported on the main results of its audit. In addition, the Audit Committee had the auditor report on the effectiveness of the internal control and early risk identification system in relation to accounting, whereby the auditor stated that it had not found any significant weaknesses in this regard. Against this background and after its own consideration, the Audit Committee determined that the internal control system, the internal audit system, and the risk management system, including the early risk identification system, meet the requirements placed on them. The Supervisory Board shares the opinion of the Audit Committee on the effectiveness of these

systems. Then, the Supervisory Board discussed the financial statements, including the combined management report and the sustainability report, in detail at the accounts meeting on 25 March 2026, once again in the presence of the auditor. The Audit Committee and the Supervisory Board also held related discussions without the participation of the Managing Board. The Supervisory Board approved the audit results. It examined the annual financial statements and consolidated financial statements, the combined management report, including the sustainability report, and the Managing Board's proposal for the use of the balance sheet profit. The results of the pre-audit conducted by the Audit Committee and the results of its own audit correspond fully to the results of the auditor. Following the final results of this audit, the Supervisory Board also raised no objections. The auditor issued an unqualified audit opinion on the annual financial statements of Heidelberg Materials AG and the consolidated financial statements as at 31 December 2025 as well as on the combined management report of Heidelberg Materials AG and the Group.

The Supervisory Board approved the Managing Board's proposal for the use of the balance sheet profit, including the payout of a dividend of €3.60 per share (previous year: €3.30).

Personnel matters and notes of thanks

There were no personnel changes on the Managing Board or the Supervisory Board during the reporting year. In January 2026, the Supervisory Board extended the appointment of Roberto Callieri as a member of the Managing Board until 31 December 2029.

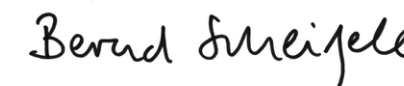
The Supervisory Board confirmed Margret Suckale and Dr Sopna Sury from among its members as sustainability experts on the Supervisory Board. For more information, see the [Corporate Governance statement chapter](#).

In conclusion, the Supervisory Board would like to thank all members of the Managing Board and all employees of the Group for their outstanding and dependable cooperation as well as their continued high level of personal commitment and excellent performance on the company's behalf in the 2025 financial year.

Approval of this report

The Supervisory Board approved this report during its meeting on 25 March 2026 pursuant to section 171(2) of the AktG.

For the Supervisory Board



Dr Bernd Scheifele

Chairman of the Supervisory Board

Corporate Governance statement

The Corporate Governance statement for Heidelberg Materials AG and the Group in accordance with the provisions of sections 289f and 315d of the German Commercial Code (HGB) includes the declaration of compliance pursuant to section 161 of the German Stock Corporation Act (AktG). It also provides information on corporate governance practices and the functioning of the Managing Board and Supervisory Board, including the corporate governance of the company, the remuneration of the boards, the diversity concept for the Supervisory Board and Managing Board, and the legal requirements for equal participation of women and men in management positions.

Declaration of compliance with the German Corporate Governance Code

On 15 January 2026 and 29 January 2026, the Managing Board and the Supervisory Board submitted the following declaration of compliance pursuant to section 161(1) of the AktG:

Since issuing the last declaration of compliance in January 2025, Heidelberg Materials AG has complied with all recommendations of the German Corporate Governance Code in the version dated 28 April 2022, published by the Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) on 27 June 2022, and will continue to comply with them in the future with the following exceptions:

- The recommendation G.10 sentence 2 is fully complied with, subject to the following exception: according to the Managing Board remuneration system 2024+, the Managing Board members can only dispose of the long-term incentive (LTI)

payout amount after four years (a three-year performance period followed by a one-year waiting period). However, a deviation is declared for a transitional period regarding the 2024 LTI tranche. In the 2027 financial year, 25% of the provisional payout amount of the 2024 LTI tranche will be paid out to the members of the Managing Board appointed at the time of approval of the remuneration system 2024+ provisionally at the end of the three-year performance period. The provisional payout will be offset against the regular payout of the 2024 LTI tranche after the end of the waiting period in the 2028 financial year.

The preliminary payout in the 2027 financial year is intended to mitigate the effects of the adjustment of the Managing Board remuneration system implemented with effect from the 2024 financial year. Otherwise, only the capital market component of the 2023 LTI tranche would be paid out in the 2027 financial year. The recommendation in G.13 sentence 2 is not complied with. According to this recommendation, severance payments shall be taken into account in the calculation of any waiting allowances if post-contractual non-compete clauses apply. This is not the case at Heidelberg Materials AG.

- The recommendation in G.13 sentence 2 is not complied with. According to this recommendation, the severance payment shall be taken into account in the calculation of any compensation payments if post-contractual non-competition clauses apply. This is not the case at Heidelberg Materials AG.

The reason for this deviation is that a possible severance payment and a waiting allowance are intended to compensate for different issues in terms of content.

Heidelberg Materials AG has complied with and continues to comply with all the suggestions of the Ger-

man Corporate Governance Code, although suggestion A.8 of the code is of no practical relevance to the company at present due to the absence of a takeover bid.

Remuneration system and remuneration report

The remuneration system for members of the Managing Board, which was approved by the Annual General Meeting on 16 May 2024 with a majority of 96.21% of the votes cast, is publicly available on the company's [website](#) under Corporate Governance. The remuneration system for the members of the Supervisory Board, which was confirmed by the Annual General Meeting on 15 May 2025 with a majority of 99.57% of the votes cast, can also be found on the website together with the resolution passed by the Annual General Meeting pursuant to section 113(3) of the AktG. The remuneration report together with the auditor's report are likewise made publicly available at the same internet address pursuant to section 162 of the AktG. The remuneration report can also be found in the [Remuneration report chapter](#).

Information on corporate governance practices

Fundamentals of corporate governance

Heidelberg Materials AG is a German public limited company based in Heidelberg. In accordance with the legal regulations, it has three institutions: the Annual General Meeting, the Supervisory Board, and the Managing Board. The tasks and responsibilities of these institutions are primarily based on the AktG and the company's Articles of Association.

As a German public limited company, Heidelberg Materials AG is required by law to have a two-tier board system. The Managing Board is responsible for independently managing the Group. The members of the Managing Board are jointly accountable for the management of the Group. The Chairman of the Managing Board coordinates the work of the members of the Managing Board. The Supervisory Board appoints the members of the Managing Board for a maximum period of five years (in the case of an initial appointment, for a maximum of three years) and extends their appointment if necessary; they may only be removed from office prematurely for good cause. The Supervisory Board also monitors and advises the Managing Board and is directly involved in decisions of fundamental importance to the Group. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board.

In line with the options provided for in accordance with the law or the Articles of Association, the shareholders exercise their rights before or during the Annual General Meeting and thereby exercise their voting right. Each share carries one vote at the Annual General Meeting. The ordinary Annual General Meeting is normally held in the first five months of the financial year. In particular, the Annual General Meeting passes resolutions on the use of profit, approval of the actions of the members of the Supervisory Board and Managing Board, the conclusion of inter-company agreements, changes to the Articles of Association, and the approval of the remuneration report. It also elects the shareholder representatives to the Supervisory Board and the auditor. Shareholders are entitled to file motions and have a comprehensive right to speak and ask questions at the Annual General Meeting in accordance with the statutory provisions. In special cases, the AktG provides for the convening of an Extraordinary General Meeting.

All important documents for exercising shareholder rights as well as the resolution issues and documentation are duly and easily available on the company's [website](#) for shareholders to access. Both the notice of the agenda for the Annual General Meeting and our website will provide shareholders with the information they need to exercise their rights, and particularly their voting rights at the Annual General Meeting, including by way of proxy or postal vote. Company proxies bound by instructions are also available to shareholders to exercise their voting rights at the Annual General Meeting. After the end of the Annual General Meeting, the attendance and voting results for the individual agenda items will be published on our [website](#).

Internal control and risk management system

Heidelberg Materials is subject to various risks on account of its international business activity. Responsible risk management is an essential component of good corporate governance. The comprehensive and Group-wide risk management system at Heidelberg Materials serves to ensure the early identification, systematic assessment, and targeted management of risks. Heidelberg Materials also has an internal control system that consists of process-independent and process-integrated control measures. Our risk management system and internal control system are used to identify circumstances with the potential to jeopardise the Group. The internal control and risk management system is implemented both at the level of Heidelberg Materials AG and within the Group. The Managing Board of Heidelberg Materials AG is responsible for fulfilling the obligation to set up the systems and for continuously monitoring their effectiveness. The two systems are comprehensive in design and, in addition to an accounting-related component, also include business and purely operational risks and controls, including those associated with

our sustainability targets, which are partly not directly related to accounting. With regard to the internal control and risk management system's main accounting-related features, there are comprehensive statutory disclosure obligations, which are set out in greater detail at Group level by German Accounting Standard no. 20 (DRS 20). The relevant disclosures and further information about the internal control and risk management system can be found in the [Risk and opportunity report chapter](#). The statements made there for the accounting-related components of the internal control and risk management system essentially also apply to the business and operational system components.

Compliance management system

Integrity, legality, and compliance are integral to everyday business at Heidelberg Materials. The company has a compliance management system that is subject to constant further development. In accordance with the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, IDW) auditing standard 980, the structure of the compliance management system includes compliance culture, targets, risk assessments, and reporting, the compliance programme with guidelines and whistle-blower system, the compliance organisation, communication, training, and controls. Practical implementation in the operating units is the responsibility of the compliance officers of the individual country organisations. Further information about the compliance management system can be found in the [Governance section of the Sustainability Report chapter](#).

Based on its review of the internal control and risk management system, including the compliance management system, and the reporting by the Group Internal Audit department, the Managing Board is not

aware of any circumstances that cast doubt on the adequacy and effectiveness of these systems.

The Managing Board has the quality, adequacy, and effectiveness of the internal control and risk management system, including the compliance management system, regularly monitored and assessed by independent parties, in particular by the Group Internal Audit department. The latter performs independent objective audit procedures, which, in addition to examining the design and effectiveness of the aforementioned systems, also explore the potential for optimisation in the operational processes. In compliance with internationally recognised auditing principles and standards, the Group Internal Audit department contributes to the evaluation and optimisation of the internal control and risk management system and the compliance and governance processes. The activities of the Group Internal Audit department are thus intended to support the company in terms of both reducing risks and strengthening its organisational governance processes and structures.

The Managing Board and the Audit Committee of the Supervisory Board receive regular reports on the audit results. In addition, the Supervisory Board also satisfies itself that the Managing Board has installed an internal control and risk management system appropriate to the business activities and risk situation of the company, as well as a functioning monitoring system within the meaning of section 91(2) of the AktG that is effective and capable of recognising at an early stage any developments that could jeopardise the Group as a going concern. The Supervisory Board also has the functionality of the accounting-related internal control system and the early risk identification system confirmed by the auditor. Furthermore, the Supervisory Board has satisfied itself of the effectiveness of the compliance management

system, which guarantees Group-wide compliance with law, legality, and internal guidelines.

Code of Business Conduct

A Group-wide Code of Business Conduct requires all employees to observe the basic rules of business decorum – irrespective of whether these rules are prescribed by law or not. Heidelberg Materials' Code of Business Conduct is an important element of our corporate governance and is published on the website under [Company profile/Compliance](#). The Code of Business Conduct is binding on the Managing Board and all employees worldwide. It forms part of Heidelberg Materials' comprehensive compliance programme and its observance is monitored by control mechanisms included in the programme. In particular, the Code of Business Conduct calls for:

- Integrity and professional behaviour towards customers, suppliers, authorities, and other business partners
- Strict compliance with all applicable laws
- Compliance with competition and antitrust law
- The provision of healthy and safe workplaces
- Efforts to combat corruption and the consistent avoidance of conflicts of interest
- The consideration of sustainability and environmental concerns
- The protection of human rights and employee rights, including fair, non-discriminatory employment conditions and fair dialogue with the employee representatives

- Careful and responsible handling of the Group’s property and assets
- Careful and responsible handling of company and business secrets as well as personal data

To ensure that the rules of the Code of Business Conduct are understood and observed, all members of the Managing Board and employees must regularly complete an online training programme.

Functioning and composition of the Managing Board, Supervisory Board, and Supervisory Board committees

Managing Board

The Managing Board is the company’s managing body and has overall responsibility for corporate governance. In this regard, it is obliged to act exclusively in the Group’s best interests within the framework of the law. It takes into account the interests of shareholders, its employees, and other stakeholders with the aim of creating sustainable added value. The Managing Board develops the Group’s strategy, coordinates it with the Supervisory Board, and ensures its implementation. It makes sure that all provisions of law and the Group’s internal guidelines are adhered to and works to achieve compliance by Group companies. It ensures appropriate risk management and risk controlling within the Group.

The Managing Board Rules of Procedure govern, in connection with the schedule of responsibilities, the work of the Managing Board, in particular the departmental responsibilities of individual members of the Managing Board, matters reserved for the full Managing Board, and the required majority for resolutions. In accordance with these rules, each member of the Managing Board runs their management department independently and on their own responsibility, with the provision that all matters of clearly defined fundamental importance are to be decided upon by the full Managing Board. This takes place in the regular meetings of the Managing Board, led by the Chairman of the Managing Board, on the basis of prepared meeting documents. The results of the meetings are recorded in minutes, which are issued to all members of the Managing Board. There are no Managing Board committees. Further details can be found in the Managing Board Rules of Procedure on our [website](#).

Composition of the Managing Board

There are currently nine members on the Managing Board of Heidelberg Materials AG: the Chairman of the Managing Board, the Chief Financial Officer, three further functional members of the Managing Board (Chief Digital Officer, Chief Sustainability & New Technologies Officer, and Chief Technical Officer), and four members of the Managing Board each in charge of the business in one Group area.

Composition of the Managing Board

	Responsibility	Year of birth	Initial appointment	Appointed until
Dr Dominik von Achten	Chairman of the Managing Board	1965	2007	31 January 2028
René Aldach	Chief Financial Officer and Australia within the Asia-Pacific Group area	1979	2021	31 August 2029
Dr Katharina Beumelburg	Chief Sustainability & New Technologies Officer	1976	2024	30 September 2027
Roberto Callieri	Asia within the Asia-Pacific Group area	1963	2024	31 December 2029
Axel Conrads	Chief Technical Officer	1975	2024	31 January 2027
Hakan Gurdal	Africa-Mediterranean-Western Asia Group area	1968	2016	31 January 2029
Dennis Lentz	Chief Digital Officer	1982	2021	31 August 2029
Jon Morrish	Europe Group area	1970	2016	31 January 2029
Chris Ward	North America Group area	1972	2019	31 August 2028

Further information on the composition of the Managing Board and on the areas of responsibility and mandates of the individual members can be found in the [Annual financial statements of Heidelberg Materials AG](#), which are available on the [website](#). Some personal details can be found in the [Managing Board chapter](#).

Diversity concept for the Managing Board

With the targeted use of programmes for the advancement of future Managing Board positions, Heidelberg Materials is working at creating a pool of suitable candidates for Managing Board positions. Taking into account the target figure for the proportion of women defined below, the Supervisory Board makes its decision regarding appointments to Managing Board positions exclusively on the basis of objective criteria. Gender, origin or other personal characteristics do not play a role. Decisive factors for the selection are in particular objective aspects such as professional qualifications (including industry knowledge) and the personal suitability of the respective person for the specific position to be filled. The key requirements include, among others, many years of

international management experience at Heidelberg Materials or at other internationally active companies. In this context, the Supervisory Board also pays particular attention to an internationally balanced and complementary composition of the Managing Board. This diversity regarding the origin of the members reflects the international and regional positioning of Heidelberg Materials. The diversity concept mentioned above is taken into account in the composition of the Managing Board. The standard retirement age for members of the Managing Board is 65 years.

Long-term successor planning for the Managing Board

With the support of the Managing Board, the Supervisory Board ensures long-term successor planning for the Managing Board. The chairs of the Managing Board and the Supervisory Board are in regular contact for this purpose. In addition, the Supervisory Board’s Personnel Committee regularly addresses the issue by discussing the contract durations and renewal options for serving members of the Managing Board and consulting on possible successors. In

addition to the requirements of the AktG and the German Corporate Governance Code, the target set by the Supervisory Board for the proportion of women on the Managing Board and the criteria laid out in the diversity concept adopted by the Supervisory Board for the composition of the Managing Board are taken into account. This allows candidates to be identified for the Managing Board at an early stage and prepared for their tasks in a targeted way. Structured discussions are held with these candidates, involving the Supervisory Board’s Personnel Committee and, if necessary, supported by external advisors. A recommendation for resolution is then presented to the Supervisory Board.

Cooperation between Managing Board and Supervisory Board

The Managing Board and Supervisory Board cooperate closely for the benefit of the Group. To this end, the Managing Board coordinates the Group’s strategic approach with the Supervisory Board and discusses the current state of strategy implementation with it at regular intervals. For clearly defined transactions of fundamental importance, the Supervisory Board has stipulated reservations of consent in the Managing Board Rules of Procedure.

The Managing Board informs the Supervisory Board regularly, in a timely manner, and comprehensively of all issues of importance to the Group with regard to strategy, planning, business development, risk situation, risk management, compliance, and sustainability. The Managing Board explains deviations of the actual business development from the planning and targets, indicating the reasons for this. Documents required for decisions, in particular, the annual financial statements, the consolidated financial statements, and the auditors’ report, are made available to the members of the Supervisory Board in due time before the meeting. The cooperation between the

Managing Board and the Supervisory Board is shaped by mutual trust and a culture of open debate while fully protecting confidentiality.

In the periods between Supervisory Board meetings, the Chairman of the Supervisory Board also maintains regular contact with the Managing Board, especially the Chairman of the Managing Board, to discuss issues relating to the Group’s strategy, planning, business development, financial and risk situation, risk management, compliance, and sustainability. The Chairman of the Supervisory Board is informed by the Chairman of the Managing Board without delay on important events that are essential for the assessment of the situation and development, as well as for the management of the company.

Supervisory Board

The Supervisory Board of Heidelberg Materials AG consists of 12 members. Pursuant to the German Co-Determination Law (Mitbestimmungsgesetz, MitbestG), it is composed of an equal number of shareholder representatives and employee representatives. The shareholder representatives are elected by the Annual General Meeting by a simple majority. At Heidelberg Materials AG, these elections are held regularly as individual elections. The employee representatives are elected by the employees in accordance with the rules of the MitbestG. Further information on the members of the Supervisory Board and the information required under section 285(10) of the HGB can be found in the [Annual financial statements of Heidelberg Materials AG](#).

Composition of the Supervisory Board

Shareholder representatives	Employee representatives
Dr Bernd Scheifele (Chairman)	Werner Schraeder (Deputy Chairman)
Gunnar Groebler	Barbara Breuninger
Ludwig Merckle	Katja Karcher
Luka Mucic	Markus Oleynik
Margret Suckale	Peter Riedel
Dr Sopna Sury	Anna Toborek-Kacar

The Supervisory Board advises and supervises the Managing Board in the management of the company. The Managing Board involves the Supervisory Board in all decisions of fundamental importance to the Group directly and at an early stage. The Supervisory Board also appoints the members of the Managing Board. It determines its own Rules of Procedure, which govern the organisation and work of the Supervisory Board, in particular the required majority for resolutions, the standard retirement age for Supervisory Board members, the regular limit of length of membership of the Supervisory Board, and the tasks of established committees. Furthermore, the Supervisory Board has defined a catalogue of transactions and measures that require its consent, based on the size and risk profile of the company. The Supervisory Board decides on the granting of consent for significant company transactions with members of the Managing Board or their related parties (related party transactions).

The Supervisory Board meets at least twice every half-year; at these meetings, it discusses the open topics and passes the required resolutions – usually on the basis of reports drawn up by the Managing Board and documents received in advance in preparation for the meeting. Additional or extraordinary meetings are held if necessary. The results of the meetings are recorded in minutes, which are issued

to all members of the Supervisory Board. Separate preliminary meetings of the employee representatives are held regularly to prepare for the meetings. The Supervisory Board also meets regularly and on an ad hoc basis without the Managing Board. Information on any conflicts of interest of a member of the Supervisory Board and how these are treated is disclosed annually in the Report of the Supervisory Board to the Annual General Meeting. The Chairman of the Supervisory Board regularly seeks information about investors’ views on strategic issues and is prepared to receive and consider suggestions from investors on topics specific to the Supervisory Board.

An onboarding process is in place for new members of the Supervisory Board, which provides them with information relevant to their Supervisory Board activities. If required, they are given an introduction to the legal framework surrounding the Supervisory Board and can also meet with members of the Managing Board and line managers to discuss fundamental and current issues in order to gain an overview of the topics that are relevant to the company. The purpose of this is to familiarise the new members of the Supervisory Board with their rights and obligations as well as the company’s business model and the structures at Heidelberg Materials. The members of the Supervisory Board are themselves responsible for obtaining the training required for their tasks and are supported by the company in this respect. The company also offers specific training sessions – sometimes with external support – for members of the Supervisory Board, most recently in November 2025. These training courses cover topics that are particularly relevant to the company and the work of the Supervisory Board – for example, with regard to changes to the regulatory framework, the selection of suitable investment projects, the ongoing development of the company’s antitrust law compliance system, the company’s risk management system, any changes to the German Corporate Gov-

ernance Code, corporate governance, new reporting requirements, tax issues, sustainability within the company, and new, future-oriented technologies.

Committees of the Supervisory Board

In accordance with the Articles of Association, the Supervisory Board has set up a total of five committees, which are entrusted with the tasks and functioning described below. The following respective plenary session of the Supervisory Board is given an account of the results of the committee work.

The **Personnel Committee** is responsible for preparing the decision of the Supervisory Board concerning the appointment of members of the Managing Board, for preparing the election of the Chairman of the Managing Board, for establishing the Managing Board's remuneration structure, for the remuneration paid to the individual members of the Managing Board, and for the remuneration report. It is also responsible for making a decision concerning the structuring of the non-remuneration-related legal relationships between the company and the members of the Managing Board.

The **Audit Committee** is responsible for preparing the decision of the Supervisory Board concerning the adoption of the annual financial statements and the approval of the consolidated financial statements, including the sustainability report. It is also responsible for monitoring the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the compliance management system, the audit, and the quality of the audit. When dealing with the audit, it is responsible in particular for the preparation of the Supervisory Board's proposal to the Annual General Meeting for the appointment of the auditor, as part of the selection and proposal procedure provided by law if applicable, for issuing the audit assignment,

establishing points of focus for the audit, verifying additional non-audit services provided by the auditor in accordance with the guideline adopted by the Audit Committee on 6 May 2024, concluding the fee agreement with the auditor, verifying the auditor's independence including obtaining the auditor's statement of independence, and making the decision concerning measures to be taken if reasons emerge during the audit to warrant the possible disqualification of the auditor or suggest a conflict of interest on the part of the auditor. Furthermore, the Audit Committee discusses the half-year financial report and quarterly statements with the Managing Board before they are published. The Audit Committee is also responsible for compliance and human rights issues and monitors the adequacy and effectiveness of the internal process for related party transactions.

The financial experts pursuant to section 100(5) of the AktG are Luka Mucic (Chairman of the Audit Committee), on account of the expertise he has acquired in the areas of accounting and auditing through his professional activity as former Chief Financial Officer of Vodafone Group Plc and of SAP SE, and Ludwig Merckle, due to his expertise in the areas of accounting and auditing acquired in the course of his many years of professional activity in a management position within the Merckle Group, in particular as managing director of the central holding companies and long-standing member of the Audit Committee of Heidelberg Materials AG. Both have specialist knowledge and experience in the application of accounting standards and internal control and risk management systems, in auditing, and in sustainability reporting and the auditing thereof.

The **Sustainability and Innovation Committee** is responsible for advising and monitoring the Managing Board on all aspects of sustainability, particularly in connection with the reduction of the company's carbon footprint and the resulting innovation topics

Committees of the Supervisory Board

Personnel Committee

- Ludwig Merckle (Chairman)
- Katja Karcher
- Luka Mucic
- Markus Oleynik
- Peter Riedel
- Dr Bernd Scheifele
- Werner Schraeder
- Margret Suckale
- Dr Sopna Sury
- Anna Toborek-Kacar

Audit Committee

- Luka Mucic (Chairman)
- Ludwig Merckle (Deputy Chairman)
- Barbara Breuninger
- Peter Riedel
- Werner Schraeder
- Margret Suckale

and growth opportunities, digitalisation, and other ESG topics. Together with the Audit Committee, it oversees the audit of sustainability reporting and the assessment of risks and opportunities related to ESG topics.

The Supervisory Board confirmed Margret Suckale and Dr Sopna Sury from among its members as sustainability experts on the Supervisory Board. According to the Supervisory Board's assessment, Margret Suckale has proven experience and expertise in the field of sustainability, in particular through her many years of responsibility for this topic area at BASF (including as Head of the Corporate Sustainability

Sustainability and Innovation Committee

- Dr Sopna Sury (Chairwoman)
- Barbara Breuninger
- Gunnar Groebler
- Katja Karcher
- Ludwig Merckle
- Markus Oleynik

Nomination Committee

- Ludwig Merckle (Chairman)
- Margret Suckale
- Dr Sopna Sury

Mediation Committee, pursuant to section 27(3) of the German Co-Determination Law (MitbestG)

- Margret Suckale (Chairwoman)
- Dr Bernd Scheifele
- Werner Schraeder
- Anna Toborek-Kacar

Board) and at association level (committee chair at the German Chemical Industry Association, VCI), as well as through her work as an ESG expert on the Supervisory Board of Deutsche Telekom AG. According to the Supervisory Board's assessment, Dr Sopna Sury also has proven experience and expertise in the field of sustainability, in particular due to her many years of international and multidisciplinary work spanning energy solutions (renewable energies and hydrogen solutions), regulation, business development, strategy, and communication, as well as responsibility for developing green energy solutions at E.ON, Uniper, and RWE.

The **Nomination Committee** is responsible for putting suitable candidates for the Supervisory Board forward to the Supervisory Board for its proposals for election to the Annual General Meeting. To this end, it regularly compiles and reviews requirement profiles for shareholder representatives on the Supervisory Board and monitors suitable individuals. Before submitting a candidate recommendation to the Supervisory Board, the Nomination Committee defines the requirements for the specific mandate to be filled. In doing so, it complies with the legal requirements and takes into account both the recommendations of the German Corporate Governance Code and the guidelines and objectives adopted by the Supervisory Board for its composition, in particular the profile of skills for the Supervisory Board.

The **Mediation Committee**, formed pursuant to sections 27(3) and 31(3) of the MitbestG, is responsible for making a proposal to the Supervisory Board for the appointment or revocation of the appointment of members of the Managing Board if the necessary two-thirds majority is not initially achieved.

Self-assessment of the effectiveness of the work of the Supervisory Board

Every two years, the Supervisory Board carries out a regular self-assessment of the effectiveness of the work of the Supervisory Board and its committees, as recommended by the German Corporate Governance Code. The last such self-assessment took place in the second half of 2025. The self-assessment was performed by means of a detailed questionnaire, which the members of the Supervisory Board completed anonymously, and a subsequent discussion within the Supervisory Board. This self-assessment focused on the internal arrangements and organisation of the Supervisory Board, the preparation, con-

duct, and recording of meetings, the culture of discussions and work, the content and topics of meetings, the composition of the Supervisory Board, the cooperation between the Supervisory Board and the Managing Board, the provision of information, and committee-specific aspects. The self-assessment of the Supervisory Board and its committees revealed highly favourable opinions on all topics. No significant need for change was identified. Opportunities to further optimise the work of the full Supervisory Board and the committees in individual areas were identified and corresponding measures were initiated. The next self-assessment of the Supervisory Board and its committees is scheduled for the 2027 financial year at the latest.

Profile of skills, diversity concept, and targets for the composition of the Supervisory Board

Taking into account recommendation C.1 of the German Corporate Governance Code and section 289f(2)(6) of the HGB (diversity concept), the Supervisory Board agreed specific objectives regarding its composition and a profile of skills for the Board as a whole. In doing so, the Supervisory Board aims to make a wide range of expertise available to the Group and to have the broadest possible pool of candidates at its disposal for the election of future Supervisory Board members.

Profile of skills

The profile of skills shall ensure that each of the skills and areas of knowledge or technical experience listed below is held by at least one member of the Supervisory Board, so that the Supervisory Board as a whole covers all of the necessary skills:

- Industry knowledge (familiarity with the building materials sector or related industries)
- International management experience (own management activities in an international environment)
- Personnel competencies (experience in the composition of corporate bodies, knowledge of procedures for identifying candidates for relevant positions, experience in/with change management)
- Governance, legal, and compliance (knowledge of stock corporation and capital markets law, compliance structures and concepts, and corporate governance standards, membership in and leadership of co-determined corporate bodies)
- Accounting, auditing, and controlling (experience and expertise in the fields of accounting and auditing, experience in controlling and risk management structures)
- Strategy, capital markets (experience in developing and implementing corporate strategies, M&A experience)
- Sustainability (experience in the field of sustainability and sustainable corporate governance, integration of ambitious sustainability targets into existing business processes as well as corresponding change management, knowledge of sustainable technologies and corresponding business models)
- Digitalisation (experience in the digitalisation of existing processes and the development of digital and data-based business models)

Diversity concept

On the Supervisory Board, the skills listed above should be represented as broadly and in as balanced a way as possible. In addition, the in-depth skills of the individual members of the Supervisory Board in individual fields should complement each other. Furthermore, the Supervisory Board shall ensure an appropriate diversity with regard to the age structure and the respective educational and professional background of its members as well as their personal, national, and/or international background. Attention shall also be paid to the time availability of the Supervisory Board members. The composition of the Supervisory Board shall appropriately reflect the national and international orientation of Heidelberg Materials as one of the leading building materials manufacturer. The Supervisory Board shall be composed of at least 30% women and at least 30% men.

Independence

The Supervisory Board aims to include at least four shareholder representatives who are independent within the meaning of recommendation C.6 of the German Corporate Governance Code.

Age limit and length of membership

At the time of election, the members of the Supervisory Board shall not be older than 70 years. The regular limit of length of membership of the Supervisory Board is twelve years.

Status of implementation

The Supervisory Board considers that its current composition corresponds to its specified targets and the profile of skills. Details on the status of implementation of the fulfilment of the profile of skills for the Supervisory Board can be found in the qualification matrix, which was adopted by the Supervisory Board on the basis of a self-assessment by the individual Supervisory Board members.

In addition, the Supervisory Board ascertained with respect to its composition and the composition of its Audit Committee that all of its members are familiar with the sector in which the company operates.

According to the Supervisory Board’s own assessment, the objectives of the diversity concept have been fulfilled. The composition of the Supervisory Board exhibits appropriate diversity with regard to

the age structure and the educational and professional backgrounds of its members and reflects the national and international alignment of Heidelberg Materials. There are currently five women on the Supervisory Board, of whom two represent the shareholders and three represent the employees. The proportion of women on the Supervisory Board is thus 41.67%. The minimum proportion of at least 30% each of women and men on the Supervisory Board, as specified in section 96(2) of the AktG, has therefore been fulfilled.

According to the assessment of the shareholder representatives on the Supervisory Board, all shareholder representatives (Dr Bernd Scheifele, Gunnar Groebler, Ludwig Merckle, Luka Mucic, Margret Suckale, and Dr Sopna Sury) can be regarded as independent within the meaning of the German Corporate Governance Code. In its assessment, the Supervisory Board took into account the fact that Luka

Mucic, as a member of the board of Vodafone Group plc in the 2025 financial year, held a position of responsibility at an external company with which Heidelberg Materials AG has a business relationship. However, as the business success of Heidelberg Materials AG is not significantly influenced by its business relationship with Vodafone and no other dependency on Vodafone Group plc exists, the Supervisory Board considers Mr Mucic to be independent. The Supervisory Board also took into account the fact that Ludwig Merckle has been a member of the Supervisory Board for more than 12 years. In the opinion of the Supervisory Board, this length of membership does not lead to a conflict of interest on the part of Mr Merckle, as his work in past years has shown that this length of membership does not give cause for any such concern. In addition, the regular limit of length of membership of the Supervisory Board and the standard retirement age have been taken into account.

Target figures for the gender balance on the Managing Board and in the two leadership levels below the Managing Board and information on compliance with the minimum proportion of women and men in the composition of the Managing Board and Supervisory Board

The law requires Heidelberg Materials AG to define target figures for the proportion of women on the Managing Board and in the two leadership levels below the Managing Board.

On 18 March 2020, the Supervisory Board resolved to set the target figure for the proportion of women on the Managing Board of Heidelberg Materials AG as at least one woman for the period from 1 July 2020 to 30 June 2025. In addition, according to the AktG, the Managing Board must have as members at least one woman and at least one man (minimum participation requirement). With Dr Katharina Beumelburg’s appointment as a member of the Managing Board on 1 October 2024, the Supervisory Board’s target was achieved ahead of schedule. The Supervisory Board continues to strive to take diversity into account when making personnel decisions.

When filling management positions within the Group, the Managing Board also considers diversity, and in doing so, strives to give due consideration to women. The Managing Board has defined an ambitious target for the proportion of women in leadership positions. In Germany, the aim is for the proportion of women to reach 27% for each of the two leadership levels below the Managing Board by 2027. As at 31 December 2025, the proportion of women in leadership positions in Germany was 17% at the first level below the Managing Board and 23% at the second level below the Managing Board.

Qualification matrix of the Supervisory Board

	Dr Bernd Scheifele ¹⁾	Barbara Breuninger ²⁾	Gunnar Groebler ¹⁾	Katja Karcher ²⁾	Ludwig Merckle ¹⁾	Luka Mucic ¹⁾	Markus Oleynik ²⁾	Peter Riedel ²⁾	Werner Schraeder ²⁾	Margret Suckale ¹⁾	Dr Sopna Sury ¹⁾	Anna Toborek-Kacar ²⁾
Industry knowledge	●	●		●	●		●	●	●			●
International management experience	●		●			●				●	●	●
Personnel competencies	●	●	●	●	●	●	●	●	●	●	●	●
Governance, legal, and compliance	●		●	●	●	●	●	●	●	●	●	
Accounting, auditing, and controlling	●	●		●	●	●	●	●	●	●		●
Strategy, capital markets	●	●	●	●	●	●	●	●	●	●	●	●
Sustainability	●	●	●	●		●	●	●	●	●	●	●
Digitalisation		●	●	●	●	●	●	●	●	●		

1) Shareholder representative
2) Employee representative

Clicking on the name will take you to the CV of the respective Supervisory Board member.

The Managing Board has also formulated a global¹⁾ target for the proportion of women in leadership positions of 25%¹⁾ by 2030. As at 31 December 2025, the proportion of women across the Group in management positions in the first and second leadership levels below the Managing Board was 20%. For more information, see [section S1 – Own workforce in the Sustainability Report chapter](#).

With regard to the statutory minimum proportion of women and men on the Supervisory Board and the implementation of these proportions at Heidelberg Materials AG, please refer to the explanations given under [Profile of skills, diversity concept, and targets for the composition of the Supervisory Board](#).

1) Excluding the North America Group area

Shareholdings of members of the Managing Board and Supervisory Board

The direct or indirect ownership of shares or share-based financial instruments, especially derivatives, by members of the Managing Board is shown in the [Remuneration report chapter](#) and has not exceeded the threshold of 1% of the issued shares in any individual case or in total.

According to the voting rights notifications available to the company as at 31 December 2025, Supervisory Board member Ludwig Merckle holds 28.40% of the issued shares via Spohn Cement Beteiligungen GmbH, a company under his control. As regards the other members of the Supervisory Board, the ownership of shares or share-based derivatives has not exceeded the threshold of 1% of the issued shares in any individual case or in total, according to the available notifications.

Further information

[Articles of Association](#) of Heidelberg Materials AG

[Code of Business Conduct](#)

Rules of Procedure
 – [for the Managing Board](#)
 – [for the Supervisory Board](#)

[Report of the Supervisory Board](#)

[Annual General Meeting 2026](#)

Remuneration system
 – [of the Managing Board](#)
 – [of the Supervisory Board](#)

[Remuneration report 2025](#)

[Annual financial statements](#)
 of Heidelberg Materials AG

Heidelberg Materials in the capital market

Overview

In Germany, the Heidelberg Materials share is listed for trading on the Prime Standard segment of the Frankfurt Stock Exchange and on the Regulated Market of the Stuttgart, Düsseldorf, and Munich stock exchanges. The Heidelberg Materials share is listed in the German benchmark index DAX. In the USA, the Heidelberg Materials share has been traded as part of a sponsored OTC Level I ADR programme. American depositary receipts (ADRs) represent ownership of shares of non-US companies. These share certificates are traded on the over-the-counter (OTC) market.

Our share ranks among the most important building materials shares in Europe. Besides the DAX, it is also included in other indices, such as the S&P Global 1200 Construction Materials Index and the STOXX Europe 600 Construction & Materials Index. Our stock is also listed in the sustainability indices FTSE-4Good Europe and DAX 50 ESG. Since the end of 2024, our share has been included in the Dow Jones Sustainability Index (DJSI) Europe. The DJSI Europe index is composed of European companies that have achieved outstanding results in the S&P Global Corporate Sustainability Assessment.

Development of the Heidelberg Materials share

In the 2025 financial year, the Heidelberg Materials share price continued the strong upwards trend of previous years. The Heidelberg Materials share began the 2025 stock market year at €120.60 and closed the year at €223.00, close to the all-time high of €224.70, also from 2025. Compared with the end of 2024, the Heidelberg Materials share price increased by 86.9%, making it one of the top performers in the DAX during the 2025 financial year. The DAX and the MSCI World Construction Materials Index recorded increases of 23.0% and 34.8% respectively during the same period. At the end of 2025, Heidelberg Materials' market capitalisation amounted to €39.3 billion (previous year: 21.3).

Development of the Heidelberg Materials share (ISIN DE0006047004, WKN 604700)

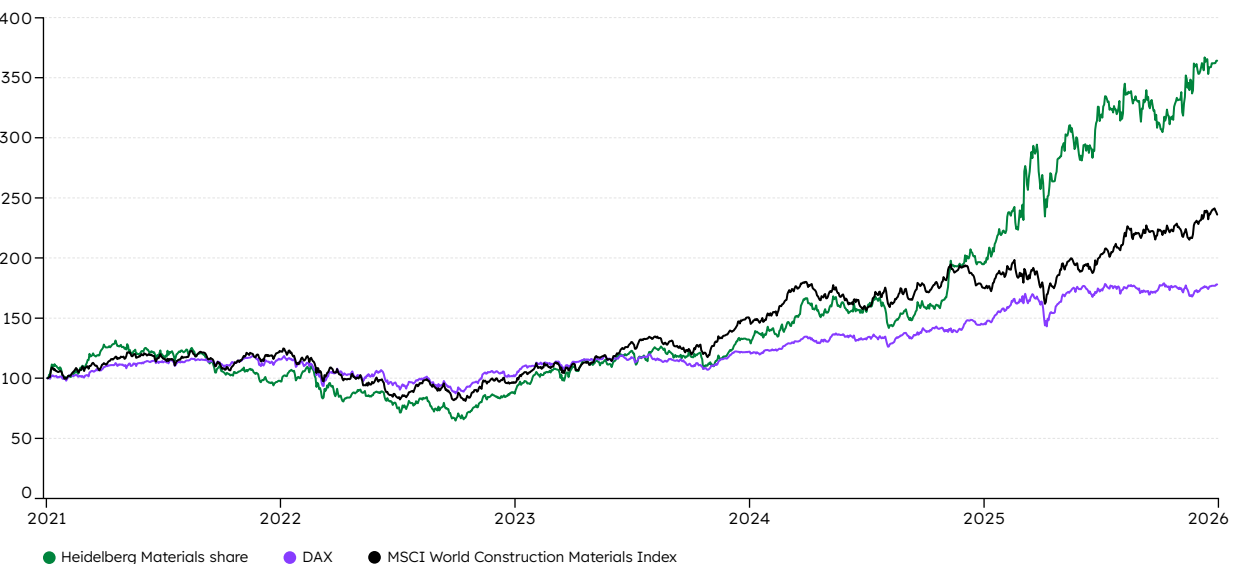
€	2024	2025
Year-end share price	119.30	223.00
Highest share price	126.90	224.70
Lowest share price	78.92	120.10
Earnings per share	9.87	10.92
Market capitalisation 31 Dec. (€ '000s) ¹⁾	21,286,790	39,329,409
Total shareholder return ²⁾	51.2%	89.7%
Change compared with the previous year		
Heidelberg Materials share price	47.4%	86.9%
DAX	18.8%	23.0%
MSCI World Construction Materials Index	16.4%	34.8%

1) On the basis of outstanding shares (issued shares less treasury shares)
2) The total shareholder return represents the total return from share price development and dividend payments in relation to the share price at the beginning of the year.

Development of the Heidelberg Materials share compared to DAX and MSCI World Construction Materials Index in 2025 (Base: 31 December 2024 = 100)



Five-year development of Heidelberg Materials share compared to DAX and MSCI World Construction Materials Index (Base: 31 December 2020 = 100)



Dividend proposal of €3.60 per share

Heidelberg Materials pursues a progressive dividend policy with the aim of increasing the dividend annually. The Managing Board and Supervisory Board will propose to the Annual General Meeting 2026 the

distribution of a dividend of €3.60 (previous year: €3.30) per share entitled to dividend. On the basis of the share price at the end of 2025, the dividend yield is thus 1.6%. This corresponds to a payout ratio of 28.8%.

Dividend key figures

	2021	2022	2023	2024	2025
Dividend per share in €	2.40	2.60	3.00	3.30	3.60 ¹⁾
Dividend yield ²⁾ in %	4.6	3.7	3.0	1.7	1.6
Adjusted profit for the financial year attributable to Heidelberg Materials AG shareholders in €m ³⁾	1,561	1,790	1,989	2,156	2,205
Total dividend amount in €m	458	484	546	589	635
Payout ratio in %	29.4	27.0	27.5	27.3	28.8

1) Proposal to the Annual General Meeting on 13 May 2026
2) Dividend per share/share price on the day of the Annual General Meeting; for the 2025 financial year: dividend per share/share price at the end of the financial year
3) Profit for the financial year attributable to Heidelberg Materials AG shareholders excluding the additional ordinary result; 2023 and 2024 values: in addition, excluding income and expenses incurred in connection with discontinued operations of the Hanson Group

Second share buyback programme

In order to allow its shareholders to continue participating in the company’s success beyond the progressive dividend policy, Heidelberg Materials launched a second share buyback programme in 2024. With a total volume of up to €1.2 billion, the programme comprises three tranches and will run until the end of 2026.

Within the framework of the first tranche, a total of around 3.6 million treasury shares were acquired on the stock exchange between 23 May and 25 November 2024 at a total value (including incidental acquisition costs) of around €350 million. The treasury shares from the first tranche of the share buyback programme were cancelled with a reduction in the subscribed share capital on 24 February 2025.

The second tranche followed, from 5 June and 1 December 2025. During this period, Heidelberg Materials acquired a total of around 2.1 million treasury shares via the stock exchange. The total value (including incidental acquisition costs) amounted to around €400 million. On 29 January 2026, the shares from the second tranche were cancelled with a reduction in the subscribed share capital. Since then, the subscribed share capital of Heidelberg Materials AG has totalled €529,095,195 and has been divided into 176,365,065 no-par value shares.

Heidelberg Materials AG share capital

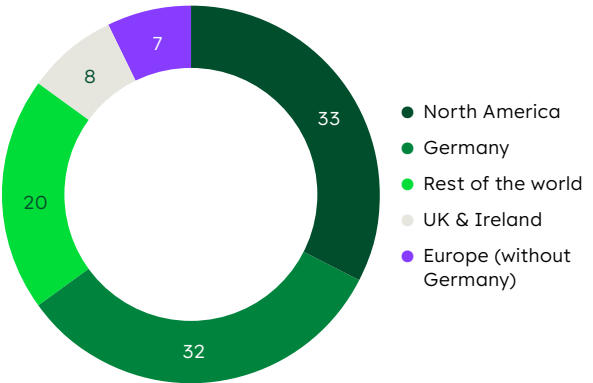
	Share capital € '000s	Number of shares
1 January 2025	546,204	182,068,120
Cancellation of treasury shares	-10,912	-3,637,360
31 December 2025	535,292	178,430,760
Cancellation of treasury shares	-6,197	-2,065,695
Since 29 January 2026	529,095	176,365,065

Shareholder structure

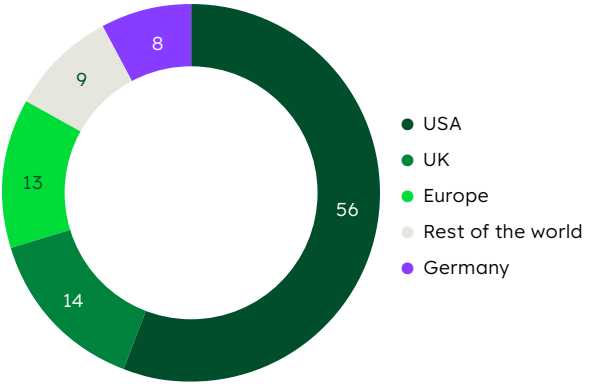
An analysis of the shareholder structure conducted at the end of October 2025 showed that the proportion of North American investors fell slightly in comparison with the previous year, while the proportion of German investors increased slightly. Investors from continental Europe (excluding Germany), the United Kingdom, and Ireland account for a smaller proportion of shareholders compared with the previous year. However, the proportion of investors from other geographical regions and retail investors rose significantly. This development highlights the growing appeal of our shares for new investor groups and also demonstrates the continued broad diversification of our international shareholder base.

At the end of 2025, investors from North America and Germany formed the two largest investor groups, accounting for 33% and 32% of shares issued, respectively, followed by investors from the UK and Ireland at 8% and continental Europe (excluding Germany) at 7%. Investors from other geographical regions and retail investors accounted for the remaining 20%. The largest shareholder and anchor shareholder is Ludwig Merckle, who, according to the voting rights notifications available to the company, held 28.40% of the issued shares via Spohn Cement Beteiligungen GmbH, a company under his control, as at 31 December 2025. The free float as defined by Deutsche Börse was 71.60% at the end of 2025.

Geographical distribution of shareholders (as at year-end 2025) in %



Geographical distribution of institutional investors (as at year-end 2025) in %



Analysts & ratings

Currently, 26 institutes publish detailed analyses of Heidelberg Materials AG shares. The majority of analysts continue to recommend buying the shares.

The average price target as at 31 December 2025 was €225.30, which is around 1% above the closing price on the same day. Recently published studies recognise the company's robust business performance, its leading position in decarbonisation in the cement industry, and the positive effects of efficiency enhancements. Overall, the recommendations underscore the capital market's confidence in Heidelberg Materials' strategic alignment and sustainable added value.

Successful business performance, as evidenced by high free cash flow and consistent cost management, for example, also reflects positively on the liabilities side. Heidelberg Materials has repeatedly issued various bonds and further strengthened its appeal to investors.

Details of Heidelberg Materials' credit rating by the rating agencies S&P and Moody's can be found in the [Group financial management section](#).

ESG factors are becoming increasingly important in investment decisions. The ESG rating agencies relevant to Heidelberg Materials and their ratings can be found in the [ESG ratings and indices section](#).

Sustainable financing

In the Green Finance Framework and the Sustainability-Linked Financing Framework, Heidelberg Materials has two frameworks at its disposal that align the company's financing requirements with its sustainability strategy. The Green Finance Framework introduced in May 2024 enables Heidelberg Materials to use green bonds to finance sustainability-related projects. The framework complements the Sustainability-Linked Financing Framework published in 2022, which can be used for the issue of various sustainability-linked financing instruments.

Heidelberg Materials is a pioneer in the field of commercial paper with a sustainable performance target. The CP programme is linked to the reduction of specific CO₂ emissions in accordance with the 2026 target set out in the Sustainability-Linked Financing Framework. If Heidelberg Materials is unable to reduce CO₂ emissions within the defined period and at the specified level, an additional annual interest payment must be donated to BirdLife Europe to promote biodiversity.

In addition to issuing sustainability-linked bonds totalling €1.5 billion in 2023, with interest coupons linked to Heidelberg Materials' ambitious CO₂ emission reduction targets, the company was the first European manufacturer in the heavy building materials industry to issue green bonds in 2024 and most recently again in January 2026. The projects financed by these green bonds with a total volume of €1.8 billion, range from the modernisation of plants – includ-

ing to increase the use of alternative fuels – to the further development of carbon capture technologies.

The share of our sustainable financing instruments currently stands at 62%, underlining our firm belief that sustainable financing is an effective tool to channel investments towards projects that contribute to the implementation of the Paris Agreement and the UN Sustainable Development Goals (UN SDGs). Further information can be found in the [Group financial management section](#).

Investor relations – open dialogue and transparent communication

Heidelberg Materials values open dialogue and transparent communication with the capital market and other stakeholders. We take criticism and demands, such as those relating to corporate governance, seriously, we analyse and evaluate them, and we continuously implement improvements.

In 2025, our investor relations work mainly centred on fostering existing investor relations, attracting new, long-term investors, and engaging with analysts. During the reporting year, management and the investor relations team met more than 500 investors in person and virtually at conferences, roadshows, and during one-on-one and group discussions.

Besides the business figures, the main focus of the events and discussions was on our Group strategy. The focus was on portfolio management and the

transformation topics of sustainability and digitalisation. Other topics included financial management, strict cost management, and our capital allocation strategy. The two-year Transformation Accelerator Initiative made a significant contribution to cost management. Our progress towards net zero and our pioneering role in carbon capture, utilisation, and storage (CCUS) technologies were discussed intensively. The impact of the EU Emissions Trading System (EU ETS) regulation on our business model, especially regarding the reduction in free allocations and the introduction of the Carbon Border Adjustment Mechanism (CBAM) also took a central role.

At our Capital Markets Day in Brevik, Norway, in May 2025, almost 200 participants attended the presentations given by the Managing Board. In addition to presenting its "Strategy 2030: Making a Material Difference" and ambitious financial and non-financial targets, Heidelberg Materials offered investors and analysts the opportunity to get a glimpse of the world's first industrial-scale carbon capture facility at a cement plant. For further information, see the [Strategy section of the Management report chapter](#) as well as the [online recording of the event](#).

In the future, we will continue the constructive discussions and direct dialogue with capital market participants in order to further strengthen trust in our company and our share.

Sustainability

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A conversation with our functional Managing Board members
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Strategy 2030

Unique Positioning

We benefit from global trends and growth opportunities and are perfectly positioned to leverage these for sustainable concrete applications.

Why we are uniquely positioned

Sustainability, Digitalisation, and Technical Excellence: A conversation with our functional Managing Board members

How does Heidelberg Materials' Strategy 2030 bring together Sustainability, Digitalisation, and Technical Excellence to secure future growth and industry leadership?

Katharina Beumelburg (CSO) Our Strategy 2030 positions sustainability as a true business driver. By scaling technologies and products like CCUS and evoZero, we create measurable value for our customers and set new standards for our industry.

Dennis Lentz (CDO) Digitalisation enables us to optimise processes and delivers new customer value through cloud platforms and AI. With automated solutions, for example, we reduce the time it takes to prepare environmental product declarations (EPDs) from months to minutes.

Axel Conrads (CTO) Technical excellence turns our sustainability and digital ambitions into results. By standardising best practices and scaling new technologies, we boost efficiency such as the increased use of alternative fuels and optimised cement grinding processes and quickly implement sustainable solutions company-wide.

How does digitalisation support the decarbonisation targets of Heidelberg Materials?

CSO We have set ambitious targets – now it's time to put them into practice. As a hard-to-abate industry, we have a responsibility to show what's possible through pragmatic action. It's about identifying the right levers and applying them effectively. Digitalisation is key to that. We track our sustainability performance exactly, and data transparency becomes the basis for the decarbonisation of our business. Building on this, our data-driven platforms identify the most effective levers for reducing CO₂, accelerate their implementation, optimise production processes, and enable the efficient scaling of carbon-reduced products such as evoBuild.

CDO The more we can automate sustainability reporting, create reliable EPDs, or use fully traceable solutions like blockchain-type applications, the more transparency, trust, and speed we bring into the market. That's not only good corporate governance – it also strengthens the business case for decarbonisation.



Axel Conrads, Chief Technical Officer (CTO)
Katharina Beumelburg, Chief Sustainability & New Technologies Officer (CSO)
Dennis Lentz, Chief Digital Officer (CDO)

And how does technical excellence turn innovation into sustainable business value?

CTO Technical excellence is where technology translates into day-to-day value. And once a solution proves viable, scaling is key. We're standardising best practices across our network through our Competence Centers, ensuring that a strong solution developed in one market can quickly benefit others. Whether it's our pioneering CCUS projects, optimising clinker ratios, or improving maintenance cycles, the principles are consistent: pilot, learn, scale. And

the more we automate and stabilise our processes, the more consistent, safe, and predictable our operations become.

CDO Digital tools help us do that more reliably. Predictive maintenance systems, for example, allow us to anticipate equipment needs instead of reacting to failures. The same is true for real-time process optimisation and automated reporting. These solutions improve efficiency and consistency while freeing up time for meaningful problem-solving. But even the smartest solution provides no benefit if it's not used.

Our goal is to embed digital tools and technologies directly into daily work – so sustainable decisions become the first choice.

The target is to reduce CO₂ emissions to less than 400 kg per tonne of cementitious materials by 2030. How will this be achieved?

CSO We will only achieve our CO₂ reduction targets with a truly holistic approach – combining conventional levers like alternative fuels and supplementary cementitious materials with breakthrough technologies like CCUS. It's a dynamic combination of bottom-up and top-down action: our country teams drive local initiatives, while we at Group level accelerate implementation and ensure that best practices scale quickly across the Group.

CTO Technology underpins this journey. From autonomous trucks to remote batching and remotely steered grinding units, we are already seeing how automation increases both efficiency and sustainability. Some projects might still be local pilots, but together they add up to real progress toward our targets.

What role does AI play in this context and how are these technologies already being used today?

CDO For AI, every use case needs a clear business case. We already see this in practice. For example, we're piloting voice bots to streamline customer interactions, using an AI-based model to optimise our

cement quality, and applying AI to satellite imagery to automatically calculate the nature component in our aggregates pits – a process that used to be manual. These are not abstract experiments but practical applications that make work easier, faster, and more reliable.

CTO And we're just getting started. The important point is that we don't introduce technology for the sake of novelty. Every application must improve safety, efficiency, sustainability, or product quality. When those conditions are met, the adoption curve accelerates rapidly.

If we fast-forward to 2030, what does that look like for Heidelberg Materials?

CTO By 2030, we will still be producing the heavy building materials our customers rely on, but the way we do it will look very different: more circular, more automated, more efficient.

CSO Decarbonisation will be fully integrated into how we operate – no longer treated as a separate initiative, but as the way we do business. We're building on a strong foundation, the transformation is already underway across our sites and teams.

CDO And digitalisation will connect it all. Collaboration across functions and geographies will be seamless, silos will be fewer, and customers will experience us not only as a building materials provider but also as a trusted partner solving wider industry challenges.



Axel Conrads, Katharina Beumelburg, Dennis Lentz

Sustainability as a value driver

Climate change and biodiversity loss are among the greatest challenges of our time. By means of our responsible business practices and innovative products, we as a company are making a decisive contribution to overcoming these global challenges. We are convinced that it is only through proactive, decisive, and pragmatic action that we can shape a transformation towards a future in which climate and species protection and sustainable development are in harmony.

Concrete is the world's second most widely used material after water. It enables urbanisation and infrastructure development and serves as the foundation for wind turbines, hydroelectric power stations, and other sustainable building projects – thus forming the basis for the green transformation and the path to net zero. However, the production of cement and concrete also results in considerable CO₂ emissions. Our overarching target is therefore to consistently decarbonise our products by applying innovative technologies and sustainable practices.

Sustainability guides many of our business decisions and is a central, transformative topic firmly anchored in Heidelberg Materials' Group strategy. To ensure that sustainability has a lasting impact, we turn it into a business case – with new technologies, innovative products, and in close cooperation with our partners along the value chain. Our portfolio includes

products with a significantly reduced carbon footprint, including the world's first carbon-captured near-zero cement using CCS technology, special products for 3D concrete printing, and circular building materials made from recycled resources.

We take a holistic approach to ESG, because sustainability means more to us than climate protection alone: occupational health & safety, responsible procurement, respect for human rights, and the promotion of equal opportunities are also key components. The health and well-being of our employees forms the basis for productivity and engagement. Diverse teams strengthen our company and make us attractive as an employer. We also aim to be a reliable partner for the local communities around our locations and are committed to a nature-positive world, with initiatives such as our biodiversity programme and sustainable water management.

The transformation towards greater sustainability can only succeed by working together with our stakeholders. That is why we are actively involved in associations and networks to promote sustainability at all levels and to develop new solutions together.

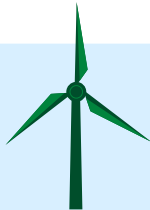
A modern sustainability strategy requires ambitious targets and key figures. The following pages provide an overview of our activities and targets in connection with the sustainability topics that are important to Heidelberg Materials. Details can be found in the [Sustainability report chapter](#).



Carbon capture facility in the Brevik cement plant, Norway

Material topics for a more sustainable future

Climate change



How are we reducing our CO₂ emissions?

The production of cement, the “binder” in concrete, is very CO₂-intensive. As a front runner in the decarbonisation of our industry, we support the global target of limiting the rise in worldwide temperature to no more than 1.5°C.

Every step of the way, we pull all levers – from measures at clinker and cement level to the pilot and scale-up of important breakthrough technologies.

We are investing in the modernisation and efficiency of our facilities while increasing the use of alternative fuels, especially waste-based biomass. Supplementary cementitious materials such as blast furnace slag, fly ash, and calcined clays can help us to reduce the proportion of traditional clinker in cement.

However, these measures alone are not enough to make substantial progress towards net zero today. That is why we are also focusing on carbon capture, utilisation, and storage (CCUS). Our pioneering CCS project in Brevik, Norway, and the Cap2U utilisation project in Lengfurt, Germany, which will begin operation in 2026, are examples of our innovative abilities in this field.

Find out more in the E1 – Climate change chapter.

Pollution

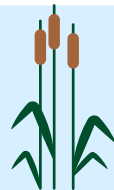


How are we contributing to cleaner air?

We work continuously to minimise the environmental impacts associated with our production processes. In addition to CO₂ emissions, cement production also causes the release of air pollutants such as sulphur oxides (SO_x) and nitrogen oxides (NO_x). Reducing air pollutants is therefore a key aspect of our Sustainability Commitments 2030. We apply strict policies and implement innovative process technologies to improve air quality. Regular environmental audits help us identify potential environmental risks and take preventive measures.

Find out more in the E2 – Pollution chapter.

Water and marine resources



How do we ensure water is used responsibly?

We strive to minimise the impact of our business activities on natural water resources and to monitor water use, especially in regions with water risks.

We focus on location-based solutions to reduce water consumption and work with local communities to ensure fair water distribution. Heidelberg Materials recycles water at production sites for reuse in cooling or vehicle cleaning, for example. In the interest of the circular economy, our concrete plants are also equipped with recycling facilities that make it possible to reuse process water for concrete production.

We support access to clean water and sanitation as a fundamental human right and, as a signatory to the WASH Pledge, we are committed to providing our employees and contractors with access to safe drinking water, sanitation, and hygiene at all our locations worldwide.

Find out more in the E3 – Water and marine resources chapter.

Biodiversity and ecosystems



How do we create valuable habitats for plants and animals?

As a quarrying business, we see it as our responsibility to protect and promote the diversity of species and ecosystems and to preserve natural habitats – before, during, and after the extraction of raw materials.

We work closely with partners such as BirdLife International to develop and implement innovative approaches to habitat creation and restoration. Our research and educational competition, the Quarry Life Award, promotes a better understanding of the biodiversity value of quarries and gravel pits.

Through reclamation, i.e. the subsequent use of quarries, which includes restoring extraction sites for nature conservation after use, we return the land to a condition that is at least as good if not better than before.

Find out more in the E4 – Biodiversity and ecosystems chapter.

Resource use and circular economy

How do we close the loop for cement and concrete?

Heidelberg Materials produces building materials that are predominantly based on non-renewable primary resources that cannot be readily replaced by renewable raw materials. We therefore make it a priority to use natural resources sustainably, particularly by expanding the circular economy.

We promote the circular economy by recycling concrete and asphalt, and by recovering energy from non-recyclable waste. Our cement kilns co-process alternative fuels and biomass, replacing primary mineral raw materials and generating energy.

We are continuously expanding our range of low-carbon and circular products, grouped together in our evoBuild portfolio. This work includes developing concrete mixes with reduced clinker and increased recycled content, as well as researching alternative binders.

Find out more in the E5 – Resource use and circular economy chapter.



Own workforce

How do we create a safe and attractive working environment for our employees?

Our employees are crucial to the success of our company. Heidelberg Materials is committed to fully respecting their human rights. In addition to personal self-determination, this also includes the equal treatment of all employees – regardless of origin, ability, or belief.

We promote gender equality and follow the principle of equal pay for work of equal value, regardless of gender, origin, or other personal characteristics. We respect our employees' freedom of expression. Regular dialogue – directly or via employee representatives – ensures that their perspectives are incorporated into our company strategy.

Occupational health and safety is integral to our work processes and management culture. Advanced training opportunities strengthen the skills and competencies of our workforce and support individual further development.

Find out more in the S1 – Own workforce chapter.



Workers in the value chain

How do we promote fair and safe working conditions in the value chain?

We work closely with our suppliers to ensure they adhere to the principles of our Supplier Code of Conduct. Among other things, this code prohibits child and forced labour and strives to ensure fair and safe working conditions.

Our Responsible Procurement initiative systematically integrates sustainability criteria into the procurement process, helping to identify and mitigate potential risks at an early stage. By working with partners such as IntegrityNext and Avetta, we can effectively monitor compliance with human rights standards.

Regarding occupational health and safety, suppliers and contractors are subject to the same strict rules as our own employees. On-the-job education and training are designed to help all workers perform their tasks safely and responsibly.

Find out more in the S2 – Workers in the value chain chapter.



Affected communities

How do we strengthen the local communities at our locations?

As a global Group with a strong regional business focus, we pay special attention to our interaction with nearby communities and our impact on individuals' daily lives, their health and safety, and the socio-economic environment. We are aware that the building materials industry, particularly the extraction of raw materials, presents various challenges, such as those regarding land use and the sharing of resources like drinking water.

Regular on-site meetings with stakeholders and the creation of community engagement plans help us manage the social, environmental, and economic impacts of our operations and strengthen the positive effects. Our CSR activities focus on projects that promote infrastructure, education, culture, and the environment.

Find out more in the S3 – Affected communities chapter.



Consumers and end-users

How do we support our customers' sustainable building projects?



Whether for constructing robust dams for a safe water supply or for building wide-span bridges and roads to connect regions, concrete's impressive properties such as compressive strength, water resistance, and durability allow it to outperform other building materials.

As a building materials manufacturer, Heidelberg Materials aspires not only to meet high quality standards, but also to make a contribution to the sustainability transformation through its growing portfolio of sustainable products. By taking this approach, we support our customers in achieving their sustainability targets, too.

Digital solutions, such as those for optimising ordering processes, are intended to help our customers handle our products efficiently. These tools allow our customers to reduce material consumption, save costs, and better plan their operations by enabling them to track their orders.

Find out more in the S4 – Consumers and end-users chapter.

Corporate governance

How do we ensure good corporate governance?



As a global Group, Heidelberg Materials is subject to a variety of legal requirements, which vary from country to country. To take account of these differences and ensure responsible corporate governance, we promote legally and ethically correct behaviour. We do this through clear guidelines, continuous training, and a comprehensive compliance programme, among other measures. These steps also help us to minimise risks such as corruption, bribery, and competition law infringements.

To support decarbonisation of the cement industry, we also monitor political discussions and legislative processes. Regular evaluations of our political lobbying and association work ensure that our activities are also in line with our corporate targets and international climate protection agreements.

Find out more in the G1 – Corporate governance chapter.

The digital future of the building materials industry lies in the cloud



The digital transformation of the building materials industry is in full swing and continues to gain momentum. It is changing the way we work, driving innovation and creating added value. We are convinced that the future of our industry lies in the cloud.

Our overarching objective is to make processes better and faster. Legacy systems are being replaced by cloud-based platforms to unlock the full potential of artificial intelligence (AI) along our value chain. This upgrade is allowing us to connect employees, systems, and data, enabling real-time decision-making.

Digitalisation is not only improving our efficiency, but is also creating real added value for our customers. By combining concrete production with digital services, materials can be used more efficiently and intelligently. Examples include recipe optimisation as a digital service, automated Environmental Product Declarations (EPDs), and the digital distribution of premium products such as evoZero®. By means of these digital services we are strengthening customer loyalty and generating profitable revenue growth.

Together with our partners, we are creating the digital infrastructure for the entire value chain, making

production, shipping, fleet management, and customer service much more efficient. Our non-controlling interest in Command Alkon plays a central role in this process. By 2026, all of our North American ready-mixed concrete activities are to be migrated to the cloud solution.

Our cloud architecture enables seamless integration of specialised AI services. These services help us not only to optimise formulations, but also to forecast concrete strength and monitor quality during transport. One such service is Giatec's SmartMix, which enables us to optimise concrete mixtures in North America. By training AI models based on our formulations, we identify potential for optimisation, allowing us to reduce resource consumption and costs.

Automated EPDs are a prime example of the added value that digitalisation brings. What used to take months now only takes 1.5 hours: cement EPDs are generated fully automated, and EPDs for customers in the ready-mixed concrete sector are updated in real time. In addition to competitive advantages, this also enables our customers to accelerate the market launch of low-carbon cements – combining sustainability and innovation.

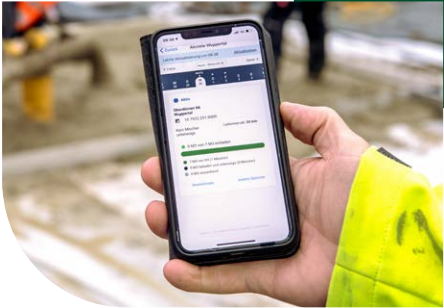
The lessons learned from these projects will serve as the basis for the next stage – global scaling across all regions.

Our vision for 2030: evoZero, the first carbon-captured near-zero cement, is to be available globally via the cloud. As a virtual product, evoZero will be digitally orderable and deliverable, giving customers

worldwide easy and direct access to near-zero cement. evoZero combines digitalisation and sustainability, opening up new markets and revenue potential.

All this momentum calls for a stable foundation. We are therefore harmonising and standardising our ERP (enterprise resource planning) landscape. By 2030, we will significantly reduce the number of ERP systems and map around 75% of our revenue via the global SAP S/4HANA template. This will reduce costs, improve data quality, and pave the way for further innovation.

In short: cloud, AI, and unified ERP systems are making us faster, more robust, and more customer-oriented. We are scaling proven solutions worldwide, increasing efficiency and growth. In this way, we are creating added value for Heidelberg Materials and providing our customers with support on their path to greater sustainability.

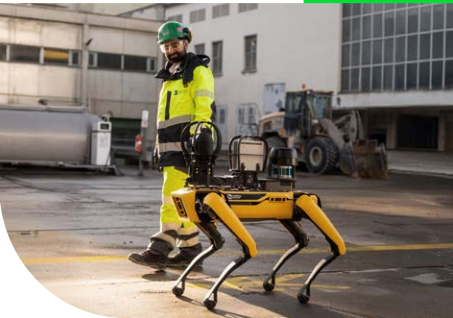


Heidelberg Materials OnSite App

Technical excellence speeds up the transformation

Technical excellence is one of Heidelberg Materials' key strengths and a cornerstone of our Strategy 2030. This excellence involves the combination of clear targets and measurable results and consistently drives our transformation forward. Continuous improvement, automation, and decarbonisation are at the heart of our innovations.

By means of the Transformation Accelerator Initiative and in-depth benchmarking methods, we pinpoint areas with potential for improvement. Our teams combine local agility with global best practices to increase productivity, reliability, and cost efficiency. Targeted training programmes and cross-functional cooperation further strengthen this culture. The savings achieved in this way, amounting to €380 million, have already made a significant contribution to the 2025 result.



Autonomous robot dog "Spot"

We are also forging ahead with other major projects, particularly in the cement and aggregates business lines. In addition to targeted optimisations and expansions of existing locations – such as the quarry in Tau, Norway, and the construction of modern, energy-efficient kilns at the Mokrá cement plant in Czechia and the Airvault cement plant in France – we are also driving forward pioneering greenfield projects, such as the construction of a cement plant in Gulbarga, India. When making acquisitions, we aim to bring about improvements at the acquired companies. This is evident at our locations in Grobogan in Indonesia, Tanga in Tanzania, Asment de Témara in Morocco, and Harleyville in the USA, where visible results have been achieved, particularly in terms of cost efficiency and productivity.

Our plant in Brevik, Norway, makes us the global front runner in industrial-scale carbon capture in the cement industry. Additionally, the commissioning of the CCU facility in Lengfurt, Germany, has begun, and our plant in Devnya, Bulgaria, continues to operate successfully using OxyCal technology and 100% alternative fuels. These milestones strengthen our teams and develop expertise that we can leverage internationally, such as in the CCS project in Padeswood, United Kingdom. In addition to innovative technologies, conventional measures such as an optimised fuel mix, the use of waste heat, the use of mineralisers and activators, and an optimised clinker grinding process remain important levers for further reducing CO₂ emissions.

Automation and artificial intelligence (AI) are tools that pave the way for smarter, faster, and more resilient operations. Our approach is both ambitious and



Autonomous haul truck at the Lake Bridgeport quarry, USA

pragmatic: we combine cutting-edge technology with technical excellence. AI-powered solutions increase kiln reliability, reduce electricity consumption, and improve clinker ratio, thus freeing up our teams to focus on challenging tasks and innovations.

Our progress is already clearly visible. HROC (Heidelberg Remote Optimization Center) provides remote support to several cement plants in North America, resulting in measurable savings. AROC – its counterpart in the aggregates business line – is successfully optimising operations in several Australian quarries. The rollout of autonomous trucks has also been successful so far: at our plant in Lake Bridgeport, USA, more than 2 million tonnes of material

have already been transported autonomously, and further large quarries have been selected for the next implementation phase. We are also spearheading future projects, including remote batching, remote control and automation of mixing processes in ready-mixed concrete plants, and the use of robots and drones in maintenance.

With courage and determination, we are shaping the technological transformation of our industry, focusing specifically on innovation and scalability, and positioning Heidelberg Materials as a driving force for sustainable progress worldwide.

ESG ratings and indices

Sustainability ratings and rankings evaluate and analyse the performance of companies in the areas of environmental, social, and governance (ESG). They provide valuable insights into material opportunities and risks and show how non-financial key performance indicators have a positive impact on resilience, value creation and thus on business success. In 2025, Heidelberg Materials’ strong commitment to climate, sustainable product solutions, and transparency in reporting was positively highlighted in several ESG ratings. These results confirm our role as a company that actively drives the transformation process to a decarbonised and sustainable construction industry.

Our ESG rating strategy is an important tool for systematically analysing the dynamic ESG market environment and recognising developments at an early stage. At the same time, it helps us to identify best practices and continuously tap into optimisation potential. We regularly evaluate the relevance and importance of various ESG ratings to ensure that our sustainability strategy is further developed in a targeted manner.

CDP
In the CDP sustainability rating, Heidelberg Materials received a classification of A for “Climate Change” and A- for “Water Security” in 2025.

DAX 50 ESG
Our share is part of the DAX 50 ESG index, which was launched in 2020.

DVFA Scorecard for Corporate Governance
Heidelberg Materials ranks 14th with 90.11 points and, for the first time, is classified in the “outstanding” category, surpassing the 90-point mark in the 2025 financial year.

EcoVadis
In July 2025, we maintained our leading position in the EcoVadis rating, achieving an overall score of 73. Special mention was made of Heidelberg Materials’ CO₂ management and decarbonisation strategy.

ISS ESG
In October 2024, we were able to improve our ISS ESG corporate rating from a C+ rating to a B- rating for the first time and continue to bear the ISS ESG Prime label.

MSCI
In 2025, Heidelberg Materials was again graded AA in the MSCI rating.

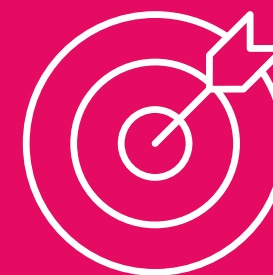
S&P Global
Heidelberg Materials participates annually in the S&P Corporate Sustainability Assessment (CSA). In 2025, we achieved a score of 76. Heidelberg Materials shares have also been part of the Dow Jones Sustainability Index (DJSI) Europe since December 2024.

Sustainalytics
In Sustainalytics’ ESG Risk Rating, Heidelberg Materials achieved a score of 23.7 in June 2025, an improvement of 2.5 points compared with the previous year. Special mention was made of the company’s environmental, health, and safety management systems.



Combined management report

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Strategy 2030

Radical Focus

We pursue a disciplined pure-play strategy and focus on our core business in markets with high growth potential.

What we focus on radically

Notes on reporting

This combined management report contains the management reports of the Heidelberg Materials Group and Heidelberg Materials AG. The statements about the Group (hereinafter also referred to as Heidelberg Materials) apply equally to Heidelberg Materials AG. Information relating only to the parent company is indicated accordingly. For information on this topic, please refer to the [Statements on Heidelberg Materials AG section](#).

In accordance with sections 289b and 315b of the German Commercial Code (HGB), non-financial reporting is integrated into the combined management report and included in the [Sustainability report chapter](#). This report also contains the disclosures pursuant to Regulation (EU) 2020/852 and its delegated regulations. For the 2025 financial year, reporting is carried out in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) for the first time.

We define our target of achieving net-zero emissions by 2050 as reducing our CO₂ emissions across the entire value chain in line with the Science Based Targets initiative's (SBTi) 1.5°C pathway, while neutralising residual emissions.

The calculation of the specific net Scope 1 CO₂ emissions per tonne of cementitious material as well as the clinker ratio refers to the definition of the Global Cement and Concrete Association (GCCA), unless otherwise stated.

We report the share of revenue from sustainable products Group-wide and for the cement business line. Revenue that we allocate to our sustainable products does not align with the definitions of the EU Taxonomy Regulation. We define sustainable products as a reduction in CO₂ emissions of at least 30% compared with the GCCA's 2020 global reference value. This translates into a threshold of ≤552 kg CO₂/t for cementitious material and ≤5.5 kg CO₂/m³/MPa for ready-mixed concrete. Circular products must contain at least 30% recycled aggregates or reduce material requirements by at least 30% in order to be included in the share of revenue from sustainable products.

The reporting was supplemented by the "Strategy 2030: Making a Material Difference", presented in May 2025. As part of the Capital Market Day, we defined new financial targets for 2030. The financial targets for 2025 set in September 2020 were achieved ahead of schedule and in some cases exceeded. For more information, see the [Strategy](#) and [Management system and indicators sections](#).

For the qualitative description of the respective developments, we use the following terms (ascendingly sorted by extent): on previous year's level/stable/flat; slight; moderate/noticeable; significant; strong/sharp.

The Corporate Governance Statement in accordance with the provisions of sections 289f and 315d of the HGB is published in the [To our stakeholders chapter](#) and on the [internet](#).

In the 2025 financial year, there were no other relevant changes in reporting. Unless expressly indicated otherwise, all statements and figures refer to the continuing operations of Heidelberg Materials.

An overview of the calculation methods used for financial key figures and a list of technical terms with definitions have been included in the [Glossary](#) of the Annual Report.

Fundamentals of the Group

Business model¹⁾

For more than 150 years, Heidelberg Materials has offered a broad range of building materials, applications, and services. We execute a disciplined pure-play strategy in the heavy building materials industry and concentrate on our core business in markets with high growth potential. Our core activities are the production and distribution of cement, aggregates, ready-mixed concrete, and asphalt. Heidelberg Materials also trades goods by sea worldwide, in particular cement and clinker, supplementary cementitious materials, and fossil and alternative fuels.

1) The statements also comply with the disclosures on products and services, relevant markets and customer groups, information on our employees, the business model, and the value chain.

Heidelberg Materials is one of the world's largest integrated manufacturers of building materials in terms of revenue and operates on five continents. Our products are used, among other applications, in the construction of houses, traffic routes, infrastructure projects, as well as commercial and industrial facilities. In this way, they meet the key needs of a growing world population for housing, mobility, and economic development. At the same time, they support key societal transformation processes such as the energy transition, (critical) infrastructure, urbanisation, and digitalisation.

We drive sustainability, digitalisation, and technical excellence worldwide. Global benchmarking, the scaling of automation, AI applications, and uniform process standards support us in this endeavour. With innovative technologies and resource-efficient solutions, we are decarbonising our products. Furthermore, we create added value for our customers by combining low-carbon building materials with digital services.

Our customers are mainly business customers (B2B), such as builders' merchants, construction companies, and the public sector. In the various market segments, we offer building materials and applications tailored to the specific needs and requirements of our customers.

Heidelberg Materials’ fully integrated business model encompasses the entire value chain, from the extraction of raw materials to further processing into cement all the way to the end product concrete and its recycling, as well as their sales and distribution to customers. Operating activities are supported by central competence centers for technology as well as by shared service centers in the regions and individual countries. Operating business processes include the geological exploration of raw material deposits, the purchase or lease of the land where the deposits are located, applying for mining concessions and environmental impact assessments, the construction of manufacturing facilities in cooperation with external service providers, as well as the production itself of building materials, including extracting raw materials, recycling building materials, and maintaining the facilities.

Products

Our core products cement, aggregates, ready-mixed concrete, and asphalt are homogeneous bulk goods. Their product characteristics are mostly standardised in order to ensure the required stability, reliability, and processability in the application.

Cements are classified according to their early and final strength as well as their composition. In addition to cements that consist of almost 100% clinker, there are so-called composite cements, in which a portion of the clinker is replaced by alternative raw materials, such as fly ash, ground slag, or limestone. Cement is used as a binder mainly in concrete production.

Aggregates (sand, gravel, and crushed rock) are classified according to their particle size and texture. They are the main component in the production of concrete and asphalt but are also used as base courses in the construction of infrastructure, such as roads. On a small scale, aggregates are obtained from recycled materials.

Concrete is a mixture of aggregates (about 80%), cement (about 12%), and water. Concrete is usually delivered to the construction site by ready-mix trucks and is poured locally into forms. Moreover, concrete is also used for the production of precast concrete parts, such as stairs, ceiling elements, or structural components.

Asphalt is a mixture of aggregates (about 95%) and bitumen and is generally used as a top layer in road construction.

Locations and sales markets

Due to the heavy weight of cement, aggregates, and concrete in proportion to their price, production and further processing usually take place in close proximity to the sales markets. The cement transportation radius by road does not normally exceed 200 km. The delivery radius for aggregates, ready-mixed concrete, and asphalt by road is generally less than 100 km. Consequently, we have local production sites in around 50 countries in which we offer building materials.

We operate around 130 cement plants (plus a further 9 as part of joint ventures), around 600 quarries and aggregates pits (plus around 30 locations of joint ventures), as well as around 1,300 ready-mixed concrete production sites (plus around 170 as part of joint ventures) worldwide.

In total, the Group employs 48,973 people at around 2,350 producing locations on five continents. There are additionally almost 250 production sites belonging to joint ventures. In the past financial year, we sold or closed around 95 locations as part of our portfolio optimisation and acquired 96 new locations.

Employees by region as at 31 December 2025

Europe
21,901
North America
8,377



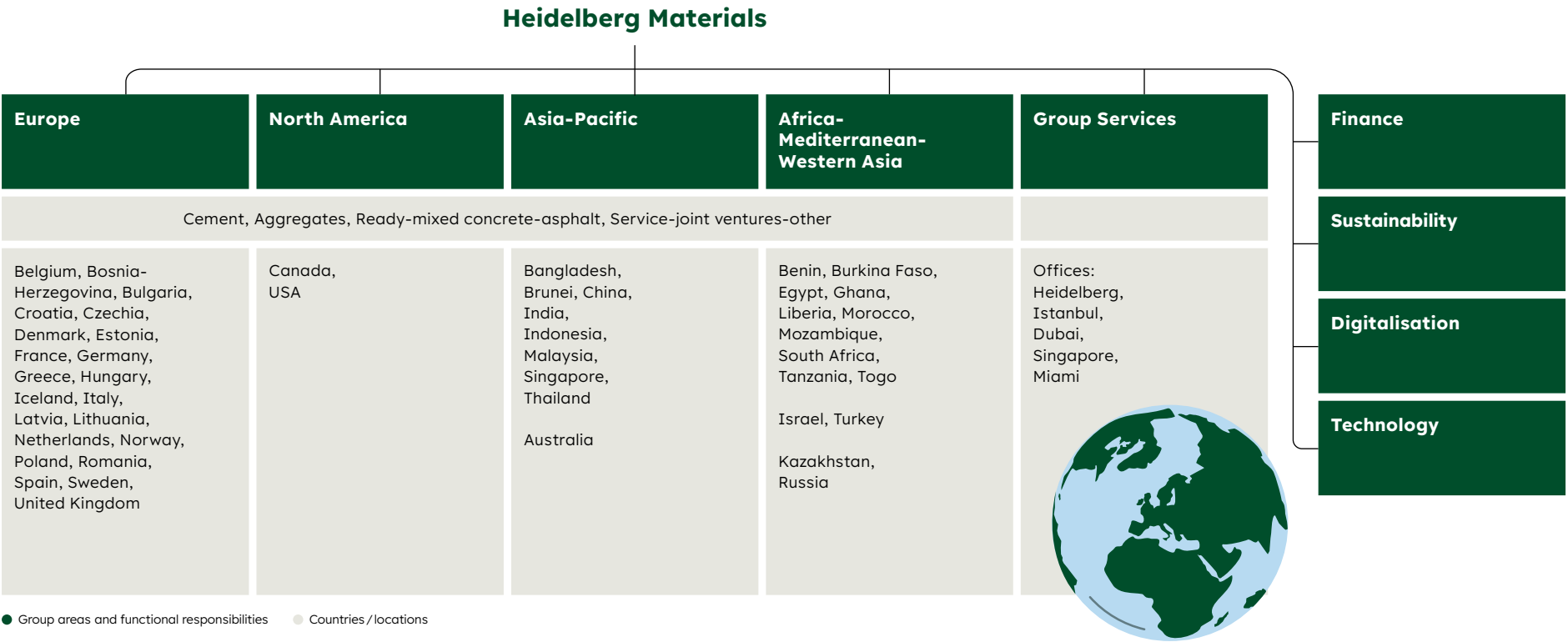
Asia-Pacific
11,512
Africa-Mediterranean-Western Asia
7,183

Organisational structure

The Group is divided into four geographical Group areas: Europe, North America, Asia-Pacific, and Africa-Mediterranean-Western Asia. Global trading activities, especially the trading of cement, clinker, supplementary cementitious materials, and fossil and alternative fuels are pooled together in the fifth Group area, Group Services.

Within the geographical Group areas, our activities are divided into four business lines. The cement and aggregates business lines comprise the essential raw materials that are required for the manufacture of the downstream products ready-mixed concrete and asphalt. These downstream products are consolidated in our third business line. The fourth business line, service-joint ventures-other, primarily covers the activities of our joint ventures.

Organisational structure



Strategy

Material to build our future

With its building materials and solutions, Heidelberg Materials has been contributing to global progress for more than 150 years. The corporate purpose adopted in 2020, “Material to build our future,” re-affirms our intention to develop and produce innovative (building) materials for the future and to play a material role going forward.

Four culture principles form the basis for our activity:

- Be stronger together!
- Get the customer excited!
- Unleash innovation!
- Think and act long term!

The purpose and four culture principles are integral to our Group strategy.

Strategy 2030

Our new “Strategy 2030: Making a Material Difference” aims to create lasting value that benefits our customers, shareholders, and employees worldwide, as well as society as a whole. We also intend to limit the adverse effects of our business activities on the environment and society. We are committed to sustainable and profitable growth and innovation and are working to further expand our position as one of the world’s leading manufacturers of heavy building materials and set new global standards within our industry.

Six strategic pillars form the basis of our strategy and the resulting targets for the period up until 2030.

Material Impact

We are building on a strong track record of profitable growth over the last few years and have a proven track record of success. Our actions are consistently geared towards sustainably increasing value for our customers and shareholders. We aim to improve our margins through operational optimisation as well as strict cost management, and to increase the return on invested capital through disciplined capital allocation. The progressive dividend policy and share buy-back programmes contribute to an attractive total return for our shareholders.

Unique Positioning

Heidelberg Materials is strongly positioned to capitalise on global trends and growth opportunities that will increase demand for our products and solutions in our markets. These trends specifically include global population growth and ongoing urbanisation, the energy transition, infrastructure expansion and renovation, increased defence spending especially in Europe (which also affects critical infrastructure projects), and ongoing digitalisation resulting in high demand for data centers. We have a presence in both industrialised and emerging countries. We capitalise on trends and growth opportunities and occupy a leading position in many markets. In addition, we are continuously optimising our product portfolio and sales strategy in order to fully exploit market potential.

Making a Material Difference

Value Creation

generating sustainable value for our customers and shareholders

Collective Strength

excelling in local entrepreneurship and global innovation as one team

Unique Positioning

capitalising on global trends and growth opportunities

Radical Focus

executing a disciplined pure-play product strategy

Global Advantage

driving success across geographies and businesses

Material Impact

building on a strong track record of profitable growth

Radical Focus

We are executing a disciplined pure-play strategy that focuses on our core business of cement, aggregates, ready-mixed concrete, and asphalt in the most attractive markets. Through active portfolio management, we aim to prioritise the strongest market positions and accelerate profitable and sustainable growth. All our markets are assessed on the basis of clearly defined financial and non-financial criteria. We are expanding our activities in markets that meet our criteria and consistently withdrawing from others that do not do so in the medium term. Acquisitions must meet clearly defined earnings and return expectations as well as sustainability criteria. We also aim to continue our vertical integration along the entire value chain in the countries in which we are achieving strong synergies and are able to strengthen and expand our market positions.

Global Advantage

We see our diversified country portfolio, consisting of developed and growth markets, as a distinguishing competitive factor. As a company with local roots and a global network, Heidelberg Materials focuses on global competitive advantages in the areas of sustainability, digitalisation, and technical excellence. The existence of separate Managing Board responsibilities also underlines the strategic importance of these areas in organisational terms.

Sustainability²⁾

Thanks to our innovative products and processes, we are reducing our ecological footprint and driving the decarbonisation of the cement and concrete industry. We are also achieving economic benefits as

2) The explanations also comply with the disclosures on elements of the strategy that address sustainability matters.



a result of revenue growth from sustainable products, an improved cost base due to lower demand for carbon allowances (in countries with an emissions trading system), and more efficient use of resources. With the introduction of evoZero®, we have become the front runner in the field of near-zero cement. We also established evoBuild® – our globally standardised brand for low-carbon and circular products. In addition, we are making greater use of tried-and-tested measures, such as the use of clinker substitutes as well as alternative raw materials and fuels, to further reduce our CO₂ emissions and associated costs. This development opens up opportunities for optimised pricing and margin structuring.

By 2030, we aim to reduce our specific net Scope 1 CO₂ emissions per tonne of cementitious material (Scope 1) to below 400 kg and to generate more than 50% of our revenue from sustainable products. In addition, we aim to increase the alternative fuel rate to over 50% and reduce the proportion of clinker in cement to 64%.

Digitalisation

Heidelberg Materials has set itself the target of being the leading tech company in the building materials sector and driving the digital transformation of the entire industry. This calls for a modern, secure IT infrastructure that will harmonise processes globally and achieve greater transparency and efficiency in all business lines. We are also driving forward the digitalisation of our sustainability processes by standardising reporting and continuously increasing automation.

Artificial intelligence (AI) is an important cornerstone of our digital strategy. We use AI to develop innovative solutions, including applications to improve customer interaction and optimise internal production processes, which we are rolling out internationally. With partners such as Command Alkon and Giatec, we are creating a central cloud platform for the building materials industry and expanding the use of the products integrated there worldwide. We are also continuously working on using digital solutions to make structures in our core business more efficient, scalable, and technology-oriented, such as our Heidelberg Remote Optimization Center (HROC) for cement production in the North America Group area.

Technical excellence

We believe in creating value through technical excellence, particularly through efficiency enhancements and scaling innovations. We plan to scale locally piloted automation and AI applications on a global scale, setting global standards for processes and equipment. In 2024, we also launched the Transformation Accelerator Initiative. This initiative focuses on the optimisation of the production network, cross-functional efficiency enhancements, and technical initiatives on a global scale. We have set clearly defined targets for each aspect of the initiative, which will be continuously monitored and optimised. Based on the positive experiences in the 2025 financial year, Heidelberg Materials is convinced that it will achieve its annual target of at least €500 million in savings by the end of 2026.

Collective Strength

Our strength lies in the combined forces of a global team of around 50,000 employees – the driving force behind our innovations. Our integrated management approach combines local entrepreneurship with Group-wide standards and global leadership. We foster a culture of cooperation across national and functional boundaries to share knowledge and develop solutions together.

The achievement of key corporate targets is enshrined in individual target agreements at all management levels and is reviewed regularly. We also want to promote a culture of innovation by actively supporting new ideas and valuing the courage to change. As a manufacturing company, we attach great importance to occupational safety and protecting the health of our employees – because sustainable success is only possible in a safe working environment.

Value Creation

Through our strategy, we aim to generate sustainable value for our customers and shareholders, and we are striving for accelerated growth and increased profitability by 2030. To this end, we have defined clear targets, particularly relating to the growth of the result from current operations (RCO), the return on invested capital (ROIC), the cash conversion rate, the net investments in property, plant and equipment, and the leverage ratio. The chart below provides an overview of these targets.

2030 financial targets

Result from current operations (RCO) (average p.a.)	+7% to +10%
Return on invested capital (ROIC)	around 12%
Cash conversion rate	around 50%
Net investments in property, plant and equipment (average p.a.)	around €1.3 billion
Leverage ratio	around 1.5x

Management system and indicators

Components and functionality of the management system

We executing a value-oriented management system in order to evaluate and meet our strategic targets.

The management system at Heidelberg Materials is based primarily on annual operational planning, management and control during the year with regular Managing Board meetings and quarterly management meetings, central coordination of the investment process, and regular reporting to the Supervisory Board.

In the context of annual planning, the Managing Board first defines a top-down budget on the basis of macroeconomic data, external market data, an internal assessment of market conditions, and cost targets. From this, expected values are derived for all key targets at country and Group level, which are used as the basis of detailed planning for the individual operating units down to plant level and to agree targets with local management. The operational sub-plans created by the operating units are then consolidated centrally to create the Group-wide plan.

The management and control of the company during the year are carried out using a comprehensive system of standardised reports on the Group's assets, financial, and earnings position, as well as on specific net Scope 1 CO₂ emissions in the cement business line. The indicators used for this purpose are determined uniformly throughout the Group. Reports are prepared monthly on volumes and prices, the financial and earnings position, cash flow, investments,

production, and technology, as well as specific net Scope 1 CO₂ emissions per tonne of cement.

Adjusted free cash flow is one of the target figures for the country management. It is defined as the sum of free cash flow and all investments and divestments. Intra-Group payments are offset in the calculation. At the quarterly management meetings, the Managing Board and country and region managers discuss business developments, including target achievement, the outlook for the relevant year, and any measures that need to be taken. These are based, among other things, on the quarterly forecasts of the country organisations.

The Group departments Strategy & Development/ M&A, Finance, and Sustainability as well as the technical competence centers follow a formalised process to review and assess all major investments and acquisitions. Investments in expansion are assessed from a business perspective primarily on the basis of

Management indicators

Key financial and non-financial performance indicators

Indicator	Target	Term	2025
Result from current operations (RCO) (average p.a.)	+7% to +10%	2030	€3,381 million
Return on invested capital (ROIC)	around 12%	2030	10.4%
Specific net Scope 1 CO ₂ emissions	<400 kg CO ₂ /t cementitious material	2030	512 kg CO ₂ /t cementitious material

After delivering on our 2025 mid-term financial targets ahead of plan, we are increasing our targets for the key performance indicators as part of the **Strategy 2030**.

the repayment period in years, ROIC (return on invested capital), the impact on earnings, and CO₂ emissions. For this purpose, a discounted cash flow model and simulated calculations are produced that show the impact of an investment on the consolidated income statement, statement of cash flows, balance sheet, and tax position over a period of ten years.

With our permanent investment grade credit rating, we aim to ensure that a high level of financial stability is maintained. The valuation of the Group's financial strength is based on the leverage ratio, i.e. the ratio of net debt to result from current operations before depreciation and amortisation. In the medium term, we have set the target value for the leverage ratio at around 1.5x.

The focus is on a consistent allocation of capital, allowing investments only if neither the achievement of the target leverage ratio nor the dividend payments are jeopardised.

The key financial performance indicators for Heidelberg Materials continue to include the result from current operations (RCO) and return on invested capital (ROIC). The Managing Board uses these KPIs to derive strategy and investment decisions.

As an important short-term indicator of the company's earnings strength and success, the RCO is determined, analysed, and forecast in detail for all operating units. It is therefore particularly suitable for assessing the company's economic development over time. For the first time, the Managing Board has set a medium-term growth target for the RCO. Heidelberg Materials aims to achieve average annual RCO growth of 7% to 10% by 2030.

The return on invested capital and thus internal value creation is expressed by ROIC. It is defined as the ratio of the result from current operations less the adjusted current tax expense to the average invested capital (average of the opening and closing balance sheets of the financial year). The adjusted current tax expense is calculated by applying an adjusted effective tax rate to the result from current operations. More information on the calculation of ROIC can be found in the **Capital efficiency section**. The goal is to achieve a ROIC of around 12% by 2030. ROIC is also taken into account as a variable remuneration element in the long-term bonus of the Managing Board and top management. The financial and assets positions of the operating units are monitored in the short term primarily via the amount of net debt, free cash flow, and investments.

The strategic target of reducing our ecological footprint across the Group is important for all operational processes. The specific net Scope 1 CO₂ emissions continue to be among the key non-financial performance indicators. We intend to reduce these emissions to below 400 kg CO₂/t cementitious material by 2030. The CO₂ component links the remuneration of the Managing Board and the majority of bonus-eligible employees to the reduction of CO₂ emissions.

The key performance indicators underscore the Managing Board's commitment to combining value creation and sustainability.

Heidelberg Materials' core business is in homogeneous bulk goods that are generally ordered at short notice. Suppliers of such products are usually interchangeable from a customer standpoint. Construction activities, and thus our volumes, are dependent on local weather conditions in the individual Group countries. Given these circumstances, no generally reliable leading indicators are definable for Heidelberg Materials' business development. However, some selected statistical data and industry association forecasts can be utilised to gauge the business development at country level. In mature markets, for instance, figures on building permits or infrastructure budgets serve as important sources of information. In the growth markets of emerging countries, data on population growth and GDP growth forecasts are frequently used indicators.

The aim of research and development (R&D) at Heidelberg Materials is to develop innovative products and applications, new product formulations, and process improvements in order to lower energy consumption, enable climate-resilient construction projects, conserve natural resources, strengthen the circular economy, and thereby reduce CO₂ emissions and costs.

- Development of cements and concretes with improved carbon footprints: We are developing composite cements containing less clinker and concretes with lower cement content. Reducing the proportion of clinker in cement is one of the most important levers when it comes to minimising CO₂ emissions, and it helps to conserve natural raw materials.

- Development of breakthrough technologies for CO₂ emission reduction: We are implementing projects for carbon capture, utilisation, and storage (CCUS), which are essential tools to help our industry achieve net-zero emissions. We are also raising the proportion of biomass fuels and exploring the use of hydrogen as well as the electrification of our processes.
- Circular economy: We are working on innovative recycling technologies that allow demolition concrete to be fully reused in fresh concrete. We are also developing processes to incorporate CO₂ into our products by carbonating recycled hardened

- Innovative concrete systems: The main priority is the development and improvement of binders and concretes with optimised properties and innovative functionalities, such as 3D concrete printing, carbonation hardening of paving stones and prefabricated elements capturing CO₂ in concrete or repair systems to reduce the amount of material used or replace with recycled material.

- Development of advanced automation solutions: With the help of artificial intelligence, we are looking for solutions to reduce energy consumption, keep our equipment in perfect condition, and maintain consistent product quality in our operations.

Our global competence centers Competence Center Cement (CCC), Competence Center Aggregates and Asphalt (CCA), and Competence Center Readymix (CCR), as well as the Group departments Global Research & Development & Innovation and CC(U)S Business Development & Partnerships, pool the knowledge available in our Group and serve as points of contact for all operating units.

The Group department Global Research & Development & Partnerships consists of an international team at the Leimen site that bundles strategic research projects in the cement, aggregates, and ready-mixed concrete business lines.

In addition, the CCC also supports our cement plants in all technical matters, from securing raw materials and improving production and maintenance to process control and quality assurance. It also coordi-

The CCC supports Heidelberg Materials' digitalisation efforts by continuously increasing the number of remote-controlled facilities and the use of Expert Systems across the Group. Expert Systems are computer programmes that use rules to mimic human decision-making. By working with our plant teams, we now have more than 330 Expert Systems in place. As a result, mills and kilns can operate largely without human intervention, increasing material throughput and making energy savings of up to 5%.

Similarly, the CCA supports the aggregates and asphalt business lines across the Group with programmes for continuous improvement and performance management. Its tasks also include the planning and implementation of projects as well as digitalisation and automation. Furthermore, the CCA offers training to provide employees with additional skills. Keystone programmes currently being managed by the CCA include the autonomous trucks in quarries and the Aggregates Remote Operations Center (AROC), which will be rolled out to at selected sites in 2026, following a proof of concept in 2025.

The CCR, a comparable organisation for the ready-mixed concrete business line, focuses on the continuous optimisation of raw materials and logistics costs and on offering our customers innovative solutions.

Our research and development activities are key drivers of innovation. This includes central innovation hubs focused on the development of breakthrough and digital technologies, improved processes, as well as the local optimisation of products and applications.

On a full-time equivalent (FTE) basis, 723 employees (previous year: 776) were part of R&D in the 2025 financial year.

Cooperation with institutes and universities at both a local and global level complements our own R&D and innovation activities. At a global level, we refer in particular to our participation in the Innovandi research network. The network includes over 30 cement and admixture companies as well as more than 40 leading international universities, which all work together to carry out fundamental research with a key focus on decarbonisation of the sector.

In terms of product development, we prefer bilateral cooperation with individual universities to complement our know-how. In some cases, cooperative projects with universities are supported by public funding.

Use of digital solutions

Heidelberg Materials is committed to increasing efficiency in and reducing the ecological footprint of its cement plants through a strategic digital initiative. One element is the “Planner” digital solution, which has already been introduced in more than 70 plants to support production planning and maximise oper-

Root cause failure analysis (RCFA) is a digital solution now employed by almost 100 cement plants with a utilisation rate averaging more than 200 active monthly users. It has significantly facilitated systematic problem-solving processes. Not only does this tool make analysis documentation easier, it also promotes effective knowledge transfer between our plants. The installation of wired and wireless sensors on critical equipment in more than 80 plants is expected to lead to a reduction in maintenance costs and production downtime.

To reduce Heidelberg Materials' carbon footprint, we want to increase the use of alternative fuels. The alternative fuel rate, i.e. the proportion of alternative fuels³⁾ in the fuel mix, was around 34% in the 2025 financial year (previous year: 31%). Information on progress in the use of alternative fuels in the reporting year can be found in the [**Sustainability report in the section E1 – Climate change.**](#)

One of the most important ways of reducing CO₂ emissions in cement manufacturing is to use alternative raw materials that are generated as by-products or waste in other industries. A very large share of these alternative raw materials is sourced from the metal processing industry, as well as from the clay, paper, or glass sectors. Moreover, coal-fired power plants supply ash as well as synthetic gypsum. By using these materials and thus avoiding waste, we

3) The figure corresponds to the definitions of the GCCA but refers exclusively to the thermal energy required for kiln operations; this applies here and in the case of further mention, unless otherwise stated.

Cements with lower proportions of clinker

We have made further progress in the development of cements containing less clinker, resulting in reduced CO₂ emissions. In several countries, the proportion of blast furnace slag, fly ash, and limestone in cement has been increased, thus reducing the clinker content. We are also evaluating the use of alternative cement components, such as natural pozzolans and calcined clays, for various locations. Clinker ratio – the proportion of clinker in cement – was around 68% in the 2025 financial year (previous year: 69%).

At our plant in Rezzato, Italy, we have completed our conversion of an unused mill to grind pure limestone in 2025. This will enable us to increase our market share of limestone cements and reduce the proportion of clinker.

At our plant in GóraŹdŹe, Poland, we have installed a roller press that will allow us to grind limestone and slag separately and we will be able to introduce new cement types.

In the EU-funded MatCHMaker project, we are optimising the use of multi-component cements in concrete, including alternative raw materials like calcined clay and recycled hardened cement paste. Methods such as machine learning and micromechanical modelling are being used to generate the necessary information about the mechanical properties and durability of the concretes, enabling their targeted optimisation.

Concrete binds CO₂ from the air throughout its entire service life. As a result of this natural carbonation, some of the CO₂ emitted in the production of cement is already reabsorbed over the product life cycle of concrete. Accelerating this natural process is the focus of ReConcrete, which entails both selective separation to recover recycled hardened cement paste from demolition concrete and enforced carbonation. The enforced carbonation of recycled hardened cement paste not only mineralises CO₂ to form limestone but also produces a pozzolanic material that can replace clinker.

As part of the EU-funded Carbon4Minerals project, enforced carbonation as part of ReConcrete has been implemented on an industrial scale for the first time. Carbon4Minerals is investigating the use of CO₂ from industrial flue gases to reprocess existing and future waste materials and the associated potential to produce innovative CO₂-reduced binders and building materials. To this end, we developed and built a carbonation reactor at our plant in GóraŹdŹe, Poland, which has been in operation since May 2025. The reactor, with a capacity of 1.5 tonnes of fines per hour, had reached both the nominal capacity and the targeted degree of carbonation of the fines by the end of September 2025.

As part of the CEMLOOP XL project, Heidelberg Materials and Etex, a manufacturer of fibre cement, have planned a new industrial recycling process for fibre cement waste. The aim is to create a fully closed recycling loop for fibre cement and significantly reduce CO₂ emissions in cement production using CCUS technologies. The project received EU LIFE funding in June 2025. At the Lixhe plant in Belgium, a special carbonation reactor is scheduled to be commissioned by the end of 2028, in which recycled fibre

The ANRAV CCUS project in Bulgaria, which received a funding commitment from the EU Innovation Fund in 2022, was further advanced in 2025. To support the ANRAV project, a de-risking pilot unit ANRAV. beta has been constructed and commissioned in

In Belgium, Heidelberg Materials plans to equip the Antioing plant with an integrated carbon capture unit. Once operational, the Anthemis project will reduce

In Safi, Morocco, Heidelberg Materials uses a small portion of the CO₂ from cement production for the cultivation of microalgae which are used as a high-quality ingredient for fish feed and other animal feeds. We are producing 25 tonnes of dried microal-

Digitalisation and automation in the construction industry also enable the development of new building technologies, such as 3D printing with concrete. Our **evoBuild®** 3D printing product was used in pilot applications as early as 2020. By using low-carbon constituents (cement replacement materials) in **evoBuild®** 3D printing, the amount of Portland cement can be reduced by up to 70%, achieving correspondingly CO₂ savings. In addition, through optimised design and targeted material application, the 3D printing construction process can reduce material consumption by up to 75%, thus further reducing carbon emissions. In 2025 we delivered CO₂-reduced **evoBuild®** 3D printing to the German Dreihaus project in Heidelberg, where a scalable concept for a three-story apartment building is being implemented.

As building materials are mainly produced and sold locally and account for only a small proportion of international trade, we focus on the countries and regions that are relevant to us instead of taking a global view. Details of the development in the individual Group countries can be found in the **Business trend in the Group areas** section.



Until now, companies in the EU Emissions Trading System (EU ETS 1) have been allocated a proportion of their emission allowances at no cost, according to industry-specific benchmarks, if they are affected by the risk of production being shifted abroad (carbon leakage). From 2026, these free allocations will decrease as the Carbon Border Adjustment Mechanism (CBAM) assumes this protective function. Every company is required to submit sufficient emission allowances to cover its total emissions for the preceding financial year by a compliance deadline in September. If a company does not have enough emission allowances on the reporting date for production reasons, it must purchase additional allowances. The average price of carbon allowances in the 2025 financial year was €73, higher than in the previous year (previous year: €67). Further information can be found in the [Outlook](#) and [Risk and opportunity report chapters](#).

Development of volumes

In the 2025 financial year, the weak economy in Europe and the USA, the high interest rate level, as well as geopolitical conflicts, trade disputes, and US tariffs had a negative impact on global construction activity. The resulting further rise in construction costs had an additional impact on demand for our building materials. At the same time, government infrastructure programmes and the growing demand for sustainable building materials provided important growth stimulus in selected Group areas.

Overall, the Group’s cement and clinker deliveries increased slightly in the individual Group areas, with heterogeneous developments. While volumes declined slightly in the Europe Group area, the North America and Africa-Mediterranean-Western Asia Group areas recorded noticeable and slight increases respectively. In Asia-Pacific, delivery volumes remained at the previous year’s level.

The Group’s deliveries of aggregates in 2025 were on the previous year’s level. A slight decrease in volumes in the Europe and North America Group areas was offset by a slight increase in volumes in Asia-Pacific. In the Africa-Mediterranean-Western Asia Group area, we were able to achieve a strong increase in volumes.

Deliveries of ready-mixed concrete declined slightly overall. In Asia-Pacific and Europe, volumes decreased slightly compared with the previous year. While volumes in North America declined significantly, delivery volumes in Africa-Mediterranean-Western Asia increased significantly.

Overall, asphalt deliveries recorded a noticeable increase. Significant growth was recorded in North America and a noticeable increase in delivery volumes in Asia-Pacific. The Europe Group area recorded slight volume growth in 2025. After a sharp decline in delivery volumes in the previous year, we were able to strongly increase volumes in Africa-Mediterranean-Western Asia again in 2025.

For a detailed description of the regional development of volumes, we refer to the [Business trend in the Group areas section](#).

Earnings position

Consolidated income statement (short form)

€m	2024	2025	Difference
Revenue	21,156	21,460	304
Result from current operations before depreciation and amortisation (RCOBD)	4,499	4,679	180
Depreciation and amortisation	-1,295	-1,298	-3
Result from current operations	3,204	3,381	177
Additional ordinary result	-436	-264	172
Earnings before interest and taxes (EBIT)	2,768	3,118	350
Financial result	-181	-193	-12
Profit before tax from continuing operations	2,586	2,924	338
Income taxes	-704	-751	-46
Net income from continuing operations	1,882	2,174	291
Net income/loss from discontinued operations	36	-44	-80
Profit for the financial year	1,918	2,130	211
Thereof attributable to Heidelberg Materials AG shareholders	1,782	1,941	159
Earnings per share (€)	9.87	10.92	1.05

Group revenue increased by 1.4% in comparison with the previous year to €21,460 million (previous year: 21,156). Changes to the scope of consolidation made a significant contribution to growth of €606 million. Price increases in the Africa-Mediterranean-Western Asia, North America, and Europe Group areas also contributed to revenue growth. Currency effects reduced revenue by €483 million. Excluding scope and currency effects, the increase amounted to 0.9%. Sustainable products accounted for 47% of revenue in the cement business line (previous year: 45%, reported: 43%⁴⁾).

In the reporting year, material costs increased by 0.3% to €7,790 million (previous year: 7,769). Excluding scope and currency effects, material costs declined by 0.5%. The material cost ratio decreased to

36.3% (previous year: 36.7%). Other operating expenses rose by 0.5% to €6,386 million (previous year: 6,356). Excluding scope and currency effects, the figure fell by 0.1%. Other operating income rose by 0.5% to €555 million (previous year: 552). Adjusted for scope and currency effects, it fell by 1.2%. At €3,460 million (previous year: 3,470), personnel costs were 0.3% below the previous year’s level. On a like-for-like basis, personnel costs were 0.9% below the previous year’s level. This effect is due to cost reductions as part of the Transformation Accelerator Initiative. At €191 million (previous year: 248), the result from equity accounted investments (REI) was 23.0% below the previous year’s level. Adjusted for scope and currency effects, the drop amounted to 18.0% and was primarily attributable to a lower contribution to results from our joint ventures in Australia, the Southwest region of the USA, and Turkey.

4) Methodology adjusted, excluding trade goods in revenue from sustainable products and Group revenue



The result from current operations before depreciation and amortisation (RCOBD) increased by 4.0% to €4,679 million (previous year: 4,499). This growth is attributable to the positive price development compared with the same period of the previous year and the positive effects of the Transformation Accelerator Initiative cost-reduction programme. Excluding scope and currency effects, the rise amounted to 3.8%. The RCOBD margin was 21.8% (previous year: 21.3%).

The result from current operations (RCO) increased by 5.5% to €3,381 million (previous year: 3,204). Changes to the scope improved the result by €65 million, while currency effects had a negative impact of €68 million. Adjusted, growth amounted to 5.7%.

The additional ordinary result amounted to –€264 million (previous year: –436). The additional ordinary income of €128 million primarily resulted from the disposal of subsidiaries amounting to €42 million and reversals of impairment losses on other intangible assets, property, plant and equipment, and equity accounted investments amounting to €71 million. Of the reversals of impairment losses on property, plant and equipment amounting to €58 million, €45 million relates to our plant in Padeswood, United Kingdom. The additional ordinary income in the previous year amounted to €38 million.

The additional ordinary expenses amounted to €391 million. They included impairments of goodwill, other intangible assets, property, plant and equipment, and equity accounted investments amounting to €173 million; restructuring expenses amounting to €78 million, incurred in connection with the Transformation Accelerator Initiative in particular; expenses of €38 million from the revaluation of the previously held shares in Asment de Témara, Morocco, as part

of the step acquisition; expenses directly attributable to the rebranding of Group companies in the amount of €25 million; transaction costs of €21 million in connection with business combinations; and other expenses not attributable to current operations. In the previous year, the additional ordinary expenses amounted to €474 million and resulted from impairments of goodwill, other intangible assets, property, plant and equipment, and equity accounted investments of €263 million; restructuring expenses of €107 million; additions to provisions for litigation risks of €35 million; expenses of €25 million directly attributable to the change of name of our Group companies; expenses of €24 million in connection with the closure of sites; and other expenses not attributable to current operations.

Earnings before interest and taxes (EBIT) improved by €350 million to €3,118 million (previous year: 2,768), mainly due to the increased revenue, the positive effects of the Transformation Accelerator Initiative, and the improvement in the additional ordinary result. The financial result declined by €12 million to –€193 million (previous year: –181). Profit before tax from continuing operations increased accordingly by €338 million to €2,924 million (previous year: 2,586).

At €751 million (previous year: 704), expenses for income taxes were €46 million above the previous year's value. The change is primarily attributable to higher profit before tax and an offsetting effect from the remeasurement of tax risks for previous years.

Net loss from discontinued operations amounted to –€44 million (previous year: net income of 36) and includes income and expenses incurred in connection with discontinued operations of the Hanson Group in previous years and resulting from provisions for dam-

ages and environmental obligations. The previous year's figure included income from the release of a provision of €62 million.

Profit for the financial year increased to €2,130 million (previous year: 1,918). The result relating to non-controlling interests amounted to €189 million (previous year: 137). The profit for the financial year attributable to the shareholders of Heidelberg Materials AG rose by €159 million to €1,941 million (previous year: 1,782). Earnings per share attributable to Heidelberg Materials AG shareholders increased by €1.05 to €10.92 (previous year: 9.87).

Business trend in the Group areas

Europe

The Europe Group area comprises 22 countries. In many of these markets, we produce cement, aggregates, and ready-mixed concrete. In a few selected countries, we are active in the business of recycling construction waste and demolition concrete. In Germany and at locations belonging to the Nordic Precast Group, which is active in Denmark, Estonia, Norway, and Sweden, we also produce precast concrete parts and concrete products, and in the United Kingdom we produce asphalt.

According to the latest IMF forecasts (January 2026 and October 2025), economic development in the eurozone is expected to have remained at a low level, with projected GDP growth of 1.4%. This is mainly due to the virtually stagnating development in Germany, with an expected increase of only 0.2%, and the overall weak growth impetus in Western and Central

European countries. In Eastern and Southern European countries, on the other hand, a significantly more dynamic development is expected for 2025. The IMF forecasts growth of 3.2% and 3.0% for Poland and Bulgaria respectively. An increase in GDP of 2.9% is anticipated for Spain and growth of 2.0% for Greece.

The economic situation in the individual countries is also reflected in construction activity. In its December 2025 forecast for 2025, Euroconstruct anticipates a slight overall increase of 0.3% in construction activity in Europe compared with the previous year. Western Europe showed hardly any growth impetus overall – with the exception of Spain and Sweden, which recorded increases of 4.0% and 3.5% respectively, and the United Kingdom, which recorded growth of 1.9%. Construction activity is expected to have fallen by 1.4% in France and Germany, and by as much as 2.7% in Italy. The markets in Eastern Europe developed much more dynamically, particularly in Poland with growth of 3.4% and Czechia with 1.3%.

In June 2025, the world's first industrial-scale carbon capture and storage facility in the cement industry opened at the Brevik cement plant in Norway. The first shipments of evoZero, the world's first carbon-captured near-zero cement, have been delivered to customers. In September 2025, the company also received a funding agreement from the UK government for the construction of an additional carbon capture facility at the Padeswood plant in North Wales. Construction of this facility, which is designed to enable almost completely decarbonised cement production, began at the end of 2025. The facility is scheduled to go into operation in 2029.



A pilot plant for targeted carbonation was commissioned at our location in Górażdże, Poland. It produces recycled concrete paste (RCP), which acts as a natural CO₂ reservoir.

More information can be found in the [Research and development section](#) and in the [E1 – Climate change](#) and [E5 – Resource use and circular economy sections](#) of the [Sustainability report chapter](#).

Cement business line

In the 2025 financial year, the Europe Group area’s cement and clinker volumes declined slightly. This is mainly due to the weaker development in the Western and Central European countries. However, we recorded significant growth in Italy, Norway, and Greece.

A new kiln line is currently under construction at the plant in Mokr in Czechia, which is set to be commissioned in summer 2027. The modernisation of the kiln line in Airvault, France, is proceeding according to plan. Completion of the project and commissioning are scheduled for the first half of 2026.

As announced in 2024, production at the French plants in Beffes and Villiers-au-Bouin was discontinued in January 2025 as part of the Transformation Accelerator Initiative. The two plants were closed in November 2025. These portfolio optimisations come after a significant decline in cement volumes following weak construction demand in Western Europe due to the current economic environment as well as a stronger alignment of the company’s cement portfolio towards low-carbon products, leading to the production of cements with a lower clinker content.

Revenue of the cement business line in the Europe Group area decreased by 0.6% to €4,874 million (previous year: 4,901). Excluding scope and currency effects, the decline amounted to 0.7%.

Aggregates business line

The aggregates business line also includes recycling activities.

Overall, the Group area’s deliveries of aggregates decreased slightly compared with the previous year. In Western and Eastern Europe, with the exception of Spain, Italy, and Czechia, a slight decline in volumes was recorded overall. In Northern Europe, Heidelberg Materials achieved moderate growth, boosted by positive development of volumes in Sweden and the transnational Mibau Stema Group.

The modernisation of the quarry in Tau, Norway, is proceeding as expected. Commissioning is planned for mid-2026.

Price adjustments compensated for the decrease in volumes and led to revenue of €2,384 million (previous year: 2,337) for the business line, which was 2.0% higher than the previous year. Excluding scope and currency effects, revenue fell by 0.8%.

Ready-mixed concrete-asphalt business line

In the ready-mixed concrete business line, volumes fell slightly in comparison with the previous year. Volumes declined significantly in France, the United Kingdom, and Sweden in particular, while Italy and Romania recorded significant and strong growth respectively.

Asphalt activities in the Europe Group area are limited to the United Kingdom, where a slight growth in volumes was achieved.

Revenue of the ready-mixed concrete-asphalt business line decreased by 1.9% to €2,876 million (previous year: 2,930). Excluding scope and currency effects, the decline amounted to 2.3%.

Service-joint ventures-other business line

The service-joint ventures-other business line includes the precast concrete parts and concrete products operating lines in Germany as well as the Nordic Precast Group. Our joint ventures in Hungary and Bosnia-Herzegovina are also included in this business line. There are also joint ventures in some Group countries, particularly in the ready-mixed concrete business.

Revenue of the service-joint ventures-other business line rose by 14.4% to €935 million (previous year: 817). Excluding scope and currency effects, revenue fell by 9.8%. Revenue of our joint ventures is not included here, as these are accounted for at equity. The result from equity accounted investments (REI) is recognised in profit or loss in the result from current operations before depreciation and amortisation. More information can be found in the [income statement](#) and in [Note 7.6](#).

Revenue and results

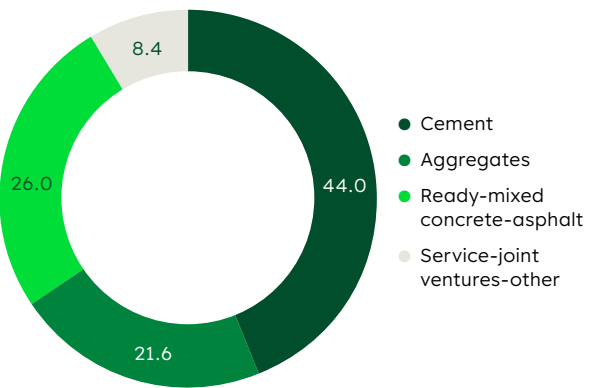
Overall, the Europe Group area achieved revenue growth of 0.9% totalling €9,550 million (previous year: €9,467). Adjusted for scope and currency effects, revenue was 0.4% below the previous year’s figure.

The result from current operations before depreciation and amortisation (RCOBD) rose by 3.6% to €1,953 million (previous year: 1,885). Savings achieved as part of the Transformation Accelerator Initiative made a significant contribution to this positive development. The result from current operations (RCO) increased by 3.8% to €1,395 million (previous year: 1,344). Adjusted for scope and currency effects, RCOBD and RCO increased by 2.7% and 3.5% respectively.

Overview Europe

€m	2024	2025	Change
Revenue	9,467	9,550	0.9%
Result from current operations before depreciation and amortisation	1,885	1,953	3.6%
Result from current operations	1,344	1,395	3.8%

Revenue Europe 2025 in %



In July 2025, Heidelberg Materials signed a purchase agreement to acquire the business activities of BURNCO Rock Products Ltd in Edmonton, Alberta/

Total revenue of the cement business line increased by 4.8% in 2025 to €2,351 million (previous year: 2,243). On a like-for-like basis, excluding scope and currency effects, revenue of the cement business line increased by 0.4%.

Revenue in the aggregates business line decreased by 0.8% to €2,106 million (previous year: 2,123). On a like-for-like basis, revenue of the aggregates business line was 2.0% above the previous year's value.

Revenue of the business line increased by 1.8% to €340 million (previous year: 334). Excluding scope and currency effects, revenue fell by 12.4%. Revenue of our joint ventures is not included here, as these are accounted for at equity. The result from equity accounted investments (REI) is recognised in profit or loss in the result from current operations before depreciation and amortisation. Further information can be found in the **income statement** and in **Note 7.6**.

Revenue and results

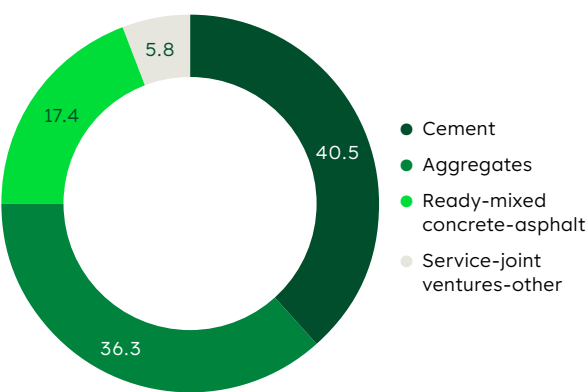
Total revenue in the North America Group area increased by 0.3% to €5,327 million (previous year: 5,311). On a like-for-like basis, excluding scope and currency effects, revenue was 1.3% below the previous year's level.

The result from current operations before depreciation and amortisation (RCOBD) decreased by 0.1% to €1,405 million (previous year: 1,407). The result from current operations (RCO) fell by 0.4% to €1,045 million (previous year: 1,049). Excluding scope and currency effects, the RCOBD and RCO increased by 0.3% and 1.1%, respectively.

Overview North America

€m	2024	2025	Change
Revenue	5,311	5,327	0.3%
Result from current operations before depreciation and amortisation	1,407	1,405	-0.1%
Result from current operations	1,049	1,045	-0.4%

Revenue North America 2025 in %



Asia-Pacific

The Asia-Pacific Group area comprises nine countries. In Indonesia, the business is vertically integrated in cement, aggregates, and ready-mixed concrete. In India, Bangladesh, and Brunei, we operate solely in the cement business line. In Malaysia and Australia, we are active in aggregates, ready-mixed concrete, and asphalt, with fly ash also being supplied in Malaysia and recycled building materials for civil engineering and infrastructure projects in Australia. The Thailand business consists of ready-mixed concrete in addition to cement. We are also represented via a cement joint venture in Australia, two cement joint ventures in mainland China, and two joint ventures for aggregates and ready-mixed concrete in Hong Kong.

In its October forecast for 2025, the IMF anticipates economic growth in the Asia and Pacific region of 4.5%, compared with 4.6% in the previous year. With solid overall growth, the region thus remains the world's most important growth engine. Inflation has declined in large parts of the region. At the same time, geopolitical tensions and uncertainties surrounding trade policy are weighing on the economic climate. In particular, higher US tariffs and increasing protectionism are likely to have dampened export demand. Nevertheless, many economies continue to benefit from technology-driven investment as well as fiscal policy measures designed to strengthen the region's resilience. The IMF's analysis published in January 2026 estimates that Chinese economic growth will amount to 5.0% in 2025, consistent with the previous year's level. Government economic stimulus programmes, slightly lower than expected US tariffs, and favourable exchange rates benefited the Chinese economy. By contrast, persistently weak domestic demand and the ongoing structural problems in China's real estate sector hampered economic growth. India is expected to maintain robust

growth of 7.3% in 2025, benefiting in particular from strong investment momentum, including from continued infrastructure expansion. Robust development is also forecast for Indonesia and Malaysia, with expected growth of 5.0% and 4.6% respectively. Relative to other ASEAN countries, growth in Thailand is expected to remain more subdued at 2.1%. According to the IMF's October forecast, the short-term outlook for Bangladesh continues to be impaired by political unrest. GDP growth of 3.8% is anticipated. The IMF forecasts growth of 1.9% for Australia. With interest rates stable, the construction sector stagnated overall in 2025. This was partly due to the unpredictable weather conditions on the east coast of Australia, which delayed numerous construction projects.

In 2025, Heidelberg Materials acquired Midway Concrete's ready-mixed concrete business in the Melbourne and Geelong metropolitan areas in Australia. Further information on acquisitions can be found in [Note 5.1](#).

Cement business line

In 2025, cement and clinker volumes in the Asia-Pacific Group area remained at the previous year's level. The fly ash company ACE Group in Malaysia, acquired in 2024, made an important contribution to the development of volumes.

In Indonesia, cement demand weakened slightly in 2025 due to lower government spending on infrastructure projects. As no major new public projects were launched and delays in the construction of the new capital continued, demand for bulk cement declined. Demand for bagged cement remained largely stable despite subdued residential construction activity due to reduced household purchasing power. As a result, cement and clinker volumes of our sub-

sidary Indocement decreased slightly in comparison with the previous year. Overall, sustained price pressure in a market with excess capacities and the weakening of the Indonesian rupiah had a significant impact on business development. This was counteracted by efficiency improvements, increased use of alternative fuels, cost discipline, and logistics optimisation. The commissioning of additional plants for alternative fuels, investments in solar energy, and the acquisition of terminals in South Sulawesi and on Lombok are expected to further strengthen operational resilience in this challenging market environment.

India's construction industry continued to grow robustly in 2025. This development was supported by sustained government investment, rapid urbanisation, and extensive infrastructure initiatives. Despite additional cement capacities being brought into operation by competitors in central and southern India, we were able to moderately increase our deliveries compared with the previous year. This reflects continued strong market demand. Prices came under pressure due to intensified competition. However, operational efficiency programmes aimed at reducing costs had a positive effect. Actions taken to eliminate operational bottlenecks, the ongoing installation of a waste heat recovery system at our integrated plant in Sitapuram, and increased volumes of composite cements in southern India are further strengthening our operational performance and supporting our CO₂ roadmap.

In Thailand, cement demand increased slightly at the start of 2025. Government infrastructure projects had a positive effect, boosted by the earlier and faster release of funds from the state budget. However, this momentum weakened in the second half of the year due to rising political uncertainty. In addition, persistently weak private residential construction,

the temporary closure of the Thailand-Cambodia border, and weather-related factors had a negative impact. Thanks to successful price increases and disciplined cost control as part of the Transformation Accelerator Initiative, margins improved compared with the previous year. The commissioning of a new kiln bypass system, the expansion of our solar park, and the restructuring of our operations in Cha-am are contributing towards reducing emissions, lowering production costs, and strengthening future competitiveness.

In Bangladesh, construction activity recovered somewhat in 2025, boosted by private residential construction and small commercial projects, while large public infrastructure projects continued to be delayed. Our cement deliveries increased slightly compared with the previous year, although the market remained subject to strong competitive and cost pressures.

Delays in major infrastructure projects had a negative impact on volumes in Brunei. As a result, the cement volumes of our grinding plant there declined significantly.

Revenue of the cement business line decreased by 6.5% to €1,713 million (previous year: 1,833). Excluding scope and currency effects, the decline amounted to 0.5%.

Aggregates business line

In 2025, our aggregates deliveries increased slightly overall.

In Australia, we recorded a slight increase in volumes. Excluding currency effects, sales prices were at the previous year’s level, highlighting the strong competitive environment in the industry. In Malaysia, our deliveries of aggregates remained stable, although development in 2025 was constrained by regulatory challenges. Aggregates volumes in Indonesia declined noticeably.

Revenue of the aggregates business line fell by 2.0% to €650 million (previous year: 664). Excluding scope and currency effects, revenue increased by 3.9%.

Ready-mixed concrete-asphalt business line

Volumes of ready-mixed concrete fell slightly compared with the previous year. Declining demand and purchasing power, as well as delays in public projects, led to a sharp decrease in volumes in Indonesia and a significant decrease in Thailand. In Malaysia, volumes of ready-mixed concrete declined noticeably due to intensified competition, project delays, and regulatory challenges. Our volumes in Australia increased noticeably following the acquisition of Midway Concrete in mid-2025 and the concrete division of the Elvin Group, a concrete manufacturer in the Canberra region, in December 2024.

Asphalt volumes grew noticeably overall compared with the previous year. Demand for asphalt rose sharply in Australia, while our deliveries in Malaysia declined slightly.

Revenue of the ready-mixed concrete-asphalt business line decreased by 2.5% to €1,342 million (previous year: 1,377). Excluding scope and currency effects, the decline amounted to 1.8%.

Service-joint ventures-other business line

In addition to a few non-core activities in Indonesia, Malaysia, and Thailand, the service-joint ventures-other business line comprises the cement, aggregates, and ready-mixed concrete activities of our joint ventures in Australia, China, and Hong Kong.

Volumes of our joint ventures in China fell significantly due to the persistent downturn in the real estate sector and lower infrastructure investments. Our joint venture Cement Australia recorded a slight increase in volumes.

The business line’s revenue grew by 16.7% to €23 million (previous year: 19). Excluding exchange rate and consolidation effects, revenue fell by 31.0%. Revenue of our joint ventures is not included here, as these are accounted for at equity. The result from equity accounted investments (REI) is recognised in profit or loss in the result from current operations before depreciation and amortisation. More information can be found in the [income statement](#) and in [Note 7.6](#).

Revenue and results

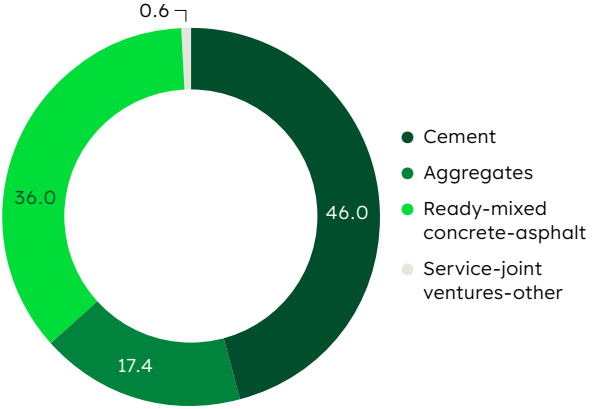
Revenue of the Asia-Pacific Group area decreased by 4.6% to €3,392 million (previous year: 3,555). Excluding scope and currency effects, the decline amounted to 0.6%.

The result from current operations before depreciation and amortisation (RCOBD) dropped by 4.0% compared with the previous year to €623 million (previous year: 648). The result from current operations (RCO) fell by 4.1% to €388 million (previous year: 405). Excluding scope and currency effects, the RCOBD increased by 0.5% and the RCO by 0.4%.

Overview Asia-Pacific

€m	2024	2025	Change
Revenue	3,555	3,392	-4.6%
Result from current operations before depreciation and amortisation	648	623	-4.0%
Result from current operations	405	388	-4.1%

Revenue Asia-Pacific 2025 in %



Heidelberg Materials operates in 14 countries in the Africa-Mediterranean-Western Asia Group area. We mainly manufacture cement in the Group countries south of the Sahara and in Western Asia. In South Africa, we have a stake in a grinding plant through a joint venture. In North Africa, we are active in the cement and ready-mixed concrete business in Morocco and Egypt, as well as in the aggregates business in Morocco. In the Eastern Mediterranean Basin, we have a presence in Israel and Turkey. In Israel, we mainly produce aggregates and ready-mixed concrete, and operate a cement import terminal as a separate line of business. Our joint venture Akçansa in Turkey is one of the country's largest cement manufacturers and also runs ready-mixed concrete and aggregates operations. In December 2025, the subsidiary in the Democratic Republic of the Congo was sold.

A key indicator is the rising per capita consumption of cement, which is still significantly lower in the sub-

The market environment in 2025 was characterised by varying local economic developments, difficult global trade conditions, a young and rapidly growing population, and increasing internal migration to cities and urban areas. Ghana's economy, for example, recovered slightly due to the rising price of gold, putting an end to hyperinflation and the associated regulations.

Economic growth in Turkey has increased moderately and is expected to have reached 4.1% in 2025 according to the IMF forecast published in January 2026. This growth is offset by hyperinflation and a weak local currency.

For Kazakhstan, the same IMF forecast anticipates that economic growth increased by 5.9% in 2025.

Following the completion of the acquisitions of As-sment de Tèmara and Grabemaro in Morocco in June 2025, Ciments du Maroc expanded its operations in northern Morocco to include a cement plant, two aggregates pits, and eight ready-mixed concrete plants. Further information on acquisitions can be found in **Note 5.1**.

Cement business line

The cement and clinker volumes of the Africa-Mediterranean-Western Asia Group area increased slightly in the reporting year.

In sub-Saharan Africa, cement and clinker deliveries recorded a slight increase in 2025, which was due both to the recovery of individual countries in East Africa and to generally positive market development in West Africa.

In Western Asia, the slight fall in cement and clinker deliveries compared with the previous year was attributable to a difficult market environment.

Revenue of the cement business line rose by 13.4% to €2,256 million (previous year: 1,990). Excluding scope and currency effects, revenue increased by 11.5%.

Deliveries of aggregates within the Group area rose sharply in the reporting year. This development is mainly due to the inclusion of Asment de Témara in Morocco since July 2025 and the first full-year consolidation of our subsidiary in the Gush Dan metropolitan area, Israel.

Revenue in the aggregates business line rose by 32.6% to €110 million (previous year: 83). Excluding scope and currency effects, revenue increased slightly by 0.9%.

In 2025, deliveries of ready-mixed concrete and volumes in the asphalt operating line recorded significant and strong growth respectively. This is also largely due to the inclusion of Asment de Témara in Morocco since July 2025 and the first full-year consolidation of our subsidiary in the Gush Dan metropolitan area, Israel. In the ready-mixed concrete business, we also recorded positive market development in numerous Group countries.

Total revenue of the ready-mixed concrete-asphalt business line rose by 18.6% to €421 million (previous year: 355). Excluding scope and currency effects, revenue increased by 11.2%.

Service-joint ventures-other business line

In addition to a few non-core activities, the service-joint ventures-other business line mainly comprises our Turkish joint venture Akçansa. Akçansa's cement and clinker volumes increased noticeably in comparison with the previous year.

The business line's revenue grew by 12.8% to €43 million (previous year: 38). Excluding scope and currency effects, the increase amounted to 29.4%. Revenue of our joint venture Akçansa is not included here, as this is accounted for at equity. The result from equity accounted investments (REI) is recognised in profit or loss in the result from current operations before depreciation and amortisation. More information can be found in the **income statement** and in **Note 7.6**.

Revenue and results

Revenue of the Africa-Mediterranean-Western Asia Group area increased by 14.3% to €2,622 million (previous year: 2,295) due to positive price development. Excluding scope and currency effects, revenue was up 10.6% on the previous year's level.

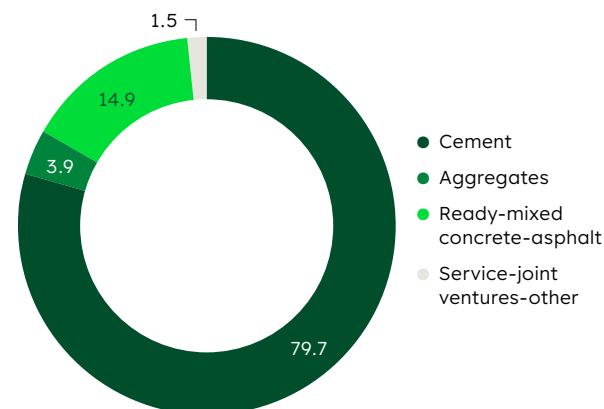
The positive price development and the increase in volumes in combination with the positive effect from the acquisition of Asment de Témara in Morocco led to a rise in the result from current operations before depreciation and amortisation (RCOBD) of 26.2% to €727 million (previous year: 576). At €610 million (previous year: 450), the result from current operations (RCO) was 35.6% above the previous year's level. Excluding scope and currency effects, the RCOBD and RCO increased respectively by 21.1% and 29.7%.

Overview Africa-Mediterranean-Western Asia

€m	2024	2025	Change
Revenue	2,295	2,622	14.3%
Result from current operations before depreciation and amortisation	576	727	26.2%
Result from current operations	450	610	35.6%

Revenue Africa-Mediterranean-Western Asia 2025

in %



Group Services

The Group Services business unit unit mainly comprises the activities of Heidelberg Materials Trading, in terms of trade volume one of the world's largest trading companies primarily for cement, clinker, and supplementary cementitious materials, but also for fossil and alternative fuels as well as other building materials and additives via sea routes, both across the Group and for third-party customers. Volumes and revenue are roughly equally split between Group and third-party customers. Heidelberg Materials Trading enhances the global utilisation of our production by balancing supply and demand for cement and clinker across countries. Heidelberg Materials Trading operates an international network of offices and supports its customers locally. The company manages deliveries to customers in Europe and Africa from its headquarters in Heidelberg, Germany. It supports customers in North, Central, and South America from its location in Miami. In Asia, in addition to the main location in Singapore, Heidelberg Materials Trading is also represented in Dubai. Shipping logistics are provided from Istanbul and Dubai.

The trade volume of Heidelberg Materials Trading increased significantly in 2025, primarily due to higher volumes of clinker, supplementary cementitious materials (slag, gypsum, limestone, fly ash, etc.), as well as fuels. In the reporting year, Heidelberg Materials Trading supplied customers in around 80 importing countries with around 1,250 shipments from over 35 exporting countries. The majority of the deliveries went to Africa, Asia, and Europe. The main export countries include Egypt, Turkey, the USA, and Indonesia.

Revenue and results

Revenue of the Group Services business unit rose by 4.2% to €1,350 million (previous year: 1,296) due to volume factors. The lower increase in revenue compared with the development of trade volume results from a strategic shift towards supplementary cementitious materials, which are offered at lower prices than clinker, cement, or fuels.

In 2025, Heidelberg Materials Trading generated revenue with third-party customers of €144 million from transporting and trading coal and €61 million from petroleum coke. This corresponds to 0.7% and 0.3% of Group revenue, respectively.⁵⁾

The result from current operations before depreciation and amortisation increased by 6.6% to €40 million (previous year: 38). The result from current operations rose by 6.4% to €40 million (previous year: 37).

Overview Group Services

€m	2024	2025	Change
Revenue	1,296	1,350	4.2%
Result from current operations before depreciation and amortisation	38	40	6.6%
Result from current operations	37	40	6.4%

5) The disclosures comply with the disclosure requirements on revenue associated with fossil fuels in the Value chain section of the ESRS 2 – General disclosures chapter.

Statement of cash flows

Consolidated statement of cash flows (short form)

€m	2024	2025	Difference
Cash flow	3,567	3,630	62
Changes in working capital	-110	-89	21
Decrease in provisions through cash payments	-201	-256	-55
Cash flow from operating activities – continuing operations	3,256	3,284	28
Cash flow from operating activities – discontinued operations	-24	-29	-5
Cash flow from operating activities	3,232	3,255	23
Investments (cash outflow)	-2,143	-2,485	-342
Divestments (cash inflow)	330	274	-56
Cash flow from investing activities	-1,813	-2,211	-398
Capital increase of non-controlling interests	32	18	-14
Dividends	-661	-711	-50
Acquisition of treasury shares	-350	-400	-50
Changes in ownership interests in subsidiaries	-33	-20	13
Net change in bonds, loans and lease liabilities	-439	-439	-0
Cash flow from financing activities	-1,450	-1,552	-101
Effect of exchange rate changes	-14	-86	-71
Change in cash and cash equivalents	-46	-593	-548

At €3,255 million (previous year: 3,232), cash inflow from operating activities was slightly above the previous year’s level. In the 2025 financial year, cash flow increased by €62 million to €3,630 million (previous year: 3,567). Thanks to continued rigorous working capital management, the changes in working capital of –€89 million (previous year: –110) were €21 million below the previous year’s figure, while payments from the utilisation of provisions rose by €55 million to €256 million (previous year: 201). The reduction in factoring programmes in the reporting year increased working capital by €66 million. The previous year saw a reduction in working capital of €11 million due to an increase in these programmes.

Net cash used in investing activities rose by €398 million to €2,211 million in the reporting year (previous year: 1,813). This was mainly due to the increase in cash-relevant investments, which rose by €342 million to €2,485 million (previous year: 2,143), primarily due to acquisitions and investments in financial fixed assets. Payments for the acquisition of property, plant and equipment and intangible assets less government grants received increased slightly by €41 million compared with the previous year to €1,341 million (previous year: 1,300). Payments for the acquisition of subsidiaries and other business units less cash and cash equivalents acquired rose by €191 million to €965 million (previous year: 774). Payments mainly related to the acquisition of Giant Cement Holding Inc., USA, the acquisition of the outstanding shares

in Asment de Témara, Morocco, the purchase of the ready-mixed concrete business of Midway Concrete, Australia, and the acquisition of significant assets from Walan Specialty Construction Products LLC, USA. In the previous year, the payments stemmed mainly from the acquisition of Highway Materials Inc., Carver Sand & Gravel LLC, as well as significant assets of Victory Rock USA LLC in the USA, the Mick George Group and B&A Group in the United Kingdom, the ACE Group in Malaysia, and the ready-mixed concrete operating line of the Elvin Group in Australia.

Investments in financial assets, associates, and joint ventures amounting to €178 million (previous year: 68) mainly related to the acquisition of associates in the amount of €54 million, short-term financial fixed assets (time deposits) of €53 million, and the granting of loans totalling €46 million. Payments in the previous year primarily related to €32 million in capital contributions to associates and other financial investments, and €30 million in loans granted. Investments for the maintenance and optimisation of our capacities amounted to €1,109 million (previous year: 955), and €1,376 million (previous year: 1,187) related to capacity expansions.

Regarding the cash-relevant divestments of €274 million (previous year: 330), proceeds of €98 million (previous year: 128) related to the disposal of financial assets, joint ventures, and associates. As in the previous year, proceeds mainly resulted from the repayment of loans amounting to €93 million (previous year: 110). Proceeds from the disposal of subsidiaries and other business units less the cash and cash equivalents disposed of amounted to €30 million in the reporting year (previous year: 51) and primarily related to the sale of the mortar business in Indonesia. Proceeds in the previous year mainly resulted

from the sale of the French cement transport business and the divestment of ready-mixed concrete sites and aggregates quarries to comply with competition law requirements in connection with the acquisition of the Mick George Group. Proceeds from the sale of intangible assets and property, plant and equipment in the reporting year amounted to €146 million (previous year: 151).

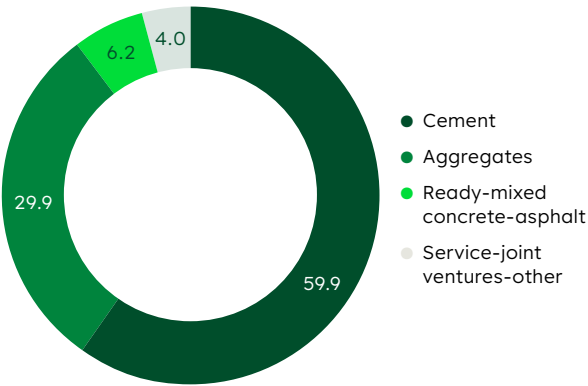
Financing activities generated a cash outflow of €1,552 million in the reporting year (previous year: 1,450). The continuation of the progressive dividend policy at Heidelberg Materials AG resulted in a dividend payment of €589 million (previous year: 546). Dividend payments to non-controlling interests increased by €8 million to €122 million (previous year: 114). In the financial year, the second tranche of the Heidelberg Materials AG 2024–2026 share buyback programme resulted in payments for the acquisition of treasury shares totalling €400 million. In the previous year, treasury shares were repurchased for a total of €350 million under the first tranche. The cash outflow in the financial year arising from the net proceeds from and repayment of bonds and loans of €439 million mainly included the repayment of a bond amounting to €1.0 billion, the issue of a bond with a total volume of €750 million, the repayment of lease liabilities amounting to €271 million, and the taking out of a bank loan in Morocco to provide financing for the Asment acquisition amounting to €225 million. In the previous year, the cash outflow of €439 million was mainly due to the repayment of two bonds with a total volume of €1.4 billion, the issue of two bonds with a total volume of €1.2 billion, and the repayment of lease liabilities amounting to €255 million.

In the 2025 financial year, Heidelberg Materials was able to meet its payment obligations at all times.

Investments

Investments			
€m	2024	2025	Change
Europe	715	726	1.6%
North America	281	260	-7.6%
Asia-Pacific	185	186	0.0%
Africa-Mediterranean-Western Asia	104	161	55.1%
Group Services	16	9	-44.9%
Financial assets and other business units	843	1,144	35.7%
Total	2,143	2,485	16.0%

Investments in property, plant and equipment¹⁾ by business lines 2025 in %



1) Incl. intangible assets

In the 2025 financial year, Heidelberg Materials increased its investments by €342 million to €2,485 million (previous year: 2,143). The following investments and divestments were made as part of the ongoing portfolio optimisation.

Payments for the acquisition of property, plant and equipment and intangible assets less government grants received increased by €41 million compared with the previous year to €1,341 million (previous year: 1,300).

Investments in property, plant and equipment primarily served to improve our production facilities and reduce CO₂ emissions. These investments include the construction of our carbon capture and storage (CCS) facility at the Padeswood plant in the United Kingdom, the expansion of the Tau quarry in Norway, and the modernisation of the kiln line at our cement plant in Airvault, France.

Net investments in property, plant and equipment (investments in and divestments of property, plant and equipment after deduction of grants) amounted to €1,145 million (previous year: 1,063) in the 2025 financial year. In the reporting year, government grants paid amounted to €74 million (previous year: 110). Of this amount, €39 million was attributable to the CCS project in Brevik, Norway, and €17 million to the CCUS project in Edmonton, Canada. As at the reporting date, there were contractual investment obligations for the acquisition of property, plant and equipment amounting to €571 million (previous year: 343), of which the largest share, namely €356 million, is attributable to Europe.

Investments in subsidiaries and other business units as well as investments in financial assets, associates, and joint ventures, increased by €301 million to €1,144 million (previous year: 843). We have mainly continued to expand our presence in key core markets. In the USA, payments were mainly attributable to the acquisition of Giant Cement Holding Inc. In Morocco, Heidelberg Materials has completed the acquisition of the outstanding shares in Asment de

Témara. The Group's presence in the Australian market was further expanded through the acquisition of Midway Concrete's ready-mixed concrete business. Additional information on acquisitions can be found in [Note 5.1](#).

Regarding the divestments of €274 million (previous year: 330), proceeds of €146 million (previous year: 151) related to the sale of intangible assets and prop-

erty, plant and equipment. And proceeds in the reporting year resulted mainly from the repayment of loans amounting to €93 million (previous year: 110) and from the sale of the mortar business in Indonesia. Proceeds in the previous year mainly resulted from the repayment of loans, the sale of the French cement transport business, and divestments to comply with competition law requirements with the acquisition of the Mick George Group.

Consolidated balance sheet

Consolidated balance sheet (short form)

€m	31 Dec. 2024	31 Dec. 2025	Difference
Assets			
Intangible assets	9,420	9,320	-101
Property, plant, and equipment	14,801	14,625	-176
Financial assets	2,719	2,530	-189
Other non-current assets	1,161	1,062	-99
Inventories	2,857	2,770	-87
Trade receivables	2,109	2,262	153
Other current assets	4,235	3,570	-665
Balance sheet total	37,302	36,139	-1,163
Equity and liabilities			
Equity	19,975	19,301	-674
Financial liabilities	8,558	8,387	-171
Pension provisions	694	624	-70
Other provisions	1,793	1,671	-122
Trade payables	3,289	3,311	23
Other liabilities	2,993	2,845	-148
Balance sheet total	37,302	36,139	-1,163

As at 31 December 2025, the balance sheet total decreased by €1,163 million to €36,139 million (previous year: 37,302) in comparison with 31 December 2024. The following notes explain the significant changes in the balance sheet items.

Non-current assets fell by €564 million to €27,536 million (previous year: 28,100). Intangible assets decreased by €101 million to €9,320 million (previous year: 9,420). Excluding negative currency effects of €708 million, the increase amounted to €607 million,

which is primarily attributable to the addition of the provisional goodwill arising from the acquisitions of Giant Cement Holding Inc., USA, and Asment de Témara, Morocco, as well as other intangible assets acquired through business combinations. Property, plant and equipment fell by €176 million to €14,625 million (previous year: 14,801). Adjusted for negative currency effects of €899 million, there was an increase of €723 million. Additions from business combinations of €425 million and other additions to property, plant and equipment of €1,657 million were offset by depreciation and amortisation, impairments, and reversals of impairment losses of €1,265 million, as well as disposals of €78 million.

Current assets decreased by €446 million to €8,603 million (previous year: 9,049). This decrease is primarily attributable to a decrease in cash and cash equivalents of €593 million. For details, see the **statement of cash flows**. The assets of our subsidiary La Cimenterie de Lukala, DR Congo, which were classified as held for sale in the previous year and amounted to €153 million, were sold during the 2025 financial year.

On the equity and liabilities side, equity decreased by €674 million to €19,301 million (previous year: 19,975). The profit for the financial year amounted to €2,130 million. The currency translation reserve decreased by €1,645 million, mainly as a result of the strong depreciation of the US dollar against the euro. The second tranche of the 2024–2026 share buyback programme was completed in the financial year with the acquisition of 2,065,695 shares for a total of €400 million. In addition, dividends of €589 million and €123 million respectively were distributed to

shareholders of Heidelberg Materials AG and to non-controlling interests.

Other provisions fell by €122 million to €1,671 million (previous year: 1,793), mainly as a result of negative currency effects.

Financial liabilities decreased by €171 million to €8,387 million (previous year: 8,558). Net debt increased by €422 million to €5,715 million (previous year: 5,293). The leverage ratio – the ratio of net debt to result from current operations before depreciation and amortisation (RCOBD) – was 1.22x as at 31 December 2025 (previous year: 1.18x).

Key financial ratios

	2024	2025
Assets and capital structure		
Equity ratio ¹⁾	53.5%	53.4%
Net financial debt ratio ²⁾	14.2%	15.8%
Leverage ratio ³⁾	1.18	1.22
Gearing ⁴⁾	26.5%	29.6%
Cash efficiency		
Cash conversion rate ⁵⁾	48,2%	45,1%
Profitability ¹⁾		
Return on total assets ⁶⁾	5.8%	6.8%
Return on equity ⁷⁾	9.4%	11.3%
Return on revenue ⁸⁾	8.9%	10.1%

1) Equity/balance sheet total

2) Net debt/balance sheet total

3) Net debt/BCOBD

4) Net debt/equity

5) Free cash flow/RCOBD

6) (Net income from continuing operations + interest expenses)/
balance sheet total

7) Net income from continuing operations/equity

8) Net income from continuing operations/revenue

Capital efficiency

Return on Invested Capital (ROIC)

€m	2024	2023
Result from current operations	3,204	3,381
Adjusted current tax expense on result from current operations	-830	-794
Net operating profit after taxes	2,374	2,587
Equity (incl. non-controlling interests)	19,975	19,301
Net debt	5,293	5,715
Loans and financial investments	-206	-230
Current interest-bearing receivables	-119	-185
Invested capital	24,944	24,601
Average invested capital	24,088	24,772
Return on Invested Capital (ROIC)	9.9%	10.4%

In the 2025 financial year, ROIC (return on invested capital) was 10.4% (previous year: 9.9). The rise in earnings, the reduced current tax expense, and currency effects, particularly the devaluation of the US dollar in the second half of the year, had a positive impact on ROIC during the financial year.

The adjusted current tax expense is calculated by applying an adjusted tax rate to the result from current operations. The adjusted tax rate is derived from the ratio of the current tax expense for the current financial year (excluding deferred taxes) to profit before tax adjusted for impairments in accordance with IAS 36.

The invested capital is calculated as the average of the opening balance sheet (identical to the closing balance sheet of the previous year) and the closing balance sheet of the reporting year.

Group financial management

Financial principles and targets

The aim of financial management at Heidelberg Materials is to ensure the Group's liquidity at all times. Our external financing is primarily guaranteed by capital markets and a group of major international banks.

In line with the Group strategy, the focus on sustainability also plays an important role in our financing measures. The Green Finance Framework introduced in May 2024 enables Heidelberg Materials to use green bonds to finance sustainability-related projects. These projects meet the selection criteria defined in this framework in relation to climate change mitigation and the transition to a circular economy, or will meet them in the future. This programme complements the Sustainability-Linked Financing Framework published in 2022, which defines key performance indicators (KPI) and related targets that can be used for the issue of various sustainability-linked financing instruments.

Within the Group, the principle of internal financing applies. Financing requirements of subsidiaries are – where possible – covered by internal loan relationships. The Group companies use either liquidity surpluses from other subsidiaries in cash pools or are provided with intra-Group loans from our finance company Heidelberg Materials Finance Luxembourg S.A. (HM Finance Luxembourg S.A.) based in Luxembourg or Heidelberg Materials AG.



In some cases, the Group Treasury, Insurance & Corporate Risk department also supports subsidiaries in obtaining credit lines with local banks in order to accommodate legal, tax, or other conditions. Local financing exists only to a limited extent.

The following table shows the Group’s financial liabilities.

Financial liabilities		
€m	31 Dec. 2024	31 Dec. 2025
Bonds payables	6,677.6	6,430.6
Bank loans	374.7	488.5
Lease liabilities	1,143.6	1,192.8
Non-controlling interests with put options	87.7	56.3
Derivative financial instruments	151.6	103.1
Miscellaneous other financial liabilities	122.5	115.4
Total	8,557.7	8,386.6

Financing measures

With available liquidity, we repaid a bond with a nominal value of €1 billion and a coupon of 1.50% as scheduled on 7 February 2025. Under our EMTN programme, we issued a bond on 21 May 2025 with a nominal value of €750 million, a coupon of 3.00%, and a term ending on 10 July 2030.

Over the course of 2025, we were able to issue a total volume of €1,619 million via one of our sustainability-linked financing instruments – the €2 billion Multi-Currency Sustainability Target Commercial Paper Programme. Issuance activity under this programme was gradually reduced in order to limit excess liquid-

ity. As at 31 December 2025, none of the commercial papers issued by Heidelberg Materials AG remained outstanding.

There is a sustainability-linked syndicated credit facility of €2 billion with a term ending on 11 May 2029. The sustainable key performance indicators are the specific net Scope 1 CO₂ emissions per tonne of cementitious material, the alternative fuel rate, and the lost time injury frequency rate (LTIFR)⁶⁾. The extent to which these KPIs are achieved has an impact on the credit margin. The credit facility essentially serves as liquidity back-up and can be used for cash draw-downs in an amount of €1,698 million as well as for letters of credit and guarantees in an amount of €302 million. As at 31 December 2025, only €189 million had been drawn down for guarantees.

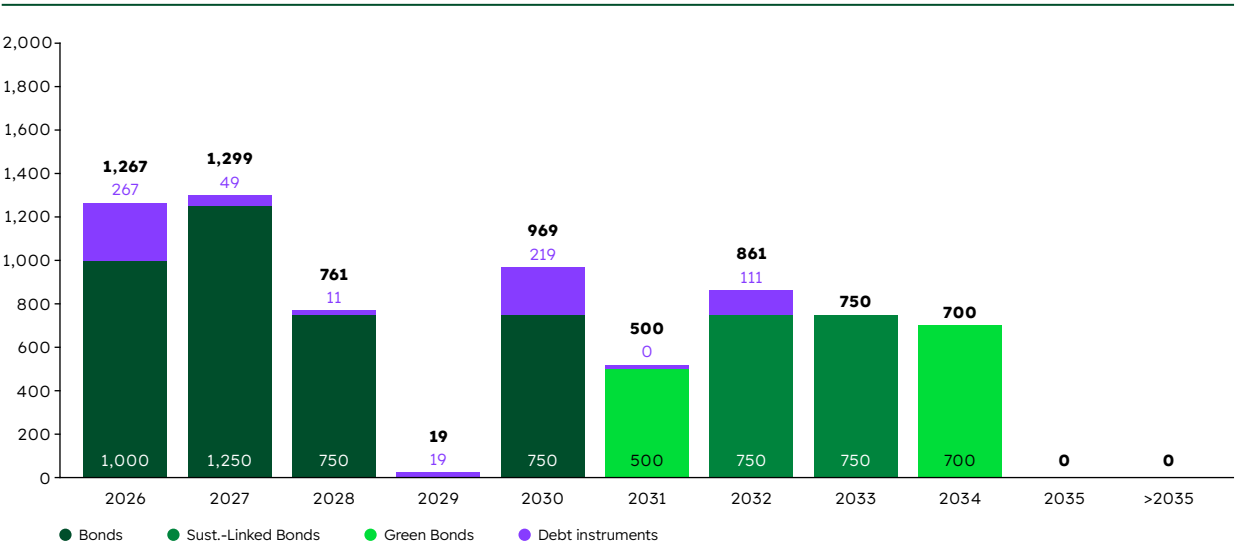
Overall, it is ensured that, as at the reporting date, all Group companies have sufficient headroom for cash drawdowns as well as for letters of credit and guarantees to enable them to finance operational business and investments.

Liquidity instruments	
€m	31 Dec. 2025
Cash and cash equivalents	2,627.5
Liquidable financial investments and derivative financial instruments	43.7
Free credit line	1,918.2
Free liquidity	4,589.4

Heidelberg Materials has a long-term financing structure and a well-balanced debt maturity profile.

6) Number of accidents (with at least one lost working day) suffered by Group employees per 1,000,000 working hours

Debt maturity profile as at 31 December 2025¹⁾ in €m



1) Excluding reconciliation adjustments of liabilities of –€91.4 million (accrued transaction costs, issue prices, and fair value adjustments) as well as derivative liabilities of €103.1 million. Excluding also puttable minorities with a total amount of €56.3 million; excluding financial lease liabilities.

Rating

In the 2025 financial year, the company’s credit rating by the rating agencies Moody’s Investors Service and S&P Global Ratings was unchanged at Baa2 and BBB, respectively. The outlook for our credit rating was changed from stable to positive by both agencies.

Ratings as at 31 December 2025			
Rating agency	Long-term rating	Outlook	Short-term rating
Moody’s Investors Service	Baa2	Positive	P-2
S&P Global Ratings	BBB	Positive	A-2

Comparison of outlook and actual figures

The RCO developed in line with the outlook for 2025 and amounted to €3,381 million. As forecast, ROIC

reached a value of 10.4%. In line with the 2024 outlook, we succeeded in slightly reducing our specific net Scope 1 CO₂ emissions by 2.8%.

Comparison of the key performance indicators 2025 with the outlook for 2025

	2024	Outlook for 2025 (adjustment during the year)	2025
RCO	€3,204 million	€3.25 billion to €3.55 billion (9M: €3.30 billion to €3.50 billion)	€3,381 million (+5.5%)
ROIC	9.9%	Around 10%	10.4%
Specific net Scope 1 CO ₂ emissions	527 kg CO ₂ / t cementitious material	Slight reduction	512 kg CO ₂ / t cementitious material (-2.8%)

Events occurring after the close of the 2025 financial year

On 8 January 2026, Heidelberg Materials issued its third green bond (ISIN XS3270897575) as part of its Green Finance Framework. The issue volume amounts to €600 million with a term until 2036. The 10.5-year Eurobond has a fixed interest rate of 3.75% per annum. The proceeds from the green bonds will be used to support a wide range of projects, ranging from the modernisation of plants – including to increase the use of alternative fuels – to the further development of carbon capture technologies.

On 16 January 2026, the Managing Board resolved to cancel all 2,065,695 treasury shares purchased under the second tranche of the 2024–2026 share buyback programme in the period from 5 June to 1 December 2025, representing all shares held by the company at the time, with a reduction of €6,197,085 in the subscribed share capital to €529,095,195. This corresponds to approximately 1.16% of the company’s subscribed share capital before cancellation and capital reduction. The Supervisory Board approved

the cancellation on 29 January 2026. Following the cancellation of the shares and the capital reduction, the subscribed share capital of Heidelberg Materials AG amounts to €529,095,195 and is divided into 176,365,065 no-par value shares, each representing a notional amount of €3.00 of the subscribed share capital.

On 5 February 2026, Heidelberg Materials announced that it had signed an agreement to acquire the building materials business line of the Maas Group, a listed diversified group of companies in Australia. The transaction comprises 40 quarries with a total of more than 350 million tonnes of reserves, 22 ready-mixed concrete plants, two asphalt plants, and one recycling plant, located in New South Wales, Queensland, and Victoria. The preliminary purchase price amounts to around €1.0 billion, including a contingent consideration of around €70 million, and is subject to the usual post-closing purchase price adjustments. The transaction is subject to approval by the regulatory authorities, among them the Australian Competition and Consumer Commission and the Foreign Investment Review Board, as well as to other

conditions, including the approval of Maas Group shareholders. Subject to approval and the fulfilment of the conditions, the transaction is expected to be completed in the second half of 2026.

On 6 March 2026, Heidelberg Materials announced that it would permanently shut down its cement plant in Paderborn. The decision was made against the backdrop of a persistently weak market environment in Germany and ongoing optimisations in the European production network. The measure will lead to restructuring expenses and impairments. The expected financial impact is limited overall and is expected to amount to a mid-double-digit million euro amount.

Statements on Heidelberg Materials AG

In addition to the Group management reporting, the parent company’s development is described below. The annual financial statements of Heidelberg Materials AG are prepared in accordance with German commercial law. Heidelberg Materials AG’s management report is combined with that of the Group pursuant to section 315(5) of the German Commercial Code (Handelsgesetzbuch, HGB), as the business trend, economic position, as well as the future opportunities and risks of the parent company are closely linked with those of the Group on account of their common activity in the building materials business.

As the parent company, Heidelberg Materials AG plays the leading role in the Group. It is also operationally active in Germany in the cement business line with eleven cement and grinding plants. The results of Heidelberg Materials AG are significantly influenced by its directly and indirectly held subsidiaries and participations. Regarding financing, Heidelberg Materials AG plays a key role within the Group. In

principle, the outlook for the Group also applies to Heidelberg Materials AG. Deviations are described below.

Earnings position

Revenue in the cement business line fell by €8 million to €717 million (previous year: 725) on account of weakening demand. Revenue from intra-Group services rose by €22 million to €321 million (previous year: 299) as a result of extensive tasks in the context of the leading role within the Group and the associated ongoing centralisation of Group functions as well as the expansion of the range of services offered. Overall, total revenue of Heidelberg Materials AG increased by €14 million to €1,038 million (previous year: 1,024).

The decline in revenue in the cement business line led to a reduction in material costs of €10 million compared with the 2024 financial year, bringing them down to €322 million (previous year: 332). Personnel costs rose by €8 million to €287 million (previous year: 279), mainly as a result of changes in pension provisions. Depreciation and amortisation increased by €18 million to €86 million (previous year: 68) due to extraordinary depreciation during the current year. Overall, operating result decreased by €22 million to €21 million (previous year: 43).

Income from profit transfer agreements of €1,004 million (previous year: 1,174) was exclusively attributable to Heidelberg Materials International Holding GmbH, whose profit in the reporting year was mainly influenced by dividends of its subsidiaries in the amount of €850 million. Income from investments rose to €120 million (previous year: 34) due to higher dividends from participations.

Other interest and similar income increased by €19 million to €269 million (previous year: 250). At the same time, interest and similar expenses fell by €118 million to €580 million (previous year: 697). The expansion of intra-Group financing led to higher interest income, while optimised intra-Group financing structures noticeably reduced interest expenses. As part of the Group-wide financing and liquidity management, currency positions arise that are hedged by means of external foreign exchange transactions, which are appropriate in terms of maturities and amounts. In accordance with the imparity principle, provisions for risks arising from hedging transactions were recognised at the end of the year to the extent of the negative market values of the currency swaps of €2 million (previous year: 5). In the reporting year, the currency result rose to €45 million (previous year: -17). Depreciations of financial assets totalling €371.4 million (previous year: 5.9) were mainly attributable to PT Indocement Tunggal Prakarsa Tbk., Indonesia.

The tax expense fell by €42 million to €38 million (previous year: 79). This was primarily due to the reassessment of the tax risk provisions from previous years. Profit for the 2025 financial year totalled €525 million (previous year: 787). Balance sheet profit amounted to €544 million (previous year: 607).

Balance sheet

The balance sheet total increased by €0.1 billion compared with the previous year to €28.5 billion (previous year: 28.4). Total fixed assets increased by €0.4 billion to €25.2 billion (previous year: 24.8). The decrease in current assets of €0.3 billion to €3.3 billion (previous year: 3.6) is primarily due to the decline in cash at bank and in hand of €0.7 billion to €1.0 billion (previous year: 1.7).

On the equity and liabilities side, equity fell by a total of €0.5 billion to €10.7 billion (previous year: 11.2) due to the dividend distribution of €0.6 billion and the share buyback programme of €0.4 billion, which was offset by a profit for the financial year of €0.5 billion. Provisions decreased by €0.1 billion to €0.8 billion (previous year: 0.9). Liabilities increased by €0.6 billion to €17.0 billion (previous year: 16.4). This increase was mainly due to additions of €1.5 billion, bringing liabilities to subsidiaries to €14.6 billion (previous year: 13.1). This was offset by the repayment of a bond in the amount of €1.0 billion.

Comparison of the business trend with the previous year's outlook

Heidelberg Materials AG uses operating result and revenue as supplementary performance indicators.

The slight decline in cement revenue, as expected, was offset by the projected rise in intra-Group services, leading to a slight increase in total revenue. While the lower material costs had a positive effect, it could not fully offset the higher depreciation. Contrary to our expectation of only a slight decline in operating result, this fell sharply in the 2025 financial year.

Anticipated earnings

For 2026, we anticipate a slight recovery in construction activity and cement volumes. This is expected to lead to a moderate increase in cement revenue compared to 2026. We also expect moderate growth in revenue from intra-Group services. Meanwhile, work related to the Transformation Accelerator Initiative will continue. Overall, a moderate increase in operating result is expected for 2026 compared with the previous year.

Statements pursuant to sections 289a and 315a of the German Commercial Code (HGB)

On 31 December 2025, the subscribed share capital of Heidelberg Materials AG amounted to €535,292,280. It is divided into 178,430,760 no-par value bearer shares, each with a pro rata amount of €3. Each share carries one vote at the Annual General Meeting. All shares carry the same rights and obligations; there are no different classes of shares. The Managing Board knows of no restrictions concerning voting rights or the transfer of shares.

Mr Ludwig Merckle, Ulm, Germany, holds via Spohn Cement Beteiligungen GmbH, Schönefeld, Germany, a company under his control, 28.40% of the voting rights of shares in the company, according to the notifications available to the company as at 31 December 2025 in accordance with the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG). No bearer of shares has been granted special rights giving power of control.

The company's Managing Board is appointed and discharged by the Supervisory Board. The Articles of Association may be amended by the Annual General Meeting with a simple majority of the share capital represented at the time of voting, except where a greater majority is required by law. Amendments affecting only the wording of the [Articles of Association](#) may be made by the Supervisory Board.

Authorised capital

Authorised capital exists at 31 December 2025, which authorises the Managing Board, with the consent of the Supervisory Board, to increase the company's subscribed share capital by a total amount of up to €98,300,000 by issuing new no-par value bearer shares in return for cash contributions and/or contributions in kind on one or more occasions in partial amounts until the end of 14 May 2030 (Authorised Capital 2025). The shareholders must be granted subscription rights. However, the Managing Board is authorised to exclude the subscription rights of shareholders in certain cases, such as in the case of an increase in return for cash contributions in order to realise residual amounts, to service option or conversion rights, or to issue shares totalling up to 10% of the share capital at a near-market price as well as in the case of a capital increase in return for contributions in kind for the purposes of acquiring companies, or in the context of implementing of a dividend in kind/dividend option. As at 31 December 2025, the Authorised Capital 2025 had not been used.

Conditional share capital

In addition, the conditional share capital described below existed as at 31 December 2025. The share capital was conditionally increased by a further amount of up to €115,800,000, divided into up to 38,600,000 new no-par value bearer shares (Conditional Share Capital 2023). The conditional capital increase serves to back the issuance of option or conversion rights, or option or conversion obligations on Heidelberg Materials AG shares. The conditional capital increase is only carried out insofar as the Managing Board issues warrant or convertible bonds until 10 May 2028 under the authorisation of the Annual General Meeting from 11 May 2023 and the bear-

ers of option or conversion rights make use of their rights. Warrant or convertible bonds may also be issued with option or conversion obligations.

The shareholders generally have a subscription right to newly issued warrant or convertible bonds. The authorisation governs specific cases in which the Managing Board may exclude the subscription right of shareholders to warrant or convertible bonds. As at 31 December 2025, the authorisation to issue warrant or convertible bonds forming the basis of the Conditional Share Capital 2023 had not been used.

The exclusions of subscription rights in the Authorised Capital 2025 and Conditional Share Capital 2023 are limited, among other things, by a deduction clause in such a way that their sum does not exceed the limit of 10% of the share capital that exists when the option of excluding subscription rights is granted.

Acquisition of treasury shares

Furthermore, the authorisation to acquire treasury shares described below existed as at 31 December 2025. The company is authorised to acquire treasury shares up to the end of 14 May 2030 once or several times, in whole or in partial amounts, up to a total of 10% of the share capital existing on 15 May 2025 or – if such amount is lower – at the time this authorisation is exercised for any permissible purpose within the scope of the legal restrictions. The authorisation may not be used for the purpose of trading in treasury shares. At no time may more than 10% of the respective share capital be attributable to the acquired treasury shares combined with other shares that the company has already acquired and still possesses. The shares may be acquired via the stock exchange or by way of a public purchase offer or by means of a public call for the submission of offers to

sell or by issuing rights to sell shares to the shareholders. The treasury shares acquired on the basis of the authorisation will be used by selling them via the stock exchange or in another suitable manner while ensuring the equal treatment of the shareholders, or for any other purposes permitted by law. The Managing Board is authorised to cancel the acquired treasury shares with the consent of the Supervisory Board without further resolution of the Annual General Meeting. The cancellation may also be effected without a capital decrease by adjusting the proportional amount of the remaining no-par value shares in the company's subscribed share capital. In both cases, the Managing Board is authorised to adjust the number of no-par value shares in the Articles of Association. Shareholders' subscription rights can be excluded in certain cases.

In the period from 5 June to 1 December 2025, the company made partial use of the authorisation in 2025 as part of a second tranche of the 2024–2026 share buyback programme and held 2,065,695 treasury shares as at 31 December 2025, corresponding to a share of 1.16% of the subscribed share capital. Prior to the start of the second tranche of the 2024–2026 share buyback programme, all treasury shares held by the company at that time had been cancelled with a reduction in the share capital on 24 February 2025. On 29 January 2026, the company cancelled all 2,065,695 treasury shares with a reduction of the subscribed share capital. Following the cancellation of the shares and the capital reduction, the subscribed share capital of Heidelberg Materials AG amounts to €529,095,195 and is divided into 176,365,065 no-par value shares, each representing a notional amount of €3.00 of the subscribed share capital. Details on the treasury shares acquired in the 2025 financial year are given in [Note 9.7](#).

Takeover-related disclosures

A list of the company’s significant agreements contingent on a change of control resulting from a takeover bid and a summary of the effects thereof are provided in the table, pursuant to sections 289a(1)(8) and 315a(1)(8) of the German Commercial Code (Handelsgesetzbuch, HGB). Please note that we are disregarding agreements whose potential consequences for the company fall below the thresholds of

€50 million in a singular instance or €100 million in the case of several similar agreements, as they will not regularly affect the decision of a potential bidder. These change of control clauses are standard for this industry and type of transaction and have not been agreed with the intention of hindering any takeover bids.

The bonds marked (2) in the type of clause column give each bearer of the debenture bond the right, in the event of a change of control as described below, to demand full or partial repayment from the company at the “Early Put Redemption Amount.” The Early Put Redemption Amount means 101% of the nominal amount plus accrued and unpaid interest up to (but not including) the repayment date defined in the bond terms.

Significant agreements with change of control clauses

Name of agreement/date	Type of contract	Nominal amount €m	Repayment	Type of clause
Syndicated credit and aval agreements and bilateral credit lines				
Syndicated credit facility and aval credit facility of 13 May 2022	Credit and aval credit facility	2.000 ¹⁾	to the extent outstanding by 11 May 2029	(1)
Loan agreement of 7 December 2023	Credit agreement	100 ²⁾	to the extent outstanding by 4 December 2030	(1)
Loan agreement of 1 March 2019	Credit agreement	86 ³⁾	to the extent outstanding by 31 March 2029	(3)
Aval credit facility of 14 November 2019	Aval credit facility	110 ⁴⁾	to the extent outstanding by 31 December 2027	(1)
Bonds issued by Heidelberg Materials AG				
3.375% bond 2024/2031 (Green Bond)	Debenture bond	500	to the extent still outstanding by 17 October 2031	(2)
3.75% bond 2023/2032 (Sustainability-Linked)	Debenture bond	750	to the extent still outstanding by 31 May 2032	(2)
3.95% bond 2024/2034 (Green Bond)	Debenture bond	700	to the extent still outstanding by 19 July 2034	(2)
Bonds issued by Heidelberg Materials Finance Luxembourg S.A., guaranteed by Heidelberg Materials AG				
1.625% bond 2017/2026	Debenture bond	1,000	to the extent still outstanding by 7 April 2026	(2)
1.5% bond 2017/2027	Debenture bond	500	to the extent still outstanding by 14 June 2027	(2)
1.125% bond 2019/2027	Debenture bond	750	to the extent still outstanding by 1 December 2027	(2)
1.75% bond 2018/2028	Debenture bond	750	to the extent still outstanding by 24 April 2028	(2)
3.0% bond 2025/2030	Debenture bond	750	to the extent still outstanding by 10 July 2030	(2)
4.875% bond 2023/2033 (Sustainability-Linked)	Debenture bond	750	to the extent still outstanding by 21 November 2033	(2)

1) Of this figure, €189.2 million was outstanding as at 31 December 2025.
2) Of this figure, €100 million was outstanding as at 31 December 2025.
3) Of this figure, €33.5 million was outstanding as at 31 December 2025.
4) Of this figure, €96.3 million was outstanding as at 31 December 2025.

The relevant change of control clauses gives the contractual partner or bearer of the bonds the right to immediately accelerate the agreement and demand repayment of outstanding loans or debenture bonds in the event of a change in the company’s shareholder structure as defined variously below.

The syndicated credit facility and aval credit facility agreement dated 13 May 2022 and the loan or aval credit facility agreements dated 14 November 2019 and 7 December 2023, each marked (1) in the type of clause column, as well as the loan agreement of 1 March 2019, marked (3) in the type of clause column, give each creditor the right, in the event of a change of control, to accelerate the loan amount it provided (plus any accrued interest) and to demand repayment accordingly.

A change of control in the sense of clause (1) is deemed to occur when a person or a group of people acting jointly in the sense of section 2(5) of the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz, WpÜG) has acquired more than 30% of the shares in the company. Clause (3) applies “in the case of a change in the direct or indirect capital or shareholder structure of Heidelberg Materials AG, which leads to a change of control (change of controlling influence).”

A change of control is deemed to occur when one of the following events takes place:

- The company becomes aware that a person or group of persons acting in concert in the sense of section 2(5) of the WpÜG has become the legal or beneficial owner of more than 30% of the company’s voting rights.
- The merger of the company with or into a third person, or the merger of a third person with or into the company, or the sale of all or substantially all assets (consolidated) of the company to a third person, except in connection with legal transactions, as a result of which (a) in the event of a merger, the holders of 100% of the company’s voting rights hold at least the majority of the voting rights in the surviving legal entity immediately after such a merger and (b) in the event of the sale of all or substantially all assets, the acquiring legal entity is or becomes a subsidiary of the company and becomes the guarantor for the debenture bonds.

Agreements also exist on pension schemes in the United Kingdom, which stipulate that a change of control (not contractually specified) at Heidelberg Materials AG must be communicated to the trustees of these pension schemes. If, according to the corresponding regulatory guidelines, a change of control poses a considerable risk to the fulfilment of the pension obligations (Type A Event), the trustees can demand negotiations on the adequacy of the safeguarding of the pension cover and have this reviewed by means of a clearance procedure before the supervisory authority, which may lead to the adjustment of the securities.

As at 31 December 2025, the service agreements of the members of the Managing Board of Heidelberg Materials AG are governed by suggestion G.14 of the German Corporate Governance Code in the version of 28 April 2022, according to which no commitments to benefits should be agreed in the event of early termination of the service agreement as a result of a change of control. The agreements of all members of the Managing Board therefore do not contain change of control clauses. There are no compensation agreements of the company with members of the Managing Board or with employees in the case of a takeover bid.

The other details required pursuant to section 289a and section 315a of the HGB relate to circumstances that do not exist at Heidelberg Materials AG.

Outlook

This outlook contains forward-looking statements based on the information presently available and the current assumptions and forecasts of the Group management. Such statements are naturally subject to risks and uncertainties and may therefore deviate significantly from the actual development.

Risks and opportunities that are not part of the outlook and may lead to significant negative or positive deviations from the forecasted developments are included in the [Risk and opportunity report chapter](#).

Assumptions underlying our outlook

Our business is subject to a multitude of external influencing factors that are beyond our control. In addition to weather conditions and economic and population growth, the most important external factors influencing the economic development of Heidelberg Materials are price trends on the energy and raw materials markets, exchange rates, and the regulatory environment and competition in the markets in which we operate. This outlook is based on the assumption that the global political environment will not change further as a result of geopolitical crises during the outlook period and that international tensions will not significantly impair Heidelberg Materials' business activities.

Particularly decisive factors affecting the development of the construction industry include weather conditions, local economic cycles, the development of energy and raw material prices, the volume of public investments, and financing costs for real estate. In the growth markets of the emerging countries, especially in Africa and Asia, the income avail-

able also plays a key role for private residential construction.

We have not taken account of any material changes to balance sheet items or any associated expense or income items in our outlook below that could result from, among other things, changes to macroeconomic parameters, such as discount rates, interest rates, inflation rates, exchange rates, changes to future salary developments, or climate policy.

Evaluation of the outlook by Group management

Against a persistently challenging economic and geopolitical environment, the International Monetary Fund (IMF) predicts global growth of 3.3% in 2026 in its January 2026 forecast, which means that it should remain at the growth level for 2025.

The overall economic development is also reflected in the expectations for the construction industry. Demand for our building materials in our core markets should recover in 2026. According to Euroconstruct, the European construction sector is likely to regain momentum in 2026. In the USA, industry associations such as the American Institute of Architects (AIA) expect construction activity to develop subdued overall in 2026. The Australian Construction Industry Forum forecasts moderate growth for the Australian construction industry.

Based on the expected global economic development and the forecasts for construction activity, combined with active price management and strict cost discipline, the Managing Board expects a result from current operations of between €3.40 billion and €3.75 billion for the 2026 financial year. It expects a

value of slightly above 10% for ROIC. It aims to achieve a further slight reduction in specific net Scope 1 CO₂ emissions.

The Managing Board and Supervisory Board will propose to the 2026 Annual General Meeting a dividend of €3.60 per share. In combination with the ongoing share buyback programme, Heidelberg Materials is thus continuing to underscore its focus on shareholder return. The start of the third tranche is planned for the second quarter of 2026.

The Managing Board continues to assess Heidelberg Materials' financial situation as comfortable in the forecast period.

At the time of preparing the consolidated financial statements, the Managing Board is not aware of any material risks that might jeopardise the company as a going concern (see [Risk and opportunity report chapter](#)).

Economic environment

General economic development

Given the persistently challenging economic and geopolitical environment, the International Monetary Fund (IMF) predicts global growth of 3.3% for 2026 in its January 2026 forecast, which is in line with the level of growth for 2025. The IMF attributes this moderate momentum to offsetting effects: on the one hand, trade policy uncertainties; on the other, technology-driven investments – particularly in the field of AI – as well as rising spending on defence and infrastructure and supporting economic policy measures.

The forecast for 2026 is slightly above the projection reported in the IMF’s World Economic Outlook from October 2025. China and the USA in particular, as well as higher investments in future technologies, are expected to contribute to this. The IMF predicts that the US economy will perform better this year than expected in the course of 2025, with growth of 2.4%.

Forecasts for the eurozone were also revised slightly upwards to 1.3%, but remain conservative overall. GDP growth of 1.8% is projected for the industrialised world as a whole in 2026, and 4.2% for emerging and developing countries. According to the IMF, India, Malaysia, and China will once again achieve the highest growth rates in the current year, with India and China in particular being among the main growth drivers.

Despite the continued decline in global inflation and moderate but stable growth, the IMF is cautious in its overall assessment of the outlook for the global economy in 2026. The risks include potential setbacks in AI-driven productivity gains, ongoing and rekindled trade conflicts, as well as geopolitical tensions and escalations. Conversely, stronger-than-expected investment stimulus, especially in the technology sector, or an easing of trade policy could provide additional support for growth.

In its October 2025 and January 2026 forecasts, the IMF expects the following growth rates for Heidelberg Materials’ most important sales markets:

Expected growth in real GDP ¹⁾	
in %	2026
Europe	
Euro area	1.3
Belgium	1.0
Germany	1.1
France	1.0
United Kingdom	1.3
Italy	0.7
The Netherlands	1.2
Norway	1.6
Poland	3.5
Romania	1.4
Sweden	1.9
Czechia	2.3
North America	
Canada	1.6
USA	2.4
Asia-Pacific	
Australia	2.1
China	4.5
India	6.4
Indonesia	5.1
Malaysia	4.3
Thailand	1.6
Africa-Mediterranean-Western Asia	
Egypt	4.7
Ghana	4.8
Israel	3.9
Morocco	4.2
Russia	0.8
Tanzania	6.3
Togo	5.5

1) Source: International Monetary Fund (IMF), October 2025 and January 2026 forecasts

For the 2026 financial year, we expect energy prices to continue to be influenced by geopolitical developments. The escalation in the Middle East at the end of February may lead to significantly higher oil and liquefied natural gas prices, as important trade routes are blocked and/or facilities or ships are destroyed or damaged. Prior to the escalation, we expected energy prices for 2026 to be around the previous year’s level on the basis of our contract portfolio, which includes a mix of forward market and spot purchases. The extent to which this statement is still true depends on the duration and complexity of the escalation. Therefore there is a risk of significantly higher energy prices worldwide compared with 2025.

The US Supreme Court’s ruling in February 2026 on the legality of the US tariff policy is not material for Heidelberg Materials’ 2026 forecast.

Development of the construction industry

The development of economic output is also reflected in the expectations for the construction industry.

In its November 2025 forecast, Euroconstruct predicts that, after two years of decline and widespread stabilisation in 2025, the European construction sector will regain momentum in 2026. This development will be aided by improved financing conditions and a recovery in the civil engineering sector as the main driver of the upturn. While construction activity is expected to recover in Germany, France, and Italy, further positive development in the construction sector is anticipated in Spain, Sweden, the United Kingdom, and Ireland.

In the USA, industry associations such as the American Institute of Architects (AIA) and the Associated General Contractors of America (AGC) expect overall development in construction activity to be subdued in 2026. Persistently high financing costs, rising or volatile material prices – including due to tariffs – and a pronounced shortage of skilled workers are holding back certain areas, especially residential construction and parts of the commercial construction sector. At the same time, non-residential construction and civil engineering in particular remain comparatively well supported by government infrastructure programmes and strong growth in data centers and other large-volume projects. The Australian Construction Industry Forum anticipates moderate growth for the Australian construction industry. Due to the slowdown in major infrastructure projects in the transport, energy, and water sectors, construction activity is expected to focus more on residential construction in order to reduce existing housing shortages.

In contrast to mature and developed countries, the expected increase in GDP, population growth figures, and per capita cement consumption data are often used as indicators of construction development in the growth markets of emerging countries in Africa and Asia. Against this backdrop, the growth rates forecast by the IMF for these countries provide valuable guidance regarding the future development of the construction industry.

Industry development

Following the application of more stringent rules in the EU Emissions Trading System (EU ETS 1) for the fourth trading period from 2021 to 2030, the cross-sectoral target for 2030 is a 62% reduction compared with 2005.

In the first quarter of 2026, the carbon price increased to an average of around €78 (2025: €73). A price increase in the fourth trading period could lead to additional costs for covering the required emission rights, accompanied by a decrease in the freely allocated allowances. At present, Heidelberg Materials has a sufficient number of emission rights across the Group for the current year.

However, in individual countries there are already shortages of emission rights, which are covered by intra-Group trading. Further information can be found in the [Risk and opportunity report chapter](#).

A policy reform process for the EU ETS 1 is scheduled to begin in the 2026 financial year for the period beyond 2030. The outcome of this process is difficult to predict, but it could prove highly relevant for the industry. The European Commission plans to submit a proposal on this matter in the third quarter of 2026.

In the EU, the Carbon Border Adjustment Mechanism (CBAM) established the gradual introduction of a CO₂-related import regulation for the period from 2026 to 2034. A significant consequence of this regulation is the continuous reduction in the free allocation of emission allowances for import volumes. Since October 2023, we have been required to publish quarterly reports on import volumes and the associated emissions. From 2026, CBAM allowances

corresponding to the volume of CO₂ emissions embedded in the imported products (cement/clinker) will also need to be purchased.

With the implementation of the EU Industrial Emissions Directive 2010/75 for the European cement industry, some member states set limit values for sulphur oxide emissions and tightened the standards for dust, ammonia, and nitrogen oxide emissions significantly beyond the EU minimum requirements. Germany is currently drafting an umbrella ordinance to implement Amending Directive 2024/1785/EU, which must be transposed into national law by July 2026.

Outlook 2026

Forecast of the key performance indicators

Heidelberg Materials is optimistic about the current year. Demand for our building materials is beginning to recover in the core markets. The focus will continue to be on active price management and strict cost management.

For the 2026 financial year, the Managing Board therefore expects the result from current operations (RCO) to be between €3.40 billion and €3.75 billion.

ROIC is expected to be slightly above 10%.

For specific net Scope 1 CO₂ emissions per tonne of cementitious material, the Managing Board expects a further slight reduction compared to 2025.

Supplementary forecast of other financial figures

The Managing Board anticipates slight revenue growth compared with the previous year (excluding scope and currency effects).

In line with the progressive dividend policy, the Managing Board and Supervisory Board will propose to the Annual General Meeting the distribution of a dividend of €3.60 per share for the 2025 financial year. In combination with the ongoing share buyback programme, Heidelberg Materials is thus continuing to underscore its focus on shareholder return. The third tranche of the share buyback programme is scheduled to start after the Annual General Meeting in the second quarter of 2026.

The company forecasts net investments in property, plant and equipment (investments in and divestments of property, plant and equipment) in the 2026 financial year to be between €1.2 billion and €1.3 billion.

We will repay the €1 billion bond maturing in April as scheduled. Heidelberg Materials still plans to settle the financial liabilities expiring in 2026 through free cash flow and available liquidity.

We intend to maintain our solid investment grade rating. According to the strategic target value, the leverage ratio is expected to be around 1.5x.

Risk and opportunity report

Risk and opportunity management

As one of the world's leading manufacturers of building materials and solutions, Heidelberg Materials is exposed to numerous risks and opportunities due to its international business activity. Heidelberg Materials' risk policy is in line with the Group strategy, which focuses on sustainably preserving and increasing enterprise value. An effective risk and opportunity management system serves to identify risks and opportunities at an early stage and to systematically assess and reduce them. Consequently, the risk management process represents a central element of the Group's value-oriented corporate governance.

Heidelberg Materials monitors and manages risks and opportunities across the Group with the help of integrated planning and monitoring systems. We consider events that may have a negative impact on the achievement of short-term and long-term strategic and operational corporate targets to be risks. Provided that these risks are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present, these risks are classified as acceptable. We see possible achievements that go beyond our corporate planning as opportunities. Operational management in each Group country and in the central Group departments are directly responsible for identifying and addressing risks and opportunities at an early stage. Risks and opportunities are recorded and assessed in the annual operational plan and followed up continuously as part of monthly financial reporting.



In addition to risks, identifying opportunities plays a key role in ensuring that the company operates successfully over the long term. In the annual risk/opportunity management process, (new) opportunities are identified and evaluated from a strategic and financial perspective. Responsibility for identifying opportunities at Group level lies with the relevant department, while each country is responsible for identifying local opportunities. In a similar way to risks, opportunities are assessed on the basis of their likelihood and impact. Opportunities are categorised according to the following clusters: strategic, financial, operational, and climate-related. Information about the opportunities in the individual clusters can be found in the **Opportunity areas section**. In aggregated risk reporting, opportunities and risks are not offset against each other.

Risk management system

Pursuant to section 91(2) and (3) of the German Stock Corporation Act (Aktiengesetz, AktG), the Managing Board of Heidelberg Materials AG is obliged to set up an appropriate and effective Group-wide internal control and risk management system. It also has overall responsibility for the scope and organisation of the established systems. The Supervisory Board and its Audit Committee regularly monitor the effectiveness of the risk management system pursuant to section 107(3)(2) of the AktG.

Heidelberg Materials has installed transparent regulations to govern competences and responsibilities for the risk management system that are based on the Group's structure. A code of conduct, guidelines, and principles apply across the Group for the implementation of systematic and effective risk management. The risk management system primarily serves

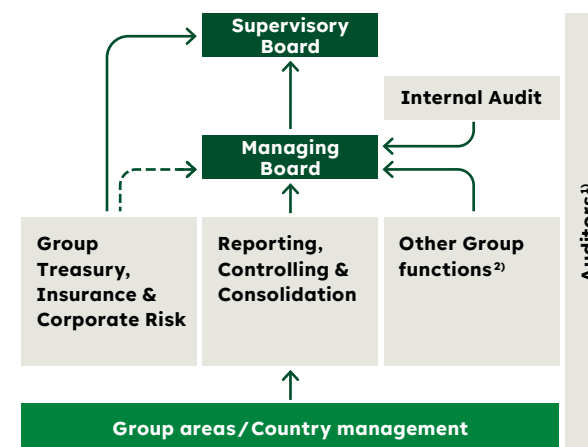
to record and analyse risks. Where appropriate and realisable in the short term, potential opportunities are taken into account by country management in regular planning processes and followed-up on an ongoing basis in operating activities. Our risk management process reflects the decentralised structure of the Group and enables us to identify and record risks at an early stage as part of the operational plan. It comprises several components that are carefully coordinated and incorporated into the structure and workflow organisation.

The essential elements of the risk management system are:

- Documentation of the general conditions for methodical, efficient risk management in a Group guideline (Risk Management Policy) and a guideline for the correct use of the risk management software employed (Risk Reporting Procedure); in addition to these documents, the Group's Code of Business Conduct includes the code of conduct and compliance standards to be observed
- Coordination of the risk management process at Group level by the Group Treasury, Insurance & Corporate Risk department
- Monitoring of local risk management processes, including risk identification and assessment by local operational management
- Recording of risks and measures by managers responsible for corporate risk at country level
- Involvement of internal and external experts to assess and record specific risks (e.g. IT/cyber risks; environmental, social, and governance (ESG) risks)

- Systematic identification and recording of strategic and long-term risks with the involvement of the relevant Group departments
- Determination of global risk-bearing capacity and risk position
- Standardised and regular reporting at Group and country level
- Transparent information exchange and open communication about identified risks between the Managing Board, country management, and the Group Treasury, Insurance & Corporate Risk department
- Promotion of risk culture and risk awareness within the Group through targeted communication and training

Organisation of risk management



1) Part of the annual audit

2) Legal, Compliance, Tax, IT, Data Protection, Treasury, Corporate Finance, Human Resources, Strategy & Development/M&A, Sustainability

Risk management process

The Group Treasury, Insurance & Corporate Risk department defines the organisational requirements for the risk management system as well as binding guidelines and methods for the internal risk management process in the Risk Management Policy and the Risk Reporting Procedure. In order to optimise risk management and incorporate it into the operational plan, we use enterprise risk management software across the Group. This software enables the respective countries and Group departments to record risks during the year on a decentralised basis. The software also allows us to visualise the Group structure and assign local responsibilities.

Supported by a standardised evaluation framework for risk assessment, short-term risks (next 12 months) are systematically recorded on a quarterly or ad hoc basis and can be tracked continuously. The risk data can be consolidated immediately, analysed flexibly, and presented via standardised risk reporting.

In addition to this short-term risk recording, risks with a medium-term (one to three years) or long-term (over three years) time horizon are also taken into account. As well as strategic risks, this medium- and long-term view also concerns climate risks, which according to the definition of the Task Force on Climate-related Financial Disclosures (TCFD) include both physical risks and transition risks. These risks are identified and centrally recorded with regard to any potentially critical economic impact on our company.

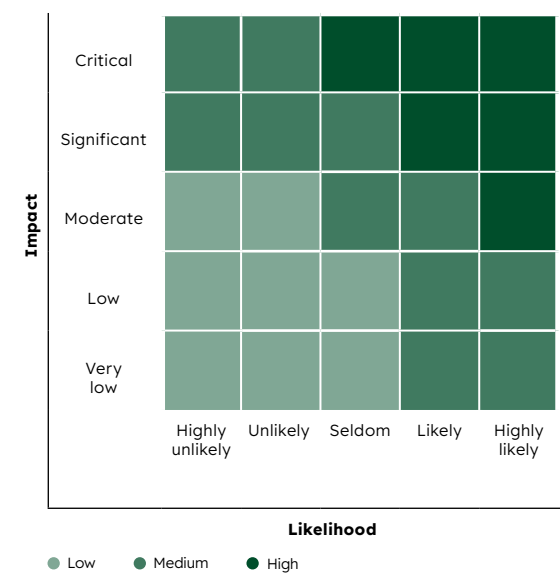
Identification and assessment of risks

The process of identifying risks is performed regularly on a decentralised basis by the country management and by the globally responsible Group departments. If risks are identified centrally at Group level, they are communicated to the respective Group countries for further assessment. General macroeconomic data, industry-specific risk information sources, and identification tools and techniques serve as auxiliary parameters for the identification process, as does the internal risk catalogue, which records the various financial and non-financial risk categories.

For regular risk reporting during the year, specific thresholds have been established for the individual countries, taking into account their specific circumstances. The risks are assessed for each defined risk category on the basis of a minimum likelihood of 10% and according to the expected impact. The two dimensions provide an overall assessment of the risk (see graphic). The risks are considered net – i.e. after any risk mitigation measures.

The operational planning cycle of 12 months serves as the reference period for estimating the likelihood of a risk occurring. The effects on the following key parameters are used as a benchmark to assess potential impact: result from current operations, profit for the financial year, and cash flow. Both dimensions of risk assessment can be represented graphically as a five-level risk matrix, which allows for consistent risk assessment.

Dimensions of risk assessment



The underlying scaling for the short-term risks incorporated into the planning cycle is as follows:

Likelihood

Highly unlikely	0% to 10%
Unlikely	> 10% to 20%
Seldom	> 20% to 40%
Likely	> 40% to 60%
Highly likely	> 60% to 100%

Impact	Definition of impact on business activity, financial and earnings position, and cash flow
Very low	Tolerable negative impact (≤ €10 million)
Low	Negligible negative impact (> €10–30 million)
Moderate	Limited negative impact (> €30–120 million)
Significant	Significant negative impact (> €120–300 million)
Critical	Harmful negative impact (> €300 million)

Medium- to long-term strategic risks are reported if their impact exceeds €300 million (gross, before any risk mitigation measures) and their likelihood is at least 20%. These risks are reported and recorded by the Group Strategy and Development/M&A department. In addition, their emergence and annual development are monitored. This includes the physical risks and transition risks associated with climate change.

Risks with a likelihood below 20% that have a potentially critical impact at Group level, known as tail event risks, must also be reported. These are recorded both centrally at Group level and, on an annual basis, separately via the Finance Directors of the countries.

The risk analysis process also takes into account risks that do not have a direct impact on the financial situation. ESG risks in particular are an example of this category. These risks influence non-monetary factors such as reputation or business strategy. Risks that cannot be quantified directly are subject to a qualitative assessment. In this way, risks are ana-

lysed and assessed on the basis of internal estimates, expert opinions, and empirical values. The likelihood and the potential impact are defined in the same way as for quantifiable risks (from highly unlikely to highly likely and from very low to critical).

The process of regular identification is supplemented with an ad-hoc risk report in the event of the sudden occurrence of risks or of sudden damage caused. This can arise, in particular, in connection with political events, trends in the financial markets, or natural disasters.

Change compared with the previous year

Strategic risks	
Natural disasters	→
Substitution of products	→
Economic risks	→
Raw material shortages	→
Skills shortages	→
Political and social risks as well as geopolitical tensions	↑
Digitalisation	→
Operational risks	↑
IT/OT risks	↑
Financial risks	↓
Legal and compliance risks	→
Climate risks	→

↑ Increased → Stable ↓ Decreased

1) The information provided in this paragraph is not included in the Management Report and is therefore not subject to the audit.

Key characteristics of the accounting processes and consolidation

The accounting guideline and a uniform accounting framework, which are centrally administered by the Group Reporting, Controlling & Consolidation department, are mandatory for all Group companies and intended to ensure uniform accounting.

Group-wide deadlines set out in a centrally managed financial calendar and instructions pertaining to the financial statements also help to make the accounting process structured, efficient, and uniform across the Group. New laws, accounting standards, and current developments (e.g. in the Group's economic and legal environment) are analysed and taken into account with regard to their relevance and impact on the consolidated financial statements. In the case of accounting issues that are complex or require discretionary judgement, we also call upon the expertise of external service providers.

In most countries, the financial statements of the Group companies are prepared in shared service centers in order to centralise and standardise the accounting processes. Accounting systems from SAP are used in the majority of cases. To prepare the consolidated financial statements, further information is added to the separate financial statements of the Group companies, and these are then consolidated using CCH Tagetik, a standardised software developed by Wolters Kluwer. Consolidation adjustments, such as the capital consolidation, the debt consolidation, the expense and income consolidation, and the at equity valuation, are carried out and documented. The various elements that make up the con-

solidated financial statements and significant quantitative disclosures are drawn from this consolidation system.

At Heidelberg Materials, the accounts data is checked at both local and central level. The decentralised checking of the local financial statements is carried out by the responsible Finance Director and country controlling. The central checking is undertaken by the Group departments Reporting, Controlling & Consolidation, Tax, and Treasury, Insurance & Corporate Risk.

Heidelberg Materials' control system is also supplemented by manual checks, such as regular spot checks and plausibility checks, carried out both locally and centrally. It is supplemented by system-side validations, which are performed automatically by the consolidation programme.

Process-independent checks are carried out by the Audit Committee of the Supervisory Board and by the Group Internal Audit department. The latter checks the internal control system for the structures and processes described and monitors application of the accounting guidelines and accounting framework. The results of the check are reported to the Managing Board and Audit Committee.

Measures for identifying, assessing, and limiting risks

In order to identify and assess risks, individual business transactions at Heidelberg Materials are analysed using the criteria of risk potential, likelihood, and impact. Suitable control measures are then es-

tablished on the basis of these analyses. To limit the risks, transactions above a certain volume or with a certain complexity are subject to an established approval process. Organisational measures (e.g. separation of functions in sensitive areas) and ongoing target/actual comparisons are also performed for key accounting figures. The IT systems used for accounting are protected from unauthorised access by appropriate security measures.

The established control and risk management systems are not able to guarantee accurate and complete accounting with absolute certainty. In particular, individual incorrectly made assumptions, inefficient controls, and illegal activities may limit the effectiveness of the internal control and risk management systems employed. Exceptional or complex circumstances that are not handled in a routine manner also entail a latent risk.

The statements made here apply to Heidelberg Materials AG and its subsidiaries included in the consolidated financial statements.

Risk areas

Risks that may have a significant impact on our assets, financial, and earnings position are divided into six categories based on the risk catalogue established in the Group: strategic risks, operational risks, IT/OT risks, financial risks, legal and compliance risks, and ESG risks (especially climate risks). In the following, we assess only the risk situation of risks that are significant for us. The risks are reported

within the respective risk supercategories in descending order based on the most likely impact.

Strategic risks

Strategic risks are usually far-reaching in terms of time horizon and geographical dimension. Some strategic risks are general in nature, while others are industry and company specific. As outlined in the [Risk management process section](#), medium- to long-term strategic risks are reported if their impact exceeds €300 million (gross, before any risk mitigation measures) and their likelihood exceeds 20%. In addition, the potential speed of occurrence is assessed – i.e. whether gradual or rapid occurrence is to be expected. Finally, the change in the estimate in comparison with the previous year is assessed.

The global economic and social environment is subject to constant transformation as a result of worldwide trends such as climate change, globalisation, demographic development, digitalisation, and new technologies. These trends offer both risks and opportunities. Their impact on a company depends on its ability to adapt to changes.

Risks arising from the changing trends may have an impact on demand, price levels, and costs in our sales markets and therefore on the company's earnings. In the following, we describe and assess these risks and indicate measures taken to mitigate their impact.

In countries with mature markets, the skills shortage can therefore become an industry- and company-specific risk, which has a gradual occurrence. We anticipate an unchanged risk compared with the previous year.

The success of acquisitions, partnerships, and investments can also be hindered by political restrictions. Heidelberg Materials therefore evaluates the political risk and stability of the region when making investments. In order to minimise financial burdens and risks and better exploit opportunities, Heidelberg Materials can also cooperate with suitable partners, particularly in politically unstable regions.

Operational risks

Operational risks particularly include risks related to the cost development and availability of energy and raw materials. We also take into account regulatory risks associated with environmental regulations as well as risks relating to production and quality. Operational risks have increased slightly in comparison with the previous year.

Regulatory risks

Changes to the regulatory environment can affect the business activities of Heidelberg Materials. This concerns mainly legal regulations for environmental protection. Tighter environmental regulations could lead to increasing costs, higher demand for investments, or even the shutdown of production sites if sales prices do not increase accordingly. Around 40% of Heidelberg Materials' worldwide clinker production is affected by financial CO₂ regulations such as emissions trading systems and CO₂ taxes.

Since 2005, the EU Emissions Trading System (EU ETS) has been the primary political instrument, acting as a cap-and-trade system for monitoring and reducing greenhouse gas emissions in European industry with ambitious targets for climate protection. Emissions from the industries participating in the ETS are to be reduced by 62% compared with 2005 levels. Besides the energy sector and refineries, this also affects all energy-intensive industries, which generate around 40% of all European emissions. The cement industry, like other CO₂-intensive industries featured on the carbon leakage list, has not been affected by the requirement to purchase all emission rights by auction since 2013. It receives a portion of the emission rights free of charge on the basis of ambitious product-specific benchmarks. At the beginning of the fourth trading period in 2021, the bench-

mark was significantly reduced in comparison with the third period. The benchmark for the years 2026 to 2030 is to be revised downwards again. At the same time, prices for emission allowances have roughly tripled compared with 2020 and averaged €73 in 2025. It can be assumed that the higher price level will persist at least into the fourth trading period. The European Commission plans to present a legislative proposal for amendments to the existing ETS legal framework in the third quarter of 2026. Alongside other influencing factors such as increased interest from investment funds, speculation in the market, and a reduction in the quantity of free allocations to industry, this could be reflected in higher demand for carbon allowances on the market.

Heidelberg Materials is also affected by CO₂ regulations in the North America Group area. While the EU ETS assesses emissions from clinker production, the emissions trading systems in North America are based on cement production. In Canada, a nationwide commitment to financial CO₂ regulations has been in place since the adoption of the Greenhouse Gas Pollution Pricing Act in 2018. Heidelberg Materials North America is affected by emissions trading schemes in Alberta, Ontario, and Quebec, and by carbon taxes in British Columbia. Heidelberg Materials North America has drawn up action plans as part of the Group-wide CO₂ roadmap in order to keep its CO₂ emissions below the declining upper limit for free emission rights. This will be achieved, for example, by improving kiln efficiency, using biomass as an alternative fuel, and reducing the clinker ratio.

The UK Emissions Trading Scheme (UK ETS) replaced participation in the EU ETS. Although the approach to free allocation is similar to that of the fourth trading period of the EU ETS, the price of UK allowances was lower than that of EU carbon allowances (2025:

between €40–€60/t of CO₂). So far, the government has set the regulations until 2030, and a decision has already been made regarding the continuation of the system after 2030, although no decision has yet been made regarding a possible discontinuation of the free allowances. In the United Kingdom, a compensation mechanism similar to the CBAM has been agreed and is scheduled to be introduced in 2027. In Kazakhstan, the national allocation plan for 2022–2025 set a cap of 158.2 million tonnes of CO₂ for 2025. The actual market price for CO₂ is around €1/t of CO₂.

Other Group countries have announced the introduction of far-reaching CO₂ regulations for the coming years. In the Chinese province of Guangdong, the emissions limit is reduced annually as part of an emissions trading scheme. Further CO₂ regulations are planned for the next few years. In Indonesia, for example, the introduction of a mandatory emissions trading system is already planned for 2027, while corresponding regulations for Thailand are still being examined.

For Heidelberg Materials locations that are subject to CO₂ regulations and easily accessible for imports, rising production costs lead to the risk of a competitive disadvantage resulting from cement imports from countries without CO₂ regulations. The gradual introduction of a CO₂-related import regulation was established in the EU with the Carbon Border Adjustment Mechanism (CBAM) for the period from 2026 to 2034. One of the consequences of the regulation will be the continuous reduction of the free allocation of emission allowances for import volumes. Since October 2023, we have been required to publish quarterly reports on import quantities and associated emissions. From 2026, CBAM allowances corresponding to the volume of CO₂ emissions embedded in the im-

ported products (cement/clinker) will also need to be purchased.

With the implementation of the EU Industrial Emissions Directive 2010/75 for the European cement industry, the limit values for sulphur oxide emissions (SO_x) were set in some member states and the requirements for dust, ammonia, and nitrogen oxide (NO_x) emissions were tightened beyond the EU minimum requirements. The amendment, Directive (EU) 2024/1785, will lead to additional tightening of the emission limit values with regard to implementation. Germany is currently drafting an umbrella ordinance to implement this directive, which must be transposed into national law by July 2026. Furthermore, many non-European countries also have limit values for SO_x , NO_x , and dust emissions. For example, the National Emissions Standards for Hazardous Air Pollutants (NESHAP) sets out the requirements for US plants. To comply with the environmental regulations, Heidelberg Materials makes ongoing investments aimed at improving its facilities so as to reduce emissions.

To reduce our Scope 1 CO₂e emissions, we are focusing on three levers. These include measures at the clinker level to reduce the CO₂e emissions associated with clinker production. We are also implementing measures at the cement level to reduce the proportion of traditional clinker in cement. And by means of breakthrough technologies, we are focusing on capturing previously unavoidable emissions in cement production before they end up in the atmosphere. We aim to further reduce air pollutants by using innovative process technology and emission reduction systems. Further information on our climate and emission protection measures can be found in sections **E1 – Climate change** and **E2 – Pollution of the Sustainability report chapter** and in the **Research and**

development section of the Fundamentals of the Group chapter.

We classify the regulatory risks related to CO₂ and other emissions as a high and likely risk with a significant impact.

Volatility of energy and raw material prices

As an energy-intensive company, Heidelberg Materials is exposed to risk from price trends in raw materials and energy markets. There is a risk that the costs for individual energy sources and raw materials will increase and thus total expenses will be higher in the future than planned.

Prices for energy sources such as coal, crude oil, and natural gas were less volatile in 2025 than in 2022 or 2023, for example, and stabilised over the course of the year. Although prices for natural gas in Europe and electricity in Germany, for example, have fallen, they are still above the average price level for the years prior to 2022 (e.g. average for 2016–2021). The sanctions imposed on Russia in the financial and energy sectors continue to lead to increased costs in Europe. The other Group areas are far less affected.

We minimise the price risks for energy and raw materials by bundling and structuring procurement processes across the Group and through long-term mining concessions. We also make increased use of alternative fuels and raw materials as well as renewable energies, which in most cases contribute towards reducing costs and price risks while simultaneously lowering CO₂ emissions. With the help of our various Group-wide programmes focused on efficiency and continuous improvement, we are decreasing

and optimising our consumption of electricity, fuels, and raw materials, which reduces our energy costs in a targeted way.

In the process of setting sales prices for our products, we aim to pass on increases in the costs of energy and raw materials to our customers. As most of our products are standardised bulk goods for which demand is determined by price rather than other differentiating factors, there is a risk that price increases cannot be passed on or will cause a decline in volumes, particularly in markets with excess capacities.

We consider the risk to be medium and likely with a moderate impact (similar to the previous year).

Availability of raw materials and additives

Heidelberg Materials requires considerable quantities of raw materials for cement and aggregates production, which should be ensured mainly by own deposits. At individual locations, there is a risk associated with obtaining or renewing mining concessions, because necessary permissions may be refused in the short term, for example, or disputes may arise regarding mining fees.

The availability and prices of materials such as fly ash and blast furnace slag, which are by-products of steel production and used as clinker substitutes in the manufacture of cement, are subject to a structural downward trend due to technological modernisation and therefore entail a cost risk. As global demand for these cementitious materials rises and supply falls, there is a risk of increasing shortages.

Ecological factors and environmental regulations for access to raw material deposits are also sources of uncertainty. In some regions of the world, for example in West Africa south of the Sahara, raw materials for cement production are so scarce that cement or clinker needs to be imported by sea. Rising transportation costs and capacity constraints in the port facilities can lead to an increase in product costs.

In addition, the availability of water can pose a risk. Based on a global water-risk study, our cement, aggregates, and ready-mixed concrete business lines are subject to a Group-wide guideline concerning sustainable water management. We develop individual water management plans for plants in regions suffering from water risks. These plans include concepts and measures to ensure careful use of scarce water resources. The plans also include the involvement of local stakeholders in order to ensure the water utilisation concepts promote the common good so that local water risks are minimised. We aim to have water management plans in place for all plants in areas with water risks. In addition, we are increasing our usage of water recycling systems in order to reduce the consumption of fresh water and thus use this resource more efficiently.

Heidelberg Materials has adopted the definitions set out by the Pan-European Reserves and Resources Reporting Committee (PERC Reporting Standard). This reporting standard is used to define harmonised Group-wide criteria for mineral reserves and resources, ensuring that the availability of raw material reserves is internally audited in a standardised manner and increasing transparency for management. With a Group policy on reserve and resource management

derived from the standard, combined with consistent local processes, we aim to reduce the risk associated with the availability of raw materials. We also seek to mitigate possible supply shortages and price fluctuations in the future by securing long-term supply agreements and developing other sources of raw materials.

From an operational point of view, we classify the risk of lack of availability of raw materials and additives overall as a medium risk with a seldom likelihood and a moderate impact (similar to the previous year).

Production-related risks

The cement industry is an asset-intensive industry with complex technology for storing and processing raw materials, additives, and fuels. Because of accident and operating risks, personal injury and material or environmental damage may occur and operations may be interrupted.

Heidelberg Materials' risk transfer strategy sets deductibles for the main insurance programmes that have been tailored to the size of the Group and are based on many years of failure analyses. Nevertheless, there is still a risk that the insured amounts in the event of damage may not be sufficient, particularly in the case of very uncommon and serious types of damage, such as natural disasters. We consider this to be a low risk.

In order to avoid the potential likelihood of damage and the resulting consequences, we rely on various surveillance and security systems in our plants as well as integrated management systems, including high safety standards, and regular checks, mainte-

nance, and servicing. To identify the threat of potential dangers, we provide all employees with appropriate training to raise their risk awareness.

As demand for building materials is heavily dependent on weather conditions, there is also a risk that capacity utilisation may fluctuate and production downtimes may occur. We minimise this risk by establishing locations in different regions, demand-oriented production control, and flexible working time models. In addition, we make use of production downtimes, where possible, to carry out any necessary maintenance work.

Overall, we consider the production-related risks to be a low and highly unlikely risk with a moderate impact (similar to the previous year).

Quality risks

Building materials are subject to strict quality standards. If supplied products do not meet the prescribed standards or the customer's quality requirements, we risk losing volumes, facing claims for damages, and/or damaging our customer relationships. Heidelberg Materials ensures compliance with the standards at the Group's own and third-party laboratories with strict quality assurance guiding all production steps as well as final inspection. Quality assurance controls are also carried out by independent experts as part of the extensive quality assurance programmes already in place.

Overall, we consider the quality risks to be a low and unlikely risk with a very low impact (similar to the previous year).

IT/OT risks

IT systems and operational technology (OT) play a central role in both supporting our global business processes and achieving our corporate targets.

We have identified five main areas of risk:

Unavailability of information systems:

1. Information technology failure (IT outage)
2. Operational technology failure (OT outage)

Deliberately harmful actions towards Heidelberg
Materials:

3. Cybercrime
4. Violations of data security and integrity (data breaches)
5. Insider threats

Measures to minimise IT availability risks

In Europe, Asia, and North America, Heidelberg Materials operates data centers for critical IT systems in premises leased from third parties. Backup procedures as well as standardised IT infrastructure, processes, and redundancies are used to minimise availability risks. Both the data centers and the services provided by third-parties (cloud services) are operated by a central operations team staffed by our own employees in Czechia, who ensure the availability of all systems operated by Group IT. Our IT security experts are supporting and monitoring the current cloud transformation process to ensure that our infrastructure remains secure in the future.

Our internal software development teams use iterative processes that focus on identifying and managing risks. As early as 2023, procedures were established that automatically analyse the developed software for common security issues. In 2025, these processes were regulated across the Group in an official guideline for the secure development of software (products).

Operational technology

Maintaining the operation of our plants is our top priority. When it comes to operational technology (OT), we are facing growing challenges and risks that can arise from technical errors, such as increasingly outdated systems, human error, and natural disasters.

For this reason, the entire OT risk process was completely revamped in 2025. This upgrade included a security review and risk analysis of the digital platform, which enables secure remote operation of production facilities. The aim of the OT measures is to ensure that the systems used are reliable and secure in the long term.

Increasing corporate resilience

Serious business interruptions pose a significant threat to the future viability and reputation of Heidelberg Materials. In order to strengthen the company's resilience and ensure rapid response and recovery from disruptions, Heidelberg Materials launched its Group-wide Business Resilience programme in 2025. This programme integrates the disciplines of business continuity, IT service continuity, IT disaster recovery, and crisis management into a unified framework and includes a business impact analysis.

Measures to minimise deliberately harmful actions (cybercrime, data breaches & insider threats)

Due to the ongoing tense geopolitical situation and the increasing prevalence of cyberattacks as a business model, there is a significantly raised threat level, especially from external actors.

In 2025, Group Security focused primarily on the following strategic measures:

- Adjustment and expansion of the cybersecurity strategy. Regular reporting on the cybersecurity status to the Managing Board, Supervisory Board, and country management.
- In the first quarter of 2025, Heidelberg Materials AG conducted an external IT security audit and re-confirmed the ISO 27001 certification from 2024 for its IT infrastructure.

Building on the NIST Compliance Program launched in 2023, a global security review of all IT departments in the Group countries relating to compliance with the NIST Cybersecurity Framework 2.0 was carried out in 2025. The measures derived from this review led to improved results. The central IT Security Operation Center (SOC) monitors sensitive IT systems around the clock using a central platform for recording and managing potential security incidents (including Security Information and Event Management, SIEM) and responds to relevant security incidents. In addition to operational activities, the focus in 2025 was on identifying and remediating vulnerabilities more quickly, protecting our devices centrally (endpoint detection and response), and significantly expanding our defences

Credit risks from operating activities are monitored continuously as part of our receivables management. In this context, we also pay attention to the creditworthiness of our business partners. In this way – as well as by avoiding concentrations of positions – we are able to minimise the Group’s credit risks. We reduce the Group’s credit risk by essentially only negotiating and concluding contracts for financial assets and derivative financial instruments with partners that meet our credit rating requirements (investment grade range). We select banks for payment transactions and establish cash pools in exactly the same way. We consider the credit risks to be a medium risk with a seldom likelihood and a moderate impact. Additional information on our credit rating requirements can be found in **Note 10.3.**

Pension risks

The financing status of the pension plans could be affected by adverse developments in the capital markets, demographic changes, and increases in pension benefits. In North America, Heidelberg Materials is involved in various defined contribution pension plans for unionised employees (multi-employer pension plans). If one of the participating companies no longer pays contributions into the pension plan, all other parties concerned will be held liable for the obligations that have not been covered. We continue to consider the pension risks to be a low risk with a seldom likelihood and low impact. Additional information on pension provisions can be found in **Note 9.12.**

Interest rate risks

Interest rate risks arise due to potential changes in the market interest rate. In the case of fixed interest-bearing financial instruments, they may lead to a change in fair value and, in the case of variable interest-bearing financial instruments, to fluctuations in interest payments. Our risk strategy aims to ensure that interest rate risks are maintained within the parameters set by the Chief Financial Officer. By using financial instruments, primarily interest rate swaps, we are able to hedge both the risk of fluctuating cash flows and the risk of value fluctuations. A downgrading of our credit rating by the rating agencies or the non-achievement of the key performance indicators defined in the sustainable financing instruments could increase the interest margins of the financial instruments (see [Group financial management section](#)). As we currently expect the base rates of the central banks to remain constant or fall, we classify the interest rate risk overall as a low risk (previous year: medium risk) with a seldom likelihood (previous year: likely) and a low impact. Additional information

on the interest rate sensitivity of the variable interest-bearing assets and liabilities can be found in **Note 10.3**.

Refinancing/liquidity risks

Refinancing/liquidity risks exist when a company is not able to procure the funds necessary to fulfil operational obligations or obligations entered into in connection with financial instruments.

Possible risks from fluctuating cash flows are considered as part of the Group liquidity planning. Assumptions concerning the expected economic cycle harbour particular uncertainties in liquidity planning, which is why we update them on an ongoing basis. In this way, we can – if necessary – initiate the appropriate measures, such as the issue of additional money and capital market securities or the raising of fresh funds in the bank market. To secure our payment obligations, we have access to a long-term syndicated credit line – taking into account sustainability targets – with a volume of €2 billion. As a result, we have access to substantial amounts of cash and cash equivalents, which significantly reduces our refinancing risk. In total, we have €4.6 billion of free liquidity, consisting of cash and cash equivalents, securities, and free credit lines, in our portfolio across the Group (see **Liquidity instruments table in the Group financial management section**).

As a further precautionary measure, the 2025 Annual General Meeting authorised the Managing Board to increase the equity of Heidelberg Materials AG by issuing new shares until the end of 14 May 2030. In addition, the 2023 Annual General Meeting authorised Heidelberg Materials AG to issue warrant or convertible bonds or participating bonds, excluding subscription rights, against cash payment until

10 May 2028 and conditionally increased the subscribed share capital for this purpose. We consider refinancing/liquidity risks in general to be a low risk with a seldom likelihood and a low to significant impact, depending on the capital market situation. Additional information on liquidity risks, including a maturity overview of financial liabilities and derivative financial instruments, can be found in **Note 10.3**.

Legal and compliance risks

Our important legal and compliance risks include risks from ongoing proceedings and investigations, as well as risks arising from changes in the regulatory environment and the non-observance of compliance requirements. The ongoing proceedings are being monitored from a legal perspective. In addition, provisions for possible disadvantages arising from these proceedings are recognised in accordance with the legislative requirements.

Asbestos-related claims and environmental damage cases in the USA

Some of our shareholdings in the USA are exposed to particular legal risks and disputes relating to former activities. The most significant of these are asbestos-related claims, which, among other things, allege bodily injury and involve several American subsidiaries. Products containing asbestos were manufactured before these companies belonged to Heidelberg Materials. In the USA, these damage claims are being handled and intensively managed by a team of in-house lawyers in collaboration with insurers and external consultants. The dispute is likely to continue for a few more years because of the complexity of the cases and the peculiarities of the American legal system. Provisions have been formed on the basis of an extrapolation of the claims and reliable estimates

of the development of costs over the next 15 years. The damage claims are mostly covered by liability insurances. Therefore, provisions in the consolidated balance sheet are offset by corresponding claims against insurers.

Furthermore, there are a considerable number of environmental and product liability claims against former and existing shareholdings in the USA that also relate back to business activities discontinued a long time ago. There is partly insufficient insurance cover for lawsuits and liability loss claims relating to toxic substances such as coal by-products, wood preservatives, or soil contamination. Our subsidiaries may also be charged further fines set by the court in addition to the remediation costs and the compensation. There is, however, a possibility of settling valid claims for compensation outside of court. Overall, we consider the risks related to environmental damages in North America as a medium risk.

Potential risks due to climate claims

Recent international developments show an increasing number of civil proceedings against CO₂ emitters by private individuals and environmental associations, although the legal basis of such claims is plausibly disputed. The risks arising from such climate-related claims can be high, but cannot be estimated in detail at present, given the wide variety of potential courses of such claims and proceedings. In October 2025, Heidelberg Materials AG received a single letter demanding pro rata compensation for alleged climate-related damage in Pakistan. After refusing to accept responsibility for the damage, a lawsuit was filed with the Heidelberg District Court. Heidelberg Materials AG and RWE AG are held liable for a group of 180 major emitters (so-called “Carbon Majors”) under the principle of joint and several liability, mean-

ing they are held liable for the entire damage claimed to have been caused by such Carbon Majors. Compared with the previous year, the risk assessment was changed due to the receipt of the first concrete climate claim. We currently consider the risk of climate-related claims to be a medium risk (previous year: low risk).

Compliance risks

As part of its sustainable corporate governance, Heidelberg Materials makes a special commitment to act in a socially responsible way. Compliance with applicable law and Group guidelines is part of our corporate culture and therefore a task and an obligation for all employees. Violations of our self-commitments or of laws and Group guidelines pose direct sanction risks in addition to strategic and operational risks, and also entail a risk to our reputation.

Compliance programme

We have implemented an integrated compliance programme across the Group to ensure conduct that is compliant both with the law and with Group guidelines. Our compliance programme comprises, among other things, the communication of compliance topics via letters and videos, a compliance whistleblower system, and training measures, and it covers, for example, the risk areas of antitrust and competition law, anti-corruption, and human rights. Violations of applicable laws and internal guidelines will be sanctioned. In addition, corresponding corrective and preventive measures will be taken to help prevent similar incidents from arising in the future.

Moreover, we have implemented a Group-wide system for the evaluation and reduction of corruption risks and potential conflicts of interest. A compara-

ble system to assess human rights risks has also been implemented within the Group. These risk analyses, in conjunction with supplier risk assessments and other elements of the compliance management system, such as the online and telephone-based Whistleblower system SpeakUp, also serve to ensure compliance with the obligations under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG). The Group's human rights organisation has been established under the leadership of the Group Human Rights Officer.

To ensure that we comply with the relevant sanctions regulations in the Group countries, in particular those of the EU and the USA, we carry out systematic verification procedures against international sanctions lists. Heidelberg Materials is countering the increased risk posed by complex sanctions regulations against Russia by expanding its screening of business partners. Significant changes to sanctions regulations are communicated on a regular basis.

The results of our compliance risk assessments continue to show a medium compliance risk for Heidelberg Materials. Based on the compliance cases recorded and confirmed in the reporting year, we assess the financial risk from compliance violations as low. For further information, see the [Governance section of the Sustainability report chapter](#).

Antitrust proceedings

In recent years and again in 2025, Heidelberg Materials has been affected by a series of antitrust proceedings. These include the now completed investigative proceedings against Italcementi S.p.A. for antitrust violations from the period before Heidelberg Materials took over control, in which a considerable

number of private claims for damages are currently being pursued. At the end of 2024, in Romania, a fine equivalent to around €12 million was imposed on our subsidiary Heidelberg Materials Romania S.A. for allegedly fixing prices with its Romanian competitors in 2017 and 2018. We consider the fine to be unjustified and have contested it, as we do not believe that any prohibited collusion with competitors has taken place and no other violations have been proven. These experiences motivate us to continuously review and develop intensive internal precautions, particularly regular training initiatives – using electronic training programmes, among others – in order to avoid anti-trust violations. As in the previous year, we consider the risks from antitrust proceedings to be a low risk.

Compensation disputes in Egypt

Claims for compensation amounting to US\$17 million (plus default interest claims exceeding this amount many times over) from unfulfilled commission claims were brought against our Egyptian subsidiary Heidelberg Materials-Helwan Cement Company S.A.E. (Helwan) before courts in Egypt and California. Helwan successfully defended itself against these claims. The alleged claims for compensation are said to arise from an exclusive distribution agreement regarding cement exports with The Globe Corporation, California, and its legal successor Tahaya Misr Investment Inc. The claim has been conclusively dismissed in California. In addition, Tahaya Misr Investment Inc. filed a claim with the Egyptian courts against Heidelberg Materials-Suez Cement Company S.A.E. (Suez Cement), the majority shareholder of Helwan, for the same content in 2018. The last ongoing procedure was also concluded in November 2025. The decision was also in our favour and confirms Heidelberg Materials' legal opinion. As the above-

mentioned legal disputes have thus been conclusively resolved, there is no longer any risk (previous year: low risk).

Climate risks

According to the definition issued by the Task Force on Climate-related Financial Disclosures (TCFD), physical climate risks include physical risks and transition risks, which we present below.

Physical risks²⁾

Physical climate risks are linked to the effects of climate change and are divided into acute and chronic risks.

Heidelberg Materials based its analysis of physical climate risks on the recognised SSP1-2.6, SSP2-4.5, and SSP5-8.5 (Shared Socioeconomic Pathways) scenarios of the Intergovernmental Panel on Climate Change (IPCC) for both its current risk exposure and – varying from the timeframes of the general risk management process – for 2030, 2040, and 2050. These SSP scenarios depict possible ways in which climate change could unfold and also include socio-economic aspects such as projected population growth.

The selection of SSP scenarios covers both optimistic and pessimistic variations. While the SSP1-2.6 scenario is an optimistic scenario assuming global warming of approximately 1.8 °C, the effects of climate change due to increasing greenhouse gas concentrations are

2) The explanations also comply with the disclosures on the assessment of the extent to which assets and business activities of Heidelberg Materials may be exposed and are sensitive to climate-related hazards, creating gross physical risks.

more severe in the other scenarios. SSP5 corresponds to a “worst-case” scenario.

One industry-specific risk for Heidelberg Materials is the dependence of construction activities on weather conditions. Harsh winters or high precipitation could have a negative effect on construction activity, with direct consequences for our revenue and operating performance.

Climate risks vary greatly depending on geographical location. The impact of extreme weather scenarios, such as floods or droughts, can lead to damage to our production sites, interrupt the supply to our customers, or have adverse effects on the availability of raw materials and fuels. In recent years, for example, prolonged dry periods in Western Europe have caused low water levels, making it difficult to deliver raw materials by water. At the same time, past flooding events in Australia and the USA, for example, led to interruptions in production and supply. We respond to weather scenarios like these, when necessary, by investing in flood protection or water-saving production techniques.

If we analyse the periods up to 2040 and 2050 for acute risks such as tropical cyclones and river flooding, these remain largely stable. While the former naturally occur in Africa, Asia, and Australia in particular, the risk of river flooding tends to affect the northern hemisphere. The fact that the acute risks remain constant shows that we are already feeling the consequences of climate change today.

The number of locations subject to chronic risks rises until 2040 and 2050. In terms of drought stress, there are significant differences between the SSP2 and SSP5 scenarios, which increases our risk exposure. Similar developments are also predicted for

other chronic climate risks, such as heat stress and precipitation stress. According to the scenarios, our locations in Asia and Africa would be particularly affected by drought and heat, while more northerly regions, such as North America and Europe, would be more exposed to precipitation stress.

Transition risks³⁾

The potential impact of climate change depends heavily on global developments such as demographic change, economic growth, and efforts to rapidly reduce the CO₂ concentration in the atmosphere.

The following risks have been identified as significant transition risks for Heidelberg Materials:

Policy and legal risks

Under the SSP1-1.9 scenario, political and legal risks, such as climate-related regulations or changes to policy (particularly pricing), would be most distinct until 2030, and under the SSP-4.5 scenario, they would be most distinct in 2030 and 2040.

In regulated countries, cap-and-trade systems can result in significant operating costs due to the purchase of emission allowances. This creates an uneven playing field and can put local manufacturers at a significant disadvantage compared with importers as well as manufacturers from non-regulated countries or competing building materials sectors. In the 2025 financial year, around 40% of our clinker production took place in countries with a cap-and-trade system or comparable CO₂-related taxes with limited financial impact due to partial offsetting (see also [Regulatory risks section](#)). The EU will see a far-

3) The explanations also comply with the disclosures on the assessment of the extent to which assets and business activities of Heidelberg Materials may be exposed to climate-related transition events in relation to the emergence of gross transition risks or opportunities.

reaching tightening of existing CO₂ regulations from 2026, especially in connection with the ambitions surrounding the EU climate protection programme “Fit for 55.”

Heidelberg Materials anticipates increasing costs connected with the purchase of emission allowances. The Carbon Border Adjustment Mechanism (CBAM) is intended to progressively ensure a level playing field between EU manufacturers and importers by 2034. The CBAM and the gradual reduction in the annual free allocation of emission allowances started in 2026. Importers have been required to report their production volumes as well as their direct and indirect CO₂ emissions since October 2023.

In addition to emissions related to clinker production, the EU has expanded its emissions trading system for transport-related CO₂ emissions. Gradual implementation of this obligation began in 2024. As of 2025, companies have to pay for the emissions caused by transport by ship. In the long term, this could lead to higher logistics costs for Heidelberg Materials.

The EU regulates other emissions such as sulphur and nitrogen oxide emissions as well as particulate matter and requires them to be within or below the limits achieved by the best available technology (BAT). As similar requirements also exist in other countries, it may be necessary to adapt our production facilities in line with local limit values.

Market and reputational risks

Market and reputation risks remain largely constant across all scenarios. While market risks are most distinct according to the SSP1-1.9 scenario, especially up until 2050, reputational risks will arise in 2030 in particular and will gradually decrease over time.

According to the SSP5 scenario, reputation risks are minimal.

One of the highest market risks stems from a possible shift in consumer preferences favouring increased substitution of concrete by other building materials perceived as having a lower carbon footprint.

Another market risk when applying the SSP1-1.9 scenario is the limited availability of alternative fuels and raw materials due to increasing demand, which leads to higher costs. We are also working to secure the necessary quantities of alternative raw materials and fuels for our production through acquisitions. In addition, we are carrying out research and development projects on the suitability of other alternative raw materials, such as pozzolans. At the same time, we are exploring opportunities for a long-term supply of renewable energy generated on site at our plants or from (virtual) power purchase agreements ((V) PPAs) with strategic partners.

Changing investor preferences for sustainable investments in companies with a low carbon footprint could lead to higher financing costs or lower market capitalisation. As already described (see [Technology risks section](#)), increasing public interest in our ESG strategy also come with reputational risks to certain stakeholders if we are delayed in achieving our sustainability targets or fail to achieve them at all. These risks can be mitigated both through the measures outlined above and through open and regular communication.

Overall, we classify the climate risks described above as a general risk with a possible gradual impact on the Group. In our opinion, the risk outlook is unchanged compared with the previous year.



Technology risks

According to the SSP1-1.9 scenario, the highest technology risk is expected in the period up to 2030, but according to the SSP2 and SSP5 scenarios, this risk will remain low until 2030 and disappear in the medium to long term.

The technology risk relates to the substitution of conventional products with lower-emission alternatives that could become available in larger quantities in the future and are currently being tested in small quantities. These include new alternative binders, which in turn could trigger a shift in customer preferences (see also [Strategic risks section under Substitution of products](#)).

We are actively involved in the research and development of new product solutions. The Group Global Research & Development & Innovation department, which is part of the Sustainability Office, works in cooperation with our customers to develop alternative products in order to remain competitive.

Another technology risk is investing in processes that eventually may not succeed in the market. This is especially true of new processes such as carbon capture, utilisation, and storage (CCUS) in the cement industry, which may not prove to be efficient but already require investment decisions to be made.

Heidelberg Materials is currently working on around a dozen industrial-scale CCUS projects in Europe, the USA, and Canada. Some of the most relevant carbon capture technologies for the cement industry, such as amine and oxyfuel technologies, are described in the [Research and development section](#).

In order to gain experience with all major carbon capture technologies, Heidelberg Materials is pursuing a gradual investment approach that includes research cooperation with other partners as well as public funding. On the one hand, this minimises the risk of failed or uneconomic investments and, on the other hand, ensures that Heidelberg Materials gains experience with future-oriented technologies that could be successful in the market.

Our CCUS initiatives are complex, technologically demanding, multi-stakeholder projects with numerous dependencies. Delays may therefore occur during the implementation process, for example if expected funding is not approved. On 29 May 2025, we received a termination notice letter from the US Department of Energy (DOE) regarding the up to \$500 million funding for our project to decarbonise the Mitchell cement plant in Indiana. This was one of 24 notices that the Department sent out to awardees under the Industrial Demonstration Program. We have initiated the necessary steps for an appeal and are currently in discussions with the responsible authorities to find a viable solution. Based on this process, we continue to evaluate the next steps for the Mitchell project.

The roll-out costs for new technologies are also considered risks. Current estimates range widely and depend on several factors, such as economies of scale, which influence the final, currently unknown costs of each technology. Large-scale CCUS projects generally span a value chain in which we are primarily responsible for the carbon capture component in a cement plant. In order to prevent general risks associated with CCS technologies in our projects, such as risks to groundwater quality due to CO₂ leakage,

we work together with partners who have decades of exploration experience and expertise in the transport and storage of CO₂ from the implementation of CCS projects in other industries.

In addition to the operational risks mentioned above, investments in new technologies such as CCUS may also have an impact on the achievement of targets within the framework of our sustainability strategy. If the commissioning of projects is delayed, our CO₂ reduction targets may be missed. Among other consequences, this could damage the company's reputation.

Opportunity areas

Business opportunities are identified at Group level and at operational level in the individual Group countries and, if they are likely to materialise, taken into account as part of the strategy and planning processes. In the opportunities outlined below, we refer to possible future developments or events that can lead to a positive deviation from our forecast. Usually, we do not assess opportunities as their likelihood is difficult to estimate.

Strategic opportunities

In the medium and long term, as a result of rising population numbers, we particularly see opportunities for growth in demand for our building materials for residential, commercial, and public construction. An increase in prosperity and the ongoing trend of urbanisation, especially in the growth markets of emerging countries, will also drive demand.

We also see particular potential in activities relating to sustainability and digitalisation, which will further develop and transform our core business. Our aspiration to close the loop in terms of carbon emissions and material streams will enable us to market new products and solutions. We aim to take advantage of the opportunities arising from the increasing demand for sustainable products. The products, product applications, processes, and technologies already developed and under development by Heidelberg Materials for these purposes are described in more detail in the [sections on Operational opportunities, Climate-related opportunities, Research and development](#) and in the [Sustainability report chapter](#).

Increasing digitalisation will improve efficiency at Heidelberg Materials, reduce production and administrative costs, and thus improve overall competitiveness. To give an example from cement production: with our digital solution "Planner," which is part of our HProduce product suite and has already been introduced in over 70 cement plants, we have been able to save energy costs in a double-digit million € range through algorithmically optimised production planning and energy procurement. We aim to leverage the potential of artificial intelligence for process optimisation by using a standardised cement quality database (CQDB), which we have already rolled out in 50 plants.

We can achieve significant cost reductions and efficiency enhancements by consistently further developing and scaling up the HProduce solutions. The development of new, digital technology solutions, including solutions for our customers, also opens up opportunities to further expand our role in this area



and tap into new fields of value creation. With over 40,000 monthly users, our HConnect product suite gives us direct digital access to over 10,000 cement and aggregates customers and over 15,000 construction companies worldwide. Going forward, we intend to use this channel to offer our customers bundled products and services consisting of sustainable building materials and digital solutions from our partners that aim to reduce CO₂ emissions and increase efficiency. Examples include Giatec's app-supported sensor technology and AI-based formulation optimisation for the concrete sector.

Operational opportunities

Risks from the strong increase in prices for energy, raw materials, and additives are also offset by opportunities. Overall, the development of energy prices could be more advantageous than planned if the supply of coal, shale gas, and oil exceeds demand again and has a correspondingly positive impact on our cost structure.

Heidelberg Materials is also making greater use of waste materials and by-products from other industries as valuable raw materials and fuels. We aim to increase the proportion of alternative fuels in the fuel mix to over 50% by 2030, thereby reducing both CO₂ emissions and our dependence on natural resources and fossil fuels.

In addition, our recycling activities are contributing to the diversification of our portfolio and offering opportunities for organic growth and vertical integration. Innovations relating to the circular economy, such as our proprietary ReConcrete process, are opening up new possibilities in terms of process optimisation.

By 2030, we aim to generate more than half of our revenue from sustainable products, for which we expect demand to increase even further.

Our evoZero® is the world's first carbon captured near-zero cement, which we produce at our plant in Brevik, Norway, and have been delivering since October 2025. Since CCS technology does not alter the chemical composition or performance of the building material, evoZero can be used for all kinds of applications. This offers Heidelberg Materials the opportunity for product differentiation in a standardised mass market. We are benefiting from the fact that Brevik CCS was the first industrial-scale CCS project in the cement industry to go into operation, well ahead of comparable projects by our competitors.

The consistent and ongoing implementation of measures to increase efficiency, reduce costs, and improve margins in production, logistics, and distribution is an integral part of our Group strategy. The opportunity exists for all projects to produce higher than anticipated results and margin improvements that exceed expectations.

Financial opportunities

Exchange rate and interest rate risks described under **Financial risks** are also offset by opportunities that can turn the identified factors of influence to our advantage. Fluctuations in the exchange rates of foreign currencies against the euro thus present both risks and opportunities.

In addition, we see opportunities within our Green Finance Framework and our Sustainability-Linked Financing Framework and the associated sustainabil-

ity-linked financing instruments. These are designed

to bring our financing strategy in line with our sustainability targets, particularly in relation to climate protection, and could help us to appeal to a broader investor base and thus improve refinancing costs.

Climate-related opportunities

The cement industry can make a decisive contribution in the transition to a low-emission and climate-resilient global economy. The urbanisation trend and growing world population are expected to increase the demand for cement and concrete. In the medium term, we see opportunities in a growing demand for durable building materials produced using resource-efficient processes for the construction of resilient infrastructure. With the increasing likelihood of extreme weather events and natural disasters, such as flooding and sea level rise due to climate change, the importance of robust concrete infrastructure capable of withstanding and protecting against the impacts of such events in the regions affected is growing.

To expand our activities in relation to the circular economy and reduce CO₂ emissions, Heidelberg Materials acquired further companies in this sector in the 2025 financial year. The reuse of alternative raw materials and by-products from upstream and downstream industries such as fly ash from energy generation to manufacture alternative products such as composite cements strengthens circularity within Heidelberg Materials' value chain. The addition of fly ash, for example, as a supplementary cementitious material (SCM) helps to reduce the CO₂ intensity of concrete.

As part of our strategic alignment towards climate protection, we are doing intensive research into possible uses for recycled concrete. One focus is on the recarbonation of hardened cement paste in recycled fractions. The aim of this process called "enforced carbonation" is to store the same amount of CO₂ in this material as was previously released during the cement production process. The results of our R&D efforts are encouraging, demonstrating a CO₂ uptake potential close to the amount of process greenhouse gases emitted during clinker production. This has the potential to make a significant contribution to the decarbonisation of the industry, and it gives us the opportunity to access new markets with recarbonated products.

In order to be able to offer near-zero cement at a larger scale in the medium term, we are focusing on carbon capture, utilisation, and storage technology. In June 2025, we commissioned the world's first large-scale CCS project in the cement industry at our plant in Brevik, Norway. And in September 2025, we made the final investment decision regarding our CCS project in Padeswood, United Kingdom. Construction of the carbon capture facility began at the end of 2025.

We have begun preparations for around a dozen other CCUS projects (including Antwerp, Belgium, and Edmonton, Canada). Some of these projects are intended to capture almost all of the carbon emissions of the respective plants. The importance of CCUS in terms of achieving global, regional, and national climate targets has been confirmed by leading international organisations such as the United Nations (Intergovernmental Panel on Climate Change, UN IPCC), the International Energy Agency, and the European Commission. Last year's resolutions from the

With its integrated product portfolio, its positions in growth markets, and its cost structure, Heidelberg Materials considers itself well positioned to overcome any risks that may materialise and benefit from opportunities that arise.

Sustainability report

Part of the combined management report
of Heidelberg Materials AG

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Strategy 2030

Global Advantage

We drive sustainability, digitalisation, and technical excellence across the globe. Our success in our Group areas and business lines is based on this.

[Why we have a global advantage](#)

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About this sustainability report

The Sustainability Report was prepared in full compliance with the European Sustainability Reporting Standards (ESRS). It also meets the legal requirements for a non-financial group statement pursuant to sections 289b and 289c in conjunction with 315b and 315c of the German Commercial Code (Handelsgesetzbuch, HGB) (combined non-financial statement). All of the following information refer to the Group (Heidelberg Materials) and, where not shown separately, also to Heidelberg Materials AG, for which no framework was used.

We have reported all disclosures in accordance with the European Sustainability Reporting Standards (ESRS) and have not made use of the options to omit individual disclosures (in accordance with ESRS 1 section 7.7 or in accordance with Article 19a(3) and Article 29a(3) of Directive 2013/34/EU). However, in **chapter E4 – Biodiversity and ecosystems** of the 2025 report, we have applied the simplifications pursuant to the delegated act amending the European Sustainability Reporting Standard (ESRS) Set 1 (Delegated Regulation (EU) 2023/2772) of 11 July 2025. The detailed disclosures specified in ESRS E4 are therefore omitted for the 2025 reporting year. However, in accordance with ESRS 2.17, the chapter reports the required disclosures regarding policies, targets, actions, and key metrics.

For the 2025 reporting year, Heidelberg Materials has applied the transitional provisions in accordance with Appendix C of ESRS 1 to **chapter S1 – Own workforce**.

The material sustainability matters described in the sustainability report are grouped by topic into three categories: environment, social, and governance. This report also contains the disclosures pursuant to Regulation (EU) 2020/852 and its delegated regulations in the version applicable on 31 December 2025 (hereinafter: Taxonomy Regulation).

The scope of consolidation for sustainability reporting corresponds to that of financial reporting. The Sustainability Report also covers the Group’s upstream and downstream value chain.

The contents of the sustainability report were subject to an external voluntary audit with limited assurance in accordance with ISAE 3000 (Revised).

Additional disclosures

Heidelberg Materials defines the time horizons applied as 1 year for short term, >1–3 years for medium term, and >3 years for long term in order to ensure consistency with those used in the risk management process.

Heidelberg Materials reports in accordance with the requirements of the Global Cement and Concrete Association (GCCA). The GCCA also carries out regular external audits.

Information on ISO standards can be found in **chapters E1 – Climate change**, **E2 – Pollution**, and **S1 – Own workforce**.

If a metric is validated by an external body, this is explained in the topic standard for the relevant metric.

Some metrics relating to sustainability matters are partially based on estimates, such as those relating to data collection along the value chain. The underlying assumptions, methods, and sources are explained in the relevant chapters. The use of estimates can lead to measurement uncertainties, which are also explained in the quantitative information. In a few cases, there have been changes in the preparation and presentation of sustainability information compared with a previous reporting period. These are identified and explained in the topic standards.

If significant errors in previous reporting periods occurred in the course of preparing the report that have led to adjustments to previous years’ figures, these are described in the topical standards.

The risks and opportunities presented in the topical standards in the sustainability report are based on the ESRS framework and the definition of double materiality and thus go well beyond the disclosure requirements of section 289c(3) of the HGB. In addition, no non-financial risks were identified in accordance with section 289c(3) of the HGB.

Definitions

We define our target of achieving net-zero emissions by 2050 as reducing our CO₂ emissions along the entire value chain in line with the SBTi’s 1.5°C pathway, while neutralising residual emissions.

We report the share of revenue from sustainable products Group-wide and for the cement business line. Revenue that we allocate to our sustainable products is not aligned with the definitions of the EU

Taxonomy Regulation. We define sustainable cement and concrete as a reduction in CO₂ emissions of at least 30% compared with the Global Cement and Concrete Association’s (GCCA) 2020 global reference value. This translates to a threshold of ≤552 kg CO₂/t for cementitious material and ≤5.5 kg CO₂/m³/MPa for ready-mixed concrete. Circular products must contain at least 30% recycled aggregates or reduce material requirements by at least 30% in order to be included in the share of revenue from sustainable products.

In the reference column of the KPI tables, SC2030 stands for our **Sustainability Commitments 2030** and SASB for the Sustainability Accounting Standards Board.

Governance

Heidelberg Materials AG is a public limited company under German law with a two-tier board system consisting of the Managing Board as its management body and the Supervisory Board as its supervisory body. The Managing Board manages the company independently and determines its strategic direction and corporate targets. In addition, it regularly informs the Supervisory Board of all issues of importance relating to strategy, planning, business development, risk situation, compliance, and sustainability. The Supervisory Board appoints the members of the Managing Board, supervises and advises the Managing Board, and is involved in major decisions. The tasks and responsibilities of the management and supervisory bodies are primarily based on the German Stock Corporation Act (Aktengesetz, AktG) and the company’s **Articles of Association**. In con-

junction with the schedule of responsibilities, the Managing Board Rules of Procedure govern the work of the Managing Board, in particular the departmental responsibilities of individual members of the Managing Board. When selecting the members of the Managing Board, the Supervisory Board pays special attention to ensuring that, in the Supervisory Board's view, the members possess the knowledge and skills required to manage the company as a whole, including aspects of corporate policy and their respective Managing Board responsibilities.

Sustainability responsibility and expertise of the Managing Board and Supervisory Board

Managing Board

The Managing Board of Heidelberg Materials AG has overall responsibility for developing, implementing, and integrating the sustainability strategy into the Group's business processes and strategy. It is responsible for systematically identifying and assessing sustainability-related impacts, risks, and opportunities and for taking appropriate action.

The Managing Board of Heidelberg Materials AG consists of nine executive members. The standard retirement age for members of the Managing Board is 65 years. The Managing Board has an international composition and is characterised by a high degree of diversity in terms of professional and educational backgrounds, origins, and experience. Its members hold degrees in disciplines such as mining engineering, biochemistry, law, business administration, and mechanical engineering. Their individual career paths reflect a broad spectrum of areas of expertise. They also have diverse and complementary experience, particularly in the building materials industry, sustainability, decarbonisation, digitalisation, and international business development. Each member has over 15 years of international industry experience

and possesses in-depth market and product knowledge that is of central importance to the company's business lines, products, and geographic markets.

In addition, members of the Managing Board receive training on sustainability topics, such as managing ESG risks and regulatory requirements. The Managing Board can draw on external expertise as needed, for example by involving experts or specialist advisors.

The Chief Sustainability & New Technologies Officer (CSO) is the member of the Managing Board responsible for sustainability. She is responsible for developing and advancing the sustainability strategy, monitoring the material impacts, risks, and opportunities in relation to the material sustainability topics, achieving the **Sustainability Commitments 2030** targets, and implementing corresponding measures. She reports regularly to the full Managing Board. The Chief Sustainability & New Technologies Officer has extensive expertise in sustainability and decarbonisation thanks to her education and professional experience. This includes experience in the field of sustainable corporate governance, the integration of ambitious sustainability targets into existing business processes, and the associated change management. She also has extensive experience in developing sustainable business models.

The CSO is supported in the fulfilment of her duties by the Sustainability Office, which is also responsible for the design and further development of the sustainability strategy, including associated targets, the company's decarbonisation by means of alternative raw materials and fuels, among other measures, as well as the research and development of innovative materials and technologies. In addition, it is responsible for drawing up new business models and establishing a partnership network in the field of carbon

capture, utilisation, and storage, including public relations and funding.

To ensure a continuous flow of information and manage sustainability topics, the Managing Board has set up several steering committees, including committees focused on the CO₂ roadmap and the sustainable product brands evoZero and evoBuild. These bodies meet regularly with the participation of at least one member of the Managing Board. Their priorities include advancing the drivers of decarbonisation that have the greatest impact on Heidelberg Materials and identifying associated business opportunities. The Sustainability Reporting Steering Committee consists of the Chief Financial Officer, the Chief Sustainability & New Technologies Officer, and the Chief Digital Officer, among others. This corporate body also keeps members informed about statutory reporting requirements.

ESG-related data is collected, consolidated, and processed by the Group ESG Controlling department, which falls under the responsibility of the Chief Financial Officer.

In addition to the specialist skills of the members of the Managing Board, the company's management can draw on the sustainability expertise of all Group departments that are operationally responsible for managing and monitoring the results of the materiality analysis and sustainability matters. In addition to the Sustainability Office, these include the Group Legal & Compliance, Group Human Resources, and Group ESG Controlling departments. To ensure that the departments have the necessary competences, the training and professional experience of candidates are checked during the recruitment process. In the course of day-to-day business, expertise is continuously augmented by gaining professional experience through interdisciplinary cooperation, external

consulting services, internal audits, and technological support, for example. Advanced training measures are designed to ensure that the departments remain up to date.

Supervisory Board

The Supervisory Board of Heidelberg Materials AG consists of twelve non-executive members. Pursuant to the German Co-Determination Law (Mitbestimmungsgesetz, MitbestG), this corporate body is composed of six shareholder representatives and six employee representatives. It is chaired by a shareholder representative. The Supervisory Board is divided into committees, including an Audit Committee and a Sustainability and Innovation Committee. In general, only persons who are not older than 70 years of age should be nominated for election as members of the Supervisory Board.

Collectively, the members of the Supervisory Board have relevant extensive and sector-specific experience, particularly in the building materials industry, industrial production, energy, digitalisation, and finance. For example, eight members have many years of industry experience, two members have expertise in sustainability matters confirmed by the Supervisory Board, and six members have international management experience.

In addition, the Supervisory Board shall ensure appropriate diversity with regard to age structure and the respective educational and professional background of its members. At the time of reporting, the corporate body represents a wide range of professional and educational backgrounds, international origins, and experience. Its members hold degrees in disciplines such as law, economics, business information technology, and mechanical engineering, or have completed vocational training in fields such as energy systems electronics and building fitting.

According to the independence assessment carried out by the Supervisory Board, all shareholder representatives can be classified as independent as at 31 December 2025, within the meaning of recommendations C.6 and C.7 of the German Corporate Governance Code (GCGC), as well as of the Corporate Sustainability Reporting Directive (CSRD) and Delegated Regulation (EU) 2023/2772 (ESRS). Whether the status of employee representative precludes independence within the meaning of the CSRD and the ESRS can currently be assessed differently. Consequently, according to the Supervisory Board’s assessment, the employee representatives on the Supervisory Board are not regarded as independent as a precautionary measure. Based on this assumption, 50% of the members of the Supervisory Board of Heidelberg Materials AG are independent.

Composition of Managing and Supervisory Board

	Managing Board	Supervisory Board
Number of women	1	5
Share	11.1%	41.7%
Number of persons aged 30-50 years	4	2
Share	44.4%	16.7%
Number of persons over 50 years of age	5	10
Share	55.6%	83.3%
Number of persons with German nationality	5	11
Share	55.6%	91.7%
Number of persons with foreign nationality	4	1
Share	44.4%	8.3%

The Sustainability and Innovation Committee advises and supervises the Managing Board on sustainability issues and supports the Supervisory Board in its

strategic assessment. It meets twice a year. The Sustainability and Innovation Committee includes a sustainability expert with specialist knowledge. She has many years of wide-ranging sustainability expertise in industry, in associations, and on the supervisory boards of other companies. Other members of the committee contribute specialist knowledge in the energy industry and hydrogen economy, digitalisation, financial strategy, and compliance.

New members of the Supervisory Board are offered individually tailored induction programmes designed to familiarise them with the company’s sustainability targets, processes, and instruments, among other things. In addition, the members are themselves responsible for undertaking further training and education, with appropriate support from Heidelberg Materials.

Sustainability topics addressed by the Managing Board and Supervisory Board

Sustainability topics are regularly on the agenda at Managing Board meetings. They are raised by the Chief Sustainability & New Technologies Officer and, where appropriate, by specific departments, including Group Legal & Compliance, Group Human Resources, Group Health & Safety, and ESG Controlling. The Managing Board monitors progress towards our **Sustainability Commitments 2030** in relation to the targets for CO₂ emissions and the share of revenue from sustainable products. These matters are also discussed at the quarterly management meetings, at which the Group countries present current business developments to the Chairman of the Managing Board, the Chief Financial Officer, and the Managing Board member with responsibility for the Group country in question. The development of workplace

accidents is reported to the Managing Board on a monthly basis. Further key figures, such as the Supplier Sustainability Performance Rate and the number of water management and recycling plans, are collected semi-annually or annually and presented by the Group Sustainability department.

The Managing Board and Supervisory Board also co-operate closely on sustainability issues. The Managing Board informs the Supervisory Board regularly, in a timely manner, and comprehensively, about relevant sustainability topics. The sustainability strategy and its integration into the company’s business processes and overall strategy are regularly discussed at plenary sessions of the Supervisory Board. The Chief Sustainability & New Technologies Officer informs the Supervisory Board at least once a year about the progress made towards achieving the **Sustainability Commitments 2030** targets and other relevant developments.

Together with the Audit Committee, the Sustainability and Innovation Committee oversees the audit of the sustainability reporting process and also receives reports on the material impacts, risks, and opportunities identified in the double materiality analysis. The Sustainability and Innovation Committee is particularly focused on the reduction of the company’s carbon footprint, related innovation topics and growth opportunities, as well as other ESG topics such as respect for human rights. In addition, it monitors progress towards the company’s sustainability targets.

The Audit Committee also receives semi-annual reports on the effectiveness of the internal control, risk, and compliance management system, which also covers sustainability-related targets and risks, and

selects an audit focus topic associated with non-financial reporting and the ESG indicators each year.

Before any major investment decisions are made, the relevant departments analyse the impacts on strategy, finances, and sustainability targets. The Managing Board and the Supervisory Board give due consideration to the results of these analyses when making their decisions and weigh up the impacts.

Material risks and opportunities are taken into account in risk management processes and procedures. A Group-wide risk and opportunity management system provides the basis for this. Embedded in the planning and management processes, it is designed to identify and assess risks and opportunities at an early stage. Quarterly reports and an annual overall risk assessment ensure transparency for the Managing Board and Supervisory Board. Monitoring and management of the Group strategy take account of the identified risks and opportunities and their potential impacts in order to continuously adapt the Group’s strategic alignment and ensure it develops sustainably. At their meetings, the Managing Board and Supervisory Board receive regular reports from the responsible functions.

On a case-by-case basis, Heidelberg Materials strives to reach balanced compromises that meet the specific requirements and circumstances of the given situation. Due diligence processes are carried out for this purpose, with the respective project teams presenting studies and proposals, which are then weighed against each other in terms of financial and ESG-related arguments. The findings are presented to the Managing Board, which seeks to balance the diverging interests and make a sound and well-founded decision that suits all parties involved.

Sustainability topics addressed by the Managing Board and Supervisory Board in 2025	Responsibility	Frequency
Review with the company's CO ₂ roadmap, including CCUS projects	Managing Board, Supervisory Board, Sustainability and Innovation Committee	At least semi-annually
Changes in CO ₂ emissions	Managing Board	At least every quarter
Effectiveness of the internal control, risk, and compliance management system	Audit Committee	Semi-annually
Impact of investments on the Group's strategy, finances, and sustainability targets	Managing Board, Supervisory Board	Monthly
Weighting of sustainability matters in Managing Board remuneration	Supervisory Board, Personnel Committee	Annually
Occupational safety	Managing Board	Monthly
Topical issues affecting the Group departments (including Human Resources, Sustainability, Technology, Strategy & Development/M&A), as required	Managing Board	Monthly
Development and progress towards achieving the Sustainability Commitments 2030 targets	Managing Board, Supervisory Board	Semi-annually or annually
Development of the sustainable product brands evoZero and evoBuild	Managing Board	Monthly

Sustainability-related remuneration components

The remuneration system of the Managing Board is aligned with the Heidelberg Materials Group strategy. By selecting appropriate performance criteria for the performance-related remuneration, incentives are given to implement the Group strategy and to promote the long-term and sustainable development of Heidelberg Materials. Both financial and non-financial performance criteria are used to repre-

sent the company's success as a whole. The consideration of ESG targets in the performance-related remuneration underlines the simultaneous pursuit of excellent business performance combined with environmentally and socially responsible conduct.

The remuneration of the company's Managing Board is based on the principle that members of the Managing Board should be remunerated appropriately according to their performance. With the high proportion of performance-related remuneration components, the Supervisory Board pursues a strict pay-for-performance approach.

Performance-related remuneration components

For the overall consideration of the company's success, various performance criteria are used within the performance-related remuneration components to measure the target achievement. The performance criteria are derived from the Group strategy and are both financial and non-financial. Furthermore, a significant proportion of the selected performance criteria contribute to the achievement of Heidelberg Materials' sustainability targets. Within the framework of the Managing Board remuneration system, approximately 40% to 60% of short-term variable remuneration is dependent on sustainability-related key figures.

The climate targets in the Managing Board remuneration are based on Heidelberg Materials' emissions reduction targets. Reducing CO₂ emissions is central to Heidelberg Materials' [Sustainability Commitments 2030](#). The use of the CO₂ multiplier in the annual bonus, in combination with the definition of CO₂ reduction targets over a three-year period in the long-term bonus, is intended to create a balanced incentive profile for the members of the Managing Board to reduce specific net CO₂ emissions to below 400 kg of CO₂ per tonne of cementitious material by 2030. Approximately 18% of the variable remuneration granted to the members of the Managing Board in the 2025 financial year is linked to the reduction of CO₂ emissions.

Annual bonus

Sustainability is an important component of the performance criteria in both the annual bonus and the long-term bonus. Half of the overall target achievement for the annual bonus is measured by Group Performance and half by Sustainable Strategy Targets.

Group Performance

Group Performance is measured on the basis of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG and the CO₂ component, which takes into account the reduction in Group-wide CO₂ emissions in the cement business line. The target achievement is calculated by multiplying the target achievement for the profit for the financial year by the CO₂ component.

The CO₂ component is intended to provide a meaningful incentive to achieve the CO₂ reduction targets set as part of the Group strategy. At the same time, the aim is to promote the long-term and sustainable development of Heidelberg Materials by orienting the business model towards resource-efficient production.

Sustainable Strategy Targets

The Sustainable Strategy Targets represent the second target category for the annual bonus. They consist of four different performance criteria. Anchored in the remuneration system are the two criteria health and safety and free cash flow adjusted for special items. The third performance criterion is a sustainability-related key figure. Targets for the increase of sustainable revenues were agreed with the members

of the Managing Board for the 2025 financial year as part of this criterion. In the context of these targets, the share of Group revenue generated by sustainable products in the cement business line is measured. For all three performance criteria, the targets of the functional members of the Managing Board are based on corresponding performance at Group level, while the targets for the other members of the Managing Board focus on the respective Group area.

As a fourth performance criterion, the Supervisory Board sets an individual target for each member of the Managing Board at the beginning of each financial year.

For the 2025 financial year, the Supervisory Board defined the weighting of the Sustainable Strategy Targets as follows:

Weighting of the sustainable strategy targets	
Health and safety	20%
Free cash flow	40%
Sustainable revenue	20%
Individual target	20%

The Sustainable Strategy Target health and safety is designed to ensure the occupational health and safety of Heidelberg Materials’ employees.

In order to achieve this target, the Supervisory Board set specific targets for reducing the lost time injury frequency rate (LTIFR) in the 2025 financial year.

The aim of the Sustainable Strategy Target increase of sustainable revenue is to help raise the share of Group revenue generated by sustainable products in the cement business line to more than 50%, as set out in the [Sustainability Commitments 2030](#).

Long-term bonus

In the context of the global challenges caused by climate change and resource scarcity, an ESG target has been included in the long-term bonus since the 2024 financial year in order to provide incentives to achieve Heidelberg Materials’ ambitious sustainability targets in the long-term performance-related remuneration component as well. The ESG target in the long-term variable remuneration has a weighting of 25%.

At the beginning of the duration of a tranche of the long-term bonus, the Supervisory Board sets a measurable and quantifiable ESG target. The ESG target is derived from Heidelberg Materials’ Group and sustainability strategy, taking into account the results of the materiality analysis.

For the 2025 tranche of the long-term bonus, the Supervisory Board agreed targets with the members of the Managing Board to reduce specific CO₂ emissions per tonne of cement over the three-year performance period of the long-term bonus.

Pursuant to section 87(1) of the AktG, the Supervisory Board of Heidelberg Materials AG determines the remuneration of the Managing Board (and thus also approves and updates the conditions of incentive schemes).

The remuneration of the Supervisory Board is set out in section 12 of the Articles of Association of Heidelberg Materials AG and consists of a fixed remuneration plus an attendance fee. This remuneration is not dependent on sustainability matters. The majority of DAX 40 companies grant a fixed remuneration, which is also in line with suggestion G.18 sentence 1 of the German Corporate Governance Code (GCGC).

Further information on the Managing Board and Supervisory Board remuneration system and on the target achievement calculations can be found in the [Remuneration report chapter](#).

Risk management and internal controls over sustainability reporting

Established procedures and control mechanisms are in place for managing, assessing, and monitoring targets relating to sustainability impacts, risks, and opportunities. These include double materiality analysis, an ESG risk management process, and regular assessment of progress towards the [Sustainability Commitments 2030](#). These procedures are integrated into the Group-wide management, planning, and reporting systems and are coordinated by the Group Sustainability department. The results obtained from these procedures are incorporated into strategic decision-making processes and investment assessments.

Heidelberg Materials has implemented Group-wide risk management processes as well as internal control processes that are aligned with its sustainability reporting.

ESG risks are integrated into the risk management system, where they represent a separate category in the risk areas. The current ESG risks identified through this system then serve as the basis for the double materiality analysis used in sustainability reporting, ensuring consistency. In turn, annual validation of the materiality analysis ensures that Heidelberg Materials reports on the relevant topics and the ESG indicators derived from them.

The long-standing and well-established external auditing of the Group’s sustainability reporting by the auditor is an important component of its risk management and controls with regard to sustainability reporting.

Further components of the risk management process relating to the collection of the key sustainability figures include checks on the data before it is entered into the Group consolidation systems at the operational sites as well as more extensive data validation at various levels of the Group. Lastly, the ESG indicators are subject to a final review by the Group ESG Controlling department. They are checked and confirmed as correct and up to date by the Finance Directors of the respective Group countries.

The internal audit process is one element of the internal control system. The Group Internal Audit department carries out targeted sustainability audits, which examine, among other things, the reporting and control processes for the ESG indicators. The results of these internal audits feed into the reporting processes as improvement suggestions. Individual reporting processes – such as collecting data on sustainable revenues in the various business lines – were already part of the internal audit. The internal control system is based on local and global control processes.

The risk assessment approach taken by Heidelberg Materials with regard to sustainability reporting places particular focus on information relevant to management and/or remuneration, such as specific net CO₂ emissions per tonne of cementitious material (Scope 1) or the share of revenue from sustainable products in the cement business line. These key figures are audited by an external party to an appropriate level of scrutiny.

The most important risks identified in connection with sustainability reporting include data integrity, regulatory changes, and external reporting requirements. Heidelberg Materials has implemented specific control measures to mitigate these risks, including the introduction of robust data management systems,

advanced training and education for the employees involved, and monitoring of regulatory developments through membership of industry associations and networks.

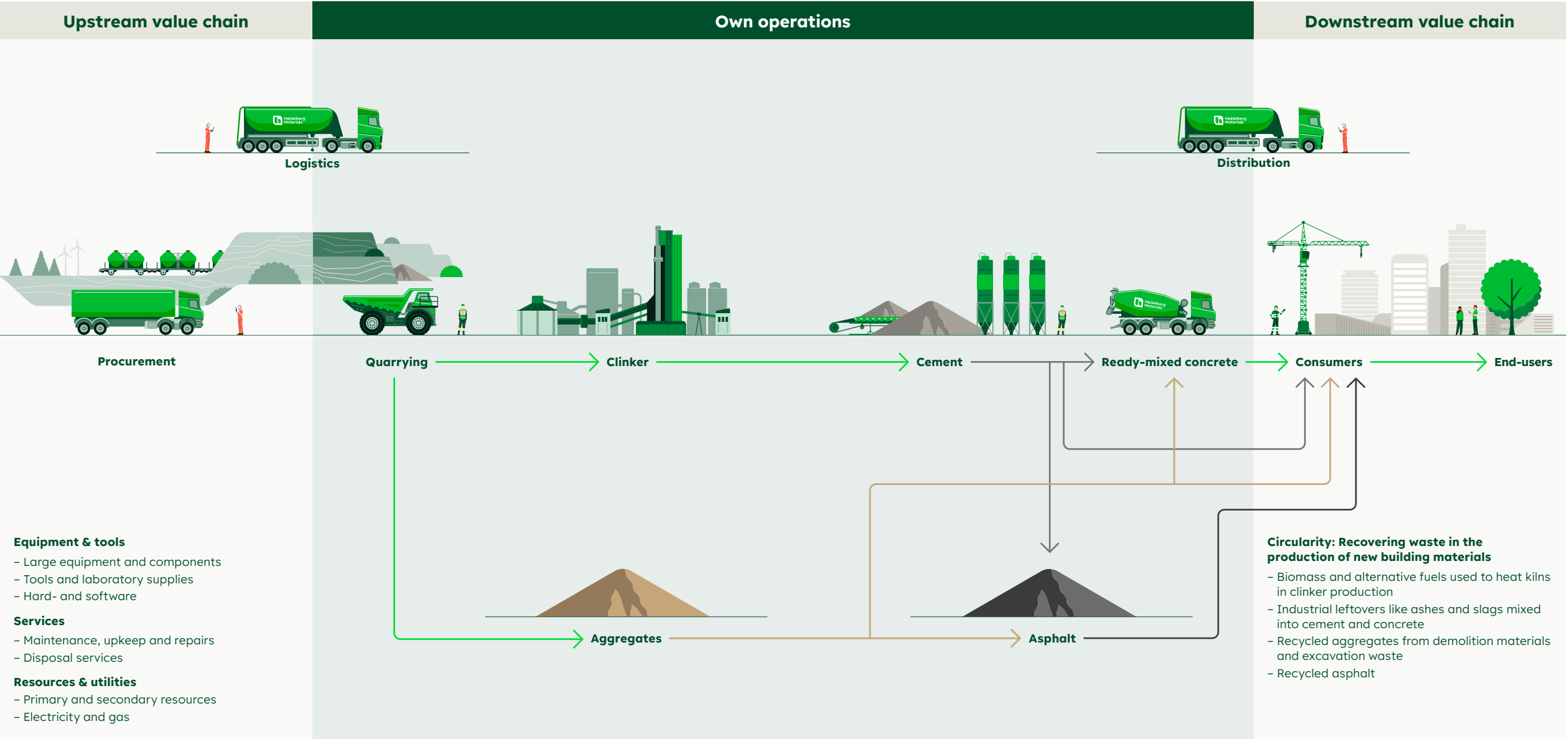
The findings of the risk assessments and internal controls are integrated into the relevant internal functions and processes. Among other things, this can entail the Group Communications & Investor Relations department adapting the reporting processes and the Group ESG Controlling department making continuous improvements to the internal control systems in the data collection processes.

The findings of the risk assessments and internal controls are reported to the Chief Financial Officer and the Chief Sustainability & New Technologies Officer via the Sustainability Reporting Steering Committee on an ad hoc basis ([see Sustainability topics addressed by the Managing Board and Supervisory Board section](#)).

Value chain

A description of the Group’s business model, the number of employees by Group area, disclosures on elements of the Group strategy that relate to sustainability matters, and revenue associated with fossil fuels can be found in the [Business model, Locations and sales markets](#), and [Strategy sections](#) of the chapter [Fundamentals of the Group](#), as well as in the [Group Services section of the Economic report 2025 chapter](#).

Given our business model and value chain, we focus on SDGs 5, 8, 9, 12, 13, 15, and 16, to which Heidelberg Materials can make a substantial contribution. Through our [Sustainability Commitments 2030](#), we are supporting the UN Sustainable Development Goals (SDGs). In doing so, we aim to help tackle social, economic, and environmental challenges at a global level.





Upstream value chain

Own operations

Downstream value chain

Sustainability of our value chain

SDG 8

We strive to ensure responsible and sustainable procurement practices throughout our value chain. Our procurement strategy emphasises transparency, supplier engagement, and environmental responsibility. This includes selecting suppliers based on their environmental performance, focusing on emissions reductions and promoting circularity in the purchase of primary (natural) and secondary (recycled) resources, as well as energy, logistics, and maintenance.

SDG 8, 15, 13

To produce our building materials, we extract essential raw materials such as limestone, sand, gravel, and hard rock – primarily from our own quarries. In our aggregate pits and quarries, we are committed to environmentally conscious extraction methods and subsequent restoration and reclamation. Our nature-positive commitment safeguards ecosystem integrity and strengthens our social license to operate.

SDG 8, 13

Our activities are divided into four business lines within four geographical Group areas. Our core products are cement, aggregates, ready-mixed concrete, and asphalt.

Clinker, the intermediate product of cement, is made by combustion of limestone at high temperatures, a process that generates significant CO₂ emissions. Through the modernisation of our plants and the use of alternative fuels – especially waste-based biomass – we reduce the carbon intensity of production.

We also optimise the composition of cement by lowering the proportion of energy-intensive clinker and incorporating supplementary cementitious materials. These include low carbon virgin raw materials like calcined clays and recycled materials such as carbonated concrete fines. We are also continuously expanding our portfolio of carbon capture, utilisation, and storage (CCUS) projects. CCUS is a key technology for the full decarbonisation of cement production.

SDG 13, 9, 12

We refine our core products into further processed products like ready-mixed concrete and asphalt. For ready-mixed concrete, we develop innovative, lower-carbon formulations by optimising mix designs and opting for cement with reduced clinker content whenever possible. In asphalt production, we focus on increasing recycled content and cutting CO₂ emissions from fuels.

Concrete is essential for climate-resilient infrastructure, providing the necessary strength and durability for bridges and dams, as well as enabling special solutions like water-permeable pavements and complex architectural designs.

SDG 9,12

We develop sustainable applications in close collaboration with customers and end-users. We support our partners not only by providing low-carbon and circular products and materials, but also by educating them on the correct and efficient use of these solutions.

The transparency of our product data supports our customers in making informed decisions, enabling them to reduce the embodied carbon of their projects and achieve their own climate goals. Digital tools further enhance efficiency and traceability, helping us deliver smarter logistics and tailored solutions.

We integrate circularity across all steps of our value chain by returning secondary materials into our operations – whether through procurement, production, or refinement. Construction and demolition waste, as well as other recovered materials, are recycled to replace virgin raw inputs. Reducing overall resource consumption, including water, is a key focus of our business actions.

SDG 5, 8, 16

The extraction of raw materials and the production of cement and aggregates carry various risks through working conditions including very high temperatures around the cement kilns and

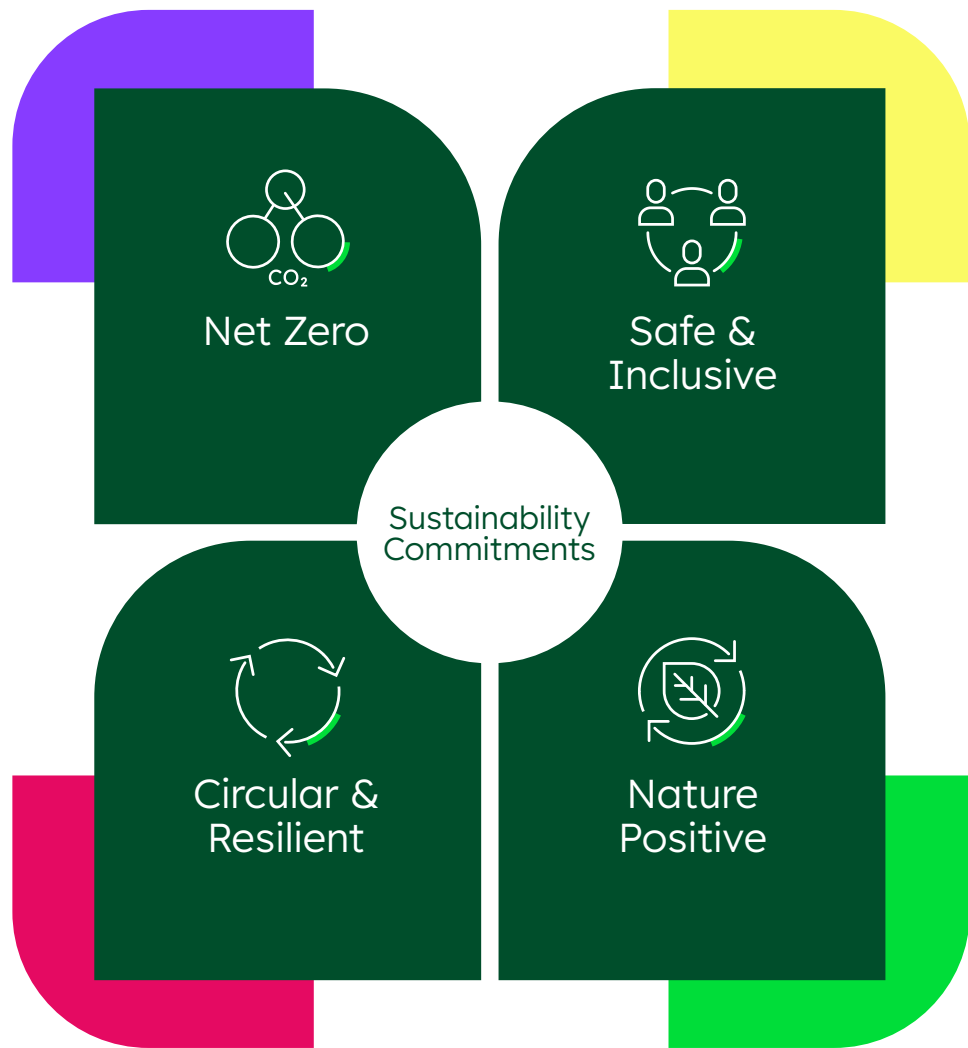
at great heights, heavy technical equipment, or rotating machinery including kilns, mills, or conveyor belts. Our declared goal is Zero Harm. With effective preventive measures, we intend to mini-

mise the risk of accidents and injuries. Occupational health and safety is therefore a cornerstone of our corporate culture and work processes. As a global employer, we strive to uphold high

social standards which foster equity, inclusion, and decent working conditions. Heidelberg Materials is committed to responsible corporate governance and pursues a zero-tolerance policy

in the event of corruption and antitrust violations. Our corporate responsibility also includes respect for human rights as well as ethical and fair behaviour in all areas of our business activities.

Sustainability Commitments



Based on our business model and value chain, we have set ourselves sustainability targets that relate to four topic areas: Net Zero, Circular & Resilient, Safe & Inclusive, and Nature Positive.

As part of our Sustainability Commitments 2030

- We drive the decarbonisation of our sector and provide low-carbon products.
- We drive circularity to reduce and reuse materials and natural resources.
- We place the health and well-being of employees, communities, and suppliers at the core of our business operations.
- We aim to contribute to a nature positive world through our biodiversity programme and sustainable water management.

The Sustainability Commitments 2030 apply Group-wide and do not differentiate by product, stakeholder group, or geographical area. They were adopted by the Managing Board in 2022.

As part of our **Strategy 2030: Making a Material Difference**, we made some adjustments to our Sustainability Commitments 2030 in the 2025 financial year.

We further tightened our targets for specific net CO₂ emissions (now: <400 kg/t cementitious material; previously: 400 kg/t cementitious material) and for the share of revenue from sustainable products (now: >50% of Group revenue; previously: 50% of Group revenue).

We also revised our targets and base years for our nitrogen oxide (NO_x) and sulphur oxide (SO_x) emissions (now: max. 1,258 g/t clinker for NO_x emissions and max. 312 g/t clinker for SO_x emissions as the average value for the years 2022, 2023, and 2024; previously: reduction of 40% in each value compared with 2008 figures).

We continuously monitor the achievement of our sustainability commitments. The following overview shows the progress made towards our targets as at the end of the financial year.

Information on products relating to our sustainability targets can be found in the **Actions section of the E1 – Climate change chapter** as well as in the **Actions, Targets and metrics sections** of the **E5 – Resource use and circular economy chapter**.



Building a net-zero future



		2025	Target 2030
CO ₂ and Energy	Reduce our specific net Scope 1 CO ₂ emissions to < 400 kg per tonne of cementitious material	512 kg CO ₂ /t cementitious material	< 400 kg CO ₂ /t cementitious material
	Reduce our total CO ₂ footprint according to the SBTi 1.5°C pathway ¹⁾		
	Gross Scope 1 CO ₂ eq emissions (–24% vs. 2020)	–10%	–24%
	Gross Scope 2 CO ₂ eq emissions (–65% vs. 2020)	–16%	–65%
	Scope 3 CO ₂ eq emissions (–25% in absolute emissions from purchased cement and clinker vs. 2020)	–24%	–25%
Additional Emissions	Compliance with the specific NO _x and SO _x emissions of the respective average value for the years 2022 to 2024		
	NO _x	1.314 g/t clinker	1.258 g/t clinker
	SO _x	239 g/t clinker	312 g/t clinker



Building a circular and resilient future



		2025	Target 2030
Circularity	Total volume of secondary materials processed	29.0 mt	> 35 mt
Sustainable Revenue	> 50% of our revenue from sustainable products that are either low-carbon or circular	37%	> 50%



Building a safe and inclusive future



		2025	Target 2030
Diversity, Equity & Inclusion	Ensure that 25% ²⁾ of leadership positions are filled by women	20%	25% ²⁾
Occupational Health & Safety	Achieve zero fatalities and	3	0
	reduce lost time injury frequency rate (LTIFR) by 50% compared with 2020	1.6	0.8
Community Engagement	100% of our sites have community engagement plans		
	Business line cement	60%	100%
	Business line aggregates	69%	100%
Sustainable Suppliers	80% of critical suppliers spend confirmed with a green ESG rating	72%	80%



Building a nature positive future



		2025	Target 2030
Biodiversity	100% of active quarries contribute to the global goal of nature positive, with 15% space for nature	72%	100%
Water	100% of sites in water-risk areas implement water management plans and water recycling systems		
	Business line cement: water management plans	23%	100%
	water recycling systems	66%	100%
	Business line aggregates: water management plans	44%	100%
	water recycling systems	59%	100%

1) Market-based emissions (business line cement)
2) Excluding the North America Group area

Stakeholder engagement

Stakeholder group	Relevant topics	Dialogue formats
Employees	Corporate culture and strategy, compliance, occupational health and safety, business performance, sustainability, digitalisation, transformation of the company	Virtual and on-site meetings, works council, works meetings, intranet, social networks, in-house magazines, video messages, training, and e-learning
Investors and analysts	Business performance, Group strategy, portfolio management, sustainability, digitalisation, corporate governance, green finance	Annual General Meeting, quarterly conference calls, investor conferences, roadshows, one-to-one and group discussions, Capital Markets Days
Customers	Information on products, solutions, and certifications, innovative and sustainable products, product quality, handling of customer data	Face-to-face meetings, customer satisfaction surveys, customer events, Sustainability Academies, participation in trade fairs, digital services (e.g. online advice), digital services as a service interface
Suppliers	Supplier contracts, Supplier Code of Conduct, procurement conditions, sustainability in the supply chain, compliance, human rights	Supplier discussions and surveys, supply chain due diligence, supplier days, training on safety and sustainability topics
Local communities	Requests for visits, sponsorship, and information, complaints (e.g. about noise pollution), investment plans and planned large-scale projects (e.g. relating to CCUS), biodiversity projects, community engagement (e.g. in the field of education and healthcare)	Face-to-face meetings, newsletters and guidelines, social media, site visits and open days, establishment of contact offices, holding information and discussion events
Non-governmental organisations	Human rights, climate protection, protection of the environment and resource conservation, CCUS, acceptance of major projects and CO ₂ infrastructure, occupational safety, corporate governance	Panels and discussion events, answering enquiries, partnerships, plant visits, joint communication measures (e.g. position papers), joint projects on biodiversity in quarries
Partners	Innovation partnerships, decarbonisation projects, CO ₂ value chain, joint development and implementation of sustainable technologies, knowledge transfer	Cooperation agreements, joint project teams, innovation workshops, industry networks, discussions at trade events and conferences
Politics and public service	Political and legal matters – decarbonisation and sustainability of the building materials industry, energy and climate policy, protection of the environment and resource conservation, infrastructure with a focus on CCUS, the circular economy, quarrying and securing raw materials, sustainable financing, funding, lead markets, permits, acceleration of planning and approvals, reduction of bureaucracy	Face-to-face meetings, plant visits, public events and panels organised by associations and organisations, consultations, committee work
Universities and research institutions	Research cooperation, scientific exchange, teaching activities, funded projects	Talks, research projects, participation in professional events, publications, internships, student trainee positions, Quarry Life Award

We are committed to cooperative relationships and a dialogue based on trust with the relevant stakeholder groups at local, national, and international level. Our dialogue formats help us identify and understand the views of key stakeholders. Discussions with various interest groups enable us to pick up on relevant issues at an early stage and incorporate the stakeholder perspective into strategic considerations.

Each country organisation is responsible for engaging with its own relationships with national and local stakeholder groups. Stakeholder dialogue at international level is managed by the Group Communications & Investor Relations department and the Sustainability Office.

For industrial transformation and the transition to net zero to succeed, our stakeholders need to understand and support the associated changes. This is particularly important when it comes to the successful implementation of our CCUS projects. We take this matter very seriously and develop comprehensive strategies for informing and involving the relevant stakeholders. To successfully implement projects at the respective locations, we support them with numerous communication measures and participation formats. In addition, we involve local stakeholder groups at an early stage when planning in-

vestment projects, such as by holding information and discussion events.

Our continuous dialogue with investors and analysts about the Group's strategy has contributed, among other things, to the launch of a second share buyback programme in the 2024 financial year. Our share buyback programmes and progressive dividend policy allow our shareholders to participate in the success of our strategy and business activity.

Safe work processes and a motivated and well-trained workforce are vital to our long-term corporate success. That is why we also take our employees' requirements into account in our strategy and business model. In a market with largely standardised building materials, customer focus and service quality are crucial in order to market our products and solutions successfully. In this regard, we rely in particular on the market knowledge of our local management. By further developing our product portfolio according to the needs of our customers, we are striving for profitable growth in line with our sustainability targets (see the [Strategy section of the Fundamentals of the Group chapter](#)).

The Managing Board and the Supervisory Board use various formats to gain insights into the concerns of the stakeholder groups. The Chairman of the Manag-

ing Board regularly participates in discussion formats such as works council meetings. At quarterly Management Dialogue events, the Chairman of the Managing Board and further Management Board members answer questions from the workforce on topics including the strategy and financial development of the Group. These opportunities enable the Managing Board to hear employees' concerns directly and incorporate their perspectives into the Group strategy and business model where appropriate (see [chapter S1 – Own workforce](#)).

Both the Managing Board and the Chairman of the Supervisory Board gather information about the views of investors and analysts at conferences and roadshows. Customer feedback – for example, on the launch and acceptance of the evoZero product brand – is regularly presented to the Managing Board and, where appropriate, to the Supervisory Board.

Through its committees, the Supervisory Board gains a range of insights, including the perspectives of employees, investors, and analysts.

By participating in various sustainability ratings, which reflect growing public interest, we stay informed about changing stakeholder expectations. For example, we participate in the S&P Global Corporate Sustainability Assessment (CSA), an annual

evaluation of companies' sustainability practices (see [Ratings and indices chapter](#)). The Group may adjust its strategy based on the results of this and other ratings. The interests of workers in the value chain are indirectly incorporated into the Group strategy and business model, for example through cross-sectoral initiatives (such as GCCA and Cement Europe). Compliance with minimum standards in the upstream value chain is a requirement of our Supplier Code of Conduct (see [chapter S2 – Workers in the value chain](#)).

Our production and quarrying sites are generally designed for a service life of several decades. To maintain acceptance of our business activities and our licence to operate at the individual locations over these long periods, we also foster continuous dialogue with our local stakeholders and are actively engaged in the communities close to our plants (see [chapter S3 – Affected communities](#)).

Heidelberg Materials uses various communication channels to take account of the interests and views of customers in its products and, in turn, reflect them in its Group strategy and business model. These channels include face-to-face conversations, customer events, customer satisfaction surveys, and newsletters (see chapter [S4 – Consumers and end-users](#)).

A narrative was drawn up for each sub-sub-topic, and information from the contextualisation stage was used for this purpose. The narrative describes the specific reference to Heidelberg Materials for the respective sub-sub-topic and indicates whether it refers to a positive or negative impact.



Step 5: Matrix of subject matter experts

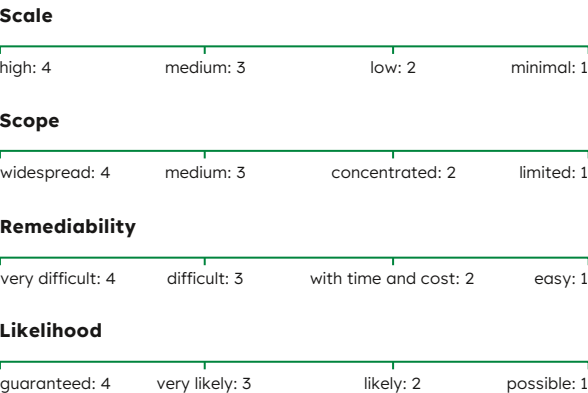
A detailed matrix of subject matter experts was developed to leverage Heidelberg Materials’ in-house expertise effectively and identify the relevant experts for each standard. For the purposes of the assessment, they were given an introduction to the methodology of the double materiality analysis.

Step 6: Qualitative assessment of sustainability topics

In the next step, the internal subject matter experts performed a qualitative assessment of the materiality of the impacts, risks, and opportunities along the previously defined value chain based on the criteria specified by the ESRS (scale, scope, irremediability, and likelihood). The assessment methodology followed the gross assessment approach and did not take into account mitigation actions.

To arrive at a consistent assessment, Heidelberg Materials referred to existing assessment criteria set out in the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG) in the evaluation process.

The ratings used for the impact assessment were defined as follows:



In accordance with ESRS 1, Heidelberg Materials has defined a materiality threshold to aid prioritisation. For this purpose, the sum of the three assessment criteria for severity was multiplied by the likelihood per sustainability matter. This threshold was set at 6.4 for impact materiality. All scores below this were classified as not material. In order to take account of the precedence of severity over likelihood in the case of a human rights-related impact (ESRS 1.45), the methodology for human rights topics was established as follows:

The negative impact is deemed material once any of the three severity criteria is assigned a score of 4. This applies regardless of the likelihood and the final impact materiality score. A score of 4 for scale, scope, or irremediability is therefore sufficient to assess a human rights-related sustainability topic as material. This logic is applied to all topics where human rights impacts may be relevant.

Positive impacts were assessed in the same way as negative impacts. Only the assessment of the irremediability of the impacts was omitted. The distinction between actual and potential impacts was made by assessing their likelihood. Each positive impact with a score of 4 was classified as an actual impact. All other scores indicated potential positive impacts.

Step 7: Stakeholder validation

In order to validate the subject matter experts’ assessments externally and take account of the stakeholder perspective in the assessments, non-governmental organisations (NGOs), peers, customers, suppliers, affected communities, media representatives, and investors, among others, were consulted directly or indirectly via internal members of staff responsible for these topic areas.

Step 8: Managing Board approval

The Chief Sustainability & New Technologies Officer oversaw the performance of the double materiality analysis and presented it to the full Managing Board and the Supervisory Board. The material impacts, risks, and opportunities for the Group were confirmed by the full Managing Board.

Process to assess financial materiality

The process to identify, assess, prioritise, and monitor risks and opportunities in the course of determining the financial materiality of sustainability topics was carried out in line with the eight steps of the previously described process to determine material impacts, with a few deviations.

After the subject matter experts for the relevant sustainability matter had assessed the impact materiality and then the financial materiality, the relationships between the impacts and the risks and opportunities were taken into account.

In a deviation from the process to assess impacts, the Group Insurance & Corporate Risk department and Group Strategy & Development/M&A department were also involved in the assessment of risks and opportunities across all sustainability matters in order to obtain a consistent assessment in relation to the general risk management process. Sustainability risks are integrated into the risk management system. Information about the opportunities can be found in the [Risk and opportunity management section of the Risk and opportunity report chapter](#).

The risk and opportunity assessment was not carried out in accordance with the gross approach, but by including already established mitigation measures.

The assessment criteria for financial materiality were aligned with the methodology described in the [Risk management process section of the Risk and opportunity report chapter](#). Based on ESRS 1.51, the materiality of risks and opportunities is assessed using a combination of the likelihood and the scale of the potential financial effects. In this case, the scale equates to the severity of the risk or opportunity. As in the risk management process, scales from 1 to 5 were used (see [Dimensions of risk assessment graphic in the Risk management process section of the Risk and opportunity report chapter](#)).

To prioritise whether a risk or opportunity should be classified as material for Heidelberg Materials, the scale of each sustainability matter was multiplied by its likelihood. The financial materiality threshold is 2.0.

The following overview shows the material impacts, risks, and opportunities resulting from the 2025 double materiality analysis. The number of dots in the graph corresponds to the number of impacts, risks, and opportunities identified, covering short-, medium-, and long-term time horizons.

● Actual positive impacts
 ● Actual negative impacts
 Potential positive impacts
 Potential negative impacts

	Impact materiality		Financial materiality	
	Positive impact	Negative impact	Opportunities	Risks
Land degradation – Financial effects due to stricter environmental regulations and impacts on our operating licenses				●
Impacts and dependencies on ecosystem services – Responsible extraction, holistically planned land use, and protective space for biodiversity	●			
E5 – Resource use and circular economy				
Resource inflows – Recycling, alternative fuels, and resource efficiency – Resource imbalance between primary and secondary resources	●	●		
Waste – Reducing waste generation, recyclability, energy recovery – Waste generation and environmental impact	●	●		
S1 – Own workforce				
Collective bargaining – Fair working conditions and employee representatives	●			
Work-life balance – Shift work, irregular working hours, work-life balance		●		
Health and safety – Health hazards and risk of accidents		●		
Gender equality and equal pay for work of equal value, and diversity – Social conflicts, harassment in the workplace, marginalisation of minorities, unequal pay, and limited diversity		○		
Training and skills development – Higher qualification and better carrier opportunities	●			
Employment and inclusion of persons with disabilities – Possible constraints on employment opportunities due to inaccessible workspaces and occupational safety requirements		○		

S4 – Consumers and end-users

	Impact materiality		Financial materiality	
	Positive impact	Negative impact	Opportunities	Risks
S4 – Consumers and end-users				
Data protection – Loss of end-users and unauthorised data collection		○		
Access to (quality) information – Simplification of ordering and logistics processes through digital solutions	●			
Access to products and services – High-quality, durable, and safe infrastructure – Potential due to low-carbon/circular products for consumers and end-users	● ●			
G1 – Governance				
Corporate culture – Belonging, cooperation, and satisfaction	●			
Political engagement and lobbying activities – Influence, regulation, transformation – Lobbying, regulation, and competition	●	○		
Prevention and detection including training – Corruption prevention by means of participation in trainings		○		
Incidents – Corruption due to influence and manipulation		○		
Antitrust law (company-specific) – Competition, fines, and reputation		○		●

● Actual positive impacts
 ● Actual negative impacts
 ○ Potential positive impacts
 ○ Potential negative impacts



Topic-specific process to identify and assess material impacts, risks, and opportunities

The process to identify and assess material impacts, risks, and opportunities for all topic standards was carried out in line with the eight steps of the double materiality analysis described above. The upstream and downstream value chain, all Group areas, and all business lines were taken into account. Affected communities were involved indirectly by having the assessments carried out by the subject matter experts validated by internal members of staff responsible for this topic area. No further consultations were conducted.

E1 – Climate change

To identify and assess climate-related impacts, risks, and opportunities, Heidelberg Materials uses Scope 1, Scope 2, and Scope 3 greenhouse gas emissions. The main source of emissions across the Group is CO₂-intensive clinker production in the cement business line. We reviewed the production processes in the individual business lines to identify the sources of greenhouse gas emissions arising in the course of Heidelberg Materials’ business activity. We continuously monitor our production processes to support assessments of the carbon intensity of our products.

E2 – Pollution

The review of the locations and business activities with regard to their impacts, risks, and opportunities in relation to pollution was primarily carried out by means of ISO 14001 audits, which are mandatory for ISO certification. Proximity studies also provide indications of the environmental impacts of a location due to its position in relation to a site of ecological significance (see the [Actions section of the chapter E4 – Biodiversity and ecosystems](#)).

E4 – Biodiversity and ecosystems

Heidelberg Materials identifies and assesses dependencies on biodiversity and ecosystems and their services in its own operations. The assessment criteria include both the direct exploitation of ecosystem services and the potential risk posed by disruption to these services. The analysis is based on a detailed examination of Heidelberg Materials’ business activities and their interactions with natural resources in order to provide a complete overview of its ecological dependencies.

The ENCORE tool (Exploring Natural Capital Opportunities, Risks and Exposure) was used to assess the company’s exposure to nature-related risks for the

first time and to gain a better understanding of our potential dependencies on nature and our impact on it. The 2024 assessment found that Heidelberg Materials’ business activity is dependent on and potentially impacts 15 of the 25 ecosystem services and disrupts nine. Dependencies include provisioning services and regulating and maintenance services. Water supply was the only dependency on provisioning services rated as “high.” In terms of regulating and maintenance services, a very high dependency was identified on water purification services and rainfall pattern regulation services. High dependency was found in each case on soil and sediment retention services, flood mitigation services, global climate regulation services, and water flow regulation services. In addition, the assessment identified medium dependency on storm mitigation services and on dilution by atmosphere and ecosystems. The ENCORE assessment is unchanged for the 2025 reporting year.

The identification and assessment of physical and transitory risks and opportunities in relation to biodiversity and ecosystems are performed by Heidelberg Materials by means of a detailed analysis of the company’s impacts and dependencies. The assessment criteria are based on an analysis of the potential and current ecological footprint of the company’s business activities, including an examination of key fig-

ures related to climate change and their impacts on biodiversity in its own operations.

The approach is based on the Methodology for the Net Impact Assessment of Biodiversity in the Cement Sector¹⁾, published by the World Business Council for Sustainable Development (WBCSD) and referred to in the Sustainability Guidelines for Quarry Rehabilitation and Biodiversity Management, published by the GCCA in May 2020. We compare baseline values and/or the current biodiversity value with potential future values (scenarios). Based on this analysis, we can determine whether our business activity has positive and negative impacts on the individual location’s biodiversity and ecosystems.

Heidelberg Materials analyses systemic risks relating to biodiversity and ecosystems by analysing long-term environmental trends and their potential impacts on own operations and the upstream value chain.

The ecological sensitivity of locations was initially analysed with respect to areas of high biodiversity value. Our STAR analysis determines the potential impact of our locations on species extinction.

1) <https://www.wbcsd.org/wp-content/uploads/2023/12/Methodology-for-the-Net-Impact-Assessment-of-Biodiversity-in-the-Cement-Sector.pdf>

Climate-related risks are divided into physical climate risks, i.e. risks arising from the direct physical impacts of climate change, and transition risks, i.e. risks arising from the transition to a low-emission economy.

In its analysis of climate-related risks, Heidelberg Materials considered the periods 2030, 2040, and 2050 based on the recognised Shared Socio-Economic Pathway (SSP) scenarios set out by the Intergovernmental Panel on Climate Change (IPCC). For physical climate risks, the current risk exposure was also considered. The SSP scenarios depict possible ways in which climate change could unfold and also include socio-economic factors such as projected population growth. The selection of climate scenarios takes into account various developments relating to climate change and covers impacts on production processes, investments, and the company's competitiveness. Thus, a wide range of risks can be identified at an early stage and unexpected developments reduced.

Socioeconomic development paths used¹⁾

Shared Socio-Economic Pathway (SSP) scenario	Characteristics	Estimated warming		Likely temperature range
		2041 – 2060	2081 – 2100	2081 – 2100
1.5°C Pathway SSP1-1.9	The SSP1-1.9 scenario is characterised by a highly sustainable pathway in which global commons are preserved and planetary boundaries are respected. International cooperation is strong, and social inequalities are being actively reduced. Economic growth is achieved while preserving resources and with minimal environmental impact. Consumption and construction activities follow the circular economy model. Through intensive global cooperation and policy measures, net-zero emissions will be achieved by 2050. The scenario is associated with radiative forcing of 1.9 W/m², making it likely that the 1.5°C target set out in the Paris Agreement can be achieved by 2100.	1.6°C	1.4°C	1.0 – 1.8°C
2°C Pathway SSP1-2.6	SSP1-2.6 describes a sustainable pathway that protects global commons, respects natural boundaries, and promotes human well-being. International cooperation is strong, and technological innovations are used specifically for decarbonisation and resource efficiency. Consumption and production patterns are mostly oriented towards a circular economy and low resource consumption, and demand for sustainable building materials is likely to increase. Emissions peak before 2030 and fall to net zero or below by 2100, limiting warming to below 2°C with radiative forcing of 2.6 W/m².	1.7°C	1.8°C	1.3 – 2.4°C
Middle of the Road SSP2-4.5	SSP2-4.5 projects current global trends into the future, with moderate economic growth and unequal distribution of wealth. There is little improvement in international cooperation, and policy measures to mitigate climate change are only being implemented gradually. Environmental systems are slightly degraded. Investments in future-oriented technologies are necessary to remain competitive. The energy supply continues to consist of a mix of fossil fuels and renewable sources. CO₂ emissions increase slightly until around 2050 and then decline, but do not reach the net-zero target by 2100. The scenario is associated with radiative forcing of 4.5 W/m². The global average temperature is expected to rise by 2.7°C by 2100.	2.0°C	2.7°C	2.1 – 3.5°C
Fossil Pathway SSP5-8.5	SSP5-8.5 describes a pathway dominated by fossil fuels, with energy-intensive lifestyles, high consumption, and weak international cooperation. The global economy grows rapidly, urbanisation increases, and technological innovation focuses on efficiency and productivity rather than sustainability. Adaptation measures are often transformative, but can only partially compensate for the boundaries that have been crossed. Acceptance of renewable energies is low, with fossil fuels dominating. Greenhouse gas emissions rise sharply throughout the century, leading to profound changes in the climate. With radiative forcing of 8.5 W/m², the global average temperature is expected to rise by over 4°C by 2100.	2.4°C	4.4°C	3.3 – 5.7°C

1) IPCC, 2023: Summary for Policymakers. In Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (Core Writing Team, H. Lee and J. Romero (eds.), IPCC, Geneva, Switzerland, p.9.; https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf

Climate-related physical risks in the upstream and downstream value chain are currently not assessed in a structured manner. However, they have already been qualitatively assessed for the upstream and downstream value chain using the double materiality analysis process.

In the 2022 financial year, we began a risk analysis of all our plants using a tool from an external insurance company. The analysis is based on location-specific geospatial coordinates, thus ensuring accurate assessments of physical climate-related risks. Based on risk exposure and strategic importance, around 100 plants were identified and examined in detail. Additional climate-related hazards were also included in the modelling. The evaluation was made available to the plants. They verified the findings, compared them with their local experiences, and have since been tasked with developing location-based adaptation measures for the material risks, including necessary investment plans. The results of this analysis were taken into account in the strategic risk assessment. Having steadily increased the number of locations in 2023 and 2024, we now closely monitor 129 plants of strategic importance with high risk exposure and high potential scale. Using desktop analysis, cement plants with a correspondingly defined sum insured were also included in the evaluation.

The analysis by our third-party tool does not cover the risks according to ESRS 2 of ocean acidification, saline intrusion, glacial lake outburst, soil degradation, soil erosion, solifluction, and avalanche. As we have no locations in high alpine regions, the risks of “glacial lake outburst” and “avalanches” are not significant. We are currently unable to assess the relevance of the other risks to Heidelberg Materials.

Details on how the assets and business activities of Heidelberg Materials may be exposed and are sensitive to climate-related hazards, creating gross physical risks, can be found under **Physical risks in the Climate risks section of the Risk and opportunity report chapter.**

Group-wide physical climate risks scenario analysis¹⁾

Risk	Current	SSP1-2.6			SSP2-4.5			SSP5-8.5		
		2030	2040	2050	2030	2040	2050	2030	2040	2050
Acute										
Tropical cyclone										
River flood										
Chronic										
Fire weather										
Drought stress										
Heat stress										
Precipitation stress										
Cold stress										
low medium high										

1) Missing dots in the graph indicate that no specific assessment is available.



The overview shows the risks identified for Heidelberg Materials and the associated actions to address these risks.

	Risks identified	Trend	Actions to address risks
Physical climate risks	The consequences of climate-related hazards, such as extreme weather scenarios, can lead to damage to our production sites.	In the scenario with high emissions (SSP5) and a time horizon up to 2030, the risk of chronic climate risks such as precipitation stress and heat stress increases significantly. Based on these assumptions, flooding is the most significant acute risk to our business activity. At the same time, the proportion of locations with a significant risk of drought increases significantly in the SSP5 scenario. By contrast, acute risks, such as tropical cyclones or river flooding, show little variation across all scenarios considered.	– Regular updates to the climate risk analysis and its consideration in location decisions as appropriate – Insurance cover against property damage and business interruption – Reduction of exposure to physical climate risks and financial damage
DMA transition risk related to E1 – Climate change	The CO ₂ -intensive cement production process and the resulting significant carbon footprint of the products could have significant financial effects for Heidelberg Materials in the transition to a climate-neutral economy.	Little variation across all time horizons.	– Decarbonisation strategy – Pursuit of a variety of initiatives, e.g. activities relating to CCUS, use of renewable energies, use of alternative fuels, use of clinker substitutes, investments in the circular economy
Transition risks: Policy and legal risks	A significant tightening of climate-related regulations increases financial and operational pressure – e.g., due to rising costs of carbon allowances, additional requirements in the transport sector, and stricter air pollutant limit values. At the same time, distortions of competition arise between regulated and unregulated markets. Regulatory uncertainty regarding subsidies and approval processes for future technologies further exacerbates this risk.	The risk is highest in the SSP1-1.9 2030 scenario.	– Regular review of the decarbonisation strategy and emissions reduction targets – Increased investment in technologies such as CCUS, renewable energies, or the circular economy
Transition risks: Technology risks	Technological risks arise when existing products are replaced by low-carbon alternatives or when it is unclear how new processes will establish themselves on the market and meet regulatory requirements. The introduction of new technologies is associated with high capital expenditure, complex project structures, and potential delays.	Medium risk in the SSP1-1.9 2030 scenario.	– Regular review of the decarbonisation strategy – Investment in technologies such as CCUS or alternative binders
Transition risks: Market and reputational risks	Market risks, particularly those resulting from possible changes in consumer and investor preferences, may have a negative impact on financing options. Rising costs of raw materials, energy, and clinker substitutes put pressure on availability and profitability. If the company's sustainability targets are not achieved, additional reputational risks arise as a result of the loss of trust among market participants.	The risk remains at a consistently high level across the SSP1-1.9 and SSP2 scenarios and across the various time horizons. However, the risk is highest in the SSP1-1.9 scenario.	– Targeted acquisitions to expand presence in growth markets and local availability of clinker substitutes – Development of own supply solutions and energy generation capacities – Transparent corporate communication and ESG ratings

Current financial effects

The climate scenarios described above are based on scientifically sound models and take into account both physical climate risks and transition risks. The critical climate-related assumptions made in the financial statements reflect the potential financial effects of the most likely climate risks. These include adaptation costs and possible impairments of assets due to reductions in the useful lives of property, plant and equipment, for example. The mandatory impairment tests take into account the climate risks deemed most likely in the Group countries.

In Heidelberg Materials’ opinion, the current financial effects of the material risks and opportunities arising from sustainability-related matters for the 2025 financial year include, in particular, provisions for specific risks associated with the identified material sustainability risks.

These primarily include provisions for the obligation to return emission rights (E1 – Climate change), environmental obligations on the basis of contractual or official regulations (E2 – Pollution), recultivation obligations for raw material quarrying sites (E4 – Biodiversity and ecosystems), and litigation risks arising from pending antitrust proceedings (G1 – Corporate governance). Further information is provided in [Note 9.13](#).

Furthermore, no material financial effects on the assets, financial, and earnings position resulted from the material sustainability risks and opportunities in the 2025 financial year.

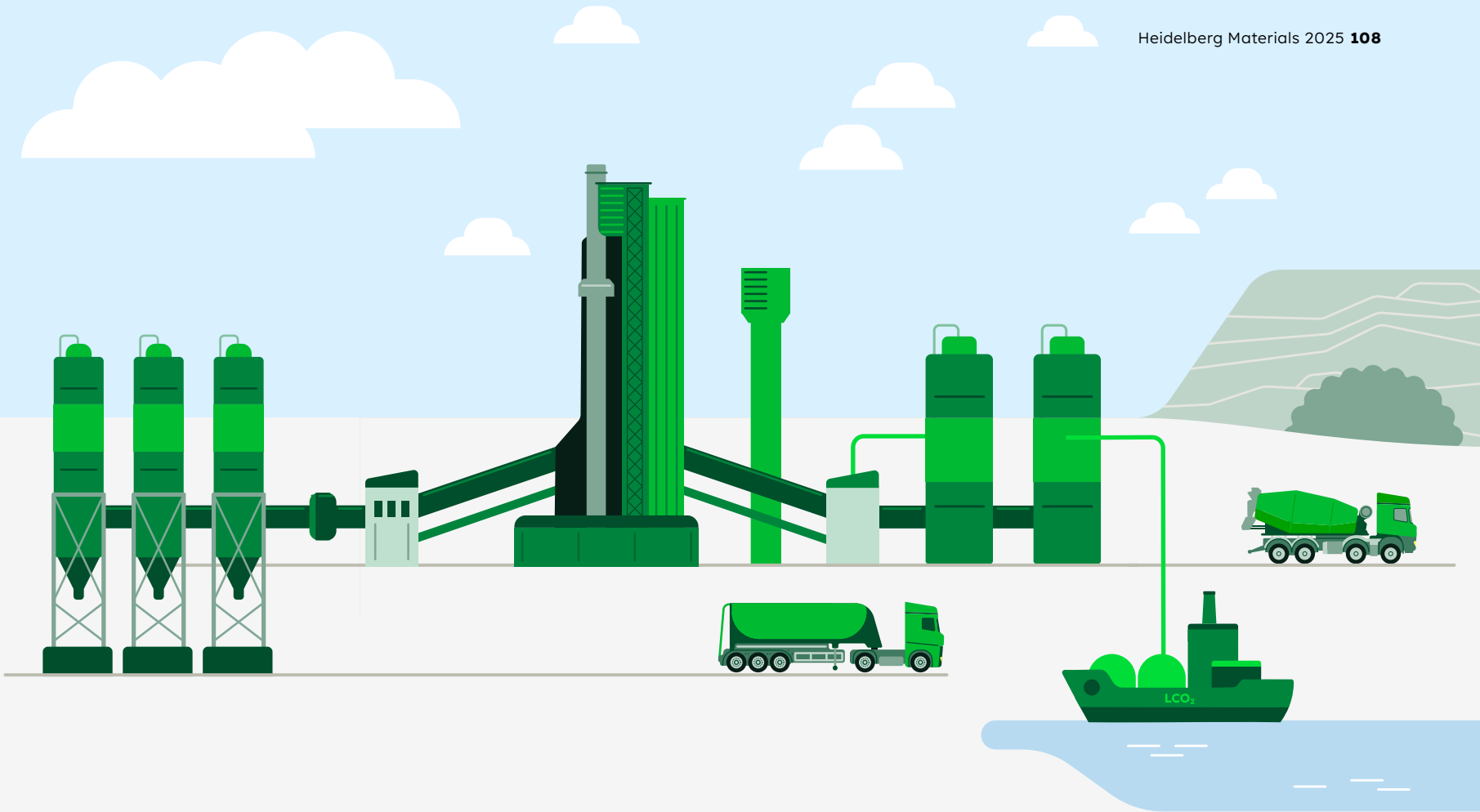
While we regularly review potential future effects, such as those arising from physical climate risks, we do not see a significant risk of a material adjustment to the carrying amounts of the assets and liabilities reported in the consolidated financial statements in the coming reporting period due to the material sustainability risks and opportunities identified in the reporting period.

Environment

- 108** **E1 – Climate change**
- 123** **Information according to the EU Taxonomy Regulation**
- 131** **E2 – Pollution**
- 135** **E3 – Water and marine resources**
- 140** **E4 – Biodiversity and ecosystems**
- 147** **E5 – Resource use and circular economy**

Impacts, risks, and opportunities

E1 – Climate change



Climate change mitigation

Financial effects arise from the business case for sustainable products. These can be circular or low-carbon products. Carbon capture also opens up the possibility of producing near-zero cement and using CO ₂ in production applications.	Opportunity	Own operations, downstream value chain
The CO ₂ -intensive production process and the resulting significant carbon footprint of the products could have significant financial effects for Heidelberg Materials in the transition to a climate-neutral economy.	Risk (transition risk)	Own operations
The production of cement and the use of different means of transportation and machinery result in emissions that contribute to global warming and therefore have an impact on the climate.	Negative impact	Own operations, downstream value chain

Climate change adaptation

The use of durable and resistant concrete structures not only promotes climate-resilient building projects that are better able to withstand extreme weather conditions, but also supports the construction of flood protection facilities, dikes, and other infrastructure.	Positive impact	Downstream value chain
Increasing surface sealing, due to the use of concrete in urban areas, increases the risk of flooding as a result of heavy rainfall events and contributes to the formation of heat islands.	Negative impact	Downstream value chain

Energy

The heat storage capacity of concrete reduces energy loss and thus improves the overall energy efficiency of buildings.	Positive impact	Downstream value chain
Production processes are associated with high energy consumption.	Negative impact	Upstream and downstream value chain, own operations
High total energy demand can lead to financial effects.	Risk	Own operations

1) Heidelberg Materials does not fall under the exclusion criteria specified in the EU Climate Benchmark Regulation and is therefore not one of the companies exempt from the Paris-aligned EU benchmarks.

Breakthrough technologies²⁾

These technologies include new, ground-breaking technologies such as carbon capture, utilisation, and storage (CCUS), which capture the previously unavoidable emissions in cement production before they end up in the atmosphere. They are essential for the complete decarbonisation of the cement industry.

Read more about the implementation of our three levers in the [Actions section](#).

Remaining emissions

To achieve our net-zero target, we aim to neutralise the remaining CO₂ emissions by means of carbon sinks, or negative emissions. Negative emissions are generally achieved by actively capturing CO₂ emissions from the atmosphere (thus going beyond what has been emitted). Heidelberg Materials can achieve negative emissions by using biogenic alternative fuels during cement production. When CO₂ emissions from the combustion of those fuels, that have already absorbed CO₂ during their life cycle, are captured and stored, the total amount of CO₂ in the atmosphere decreases.

In addition, concrete products absorb CO₂ from the atmosphere during their lifetime due to their properties (known as recarbonation). According to studies by the industry association Cement Europe, concrete could absorb around 20% of the CO₂ from annual calcination emissions resulting from cement production. This effect can also offset the remaining CO₂eq emissions.

2) The explanations also comply with the disclosures on the extent to which products are aligned with our sustainability targets.

Policies

Heidelberg Materials has implemented policies relating to climate change mitigation, climate change adaptation, and energy to achieve the company’s climate targets.

Environmental Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change E4 – Biodiversity and ecosystems

The Environmental Policy of Heidelberg Materials refers to our commitment to protecting the environment as part of our business activities. It addresses the impact, opportunity, and risk regarding the material topic climate change mitigation. We take the policy into account in our operational and investment-related decisions. It covers the monitoring of CO₂ emissions, air emissions, and water consumption, the implementation of environmental management systems, and the training of employees. By means of this policy, we also aim to contribute to the United Nations Sustainable Development Goals (SDGs).

Climate Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change E4 – Biodiversity and ecosystems E5 – Resource use and circular economy

Heidelberg Materials’ Climate Policy reflects our commitment to climate change mitigation. This commitment is also reflected in various activities relating to CO₂ reduction, including the improvement of energy efficiency and the use of CCUS technologies. The Climate Policy underpins our climate targets relating to Scope 1, 2, and 3 CO₂eq emissions, as well as our target of achieving net zero by 2050 by means of CCUS technologies, among other things. The policy addresses the impacts regarding the material topics climate change mitigation and climate change adaptation as well as the risk and opportunity related to the material topic climate change mitigation. The objectives of this policy are in line with the Paris Agreement.

Alternative Fuels and Raw Materials Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change E5 – Resource use and circular economy

Heidelberg Materials’ Alternative Fuels and Raw Materials Policy reflects our commitment to reducing the use of fossil fuels and primary raw materials. By recycling waste products and by-products from other industries, we aim to reduce our CO₂ emissions and contribute to the circular economy. The policy addresses the impact regarding the material topic climate change mitigation and the impacts and the risk related to energy.

Compliance with the policy is monitored through regular audits regarding the use of alternative fuels and raw materials performed by internal and external bodies and through reporting according to national and international standards. Affected stakeholder groups include local communities. Heidelberg Materials is involved in associations such as the GCCA and Cement Europe in order to increase the use of alternative fuels in the cement sector and to play an active role in shaping the regulatory framework. The use of these fuels is subject to strict regulatory requirements that ensure their environmental sustainability.

Circularity Policy	
Scope	Worldwide
Value chain	Own operations, downstream value chain
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change E5 – Resource use and circular economy S4 – Consumers and end-users

At Heidelberg Materials, sustainable products are characterised by the use of recycled materials and/or by lower CO₂ emissions during production. The policy addresses the opportunity associated with the material topic climate change mitigation and is outlined in the [Policies section of the chapter E5 – Resource use and circular economy](#).

Actions

The financial resources required for our CO₂eq reduction measures vary depending on the project scope, the technology used, the site conditions, and the condition of the respective cement plant. The development of CO₂ transport and storage infrastructure, especially as part of CCUS projects, is a complex and cost-intensive undertaking. In addition to the company’s investments, considerable national and international funding is also required.

In the 2025 financial year, we invested a total of €156.8 million in research and development projects,

including one on durable and sturdy concrete structures designed to promote climate-resilient building projects and protection against extreme weather and flooding. Additionally, we are researching solutions to minimise the negative impacts of surface sealing, such as heat islands and flooding risks. We are also developing innovative concretes with optimised heat storage capacity in order to sustainably increase the energy efficiency of buildings. For further information, see the [Research and development section of the Fundamentals of the Group chapter](#).

In line with the EU taxonomy, we have developed an investment plan with the aim of increasing the share of taxonomy-aligned revenue by 2030 and ensuring compliance with the technical screening criteria. The focus is on the cement and recycling activities. In the 2025 financial year, the taxonomy-aligned investments amounted to €262.7 million (previous year: €258.1 million, reported: €277.7 million) for the cement business line and €1.7 million (previous year: €3.8 million) for the recycling activities. By 2030, we expect investments (CapEx plan) of €1,631 million for further climate protection measures as well as operating expenditure of €31.5 million. The references to the relevant disclosures can be found in the [Explanation of the key figures section of the Information according to the EU Taxonomy Regulation chapter](#).

As part of the green bonds issued in 2024, €1,025.5 million was allocated to the climate protection environmental objective (CCM 3.7/CCM 5.9) in the 2025 financial year. The range of projects financed by these bonds extends from the modernisation of plants, for example to increase the use of alternative fuels, to the expansion of carbon capture technolo-

gies. For further information, see the [Green Finance – Allocation & Impact Report](#) on our website.

The measures outlined below apply to the company’s own operations in the cement business line and, when it comes to reducing Scope 2 and 3 emissions, they also relate to the upstream value chain. All business lines are involved in the reduction of Scope 2 emissions. Heidelberg Materials will continue and expand the measures in the years to come.

Measures at the clinker level

In the reporting year, Heidelberg Materials continued to implement measures at the clinker level. These measures primarily focused on increasing the proportion of alternative raw materials in the raw meal mix and in the overall fuel mix. For the most part, residual materials and waste are used, such as processed household waste, refuse-derived fuels (RDF), biomass (e.g. dried sewage sludge, agricultural waste in Asia), and by-products and waste products from the steel industry that cannot be recycled or reused.

Across the Group, numerous projects aimed at further expanding the proportion of alternative fuels, are being implemented. In 2025, a chlorine bypass was commissioned at the Pukrang plant in Thailand, increasing the plant’s alternative fuel rate. In Mason City, USA, the alternative fuel supply system was expanded to further reduce dependence on fossil fuels through increased use of RDF.

The proportion of alternative raw materials is also being increased across the Group. This not only contributes to the reduction of CO₂eq emissions, but also conserves natural raw materials, prevents landfilling,

and returns raw materials to the cycle (see [Actions section of chapter E5 – Resource use and circular economy](#)). Good examples of this can be found at our cement plants in Rezzato, Italy, and Grobogan, Indonesia, among others.

An example of an innovative development is the production of TernoCem® clinker. Due to the extensive use of alternative raw materials and fuels as well as the special chemistry of this clinker, it has a significantly reduced carbon footprint compared with Portland cement clinker (see also the [Actions section of the chapter E5 – Resource use and circular economy](#)). Another advantage is that it has a lower burning temperature. While Portland cement clinker is typically fired at over 1,400°C, the temperature required for TernoCem clinker is well below 1,300°C.

Measures at the cement level

In the reporting year, Heidelberg Materials implemented further measures at the cement level to improve the carbon footprint of our products compared with Portland cement, which essentially consists of approx. 95% cement clinker. To achieve this, we use supplementary cementitious materials (SCMs). These are usually alternative materials from other industries, such as ground blast furnace slag, fly ash, and calcined clays. Blast furnace slag is a by-product of pig iron production in blast furnaces. Fly ash is produced during coal-fired power generation at power stations. Calcined clays are produced specifically for use in the cement and concrete industry, using methods such as thermal or mechanochemical treatment of raw clay. The industrial production of calcined clays has been successfully tested at various

Heidelberg Materials plants, and it is already being produced in Ghana, for example.

By using composite cements – mixtures of clinker, SCMs, and other additives, such as pulverised limestone – the proportion of energy-intensive Portland cement clinker can be significantly reduced. In Belgium and the Netherlands, two new types of composite cements based on calcined clay were approved in the reporting year. These cements reduce the clinker content from around 95% to as little as 65%. Further developments, such as the use of blast furnace slag, even enable the clinker content to be reduced to as little as 35%. For certain applications, the clinker content in blast-furnace slag cements can even be reduced to as little as 5%. Thanks to the measures outlined above, the clinker ratio was reduced by 1.1 percentage points to 68.2% during the reporting year.

Under the evoBuild® brand, Heidelberg Materials markets sustainable products, which are either low-carbon (cement and concrete), circular (aggregates and concrete), or both (see the [Actions section of the chapter E5 – Resource use and circular economy](#)).

Breakthrough technologies

In the reporting year, we implemented further measures relating to breakthrough technologies in order to support our own climate targets as well as those of our customers.

With the opening of the carbon capture facility in Brevik, Norway, in June 2025, Heidelberg Materials has reached a milestone in the decarbonisation of the cement industry. Brevik CCS (carbon capture and storage) is part of the Norwegian government’s Longship

project, which implements Europe’s first integrated CCS value chain from hard-to-abate industries. Brevik CCS is expected to capture 50% of the plant’s emissions, around 400,000 tonnes of CO₂, annually. See the [GHG removals section](#) for more information on our Brevik CCS plant.

Since October 2025, we have been supplying our customers with evoZero products produced using carbon capture in Brevik. evoZero cements are based on a non-proportional mass balancing of the CCS attributes and have a near-zero carbon footprint. Customers will be able to choose between two products: evoZero Carbon Captured Brevik is our mass-balanced product, produced in and delivered from Brevik. The manufacturing process is verified by DNV Business Assurance Germany GmbH and is digitally traceable.³⁾ We have decided to subject only the direct process emissions from clinker production to mass balancing and exclude the remaining product-specific emissions (e.g. from cement grinding). For our product from Brevik – a Portland composite cement with fly ash and limestone as its main components – this amounts to a reduction in the carbon footprint of approx. 90% compared with production without CCS and without mass balancing.

evoZero Carbon Captured without the addition “Brevik” in the product name is also based on a mass balance approach – but for this product, several Heidelberg Materials cement plants are involved. The product is available throughout Europe. The carbon footprint of locally produced cement is reported via a verified environmental product declaration. The CO₂ savings achieved in Brevik are attributed to the locally produced product in order to reduce the car-

3) For more information, see <https://www.evozero.com/assurance/>

bon footprint and are reported in a separate evoZero declaration.

One of the very first deliveries of evoZero was used in the construction of the new Skøyen metro station in Oslo, Norway, built by the construction company Skanska. The DREIHAUS project in Heidelberg was the first project in Germany to use evoZero® cement.

In September 2025, Heidelberg Materials received a funding commitment from the UK government for the construction of a carbon capture facility in Padeswood, North Wales, United Kingdom. The new plant is expected to capture 800,000 tonnes of CO₂ annually and be commissioned in 2029. Following the opening of Brevik CCS in June 2025, Padeswood CCS will serve as Heidelberg Materials’ second location for evoZero production, operating on a much larger scale, significantly increasing the availability of evoZero across Europe. Padeswood CCS will produce near-zero cement by capturing almost all of the CO₂ emissions from the kiln and the combined heat and power (CHP) plant. The emissions captured from the kiln include CO₂ from biomass fuels. By capturing these emissions, the plant has the potential to become a carbon sink. Construction of the carbon capture facility at the Padeswood cement plant began at the end of 2025.

In the 2025 financial year, the last modules for the pilot oxyfuel kiln line were installed at the cement plant in Mergelstetten, Germany, and the final mechanical and electrical work was carried out to prepare for commissioning. The oxyfuel process in cement production is a clinker-burning technology in which pure oxygen is introduced into the kiln instead of air in order to ensure heat generation without atmospheric nitrogen by burning primary and alternative fuels. In this way, the CO₂ content of the exhaust gas in the

kiln is increased to over 80%, thus considerably increasing the potential for carbon capture. The aim of the project is to demonstrate on a pilot scale that the CO₂ emissions from clinker production can in principle be captured almost completely and cost-effectively. The project is intended to create the conditions for large-scale use of carbon capture technologies in the cement industry. The oxyfuel plant is scheduled to be gradually commissioned in the first half of 2026.

The construction of the carbon capture and liquefaction plant, which forms part of the Cap2U carbon capture project by Linde and Heidelberg Materials at the cement plant in Lengfurt, Germany, was also completed in 2025. In September, the facility was introduced to the public through an open house event. The facility is expected to go into operation in the first half of 2026 with a planned capture capacity of 70,000 tonnes of CO₂ per year, which corresponds to about 10% of the carbon dioxide emissions at the Lengfurt cement plant. Due to its purity, the processed gas will be suitable for use in both the chemical and food industries.

Measures to reduce Scope 2 emissions

Heidelberg Materials is implementing various measures to achieve its Scope 2 CO₂eq reduction target by 2030. Around 50% of the planned emission reduction is to be achieved through long-term power purchase agreements (PPAs) for renewable energies. The expansion of green electricity grids (greener grids) accounts for a further 25% or so, based on the assumptions made by the International Energy Agency (IEA) regarding an annual grid expansion worldwide of 1.5% and 2%. Investments in our own facilities for the generation of green electricity, especially photovoltaics, are expected to contribute around 15% to

achieving the target. In 2025, we commissioned additional renewable energy plants in countries such as Indonesia, Morocco, and Thailand, and have already signed further contracts for additional projects over the next few years. In addition, we expect energy efficiency measures, such as the electrification of our clinker kilns and the use of waste heat, to make a contribution of around 10%.

Measures to reduce Scope 3 emissions

By reducing the proportion of clinker in cement (see [Measures at clinker level section](#)), we are also reducing the proportion of purchased clinker, thereby helping to reduce our Scope 3 emissions.

We encourage our suppliers to improve their carbon footprint in cement production and to increasingly switch to low-carbon products to contribute to the implementation of the Paris Agreement. We can further reduce our Scope 3 emissions by purchasing low-carbon cement and clinker.

However, the specific impact of our suppliers on achieving our Scope 3 emissions target is difficult to estimate, because we have limited information about their strategies to decarbonise clinker production. We expect that reducing the proportion of clinker in cement and the resulting decrease in clinker purchases will make a decisive contribution to achieving this target.

Targets and metrics

Our climate targets are part of our [Sustainability Commitments 2030](#). In May 2025, we published our “Strategy 2030: Making a Material Difference,” in which we refined our ambitious climate targets.

All relevant internal departments were involved in defining the targets. The target for Scope 3 CO₂eq emissions was also defined in consultation with our suppliers. The targets for the clinker ratio, alternative fuel rate, and biomass content are not based on scientific findings. In our opinion, the selected base years and the corresponding baseline values are representative, as the business trend of 2020 was not distorted by exceptional events (such as the coronavirus pandemic) or geopolitical conflicts.

To ensure that our greenhouse gas emissions are fully recorded, accounting is carried out company-wide and the main direct and indirect sources of emissions are taken into account in accordance with the relevant scopes. The emissions reduction targets relate exclusively to the cement business line, which accounts for the largest share of the Group’s total

emissions and is therefore the focus of our decarbonisation strategy. Our targets are also intended to contribute to the achievement of SDG 13 (Climate Action).

Whether and how our products are used is decided by consumers and end-users. We have therefore not set any targets relating to the material topic climate change mitigation, as our material impacts in the downstream value chain are beyond our control and we do not consider them to be meaningful. By investing in research and development, we aim to develop durable and resistant concrete structures and continuously improve the heat storage capacity of concrete.

The use of carbon credits, that is tradable allowances from third-party projects designed to offset a company’s own emissions (CO₂ compensatory measures), is not part of our strategy to reduce emissions and achieve our climate targets.

Before any acquisition is finalised, it is assessed in terms of its long-term impact on our carbon footprint and its compatibility with our reduction targets.

If an acquisition or divestment results in a change of +/- 5% in direct emissions (Scope 1) at Group level, we will reassess our climate targets. This threshold is in line with the SBTi guidelines and the Cement CO₂ Protocol from the GCCA.

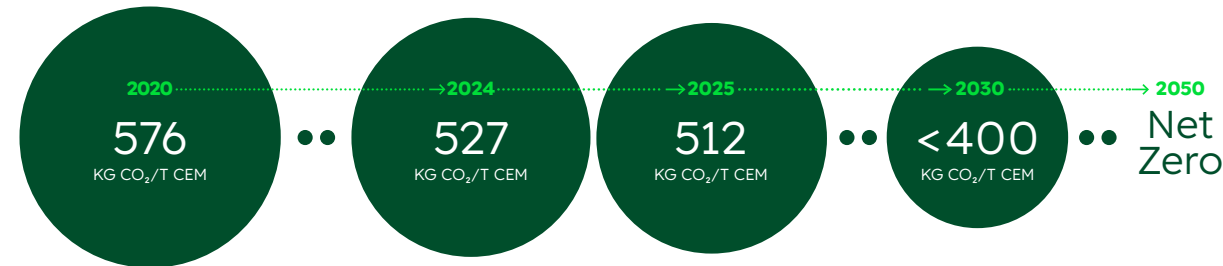
The progress made so far in achieving the targets is as expected.

Scope 1 – Direct emissions

Scope 1 includes direct emissions from our own company or controlled sources. These emissions are generated, for example, by kiln combustion of fuels related to cement clinker production, by the combustion of carbonate rock such as limestone (calcination), by the combustion of fuels outside the kiln (e.g. hot gas generators, dryers), by the combustion of fuels for on-site electricity generation, and by the fuel consumption of the vehicle fleet (see [table Methodologies, assumptions, and emission factors](#)).

We aim to reduce the specific net Scope 1 CO₂ emissions to below 400 kg of CO₂ per tonne of cementitious material by 2030 (previously: 400 kg CO₂ per tonne of cementitious material). We thus intend to reduce our specific gross Scope 1 CO₂eq emissions by 2030 by 24% compared with 2020. We aim to achieve net-zero emissions by 2050 at the latest. Our 2030 climate target is reviewed every two years to reassess the impact of the decarbonisation levers and optimise emission reduction where possible.

Reduction of specific net Scope 1 CO₂ emissions



The 2020 baseline value for specific net Scope 1 CO₂ emissions for the cement business line is 576 kg of CO₂ per tonne of cementitious material. The 2020 baseline value for specific gross Scope 1 CO₂ emissions for the cement business line is 611 kg of CO₂eq per tonne of cementitious material.

Targets at the clinker level

To reduce specific gross Scope 1 CO₂eq emissions, Heidelberg Materials plans to increase the proportion of alternative fuels in the fuel mix to over 50% (previously: 45%) and the proportion of biomass to 20% by 2030. By means of this target, Heidelberg Materials is promoting the use of alternative fuels derived from preprocessed waste for use in the cement industry to replace primary fossil fuels. The use of alternative fuels in cement production reduces the carbon footprint of the company.

The 2020 baseline value is around 25.7% for the alternative fuel rate and 9.9% for the proportion of biomass.

Targets at the cement level

Reducing the proportion of clinker in cement through the use of cementitious materials can also reduce the company’s carbon footprint. The aim is to reduce the proportion of clinker in cement to 64% by 2030 (previously: 68%).

The 2020 baseline value is 74.3%.

Scope 2 – Indirect emissions from purchased energy

Scope 2 relates to indirect emissions from the generation of energy, e.g. electricity and heat that a company procures – the production and transportation of which results in CO₂eq emissions.

Heidelberg Materials is focusing on energy efficiency measures, among other things, in order to reduce the specific market-based gross Scope 2 CO₂eq emissions per tonne of cementitious material by 65% by 2030. The 2020 baseline value is 44 kg CO₂eq/t of cementitious material.⁴⁾

As part of the SBTi, Heidelberg Materials committed to reduce specific gross Scope 1 and 2 CO₂eq emissions by 26.7% per tonne of cementitious material by 2030 compared with the base year 2020. The company has also committed to reduce specific Scope 1 and Scope 2 gross CO₂eq emissions by 95% per tonne of cementitious material by 2050 compared with base year 2020.⁵⁾ Due to the CO₂-intensive nature of clinker production, around two-thirds of emissions fall under Scope 1, so reducing these emissions will make the biggest contribution to achieving our targets.

4) The 2020 baseline value was verified using the location-based method. At the time of calculation, no supplier-specific emission factors were available, so the market-based value is assumed to be identical to the location-based value.
5) The target limit includes land-based emissions and the extraction of biogenic raw materials.

We use our intensity targets described above to manage the climate impact of our products, regardless of production volumes. In accordance with the ESRS requirements, Heidelberg Materials has formulated absolute climate targets for Scope 1 and 2, which have no relevance for management decision-making. The targets are more of a rough guide than an exact prediction of the expected absolute emissions in 2030. The absolute Scope 1 climate target, which is compatible with limiting global warming to 1.5°C, would have to be 55 million tonnes of CO₂eq. The absolute Scope 2 climate target meets the requirements for 1.5°C compliance. Neither target value is scientifically based. The base year for the absolute climate targets is 2020.

For 2030, we have set a value for absolute gross Scope 1 CO₂eq emissions of 61 million tonnes. This corresponds to the value for the reporting year, which we intend to keep stable. The target is based on the projected development of clinker production for 2030 and the expected emission intensity factor of clinker.

For 2030, we have set a value for absolute gross Scope 2 CO₂eq emissions of 2 million tonnes.

Scope 3 – Emissions in the value chain

Scope 3 includes all other indirect emissions from a company’s activities from sources not owned or controlled by the company. At Heidelberg Materials, these include purchased materials and services (purchased

clinker, raw materials, cement constituents, cement), fuels, the upstream and downstream transportation (by truck, rail, vessel), and investments.

As part of the SBTi, we have committed to reduce the absolute Scope 3 CO₂eq emissions from purchased goods and services⁶⁾ in the upstream and downstream supply chain by 25% by 2030 compared with 2020. To achieve this, we are working with suppliers to ensure transparency in emissions data. The Scope 3 CO₂eq reduction target for 2030 is in line with the ambitious objective to limit global warming to well below 2°C. Limiting global warming to 1.5°C would require a reduction of 42%.

Heidelberg Materials has also committed to reduce absolute Scope 3 CO₂eq emissions by 90% by 2050. This corresponds to coverage of 92% of the Scope 3 CO₂eq emissions recorded in Category 1 (purchased goods and services). The 2020 baseline value is 8.16 million tonnes of CO₂eq.

Sustainable revenue

We aim to generate more than 50% of our Group revenue from low-carbon and circular products and solutions by 2030, thereby contributing to our specific net Scope 1 CO₂ emission reduction target. This target is outlined in the **Targets and metrics section of the chapter E5 – Resource use and circular economy.**

6) Related to purchased cement and clinker

Metrics on CO₂eq emissions

Heidelberg Materials’ production sites are the most important assets that bind CO₂eq emissions. The emissions are in particular caused by the burning of limestone, as well as by the energy required to operate clinker kilns and grinding plants. We have identified a gross transition risk in relation to CO₂-intensive cement production as material. We take these CO₂eq emissions into account in our Scope 1 CO₂eq emissions target. For further information on the ecological footprint of our locations, see the **Research and development section of the chapter Fundamentals of the Group.**

Greenhouse gas intensity

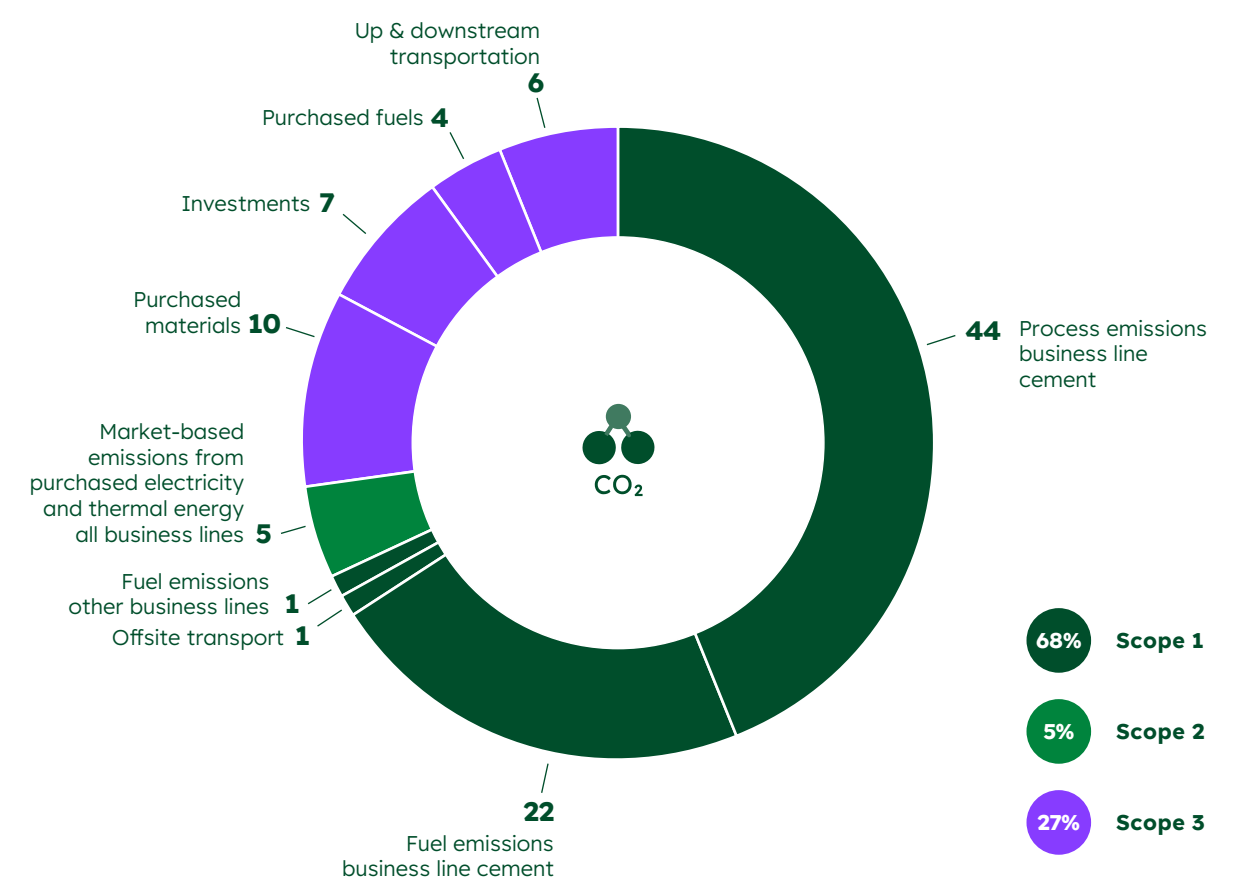
	2024	2025	Unit	Reference
GHG emissions intensity, location-based (total GHG emissions per net revenue)	-	4,224.4	t CO ₂ eq/ million €	E1-6 53
GHG emissions intensity, market-based (total GHG emissions per net revenue)	-	4,206.5	t CO ₂ eq/ million €	E1-6 53

Locked-in product emissions are emissions that are released during the lifetime of a product. Since the use of our products does not result in CO₂eq emissions, our products do not affect the company’s climate targets and are not associated with transition risks.

Because clinker production is so energy-intensive, 68% of CO₂eq emissions are attributable to Scope 1, 5% to Scope 2, and 27% to Scope 3.

Heidelberg Materials’ market-based CO₂eq intensity in relation to Group revenue is 4,206.5 t CO₂eq/million €.

CO₂eq split across scopes (in %)



Since 2018, the CO₂eq emissions of the cement business line have been continuously recorded and evaluated across the Group. As a member company, we follow the GCCA's CO₂ & Energy Protocol and the Greenhouse Gas Protocol (GHG Protocol) when calculating and evaluating our CO₂eq emissions. The table provides an overview of the methods used for each scope. Wherever possible, we use actual data and specific emission factors. If this data is not avail-

able, we draw on internationally recognised emission factor databases.

The published data pertains to the consolidated companies. There are no unconsolidated subsidiaries or affiliated and joint ventures over which Heidelberg Materials has operational control, which is why there is no breakdown of Scope 1 and Scope 2 emissions.

Methodologies, assumptions, and emission factors

Scope	Category	Methodologies	Assumptions	Emission factors
Scope 1	-	GHG Protocol The GCCA's CO ₂ & Energy Protocol	Gross CO ₂ eq emissions do not include CO ₂ eq from the combustion of biomass waste. Net CO ₂ emissions for the cement business line also exclude CO ₂ from the fossil fuel component in alternative fuels. CO ₂ offsets are not used. The emissions for the ready-mixed concrete, asphalt, and the precast concrete parts business lines are estimated on the basis of extrapolations, as they are immaterial to the Group's figures. Since the business lines are not material to the consolidated key figures, estimation accuracy is of little concern.	For the cement business line, the emission factors for fuels and process-related emissions are determined in the laboratory (location-based) or taken from the GCCA's CO ₂ & Energy Protocol. Recognised standard factors are used for fuel consumption, e.g. from company vehicles and plants in the aggregates and ready-mixed concrete business lines.
	-	GHG Protocol Location-based methodology Market-based methodology	The emissions for the ready-mixed concrete, asphalt, and the precast concrete parts business lines are estimated on the basis of extrapolations, as they are immaterial to the Group's figures. Therefore, estimation accuracy is of little concern. Biogenic Scope 2 CO ₂ eq emissions have been identified as immaterial and are therefore not calculated separately.	The emission factors for the location-based method are taken from the IEA's recognised database. The emission factors for the market-based method are either supplier-specific or taken from the residual electricity mix, guarantees of origin, or other reliable tracking mechanisms.
Scope 2	Purchased goods and services	GHG Protocol, average method	Based on the volumes of main raw materials and services we procure externally. These relate to the cement and aggregates business lines.	The emission factors are either supplier-specific or, if not available, LCA standard factors are taken from the recognised GCCA Environmental Product Declarations (EPD) database.
	Purchased fuels and energy-related activities	GHG Protocol, average method	Based on the fuel consumption recorded in the relevant business lines and the reporting tools used.	Well-to-tank (WTT) emission factors are used for purchased fuels. Transmission loss factors are used for energy-related activities. These factors are not supplier-specific, which is why we use the recognised factors from the UK government's Department for Environment, Food & Rural Affairs (DEFRA) for both sets of factors.
	Upstream and downstream transportation and distribution	GHG Protocol, average removal method	Based on the quantities transported and distances travelled. This is done either on the basis of invoice data contained in our enterprise resource planning (ERP) systems or, if necessary, using estimates.	As no specific information on the respective consumption is available for the individual deliveries, the emission factors are taken from the recognised GCCA EPD database and adapted to the specific transport modes.
	Investments	GHG Protocol The GCCA's CO ₂ & Energy Protocol	This category also includes the Scope 1 and 2 CO ₂ eq emissions from our joint ventures.	The emission factors for fuels and process-related emissions are determined in the laboratory (location-based) or taken from the GCCA's CO ₂ & Energy Protocol. The factors for Scope 2 also come from the IEA's renowned database.
	Biogenic emissions		Biogenic emissions have been identified as immaterial and are therefore not calculated separately.	

Scope 1

Heidelberg Materials has developed a comprehensive system for its cement business line to record and calculate Scope 1 CO₂eq emissions. In this system and the associated operational subsystems, the quantities of fuels and raw materials used, as reported by each location, together with the process information and material balances in each process step, are linked to the emission factors – based on laboratory data or standard factors from the GCCA. This enables emissions to be accurately attributed to the products manufactured.

In the 2025 financial year and in accordance with its internal CO₂ roadmap, Heidelberg Materials was able to reduce its specific net Scope 1 CO₂ emissions by a further 3% to 512 kg (previous year: 527) CO₂/t of cementitious material. Gross Scope 1 CO₂eq emissions decreased by 10% compared with the base year 2020. In the 2025 financial year, measures at the clinker level contributed around 40% to the reduction in Scope 1 emissions, and around 60% at the cement level. Other savings activities, such as breakthrough technologies, have not yet made a significant contribution in 2025. For the 2026 financial year, we expect a reduction of around 11% compared with 2020.

We succeeded in further increasing the proportion of alternative fuels⁷⁾ to 34.1% (previous year: 31.3%), while reducing the specific heat consumption of our kilns.

The clinker ratio was reduced by 1.1 percentage points to 68.2% (previous year: 69.3%). Progress was made in reducing the proportion of clinker in the Africa-Mediterranean-Western Asia and Asia-Pacific Group areas in particular.

The proportion of biomass as a fuel increased to 16.5% (previous year: 14.5%).

For the aggregates business line, absolute Scope 2 emissions remained at the previous year's level at 0.50 million tonnes of CO₂eq (previous year: 0.49), and were in line with production development.

In 2025, we recorded market-based Scope 1 CO₂eq emissions for the other business lines for the first time, amounting to 0.3 million tonnes of CO₂eq.

7) The figure corresponds to the definitions of the GCCA, but refers exclusively to the thermal energy required for kiln operations.

Scope 1 greenhouse gas emissions (GHG) & raw materials input

	Baseline value	2024	2025	Unit	Reference
Cement business line					
Absolute gross Scope 1 GHG emissions ¹⁾	-	61.1	59.4	million t CO ₂ eq	E1-6 48a, GCCA
Absolute net Scope 1 GHG emissions ¹⁾	-	56.9	55.0	million t CO ₂	GCCA
Specific gross Scope 1 GHG emissions per tonne of cementitious material ¹⁾	611	566	551	kg CO ₂ eq/t	GCCA
Specific net Scope 1 GHG emissions per tonne of cementitious material ¹⁾	576	527	512	kg CO ₂ /t	GCCA
Aggregates business line					
Absolute Scope 1 GHG emissions	-	0.49	0.50	million t CO ₂ eq	E1-6 48a
Other business lines					
Absolute gross Scope 1 GHG emissions	-	-	0.3	million t CO ₂ eq	E1-6 48a
Biogenic CO₂e emissions					
Biogenic CO ₂ e emissions from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions	-		4.2	million t CO ₂ eq	E1-6 AR 43c
Off-site Transportation					
Absolute Scope 1 GHG emissions from off-site transportation (all business lines)	-	1.2	1.1	million t CO ₂ eq	
Raw materials input					
Clinker ratio	74.3	69.3	68.2	%	GCCA
Proportion of alternative raw materials					
- Clinker production	-	3.9	3.6	%	GCCA
- Cement production	-	11.1	11.7	%	GCCA

1) The figure includes a negligible amount of Scope 1 CO₂ reductions achieved through the CCS facility in Brevik that have been considered internally to compensate Scope 2 and 3 emissions of evoZero carbon aptured near-zero cement sales.

Scope 2

We derive the calculation logic for Scope 2 CO₂eq emissions from the GHG Protocol.

This tiered methodology is designed to ensure that our calculations of market-based Scope 2 CO₂eq emissions are as accurate and representative as possible. Across all business lines, 53% of the electricity purchased in 2025 was accounted for using contractual instruments under the Scope 2 market-based approach. The remaining volumes were calculated using the location-based method with the IEA’s standard emission factors.

In the past year, we have used various contractual instruments to diversify our energy supply.

For our on-site projects, where energy is generated directly at the location, we invest in our own facilities or PPAs (power purchase agreements), which enable us to make the energy supply more cost-effective and sustainable while avoiding regulated costs.

We also often use PPAs for off-site projects in which renewable energy is generated at another location and supplied to our consumption points via the public grid. These off-site PPAs are often supplemented by attribute certificates to maintain the renewable nature of energy.

Certificates that can be traded, transferred, and cancelled apart from the physical electricity can also

be used. The prerequisite is that these certificates meet the quality criteria set out in the GHG Protocol. In North America we use renewable energy certificates (RECs), in Europe guarantees of origin (GoOs), and in other countries international renewable energy certificates (I-RECs).

In the cement business line, absolute location-based Scope 2 CO₂eq emissions were slightly reduced in comparison with the previous year. Also indirect market-based Scope 2 CO₂eq emissions were reduced compared with 2024 and stood at 4.1 million tonnes (previous year: 4.2) of CO₂eq. This is partly due to the increased use of power purchase agreements for the purchase of renewable energies.

Compared with the base year 2020, the reduction in specific Scope 2 CO₂eq emissions per tonne of cementitious material corresponds to 13%. For the 2026 financial year, we expect a reduction of around 15% compared with 2020. Overall, specific Scope 1 and Scope 2 CO₂eq emissions in the 2025 financial year were reduced by 10% compared with 2020.

Absolute market-based Scope 2 emissions in the aggregates business line increased slightly to 0.25 million tonnes of CO₂eq (previous year: 0.24).

In 2025, we recorded market-based Scope 2 CO₂eq emissions for the other business lines for the first time, amounting to 0.08 million tonnes of CO₂eq.

Scope 2 greenhouse gas emissions (GHG)

	Baseline value	2024	2025	Unit	Reference
Total location-based Scope 2 GHG emissions	–	–	4.8	million t CO ₂ eq	E1-6 49a
Total market-based Scope 2 GHG emissions	–	–	4.4	million t CO ₂ eq	E1-6 49b
Percentage of contractual instruments, Scope 2 GHG emissions	–	–	53	%	E1-6 AR 45d
Percentage of contractual instruments used for sale and purchase of energy bundled with attributes about energy generation in relation to Scope 2 GHG emissions	–	–	4.5	%	E1-6 AR 45d
Percentage of contractual instruments used for sale and purchase of unbundled energy attribute claims in relation to Scope 2 GHG emissions	–	–	1.4	%	E1-6 AR 45d
Cement business line					
Absolute location-based Scope 2 GHG emissions	–	4.8	4.5	million t CO ₂ eq	E1-6 49a
Absolute market-based Scope 2 GHG emissions	–	4.2	4.1	million t CO ₂ eq	E1-6 49b
Specific location-based Scope 2 GHG emissions ¹⁾	–	44	42	kg CO ₂ eq/t	GCCA
Specific market-based Scope 2 GHG emissions	44	39	38	kg CO ₂ eq/t	GCCA
Aggregates business line					
Absolute location-based Scope 2 GHG emissions	–	0.24	0.25	million t CO ₂ eq	E1-6 49a
Absolute market-based Scope 2 GHG emissions	–	0.24	0.25	million t CO ₂ eq	E1-6 49b
Other business lines ²⁾					
Location-based Scope 2 GHG emissions	–	–	0.08	million t CO ₂ eq	E1-6 49a
Market-based Scope 2 GHG emissions	–	–	0.08	million t CO ₂ eq	E1-6 49b

1) The baseline value for 2020 was audited based on the location-based method. As no supplier-specific emission factors were available at this point in time, the location- and market-based figures are assumed to be equal.
2) Market-based and location-based emissions are calculated using the same emission factors, as no supplier-specific information was requested for the other business lines.

Scope 3

Our Scope 3 CO₂eq emissions are assessed and reported in accordance with the criteria of the GHG Protocol. We conducted an in-depth analysis of the 15 Scope 3 categories of the GHG Protocol. In this analysis, we considered not only the scale of emissions but also aspects such as Heidelberg Materials’ ability to influence these emissions, stakeholder requests, and the recommendations of the industry association GCCA. Based on this analysis, we have concluded that the significant categories for us are purchased materials and services, purchased fuels, upstream and downstream transportation and distribution, and investments.

We endeavour to obtain supplier- and product-specific emission factors. If these are not available, we use recognised standard emission factors (see [table Methodologies, assumptions, and emission factors](#)).

Losses in accuracy are to be expected when using standard factors, as sector averages cannot reflect local or regional differences. One example of this is purchased clinker. Due to the application of regional standard factors, local influencing factors, such as the availability of alternative fuels at a plant, are not taken into account. However, increasing the level of accuracy is only possible with a great deal of effort, especially where suppliers are concerned.

To improve data quality, we continuously collect activity data that we use to calculate our Scope 3 CO₂eq emissions. The share of primary data used to calculate emissions was around 68% in 2025.

In 2025, Scope 3 CO₂eq emissions from purchased fuels amounted to 3.7 million tonnes CO₂eq. In the reporting year, we expanded the coverage of emissions from purchased raw materials and services to include additional purchasing categories, which is why the figures are not comparable with the previous year. CO₂ emissions from upstream and downstream transportation and distribution increased by 18% in comparison with the previous year to 5.3 (previous year: 4.5) million tonnes CO₂eq. This is due to the increase in external transport by ship and truck in the downstream value chain.

We identified Scope 3 CO₂eq emissions from investments as material in the 2025 financial year and subjected them to the audit with limited assurance for the first time.

Compared with the base year 2020, we were able to reduce Scope 3 CO₂eq emissions from purchased cement and clinker by 24% in the 2025 financial year. For the 2026 financial year, we expect to achieve our 2030 target of a 25% reduction in absolute Scope 3 CO₂eq emissions compared with 2020 ahead of schedule.

Scope 3 greenhouse gas emissions (GHG)

	Baseline value	2024	2025	Unit	Reference
Total gross indirect (Scope 3) GHG emissions	-	-	24.5	million t CO ₂ eq	E1-6 51
1 Purchased goods and services	-	-	8.6	million t CO ₂ eq	E1-6 51
- thereof related to the purchase of cement and clinker ¹⁾	8.16	6.4	6.2	million t CO ₂ eq	SC2030
3 Fuels and electricity related activities (not reported in Scope 1 or 2)	-	-	3.7	million t CO ₂ eq	E1-6 51
4 Upstream transportation and distribution	-	2.2	2.9	million t CO ₂ eq	E1-6 51
9 Downstream transportation and distribution	-	2.3	2.4	million t CO ₂ eq	E1-6 51
15 Investments	-	-	6.9	million t CO ₂ eq	E1-6 51

1) The 2024 figure has been restated.

Additional disclosures on greenhouse gas emissions

In addition to the information already described, the ESRS disclosure requirements stipulate the creation of a greenhouse gas emissions inventory that includes not only emissions per scope but also Group-wide targets and the achievement of these targets. This information is summarised in the table on the right. Heidelberg Materials has not set itself any cross-business-line reduction targets, as the company is focusing on the cement business line due to its relevance and potential impact. In addition, a complete CO₂eq inventory was carried out for the first time in the reporting year, which is why previous year’s figures are not available at Group level.

Greenhouse gas emissions (GHG) inventory

	Retrospective				Milestones and target years				Reference
	Base year	2024	2025	2025/2024 in %	2025	2030 ¹⁾	(2050) ¹⁾	Annual % of target/ base year	
Scope 1 greenhouse gas emissions									
Gross Scope 1 greenhouse gas emissions (Mio tCO ₂ eq)	-	-	61.3	-	-	-	-	-	E1-6 48a, SASB
Percentage of Scope 1 greenhouse gas emissions from regulated emission trading schemes (%)	-	-	36	-	-	-	-	-	E1-6 48b, SASB
Scope 2 greenhouse gas emissions									
Gross location-based Scope 2 GHG emssions (Mio tCO ₂ eq)	-	-	4.8	-	-	-	-	-	E1-6 49a
Gross market-based Scope 2 GHG emssions (Mio tCO ₂ eq)	-	-	4.4	-	-	-	-	-	E1-6 49b
Significant scope 3 greenhouse gas emissions									
Total Gross indirect (Scope 3) greenhouse gas emissions (Mio tCO ₂ eq)									E1-6 51
1 Purchased goods and services	-	-	8.6	-	-	-	-	-	E1-6 51
2 Capital goods	-	-	-	-	-	-	-	-	E1-6 51
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	-	-	3.7	-	-	-	-	-	E1-6 51
4 Upstream transportation and distribution	-	2.2	2.9	-	-	-	-	-	E1-6 51
5 Waste generated in operations	-	-	-	-	-	-	-	-	E1-6 51
6 Business travel	-	-	-	-	-	-	-	-	E1-6 51
7 Employee commuting	-	-	-	-	-	-	-	-	E1-6 51
8 Upstream leased assets	-	-	-	-	-	-	-	-	E1-6 51
9 Downstream transportation and distribution	-	2.3	2.4	-	-	-	-	-	E1-6 51
10 Processing of sold products	-	-	-	-	-	-	-	-	E1-6 51
11 Use of sold products	-	-	-	-	-	-	-	-	E1-6 51
12 End-of-life treatment of sold products	-	-	-	-	-	-	-	-	E1-6 51
13 Downstream leased assets	-	-	-	-	-	-	-	-	E1-6 51
14 Franchises	-	-	-	-	-	-	-	-	E1-6 51
15 Investments	-	-	6.9	-	-	-	-	-	E1-6 51
Total greenhouse gas emissions									
Total greenhouse gas emissions (location-based) (Mio tCO ₂ eq)	-	-	90.7	-	-	-	-	-	E1-6 52a
Total greenhouse gas emissions (market-based) (Mio tCO ₂ eq)	-	-	90.3	-	-	-	-	-	E1-6 52b

1) Company-wide climate targets have not been set for 2030 and 2050, targets for the cement business line are defined and presented separately.

GHG removals

In the reporting year, Heidelberg Materials commissioned its carbon capture facility at the Brevik cement plant in Norway (see [Actions section](#)).

The CO₂ emissions from cement production are captured there using amine-based technology. The CO₂ is then liquefied and temporarily stored on site. When the liquefied CO₂ is shipped, Coriolis flow meters record the amount of CO₂ taken on board. The transport vessel’s custody transfer measurement system serves as a billing meter for measuring the transported emissions upon arrival at the terminal. Any deviations are regulated within the framework of the Standard Shipping Agreement, which defines acceptable transport losses.

Geological storage reservoirs are selected that have porous rock layers with an impermeable surface layer on top. Prior to feeding, the amount of liquefied CO₂ is measured using a Venturi meter. Some of the stored CO₂ mineralises in the surrounding rock and water to form stable compounds, which helps to

prevent leakage. The storage reservoir and the surrounding region are continuously monitored. To this end, we work with partners who have decades of exploration experience and expertise in the transport and storage of CO₂ (see the [Technology risks section of the chapter Risk and opportunity report](#)).

By combining bioenergy with carbon capture and storage technologies, we are implementing a hybrid form of CO₂ removal and storage. Removals resulting from carbon capture are not considered a nature-based solution as they originate from the calcination of raw materials and the combustion of alternative fuels, which contain both biogenic and fossil CO₂.

With regard to the CO₂ accounting of removed CO₂ emissions, we follow the principles of the GCCA’s CO₂ and Energy Accounting and Reporting Standard for the Cement Industry 4.0, which is currently still being prepared. This standard will include a chapter on CCUS, which takes into account emissions from the CCS process as well as the quantities of CO₂ saved and removed.

Greenhouse gas emissions (GHG) – removals and storage

	2024	2025	Unit	Reference
Total amount of CO ₂ transferred to Northern Lights	-	58,408	t CO ₂	
Total amount of CO ₂ in permanent storage	-	37,500	t CO ₂ eq	E1-7 58a
– thereof share of CO ₂ from biogenic origins	-	4,125	t CO ₂ eq	
Greenhouse gas emissions associated with removal and storage activity ¹⁾	-	1,236	t CO ₂ eq	E1-7 AR 58f

1) Including operation of the carbon capture facility in Brevik as well as transport and storage carried out by partners.

In the reporting year, a total of 58,408 tonnes of CO₂ were captured at the Brevik CCS plant and handed over for transport and storage to our partner Northern Lights. Of this, 37,500 tonnes of CO₂ have already been permanently stored under the North Sea, which has been verified by the assurance provider DNV. The main reason for the difference between transferred and permanently stored CO₂ is that a large part of the CO₂ is still in Northern Lights’ infrastructure and has not yet been injected into underground storage. In addition, minor losses may occur during transport, injection and commissioning of Northern Lights’ infrastructure. We calculate that about 4,125 tonnes CO₂ are of biogenic origin (the final fraction will be confirmed during the ETS reporting of the Brevik plant).

Internal carbon pricing

Heidelberg Materials has established a shadow pricing mechanism to factor CO₂ costs into CapEx decisions. In countries with an existing emissions trading system (ETS), direct costs are incurred as a result of CO₂ emissions. When an investment project achieves CO₂ savings, it contributes not only to the company’s decarbonisation strategy, but also to reducing costs. Heidelberg Materials therefore uses an internally forecast CO₂ price to evaluate investment decisions. Depending on the geographical location, existing ETSs, and local legislation (e.g. in Canada), we include the financial impact of CO₂ savings in the analysis. This enables us to understand the investment costs in relation to the CO₂ emissions saved and to prioritise and approve projects accordingly.

Heidelberg Materials forecasts the medium-term CO₂ price. This price is determined on a quarterly

basis for the current year and annually for medium-term planning, and it is included in the annual financial planning. The starting price for CO₂ corresponds to the current market price for emission allowances according to the EU Emissions Trading System (EU ETS). Based on the current market price, Heidelberg Materials expects the medium-term price of CO₂ allowances to rise to around €100 per tonne of CO₂ by 2030. This assumption is based on forecasts made by financial institutions and analysts who continuously monitor the market and publish predictions on CO₂ price developments until 2030. The current market price, which is adjusted for the percentage increase forecast by analysts, serves as a reference. The sources used include Morgan Stanley, Commerzbank, Vertis, Bloomberg, Macquarie, and Energy Aspects.

The internal carbon price applies in all countries where the cement industry is obliged to pay for CO₂ emissions. As a result, all European countries are subject to the internal carbon price, which corresponds to 22.2 million tonnes of CO₂eq or 37.4% of our Scope 1 CO₂eq emissions in the cement business line. Other countries with comparable ETSs also have to take country-specific CO₂ costs and regulations into account. In doing so, we take into account the applicable ETS, CO₂ rights, and CO₂ requirements in relation to the current market price and the internal forecast. Further information on our risk assessment can be found in the [Regulatory risks section of the chapter Risk and opportunity report](#). Scopes 2 and 3 are not included in the internal carbon price.

The internally forecast CO₂ price is not included in the consolidated income statement, since it is only used for the valuation of investment projects.

Energy consumption and mix

Energy consumption per tonne of cementitious material decreased from 2,978 MJ/t to 2,923 MJ/t in the 2025 financial year. This is due to the reduction of the clinker content in the product and the increased use of pulverised alternative raw materials. Some of our cement plants (38%) are ISO-50001 certified to ensure efficient management of energy consumption.

Heidelberg Materials is active exclusively in sectors with a high climate impact. Heidelberg Materials’ energy intensity relative to Group revenue is 4,249 MWh/million €.

Heidelberg Materials is active in the following sectors classified as having a high climate impact: 08.1 extraction of natural stones, gravel, sand, clay, and kaolin; 23.5 production of cement, lime, and burnt gypsum; 23.6 production of concrete, cement, and gypsum products; 38 collection, recycling, and disposal of waste; and 46.8 other wholesale trade.

We try to base our energy data as far as possible on primary data such as electricity and gas meters. If this data is not available, for example because a supplier has not yet sent an invoice, we use estimates to fill in the gaps. These estimates can be based on average consumption in previous months, for example. When converting into energy values, we primarily use laboratory values specific to the cement business line and other recognised standard values, which are subject to the known limitations. We use estimates for the ready-mixed concrete, asphalt, and precast concrete parts business lines, because the consumption of these business lines has been identified as immaterial to the Group figures and any inaccuracies in the estimates would have no impact. We make use of historical data and production figures for this extrapolation.

Energy

	Baseline value	2024	2025	Unit	Reference
Energy					
Total energy consumption related to own operations	-	-	91,179,249	MWh	E1-5 37, SASB
Total energy consumption from fossil sources	-	-	69,532,159	MWh	E1-5 37a
Percentage of fossil sources in total energy consumption	-	-	76	%	E1-5 AR 34
Total energy consumption from nuclear sources	-	-	1,303,824	MWh	E1-5 37b
Percentage of energy consumption from nuclear sources in total energy consumption	-	-	1	%	E1-5 AR 34
Total energy consumption from renewable sources	-	-	14,540,736	MWh	E1-5 37c
Percentage of renewable sources in total energy consumption	-	-	15.95	%	E1-5 AR 34, SASB
Non-renewable energy production	-	-	232,273	MWh	E1-5 39
Renewable energy production	-	-	94,123	MWh	E1-5 39
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	-	-	4,249	MWh/million €	E1-5 40
Cement business line					
Absolute energy consumption	-	321,504	314,285	TJ	GCCA
- thereof clinker production	-	295,138	288,848	TJ	GCCA
Specific energy consumption	-	2,978	2,923	MJ/tonne	GCCA
- thereof clinker production	-	3,909	3,907	MJ/tonne	GCCA
Electricity	-				
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	-	-	2,510,656	MWh	E1-5 38e
Consumption of purchased or acquired electricity, heat, steam, or cooling from renewable sources	-	-	2,292,503	MWh	E1-5 37c
Consumption of self-generated non-fuel renewable electricity	-	-	85,593	MWh	E1-5 37c
Fuels					
Fuel consumption from coal and coal products	-	-	23,539,273	MWh	E1-5 38a
Fuel consumption from crude oil and petroleum products	-	-	19,460,080	MWh	E1-5 38b
Fuel consumption from natural gas	-	-	10,049,843	MWh	E1-5 38c
Fuel consumption from other fossil sources	-	-	13,972,306	MWh	E1-5 38d
Fuel consumption from renewable sources	-	-	12,248,233	MWh	E1-5 37c
Alternative fuel mix for clinker production					
Alternative fuel rate ¹⁾	25.7	31.3	34.1	%	GCCA, SASB
- thereof biomass	9.9	14.5	16.5	%	GCCA

1) The figure corresponds to the definitions of the GCCA, but includes only the thermal energy required of the kilns.

The Taxonomy Regulation is a classification system that translates the EU's climate and environmental objectives into criteria for certain environmentally sustainable economic activities for investment purposes. Economic activities are recognised as “environmentally sustainable” if they make a substantial contribution to at least one of the EU's climate and environmental objectives while not significantly harming any of the other defined environmental objectives. In addition, minimum social standards (termed minimum safeguards) must be met.

The portfolio of our economic activities was assessed in the reporting year with regard to taxonomy eligibility under the delegated acts. In addition to “CCM 3.7 Manufacture of cement” (represented in the following as the cement business line), “CCM 5.9 Material recovery from non-hazardous waste” (represented in the following as the recycled aggregates operating line within the aggregates business line) has been identified as a relevant economic activity in accordance with the Climate Delegated Act. Of the four environmental objectives specified in the Environmental Delegated Act, only the environmental objective “transition to a circular economy” with the

In accordance with the disclosure requirements, we report in detail on these economic activities (alignment reporting).

There are also other taxonomy-eligible economic activities within Heidelberg Materials' business lines, such as transport services, which are, however, not shown separately and are included in the reporting for the cement business line and activity 3.7, respectively.

The undertaking carries out, funds, or has exposures to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds, or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

The undertaking carries out, funds, or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

The table below shows the activities related to nuclear energy and fossil gas.

Heidelberg Materials' other economic activities, such as the ready-mixed concrete-asphalt business line, are taxonomy-non-eligible under the currently known legal acts. We also analysed cross-sectional economic activities for the capital expenditure (CapEx) and operating expenditure (OpEx) KPIs, but this did not result in any additional reportable activities.

The technical screening criteria for taxonomy alignment with the Climate Delegated Act were reviewed by an interdisciplinary working group and with the involvement of further experts, in particular with regard to the interpretation of the “do no significant harm” (DNSH) criteria. The requirements of the delegated act in relation to climate change adaptation were not pursued further, as we are currently unable to achieve taxonomy-aligned revenue, CapEx, and OpEx pursuant to the Taxonomy Regulation.

To review the criteria determining whether a substantial contribution to climate change mitigation (“substantial contribution” criteria) is made, internal reporting systems and data were used to verify compliance with the respective limit values at plant level. A distinction is made between the various types of plants (integrated plants, clinker plants, grinding plants) and is based on the reporting definitions set out by the GCCA industry association. The recovery rate plays a decisive role for the taxonomy-eligible recycling activities under CCM 5.9 and CE 2.7. We use internal material stream statistics to assess whether the substantial contribution has been achieved.

For the somewhat more qualitative DNSH criteria, the individual (legal) requirements and their applicability to Heidelberg Materials were reviewed and potential approaches for proving the alignment of the individual plants were devised. For example, a location-based assessment for climate change adaptation was developed, covering various climate scenarios and time horizons. If risks are identified, the plants will be expected to implement appropriate



adaptation measures. At the same time, for criteria such as “protection and restoration of biodiversity and ecosystems” or “sustainable use and protection of water and marine resources,” use is made of existing processes. We regularly assess the proximity of our operational sites to protected areas and, if necessary, develop biodiversity management plans. For the “sustainable use and protection of water and marine resources” criterion, we have extended our existing approach of creating water management plans and make use of the assessment of (potential) risks and impacts carried out for this purpose.

For the “manufacture of cement” activity and the “pollution prevention and control” criterion, we use, among other things, long-established processes for monitoring air pollutants to verify compliance with limit values. We have also examined the additional requirements for the products we manufacture, such as those relating to placing hazardous substances on the market. We conclude that these criteria have been fulfilled. With respect to circular economy, there are no requirements within the Taxonomy Regulation for “CCM 3.7 Manufacture of cement” and “CCM 5.9 Material recovery from non-hazardous waste.”

For CE 2.7, the DNSH requirements and approaches for climate change adaptation, water, and biodiversity are identical to those of the Climate Delegated Act. Additionally, the best available techniques (BAT) conclusions for waste treatment and the associated emission limit values introduce a requirement in the area of environmental pollution. However, since the processed materials primarily consist of construction waste that is treated purely mechanically, the BAT conclusions do not apply.

In order to comply with the minimum safeguards, we have closely coordinated with the Group Legal & Compliance department and compared our existing measures on human rights, anti-corruption, fair competition, and taxation with the requirements of the Taxonomy Regulation. As we have been implementing compliance processes in these areas for many years and are continuously reviewing and expanding them, we have come to the conclusion that the minimum safeguards are being met. One current example of our continuous optimisation efforts is our work in the field of human rights to further expand our analysis of significant risks and their impact on potentially affected parties. Particularly with regard to our supply chain, we have supplemented our existing risk management with suitable processes (in the context of the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichten-gesetz, LkSG), among others).

Explanation of the key figures¹⁾

The key figures revenue, capital expenditure (CapEx), and operating expenditure (OpEx) relevant to the EU Taxonomy Regulation were determined with reference to the definitions set out in the Annex to the delegated act (EU 2021/2178) to Article 8 of regulation 2020/852. The relevant revenue, CapEx, and OpEx were assigned to the above-mentioned taxonomy-eligible economic activities. Standard reporting (assignment by business line) was used to determine

1) The disclosures in this section also comply with the disclosure requirement regarding assignment to the relevant notes in chapter E1 – Climate change.

the key figures, avoiding the possibility of double counting across the two economic activities.

Revenue

The key figure for sustainable revenue pursuant to the Taxonomy Regulation is calculated on the basis of revenue related to the taxonomy-aligned economic activities (numerator) divided by total revenue (denominator). Revenue is defined as the revenue shown in the consolidated income statement that relates to revenue from contracts with customers pursuant to IFRS 15. This can be found in [Note 7.1](#).

The total revenue of the Group pursuant to the Taxonomy Regulation amounted to €21,460.2 million (previous year: €21,156.4 million), of which €9,802.2 million or 45.7% (previous year: €9,507.9 million or 44.9%) was attributable to taxonomy-eligible revenue for the cement business line (CCM 3.7) and €139.4 million or 0.6% (previous year: €125.6 million or 0.6%) to the recycled aggregates operating line (CE 2.7 and CCM 5.9). Due to additional taxonomy-aligned plants, the share of revenue with third parties increased to €890.7 million or 4.2% (previous year: €227.5 million or 1.1%) for the cement business line. In addition, taxonomy-aligned intra-Group eliminations were €238.3 million. The taxonomy-aligned share of revenue for the recycled aggregates operating line was €8.8 million or 0.04% (previous year: €10.1 million or 0.05%).

Share of taxonomy-eligible and taxonomy-aligned revenue

	2024		2025	
	in €m	in %	in €m	in %
Taxonomy-non-eligible revenue ¹⁾	11,522.8	54.5	11,518.5	53.7
Taxonomy-eligible revenue ¹⁾	9,633.6	45.5	9,941.7	46.3
thereof taxonomy-aligned revenue	237.7	1.1	899.5	4.2
Total revenue	21,156.4	100.0	21,460.2	100.0

1) The 2024 figures have been adjusted retroactively following a review of the inclusion of intra-Group revenues.

The detailed quantitative information at economic activity level can be found in the table on [page 127](#).

Capital expenditure (CapEx)

CapEx comprises all additions of tangible and intangible assets, including leases but excluding goodwill and revaluations. CapEx thus results from the additions to intangible assets ([Note 9.1](#)) and from property, plant and equipment including right-of-use assets ([Note 9.2](#)) in the Notes to the balance sheet. Besides additions from ordinary business operations (see line “Additions”), additions from business combinations (see line “Business combinations”) are also included in the total CapEx.

Total CapEx pursuant to the Taxonomy Regulation amounted to €2,019.1 million (previous year: €1,926.1 million). Of this, €1,156.4 million or 57.3% (previous year: €817.0 million or 42.4%) was attributable to taxonomy-eligible CapEx for the cement business line and €28.4 million or 1.4% (previous year: €113.3 million or 5.9%) to the recycled aggregates

Share of taxonomy-eligible and taxonomy-aligned CapEx

		2024 ¹⁾		2025
	in €m	in %	in €m	in %
Taxonomy-non-eligible CapEx	995.8	51.7	834.3	41.3
Taxonomy-eligible CapEx	930.3	48.3	1,184.8	58.7
thereof taxonomy-aligned CapEx	261.8	13.6	264.5	13.1
Total CapEx	1,926.1	100.0	2,019.1	100.0

The detailed quantitative information at economic activity level can be found in the table on **page 128**.

Pursuant to the Taxonomy Regulation, the cement business line and the recycled aggregates operating line are taxonomy-eligible in the context of the climate change mitigation and circular economy environmental objectives. In order to continuously increase the share of taxonomy-aligned economic activities, significant investments are required specifically for the “manufacture of cement” activity (CCM 3.7), particularly in carbon capture, utilisation, and storage (CCUS, see **chapter E1 – Climate change** and the **Research and development section of the Fundamentals of the Group chapter**) and technical facilities for increasing the proportion of alternative fuels or raw materials.

Heidelberg Materials has set climate targets for 2030 based on detailed measures and plans (CO₂ roadmap). We want to significantly reduce our specific CO₂ emissions by this date. Our corporate climate target is well below the limit value defined by the EU for a substantial contribution to climate change mitigation for specific gross CO₂ emissions of 469 kg CO₂ per tonne of cement or alternative binders. In order to achieve our corporate climate target by 2030 at the latest, further investments must therefore be made.

In order to increase taxonomy-aligned revenue while complying with the technical screening criteria, Heidelberg Materials expects to invest a total of €2,362 million (previous year: €2,099 million) and incur operating expenses of €102 million (previous year: €108 million) in the economic activity “CCM 3.7. Manufacture of cement” from 2023 to 2030. The figure is made up of the investments already made in 2023 and 2024 amounting to €518.4 million, the investments made in the 2025 financial year amounting to €212.4 million, and the investments planned for the period 2026 to 2030 amounting to €1,631 million. Due to the update of the roadmap, the priority plants have changed and the CapEx plan as well as prior-year values have been adjusted.

In the reporting year, investments towards the CapEx plan amounted to €212.4 million. The OpEx incurred under the CapEx plan for the 2025 financial year came to €29.4 million.

Operating expenditure (OpEx)

Pursuant to the EU taxonomy, the following non-capitalised direct expenses are considered to be OpEx:

- Research and development: Our research and development expenditure is a key driver of innovation. This includes central innovation hubs focused on the development of new technologies, improved processes, and breakthrough digital technologies,

as well as the local optimisation of products and applications for an elevated customer experience. The total amount for all business lines corresponds to the presentation in the **Research and development chapter**.

- Lease expenses for short-term leases and low-value assets: Expenses that meet the definition of IFRS 16 Leases but are not recognised as a right-of-use asset or lease liability because they relate to a short-term lease (<12 months) or a low-value asset. The total amount for all business lines corresponds to the lease expenses in the other operating expenses in **Note 7.5**.
- Maintenance and repair/building renovation measures: Expenditure on repair materials, spare and wear parts, and repair services from external providers and employees. The total amount for all business lines differs from the expenses for third-party repairs and services in the other operating expenses in **Note 7.5** because of the different scope and resulting different inclusion of accounts (third-party repairs and third-party services in contrast to internal and external expenditure on repair and maintenance).
- All other direct expenditure relating to the daily maintenance of property, plant and equipment necessary to ensure the continuous and effective functioning of these assets.

Total OpEx pursuant to the EU taxonomy amounted to €1,659.5 million in the 2025 financial year (previous year: €1,720.2 million). Taxonomy-eligible OpEx was identified as €946.4 million or 57.0% (previous year: €940.7 million or 54.7%) for the cement business line and €18.4 million or 1.1% (previous year: €17.3 million or 1.0%) for the recycled aggregates operating line. For part of the taxonomy-eligible research and development expenditure in the cement business line, no direct assignment to the taxonomy-aligned plants is possible, hence they were assigned proportionally to all plants using a key based on total cement production.

In total, €122.9 million or 7.4% (previous year: €50.8 million or 3.0%, reported: €53.5 million or 3.1%) of OpEx for the cement business line and €1.3 million or 0.1% (previous year: €1.1 million or 0.1%) for the recycled aggregates operating line was taxonomy-aligned and composed of €22.2 million (previous year: €18.3 million, reported: €21.0 million) from research and development expenditure, €98.2 million (previous year: €30.1 million, reported: €30.3 million)

from maintenance and repair, and €3.8 million (previous year: €3.4 million) from short-term leases. The increase in taxonomy-aligned OpEx for the cement business line is due to the increased number of taxonomy-aligned plants.

Share of taxonomy-eligible and taxonomy-aligned OpEx

	2024 ¹⁾		2025	
	in €m	in %	in €m	in %
Taxonomy-non-eligible OpEx	762.2	44.3	694.7	41.9
Taxonomy-eligible OpEx	958.0	55.7	964.8	58.1
thereof taxonomy-aligned OpEx	51.9	3.0	124.2	7.5
Total OpEx	1,720.2	100.0	1,659.5	100.0

1) Due to the change in priority plants, 2024 figures have been adjusted.

The detailed quantitative information at economic activity level can be found in the table on [page 129](#).

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	4.2%	46.3%
Climate Change Adaptation (CCA)	0.0%	0.0%
Water and Marine Resources (WTR)	0.0%	0.0%
Circular Economy (CE)	0.0%	0.6%
Pollution Prevention and Control (PPC)	0.0%	0.0%
Biodiversity and Ecosystems (BIO)	0.0%	0.0%

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	13.1%	58.7%
Climate Change Adaptation (CCA)	0.0%	0.0%
Water and Marine Resources (WTR)	0.0%	0.0%
Circular Economy (CE)	0.1%	1.4%
Pollution Prevention and Control (PPC)	0.0%	0.0%
Biodiversity and Ecosystems (BIO)	0.0%	0.0%

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	7.5%	58.1%
Climate Change Adaptation (CCA)	0.0%	0.0%
Water and Marine Resources (WTR)	0.0%	0.0%
Circular Economy (CE)	0.1%	1.1%
Pollution Prevention and Control (PPC)	0.0%	0.0%
Biodiversity and Ecosystems (BIO)	0.0%	0.0%

Impacts, risks, and opportunities

E2 – Pollution



Air pollution

Financial risks arising from measures to reduce emissions in the cement business line as well as payments if limit values for air pollutants are exceeded due to legal requirements.	Risk	Own operations
Air pollution caused by the release of pollutants from production processes in the cement business line	Negative impact	Own operations

Policies

Compliance with the Emission Limit Values Policy is intended to prevent incidents and emergencies regarding the negative impact associated with air pollution caused by the release of air pollutants from the cement production process. In addition, there are other local requirements, most of which are legal and/or licensing requirements, that regulate the handling of incidents and emergency situations, such as the German Federal Immission Control Act and its regulations. Locations that have ISO 14001 or a comparable certification, which is the case for the vast majority of our cement production sites, are obliged to identify, assess, and control their specific risks related to air pollution. In particular, this includes drawing up plans for both preventive measures and emergency response.

Emission Limit Values Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Technical Officer
Availability	Internal
Relevance in the sustainability report	E2 – Pollution

The Emission Limit Values Policy specifies maximum limits for air pollutant emissions and other environmental impacts caused by cement plants, such as noise. The policy outlines the technological conditions and prerequisites for cement production and reflects Heidelberg Materials’ self-commitment to continuously improve process engineering measures for reducing pollutants, modernise existing exhaust

gas purification systems, and invest in new facilities. The policy is binding for new facilities and also serves as a target for the continuous improvement process at existing cement plants. It addresses the impact and risk regarding the material topic air pollution and relates to the measurement of air pollutants listed in the [Air emissions table](#).

Actions

The following measures to minimise air pollution apply to the company’s own operations in the cement business line. The company intends to maintain these measures permanently.

Management processes for air pollutants

Due to the industrial combustion processes and significant quantities of exhaust gases produced, it is important to control air pollutant emissions at cement plants – especially in clinker production. During the reporting year, Heidelberg Materials continued to implement procedures and management processes to effectively control the environmental impact of air pollutants at its cement plants. These procedures and processes must be implemented and documented in line with local requirements and conditions, and this is reviewed annually by means of internal audits such as the Measured Atmospheric Emissions Standard Audits.

Heidelberg Materials plans to fully implement regular and, for some metrics – especially nitrogen oxides (NO_x) and sulphur oxides (SO_x) – continuous monitoring of air pollutant emissions from the rotary drum kilns at all cement plants by 2030 in accordance with GCCA guidelines. We aim to further decrease air pol-

lutants through the use of innovative process technology and emission abatement systems. This will be achieved in particular by investing in equipment designed to reduce nitrogen oxides and sulphur oxides in exhaust gases.

In line with the EU taxonomy, we have compiled a CapEx plan to increase the taxonomy-aligned share of revenue. This plan focuses primarily on the reduction of CO₂ emissions. It also includes investments to meet the DNSH criteria, such as investments to reduce air pollutants.

In the reporting year, total investments towards the CapEx plan amounted to €212.4 million. The operating expenditure incurred under the CapEx plan for the 2025 financial year amounted to €29.4 million.

We anticipate that future investments and operating expenditure will remain at a similar level for measures related to the prevention or reduction of pollution.

Targets and metrics

Heidelberg Materials has voluntarily set itself corporate targets to address air pollution caused by the release of pollutants from production processes. As environmental legislation varies around the world, targets for air pollutants in some countries with stricter environmental regulations are based on binding limit values from the respective local environmental laws. All our locations in the cement and aggregates business lines that are certified in accordance with ISO 14001 have also set themselves local targets adapted to their respective environmental impacts. Furthermore, 92% of our integrated cement plants have implemented environmental manage-

ment systems in accordance with ISO 14001 certification or similar standards and are regularly audited.

Targets to reduce nitrogen oxides and sulphur oxides

Nitrogen oxide (NO_x) and sulphur oxide (SO_x) emissions are among the main air pollutants associated with clinker production. To reduce air pollution in our own operations in the cement business line, we have set quantitative targets in our [Sustainability Commitments 2030](#). In the 2025 financial year, we set ourselves new targets for the continuous reduction of specific air emissions at our cement plants. We have committed to ensuring that our specific NO_x and SO_x emissions do not exceed the respective average value for the years 2022 to 2024 by 2030 (previously: reduction of 40% in each value compared with 2008 figures).

We want to use this target to monitor compliance with our Emission Limit Values Policy. In addition, the emissions targets make a direct contribution to improving local air quality and mitigating local environmental impacts, thereby supporting regional environmental objectives.

The baseline values are 1,258 g/t clinker for specific NO_x emissions and 312 g/t clinker for specific SO_x emissions. The base years used for the calculation are 2022 to 2024.

Fluctuations associated with raw materials, the decommissioning of old kiln lines, and the commissioning of new ones have led to diverging trends in specific SO_x and NO_x emissions in recent years, enabling us to provide a more reliable picture of the develop-

ment of our air pollutant emissions by comparing the respective average values.

The calculation of the average value for the years 2022 to 2024 used the SO_x and NO_x emissions measured for the respective financial year as a basis and divided them by three.

The target values were defined internally in coordination with the Competence Center Cement. The targets are not based on scientific evidence and ecological thresholds have not been applied.

SO_x and NO_x emission values are measured and monitored primarily by means of continuous measurements at the cement plants. If only spot measurements are available, either these values are used for the period until the next measurement or extrapolations are made.

Air pollution metrics

In 2025, specific SO_x emissions fell from 261 g/t clinker to 239 g/t clinker compared with the previous year’s level and are thus below the 2022–2024 average of 312 g/t clinker. A reduction of 1,320 g/t clinker to 1,314 g/t clinker was also recorded in NO_x emissions compared with 2024. Despite this decline, NO_x

emissions are above the average for the years 2022 to 2024. This is due, in part, to the integration of new plants.

Progress to date in achieving our targets has been in line with our expectations.

Depending on the type of air pollutant and the respective local requirements applicable to the plants, the data collection methods for those listed in the table below vary. For example, while we use continuous measurement at the exhaust stack for NO_x and SO_x, only spot measurements are available for other substances in some cases. Measurement frequency then depends on the requirements of the local authorities and the operating permit. The collected data is reported centrally via the global sustainability reporting system.

An annual review involving the Group countries and technical experts from headquarters is carried out to determine Group values for air pollutants and to validate the data collection processes and infrastructure.

Our cement business line’s SAP-based reporting system, in which the values are recorded monthly, plays a significant role in recording and processing the measured values.

Air emissions

	Baseline value ²⁾	2024	2025	Unit	Reference
Cement business line					
Proportion of clinker produced in kilns with continuous or discontinuous measurement of all emissions	–	77	65	%	GCCA
Proportion of clinker produced in kilns with continuous measurement of dust, NO _x , and SO _x emissions	–	91	92	%	GCCA
NO_x					
Absolute NO _x emissions	–	99,602	97,157	t	GCCA, SASB
Specific NO _x emissions	1,258	1,320	1,314	g/t clinker	GCCA
NO _x emissions into the air ¹⁾	–	–	96,865	t	E2-4 28a
SO_x					
Absolute SO _x emissions	–	19,732	17,703	t	GCCA, SASB
Specific SO _x emissions	312	261	239	g/t clinker	GCCA
SO _x emissions into the air ¹⁾	–	–	15,298	t	E2-4 28a
Dust (PM10)					
Absolute dust emissions	–	2,452	2,444	t	GCCA, SASB
Specific dust emissions	–	33	33	g/t clinker	GCCA
Dust (PM10) emissions into the air ¹⁾	–	–	1,445	t	E2-4 28a
VOC/THC					
Absolute VOC/THC emissions	–	3,178	3,433	t	GCCA, SASB
Specific VOC/THCemissions	–	–	46	g/t clinker	GCCA
NMVOC emissions into the air ¹⁾	–	–	1,057	t	E2-4 28a
Mercury (Hg)					
Absolute mercury (Hg) emissions	–	1,348	1,075	kg	GCCA, SASB
Specific mercury (Hg) emissions	–	18	15	mg/t clinker	GCCA
Mercury (Hg) emissions into the air ¹⁾	–	–	859	kg	E2-4 28a
Additional heavy metals (HM)					
Absolute cadmium (HM1-Cd) emissions ³⁾	–	–	752	kg	GCCA, SASB
Specific cadmium (HM1-Cd) emissions ³⁾	–	–	10	mg/t clinker	GCCA
Cadmium (HM1-Cd) emissions into the air ¹⁾	–	–	670	kg	E2-4 28a
Absolute thallium (HM1-Tl) emissions ³⁾	–	–	635	kg	GCCA
Specific thallium (HM1-Tl) emissions ³⁾	–	–	9	mg/t clinker	GCCA
Absolute antimony (HM2-Sb) emissions ³⁾	–	–	1,343	kg	GCCA
Specific antimony (HM2-Sb) emissions ³⁾	–	–	18	mg/t clinker	GCCA
Absolute arsenic (HM2-As) emissions ³⁾	–	–	1,517	kg	GCCA
Specific arsenic (HM2-As) emissions ³⁾	–	–	21	mg/t clinker	GCCA
Arsenic (HM2-As) emissions into the air ¹⁾	–	–	1,744	kg	E2-4 28a
Absolute lead (HM2-Pb) emissions ³⁾	–	–	8,332	kg	GCCA, SASB

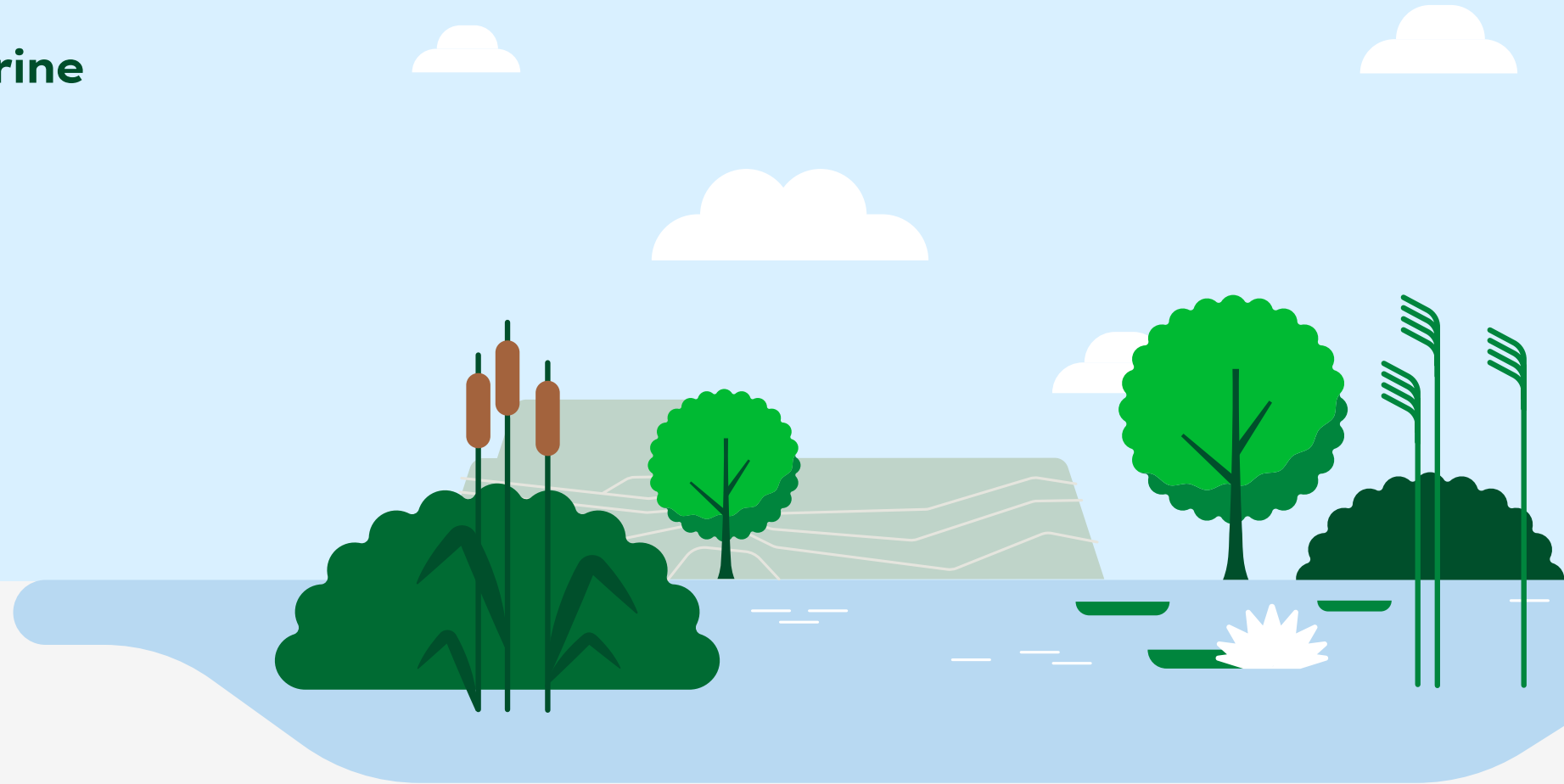
Air emissions

	Baseline value ²⁾	2024	2025	Unit	Reference
Specific lead (HM2-Pb) emissions ³⁾	–	–	113	mg/t clinker	GCCA
Lead (HM2-Pb) emissions into the air ¹⁾	–	–	7,170	kg	E2-4 28a
Absolute chrome (HM2-Cr) emissions ³⁾	–	–	4,757	kg	GCCA
Specific chrome (HM2-Cr) emissions ³⁾	–	–	64	mg/t clinker	GCCA
Chrome (HM2-Cr) emissions into the air ¹⁾	–	–	4,390	kg	E2-4 28a
Absolute cobalt (HM2-Co) emissions ³⁾	–	–	108,952,732	kg	GCCA
Specific cobalt (HM2-Co) emissions ³⁾	–	–	1,473,669	mg/t clinker	GCCA
Absolute copper (HM2-Cu) emissions ³⁾	–	–	14,576	kg	GCCA
Specific copper (HM2-Cu) emissions ³⁾	–	–	197	mg/t clinker	GCCA
Copper (HM2-Cu) emissions into the air ¹⁾	–	–	18,045	kg	E2-4 28a
Absolute manganese (HM2-Mn) emissions ³⁾	–	–	21,552	kg	GCCA
Specific manganese (HM2-Mn) emissions ³⁾	–	–	292	mg/t clinker	GCCA
Absolute nickel (HM2-Ni) emissions ³⁾	–	–	3,662	kg	GCCA
Specific nickel (HM2-Ni) emissions ³⁾	–	–	50	mg/t clinker	GCCA
Nickel (HM2-Ni) emissions into the air ¹⁾	–	–	3,715	kg	E2-4 28a
Absolute vanadium (HM2-V) emissions ³⁾	–	–	1,457	kg	GCCA
Specific vanadium (HM2-V) emissions ³⁾	–	–	20	mg/t clinker	GCCA
Dioxins/furans (PCDD/PCDF)					
Absolute dioxins/furans (PCDD/PCDF) emissions	–	3,347	2,263	mgTE	GCCA, SASB
Specific dioxins/furans (PCDD/PCDF) emissions	–	44	31	ng TEQ/t clinker	GCCA
Dioxins/furans (PCDD/PCDF) emissions into the air ¹⁾	–	–	0	mgTE	E2-4 28a

1) Consolidated quantities of emissions from facilities exceeding the E-PRTR threshold. Values have been estimated for plants for which no measurements are available.
2) Baseline value is the average value for the years 2022 to 2024.
3) Refers only to the plants that have reported on the respective heavy metal.

Impacts, risks, and opportunities

E3 – Water and marine resources



Water

Water consumption

Industrial water withdrawal, quarrying activities, power generation, and concrete production affect water resources.	Negative impact	Upstream value chain, own operations
Financial effects caused by increased costs associated with water scarcity and environmental regulations. Investments in water efficiency measures (e.g. water recycling or operating licences) are essential, otherwise production losses may occur.	Risk	Own operations

Water discharges

Potential degradation of different types of water bodies and aquatic habitats by industrial activities.	Negative impact (potential)	Upstream value chain, own operations

The targets we have defined promote sustainable development by conserving water resources, reducing environmental impacts, and helping adapt to water scarcity caused by climate change, thereby protecting local ecosystems and communities in the long term. In this way, we want to highlight our contribu-



tion to SDG 12 (“Ensure sustainable consumption and production patterns”).

In the cement and aggregates business lines, we want to introduce water management plans and water recycling systems at 100% of our locations in regions with water risks by 2030. In the baseline year 2024, the percentage of locations with water management plans was 20% (reported: 30%) in the cement business line and 44% (reported: 35%) in the aggregates business line. For water recycling systems, the baseline values in 2024 are 62% (reported: 78%) and 56% (reported: 55%) for the cement and aggregates business lines, respectively. The figures for the baseline year 2024 have been adjusted due to the updated water risk analysis.

In regions with water risks, we implement water efficiency measures, such as optimising water reuse and introducing water-saving technologies, to minimise the impact on local water resources. According to the GCCA definition, water recycling systems refer to processes or technologies used to collect, treat, and reuse wastewater for various purposes with the goal of conserving water resources, reducing the demand for freshwater, and minimising the release of wastewater into the environment.

Possible risks with critical impacts (e.g. loss of mining permit or permanent interruption of the production process) must be reported to the relevant country management and to the Group Insurance & Corporate Risk department so they can be taken into account in the Group risk management process.

Water quality parameters, such as pH value and temperature, are monitored at each location as part of the water management plan within the framework of local and country-specific regulations. Risk regions for water contamination are identified and appropriate measures such as emergency procedures and measures to protect against leaks are implemented.

Water management metrics

Compared with previous years, we have adjusted our method of analysing water risks. While we formerly used a company-specific aggregation of several water-related criteria with equal weighting, our current methodology is based on water risk in accordance with the World Resources Institute’s (WRI) Aqueduct Water Risk Atlas. We now use the tool’s standard weighting for the overall water risk. The assessment firstly covers physical quantity risks such as water stress, water depletion, seasonal variability, and flood and drought risks. Secondly, the evaluation takes into account physical quality risks, such as untreated connected wastewater and coastal eutrophication potential. The assessment also factors in regulatory risks and (potential) reputational risks, which were not part of our previous overall water risk analysis. Use of the standard weighting has also changed the weightings of the individual indicators for physical quantity risks and physical quality risks.

The water risk criterion aggregates the water-related risks into a consistent, science-based metric. The result is a holistic view of water risks that systemati-

cally takes into account the interactions between individual risk dimensions.

Compared with the previous bespoke aggregation of criteria with equal weighting, the new methodology avoids implicit assumptions about the relative importance of individual criteria and reduces methodological bias. The change in methodology was implemented to increase the informative value, comparability, and transparency of the risk assessment. In addition, the water risk index is based on internationally recognised data sources and models developed by the WRI and is updated regularly. This improves transparency for external stakeholders, increases the international comparability of the findings, and ensures that the assessment is carried out in line with the latest science. Overall, the newly applied metric thus provides information that is more useful and meaningful for assessing location-specific water risks than the methodology previously used.

In 2025, water management plans were implemented at 44% (previous year: 44%, reported 35%) of our aggregates locations and 23% (previous year: 20%, reported 30%) of our cement plants in regions with water risks. As at the end of the 2025 financial year, 59% (previous year: 56%, reported 55%) of our aggregates locations in regions affected by water risks had implemented water recycling systems, while in the cement business line, this figure had already reached 66% (previous year: 62%, reported 78%). This is due to intensified water management activities and the adjustment of our method of analysing water risks. The progress made so far in achieving the targets is aligned with our expectations.

These figures are collected on a country-by-country basis and consolidated at Group level. Only verified and documented data is taken into account. Evidence of implemented water management plans is stored centrally to promote and ensure transparency and progress.

Water management

	2024 ¹⁾²⁾	2025	Unit	Reference
Percentage of locations affected by water risks with a water management plan (cement business line)	20	23	%	SC2030
Percentage of locations affected by water risks with a water management plan (aggregates business line)	44	44	%	SC2030
Percentage of locations affected by water risks with a water recycling system (cement business line)	62	66	%	SC2030
Percentage of locations affected by water risks with a water recycling system (aggregates business line)	56	59	%	SC2030

1) The baseline year is 2024.
2) Figures have been restated due to the update of the water risk analysis.

Water consumption metrics

The total water consumption is calculated by subtracting the total water discharge from the total water withdrawal. The data is preferably obtained directly from water meter readings or bills, or, if this data is not available, it is estimated. For individual smaller business lines whose contribution to the Group figures is marginal, central estimates are made and validated regularly. Where available, internal company averages or global conversion values are used to determine the estimation factors. In general, estimates entail a certain degree of measurement uncertainty.

The total water consumption in areas affected by water risks, including high water stress, is the total sum representing water consumption at all locations identified as “high” or “extremely high” in terms of water risks based on the analysis described in the section **Water management metrics**. To promote resource-efficient processes in these areas, we focus on the development and implementation of water management plans as well as on investments in facilities for water treatment and reuse.

Where possible, the total volume of recycled and re-used water is determined at the locations and the data made available. The values may be derived from direct measurements, calculations, or estimates.

Water consumption was recorded across the Group for the first time in the 2025 financial year. Water consumption amounted to 77.8 million m³, of which 31.5 million m³ was in water-risk regions. The total volume of recycled and reused water was also recorded for the first time in the 2025 financial year and amounted to 242.5 million m³ across the Group. Water intensity for the Group was 3,623.1 m³/million € of revenue.

Compared with the previous year, water consumption for the cement business line rose to 27.9 million m³ (previous year: 27.0 million m³, reported: 23.3 million m³). Specific water consumption for the cement business line in terms of revenue was 2,494.4 m³/million € (previous year: 2,461.0 m³/million €, reported: 2,123.8 m³/million €).

The increase in water withdrawal and discharge volumes compared with the previous year is due to the commissioning of the CCS plant in Brevik, for which water is withdrawn from the North Sea for cooling and then returned. However, this did not increase the plant's water consumption. In addition, a water withdrawal and discharge flow for one plant was not recorded in 2024. This had no influence on consumption, as the withdrawal and discharge were the same. At another plant, a change in water accounting methodology was made, which had an impact on the withdrawal and discharge of surface water and thus also influenced water consumption. The 2024 values were adjusted retroactively.

In total, 22% of the water data for water withdrawal and discharge for the 2025 financial year were metered directly. 8% were based on calculations, and 70% were obtained using estimates, sampling, and extrapolation.

Water

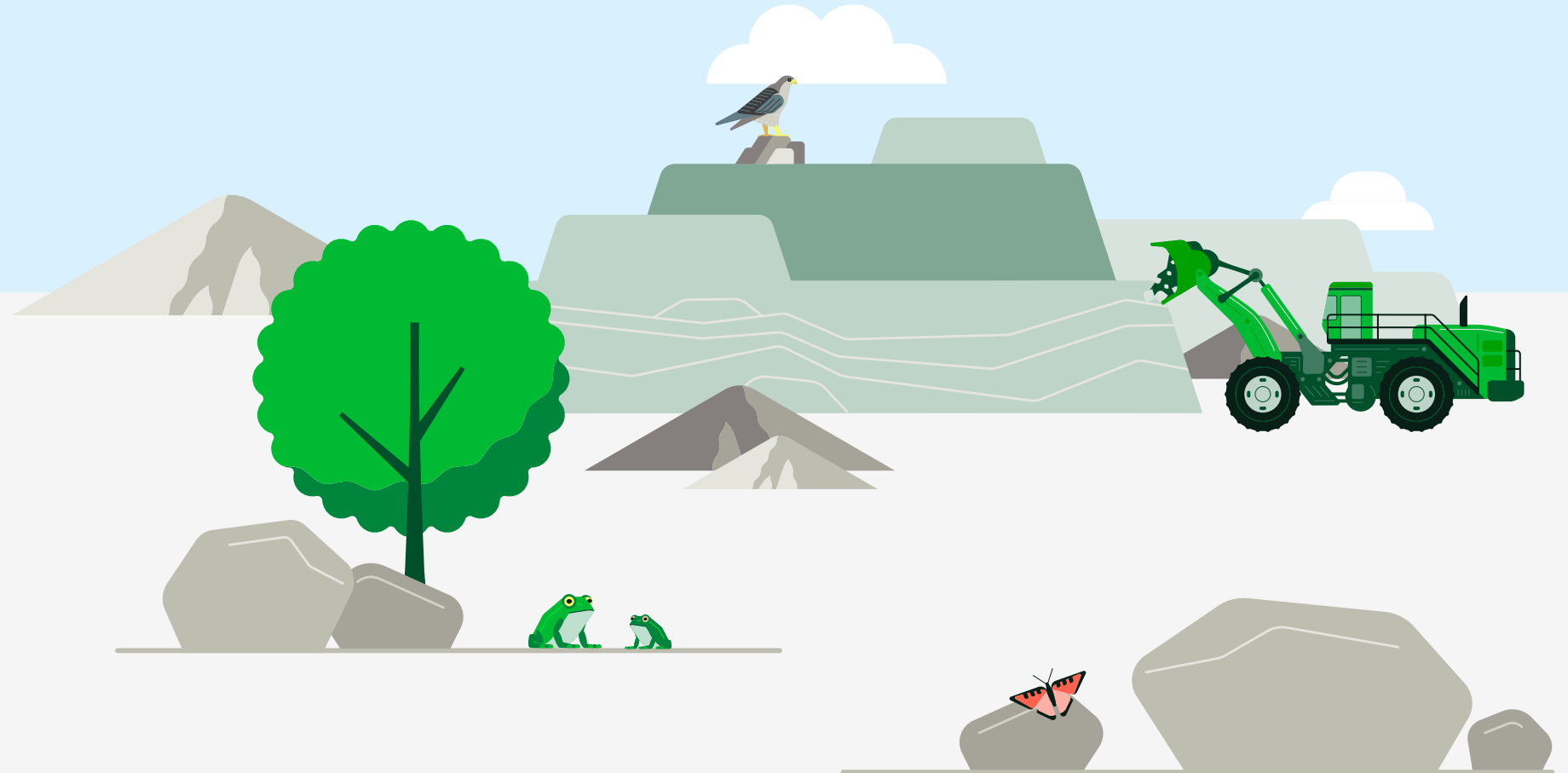
	2024	2025	Unit	Reference
All business lines				
Total water withdrawal	–	194.1	million m³	E3-4 AR32, SASB
Total water discharge	–	116.4	million m³	E3-4 AR32
Total water consumption (water withdrawal minus wastewater discharge)	–	77.8	million m³	E3-4 28a, SASB
– thereof in areas at water risk, including areas of high water stress	–	31.5	million m³	E3-4 28b AR 28
Total water recycled and reused	–	242.5	million m³	E3-4 28c
Water intensity	–	3,623.1	m³/million €	E3-4 29
Cement business line				
Total water withdrawal ¹⁾	60.9	73.1	million m³	GCCA
– thereof in areas with water stress ²⁾	20.9	20.3	million m³	SASB
By source:				
– Surface water ¹⁾	24.5	25.3	million m³	GCCA
– Groundwater	8.0	8.6	million m³	GCCA
– Seawater ¹⁾	10.0	22.1	million m³	GCCA
– Municipal/potable water	3.5	3.3	million m³	GCCA
– External waste water	1.6	1.7	million m³	GCCA
– Quarry water used	11.8	10.3	million m³	GCCA
– Harvested rain water used in processes	1.6	1.8	million m³	GCCA
Total water discharge ¹⁾	33.9	45.2	million m³	GCCA
– thereof in areas with water stress ²⁾	8.9	8.2	million m³	SASB
By place of discharge:				
– Surface water ¹⁾	21.3	20.5	million m³	GCCA
– Groundwater	0.2	0.1	million m³	GCCA
– Seawater ¹⁾	10.4	22.5	million m³	GCCA
– Off-site water treatment facility	1.4	1.4	million m³	GCCA
– Discharge to beneficial third party/other	0.6	0.7	million m³	GCCA
Total water consumption (water withdrawal minus wastewater discharge) ¹⁾	27.0	27.9	million m³	GCCA
– thereof in areas with water stress ²⁾	12.0	12.1	million m³	SASB
Specific water withdrawal for clinker ¹⁾	807.5	988.7	l/t	GCCA
Specific water withdrawal for cement ¹⁾	576.8	692.1	l/t	GCCA
Specific water discharge for clinker ¹⁾	449.8	611.0	l/t	GCCA
Specific water discharge for cement ¹⁾	321.3	427.7	l/t	GCCA
Specific water consumption for clinker ¹⁾	357.7	377.7	l/t	GCCA
Specific water consumption for cement ¹⁾	255.5	264.4	l/t	GCCA

1) The 2024 figures have been restated.

2) The reported metric in areas with water stress corresponds to the metric previously reported in areas with water scarcity. The 2024 figures have been restated due to the update of the water risk analysis.

Impacts, risks, and opportunities

E4 – Biodiversity and ecosystems



Direct impact drivers of biodiversity loss

Climate change

Disturbance of ecosystems caused by the release of greenhouse gas emissions and other environmental pollutants which contribute to the loss of biodiversity and species extinction.

Negative
impact

Upstream value chain, own operations

Direct exploitation

The development of areas and the extraction of raw materials influences ecosystems and leads to changes in the natural environment.

Negative
impact

Upstream value chain, own operations

Impacts on the extent and condition of ecosystems

Land degradation

Stricter environmental regulations designed to counteract adverse effects on soil quality can affect our operating licenses and have financial implications.

Risk

Own operations

Impacts and dependencies on ecosystem services

We contribute to the environment through responsible extraction and holistically planned land use. Quarries can serve as a protective space for biodiversity and sometimes even be “nature positive”.

Positive
impact

Upstream value chain, own operations



Material impacts and risks,
and their interaction with strategy
and business model

Preserving biodiversity is one of the core pillars of our sustainability strategy. Our activities inevitably impact the environment, and we recognise our responsibility to minimise negative effects and promote positive outcomes. By doing so, we can comply with stricter environmental regulations and mitigate financial impacts on the company. We are explicitly committed to applying targeted measures to help contribute to the global goal of “Nature positive”. Nature positive means not only halting biodiversity loss but actively reversing it to achieve a global net gain for the planet and allow ecosystems to recover. Quarry operations alter ecosystems and affect local biodiversity by transforming natural environments. To address these challenges, we prioritise responsible extraction practices and holistic land-use planning. When managed effectively, quarries can serve as protected habitats for a range of fauna and flora and can even contribute to a net gain in biodiversity. The measures we take to promote biodiversity and ecosystems are detailed in the [Actions section](#).

As an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), Heidelberg Materials, understands that certain operational activities can have an impact on endangered species and nature as a whole. We also recognise that part of our responsibility, above and beyond reducing and managing our impacts, is to disclose these to help improve the way our business is conducted. To mitigate these effects, we conduct internal and external

environmental impact assessments and implement measures with the goal to prevent adverse effects on the population sizes of endangered species. Our commitment to nature conservation extends across all phases of quarry operation – before, during, and after the extraction of raw materials. By creating space for nature, including temporary habitats, enhancing ecosystems, restoration and managing natural landscapes, we aim to actively contribute to biodiversity preservation.

Policies

Extraction activities can have a direct impact on local biodiversity and ecosystems, which could lead to social consequences. These activities primarily alter natural landscapes, but emissions also contribute to environmental change. The company’s operations affect soil quality and the surrounding landscape, potentially influencing the habitability of certain areas, leading to competition for resources, and disrupting certain species. Changes in biodiversity may also promote the spread of invasive alien species, which can accelerate the transmission and spread of diseases. However, restored areas – particularly those with high biodiversity value – offer significant benefits, serving as vital recreational spaces, enhancing environmental education, and fostering public acceptance and well-being. Depending on the type of restoration, these areas can also play a crucial role in flood protection, or support food production through agricultural use.

Engagement with local stakeholders to identify biodiversity impacts and implement conservation measures in collaboration with surrounding communities is emphasised in our Biodiversity Policy and Responsible Land Use Policy. We also demonstrate this through our Quarry Life Award, which promotes scientific research and encourages community participation in nature conservation. Through this initiative, we strengthen partnerships with nature conservation organisations, local authorities, and site communities, fostering greater public awareness of environmental protection. By actively involving local stakeholders, we can effectively mitigate the social consequences of our impact on biodiversity and ecosystems, while working together to develop targeted solutions.

The Biodiversity Policy and Responsible Land Use Policy support the alignment of our site development and operations with the targets of the IFC Performance Standard 6 – Biodiversity conservation and sustainable management of living natural resources. Additionally, our Environmental Policy and Climate Policy support the provision of ecosystem services to the benefit of surrounding stakeholders. Our Supplier Code of Conduct supports the traceability of products, components, and raw materials that could have impacts on biodiversity and ecosystems in the upstream value chain. There are currently no Group-wide policies or procedures addressing the sustainability of oceans and seas. However, we must comply with local regulations in all areas where we operate. Sustainable oceans and seas are particularly relevant to our United Kingdom operations, where a mandatory approval process governs shipping. This

process is directly linked to our operating license issued by The Crown Estate and the Marine Management Organisation.

Biodiversity Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E4 – Biodiversity and ecosystems

Heidelberg Materials’ Biodiversity Policy aims to protect and enhance biodiversity by integrating sustainable practices across all our quarries and beyond. A key requirement of this policy is the mandatory implementation of biodiversity management plans at all sites in or near (within 1 km proximity) biodiversity-sensitive areas – such as the Natura 2000 network of protected areas, UNESCO World Heritage sites, Key Biodiversity Areas, and other protected areas¹⁾. These site-specific plans embed these practices into our operations and support our commitment to maintaining space for nature, which includes the creation and management of temporary habitats. The policy serves as the foundation of our approach, addressing impacts across all material biodiversity topics and the risk regarding land degradation. It defines how we can minimise negative effects while

1) Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139: L_2021442DE.01000101.xml



actively promoting measures to enhance biodiversity within and around our sites. Our policy outlines the application of the mitigation hierarchy²⁾ for habitat creation and restoration and commits Heidelberg Materials to supporting the prevention of deforestation and forest degradation.

Additionally, the policy highlights the importance of protecting native species and their habitats to prevent the spread of invasive species. The Group Sustainability department, in close collaboration with national subsidiaries, is responsible for monitoring compliance with the Biodiversity Policy. The target roadmap is submitted to the Managing Board for approval, and progress is evaluated every two years. Our Biodiversity Policy addresses transition risks stemming from evolving regulatory requirements and shifting societal expectations.

We actively engage with a diverse range of stakeholders to promote biodiversity protection and restoration. These include NGOs (notably BirdLife International), local communities, policy makers, associations and industry partners. The interests of the most important stakeholders were accounted for in the definition of the Biodiversity Policy through close cooperation with NGOs.

2) Best-practice framework applied by businesses, governments and other stakeholders in biodiversity conservation policies and efforts following the sequential stages of 'avoidance', 'minimise', 'restore', 'offset' and possibly also 'contribution' when net gains to biodiversity are achieved.

Quarry Reclamation Procedure	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Internal
Relevance in the sustainability report	E4 – Biodiversity and ecosystems

Heidelberg Materials' Quarry Reclamation Procedure sets out standardised actions for the after-use of quarries and is supplementary to the Biodiversity Policy. The procedure outlines the necessary steps to reclaim a site according to the Heidelberg Materials Quarry Reclamation Minimum Standard where we are responsible for excavation activities and underlines our commitment to following the mitigation hierarchy. Following the procedure, all active, dormant and closed quarries (for which Heidelberg Materials has control) must have a reclamation plan that is at least compliant with local legal reclamation obligations. The policy addresses impacts across all material biodiversity topics and the risk regarding land degradation.

Responsible Land Use Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E3 – Water and marine resources
	E4 – Biodiversity and ecosystems
	S3 – Affected communities

The Responsible Land Use Policy underlines Heidelberg Materials' commitment to responsible land management. The policy addresses impacts across all material biodiversity topics and the risk regarding land degradation. Through the implementation and monitoring of this policy, we aim to promote sustainable land use across our quarries (see [Policies section of the chapter S3 – Affected communities](#)).

Environmental Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change
	E4 – Biodiversity and ecosystems

The Environmental Policy enables the integration of environmental considerations into all corporate and investment decisions at Heidelberg Materials. The policy addresses impacts across all material biodiversity topics and the risk regarding land degradation (see [Policies section of the chapter E1 – Climate change](#)).

Climate Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change
	E4 – Biodiversity and ecosystems
	E5 – Resource use and circular economy

The Climate Policy defines our measures to reduce Scope 1, Scope 2, and Scope 3 CO₂ emissions. It addresses the impact regarding the material topic ‘Direct impact drivers of biodiversity loss (climate change)’ (see [Policies section of the chapter E1 – Climate change](#)).

Supplier Code of Conduct	
Scope	Worldwide
Value chain	Upstream value chain
Most senior level accountable	Chief Financial Officer (CFO)
Availability	Public
Relevance in the sustainability report	E3 – Water and marine resources
	E4 – Biodiversity and ecosystems
	S2 – Workers in the value chain
	G1 – Corporate governance

The Supplier Code of Conduct includes the obligation for suppliers to conduct their business with integrity. The policy addresses a range of environmental standards and obligations that are intended to foster biodiversity and thus addresses the material topic of direct impact drivers of biodiversity loss, enabling us to pass on our own principles to our supply chain. The code is outlined in the [Policies section of the chapter S2 – Workers in the value chain](#).

Actions

Raw material extraction, which reshapes landscapes and natural habitats, inevitably has an impact on nature. At Heidelberg Materials, we are fully aware of our environmental footprint and the obligation it entails to conduct our operations in an environmentally responsible manner. Our biodiversity protection and enhancement measures at quarries align with and support our climate protection targets, as healthy ecosystems can serve as natural carbon sinks and enhance species’ resilience to climate change. These measures specifically apply to our own operations. We are dedicated to maintaining these initiatives for the long term and collaborate with a broad range of stakeholders to do so, including universities and NGOs, such as our global partner BirdLife International and its local country-specific partners, IUCN, Kings Park and Botanic Garden in Perth, Australia, and the University of South Bohemia in České Budějovice, Czechia.

Environmental impact assessments

We conduct impact assessments at all quarries before the first groundbreaking as part of the application for approval. We aim to ensure full compliance by adhering to all applicable local laws and regulations, and conducting environmental impact assessments (EIAs) as required. The requirements vary globally. For example, in the USA, environmental impact studies are typically mandated by government agencies, with requirements varying based on a project’s scale and potential impact. New quarry developments generally require a full environmental impact study, while quarry expansions may not. In such cases, regulatory authorities may instead require

other assessments, such as traffic impact studies or critical area reports. In the EU, the Environmental Impact Assessment Directive (2011/92/EU, as amended by 2014/52/EU) has been transposed into national legislation (e.g. the UVPG in Germany). The environmental impact assessment is conducted by accredited external environmental experts who evaluate both the direct and indirect material impacts of extraction operations and site expansions. The assessment considers a broad spectrum of environmental factors, including biodiversity, water, land use, soil, air quality, population and human health, climate, landscape, assets, and cultural heritage.

Analysis of our impact on areas of high biodiversity value

Heidelberg Materials has been systematically assessing and analysing biodiversity data at our quarries in collaboration with BirdLife International for over a decade. This comprises identifying sites in near-proximity of biodiversity-sensitive areas using data from the Integrated Biodiversity Assessment Tool (IBAT). Included in our impact assessment on biodiversity sensitive areas, all sites are evaluated using the Species Threat Abatement and Restoration (STAR) metric. This standardised tool quantifies how targeted nature conservation actions can reduce species extinction risks. The STAR metric provides two key indicators: STAR-r (restoration potential) and STAR-t (reduction of threat). These information can be used to implement specific measures and contribute to the global goal of nature positive. Applying the STAR metric helps us identify the impact of our operations on biodiversity and ecosystems and take appropriate mitigation measures.

Biodiversity management plans

Best practices are key to ensuring impacts are avoided and/or correctly managed. Our biodiversity management plans provide an overview of the relationship between operational zones and biodiversity-sensitive areas. These plans also include mitigation measures defined through the environmental impact assessment, that may vary by season (e.g. different measures for winter and summer) to minimise negative impacts on surrounding habitats and ecosystems. They also incorporate measures to manage space for nature, as well as monitor and control invasive alien species.

Heidelberg Materials is committed to following the mitigation hierarchy, systematically taking steps to avoid, minimise, and offset any negative impacts on biodiversity. The necessary measures include land-use evaluations and contribute to compliance with the requirements of the Responsible Land Use Policy.

Before initiating new extraction activities or expanding an existing site, and to obtain the necessary extraction concession, we conduct a comprehensive environmental impact assessment to evaluate potential effects on biodiversity and the broader environment. The findings from these assessments help define site-specific mitigation actions, which are then integrated into our biodiversity management plans. The plans include input from ecologists and other scientific experts, as well as stakeholders. The key objectives of these biodiversity management plans are

the gradual restoration of operational areas, the reduction of disturbance or loss of habitats, and the sustainable use of land resources. By implementing these measures, we aim to ensure access to land for sustainable development and promote biodiversity conservation and enhancement. We annually monitor the status and report progress on these plans.

Reclamation plans for quarries

At Heidelberg Materials, the term “reclamation” is used in reference to post-extraction site after-use, which includes restoring the site for nature conservation after-use. It supports and is consistent with the broader concepts of sustainability, with no specific after-use type implied. Planning for reclamation is an integral part of the overall quarry development and operational planning process, particularly if progressive reclamation (phased and implemented in parallel while a site is still operational) is possible, ensuring that environmental and social factors are carefully considered. Heidelberg Materials works closely with local stakeholders and authorities to develop subsequent use strategies. These plans aim to accurately identify the reclamation obligations and development needs, facilitating a structured transition towards a defined subsequent use of the quarry, while progressively integrating reclamation measures – for example, overburden placement, backfilling or the inclusion of space for nature into ongoing operations.

Each reclamation plan outlines the intended subsequent use and objectives, such as habitat creation

or species establishment, in alignment with agreements made internally and with local stakeholders. These plans are published as part of the approval processes – including initial approvals for new quarries and amendments for existing operations – and include an overview of anticipated reclamation costs. The objective is to restore affected areas for their subsequent after-use as quickly as possible after extraction and aim to ensure that the final condition is at least as good or better than before commencement of the extraction activities. The responsibility for developing and approving reclamation plans is defined at both site and national levels and may involve teams from environmental management, quarry operations, production, and other relevant operational departments.

Reclamation plans will be created for all active and inactive extraction sites operated by Heidelberg Materials by 2030 (see [section Targets and metrics](#)). As part of our monitoring, annual reclamation activities and their impact on habitats and ecosystems are reported to the Group in numerous countries. This includes data on habitat types affected and the size (surface area) of each restored ecosystem. An example of Heidelberg Materials’ commitment to nature-based solutions is the creation of wetland systems within quarries, such as reed ponds, which support natural water filtration and rainwater retention. Nature-based solutions like these contribute to the restoration of natural landscapes and, in some cases, incorporate indigenous and historical knowledge and records. Such records can be used for research

into the native habitats and species that thrived in these landscapes before modern human intervention.

Quarry Life Award

The Quarry Life Award is an integral part of Heidelberg Materials’ commitment to biodiversity. This industry-unique research and education competition supports our approach to innovative biodiversity management, promotes research, and engages stakeholders around the world. Heidelberg Materials calls for Quarry Life Award applications every three years, at national and international level, to improve both scientific knowledge and public awareness of the biodiversity value of quarries and gravel pits during and after extraction. Our aim is to promote the evaluation of quarries’ environmental value and support the development of new methods that benefit scientists, government authorities, and our company as well as nature. Insights gained from individual projects enable Heidelberg Materials to establish best practices for the management of quarries.

The sixth edition of the Quarry Life Award was launched in June 2024 with the competition taking place from January to September 2025. More than 50 projects competed from twelve countries across five continents. Projects ranged from scientific research on daily operational impacts and species inventories, to establishing baselines of endangered species, creating and enhancing habitats, setting up biodiversity training programs, and engaging with schools and local communities.

The baseline value from 2024 is 69% (reported: 75%).

In 2025, at least 15% of the areas at 72% of our active quarries had space for nature. The focus was placed on incorporating remote sensing and digitalisation to increase the efficiency for future assessments and monitoring. This target aligns with the “Mitigation” level of the mitigation hierarchy.

Reclamation plans for quarries

We have pledged to ensure that all our extraction sites have comprehensive reclamation plans in place by 2030 (baseline value: 75% in 2024, reported: 76%). This target is designed to mitigate environmental impacts, enhance biodiversity, and support species on the Red List (Annex 1 of the EU Birds Directive and the EU Habitats Directive), directly contributing to the implementation of our Biodiversity Policy. Whenever possible, we will implement restoration measures to establish priority habitats for species of conservation concern. We also plan to integrate recommendations for the promotion of biodiversity into every new reclamation plan, irrespective of the subsequent use.

The proportion of quarries with reclamation plans in 2025 increased to 79% (previous year: 75%, reported: 76%). This target aligns with the “Restoration” level of the mitigation hierarchy.

Biodiversity management plans for quarries near biodiversity-sensitive areas

Heidelberg Materials aims to implement biodiversity management plans at all active quarries within one kilometer of recognised biodiversity-sensitive areas. The number of sites requiring a biodiversity management plan and the percentage of quarries covered under a biodiversity management plan are reported annually, ensuring our results reflect fluctuations due to acquisitions, divestments, and transitions to after-use. The number of quarries near biodiversity sensitive areas with an established biodiversity management plan in the reporting year increased to 82% (previous year: 70%, reported: 73%).

The current progress made in achieving our targets is consistent with our expectations.

Biodiversity

	2024 ¹⁾	2025	Unit	Reference
Share of active quarries with 15% space for nature	69	72	%	SC2030
Total number of quarries in or near a biodiversity-sensitive area	-	373	Number	TNFD
Proportion of quarries sites located in or near an area of high biodiversity value with biodiversity management plan	70	82	%	GCCA
Proportion of quarries with a restoration plan	75	79	%	GCCA

1) The baseline year is 2024. The 2024 figures have been restated.

Impacts, risks, and opportunities

E5 – Resource use and circular economy



Resource inflows

Recycling and alternative fuels reduce the need for primary raw materials. This increases resource efficiency and reduces environmental impacts associated with raw material extraction.	Positive impact	Upstream value chain, own operations
The consumption of primary resources significantly exceeds the use of secondary resources.	Negative impact	Upstream value chain, own operations

Waste

Environmental pollution caused by waste generation	Negative impact	Own operations
Reducing waste generation and landfill waste through recyclability of our products, recycling of mineral waste, and energy recovery of non-recyclable waste	Positive impact	Upstream and downstream value chain, own operations



Strengthening the circular economy

The company is committed to promoting responsible waste management practices and adhering to the waste hierarchy. Our aim is to prevent and reduce waste generation by means of efficient processes and to promote waste reduction strategies. Heidelberg Materials produces building materials that are based on non-renewable primary resources that cannot be replaced by renewable raw materials. For this reason, the focus is primarily on conserving natural resources, which can essentially be achieved through increased circular economy.

When it comes to the co-processing of alternative fuels, that is, the simultaneous energy and material recovery of waste (including biomass), we focus on waste that cannot be recycled economically and would otherwise have to be landfilled or incinerated and the residues disposed of.

By incinerating alternative fuels in clinker kilns, we reduce the use of fossil fuels as well as waste treatment and disposal in waste incineration plants, thereby reducing the environmental impact and promoting resource efficiency. This is because incineration in clinker kilns leaves no residue. The resulting mineral ash is incorporated into the clinker as a raw material (recycling), resulting in a lower demand for primary mineral raw materials. Processing these fuels in clinker kilns at temperatures over 1,400°C for an extended period of time also allow hazardous organic compounds that may be present in the pretreated waste to be safely thermally decomposed.

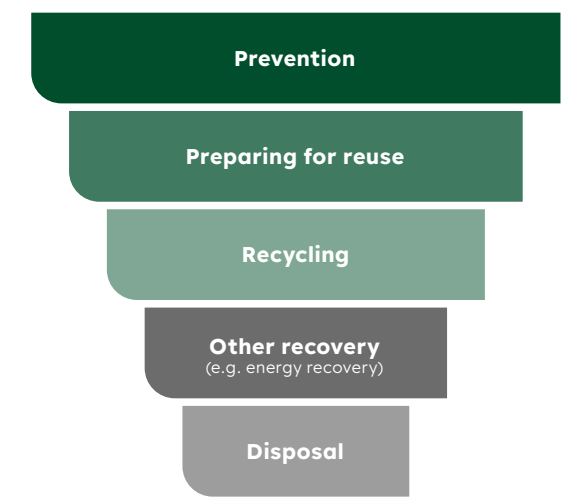
Heidelberg Materials considers its products to be recyclable as a matter of principle. Concrete can be separated and returned to the production cycles. Recycled coarse aggregates and – where permitted by local norms and standards – recycled sand can be used in concrete production. The finest component – recycled hardened cement paste – can be used as a substitute for limestone in clinker production or as a filler to reduce limestone in cement production. If necessary, it can be recarbonated with CO₂ beforehand to further reduce the cement’s CO₂ emissions.

In cooperation with other industries, synergies are also created that we can use for recycling. Other waste streams are also used in our products, such as waste glass in concrete and used tyres in asphalt.

The Ellen MacArthur Foundation’s¹⁾ principles for promoting the circular economy are incorporated into the further development of our strategy. These principles aim to extend the life cycle of products and resources for as long as possible. Other frameworks, such as the European Green Deal, the EU Circular Economy Action Plan, and the EU Waste Framework Directive were used for the initial and ongoing planning of our activities relating to the circular economy. In accordance with the EU Waste Framework Directive, the waste hierarchy is divided into five levels and sets out the priorities for waste management and legislation in the EU Member States.

1) NGO that complements official frameworks.

Waste hierarchy in accordance with the EU Waste Framework Directive



Policies

Alternative Fuels and Raw Materials Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change
	E5 – Resource use and circular economy

The Alternative Fuels and Raw Materials Policy outlines our commitment to reduce the consumption of fossil fuels and natural raw materials by using

by-products and waste from other industries for energy and material recovery. It takes into account the waste hierarchy levels “recycling” and “other energy recovery.”

The Alternative Fuels and Raw Materials Policy addresses the impacts relating to the material topics resource inflows and waste and is outlined in the [Policies section of the chapter E1 – Climate change](#).

Circularity Policy	
Scope	Worldwide
Value chain	Own operations, downstream value chain
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change
	E5 – Resource use and circular economy
	S4 – Consumers and end-users

The Circularity Policy is an essential part of our commitment to conserving resources, promoting the circular economy, and to minimising our ecological footprint. In order to conserve natural resources, we strive to continuously reduce material consumption and reuse materials. Additionally, we aim to further lower our CO₂ emissions through enhanced circulation of materials. To achieve this, we are expanding our sustainable product portfolio and focusing, among other things, on the use of secondary raw materials in all business lines.

Dialogue with political decision-makers, associations, communities, industry-specific business partners, and other stakeholders at Group and country level, ensured that the interests of stakeholders were taken into account.

Climate Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	<u>E1 – Climate change</u> <u>E4 – Biodiversity and ecosystems</u> <u>E5 – Resource use and circular economy</u>

The Climate Policy aims to obligate all companies directly or indirectly controlled by Heidelberg Materials AG to consistently reduce their climate impact. Among other things, we focus on sustainable products and the promotion of the circular economy. The policy addresses the positive impact regarding the material topic resource inflows. Further information on the policy can be found in the Policies section of chapter E1 – Climate change.

Actions²⁾

Increasing the circularity of our products is a key aspect of Heidelberg Materials' sustainability strategy,

especially given the increasing demand for housing and infrastructure, coupled with the limited availability of raw materials.

As a fully recyclable material, concrete offers the building materials industry opportunities to contribute to the circular economy. Heidelberg Materials is committed to resource efficiency, the co-processing of waste products, and the recycling of concrete in order to contribute to the circular economy. We have recycling operations in several countries and develop circular products. As our experience in this area expands, we are constantly improving to meet the challenges posed by the circular economy, which include ensuring product quality through high-quality recycling to ensure the highest degree of purity of the individual components, and optimising infrastructure and logistics.

Since factors such as the permissible proportion of recycled material in products depend on how the circular economy is organised regionally and the corresponding rules and regulations, there are significant differences in terms of the feasibility of implementing a circular economy in the Group countries. Heidelberg Materials therefore works closely with the Group countries to identify and promote the best possible options in each case. Economic factors that depend on the local market situation are very important in this regard. To promote recycling while minimising CO₂ emissions caused by transport, sufficient recycled materials must be available and appropriate sales markets must exist. As a result, the circular economy can usually be advanced in urban areas.

Unless otherwise stated, the measures described below relate to the company's own operational activities and are intended to be retained for an unlimited period of time and further developed in the future.

Innovative binders, sustainable product design, and research and development of 3D concrete printing

Innovative developments can be seen, among other things, in the production of Ternocem and calcium sulfoaluminate (CSA) clinker, in which between 40% and 60% secondary raw materials are used. Building materials recycling is a major source of secondary raw materials. The alternative fuels used in the burning process for these clinkers already account for over 50% of the total. This is to be further increased in the future.

These two factors, as well as the special chemistry of the clinkers, give them a lower carbon footprint compared with Portland cement clinker (see also the **Actions section of the chapter E1 – Climate change**). Ternocem® and CSA clinker can be used to produce innovative binders that, due to their special technical properties, can especially be used in premium applications such as precast production and building chemicals. As with conventional concrete, these binders are fully recyclable at the end of their life cycle.

The use of less materials in accordance with circular design principles can be achieved through, for example, digital construction methods such as 3D concrete printing. Reductions in material use can also be achieved by not oversizing precast concrete parts and by developing special concretes for lightweight and slim designs or reconstruction renovation purposes.

Product development at Heidelberg Materials therefore focuses on the development of concrete mixtures with reduced clinker and increased recycled content, on research into alternative binders with a higher recycled content, and on durability (high-performance concretes) and material savings.

Material consumption can be reduced by at least 30% by using special high-performance concretes, which require less total material due to their specifically higher load-bearing capacity, the production of hollow-core precast concrete parts, or 3D concrete printing. Besides the potential material savings, 3D concrete printing also helps to reduce construction waste, as only what is actually needed for the construction is produced. Our formulations for mortar suitable for 3D concrete printing are produced at various locations in order to optimise costs and delivery routes and reduce our carbon footprint. Technical approvals, such as the “Zustimmung im Einzelfall” (approval in individual cases) required in Germany, are obtained on a project-specific basis in accordance with the requirements of the federal states. The same applies to countries such as Italy, the Netherlands, France, and the USA. In addition to the company’s own operational activities, the measures also apply to the downstream value chain.

Commitment to promoting circular economy

Heidelberg Materials is committed to revising norms and regulations, as recycled content must comply with local regulations and standards. This is our prerequisite for further increasing the recycled content in our products in order to replace as many primary raw materials as possible with secondary raw materials and to increase our contribution to the circular economy.

2) The explanations also comply with the disclosures on the extent to which products are aligned with our sustainability targets.

We make our circular products a topic of discussion within our association activities in order to achieve standardisation and, in some cases, certification as well as general acceptance. Through our engagement in various initiatives and associations, we want to promote and accelerate developments relating to sustainable construction and market transformation in order to be able to implement and pursue our own sustainability targets and those of our customers as well as emerging market opportunities.

For example, Heidelberg Materials assists the European Committee for Standardisation in creating new cement standards, such as the unanimously adopted European cement standard EN 197-6, which allows the use of up to 35% by weight of recycled concrete powder as the main component of cement (F cements). This powder comes from plants that recycle concrete and therefore produce other recycled aggregates for use in concrete production in addition to recycled concrete powder. And our commitment and in-house material testing paid off: two plants in Germany are now capable of producing F cements. Licensing by the building supervisory authorities for use in concrete production has been granted, which means that the first products can now be launched on the market. Concrete paving stones are planned for initial application. When demolition concrete from building demolition is fully recycled, two materials are produced during processing: recycled aggregates and fine-grained manufactured sand. The aggregates are already being used as additives for recycled concrete. Previously, manufactured sand had to be partially disposed of due to certain regulations. By producing F cements, such as Portland composite cement at the German grinding plants in Leimen and Königs Wusterhausen, Heidelberg Materials can now make good use of manufactured sand and thus close

the material cycle. Preparatory work is currently being carried out to determine whether and under what conditions other construction site waste and demolition residues can also be used as materials.

Heidelberg Materials is also involved in a research advisory board and in the preparation of a study aimed at expanding the DAfStb guideline “Beton nach DIN EN 206-1 und DIN 1045-2 mit rezyklierten Gesteinskörnungen nach DIN EN 12620” (Concrete according to DIN EN 206-1 and DIN 1045-2 with recycled aggregates according to DIN EN 12620) to include recycled sand.

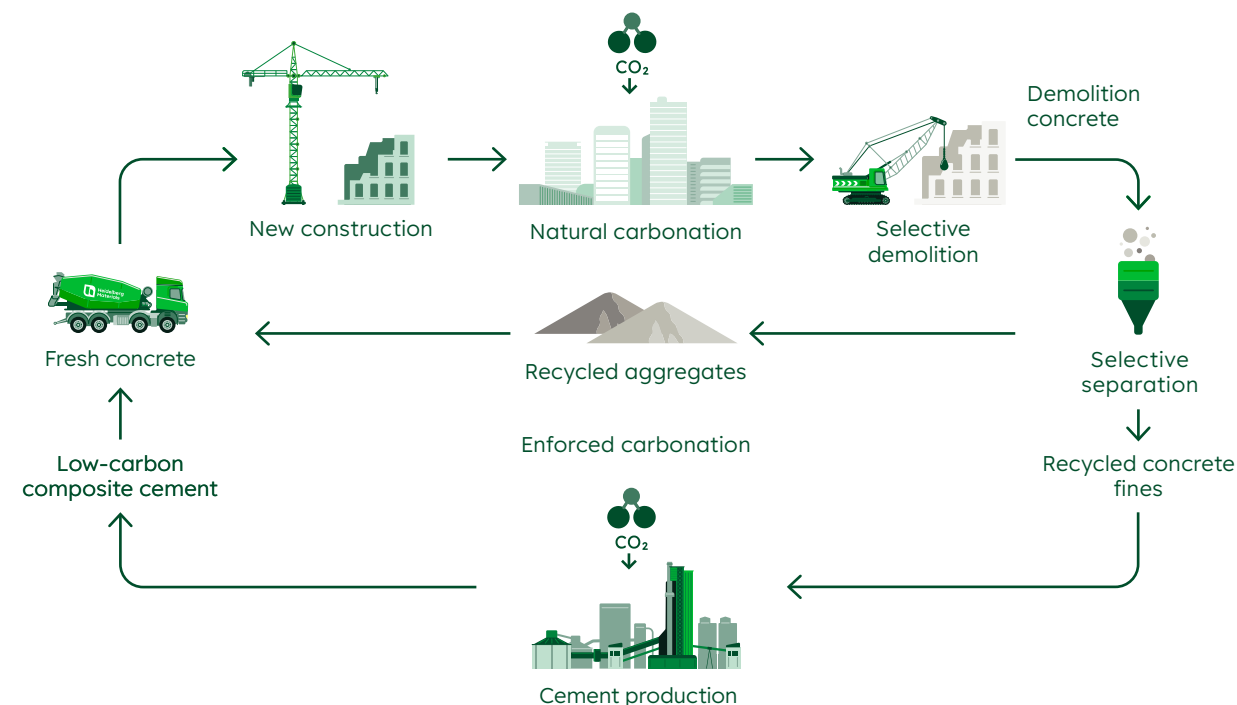
Group sustainability process: product qualification for evoBuild³⁾

The evoBuild portfolio, which contains all our sustainable products, is a key component of the company's sustainability strategy and sets out strict, globally standardised criteria for the classification of sustainable products. Each product within the evoBuild portfolio must meet specific requirements in order to be classified as sustainable or circular (see **Targets and metrics section**).

The evoBuild brand spans all global activities in the company's own operations as well as in the company's downstream value chain. The aim is to ensure a standardised approach to business operations and to promote transparency for customers and stakeholders. The process applies to the cement, ready-mixed concrete, and aggregates business lines as well as to precast concrete parts. Around 20 of our Group countries now market their sustainable prod-

3) The explanations also comply with the disclosures on the extent to which products are aligned with our sustainability targets.

Transforming demolition material into a raw material source



ucts under the evoBuild brand. Other Group countries will gradually integrate their sustainable products into the evoBuild portfolio.

Recovery of building materials

During the reporting year, Heidelberg Materials continued to work on innovative methods for recovering and reusing demolition concrete in order to drive forward the production of sustainable products. Our company promotes the scale-up of the circular economy through investments such as in the cleantech

start-up EnviCore. EnviCore has developed advanced proprietary technology that processes construction and demolition waste into supplementary cementitious materials (SCMs) using a dry thermochemical process. SCMs can be used to replace part of the CO₂-intensive clinker in cement or concrete.

In recent years, Heidelberg Materials has expanded its activities in the recycling business. Through its recycling business line and promotion of the circular economy, Heidelberg Materials is able to achieve synergy effects for its core business. In the upstream



value chain, long-term partnerships have been established with industrial production companies, particularly in the steel and iron industry, enabling production waste to be systematically utilised as alternative raw materials in cement production.

Building materials recycling has been integrated into the business model through acquisitions as part of our strategic portfolio management. In this way, input streams of recycled materials can be secured and existing partnerships between the acquired companies and demolition companies can also provide a secure supply of materials. In the 2025 financial year, we acquired Giant Cement Holding Inc., a cement manufacturer on the East Coast of the United States with a focus on utilising waste-based alternative fuels (see the **North America section of the chapter Business trend in the Group areas**). The optimisation of the downstream value chain remains a key challenge that is being addressed through systematic customer involvement and structured stakeholder dialogue (see **chapter S4 – Consumers and end-users**).

Our innovative ReConcrete concept can be seen as an extension of conventional recycling: demolition concrete is first crushed and sorted into its components, almost entirely by type (selective separation). This method allows for the extraction of sand, gravel, and recycled concrete fines which contain hardened cement paste. The latter can be reused as a valuable, low-carbon raw material in clinker and cement production, replacing natural limestone as a raw material. ReConcrete’s selective separation process is used at our plant in Katowice, Poland. The plant uses a proprietary crushing process with specialised separation and sorting functions.

In addition, the extracted hardened cement paste can absorb and permanently bind CO₂. At the beginning of July 2025, Heidelberg Materials commissioned an industrial-scale pilot plant for targeted carbonation in Góraźdże, Poland. There the hardened cement paste obtained by selective separation is exposed to flue gas flows from cement production. Thanks to the resulting “forced carbonation,” the hardened cement paste can act as a carbon sink. This enables us to develop sustainable products that are both circular (thanks to recycled demolition concrete) and emit significantly less CO₂ during production.

In the 2025 financial year, we incurred capital expenditure (CapEx) of €28.4 million (previous year: €113.3 million) and operating expenditure (OpEx) of €18.4 million (previous year: €17.3 million) in the recycling operating line.

Active waste management

In the reporting year, Heidelberg Materials continued its long-standing practices relating to active waste management in order to minimise environmental impact while optimising resources and costs. The main objective is to avoid and minimise production waste. For example, we can often use kiln dust from clinker production as an alternative raw material in cement production or in the production of special concretes, thereby avoiding waste. Digital solutions such as our OnSite app help our customers to optimise demand planning and ordering and minimise overproduction (see the **Actions section of the chapter S4 – Consumers and end-users**). The way in which excess concrete is handled depends on local conditions. Possible options include reuse as fresh concrete, use for construction elements, or recovery through crushing and recycling.

Systematic waste management at our plants ensures the separation and proper treatment of the different components in designated areas. In the expansion of our recycling activities, we are increasingly able to process previously unusable waste streams, such as excavated earth, track ballast, and old concrete. Visual checks of the material and documentation (e.g. waste consignment notes, waste codes) are carried out on delivery. To ensure product quality, any possible contaminants such as scrap metal and light fractions such as wood and fluff are removed by mechanical processing. Should operational disruptions occur, they are recorded immediately and processed according to defined escalation routines.

Heidelberg Materials uses alternative fuels and raw materials of known origin that comply with regulations and our own standards. We prefer alternative fuels and raw materials from local production that support local waste management. We only consider imports if alternative fuels and raw materials are not available locally in the required quality and quantity. Co-processing is being promoted worldwide, such as through recent developments at our plant in Rezzato, Italy, where up to 50% of fossil fuels are being replaced, and through the expansion of our plant in Bicaz, Romania, where a substitute fuel rate of up to 50% is also to be achieved. At our plant in Grobogan, Indonesia, a new feed system went into operation in 2025, which will help to increase the use of alternative fuels to around 50% and thus contribute to reducing CO₂ emissions. In addition to co-processing, there are also heat recovery systems in countries such as Egypt, Morocco, and India. These systems used to convert waste heat from cement production into electricity.

Targets and metrics

Circular economy and circularity are closely linked to our CO₂ and emissions reduction strategy and to our evoBuild portfolio of sustainable products. The targets were defined in cooperation with the relevant Group departments at Heidelberg Materials and are part of the **Sustainability Commitments 2030**, which have been approved by the Managing Board. The targets are not based on scientific evidence and no ecological thresholds have been applied. Stakeholders were not consulted during the development of these targets.

As part of our “Strategy 2030: Making a Material Difference,” which was published in May 2025, we have tightened our targets with regard to our share of revenue from sustainable products and regarding the use of alternative fuels (see the **Strategy section of the chapter Fundamentals of the Group**).

Share of revenue from sustainable products⁴⁾

By 2030, we aim to generate more than half (previously: 50%) of our Group revenue from sustainable products that are either low-carbon or circular. Increasing the proportion of secondary raw materials in products also has an impact on this target. Offering circular and low-carbon products, allows us to conserve primary resources and will allow us to meet our customers’ increasing demand for sustainable products in the future. We report the share of revenue generated by sustainable products internally on a quarterly basis and externally every six months.

⁴⁾ The explanations also comply with the disclosures on the extent to which products are aligned with our sustainability targets.

To qualify as a sustainable product for evoBuild branding, low-carbon products must comply with a CO₂ limit value. The cement reference has been derived from data from the Global Cement and Concrete Association (GCCA) on direct clinker emissions in 2020, amounting to 788.15 kg CO₂/t cement. The concrete reference is based on a cement content of 300 kg CEM I in a C25/30 reference mixture (30 MPa per 150 mm * 150 mm cube), amounting to 7.88 kg CO₂/(m³*MPa). To record revenue as sustainable revenue, these low-carbon products must be at least 30% below the respective emission reference value. The resulting threshold value is 552 kg CO₂/t for sus-

tainable cement products and 5.5 kg CO₂/(m³*MPa) for sustainable concrete products.

Products need to contain at least 30% recycled content to qualify as circular products for evoBuild branding. This means that at least 30% of the volume of circular aggregate mixtures must consist of recycled material. At least 30% of the volume of the concrete formulation of circular concretes must consist of recycled aggregates. And the evoBuild range really stands out, because it offers a combination of both low-carbon and circular products. A product can be classified as an evoBuild product if it meets at least

one of two criteria: a CO₂ reduction of at least 30% or a recycled content of at least 30%.

The target applies to Heidelberg Materials' own operational activities in the cement, aggregates, and ready-mixed concrete-asphalt business lines. The baseline value from 2020 is around 24% (before change in methodology: 23%). The methodology change is described in the [Metrics on the share of revenue from sustainable products section](#).

Total volume of secondary materials processed

The total volume of secondary materials processed relates to Level 3 "Recycling" and Level 4 "Recovery (only: energetic)" of the waste hierarchy. This volume is steadily increasing due to the growing use of secondary raw materials and the associated reduction of primary raw materials. As described below, the metric includes waste-based alternative fuels, alternative raw materials, and cementitious materials from the cement business line. Included in the recycled content are recycled aggregates and excavated material from the sand and gravel business line, recycled asphalt pavements and recycled glass from the asphalt business line, and returned excess concrete from the concrete business line.

By 2030, we aim to process a total of more than 35 million tonnes of secondary materials per year. This target is intended to provide an incentive to promote the circular use of material and minimise the

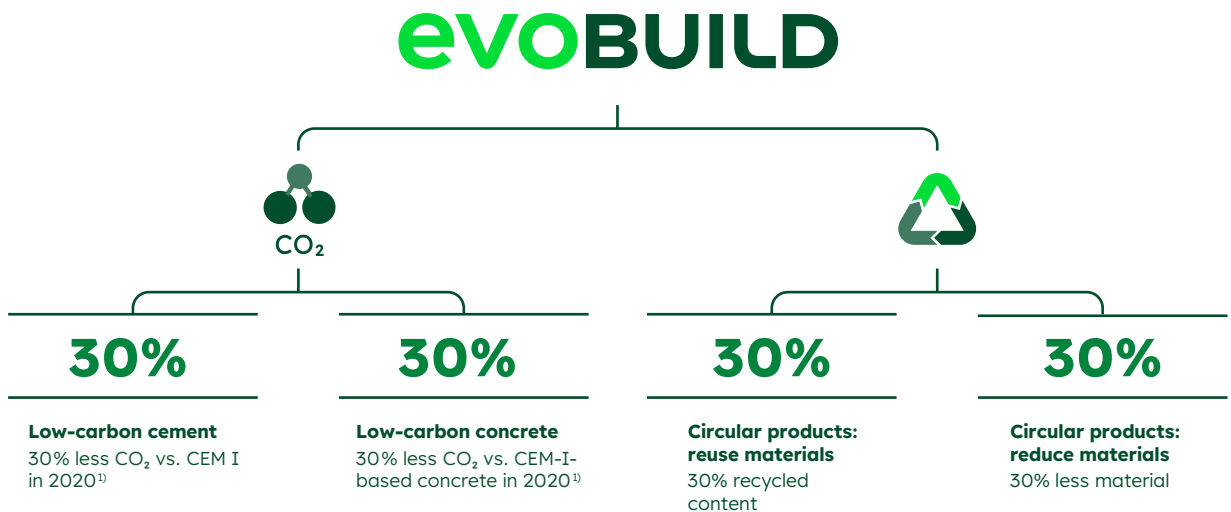
consumption of primary raw materials to increase the recycled content of our products. In this way, we also aim to contribute to SDG 9 (Industry, innovation, and infrastructure) and SDG 12 (Sustainable consumption and production).

The target applies to Heidelberg Materials' own operational activities in the cement, aggregates, and ready-mixed concrete-asphalt business lines. The 2020 baseline value is around 27.2 million tonnes.

Share of alternative fuels and biomass

By increasing the proportion of alternative fuels in the fuel mix to 50% (previously: 45%) and the proportion of biomass in the fuel mix to 20% by 2030, we aim to not only reduce dependence on fossil fuels, but also to promote the circular economy in the production of sustainable products. Using alternative fuels instead of fossil fuels helps to reduce the amount of waste that ends up in landfill sites as well as CO₂ emissions in cement production. The target description and the development of the metrics are therefore included in the [Targets and metrics section of the chapter E1 – Climate change](#). In addition, many alternative fuels are made from recycled materials or waste products from other industries. Their energetic recovery contributes to a closed-loop circular economy. The targets therefore relate to Level 4 "Recovery (only: energetic)" of the waste hierarchy.

Criteria for sustainable products



1) evoBuild requires a CO₂ reduction of at least 30% compared to the global reference values of the Global Cement and Concrete Association (GCCA) for CEM I from 2020. This translates to threshold values of ≤552 kg CO₂/t for cementitious material and ≤5.5 kg CO₂/m³/MPa for ready-mixed concrete.



Metrics on the share of revenue from sustainable products

In comparison with the previous year, the method for collecting the share of revenue from sustainable products has been partially adjusted. Traded goods purchased from external suppliers are now completely excluded from the metric, whereas in the previous year they were only excluded when determining revenue from sustainable products. This improves consistency and comparability in the calculation. As a result of the methodological adjustment, both the baseline value for 2020 and the reported previous year’s values change, as Group revenue is now lower as a reference value. All comparative values were adjusted accordingly with retroactive effect.

Revenue from sustainable products

	Baseline value	2024	2025	Unit	Reference
Share of revenue from sustainable products ^{1) 2) 3) 4)}	24	35	37	%	SC2030
Share of revenue from sustainable products of cement business line ^{2) 4)}	–	45	47	%	SC2030

1) Refers to the cement (cementitious materials), aggregates (in North America, Australia, France, and UK), ready-mixed concrete and asphalt business lines.
2) Revenue that we allocate to our sustainable products are not aligned with the definitions of the EU Taxonomy Regulation.
3) The system does not yet record all relevant revenue for this figure at product level. We are working on continuously improving data collection over the next few years. The revenue shares shown here therefore only refer to the revenue that has already been measured (more than 80% of Group revenue).
4) The baseline value and the 2024 figures have been restated due to an adjustment of the methodology.

Resource inflow metrics

For the 2025 financial year, we collected figures relating to the use of secondary materials across all business lines. We define secondary materials as input materials that are not classified as primary raw materials but replace them in production. One example of such a material is reprocessed concrete, which can be used as a substitute for aggregates extracted from primary sources. Calculating the weight of re-used materials varies depending on the business line.

In the 2025 financial year, the share of revenue from sustainable products was 37% (previous year: 35%, reported: 34%). In the cement business line, the share rose to 47% (previous year: 45%, reported: 43%). The increases are mainly due to higher revenue from sustainable cements in some markets, including France, Germany, and Bulgaria. The positive development was also supported by continuous investment in emission-reducing measures, such as the increased use of biomass as a fuel in clinker production. Progress made so far in achieving our targets has been in line with our expectations. The share of revenue generated by sustainable products is not subject to measurement uncertainty.

Compared with the previous year, the methods were partially adjusted by excluding the quantities we procure internally in order to present the actual material flows within the company more transparently. The values for 2024 have therefore been adjusted and do not correspond to those reported in the previous year.

For the cement business line, quantities are recorded using the technical reporting system and the classification of alternative materials on the basis of real data. The list of categorised materials for clinker and

cement production forms the basis for calculating the total weight. The sum of these weights is divided by the total weight of all raw materials and fuels to determine the percentage of use. In 2025, the share was 9.5% (previous year: 8.9%).

In the aggregates business line, the total weight of the secondary aggregates produced is reported on the basis of internal financial reporting and supplementary manual country surveys. According to the Group countries, the manually reported quantities are mainly based on local financial and reporting systems; estimated values are used in individual cases. The proportion of secondary aggregates is calculated using the ratio of the weight of secondary aggregate production to total aggregate production. The total weight of secondary aggregates produced for the 2025 financial year was 5.4 million tonnes (previous year: 4.7 million tonnes), corresponding to a share of 2.0% (previous year: 1.7%).

For the ready-mixed concrete business line, the “recycled” concrete is used as an alternative for calculating the total weight of secondary materials used in the production process, as the material is usually recycled directly to produce new concrete. To determine the proportion of secondary material, global samples are used to estimate how much concrete is typically recycled in the respective regions and how much of it goes back into the production process. This estimated proportion is then applied to all ready-mixed concrete production. For the 2025 financial year, this proportion was 1.0% (previous year: 2.8%, reported: 1.5%). Since this is an estimate, there is a certain degree of uncertainty, partly because we assume similar return and reuse rates across regions.

In the asphalt business line, the consumption of recycled asphalt pavement and secondary materials

used, such as glass, is recorded and collected by the Competence Center Aggregates. Overall, in the 2025 financial year, we achieved a proportion of secondary materials of 45.2% (previous year: 39.2%, reported: 12.5%).

As the materials used in our products do not undergo any significant transformation processes, we use the production weights (adjusted for internally procured materials) as approximate values to determine the total weight of the products and materials used during the reporting period. Due to the required estimates, there is thus a certain degree of uncertainty. We also use standard factors to convert production quantities into material weight.

To calculate the Group-wide proportion of secondary materials, these factors are added up and divided by the total weight of products and materials used in the reporting period. It includes the secondary raw materials relevant to the respective business line. Internally generated materials that are returned to the production process are excluded from the calculation. The calculation of the metric is partly based on estimates and is therefore subject to a certain degree of uncertainty.

For the 2025 financial year, the total volume of secondary materials amounted to 29.0 million tonnes (previous year: 28.2 million tonnes), corresponding to a share of 5.2% (previous year: 5.0%, reported: 4.6%). This is due in particular to increases in the proportion of secondary materials in the cement and aggregates business lines and in the asphalt operating line. The development of the total volume of secondary materials processed was in line with our expectations.

Resource outflow metrics – waste

	Baseline value	2024	2025	Unit	Reference
Weight of products and materials used	–	564.4	553.4	million t	E5-4 31a
Weight of secondary materials	27.2	28.2	29.0	million t	E5-4 31c, SC2030
Share of secondary materials ¹⁾	–	5.0	5.2	%	E5-4 31c
Cement business line					
Weight of secondary materials	20.4	21.0	21.8	million t	E5-4 31c
Share of secondary materials	–	8.9	9.5	%	E5-4 31c
Aggregates business line					
Weight of secondary materials	4.3	4.7	5.4	million t	E5-4 31c
Share of secondary materials	–	1.7	2.0	%	E5-4 31c
Ready-mixed concrete-asphalt business line					
Weight of secondary materials in the ready-mixed concrete operating line	1.8	1.4	0.5	million t	E5-4 31c
Share of secondary materials in the ready-mixed concrete operating line ¹⁾	–	2.8	1.0	%	E5-4 31c
Weight of secondary materials in the asphalt operating line	0.8	1.1	1.3	million t	E5-4 31c
Share of secondary materials in the asphalt operating line ¹⁾	–	39.2	45.2	%	E5-4 31c

1) The 2024 figures have been restated due to an adjustment of the methodology.

The total volume of waste generated in the 2025 financial year was 2,130,099 tonnes. The breakdown by waste type and recovery method is shown in the following **table Resource outflows - waste**. In 2025, the volume of waste generated was collected and calculated across the Group for the first time, which is why a comparison with the previous year is not possible. The data is reported by the respective locations using our sustainability reporting software. Invoices, weighing slips, and estimates serve as source data. Estimates are needed, for example, when waste containers or bins are used that are regularly collected by a waste disposal company. In such cases, the actual weight of the waste is not always determined, and the containers may also vary in weight. This results in a certain degree of inaccuracy.

At many locations, only household waste is generated. In the ready-mixed concrete sector in particular, the returned concrete that cannot be returned to the cycle accounts for a large proportion of the waste material. Hazardous waste accounts for only a negligible quantity and includes waste oils and chemical additives. When classifying our waste flows, we are primarily guided by the EU Waste Framework Directive or, as in the USA, by local standards.

The total amount and percentage of non-recycled waste as well as the total amount of radioactive waste are shown in the following table.

Resource outflows – waste¹⁾

	2025	Unit	Reference
Resource outflows – hazardous waste			
Total amount by weight diverted from disposal (recovery)	276,835	t	E5-5 37b
– preparation for reuse	361	t	E5-5 37b
– recycling	34,089	t	E5-5 37b
– other recovery operations	242,385	t	E5-5 37b
Total amount by weight directed to disposal (disposal)	50,941	t	E5-5 37c
– incineration	315	t	E5-5 37c
– landfill	26,515	t	E5-5 37c
– other disposal operations	24,111	t	E5-5 37c
Total waste generated – hazardous waste	327,775	t	E5-5 37a, E5-5 39, SASB
Resource outflows – non-hazardous waste			
Total amount by weight diverted from disposal (recovery)	887,358	t	E5-5 37b
– preparation for reuse	27,820	t	E5-5 37b
– recycling	569,572	t	E5-5 37b
– other recovery operations	289,966	t	E5-5 37b
Total amount by weight directed to disposal (disposal)	914,965	t	E5-5 37c
– incineration	1,175	t	E5-5 37c
– landfill	376,350	t	E5-5 37c
– other disposal operations	537,440	t	E5-5 37c
Total waste generated – non-hazardous waste	1,802,323	t	
Total waste generated			
Total waste generated	2,130,099	t	E5-5 37a, SASB
Percentage of hazardous waste	15	%	SASB
Total amount of non-recycled waste	1,526,438	t	E5-5 37d
Percentage of non-recycled waste	72	%	E5-5 37d
Percentage of recycled waste	28	%	SASB
Total amount of radioactive waste	0.1	t	E5-5 39

1) Figures were collected for the first time in 2025.

The useful life of buildings and infrastructure, and thus the service life of the products sold by Heidelberg Materials, is typically between 50 and 100 years, depending on the type of structure. This is reflected in the usual depreciation periods: residential buildings are often depreciated over 50 years, commercial buildings over 33 to 50 years, and infrastructure such as bridges and tunnels over 70 to 120 years. These values are based on guidelines from the Federal Ministry of Finance (Bundesministeriums der Finanzen, BMF) as well as engineering standards such as DIN EN 1990 and reports from the Federal Highway and Transport Research Institute (Bundesanstalt für Straßenwesen, BASt).

Our products are generally not delivered in packaging, but are transported to customers in bulk or as finished products. This is especially the case for aggregates, asphalt, prefabricated components, and ready-mixed concrete. Cement is usually delivered in bulk or in sacks. The sacks used are mainly made of paper. The recyclability of this packaging was tested in collaboration with one of our main suppliers and confirmed to be fully recyclable.

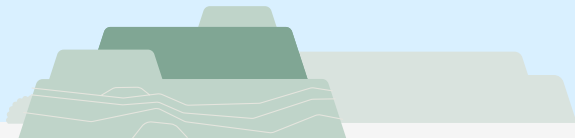
Building materials are replaced rather than repaired when necessary. Therefore, common methods for assessing repairability are not applicable to our product range.

Social

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Impacts, risks, and opportunities

S1 – Own workforce



Working conditions

Health and safety

Health hazards and risk of accidents due to inconsistent implementation of occupational health and safety measures by individual persons.	Negative impact	Own operations

Collective bargaining

Ensuring fair working conditions and standards for employees through the use of collective agreements and the involvement of employee representatives.	Positive impact	Own operations

Work-life balance

Impairment of work-life balance due to shift work, overtime, and irregular working hours.	Negative impact	Own operations

Equal treatment and opportunities for all

Training and skills development

Training programmes for employees support enhancement of skills, competencies and individual development, resulting in higher qualifications and better career opportunities.	Positive impact	Own operations

Employment and inclusion of persons with disabilities

Possible constraints on employment opportunities, especially in production, for persons with disabilities due to partially inaccessible workspaces and occupational safety requirements.	Negative impact (potential)	Own operations

Gender equality and equal pay for work of equal value, and diversity

Potential social conflict, harassment in the workplace, marginalisation of minorities, social instability, unequal pay, and restricted career opportunities due to limited diversity and traditional gender roles.	Negative impact (potential)	Own operations

Material impacts and their interaction with strategy and business model

Our corporate success is only possible thanks to the commitment of our employees. When developing our strategy and opening up new areas of business, we consider the impact on our workforce to be an important factor in our decision-making. We are committed to fair working conditions, which includes concluding collective agreements where this is customary and possible. We aim to create a framework that enables a better work-life balance.

The negative impacts identified by Heidelberg Materials regarding the material topics work-life balance and equal treatment and opportunities for all are characteristic of the building materials sector. In contrast, negative impacts related to the material topic health and safety are always attributable to specific incidents involving individuals.

Regular training opportunities help to ensure that our employees work safely and perform their duties in line with their qualifications. In this way, we aim to promote their individual development within the company. Occupational health and safety is firmly anchored in the Group strategy and forms an integral part of our work processes and management culture. Heidelberg Materials recognises the risks of accident and injury associated with the manufacturing of products such as cement and aggregates.

Heidelberg Materials is committed to the equal integration of people with disabilities into working life. We acknowledge that certain workplaces, particularly in production, cannot be made completely accessible due to structural conditions or safety-related requirements. We continuously review where adjustments can be made and promote inclusive working conditions in order to expand and improve employment opportunities for all.

Heidelberg Materials establishes a framework to create a non-discriminatory working environment that is characterised by mutual respect and equal opportunities. We promote gender equality and follow the principle of equal pay for work of equal value, regardless of gender, origin, or other personal characteristics. We see diversity as a strength – which is why we are constantly working to better integrate marginalised groups and challenge traditional roles. Nevertheless, in the still male-dominated building materials sector, there is a potential negative impact of gender discrimination. The values and measures outlined above demonstrate our active commitment to counteracting this potential discrimination.

When the Group strategy is adjusted and new business areas are opened up or existing ones are expanded, the impact on the workforce is an important factor in the decision-making process. By engaging in regular dialogue with employees – directly or through employee representatives – we can incorporate the perspectives of our workforce into the adjusted strategy.

Own workforce

The metrics for Heidelberg Materials' own workforce include all directly employed staff (full-time, part-time, and on-call employees), including managing directors, trainees, and student trainees. Apprentices and interns are explicitly not included due to their training status. Our employees are employed in a wide range of operational areas – from the extraction and processing of quarry material to the production and distribution of ready-mixed concrete and asphalt production. Our employees also work in areas such as corporate development, human resources, law, finance, taxes, and information technology. In addition, they develop new technologies, ensure compliance with legal requirements, and perform tasks in the areas of cleaning, maintenance, plant safety, and recycling. Our drivers and fleet management assist with transportation and logistics tasks.

In addition to directly employed employees, there are also external service providers, including temporary workers, who provide support in the event of temporary fluctuations in demand, as well as self-employed workers who are used for project-related and outsourced activities, such as in the areas of IT implementation, customer services, electrical engineering, and transport. They are subject to the same strict safety and quality requirements as our own employees.

The disclosure in **chapter ESRS 2 – General disclosures** covers all directly employed employees of Heidelberg Materials. Therefore, our measures to prevent potential risks are primarily aimed at this group of people.

Whistle-blower system¹⁾

Heidelberg Materials employees can report compliance incidents directly to the company via various channels. One such important channel is the SpeakUp whistle-blower system, which allows reports to be made in writing, online, or by phone, with the option for anonymity.

The complaints procedure is available in all common languages of all Group countries. Reporting persons can choose from 45 languages on the website when submitting a web-based report via our SpeakUp whistle-blower system. There is also an app for this purpose. To submit a report over the phone, whistle-blowers dial the phone number of the respective country and can then choose between the national language and English. The system as well as the options for using it are advertised via posters, intranet links, the company website, and training courses. To make it easier to use the system, the posters contain a link for online access, the local phone number, and a QR code.

The whistle-blower system can be used to report all types of compliance violations, including human rights issues. It is an essential component of the compliance management system, enabling not only the investigation and sanctioning of compliance violations but also the initiation of mitigation measures. It is provided and administered by Heidelberg Materials using a technical platform supplied by an external provider. It is available to all employees and external parties such as suppliers, contractors, and customers.

1) The disclosures in this section also comply with the disclosure requirements for reporting channels in chapters S2 - Workers in the value chain, S3 - Affected communities, S4 - Consumers and end-users, and G1 - Corporate governance.

In each country organisation, we appoint a compliance officer who speaks the respective national language to handle and document compliance complaints and reports relating to employee issues. These compliance officers also monitor the case reporting system and ensure that all reports are properly processed. Use of this whistle-blower system over many years has enabled the company to build up extensive knowledge about how to meet the expectations and needs of potentially affected persons. The lessons learned about the needs of whistle-blowers have contributed to the further development of the case management system. In the SpeakUp system, reports from various groups of people, such as employees, business partners, and local residents, are recorded and processed, which clearly shows that the system is trusted.

There are clearly signposted contact partners in the Group departments Human Resources and Compliance as well as the works council, to assist with any questions relating to discrimination. Employees can approach these people in confidence at any time and can also consult with the relevant specialists on occupational safety matters. The company applies policies to prevent and curb discrimination, combat it – as soon as a case is identified – and promote diversity and inclusion through various measures. These include mandatory training sessions and workshops on corporate due diligence with regard to human rights and on creating an inclusive workplace culture (see [Human rights](#) and [Actions sections](#)).

In order to offer all stakeholders (employees and the general public) the opportunity to lodge complaints, Heidelberg Materials' production sites are required to hold regular meetings or gatherings. This also makes it easier for people with reading and writing difficul-

ties to access the complaints procedure. Complaints about potential violations of the guidelines by Heidelberg Materials can be submitted to the relevant National Contact Point, which every OECD country has a duty to set up. The National Contact Points act as a non-judicial complaints mechanism and carry out mediation procedures as part of which action plans are drawn up and a final report is prepared.

A dedicated case management system supports the investigation of incidents and reports and the structured processing of the results. Since an external service provider is responsible for information security, Heidelberg Materials' IT department cannot gain access to the system itself or grant access to others. The service provider has appropriate certifications that guarantee the security of the data. The company's own case management procedure is described in the Group Compliance Incident Reporting & Case Management Policy. The procedure for reporting and managing compliance incidents is founded on confidentiality, freedom from retaliation, anonymity, and protection of the rights of the affected persons.

Once received, a report is acknowledged and then categorised within seven days (on the basis of potential human rights abuses and violations of environmental obligations, for example). Responsibility is determined and qualified personnel handle the case impartially. In the SpeakUp system, whistle-blowers always have the option of reading replies to submitted concerns and, if appropriate, responding via their own system access. The relevant case manager at Heidelberg Materials also gives whistle-blowers a further 15 days to react to the final response to the case. Only then is the case formally closed. From this point on, although whistle-blowers can no longer

leave messages, they can still read all messages relating to the case for a period of 30 days. The facts of the case should be established and mitigation measures developed within 60 days. The reporting person should receive a response no later than 90 days after making their report. The company involves users by evaluating case statistics and taking into account comments from reporting persons.

Effective communication with whistle-blowers is ensured through the response deadlines described above and Heidelberg Materials' governance documents (i.e. corporate values, policies, procedures, and guidelines). In this way, potential stakeholders were involved in the planning and organisation of the complaints procedure, for example. In particular, communities living near production sites were identified as potentially affected groups and given due consideration. Various factors were taken into account to ensure that the whistle-blower system was sufficiently accessible, including the large number of production sites and limited internet access in certain regions.

Human rights²⁾

Heidelberg Materials is committed to respecting the human rights of its employees. In addition to personal self-determination, this also includes equal treatment of all employees, regardless of origin, mental and physical abilities, or political convictions.

2) The disclosures in this section also comply with the disclosure requirements for reporting channels in chapters S2 – Workers in the value chain, S3 – Affected communities, S4 – Consumers and end-users, and G1 – Corporate governance.

We carry out gross and net risk assessments to identify the negative impacts of our business activities. By combining information on human rights and environmental risks from various sources, the gross risk analysis determines which impacts are typical of the building materials industry, the human rights and environmental risks in the countries in which we operate, and the groups of people potentially affected.

Using a systematic, risk-based approach, the potential impacts are then assessed in a further procedure within the context of a net risk analysis. This assessment is based on the collection of quantitative and qualitative data with the involvement of various stakeholder groups and covers all business lines. There are no activities for which a significant risk of forced or child labour has been identified.

Our commitment to uphold human rights is anchored in our Policy Statement on Human Rights, our Code of Business Conduct, as well as our Procedure for Protecting Young Workers (see [Chapter S2 – Workers in the value chain](#)). Heidelberg Materials is a member of the UN Global Compact and is committed to its ten principles relating to human rights, labour, anti-corruption, and the environment.

We follow international standards such as the OECD Guidelines for Multinational Enterprises, which promote responsible business conduct, particularly with regard to due diligence, ethical business practices, and stakeholder engagement. The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights encourage us to support economic growth, social justice, and cultural respect in the communities in which we operate. The core labour standards of the International Labour Organization (ILO) also

guide our Group policies on the elimination of child labour and forced labour and support workers' rights to collective bargaining and non-discrimination in the workplace. It is the duty of all employees of Heidelberg Materials to respect human rights. As an integral part of our business activity, we have established processes to help us apply the UN Guiding Principles.

Heidelberg Materials takes a systematic approach to identifying and prioritising actions relating to human rights. Heidelberg Materials has been conducting a human rights risk assessment every three years since 2017, using international standards as a reference point. Since 2023, the analysis has been performed annually and on an ad hoc basis. This process is based on comprehensive analyses and the prioritisation of identified risks pursuant to the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG). In order to weigh and prioritise human rights risks, a specific methodology is used that is based on the criteria set out in Section 3 Paragraph 2 of the LkSG and uses, among other things, the results of the gross and net risk analyses. The methodology takes into account industry- and country-specific risks as well as the severity and likelihood of the impacts. Other factors, such as complaints and incidents, are also analysed. On the basis of these analyses, Heidelberg Materials develops standardised preventive measures that are implemented by the respective country organisations.

Each country organisation has a person responsible for coordinating human rights and a person with expertise in environmental issues to assess and manage human rights impacts related to environmental aspects. The responsible persons in the country organisations lead and coordinate human rights ef-

forts with the support of the Group Legal & Compliance department. Due to the overarching nature of the topic of human rights, cross-functional teams from the Group departments Sustainability, Group Procurement, Group Human Resources including Health & Safety, and Group Communication & Investor Relations are also involved.

New human rights coordinators and procurement directors at country level are given specific instructions regarding their duties. ESG coordinators and environmental experts also receive appropriate training to better identify and address human rights risks. Regional and country managers are updated either in writing or through individual discussions.

All human rights coordinators receive a comprehensive refresher package with training materials to facilitate their work. These measures serve to strengthen accountability at Group and country level and to raise awareness of fundamental human rights standards. The most important policies, such as the Code of Business Conduct and the Policy Statement on Human Rights, are translated into the respective national languages. These documents are part of the training courses and are regularly circulated along with the annual compliance letter. They are available in Heidelberg Materials' policy management system and can also be downloaded from the website. This is to ensure that all employees have access to this information, regardless of their origin or native language.

In 2023, Heidelberg Materials launched a Group-wide e-learning programme on the topic of human rights. The first round of training was completed in all countries in 2024. This mandatory training, which must be repeated every two years, covers topics

such as equal treatment, child labour and forced labour, fair and safe working conditions, freedom of association, land rights, and complaints procedures. The aim of the training is to raise awareness of human rights issues and equal treatment and to provide training to employees on responsible and appropriate behaviour. Participants are confronted with various scenarios to identify and respond appropriately to problems. For employees who work in operations and do not need computer access for their day-to-day work, we also offer on-site training in each Group country, which is open to employees at the respective locations.

Heidelberg Materials uses animated explanatory videos and information events to communicate the values of the Code of Business Conduct. All members of the Managing Board, managers, and employees must regularly complete an online training programme. These measures help employees to develop a basic understanding of their rights in the workplace and learn how to behave respectfully and in accordance with the company's policies. They are encouraged to recognise and overcome prejudices in order to build an inclusive working environment. In the 2025 financial year, the compliance officers and human rights coordinators continued to work with the Group Procurement department as part of the Responsible Procurement initiative to meet the requirements of the LkSG.

Engaging with own workforce

The Chairman of the Managing Board has operational responsibility for engaging with the workforce in corporate decision-making. He ensures that their

concerns are taken into account in the Group strategy and promotes regular dialogue between the Managing Board, employee representatives in works councils and on the Supervisory Board, and employees. Delegated members from the employee committees at the individual locations form the General Works Council and the Group Works Council.

Good communication between the employer representatives and employee representatives plays a key role in achieving an effective balance of interests and in continuously assessing and improving our working relationship. Formats such as works meetings and management dialogue events promote communication between management and staff. The interest in and participation in these events indicate a fundamentally positive attitude towards the cooperation.

Dialogue between employee representatives and employer representatives is generally the responsibility of the local companies. Due to differing legal requirements, there is no global coordination in this regard.

Statutory, collective bargaining, and company regulations are implemented in close cooperation with employee representatives, who are actively involved in numerous committees and panels and are informed of operational changes at an early stage. Communication takes place via regular works meetings, notices in the plants and offices, and via direct electronic communication sent by management. The regulations on mandatory notification periods vary depending on the country and location. In Group countries where there are legal requirements for co-determination, Heidelberg Materials engages in dialogue with the various employee representatives as an employer.

In Germany, for example, there are monthly meetings with local works councils. In addition, the works council at Group headquarters holds quarterly works meetings, which are attended by the Chairman of the Managing Board and the Director Group Human Resources. Once a year, the General Works Council, the Chairman of the Managing Board, the Director Group Human Resources, and the Director HR for Germany meet together. Business decisions that are subject to statutory co-determination are made in accordance with local legislation and in close consultation with the works councils – as a rule, employee representatives are involved at an early stage.

In the European Works Council, too, there is effective cooperation between Group management and employee representatives. An annual in-person event is held with employee representatives from the European Group countries, the Chairman of the Managing Board, and the Director Group Human Resources.

Taking into account the perspectives of all employees – especially of groups that could potentially be more adversely affected by negative impacts or be socially marginalised, such as women or people with disabilities – is a key concern of Heidelberg Materials. To this end, we have various representation structures and promote initiatives, such as representative bodies for severely disabled employees, as well as Group-wide employee networks that advocate for different causes and groups, such as the Network of Women (NOW) and the Allies of NOW.

As part of our due diligence procedures, we regularly conduct interviews with employees, trade union representatives, and managers. We also engage with underrepresented groups in order to identify potential human rights impacts and potential risks and examine appropriate preventive measures.

Since 2023, an annual information event on human rights has been held at the Heidelberg location. The aim is to make Group-wide compliance with human rights standards transparent and to discuss it with employees and answer their questions about the global impact of our business activity.

Employees are involved in occupational safety issues at a variety of levels – through occupational safety committees, surveys on improvements in occupational safety, and “visible felt leadership” visits at local level, during which managers hold safety conversations on site. Our occupational health and safety messages should reach and be understood by employees – including subcontractors and drivers – so that health hazards and safety risks can be identified at an early stage and negative impacts can be minimised.

Policies

The positive and negative impacts on the Group’s own workforce identified in the materiality analysis are addressed in various internal policies. These are described below.

Code of Business Conduct

Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Code of Business Conduct demands compliance with the highest legal and ethical standards in decision-making and actions taken. All employees are expected to perform their duties towards customers, suppliers, authorities, and business partners with honesty, integrity, professionalism, and due regard for ethical standards. Among others, the following areas are addressed: health legislation and labour laws, sustainability and environmental protection, human rights and workers’ rights, company property, product safety and quality, and corruption prevention.

Managers are responsible for ensuring effective communication and monitoring compliance with the Code of Business Conduct. The Group Legal & Compliance department supports them in this task. The Code of Business Conduct addresses all impacts in relation to the material topics working conditions and equal treatment and opportunities for all.

In addition to the company’s own workforce, the Code of Business Conduct is aimed at customers, suppliers, competitors, and other third parties. In order to take into account the interests of these groups in the Code of Business Conduct, the country managers and the management level below the Managing Board worldwide, who are familiar with the requirements of different stakeholders, were consulted on key compliance issues. The Code of Business Conduct is also based on principles of ethical corporate governance and international standards such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Policy Statement on Human Rights

Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Policy Statement on Human Rights defines both the commitment to responsible corporate governance with regard to human rights and the environment and the duty of due diligence at its locations and in the upstream and downstream value chain.

It also describes preventive measures by which Heidelberg Materials fulfils its obligations to respect human rights, among other things. It sets out the company’s guiding principles, including the prohibition on child labour, forced labour, and human trafficking, and regarding occupational safety and equality in the workplace. The Policy Statement therefore addresses all impacts relating to the material topics working conditions and equal treatment and opportunities for all.

It explicitly emphasises that Heidelberg Materials does not tolerate any form of violence, harassment (including sexual harassment), or discrimination. Together with the Code of Business Conduct, it covers discrimination on the following grounds: nationality, ethnic or social origin, skin colour, age, religion or creed, physical or mental disability, sexual orientation or (gender) identity, pregnancy, gender, marital status, social class, trade union membership, and political opinion.

The Group Human Rights Officer is responsible for developing, implementing, and monitoring the human rights compliance management system and for reporting to the Managing Board on the findings of the due diligence process.

In the process of developing the Policy Statement, external experts were consulted through regular surveys, feedback systems, and discussion forums, and close cooperation was maintained with relevant stakeholders such as employee representatives, trade unions, non-governmental organisations, and local communities.

Occupational Health and Safety Policy

Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce

The Occupational Health and Safety Policy defines a set of cardinal rules that are mandatory for all employees, contractors, and third parties in order to prevent accidents resulting in personal injury and fatalities. They relate especially to those activities that have been identified as main risk areas for accidents and include requirements for equipment isolation, protection from moving parts of machinery, driving safety – both at our sites and en route to customers – entry to confined spaces, a range of personal protective equipment, and the need to report all accidents and incidents. Its aim is to continuously minimise the risks to our employees, contractors, and third parties. The Occupational Health and Safety Policy addresses the negative impact regarding the material topic health and safety. The policy is supported by the Group Health & Safety Standards, which provide additional information and guidance on how to meet these requirements.

Compliance with the policy is monitored by regular inspections, including those carried out by the Group Internal Audit department. Depending on the Group country and location, the Occupational Health and Safety Policy is displayed on site and, where appropriate, appended to contracts of employment. As a member of the Global Cement and Concrete Association (GCCA), Heidelberg Materials has undertaken to comply with its occupational safety guidelines. These guidelines have been integrated into our inter-

nal standards in order to take into account the interests of employees.

Group Human Rights Compliance Management Policy

Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
	S1 – Own workforce S2 – Workers in the value chain S4 – Consumers and end-users
Relevance in the sustainability report	

The Group Human Rights Compliance Management Policy defines the framework for the human rights compliance management system. It specifies how Heidelberg Materials’ human rights compliance management system is organised to fulfil the obligation to uphold internationally recognised human rights within both the company and its value chain. The policy addresses all impacts in relation to the material topics working conditions and equal treatment and opportunities for all. The policy defines the cross-departmental tasks and responsibilities for upholding human rights. It also requires all employees to familiarise themselves with the human rights provisions relevant to their area of activity.

When the policy was in development, the content and structure of the Human Rights Organisation were coordinated with all departments that have, on the one hand, particular expertise in human rights issues and, on the other, contacts with stakeholder groups affected by these issues. It follows the “protect, respect, and remedy” framework of the UN Guiding Principles on Business and Human Rights.

In addition to the company’s own workforce, the Code of Business Conduct is aimed at customers, suppliers, competitors, and other third parties. In order to take into account the interests of these parties to the Code of Business Conduct, the country managers and the management level below the Managing Board worldwide, who are familiar with the requirements of different stakeholders, were consulted on key compliance issues. The Code of Business Conduct is also based on principles of ethical corporate governance and international standards such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Group Compliance Incident Reporting & Case Management Policy

Scope	Worldwide
	Upstream and downstream value chain, own operations
Value chain	
Most senior level accountable	Chairman of the Managing Board
Availability	Public
	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance
Relevance in the sustainability report	

The Group Compliance Incident Reporting & Case Management Policy contains instructions for all reports submitted by employees or by third parties, including customers, suppliers, and affected communities. The policy addresses all impacts in relation to the material topics working conditions and equal treatment and opportunities for all. In addition to the legal requirements, the policy was developed based

on many years of experience in communicating with whistle-blowers of all kinds. This is reflected, for example, in a chapter containing instructions on how to report incidents, which, if followed, should enable faster and better case handling.

The purpose of the policy is to provide basic information and guidance regarding the reporting of compliance concerns. This includes the processing and handling of submitted complaints and reports by whistle-blowers as well as the protection of whistle-blowers against retaliation. It is intended to encourage reporting of incidents through various channels and to ensure that incidents are handled confidentially and thoroughly.

On the one hand, reporting on compliance incidents comprises purely statistical data and, on the other hand, the documentation of significant cases, including defined preventive measures and sanctions. The Group Compliance Officer reports to the Managing Board and the Supervisory Board's Audit Committee on statistical trends in the number of cases every six months and explains significant incidents. The latter monitors the effectiveness of the compliance programme and verifies whether it adequately satisfies the legal requirements and recognised compliance standards.

The principles and processes defined in the policy for Heidelberg Materials set an internal standard for handling compliance incidents that is aligned with the legal provisions of the German Whistle-Blower Protection Act (Hinweisgeberschutzgesetz, HinSchG) and the LkSG, which are both directly applicable to Heidelberg Materials AG. Other standards to which Heidelberg Materials commits in its Code of Business Conduct may play a role in investigations.

Actions

With regard to the material topics working conditions and equal treatment and opportunities for all, Heidelberg Materials has established targeted measures within its own operations, and in connection with health and safety, also along the upstream and downstream value chain. These measures are to be continued on a permanent basis and refined where necessary. The measures are intended to promote a healthy working environment, reduce stress, and strengthen mutual respect and cooperation in the workplace. Implementation of the measures is based on location-specific requirements and operational conditions. Practical findings and feedback from employees about the whistle-blower system and works meetings contribute to the further development of existing programmes and initiatives.

Creating fair working conditions

In the reporting year, Heidelberg Materials continued to take action to further improve working conditions for all employees worldwide. Where legally possible, many employees benefit from collective agreements that regulate fair wages and working hours. Numerous local regulations ensure that clear guidelines on working hours and rest periods, limited overtime, and irregular working hours are included in the contract. Collective agreements are regularly reviewed and adjusted during negotiations between the relevant trade unions and employers' associations.

Employees not covered by collective agreements are generally entitled to comparable provisions, for example with regard to working hours and holiday entitlement. Matters not regulated by collective agreements, such as remuneration structures for employees not covered by collective agreements, are subject to company co-determination in coun-

tries where this is required by law. Our aim is to offer all our employees – regardless of their collective bargaining status – safe and fair working conditions with clearly defined working hours, holiday entitlements, and additional benefits.

In the event of restructuring or job cuts, we strive to find socially acceptable solutions – such as continued employment within the Group or support in finding new employment (e.g. in the form of outplacement) – close to the previous place of work.

To protect employees from inappropriate behaviour in the workplace, Heidelberg Materials has a zero-tolerance approach to violence and harassment. We ensure that our employees have access to appropriate support services to guarantee a safe working environment characterised by respect across the board. The topic of harassment is part of the mandatory digital training course on human rights, which is repeated every two years, as well as the compliance onboarding training for new employees. Employees who do not have access to the electronic learning system are kept informed via on-site training, which may also take place during staff meetings.

Training and skills development

In the 2025 financial year, Heidelberg Materials continued to offer professional training and development programmes worldwide to specifically promote employees' career opportunities. In addition, regular training courses and workshops are held that are tailored to current requirements and trends in the building materials sector – covering topics such as artificial intelligence, sustainability, and carbon capture.

Across the Group, Heidelberg Materials carries out a standardised and systematic assessment of performance and potential for all employees who are rep-

resented in our global HRIS system. This assessment serves as the basis for strategic personnel development and successor planning. The assessment is based on clearly defined criteria that are standard in the industry and are communicated transparently to both employees and managers. Superiors and employees discuss target achievement, individual development opportunities, and future prospects together within the framework of structured development discussions (known as growth talks).

To support individual development, we offer mentoring and coaching programmes as well as personal development plans tailored to specific career goals. One example is the Leadership Development Pathway, which is specifically geared towards the development of leadership skills. This programme takes into account the different functions within the company and provides support to managers in their current roles and for future challenges. Various versions of the programme are offered across the Group. It has proven to be an effective way of preparing talented employees for future management positions.

In the 2025 financial year, the Horizon programme, which is held annually, was conducted for the first time with a diverse group of participants from all Group areas. The participants gathered for a week-long event at the headquarters in Heidelberg to focus intensively on strategic topics for the future and personal development as managers.

In addition, we promote the sharing of knowledge and best practices via internal networks and digital platforms in order to integrate learning in everyday work and strengthen knowledge transfer within the Group.

Heidelberg Materials is pursuing an ambitious decarbonisation strategy, which also affects the design of

to bring about cultural change, its effectiveness can only be reliably assessed in the medium term.

As part of our annual Global Safety Week, we organise a range of practical training courses and workshops that relate to our driving personnel and the entire transport sector, among others. Managers, external specialists, and local first-aid organisations focus on occupational health and safety issues, enabling first-aiders to develop and review their skills. During this time, we also increase the number of targeted occupational health and safety training sessions to improve awareness among our contractors and drivers, and we carry out inspections, audits, behavioural safety measures and structural, vehicle and equipment checks.

In the 2025 reporting year, we continued to install safety nets in our cement plants to protect employees from falling material in cyclone preheaters and pipelines. We also continued to install safety platforms at loading points so that drivers can safely reach the top of silo trucks. The visibility of our trucks and vehicles in our quarries has been further improved – for example, through additional visibility aids and reflectors, as well as through the introduction of procedures for regularly checking compliance with these measures. In addition, we are now using AI and digital technologies to increase the safety of drivers and vehicles. This enables AI to detect whether staff are distracted, for example by the use of mobile phones. We keep finding ways to separate vehicle and pedestrian traffic at our locations and optimise our traffic management plans every year. The identified gaps and mitigation measures are

monitored, reviewed, and documented in reports to the local management.

The respective country management is responsible for compliance with local legal regulations on occupational health and safety. They provide leadership and the necessary resources to ensure compliance with these regulations. They prepare and implement annual occupational health and safety action plans and make sure that any potentially fatal incidents are investigated and reported. To ensure we remain focused on activities that minimise risks and harm, the Managing Board and country managers consult internal occupational health and safety specialists. They advise on and provide support in complying with legal regulations and corporate requirements by means of monthly reports to the Managing Board.

Heidelberg Materials takes a proactive approach to mitigating the negative impacts on employees, supported primarily by risk assessments and agreed safe systems of work (SSoW). Almost all Group countries have an occupational health and safety management system, such as ISO 45001 or local standards that stipulate risk control measures and regular internal and external audits. If an occupational safety incident occurs resulting in physical injury, defined procedures come into effect. In consultation with the company doctor and, if necessary, other specialists, steps are taken to ensure that the person concerned receives support, rehabilitation, and – if possible – the opportunity to return to full-time employment. The effectiveness of the mitigation measures is evaluated in the relevant Group countries, provided that we are informed that an illness or injury is attributable to employment at Heidelberg Materials.

In support of these efforts, the company uses the AID (Accident Information Database) system throughout the Group. This standardised software records and analyses accidents and incidents in order to identify and mitigate risks. Various tracking methods are also in place to monitor occupational health and safety.

Equal treatment and opportunities for all

Heidelberg Materials employs people from a wide variety of cultures, with diverse personalities, skills, and experiences. This diversity reflects the international nature of our markets and the dynamism of our business environment.

As a signatory to the Diversity Charter, Heidelberg Materials has been expressing its ongoing commitment to diversity since 2013. The charter promotes the recognition, respect, and inclusion of diversity in the workplace and especially provides support to members of particularly vulnerable groups. As an active member of this network of German companies, we regularly participate in the exchange of experiences and best practices in the areas of diversity, equity, and inclusion (DEI).

Our recruiting activities also pursue strategies to promote equal opportunities and diversity within the Group – for example, by using inclusive language in job advertisements, targeting underrepresented groups such as women, LGBTIQ+ people, and people with disabilities, and by raising awareness among recruiting managers. In some countries, special recruiting days were organised for women in industrial

professions, supplemented by internal diversity campaigns and external communication measures.

As part of our new employer brand, we also attach great importance to inclusive imagery, both internally and externally. Different age groups, professions, cultures and genders stand side by side as equals, showcasing how we complement and strengthen each other. We have created an internal community called HeidelMate to promote cohesion and cooperation. Initiatives such as diversity campaigns further strengthen the sense of community and contribute to a positive working atmosphere. HeidelMate offers numerous opportunities for networking, knowledge exchange, and participation in social and professional events. We foster a culture of inclusion and mutual respect in which all employees are valued and supported.

The Group countries develop country-specific action plans that are tailored to the respective local circumstances in order to strategically anchor diversity. Individual locations have developed inclusive career paths that incorporate diversity into successor planning and talent programmes and track progress using key figures.

Awareness-raising measures, including regular training on topics such as gender equality, generational diversity, disability, and cultural differences, were implemented in several Group countries. These measures are supplemented by diversity and inclusion training, primarily for managers and employees with computer access. The aim is to create a deeper understanding of different ways of living and to specifically break down prejudices.

In line with the Sustainability Commitments 2030, the FAIR program – standing for “fairness, awareness, inclusion, respect” – was launched in the United Kingdom. Networks for women, LGBTIQ+ people, and people with disabilities also fall under this umbrella. The FAIR committee puts together an annual programme, makes recommendations to management, and works with external partners to increase the attractiveness of Heidelberg Materials as an employer for people with disabilities, for example.

A dedicated digital platform has been introduced to promote diversity, equity, and inclusion (DEI) as well as the well-being of our employees in the United Kingdom. This DEI and well-being platform includes training modules and toolbox talks. It also provides information on regulations such as flexible working time models and support services for parents. New employees benefit from a structured onboarding process that is designed to strengthen their sense of belonging under the guiding principle “power of belonging.”

Our annual Diversity Week, held at headquarters, celebrates our cultural diversity and active inclusion at Heidelberg Materials. It includes information events on equality and diversity in the workplace. Networks such as the Network of Women (NOW) and the Allies of NOW introduce themselves and encourage dialogue. The offerings are open to all employees at the respective locations.

At the annual trainee meeting, young talents from various Group countries come together at Group headquarters to network with the Managing Board and managers – helping to promote diversity in the context of demographic change.

A diversity campaign has been running in the Asia Group area since the beginning of 2025. Numerous events and formats – including educational videos, field reports, and testimonials from women in male-dominated fields or management positions – are specifically designed to raise awareness. Key topics include cross-cultural differences between Asia and Europe, inclusive leadership, psychological safety, and emotional cultural intelligence. The campaign aims to promote open dialogue and strengthen understanding of different cultural and social backgrounds.

In the reporting year, Heidelberg Materials implemented several measures to further increase the representation of women in management positions. The focus was on awareness-raising initiatives for promoting an inclusive working environment, career development programmes, and opportunities for networking and promoting female talent. Increasing the representation of women in management positions is part of our [Sustainability Commitments 2030](#) (see [Targets and metrics section](#)).

As part of the recruiting process, social media campaigns were launched to specifically target women at technical colleges and universities. The aim is to attract female talent to technical careers at Heidelberg Materials. In Europe, a transnational mentoring programme has been further developed that offers female employees the opportunity to exchange ideas with and learn from colleagues from other Group countries and departments. This programme is supplemented by structured forums such as the Female Talent Forum and the Female Mentoring Forum, which provide targeted career support.

Our prospective female managers regularly take part in mentoring programmes, growth discussions, and the Leadership Forum, which facilitates direct dialogue with the Managing Board. Career development is also supported by individual development plans and the possibility of job sharing in management positions. In addition, leadership training programmes aimed at acquiring specific leadership skills and specifically promoting women have been introduced in several Group countries.

The global NOW (Network of Women) network brings together female employees worldwide, promoting internal networking and raising awareness of the changing demands on living and working environments. The complementary network Allies of NOW enables male employees to actively champion gender equality and visibly show their support.

The past financial year also saw further expansion of the Women Rising initiative, which helps women within the Group to build networks and aims to facilitate their entry into management positions. This visibility of women in the company highlights female role models and career paths and strengthens the internal perception of diversity in leadership positions.

Individual Group countries also offer part-time models for managers in order to improve work-life balance and facilitate entry into management positions. These measures help to break down structural barriers and better accommodate individual lifestyles. Participation in external initiatives such as the Women and Construction Awards also underscores Heidelberg Materials’ commitment to actively promoting women in male-dominated professional fields.

Another example of a country-specific initiative is the Women in Cement Program in Togo. The strategic pilot initiative aims to strengthen gender diversity in technical fields and to build up a pool of female talent in the cement industry. Over a period of twelve months, 30 young women – 25 of them in technical roles – will receive practical training at the Cimtogo Lomé, Cimtogo Kara, and Scantogo locations. The programme combines technical training with soft skills training and individual support from mentors. The aim is to increase the employability of the participants, to promote their professional development, and to increase the representation of women in technical professions in the long term.

Targets and metrics

Our activities relating to the category Safe & Inclusive of our [Sustainability Commitments 2030](#) focus on promoting diversity, equity, and inclusion as well as ensuring occupational health and safety. Heidelberg Materials has set Group-wide targets in these areas.

All relevant internal departments were involved in defining the targets, which were developed on the basis of industry-specific experience and findings from the building materials industry. The targets apply to the company’s own operations. The [Sustainability Commitments 2030](#) were adopted by the Managing Board, and the employee representatives were informed but not actively involved in setting targets.

Occupational health and safety

We continuously strive to minimise the impacts on our employees, contractors, and third parties in order to achieve our target of zero harm (including zero fatalities) and to prevent work-related injuries and ill health. Effective preventive measures are in place to minimise the risk of accidents, incidents, and illness. The company aims to reduce the fatality rate to zero by 2030 and reduce the lost-time injury frequency rate (LTIFR as defined by the GCCA) by 50% compared with 2020 (LTIFR baseline value in 2020: 1.6). The LTIFR is calculated based on the number of recordable work-related accidents per 1,000,000 working hours. Absences due to long-term illness, maternity or parental leave, and military service are not included.

Since each death is one too many, it does not make sense to provide a baseline value and base year for this target.

This target is consistent with the implementation of our Occupational Health and Safety Policy and relates to the material topic health and safety. In this way, we also aim to contribute to SDG 8 (decent work and economic growth).

The development of the occupational safety metrics is presented to employees on a quarterly basis at management meetings and works meetings. These metrics are also discussed regularly during management meetings between the Group Health & Safety department, country organisations, and the Managing Board. The Supervisory Board is informed once a year about the development of the occupational safety metrics.

Equal treatment and opportunities for all

Heidelberg Materials is committed to promoting equal opportunities within the company. A key focus is on increasing the representation of women in management positions. Worldwide³⁾, this representation in the two levels below the Managing Board is to increase to 25%³⁾ by 2030. In this way, we also aim to contribute to SDG 5 (gender equality).

For Germany, the proportion of women in the first and second leadership levels below the Managing Board is to be 27% by 2027. This target is based on the requirements of the Second German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors (Zweites Führungspositionen-Gesetz, FÜPoG II).

The representation of women describes the ratio of female managers to the total number of managers at the respective levels at Heidelberg Materials. The baseline values are 14% for the proportion of women in management positions worldwide and 17% and 19% respectively for the first and second leadership levels in Germany. The base year for all values is 2021.

With regard to collective bargaining, work-life balance, training and skills development, and the employment and inclusion of persons with disabilities, we do not believe that there is any benefit to be gained from setting quantitative targets. The effectiveness of our policies and measures in these areas is continuously reviewed, including through measures such as internal reporting, audits, feedback from stakeholders, and metrics. The analysis also includes

3) Excluding the North America Group area

the number of cases and circumstances relating to human rights-related incidents reported in the whistleblower system.

Employees

All metrics relating to employees are recorded on a per capita basis and come predominantly from our global HRIS system. All metrics were collected on the reporting date of 31 December 2025. This year’s data collection thus deviates from last year’s meth-

odology, in which the figures were calculated as average values at the end of the quarter. As at the 2025 reporting date, the number of employees stood at 48,973 (previous year: 51,129) (see **Note 7.4**). Across the Group, 8,799 people left the company, among others due to the Transformation Accelerator initiative and the associated efficiency improvements and structural adjustments. At the same time, acquisitions such as Giant Cement (North America) and Asment de Témara (Morocco) resulted in new hires.

Employees

	2024	2025	Unit	Reference
Employees by gender				
Male	-	41,450	persons	S1-6 50a
Female	-	7,517	persons	S1-6 50a
Other	-	6	persons	S1-6 50a
Not reported	-	0	persons	S1-6 50a
Total employees	51,129	48,973	persons	S1-6 50a
Employees (share) by gender				
Male	84	85	%	S1-6 50a
Female	16	15	%	S1-6 50a
Other	0	0	%	S1-6 50a
Not reported	0	0	%	S1-6 50a
Employees in Group countries¹⁾				
Germany	4,688	4,595	persons	S1-6 50a
USA	6,523	6,671	persons	S1-6 50a

1) Group countries that account for at least 10% of total employees

The turnover rate includes all voluntary and involuntary terminations in the reporting year, including retirements and deaths. It is calculated by dividing the total number of departures in the reporting year by the total number of employees at the end of the year.

A share of 66% of employees worldwide is covered by collective bargaining agreements. There is no further breakdown of collective bargaining coverage by country or region, as none of our Group countries within the European Economic Area exceeds the limit value of 10% of the total workforce.

Fluctuation and employees covered by collective bargaining agreements

	2024	2025	Unit	Reference
Fluctuation				
Number of employees who have left the company	6,957	8,799	persons	S1-6 50c
Rate of employee turnover	15	18	%	S1-6 50c
Collective bargaining coverage				
Percentage of employees covered by collective bargaining agreements	–	66	%	S1-8 60a

Full-time employees are defined as all employees with an employment rate between 0.95 and 1.0 FTE, while part-time employees have an employment rate of less than 0.95 FTE. Employees with variable working hours do not have a fixed employment level and are therefore recorded as 0 FTE.

Permanent employees are defined as persons with a permanent employment contract without a fixed end date. Temporary employees are defined as persons with an employment relationship of predefined duration, which is limited in time by a fixed end date or a specific purpose.

Employees by contract type, broken down by gender

	2025						Reference
	Female	Male	Other ¹⁾	Not disclosed	Total employees	Total share (%)	
Number of employees	7,517	41,450	6	0	48,973	100	S1-6 50a
Number of permanent employees	7,151	39,273	5	0	46,429	95	S1-6 50b
Number of temporary employees	346	1,956	1	0	2,303	5	S1-6 50b
Number of non-guaranteed hours employees	20	221	0	0	241	0	S1-6 50b
Number of full-time employees	6,768	40,778	6	0	47,552	97	S1-6 52a
Number of part-time employees	749	672	0	0	1,421	3	S1-6 52b

1) Gender according to own declaration

Employees by contract type and region

	2025						Reference
	Europe	Asia-Pacific	Africa-Mediterranean-Western Asia	North America	Total employees	Total share (%)	
Number of employees	21,901	11,512	7,183	8,377	48,973	100	S1-6 51
Number of permanent employees	20,995	10,928	6,158	8,348	46,429	95	S1-6 51
Number of temporary employees	906	343	1,025	29	2,303	5	S1-6 51
Number of non-guaranteed hours employees	0	241	0	0	241	0	S1-6 51
Number of full-time employees	20,836	11,218	7,136	8,362	47,552	97	S1-6 52 a
Number of part-time employees	1,065	294	47	15	1,421	3	S1-6 52 b

Diversity metrics

Our long-term measures to increase the representation of women in management positions are aimed at bringing about a sustainable change in the workforce structure.

As at 31 December 2025, the proportion of women in Germany in the first leadership level below the Managing Board was 17% (previous year: 13%) and 23% (previous year: 27%) in the second leadership level. Across the Group, the representation of women in the

two leadership levels below the Managing Board increased to 20% (previous year: 18%).

This progress underscores the effectiveness of our development programmes in nurturing female talent with potential for levels n-1 and n-2. In Germany, the proportion of women at these two leadership levels remained largely stable, mainly due to the low turnover in these positions. Progress made so far in achieving our targets has been in line with our expectations.

Diversity metrics

	Baseline value	2024	2025	Unit	Reference
Gender distribution at top management level (n-1 and n-2)					
– Male	–	–	468	persons	S1-9 66a
– Female	–	–	114	persons	S1-9 66a
Gender distribution (share) at top management level (n-1 and n-2)					
– Male	–	82	80	%	S1-9 66a
– Female	14	18	20	%	S1-9 66a, SC2030
Gender distribution (share) at the first leadership level in Germany					
– Male	–	87	83	%	
– Female	17	13	17	%	
Gender distribution (share) at the second leadership level in Germany					
– Male	–	73	77	%	
– Female	19	27	23	%	
Distribution of employees by age group					
– under 30 years old	–	–	5,494	persons	S1-9 66b
– 30–50 years old	–	–	26,074	persons	S1-9 66b
– over 50 years old	–	–	17,405	persons	S1-9 66b
Distribution of employees (share) by age group					
– under 30 years old	–	11	11	%	S1-9 66b
– 30–50 years old	–	52	53	%	S1-9 66b
– over 50 years old	–	36	36	%	S1-9 66b

The data comes from our global HRIS system. Upper management comprises the hierarchical levels n-1 and n-2 below the Managing Board (n = Managing Board). Employees are considered part of the upper management if they hold a leadership role – that is, if they have at least one direct subordinate for whom they bear immediate management responsibility. This applies regardless of their formal internal management level. The representation is calculated on a per capita basis.

When defining the target, consideration was given to the fact that Heidelberg Materials operates in a traditionally male-dominated industry – a factor that makes achieving the target more difficult, but does not undermine it. The positive development of the metric over the past few years can be seen as a success on the path towards achieving gender equality, equal pay for work of equal value, and diversity.

Occupational safety metrics

The lost time injury frequency rate increased to 1.6 (previous year: 1.3), returning to the level of our 2020 base year. The lost time injury severity rate rose from 67 to 72. These figures include newly acquired companies, which are reported for the first time this year. The results indicate a higher number of lost time injuries and slightly longer absences compared with the previous year.

In the 2025 financial year, we also mourned the deaths of three employees and four contractor employees. These incidents clearly run counter to our commitment to occupational safety. We are working hard on identifying hazards, addressing root causes, and further reducing risks. Country managers are required to attend the monthly Managing Board meeting to discuss the accident in question, and the board often visits the location concerned. In addition to

fatalities, injuries and serious near misses were also investigated, and action plans were developed to prevent similar incidents in the future.

The measures include the implementation of LOTOTO procedures, in which machines are switched off and secured during maintenance work so that they cannot be started accidentally. In addition, communication channels between maintenance and control teams have been optimised, routes and traffic management in quarries have been redesigned, skills assessments and refresher training for drivers have been introduced, contingency plans have been updated, and confined space access protocols have been drawn up. In addition, safety briefings and toolbox meetings at the locations have been intensified.

99.9% of our workforce is covered by occupational health and safety management systems such as ISO 45001 or local standards. These locations are regularly internally and externally audited, as required by the relevant management system. The systems require a structured approach from the local line management with planning, clear work procedures, responsibilities, and controls to ensure ongoing improvement and thereby prevent accidents. The results of internal or external H&S audits are communicated to the responsible management, and an action plan is drawn up if remedy is required. Implemented management systems that are certified in accordance with ISO 45001 are externally audited and verified.

Health and safety metrics

	Baseline value	2024 ¹⁾	2025	Unit	Reference
All business lines					
Number of recordable work-related accidents	–	134	159	number	S1-14 88c
Lost time injury frequency rate (LTIFR) ²⁾	1.6	1.3	1.6	–	S1-14 88c, GCCA, SC2030
Lost time injury frequency rate (LTIFR) by region	–				S1-14 88c, GCCA
– Europe	–	2.1	2.9	–	S1-14 88c, GCCA
– North America	–	1.2 ⁵⁾	0.5	–	S1-14 88c, GCCA
– Asia-Pacific	–	0.8	1.1	–	S1-14 88c, GCCA
– Africa-Mediterranean-Western Asia	–	0.8	1.0	–	S1-14 88c, GCCA
Lost time injury severity rate ³⁾	–	67	72	–	GCCA
Fatality rate ⁴⁾	–	0.4	0.6	–	GCCA
Number of fatalities	–			–	
– Own workforce	–	2	3	persons	S1-14 88b, GCCA
– Contractor employees	–	8	4	persons	S1-14 88b, GCCA
Percentage of people in the workforce who are covered by health and safety management system based on legal requirements and/or recognised standards or guidelines	–	–	99.9	%	S1-14 88a
Cement business line					
Lost time injury frequency rate (LTIFR) ²⁾	–	1.1	1.1	–	GCCA
Lost time injury frequency rate (LTIFR) for contractors	–	1.3	1.1	–	GCCA
Lost time injury severity rate ³⁾	–	53	50	–	GCCA
Fatality rate ⁴⁾	–	0.9	0.9	–	GCCA

1) Values have been (partially) adjusted due to corrections in scope.
2) Number of recordable work-related accidents suffered by Group employees per 1,000,000 working hours
3) Number of lost working days resulting from accidents suffered by Group employees per 1,000,000 working hours
4) Number of fatalities of Group employees per 10,000 Group employees
5) Based on late reporting of recordable work-related accidents

Remuneration metrics

Fair and equal remuneration for all employees is a key concern for Heidelberg Materials. Some Group companies have been reporting remuneration metrics for several years now. This analysis was carried out systematically across the Group for the first time in the 2025 financial year.

The evaluations are based on the three salary components that are comparable worldwide and available in all countries, namely: base remuneration (base), variable remuneration (bonus), and long-term bonus (LTI). All contractually agreed remuneration elements paid out in the financial year are taken into account. Other local remuneration components, such as country-specific allowances or fringe benefits, are not included in the calculation due to a lack of international comparability as well as a disproportionate collection effort. However, sample checks were carried out to ensure that this approach did not have a significant impact on the gender pay gap.

The gender pay gap is the difference in the average gross hourly earnings between female and male employees divided by the average gross hourly earnings of male employees multiplied by 100. A positive value indicates that women earn less than men on average. A negative value means that women earn more than men on average.

The unadjusted gender pay gap in the 2025 financial year is –8.2%, which is in favour of women. This gap can be traced back to the composition of our workforce: women are predominantly employed in administrative functions, while men are more strongly represented in industrial and production-related sectors. Combined with the different remuneration levels in these fields of activity, this leads to a higher average earnings of our female workforce overall.

The annual total remuneration ratio of the highest paid individual (at Heidelberg Materials, this is the Chairman of the Managing Board) to the median annual total remuneration for all employees is also calculated – although the remuneration of the Chairman of the Managing Board is not included in the median calculation. The median paid person is determined on the basis of the three globally available remuneration components (base remuneration (base), variable remuneration (bonus), and long-term bonus (LTI)). A statement of accounts for this person is then used, which takes the entire remuneration paid out in the financial year, including – if applicable – allowances, overtime payments, etc. and compares it with the remuneration paid out to the Chairman of the Managing Board. This metric provides transparency about the remuneration structure and contributes to the assessment of internal income ratios.

The annual total remuneration ratio in the 2025 financial year was 1:211.

Remuneration metrics

	2025	Unit	Reference
Gender pay gap	–8.2	%	S1-16 97a
Annual total remuneration ratio	1:211	–	S1-16 97b

Human rights metrics

In 2025, a total of 411 complaints were submitted, 128 of which were classified as human rights-related cases. Of these 128 cases, 41 have been confirmed.

During the reporting period, 15 cases of discrimination and 38 cases of harassment were reported. Four of the discrimination cases were confirmed, and eleven cases of harassment have been substantiated.

In 2025, the cases reported here did not lead to any government sanctions, such as fines against Heidelberg Materials or compensation payments by the company.

Information on the number and type of compliance cases is determined by evaluating the documentation in our compliance case management system. Case types related to discrimination, harassment, occupational health and safety, child labour, and forced labour are among those categorised as cases with a human rights dimension.

In addition, the compliance officers can flag other case types as having a human rights dimension so

that they too are included in the statistical human rights reporting. The definition of serious cases is set out in the publicly available Group Compliance Incident Reporting & Case Management Policy and takes into account financial damage, the involvement of top managers, or the significance to the company, such as reputational damage or the extent of the impact on the persons concerned.⁴⁾

The table shows the incidents reported in 2025. One serious human rights incident involving the company’s workforce was reported and found to be substantiated. An employee of the company was also involved in this incident and disciplinary measures were taken against him.

No complaints concerning Heidelberg Materials were submitted to an OECD contact point in 2025.

There were no corresponding fines, other sanctions, or compensation payments in the 2025 financial year.

4) The description also complies with the disclosure requirement on the definition of severe incidents in the Engaging with affected communities section of chapter S3 – Affected communities.

Incidents, complaints, and severe human rights impacts

	2024	2025	Unit	Reference
Incidents of discrimination, including harassment	40	53	number	S1-17 103a
Complaints filed through channels for people in own workforce to raise concerns	339	411	number	S1-17 103b
Severe human rights issues and incidents connected to own workforce	3	2	number	S1-17 104a
Severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0	number	S1-17 104a
Severe human rights cases where the company played role securing remedy for those affected	0	1	number	S1-17 AR 106

Impacts, risks, and opportunities

S2 – Workers in the value chain



Working conditions

Secure employment

Potential positive impact of our value-oriented corporate culture, which is also a standard requirement for our dealings with business partners	Positive impact (potential)	Upstream and downstream value chain

Adequate wages

Potential negative impacts on the standard of living due to inadequate wages and thus also on the physical and psychological health of specific groups of workers in the upstream value chain	Negative impact (potential)	Upstream value chain

Collective bargaining

Potentially weaker negotiating positions of certain groups of workers in the value chain in individual countries due to absent or weak trade unions	Negative impact (potential)	Upstream and downstream value chain

Health and safety

Health and safety hazards and high workload in the workplace in the upstream and downstream value chain	Negative impact	Upstream and downstream value chain

Other work-related rights

Child labour

Possible negative impacts of child labour in individual countries in the upstream and downstream value chain, both on physical and psychological health and on the educational opportunities and development of children	Negative impact (potential)	Upstream and downstream value chain

Forced labour

Possible negative impacts of forced labour in individual countries in the upstream and downstream value chain, on both the physical and psychological health of workers	Negative impact (potential)	Upstream and downstream value chain

Material impacts and their interaction with strategy and business model

Heidelberg Materials is committed to upholding the human rights of employees and ensuring safe and fair working conditions in the value chain, and integrates the protection of human rights into its strategy and business model. The strategic alignment of the business model considers complex interactions along the upstream and downstream value chain. Potential impacts on working conditions and other labour-related rights were identified in a human rights

risk analysis. These include inadequate wages, limited collective bargaining rights, and serious violations such as child and forced labour as potential negative impacts as well as health and safety hazards as actual negative impacts. These factors can have a negative impact on the standard of living, physical and psychological health, and development opportunities of affected workers in the value chain. Heidelberg Materials implements targeted measures in the upstream and downstream value chain to avoid negative impacts and increase positive impacts. In particular, these include actively working to advance fair

working conditions, consistently rejecting forced and child labour, and implementing a responsible management approach.

As a globally active company with complex supply chains, we mainly work with local suppliers, service providers, and customers. In certain regions, such as Southeast Asia and Africa, the identified negative impacts are widespread. To address these, we rely on a value-oriented corporate culture. We expect our business partners to comply with fundamental labour law standards and actively promote fair working conditions, particularly by integrating sustainability criteria into our procurement processes, conducting risk analyses and audits, collaborating with suppliers to improve working conditions, and promoting dialogue structures and trade union rights. In this way, we intend to strengthen human rights due diligence obligations along the entire value chain and initiate sustainable improvements.

Heidelberg Materials has implemented a procurement strategy to address the negative impacts on workers in the value chain in terms of working conditions and other work-related rights, particularly regarding child and forced labour. We aim to reduce these impacts through a series of preventive measures (see **Actions section**).

Heidelberg Materials' business model necessitates cooperation with a variety of different and globally distributed suppliers. We currently work with more than 110,000 suppliers and business partners in over 100 countries in predominantly local business rela-

tionships (approximately 90% of all expenditure worldwide)¹⁾. In the reporting year, Heidelberg Materials procured goods and services with a total value of €13.9 billion. This corresponds to 64.9% of total revenue.

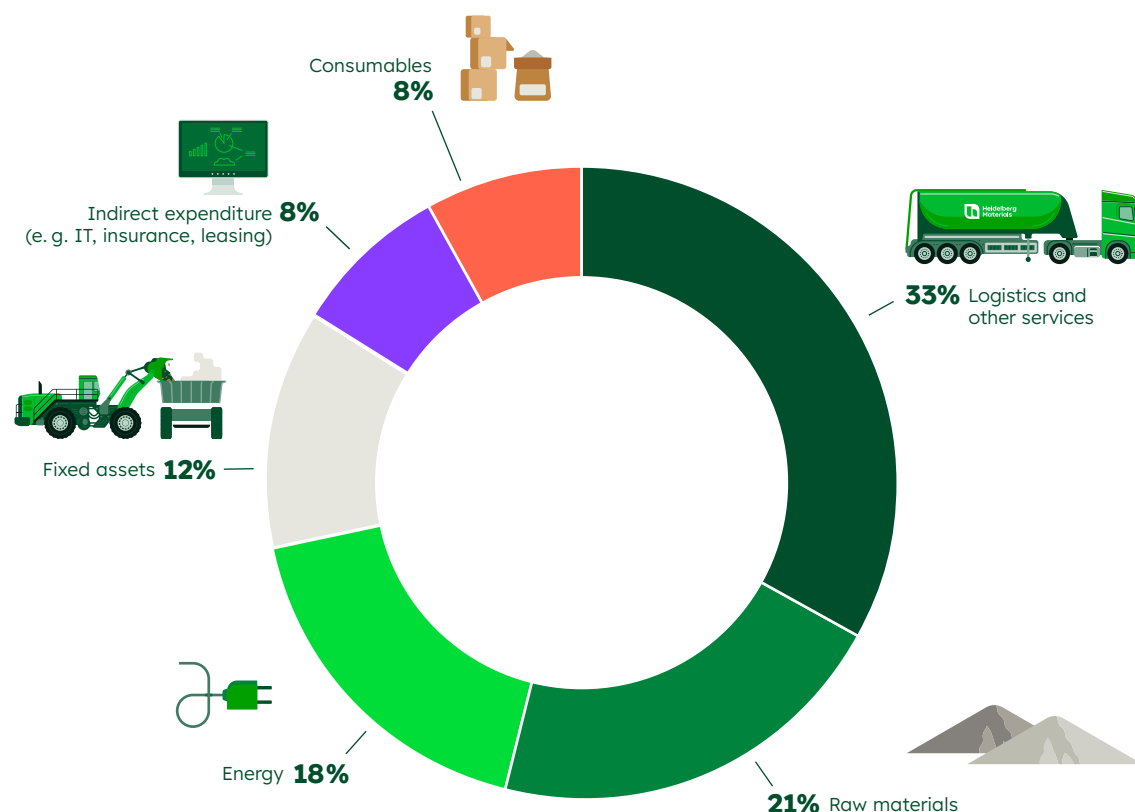
Workers in the value chain

Workers in the value chain who may be materially impacted by Heidelberg Materials include:

- Workers of suppliers: These individuals are active in the production and distribution of products and materials. They may be exposed to various health and safety risks, child and forced labour, inadequate wages, and poor working conditions due to absent or weak trade unions. Young workers therefore represent a category of workers who may be particularly vulnerable to negative impacts. External service providers perform services directly at Heidelberg Materials' production facilities and may be exposed to health risks (such as dust exposure, hazardous substances, accidents, and ergonomic risks due to heavy loads).
- Workers in the upstream value chain: This category includes workers in the mining and pre-processing of raw materials for concrete production, the production of many chemical products, and recycling. Workers in upstream logistics, retail, as intermediaries, and administration also fall into this category.

1) This figure is based on an analysis in the countries that use our central SAP system and relates to 68% of annual global expenditure.

Procurement volumes 2025



The abstract risk analysis identifies country- and industry-specific risks to human rights at the level of direct suppliers and in the upstream value chain. In the specific risk analysis, potentially high-risk suppliers are identified at least once a year through comprehensive investigations and the collection of additional data. During this process, we are in direct contact with our suppliers, who provide the neces-

sary information for risk assessment via platforms such as IntegrityNext.

The findings from cooperation with stakeholders along the upstream supply chain from this process feed into the regular review of the Group strategy for avoiding and, if necessary, mitigating negative impacts.

We also conduct annual risk analyses regarding working conditions in the value chain. These analyses aim to advance fair conditions in the workplace and improve health and safety measures in our direct supply chain.

The implementation of due diligence processes and responsible management of our suppliers can also contribute towards combatting child and forced labour in the supply chain and thus have positive impacts on other work-related rights. These measures help to ensure that our suppliers uphold ethical standards. By carrying out regular reviews and audits, we can identify potential violations and take action to advance respect for human rights.

According to our abstract risk analysis, child labour is a significant challenge in the building materials industry, albeit one that varies in frequency by region. Because this industry involves labour-intensive activities, in regions with weak social and labour structures children may be engaged, either directly by suppliers or through subcontractors. In particular, there may be a moderate risk of child labour in individual countries in West Africa and Asia.

Forced labour and other human rights abuses are widespread in informal micro and small enterprises active in the mining and production of raw materials. Marginalised communities, migrants, and minorities are among the groups at particular risk in individual countries in Southeastern Europe and Asia.

The abstract risk analysis identified material negative impacts in the following areas of the upstream value chain: suppliers of packaging materials, lubricants and fuels, electricity, raw materials, vehicles, laboratory and IT hardware, services, and upstream inbound logistics.

There is an increased likelihood of negative impacts regarding health and safety particularly for workers of suppliers in individual countries in Asia and Southern Europe as well as in North America. Furthermore, negative impacts on working conditions are widespread or systemic in that region.

Heidelberg Materials counteracts material negative impacts on workers in the value chain with regard to health and safety, in particular through risk assessments and established management systems. The requirements regarding occupational safety are also communicated to workers of suppliers and contractors through training and on-the-job instruction.

Review of the suitability of preventive measures is an integral part of the specific risk analysis. The specific risk analysis showed the preventive measures for mitigating risks are still appropriate. The same applies for material impacts. The human rights coordinators identify preventive measures at country level in relation to the defined risk categories of the Ger-

man Supply Chain Due Diligence Act (Lieferketten-sorgfaltspflichtengesetz, LkSG). Based on the information collected and documented for the risk analysis, they decide whether these measures are still suitable for effectively preventing or minimising potential impacts.

Heidelberg Materials uses the SpeakUp whistle-blower system, which also allows workers in the value chain to report complaints as well as incidents and suspected violations anonymously. The way **SpeakUp** works, its availability, and how its effectiveness is monitored are described in the Whistle-blower system sections of chapters **S1 – Own workforce** and **G1 – Corporate Governance**.

We have not been notified of any severe incidents involving workers in the value chain through SpeakUp or any other channels.

Policies

Heidelberg Materials is committed to acting in accordance with internationally recognised human rights standards, applicable laws, and the regulations of the respective Group countries, and in accordance with our own corporate policies and guidelines. Our suppliers are required to comply with the principles of the Supplier Code of Conduct, in which Heidelberg Materials addresses precarious working conditions in the supply chain by setting clear guidelines. The code includes provisions designed to prevent forced labour, child labour, and human trafficking, and to ensure fair working conditions and adequate wages.

Heidelberg Materials is committed to respecting the interests, views, and rights of workers in its value chain and their human rights in accordance with the following policies. In doing so, we strive to comply with international standards by implementing internal policies that address the material negative impacts relating to working conditions and other work-related rights. Overall, the policies described below do not exclude any category of workers in the value chain.

Supplier Code of Conduct	
Scope	Worldwide
Value chain	Upstream value chain
Most senior level accountable	Chief Financial Officer
Availability	Public
Relevance in the sustainability report	E3 – Water and marine resources
	E4 – Biodiversity and ecosystems
	S2 – Workers in the value chain
	G1 – Corporate governance

The Supplier Code of Conduct includes the obligation of suppliers to conduct their business with integrity, to respect fundamental human rights, and not to offer inappropriate benefits such as payments or gifts that could influence decision-making. The code addresses impacts on the material topics of working conditions and other work-related rights. The focus is on the commitment to human rights matters (such as the payment of adequate wages and the recognition of freedom of association), including the prohi-

bition of child and forced labour, ensuring fair and safe working conditions, and the prohibition of discrimination. We strive to firmly anchor these principles in all framework agreements so that suppliers must not only comply, but also implement them in their respective supply chains. Compliance is monitored by annual risk assessments and, if necessary, with audits conducted by Heidelberg Materials. If supplier risks are identified, the Supplier Code of Conduct entitles Heidelberg Materials or authorised persons to carry out measures such as assessments, training, and audits to verify compliance with human rights obligations and mitigate identified risks.

The code aims to ensure compliance with international occupational safety and well-being standards and to promote the implementation of an appropriate compliance management system. Our compliance management system is designed to comply with the requirements of the United Nations Guiding Principles on Business and Human Rights, ILO core labour standards, and the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG).

Visitor Contractor Safety Standard	
Scope	Worldwide
Value chain	Upstream and downstream value chain
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
Relevance in the sustainability report	S2 – Workers in the value chain

The Visitor Contractor Safety Standard contains the occupational safety requirements at Heidelberg Materials locations to minimise negative impacts on

the health and safety of visitors and contractors in the upstream and downstream value chain. This includes the provision of occupational safety information to visitors and ensuring contractors and their subcontractors comply with safety regulations. The aim is to prevent accidents and injuries and to advance awareness of occupational safety measures.

The standard is made available to contractors. Heidelberg Materials’ subsidiaries also verify compliance with safe working conditions and oblige contractors to train their workers in accordance with general expectations and requirements for the contracted work as well as applicable laws and regulations.

Code of Business Conduct	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Code of Business Conduct is described in the [Policies section of the chapter S1 – Own workforce](#). The Code of Business Conduct addresses the impacts on the material topics of working conditions and other work-related rights.

Compliance with the Code of Business Conduct is the responsibility of each and every individual. The Code takes a clear stand against modern slavery, forced labour, child labour, and human trafficking and explicitly states that such practices will not be tolerated by Heidelberg Materials or its business partners.

Global Procurement Policy & Responsible Procurement Procedure	
Scope	Worldwide
Value chain	Upstream value chain
Most senior level accountable	Chief Financial Officer
Availability	Internal
Relevance in the sustainability report	S2 – Workers in the value chain

The Global Procurement Policy defines guidelines for Heidelberg Materials’ supplier relationships and procurement activities and refers to the Supplier Code of Conduct, the Code of Business Conduct, the Occupational Health & Safety Policy, and other company policies. The Global Procurement Policy addresses the impacts regarding the material topics health and safety and other work-related rights. Compliance is monitored by means of close cooperation with suppliers and an internally developed risk management programme.

The Global Procurement Policy is supplemented by the Responsible Procurement Procedure for the implementation of the Responsible Procurement initiative with the aim of establishing a responsible supply chain with the involvement of local suppliers. The Responsible Procurement Procedure addresses the recognition of human rights and environmental protection requirements, as well as adherence to compliance guidelines.

Policy Statement on Human Rights	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Policy Statement on Human Rights is described in the [Policies section of chapter S1 – Own workforce](#) and addresses the impacts regarding the material topics working conditions and other work-related rights. In addition to its own employees, it also applies to employees in the upstream and downstream value chain and it covers areas such as occupational safety, environmental protection, human rights and general compliance, which must be taken into account when evaluating new and existing supplier relationships.

Group Human Rights Compliance Management Policy

Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain
	S4 – Consumers and end-users

The Group Human Rights Compliance Management Policy, which is described in the **Policies section of the chapter S1 – Own workforce**, defines the framework for Heidelberg Materials’ human rights compliance management system. It addresses the impacts regarding the material topics working conditions and other work-related rights.

Procedure for Protecting Young Workers

Scope	Worldwide
Value chain	Upstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain

Heidelberg Materials is committed to preventing child labour in its own operations and along the upstream value chain. The Procedure for Protecting

Young Workers addresses the impacts regarding the material topics child labour and forced labour. The procedure covers all Heidelberg Materials employees, including interns, apprentices and student programme participants, and it also applies to external service providers.

Heidelberg Materials strives to ensure that employees under the age of 18 have age-appropriate work schedules. Dangerous activities should be avoided as far as possible. School obligations are to be taken into account and working hours are to be adjusted accordingly.

The procedure is intended to help ensure that suppliers and service providers, such as those employed by Heidelberg Materials, are encouraged to carry out age verification measures in order to prevent the employment of children below the legal minimum age, to ensure access controls, and to maintain a list of employees under the age of 18. If child labour is suspected, such incidents must be reported immediately. Compliance with these requirements is verified by means of audits, among other things, and serves to protect young people and ensure compliance with international standards such as those of the International Labour Organization (ILO).

Engaging with value chain workers

Heidelberg Materials cooperates with workers in the value chain in various ways, including through supplier discussions and surveys, supplier days, and training on safety and sustainability matters, which typically take place annually. In addition, we use information available from sources such as the risk

assessment system to analyse human rights risks in certain industries and countries, and incorporate the perspective of workers in the supply chain. This analysis also takes into account risks of discrimination against marginalised groups.

Various Group departments are responsible for engaging with value chain workers, namely: Group Legal & Compliance (human rights), Sustainability (environmental issues with an impact on human rights), as well as Group Procurement (interaction with suppliers) and Group Human Resources (employee representatives).

To improve the effectiveness of its cooperation with workers in the value chain, Heidelberg Materials implements various measures, such as health and safety training. The training activities are designed to ensure that all workers can carry out their tasks properly and in strict compliance with safety regulations. They are intended to prevent accidents, minimise risks, and improve compliance with standards along the value chain, a key aspect of cooperation and prevention. With these measures, we are contributing to safety in the workplace and also promoting a culture of vigilance and responsibility.

Actions

To promote fair working conditions and compliance with work-related rights in the value chain, Heidelberg Materials is committed to responsible procurement. The actions described below apply across the Group to companies in which Heidelberg Materials exercises management control, with impacts on the upstream value chain, unless otherwise indicated. The intention

is to maintain these measures permanently and develop them further if necessary. The actions described are intended to prevent or reduce negative impacts.

Safeguarding delivery times, protection standards, and due diligence procedures

In the reporting year, Heidelberg Materials continued to take measures across the Group to avoid unexpected changes to delivery times, implement high protection standards for subcontractors, and carry out annual due diligence procedures. These measures support compliance with the Occupational Health and Safety Policy and the Policy Statement on Human Rights (see **Policies section of the chapter S1 – Own workforce**).

Partners such as Ariba and IntegrityNext help us to monitor and promote suppliers’ compliance with the Supplier Code of Conduct and other sustainability expectations. Suppliers are required, among other things, to provide information on whether they recognise and are committed to complying with various human rights standards and minimum requirements with regard to child labour, forced labour, and abuse; working conditions and wages; freedom of association and collective bargaining (including the recognition and advancement of the fundamental right of workers to form trade unions and of the right to collective bargaining); and equality and non-discrimination. This protects workers of suppliers from additional pressure and identifies and mitigates negative impacts on human rights. The checks are carried out with the help of our partners as part of the specific risk analysis and are repeated annually to account for new or changed business relationships with suppliers.

Heidelberg Materials does not tolerate forced or child labour in its value chain. The company demands compliance with the Supplier Code of Conduct and the Procedure for Protecting Young Workers, and works with partners to combat forced and child labour. Regular risk analyses help us to identify and eliminate potential cases at an early stage. To combat the causes of child labour, we run CSR projects to promote education. The objective is to offer children and young people opportunities and prevent them from entering the workforce at a young age. Our human rights coordinators are trained to identify signs of forced and child labour.

Targets and metrics

As part of the **Sustainability Commitments 2030** approved by the Managing Board, Heidelberg Materials has set itself a Group-wide target for the upstream value chain to establish a sustainable supplier framework. The target was defined together with the relevant departments at Heidelberg Materials. The progress made so far in achieving the targets is aligned with our expectations. The following significant assumptions were made when defining the target:

- Suppliers demonstrating a high level of transparency on sustainability matters place more value on implementing and following up on these sustainability matters (sustainability performance).
- The higher the sustainability performance of our critical suppliers, the lower the risk of potentially negative impacts on workers.

The target supports the achievement of SDG 8 (“Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all”).

Supplier Sustainability Performance Rate

By 2030, we want 80% of our critical supplier expenditure to be with suppliers endorsed with a green ESG rating. In the 2025 financial year, the Supplier Sustainability Performance Rate was 72% (previous year: 64%).

The Supplier Sustainability Performance Rate indicates the percentage of the total procurement volume from Heidelberg Materials’ critical suppliers that have received a green ESG rating from our partner IntegrityNext. Heidelberg Materials defines critical suppliers as internationally active suppliers that are crucial for its core business and/or able to significantly influence the performance of its supply chains and locations. The baseline value is the procurement volume from critical suppliers in the respective previous year. The base year is 2024.

After reviewing the necessary data, the Responsible Procurement team invites critical suppliers to be assessed by our partner IntegrityNext. The assessment includes, among other aspects, an examination of action taken by suppliers to address working conditions, such as fair remuneration for workers, freedom

of association and assembly, occupational safety, and the prevention of forced or child labour. A supplier can only receive a green ESG rating if they offer full transparency in answering extensive ESG questions and if the assessment by IntegrityNext does not reveal any significant risks in the above-mentioned topic areas.

The Supplier Sustainability Performance Rate is determined and monitored internally on a quarterly basis; no additional stakeholders are involved. The analysis can be used to identify opportunities to improve working conditions for workers in the upstream value chain, enabling targets to be met through corrective measures in the event of deviations. Interaction with suppliers provides insights into how they handle potential risks and opportunities, as well as potential areas for improvement at each supplier. When potential for improvement is identified, this is discussed with suppliers and after implementation, reflected in an increased Supplier Sustainability Performance Rate.

Impacts, risks, and opportunities

S3 – Affected communities



Communities’ economic, social and cultural rights

Security-related impacts		
Increased security, improved infrastructure, and development that takes into account the needs of communities, as well as economic advancement, partly through the selection of local business partners	Positive impact	Upstream and downstream value chain, own operations
Potential social tensions and security concerns among the local population due to the presence of external workers and the intensive transportation of materials and local business activities near residential areas	Negative impact (potential)	Own operations, downstream value chain

Adequate food		
Reduction of arable land at individual locations	Negative impact	Own operations
Adequate housing		
Resettlements as a result of our local business activities	Negative impact	Own operations
Water and sanitation		
Potential impairment of local water sources, drinking water supply, and water quality	Negative impact (potential)	Own operations

Communities’ civil and political rights

Freedom of expression and assembly		
Promoting freedom of expression in local communities through dialogue on the impact of newly established or expanded production sites on living conditions. The dialogue strengthens the community and allows for more sustainable use of our raw material resources.	Positive impact (potential)	Own operations
Rights of indigenous peoples		
Free, prior, and informed consent, self-determination and cultural rights		
Possible infringement of the rights of indigenous communities, as well as social and cultural restrictions due to the alteration of land, particularly with regard to free, prior, and informed consent	Negative impact (potential)	Own operations

Material impacts and their interaction with strategy and business model

As a global Group with a strong regional business focus, we operate at many locations worldwide. Our quarrying and production sites are generally designed for a service life of several decades. To maintain acceptance of our business activities at the locations over these long periods and to fulfil our social responsibility, we rely on corporate social responsibility (CSR) activities and voluntary work to help us achieve specific positive social and environmental impacts from our business activities around our locations in a targeted manner. This includes our contribution to greater security and improved infrastructure, while taking into account the needs of local communities. We also promote the regional economy by giving preference to working with local business partners. In addition to creating jobs, we promote local economic development through wages, investment, local procurement, and taxes. We also contribute by building and upgrading schools and training centers to improve access to education and jobs.

The building materials industry, especially quarrying, has a negative impact on surrounding communities due to factors such as potential resettlement as a result of our local business activities and the reduction of arable land at specific sites. In addition – depending on the region – the presence of external workers, intensive transportation of materials, and business activities near residential areas can give rise to social tensions and security concerns among the local population. The rights of indigenous communities may be infringed upon and social and cul-

tural restrictions, particularly with regard to free, prior, and informed consent, may be exacerbated due to the alteration of land. The effects described can be seen particularly in sub-Saharan Africa and Southeast Asia.

Our business activities may also affect local water sources and the supply and quality of drinking water, thereby impacting surrounding communities. Water is hugely important for our production processes and is used, for example, when washing gravel and sand as well as for cooling or cleaning transport vehicles. It is also one of the source materials used in concrete manufacturing. We obtain the majority of the water we use from our own approved well systems, rivers, or lakes, and some from the public water supply. While the impacts can occur in different regions of the world, they are particularly pronounced in West and North Africa, Central and Southeast Asia, and in individual regions of Europe.

By defining processes, we aim to reduce negative impacts on arable land and the impact on communities. Our CSR strategy takes into account the economic, social, cultural, and political rights of communities as well as the rights of indigenous peoples, which are considered to be far-reaching, particularly in relation to the extraction of raw materials. We respect the freedom of expression of local communities and aim to promote dialogue on the impact of new or expanded production sites on the living conditions of surrounding communities.

Our local human rights coordinators identify negative impacts on the communities in the vicinity of our

production sites and recommend appropriate preventive and mitigation measures. In order to maintain mutually beneficial relationships, we ensure that there is regular dialogue between key stakeholders and locations. By 2030, we aim to strengthen our relationships with the communities at our plants in the medium and long term. This should allow us to implement measures effectively and, if necessary, to make adjustments.

The Chief Sustainability and New Technologies Officer (CSO) is responsible for community engagement and related actions at Managing Board level, while country managers are responsible for implementing policies and actions and achieving related targets. The Finance Directors bear the final responsibility for all expenditures related to CSR measures.

Affected communities

Stakeholders are identified at the local level. Additionally, stakeholder groups are classified according to criteria such as geographical proximity and specific interests. The most important groups include political and administrative units such as municipalities and authorities, local organisations, and religious and cultural groups that have a connection to the respective location.

Identifying individuals and groups that may potentially be affected by our activities is an essential part of fulfilling our due diligence obligations. Reports, market analysis, and scientific studies provide valuable insights into human rights issues frequently as-

sociated with our industry and affected groups, and they help us identify potentially vulnerable individuals. We focus on vulnerable and marginalised individuals and groups whose rights may be particularly threatened.

Human rights

We respect the rights of our stakeholders when acquiring, developing, or using land, forests, and water. We recognise applicable national and international laws, including the right to free, prior, and informed consent, and carry out required environmental impact assessments. In addition, we respect the rights of indigenous peoples, individuals, and associations working to protect land, forests, and water, as well as their right to peaceful protest and freedom of expression.

The company has developed and implemented clear processes and mechanisms to monitor compliance with the UN Guiding Principles on Business and Human Rights. We have done the same to monitor compliance with the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Heidelberg Materials is also guided by the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social, and Cultural Rights.

The Policy Statement on Human Rights especially addresses the rights of vulnerable groups, including indigenous peoples. Heidelberg Materials is committed

to responsible land use and management, to respecting the prohibition of unlawful evictions, and to the prohibition of the illegal expropriation of land, forests, and bodies of water that provide a livelihood for people. Heidelberg Materials recognises people’s right to self-determination as well as the participation rights of communities that depend on the country in question. With regard to indigenous groups, this includes the rights set out in the ILO Indigenous and Tribal Peoples Convention (No. 169), especially the right of indigenous peoples to free, prior, and informed consent.

Heidelberg Materials recognises the close connection between indigenous peoples and their ancestral lands. When business activities take place in such areas, we strive to ensure that affected communities are included and can give their prior, free, and informed consent. Even in countries that have not ratified ILO Convention No. 169 (and therefore do not recognise the right of indigenous communities to prior, free, and informed consent), discussions are held with the representatives of such communities.

We take the concerns of communities, including those of indigenous peoples, and their cultural rights into account as an important part of our due diligence before investing in brownfield and greenfield projects. For example, we respect archaeological or religious sites and strive to protect traditional habitats. If, for example, monuments need to be moved, consultations are conducted. We make contact with representatives of the local communities and try to take their rites and traditions into account.

In the 2025 financial year, there were no cases in our own operations or in the upstream and downstream value chain in which we were explicitly accused of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.

Mitigation measures

Heidelberg Materials uses various mechanisms to ensure that there are effective procedures for the implementation of mitigation measures in the event of significant adverse impacts. These include regularly monitoring and assessing the impact of our own operations on the environment and communities in order to identify negative impacts at an early stage. Such environmental self-assessments are carried out regularly at country level so that appropriate measures can be taken and the effectiveness of these measures can be continuously monitored through spot checks. This process is based on the Human Rights Risk Assessment.

If changes to project plans or specific measures are required to prevent or mitigate negative impacts, such changes will be implemented in consultation with the affected communities and in close coordination with local stakeholders. Typical examples of such mitigation measures include compensation payments for land, the planting of new vegetation, and – if necessary – the resettlement of those affected, with an emphasis on transparent communication. Through ongoing dialogue with affected communities, we assess whether the mitigation measures taken

have been effective and adjust our measures as necessary.

Mitigation measures to deal with negative impacts usually comprise a combination of different elements. Depending on the impact at the particular location, targeted measures can be implemented. Appropriate mitigation measures for the negative impacts typically associated with the building materials sector include relocating people to places of equal or better value, restoring the land used, and promoting economic opportunities for the affected communities. Regular road washing, systematic inspections, maintenance of the road to reduce the accumulation of fine sediment, and the setting of speed limits for service vehicles can also reduce potential noise and dust pollution, for example.

Where necessary, specific mitigation measures are developed and implemented, including measures for the creation of biodiversity management plans and community engagement plans. The focus is on minimising damage and restoring affected areas. In addition, these measures are developed in consultation with the affected stakeholders to ensure that they are effective and accepted. Heidelberg Materials integrates these processes into its governance structures. This is to ensure that the mitigation measures are implemented.

Policies

Heidelberg Materials has developed policies to manage the material social, environmental, and economic impacts on affected communities. These aim to

promote sustainable development, infrastructure, education, culture, and the environment, as well as economic growth in the regions in which we operate.

**Community Engagement Policy
(including Corporate Volunteering Policy)**

Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	<u>S3 – Affected communities</u>

With its Community Engagement Policy, supplemented by its Corporate Volunteering Policy, Heidelberg Materials aims to support local communities through engagement in matters relating to culture, the environment, infrastructure, and education and addresses the impacts in relation to the material topic security-related impacts. The four areas of focus form a framework for our CSR activities, which is intended to ensure transparency and traceability. Local management is responsible for overseeing compliance with the policy. Internal and external audits and spot checks are carried out to ensure implementation.

The interests of various partners from industry, associations, and governmental and non-governmental organisations as well as universities and research institutions were taken into account when developing the policy.

Responsible Land Use Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
	E3 – Water and marine resources
	E4 – Biodiversity and ecosystems
Relevance in the sustainability report	S3 – Affected communities

The Responsible Land Use Policy includes the company’s commitment to responsible land management in order to protect and improve biodiversity and people’s living conditions. It aims to prevent harmful soil change, water pollution, and excessive water consumption, as well as to protect local water resources through water quality monitoring.

The policy addresses the impacts associated with the material topics of economic, social, and cultural rights of communities, civil rights, and political rights of communities, including the rights of indigenous peoples. It defines the most important principles for the management and development of land. It also serves as a guide for dealing with local communities and takes into account the role of land as a resource.

The policy takes into account the impacts on local communities, public authorities, and other stakeholders affected by land use and reclamation.

Policy Statement on Human Rights	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
Relevance in the sustainability report	G1 – Corporate governance

Heidelberg Materials’ Policy Statement on Human Rights is described in the **Policies section of the chapter S1 – Own workforce** and relates not only to the Group’s own employees but also affected communities. The policy addresses the impacts associated with the material topics of economic, social, and cultural rights of communities, civil rights, and political rights of communities, including the rights of indigenous peoples.

Code of Business Conduct	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
Relevance in the sustainability report	G1 – Corporate governance

Heidelberg Materials’ Code of Business Conduct is described in the **Policies section of the chapter S1 – Own workforce** and also applies to affected communities. The Code of Business Conduct addresses the impacts related to the material topics of civil rights and political rights of communities, including the rights of indigenous peoples. In it, we describe how we prevent and minimise human rights risks in our working environment through continuous dialogue with local people, organisations, and authorities. The primary aim of these efforts is to ensure the well-being of the people who live in the vicinity of our sites. In this way, we aim to actively strengthen economic and social development in the countries and regions in which we operate.

Engaging with affected communities

Heidelberg Materials engages local communities in the development of its local business activities through various dialogue formats. These strategies also include long-term partnerships with non-governmental and non-profit organisations. The company keeps the local communities and stakeholders informed through dialogue, newsletters, and open days, for example. By means of community engagement plans, we maintain regular contact with members of potentially affected communities at our production sites. These plans are intended to ensure greater structure and regularity for the often already existing dialogue with local stakeholders.

In line with the Community Engagement Policy, Heidelberg Materials interacts with stakeholders such as municipalities, government agencies, and local organisations and informs them at an early stage about our planned projects at the respective locations. In Egypt, for example, annual stakeholder meetings are organised to promote active dialogue and inform relevant stakeholders about the projects. Operational responsibility for incorporating the perspectives of affected communities and implementing the results initially lies with the plant managers. They use a variety of communication tools to enter into dialogue with local people and organisations. The concerns of local stakeholders range from simple visit enquiries and appeals for us to support projects and sports, cultural, and educational institutions, all the way through to information requests and concerns regarding imminent modernisation and expansion measures.

Heidelberg Materials strives to reconcile the interests of the company with those of the local communities. In the event of controversies in the vicinity of the locations, such as issues like emissions, blasting vibrations, dust or noise – the company responds promptly to complaints wherever possible in order to address the shortcomings.

Heidelberg Materials also involves local stakeholders at an early stage when planning investment projects, such as by holding information and discussion events.

The community engagement plans are intended to help us stay in touch with affected communities and understand their concerns. In this way, we can work together to find ways to minimise the social, economic, and environmental impact of our activities in the local communities.

In order to be able to respond to human rights and environmental impacts affecting the communities concerned, Heidelberg Materials conducts regular stakeholder assessments at plant level in the cement, aggregates, and ready-mixed concrete business lines. These assessments are currently being carried out at plants with existing community engagement plans. As part of the [Sustainability Commitments 2030](#), analyses in the aggregates and cement business lines will be further expanded. These assessments are the responsibility of the respective country organisations and help us to identify and adapt specific measures that can specifically improve both the social and environmental conditions of the communities. The results of these assessments are incorporated into the community engagement plans.

Community engagement activities and best practices are shared internally by the ESG coordinators or the CSR officer and, where possible, applied to other Group countries and plants. In some Group countries, there are roundtable events to which stakeholders identified as relevant are invited and given the opportunity to contribute their views, concerns, and requests. These discussions result in measures and plans produced collectively. For projects that are implemented in cooperation with partners, metrics and targets are defined before the start of the project in order to evaluate the progress in the best possible way.

Dialogue formats and location-based complaint management make it possible to obtain direct feedback from those affected and can be used to monitor the effectiveness of measures taken. Plant-specific community engagement plans often include a stakeholder matrix, which is used to select and monitor the effectiveness of defined or proposed activities. In addition, all Volunteering days are documented in accordance with the four CSR areas to ensure that the measures contribute efficiently and sustainably to improving the communities concerned, in line with corporate values.

One example of how the perspectives of affected communities have influenced the decisions and activities of Heidelberg Materials is the planned resettlement of families near our grinding plant in Burkina Faso. During this process, in consultation with the affected population, a search was conducted over a long period of time for a safe and suitable location where the families could continue their lives without disruption. A special focus was placed on inclusive participation. The discussions took place not only with male family representatives, but also specifically with the women in the community. In this way, we want

to ensure that their voices and needs are taken into account in the decision-making process. The local government was also actively involved in the negotiations and supported the development of a transparent and fair resettlement procedure. This procedure was defined in close consultation with all parties involved and in accordance with international standards for resettlement processes in order to best protect the rights and interests of the families affected.

Another example of how the needs of local communities are taken into account in Heidelberg Materials' business activities is a CSR project in Romania, in which a dental clinic was opened in a community that previously had limited dental care. The project was born out of a long-standing partnership with a non-governmental organisation (NGO). A clear lack of medical infrastructure and lack of access to dental services was identified as one of the top concerns during our community stakeholder engagement process. As a result, the location and services of the clinic were selected and adapted according to the needs of the local community in consultation with the NGO. Providing free and accessible dental treatment for vulnerable people contributes to the development of the local community. Heidelberg Materials donated a significant amount of the resources needed to build the clinic, which has now been completed. And this is the second local dental clinic that has been opened through this partnership.

Complaints from affected communities can be reported through a variety of channels, such as email, telephone, and via the whistle-blower system SpeakUp. The way SpeakUp works, its availability, and how its effectiveness is monitored are described in the [Whistle-blower system section of the chapter S1 – Own workforce](#).

In the 2025 financial year, we did not receive any reports of serious incidents in affected communities via SpeakUp or any other channel. Serious incidents are defined in the [Targets and metrics section of the chapter S1 – Own workforce under Human rights](#).

Actions

The following measures apply worldwide to Heidelberg Materials' own operational activities as well as to its upstream and downstream value chain. We intend to maintain our commitment to specific projects and/or regions and, if necessary, intensify this commitment in order to achieve long-term positive effects and promote the objectives of our policies.

Community engagement plans

The measures set out in the community engagement plans take into account local conditions, such as those shaped by the respective land and population structure. Feedback from local stakeholders is incorporated into the revision and updating of the plans. The measures are intended to build a long-term, positive relationship with the communities, to improve communication and transparency, and minimise the negative impact of the company's activities (e.g. in relation to potential social tensions and (security) concerns of local communities). Additionally, these measures also include considering the needs and expectations of communities, strengthening social acceptance, ensuring our licence to operate, and promoting sustainable development projects for long-term added value.

The measures outlined in the community engagement plans are varied, ranging from annual exchange meetings with local community representatives to open days. Such plant visits offer members of the surrounding communities the opportunity to gain a better understanding of our business activities and to establish a basis for open dialogue.

In the event of dust pollution, dust suppression measures are used to reduce the impact on the surrounding communities. Usually, this involves wetting the roads and using sweepers. In the vicinity of one of our German plants, the company covers the costs of using car wash facilities or other cleaning services for cars in the event of acute dust pollution caused by trucks or other plant vehicles, for example.

In addition, measures such as donations for kindergartens and schools are also arranged. These can be financial or in the form of donations in kind, such as sand.

Societal engagement and information exchange

During the reporting year, Heidelberg Materials continued to engage in regular dialogue, at country, regional, and location level. The company also implemented various measures relating to social engagement. Voluntary activities include monetary

or in-kind donations, partnerships, sponsorships, and volunteer work by employees in the fields of culture, education, environment, and infrastructure. The aim is to improve the quality of life in the surrounding communities and to promote their socio-economic development.

By collaborating with various partners from industry and trade associations, with governmental and non-governmental organisations, as well as with universities and research institutions, Heidelberg Materials strives to develop suitable solutions and minimise any negative impacts resulting from its business activities.

Promoting volunteering as part of our CSR strategy is also intended to strengthen our local engagement and our positive impact in the communities around our operational sites. After introducing the opportunity for Heidelberg Materials employees to take one day of paid leave per year to do voluntary work, Volunteering Day 2025 was introduced into the system in other Group countries.

All of these approaches are anchored in our Community Engagement Policy and Corporate Volunteering Policy and are reflected in the four pillars of our CSR strategy.

Responsible land use

Heidelberg Materials recognises the central importance of consultation and fair compensation for affected groups when it comes to land use. The company acquires and maintains land for its core operating business. The Competence Center Aggregates (CCA) helps to continuously improve and implement the real estate portfolio strategy across the Group. This approach includes responsible measures relating to the acquisition, planning, and development of land, as well as to the operation and closure of locations. The topic of responsible land use is monitored by various Group departments, including Group Compliance and Sustainability. The focus here is on maintaining close collaboration and working closely with the Group countries.

Heidelberg Materials is pursuing a comprehensive approach to ensure responsible land use. Measures include the gradual recultivation and creation of compensation areas during ongoing operations and the implementation of restoration plans in consultation with local stakeholders. In addition, measures are being taken to promote biodiversity. Heidelberg Materials respects the exercise of land rights and acts with care when acquiring or leasing land in conflict and post-conflict regions. The company strives to comply with the rules of international humanitarian law.

Water management and protection of water resources

By means of active water management and the implementation of our water management plans, water resources will be conserved, utilised efficiently, and recycled. Measures to reduce water consumption and pollution are intended to prevent local water sources from being depleted or polluted and drinking water supply and quality from being adversely affected. The involvement of stakeholders is intended to ensure that the needs of the community are taken into account and potential conflicts are avoided. In addition, the water management plans promote water reclamation, which can reduce pressure on local water resources and improve the quality of life of communities. The measures implemented by Heidelberg Materials in the reporting year for water management and protection of water resources have been outlined in the [Actions section of the chapter E3 – Water and marine resources](#).

Targets and metrics

By working with local communities and developing community engagement plans, we aim to ensure that the company’s activities are in line with the needs and expectations of the communities. This can help build community trust and acceptance, thus reducing the risk of tensions and negative impacts of our local activities. Heidelberg Materials has thus set Group-wide community engagement targets. The targets focus on economic, social, and cultural rights of communities, civil rights, and political rights of communities, including the rights of indigenous peoples.

In our **Sustainability Commitments 2030**, we have stipulated that by 2030, all Heidelberg Materials cement and aggregates locations should have community engagement plans in place. In the base year 2024, the share was 54% for the cement business line and 78% for the aggregates business line.

Corporate citizenship

	2024	2025	Unit	Reference
Share of sites with community engagement plan (cement business line) ¹⁾	54	60	%	SC2030
Share of sites with community engagement plan (aggregates business line) ¹⁾	78	69	%	SC2030
CSR spend	9.7	8.7	million €	SC2030

1) The baseline year is 2024.

Heidelberg Materials also intends to make an additional positive contribution in the areas of education and training, culture, the environment, and infrastructure. In the 2025 financial year, Heidelberg Materials

The target was defined internally in cooperation with the relevant Group departments. Heidelberg Materials reviews the implementation of community engagement plans on a quarterly basis. The data is recorded in the global sustainability reporting system.

As at the end of the 2025 financial year, 60% (previous year: 54%) of our locations in the cement business line and 69% (previous year: 78%) of our locations in the aggregates business line had a community engagement plan. This increase is primarily due to intensified engagement in individual Group countries, which have set up and introduced a large number of new local community engagement plans. The decrease in the aggregates business line is predominantly due to an adjustment of the reporting scope, as the number of locations included rose more than the number of locations with an existing community engagement plan. The progress made so far in achieving the targets is aligned with our expectations.

spent €8.7 million (previous year: €9.7 million) on CSR activities. All in-kind and financial donations support projects and initiatives that focus on the four areas mentioned above. Through all financial and other re-

sources provided, such as building materials, we contribute to UN SDGs 9, 12, and 15. Local communities in the vicinity of our sites also received financial support or other resources in individual crisis situations, such as floods.

Heidelberg Materials reviews the collected data annually to gain insights into the effectiveness and development of the measures implemented. Our community engagement targets are defined in a structured manner as part of company-wide community engagement plans. These plans are designed to establish and maintain ongoing dialogue with local communities and other relevant stakeholders. This interaction gets local stakeholder groups involved, ensuring that their perspectives and needs are taken into account when setting targets.

The implementation and impact of the measures within the framework of the community engagement plans are evaluated at project and company level. Target achievement is monitored using defined indicators and feedback gained from dialogue with stakeholders. This is to ensure that the measures are effective and meet the actual needs of the communities. Findings from these evaluations are used to drive continuous improvement: they are used to further develop existing strategies, promote the exchange of best practices, and are integrated into the planning of future CSR and ESG initiatives. As a result, we are ensuring that our community engagement projects remain relevant and effective in the long term.

Impacts, risks, and opportunities

S4 – Consumers and end-users



Information-related impacts for consumers and/or end-users

Access to (quality) information		
Our digital solutions allow customers to order materials directly, track the shipment and arrival of the shipment, and save costs by minimising overproduction and optimising logistics	Positive impact	Downstream value chain
Data protection		
Potential sharing and loss of end-user data, such as data on integrated smart technologies due to unauthorised data collection and failure to protect end-user data	Negative impact (potential)	Downstream value chain

Social inclusion of consumers and/or end-users

Access to products and services		
Providing high-performance, standard-compliant, high-quality building materials required for durable and safe societal infrastructure	Positive impact	Downstream value chain
Providing low-carbon and circular products so that our consumers and end-users can achieve their own climate targets	Positive impact	Downstream value chain

Heidelberg Materials recognises that end-users such as private builders are dependent on accurate and accessible information about products and services. This information includes construction regulations and general product information that are essential to avoid using products in a potentially harmful way and to ensure the quality standards of our products. Heidelberg Materials mainly serves as an advisor in this regard, as building materials manufacturers bear

the primary responsibility for passing this information on to the end-users.

Heidelberg Materials ensures that descriptions and safety pamphlets for its products are comprehensive and freely accessible to ensure end-users have the information they need. In addition, Heidelberg Materials strives to secure data in accordance with local applicable regulations to avoid potential loss of sensitive consumer data.

Human rights

Heidelberg Materials is committed to upholding human rights. This commitment is anchored in company policies such as the Policy Statement on Human Rights and the Code of Business Conduct (see the **Human rights** and **Policies sections of the chapter S1 – Own workforce**). These policies also apply to business partners in the downstream value chain.

Heidelberg Materials has established mechanisms to remedy any negative impacts on human rights. Our complaints mechanism offers consumers and end-users the opportunity to report violations of data protection regulations, human rights, and other legal corporate obligations. The company is committed to carefully examining all complaints and taking immediate action to remedy any shortcomings. For example, we comply with and uphold the data protection rights of consumers and end-users. If, for example, a personal data breach is likely to pose a high risk to the personal rights and freedoms of natural persons (including customers, if applicable), Heidelberg Materials

shall notify the persons subjects of the data breach in writing and in a comprehensible form.

The process is based on a case-by-case risk analysis and takes into account both the type of data concerned and the potential impacts on those affected. The notification to the data subject shall include a general description of the data breach, the contact details of the Group Data Protection Officer or the local Data Protection Coordinator, a description of the potential consequences of the data breach, and a description of the actions taken or proposed to address the data breach (including measures to mitigate its potential negative impacts as well as mitigation measures).

Heidelberg Materials uses the SpeakUp whistle-blower system, which also allows consumers and end-users to report complaints, incidents, and suspected violations anonymously. The way SpeakUp works, its availability, and how its effectiveness is monitored are described in the **Whistle-blower system sections of the chapter S1 – Own workforce**.

Via our whistle-blower system, a total of eight incidents were reported either by consumers and end-users or involving them. In each case, these are reports by customers. None of these cases explicitly related to internationally recognised human rights conventions. We have not received any reports of serious incidents related to consumers and end-users via SpeakUp or any other channel.

Policies

The policies outlined below cater to the different types of consumers and end-users described above.

Safety data sheets and declarations of performance	
Scope	Worldwide
Value chain	Downstream value chain
Most senior level accountable	Chief Technical Officer
Availability	Safety data sheets Declarations of performance
Relevance in the sustainability report	S4 – Consumers and end-users

We provide safety data sheets for our products, which include product properties as well as safety instructions for handling the products. The safety data sheets and declarations of performance address the impact associated with the material topic social inclusion of consumers and/or end-users in relation to the provision of standard-compliant building materials.

Building materials are subject to strict quality standards. If supplied products do not meet the prescribed standards or the customer’s quality requirements, we risk losing volumes, facing claims for damages, and/or damaging our customer relationships. Heidelberg Materials ensures compliance with the standards at the Group’s own and third-party labo-

ratories with strict quality assurance guiding all production steps as well as final inspection. Quality assurance controls are also carried out by independent experts as part of the extensive quality assurance programmes already in place.

Manufacturers are responsible for declaring compliance of building products with the relevant EU regulations. This declaration of compliance is represented by the so-called declaration of performance. The declaration of performance is a central component of the European Construction Products Regulation (CPR) and is also a prerequisite for products to receive CE certification.

Circularity Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chief Sustainability & New Technologies Officer (CSO)
Availability	Public
Relevance in the sustainability report	E1 – Climate change E5 – Resource use and circular economy S4 – Consumers and end-users

This policy addresses the impact associated with the material topic social inclusion of consumers and/or end-users in relation to the provision of low-carbon and circular products. It is outlined in the **Policies section of the chapter E5 – Resource use and circular economy**.

Framework Data Protection Policy	
Scope	Worldwide
Value chain	Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S4 – Consumers and end-users

The Framework Data Protection Policy and the specific guidelines derived from it stress respect for the personal rights and privacy of all persons whose personal data is collected and processed by Heidelberg Materials, as well as the use of this data when using our digital products. The policy aims to ensure that personal data is collected, stored, processed, and protected in accordance with the law. The aim is to oblige all employees to comply with these standards in their daily work in order to ensure the protection of personal data. The policy addresses the impact associated with the material topic information-related impacts for consumers and/or end-users.

Compliance with the policy is monitored through regular internal controls and audits, which are documented and submitted to the Managing Board, the local management, and others.

The Managing Board and the respective country managers of the Group companies are responsible for compliance with the data protection regulations for their respective areas of responsibility. They have to ensure that the legal and data protection requirements contained in the Framework Data Protection

Policy as well as supplementary guidelines are complied with.

When the policy was drawn up, the interests of the most important stakeholders were taken into account by continuously involving the relevant stakeholder groups and systematically recording their feedback and expectations. The policy is available through direct stakeholder engagement to potentially affected stakeholders and those in need of support.

Code of Business Conduct	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Code of Business Conduct, outlined in the **Policies section of the chapter S1 – Own workforce**, requires all employees to adhere to high standards regarding the protection of personal data of employees, customers, suppliers, and other stakeholders. By addressing the issue of integrity and professional behaviour towards our customers and the responsible handling of personal data, the Code of Business

Conduct addresses the impacts regarding the material topic information-related impacts for consumers and/or end-users.

Group Compliance Incident Reporting & Case Management Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce S2 – Workers in the value chain S3 – Affected communities S4 – Consumers and end-users G1 – Corporate governance

The Group Compliance Incident Reporting & Case Management Policy outlined in the **Policies section of the chapter S1 – Own workforce**, also contains rules for reports from third parties relating to data protection.

Engaging with consumers and end-users

Heidelberg Materials works with consumers and end-users to better understand and meet their needs and requirements. This collaboration takes place through various forms of interaction such as face-to-face conversations, customer events, surveys (such

as a user experience (UX) research project on environmental product data sheets and data availability), sustainability academies, trade fair appearances, school and university events, social media, newsletters, podcasts (e.g. interviews with our CSO on the topic of decarbonisation) and digital services such as online consulting, some of which are held several times a year. In many countries, Heidelberg Materials offers online and live dialogue formats for contractors, architects, and construction companies to provide important background knowledge and make it easier to compare and utilise the products. Participants also learn about certification systems, guidelines, and funding options. In addition, our Group department Global R&D and Innovation as well as the local innovation departments in the country organisations work alongside customers to provide support for the development of new and innovative areas of application for sustainable products.

In this way, customer feedback is used to improve and enhance the design of our products as early as the product development phase. The responsible departments are integrated into the country organisations and often work directly with customers to develop products that are optimally adapted to local needs. Close collaboration with the market and regular customer satisfaction surveys enable Heidelberg Materials to systematically collect data for optimisation of products and services and response to market changes.

Throughout the market launch and sales process, customers are provided with training and information events to ensure they understand the product features well and know how to use them properly. In the

event of complaints, customers can get in touch with their dedicated local contact partner.

We are also active members of Green Building Councils (such as the Deutsche Gesellschaft für nachhaltiges Bauen, DGNB) in order to advance the development of the framework conditions for sustainable products. The responsible Commercial Directors in the Group countries assess the demand for and acceptance of new sustainable products in the context of regular customer visits (frequency varies depending on the type of customer) and drive the development and marketing of such products along the value chain. The Group department Global R&D and Innovation supports this development.

Actions

Unless otherwise stated, the measures described below apply to the downstream value chain and are intended to be maintained indefinitely and further developed as necessary.

The resources relevant to the material impact include not only financial resources, but particularly the formation of specialised working groups made up of employees, sometimes in cooperation with customers. To ensure product quality and develop new, innovative building materials, Heidelberg Materials invested €156.8 million in research and development in the 2025 financial year (see **Research and development section of the chapter Fundamentals of the Group**).

Survey and follow-up of customer satisfaction

Heidelberg Materials continued to conduct customer satisfaction surveys during the reporting year to gain an understanding of consumer needs, expectations, and factors that could lead to dissatisfaction. In this way, we intend to strengthen customer loyalty in the various business lines and to continuously improve our products and services based on regular customer feedback. The information from the net promoter system helps to analyse customer satisfaction and identify areas where improvements are needed.

The company uses complaint management systems to quickly and efficiently collect and process customer feedback worldwide. The customer feedback system is used in conjunction with the customer relationship management (CRM) tool to provide real-time access to feedback. Following a successful pilot project in the Europe Group area, the system is now being rolled out gradually.

evoBuild and sustainability certifications

Under the evoBuild® product brand, we are applying internationally harmonised and stringent criteria to our sustainable products. Each product within the evoBuild portfolio must meet specific requirements in order to be classified as sustainable (see **Targets and metrics section of the chapter E5 – Resource use and circular economy**). The evoBuild classification is based on Heidelberg Materials' sustainability strategy and is intended to increase transparency towards customers and stakeholders.

The global evoBuild brand was gradually rolled out across the Group countries in 2025. The aim is to gradually integrate the respective local brands for sustainable products from the cement, ready-mixed concrete, and aggregates business lines into the evoBuild portfolio. This underscores the global reach and consistency of the sustainability efforts within Heidelberg Materials' own operations.

To provide additional transparency, we are also gradually certifying our plants in various countries in line with the requirements of the Concrete Sustainability Council (CSC). These certifications provide our customers with independent verification of our responsible procurement practices and our protection of the environment.

In addition, environmental product declarations (EPDs) increase transparency by providing detailed and standardised information on a product's environmental impact. This standardisation makes it possible to directly compare different products in terms of their environmental performance. We are increasingly providing our customers with environmental product declarations, so that they are able to make informed decisions based on facts and choose low-carbon or circular products in order to meet their own climate targets. Environmental product declarations also play an important role in sustainability certification and help with documentation for recognised building certifications such as LEED, BREEAM, or DGNB certifications.

Quality controls and potential complaints

The company is committed to maintaining high quality and safety standards to protect consumers and end-customers. We adhere to the relevant building standards and regulations, including national and international regulations for building materials. Our products comply with industry standards, such as EN 197-1 and EN 206-1, and best practices to ensure reliability and performance.

In the reporting year, Heidelberg Materials continued to carry out regular quality controls on its products by means of in-house monitoring in its test laboratories as well as by means of external monitoring. Regular monitoring and reviewing of the specifications is intended to identify and implement potential improvements and ensure reliable product quality. The responsible managers define test frequencies and target classifications that take into account both local and regulatory requirements. Monthly trend and standard deviation analyses help to identify and correct deviations. The documentation includes the results of the quality control tests and statistical analyses. The responsible employees are trained to handle the documentation correctly. The results are regularly reviewed during management meetings in order to continuously improve product quality.

Particularly in the case of innovative materials, there may be concerns about reliability and long-term performance under real conditions. To increase customer confidence, all products undergo extensive testing in our research and development department. It is standard and mandatory for building products to undergo load tests, such as those measuring compressive strength, in order to ensure durability and performance and to optimise the product design as required. In addition, innovative binders are subjected to an extensive durability testing programme. Product quality tests in our own laboratories as well as in customer laboratories are conducted to ensure that our building materials meet the required standards and are suitable for the declared use. This ensures that the respective market requirements, such as frost resistance, are met.

Quality controls are carried out in the company's own operations across all business lines.

Customers who wish to file complaints, whether of a technical, logistical, or commercial nature, can get in touch with their dedicated local contact partner, usually the sales representative. The responsible departments are directly integrated into the respective country organisations. Depending on the severity of the complaint, the sales representatives may be able to resolve it themselves. If not, the technical competence centers and/or quality control are consulted. In the event of major discrepancies, external advisors/consultants may be called in to resolve the issue. These mitigation measures promote the positive impact relating to the provision of standard-compliant building materials.

Information and training formats on sustainability aspects

In the 2025 financial year, Heidelberg Materials continued to hold information events and to impart knowledge about our sustainability targets and sustainable products in various formats. These formats, sometimes also referred to as "Sustainability Academies," relate both to our own operational activities and to the downstream value chain, as the events are aimed at external target groups, such as private developers, architects, and construction companies, as well as internal stakeholders (e.g. our own sales staff and employees working in the sustainability sector) in various Group countries.

These events contribute significantly to gaining an understanding of our customers' needs and how to take them into account when developing new, sustainable products. In addition, information is provided on certification systems, policies, as well as funding opportunities and criteria. Customer events also help to drive sales of sustainable products and achieve our target of generating more than half of our Group revenue from sustainable products by 2030.

An internal sales summit that focused on low-carbon and circular products was also held in North America in the 2025 financial year. Additionally, at evoHub Heidelberg Materials UK offers events that provide customers with information about the decarbonisation of building materials and sustainability relating to building projects.

At an internal event in Togo, it was clear that the Sustainability Academies are focusing more on fundamentals. The main aim of the event was to improve

understanding of what sustainability is and to gain an understanding of local needs.

Data protection information for business partners

The information-related impacts mainly relate to data protection, particularly the sharing of consumer data and the use of our digital solutions. The implementation of data protection management systems (DPMS), preventive data protection measures, customer relationship management (CRM) systems, and compliance with European and local data protection laws are essential to protect our customers' personal data and minimise regulatory sanctions. These measures, which primarily affect B2B customers in our business model, are intended to ensure responsible data management and data use as well as lawful, secure, and proper data processing.

Heidelberg Materials follows strict privacy policies to ensure that customers' personal information remains secure and is only used for legitimate business purposes. Regular reviews of data protection practices help to ensure compliance with legal requirements and the security of consumer data. During the reporting year, Heidelberg Materials again provided business partners and affected third parties with information on data processing. This is done to comply with the GDPR and the applicable national laws in the Group countries and applies to the company and also to business partners or other third parties whose information is processed, stored, or used by Heidelberg Materials. Providing this information helps us to comply with the Code of Business Conduct and to ensure lawful, secure, and correct data processing in the downstream value chain.

Heidelberg Materials is legally obliged under the GDPR to report relevant data protection incidents to the authorities within 72 hours. In addition, data subjects must be informed in the event of a high-risk data breach. Depending on the specific data protection incident, appropriate measures should be taken to remedy the breach or mitigate any potential negative impacts, such as by blocking access or implementing additional security measures.

Digital solutions for construction sites

The OnSite app enables consumers and end-users to order ready-mixed concrete online, track their concrete deliveries in real time, and plan construction operations better based on precise times and delivery details. The app not only provides customers with a better overview of their orders and construction progress, but is also intended to reduce communication issues and thus the error rate. Thanks to the demand-based ordering of concrete deliveries, only the material that can currently be used on the construction site is delivered, thus avoiding surpluses. This should reduce costs and optimise logistics. In the 2025 financial year, the focus was on enhancing the app's functionality, such as adding the option to change orders and optimise coordination of customer orders and delivery.

In addition, the SmartRock sensors help to monitor the strength development of concrete on the construction site, thereby optimising construction site processes.

Targets and metrics

By setting ourselves the target of generating more than half of our Group revenue from sustainable products by 2030, we aim to promote efficient, innovative, and environmentally sustainable solutions that provide a durable and secure social infrastructure and also contribute to achieving targets relating to SDG 9 (Building resilient infrastructure, promoting inclusive and sustainable industrialisation, and fostering innovation) and SDG 12 (Sustainable consumption and production patterns). This target is outlined in the **Targets and metrics section of the chapter E5 – Resource use and circular economy**.

With regard to our digital solutions and data protection, we have not currently set any measurable, results-oriented, and time-bound targets, as we do not believe this is essential for the implementation of our policies and associated actions.

We monitor the effectiveness of our policies and measures using the Net Promoter Score and our data protection management system.

Net Promoter Score (NPS®)

The NPS enables us to determine the needs of our customers – including those relating to our sustainable products and digital offerings – and to implement potential improvements as early as possible. The NPS provides information on how satisfied and loyal customers are to Heidelberg Materials. As part of the NPS, customers are asked the following question:

On a scale of 0 to 10, how likely are you to recommend Heidelberg Materials to others?

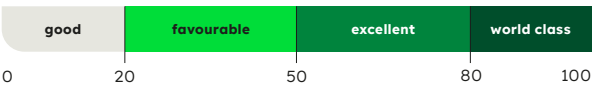
Based on their responses, customers are grouped into three categories. “Promoters” are customers who would confidently recommend our company to others. “Passives” are customers who are generally satisfied but not necessarily fully engaged. “Detractors” are customers who are less likely to recommend us and signal areas where we must strengthen our performance. Based on these categories, we classify our customers and calculate our score using the NPS methodology. The NPS is calculated by subtracting the share of “detractors” from the share of “promoters.”

NPS calculation



Heidelberg Materials’ NPS achieved 52 in 2025 (previous year: 50). The following scale is used to interpret the score:

Customer satisfaction analysis



In line with this general scale-up, Heidelberg Materials achieved an excellent result in the 2025 financial year.

Tracking of data protection incidents

As part of our data protection management system, data protection incidents are tracked, documented, and reported internally and externally to the competent authorities in accordance with applicable law. The internal Data Incident Handling Guideline also applies here.

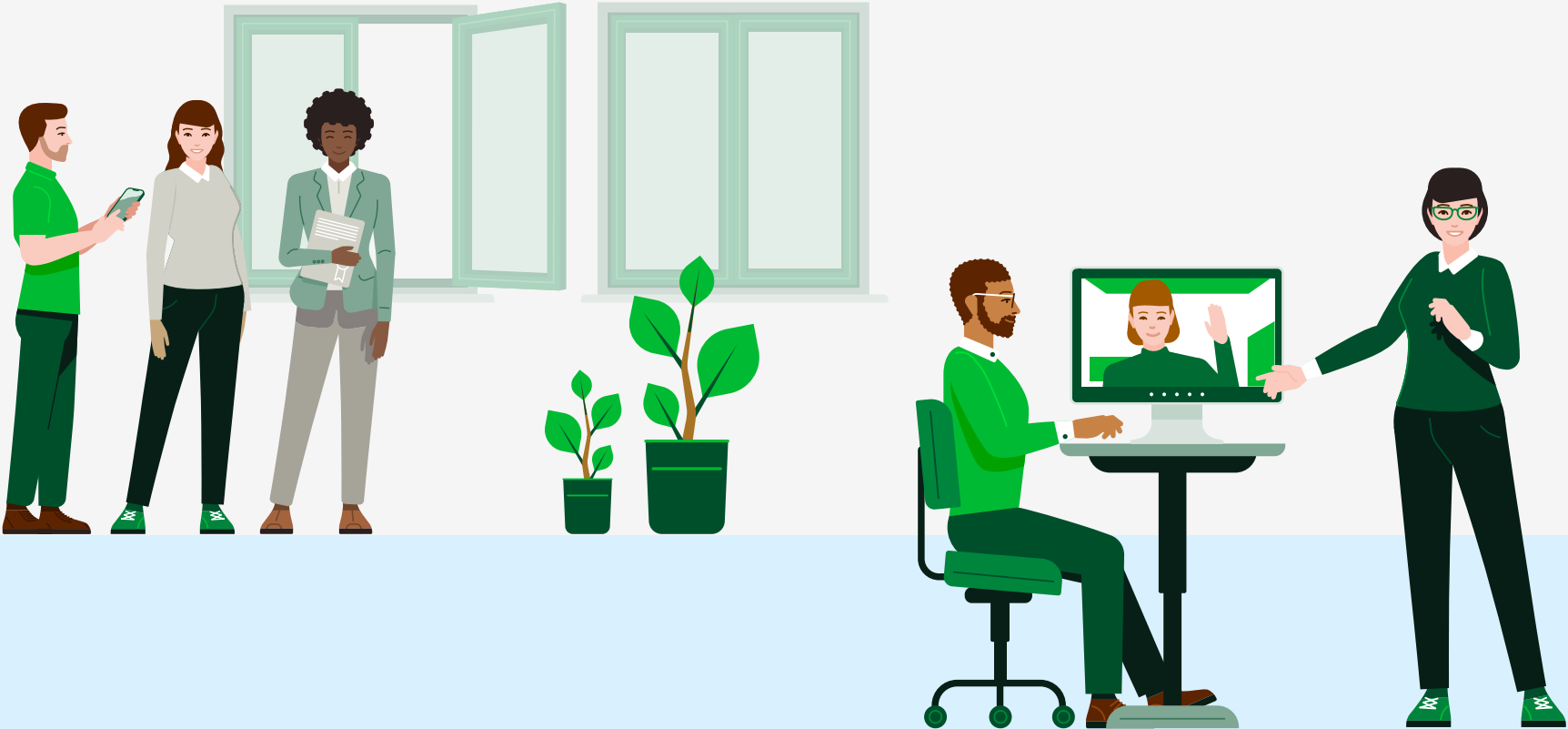
Our SpeakUp whistle-blower system can be used to report reports of data protection violations. The incidents reported via SpeakUp are described in the **Targets and metrics section of the Prevention and detection of corruption and bribery section of the chapter G1 – Corporate governance**.

Governance

195 **G1 – Corporate governance**

Impacts, risks, and opportunities

G1 – Corporate governance



Corporate culture

Enhanced sense of belonging and increased overall satisfaction through corporate culture focused on integration, compliance, and cooperation.	Positive impact	Own operations

Corruption and bribery

Prevention and detection including training

Failure by individuals to consistently participate in and follow up on anti-corruption training and awareness-raising measures may have negative consequences for the company due to violation of industry standards.	Negative impact (potential)	Own operations

Incidents

Potential unethical procurement practices and illegal manipulation of individual markets can influence decision-making processes (e.g. for permits or tenders).	Negative impact (potential)	Upstream and downstream value chain, own operations

Political engagement and lobbying activities

Potential influence on the regulatory environment or competition through lobbying activities	Negative impact (potential)	Own operations
Active influence on the development of regulatory levers to achieve a sustainable transformation of the industry.	Positive impact	Own operations

Antitrust law

Company-specific

Anti-competitive behaviour can lead to fines, claims for damages, and reputational damage and thus financial effects.	Risk	Own operations
Potential negative impacts on competition, innovation, efficiency, and sustainability in the building materials sector due to anti-trust violations	Negative impact (potential)	Own operations

Governance

Heidelberg Materials promotes values-based corporate governance through binding policies and measures. Business ethics and corporate culture are central to various Heidelberg Materials policies. The way in which Heidelberg Materials establishes, develops, promotes, and evaluates responsible corporate governance draws on all the policies and measures described in this chapter. In this way, we want to make our contribution to SDG 16 (“Peace, justice and strong institutions”).

Policies

Code of Business Conduct	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
	G1 – Corporate governance

The Heidelberg Materials Code of Business Conduct is outlined in the **Policies section of the chapter S1 – Own workforce**. It addresses the positive or potential negative impacts relating to the material topics corporate culture and corruption and bribery as well as the company-specific material topic antitrust law.

Articles of Association of the Company	
Scope	Heidelberg Materials AG
Value chain	Own operations
Most senior level accountable	Annual General Meeting
Availability	Public
Relevance in the sustainability report	G1 – Corporate governance

In addition to the law, the **Articles of Association** regulate fundamental issues related to the duties and responsibilities of the executive bodies (Supervisory Board, Managing Board, and Annual General Meeting) of Heidelberg Materials AG. They create clear structures for responsible conduct and promote transparent and values-oriented governance. The company’s Articles of Association address the positive impact regarding the material topic corporate culture. Amendments to the Articles of Association require the approval of the Annual General Meeting. This co-determination strengthens shareholder participation and shows that fundamental decisions are made transparently and take into account the interests of key stakeholder groups. The aim is to promote a culture of openness and accountability that anchors ethical behaviour and participation in the structure of the company.

Supervisory Board Rules of Procedure	
Scope	Heidelberg Materials AG
Value chain	Own operations
Most senior level accountable	Chairman of the Supervisory Board
Availability	Public
Relevance in the sustainability report	G1 – Corporate governance

The Supervisory Board Rules of Procedure define the organisation, structuring, and efficiency enhancements of the Supervisory Board’s activities. They contain specific requirements and duties which, among other things, are designed to ensure compliance and governance standards are adhered to within the company. The Supervisory Board Rules of Procedure address the positive impact regarding the material topic corporate culture. They create clear structures for responsible conduct and promote transparent and values-oriented governance. To ensure that this positive impact is maintained, a self-assessment of the Supervisory Board’s activities is carried out regularly, including an evaluation of the Supervisory Board’s procedures, the flow of information, and the timely and sufficient provision of information. In addition, the Rules of Procedure expressly assign responsibility for human resources-related topics to the Sustainability and Innovation Committee, with the aim of promoting a growth- and innovation-oriented corporate culture. By addressing matters such as engagement, skills, future working methods, and cultural change in a structured manner, the committee intends to make an institutionally anchored contribution to the further development of the corporate culture. Compliance is monitored by means of meetings, self-assessments, and advanced

training of the members of the Supervisory Board, as well as monitoring by specialised committees.

The Rules of Procedure account for the recommendations and suggestions of the German Corporate Governance Code and, consequently, also indirectly account for the interests of the key stakeholder groups on which the concepts of these recommendations are based.

Managing Board Rules of Procedure	
Scope	Heidelberg Materials AG
Value chain	Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	G1 – Corporate governance

In conjunction with the schedule of responsibilities, the Managing Board Rules of Procedure govern the work of the Managing Board of Heidelberg Materials AG. The Rules of Procedure address the positive impact regarding the material topic corporate culture and cover a wide range of governance issues, such as corporate governance, risk and compliance management, transactions, communication management, and the handling of conflicts of interest. Compliance is monitored by means of Managing Board meetings and the involvement of the Supervisory Board for transactions requiring approval.

The Rules of Procedure take account of the recommendations and suggestions of the German Corporate Governance Code.

Regular dialogue with the most important stakeholders ensured their interests were considered when defining the Managing Board Rules of Procedure. The process was also monitored by the Supervisory Board.

Group Compliance Incident Reporting & Case Management Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
	G1 – Corporate governance

The Group Compliance Incident Reporting & Case Management Policy contains the procedure for dealing with all reports submitted by employees of Heidelberg Materials or by third parties. It thus meets the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG). The policy addresses the positive impact in terms of corporate culture. A detailed description of this policy can be found in the [Policies section of the chapter S1 – Own workforce](#).

Compliance with the governance-related standards mentioned above is intended to enable a corporate culture focused on ethics and responsibility.

Actions

Compliance programme

Heidelberg Materials maintains a comprehensive compliance programme across the Group, which is continuously developed by the Compliance function, which is organisationally assigned to the Group Legal & Compliance department. The programme enables us to implement the Code of Business Conduct. It is a central element of the Group management’s self-commitment to not tolerate violation of applicable laws. It sets out the regulations for the company’s workforce, keeps these regulations up to date, and monitors employee compliance. In addition, the compliance programme contains provisions that govern cooperation with business partners. The current focus is on the further digitalisation of compliance tasks such as risk assessments and communication measures, including the global roll-out of topic-specific compliance campaigns.

In addition to the regular distribution of internal guidelines, compliance letters are sent to management and employees to raise compliance awareness. Among these letters are the annual letter from the Chairman of the Managing Board as well as ad hoc newsletters on current topics. Heidelberg Materials’ compliance programme, which is integrated across the Group, also includes a corruption risk assessment that is carried out every two years as well as an

annual human rights risk analysis. In addition, training sessions are conducted on topics such as trade sanctions and money laundering. They are carried out both at the request of specific departments and on the instructions of the Compliance function.

The scope, frequency, target groups, and format of the compliance training are defined in the Compliance Policy as components of the compliance management system. Training on the topic of human rights is outlined in the Group Human Rights Compliance Management Policy. Specific compliance guidelines on individual topics, such as money laundering, define guidelines for training in the respective subject area.

In addition to face-to-face events, which are particularly aimed at groups of employees with increased risk exposure, compliance training courses are also held online. The digital courses are compulsory for certain groups of employees, depending on their role, hierarchical level, and which defined job family they work in. Participation in the respective online training courses is mandatory for employees who are registered in the HR software system. The completion rate of a digital learning programme is determined on a defined date by comparing the number of people who have completed the course in full with the total number of people who were scheduled to participate as part of the associated referral campaign. Employees in operations may be exempted from the digital learning programmes if another type of training is provided. This is to ensure that employees who do not have computer access also receive training on the Code of Business Conduct, human rights, and cor-

ruption prevention. The format for this training can be less formal, such as during a staff meeting. The introductory training courses are obligatory for new hires and are supplemented by mandatory e-learning training that must be repeated every two years.

The compliance programme uses risk analyses and business partner screening processes to record external compliance risks that could have an impact on the company and establishes measures to counter such risks.

Heidelberg Materials intends to maintain these measures permanently.

Raising awareness about the Code of Business Conduct, including human rights matters
Heidelberg Materials has produced animated explanatory videos and held information events to highlight the values of the Code of Business Conduct, which are explained in the [Human rights section of the chapter S1 – Own workforce](#).

Whistle-blower system

Our SpeakUp whistle-blower system can be used by internal and external parties to report any activities that violate the Code of Business Conduct or internationally applicable conventions.

SpeakUp and the content of the Group Compliance Incident Reporting & Case Management Policy are described in the [Whistle-blower system](#) and [Policies sections of the chapter S1 – Own workforce](#).

The Group Compliance Incident Reporting & Case Management Policy forbids punishment of whistle-blowers. Any form of punishment is itself considered a compliance violation and entails corresponding consequences. The prohibition of punishment is also listed in the Code of Business Conduct.

Compliance with the guidelines is ensured by qualified personnel who are impartial, independent, and not bound by instructions. Each country organisation has a compliance officer to handle complaints. They are responsible for the processing of reports, which is also documented and publicly available, and for monitoring the case reporting system. In addition, using software whose provider ensures data protection and information security guarantees the anonymity of whistle-blowers.

Targets and metrics

The effectiveness of our policies and measures is ensured by:

- Regular internal audits to verify compliance with the Code of Business Conduct
- Training and raising employee awareness of compliance issues
- Regular training of the members of the Managing Board and Supervisory Board on current developments regarding compliance, sustainability, anti-trust law, corporate governance, and other topics relevant to responsible corporate governance

- The whistle-blower system SpeakUp, which can be used anonymously, for reporting potential violations
- External certification and assessment of our compliance practices
- Annual review and update of our policies and processes

Descriptive and statistical portions of the compliance reporting, which are published internally on a regular basis and externally on an annual basis, are used to assess the achievement of compliance targets pursuant to the Compliance Policy. The core elements of the half-yearly internal reporting are changes in the compliance organisation and data on the staffing of the Compliance function. Further aspects include the number and type of compliance incidents reported, information on training activities and completion rates of digital learning programmes, as well as activities and measures to further develop the compliance management system.

The compliance organisation required in the Compliance Policy is to be implemented consistently. The aim is to achieve a comprehensive level of staff training, including a 100% completion rate for the mandatory e-learning training courses. To achieve a 100% completion rate for all digital compliance training, the country managers are required to report on training attendance to the responsible member of the Managing Board.

In the reporting year, electronic training courses on the Code of Business Conduct and on corruption prevention achieved completion rates of 99% in each case.

In addition, we can demonstrate that all reported cases are fully documented and processed promptly in the whistle-blower and case management system. For all reports received, we aim to provide initial feedback to whistle-blowers within 7 days and to process reports within a maximum of 90 days.

Prevention and detection of corruption and bribery

Policies

Group Anti-Corruption Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	G1 – Corporate governance

The Group Anti-Corruption Policy defines principles for behaving with integrity towards business partners and for avoiding conflicts of interest for all companies under the Group’s control. The policy addresses the impacts regarding the material topic corruption and bribery. The policy also sets out rules for the company’s social engagement and for dealing with intermediaries and advisors, and it refers to the SpeakUp whistle-blower system. The Group Anti-Corruption Policy obliges Group companies to implement appropriate regulations to prevent corrupt and unethical behaviour in our own operations. Non-com-

pliance with this policy may result in disciplinary measures up to and including dismissal.

Responsibility for implementing and complying with the Group Anti-Corruption Policy lies primarily with the employees of Heidelberg Materials. Managers are responsible for ensuring effective communication and monitoring compliance.

Stakeholder concerns are addressed by incorporating the results of the corruption risk assessments carried out in the Group countries into appropriate measures. In addition, corruption-related reports in the whistle-blower system can also provide important insights regarding policy implementation and adaptation.

Supplier Code of Conduct	
Scope	Worldwide
Value chain	Upstream value chain
Most senior level accountable	Chief Financial Officer
Availability	Public
Relevance in the sustainability report	E3 – Water and marine resources
	E4 – Biodiversity and ecosystems
	S2 – Workers in the value chain
	G1 – Corporate governance

The Supplier Code of Conduct includes the obligation for suppliers to conduct their business with integrity. The Supplier Code of Conduct addresses the potential negative impacts regarding the material topic corruption and bribery, enabling us to pass on the

principles on corruption set out in the Code of Business Conduct for our own employees to our supply chain. The code is outlined in the **Policies section of the chapter S2 – Workers in the value chain.**

Group Compliance Incident Reporting & Case Management Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, Own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
	G1 – Corporate governance

The Group Compliance Incident Reporting & Case Management Policy sets out the procedure for identifying such incidents, explicitly enshrines the protection of whistle-blowers, and describes which compliance incidents must be reported to which levels of management. The policy addresses the potential negative impact regarding the material topic corruption and bribery. A detailed description of this policy can be found in the **Policies section of the chapter S1 – Own workforce.**

Actions

As a global Group, Heidelberg Materials is subject to a variety of legal requirements, which vary from country to country. To take account of these differences and ensure responsible corporate governance, we have implemented a compliance management system across the Group. Within this framework, we carry out compliance risk assessments every four years, with the last of these beginning at the end of 2024 and ending in the reporting year, to determine focus areas for the compliance programme. This is done by conducting structured interviews with the general managers of the country organisations (country managers) and the Group directors. In this way, compliance risk areas are identified and ranked. The risks in the topic areas of corruption, competition law, and human rights are among the ten most important risks that we mitigate by means of our compliance management system.

The Group Internal Audit department monitors the Group-wide implementation of the compliance programme via regular and special audits.

The aim of Heidelberg Materials’ corruption prevention work is to prevent corrupt behaviour by employees. Corruption can affect the interests of society. This includes our employees, business partners, and the general public who may be affected by economic damage.

Heidelberg Materials’ employees worldwide, including the Managing Board and top management, receive training on corruption prevention. The Supervi-

sory Board is not part of this training programme. In addition, a broad group of employees is assigned to a mandatory digital training programme. This is to ensure that all at-risk functions also receive training. This training is supplemented by classroom training and addresses departments with an increased risk of corruption, as well as an educational video for all employees. Corruption prevention is bolstered by processes to screen business partners. It is enhanced by business process definitions that define principles such as the dual control principle and the separation of functions. Where possible, compliance with process regulations and rules is ensured by appropriate software settings.

Anti-corruption measures that have already been implemented once are valid permanently. Regarding Group rules, these are implemented worldwide. In addition, the national organisations can implement local regulations. Also continuing existing measures such as global corruption risk assessments, the first global corruption prevention campaign was carried out in the 2025 financial year to accompany the worldwide roll-out of the mandatory digital learning programme.

We conduct comprehensive analyses to assess and prevent corruption risks and possible conflicts of interest. This risk assessment is conducted every two years and on a rolling basis, so that different Group countries are analysed each year. First, the potential risks within a country organisation are assessed. Then, the measures already in place to limit these risks are evaluated, and finally, based on the net risk, we examine whether further measures are needed. On

the basis of this assessment, an action plan is created for each country, and its implementation is monitored by the Group Legal & Compliance department.

To ensure compliance with the law and help detect potential violations, we use the SpeakUp whistleblower system. We also use other sources to identify potential compliance violations, such as reports from Group Internal Audit, which are to be documented in the case management system. We use case statistics and the evaluation of reports regarding corruption and conflicts of interest to monitor the effectiveness of our policies and measures and, if necessary, derive further measures. The zero-tolerance policy stipulates that compliance violations must be sanctioned. We strive to prevent or minimise the risk of further violations.

Heidelberg Materials uses various means and communication channels to publicise the Group Anti-Corruption Policy and its contents. All compliance guidelines are published in the internal policy management system known as Heidelberg Materials Policies. The majority of the Group countries have already implemented this system. Confirmation of receipt of and changes to the compliance guidelines in the policy management system is requested by email.

There could be an increased risk of corruption and thus a need for additional training beyond e-learning, especially for employees in procurement as well as specialists such as engineers who define purchasing specifications and quality requirements for services. This includes employees who commission external service providers (e.g. lawyers, accountants, audi-

tors, advisors, etc.) and employees who obtain (official) permits and approvals, as well as employees in sales and distribution. It also includes employees involved in company acquisitions and sales and employees responsible for Heidelberg Material’s social engagement activities regarding investor projects (e.g. sponsorship and donation activities), as well as employees who represent Heidelberg Materials before political bodies such as governments or parliaments.

To prevent corruption, managers are required to conduct an initial briefing. Team meetings, such as purchasing meetings or other departmental meetings, are also used to provide training on anti-corruption. Face-to-face training sessions are aimed at corruption risk groups. While digital learning programmes teach the basics of corruption prevention, face-to-face training sessions or courses cover topics relevant to the respective risk groups in depth.

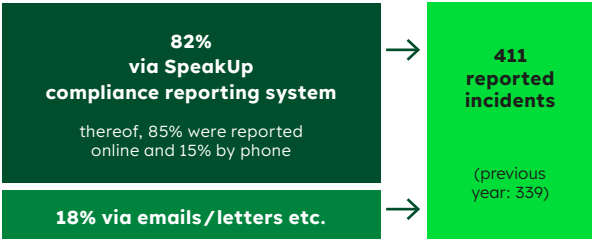
Targets and metrics¹⁾

All data listed below has been taken from the SpeakUp case management system. Qualified case management personnel determined which case category a report belongs to. There are 20 case categories in the case management system. The qualified personnel base their categorisation on the definitions defined in the Group Compliance Incident Reporting & Case Management Policy. Heidelberg Materials does not pursue quantitative targets for the number of reports, as a high number of reports can be interpreted both as a success for compliance communication and negatively as a sign of a problematic compliance reality. An assessment is therefore made by combining several metrics, although we do not be-

lieve it makes sense to set isolated targets for these figures.

In 2025, a total of 411 incidents were reported in our case management system and investigated under the supervision of compliance employees in the country organisation or by the Group Compliance department. Most of the reports received concerned employee relations. Other reports related to health and safety, discrimination and harassment, fraud, theft, or embezzlement, and corruption or conflicts of interest. Other categories of cases accounted for lower percentages of the total, including data protection cases, which accounted for just under 2% of the total. Of the 411 incidents reported, 44% proved to be unfounded, while for 26%, either no final investigation result had been determined by the editorial deadline or no assessment was possible at the time of writing. In the case of 31% of the incidents, the investigations revealed that they were at least partially substantiated. In the category of corruption or conflicts of interest, 45 cases were recorded in 2025. Of these, 24 were classified as corruption cases, and six of these cases were confirmed.

Incidents reported via case management system



Categories of compliance incidents reported via case management system

	2024	2025	Unit	Reference
Employee relations	35	30	%	S1-17 100
Corruption or conflicts of interest	9	11	%	G1-4 25
Health and safety	11	15	%	
Fraud, theft, or embezzlement	6	6	%	
Discrimination or harassment	12	13	%	S1-17 103
Other	27	25	%	

In the case of confirmed incidents, measures are generally taken, ranging from root cause analysis, changes to policies and processes, and communication and training through to disciplinary action (such as a written warning or dismissal). In some countries, financial sanctions and demotions are also possible. In 38% of the confirmed incidents in 2025, sanctions were imposed, and for 58% of these incidents, preventive measures were implemented.

Of the six confirmed cases of corruption, three incidents related to misconduct on the part of suppliers,

but in two cases disciplinary measures were also implemented against own employees. In two other cases, disciplinary measures were also taken against own employees. In one case, disciplinary measures have yet to be determined. There were no terminations of contracts with business partners due to corruption.

During the reporting period, there were not any reportable lawsuits for corruption or bribery against Heidelberg Materials or our employees. There were thus no convictions or punishments.

Incidents of corruption or bribery

	2024	2025	Unit	Reference
Convictions for violation of anti-corruption and anti-bribery laws	0	0	Number	G1-4 24a
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0	'000 €	G1-4 24a
Confirmed incidents of corruption or bribery	1	6	Number	G1-4 24a
Confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0	4	Number	G1-4 24a
Confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	0	Number	G1-4 24a

¹⁾ The disclosures in this section also comply with the disclosure requirement to track data protection incidents in the Targets and metrics section of chapter S4 – Consumers and end-users.

Political influence and lobbying activities

Our political engagement should be carried out in alignment with our Code of Business Conduct and our Group Anti-Corruption Policy and further policies. We also publish an annual **Climate Advocacy and Association Review**. The Climate Advocacy and Association Review provides a detailed overview of our positions relevant to climate policy as well as our activities related to indirect and direct political advocacy.

We have established structures and guidelines to ensure that our positions are consistent with those of the industry associations in which we are involved. In particular, we want to guarantee that the positions and actions of associations are aligned with international and European climate protection agreements, especially the Paris Agreement, and the targets set out in our **Sustainability Commitments 2030**.

To facilitate direct dialogue between political decision-makers and contact persons within the company, we operate company representative offices in Berlin, Brussels, and Washington D.C. Lobbying is led and coordinated by the Public Affairs & Funding department. Responsibility for the operational implementation of our political engagement activities lies with the respective country organisations. The alignment of our lobbying work, including with the goals of the Paris Agreement, and the activities of the industry associations, as well as government and association work, are discussed and reviewed on a quarterly basis with the Chief Sustainability & New Technologies Officer and the Managing Board member responsible for the association’s work. When acting on behalf of the company, representatives of Heidelberg Materials must always identify themselves

by name and affiliation and disclose their concerns clearly and transparently. They should always provide fact-based and accurate information.

Policies

Code of Business Conduct	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	S1 – Own workforce
	S2 – Workers in the value chain
	S3 – Affected communities
	S4 – Consumers and end-users
	G1 – Corporate governance

Heidelberg Materials’ Code of Business Conduct sets out the ethical and legal standards for all business activities and addresses the impacts regarding the material topic political engagement and lobbying activities. It stresses compliance with laws and regulations, including those relevant for political lobbying. The code ensures that all interactions with public officials and political institutions are conducted in a transparent and ethical manner to avoid any form of corruption or undue influence (see the **Policies section of the chapter S1 – Own workforce**).

Group Anti-Corruption Policy	
Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Public
Relevance in the sustainability report	G1 – Corporate governance

Any form of bribery or corruption, including in the context of political lobbying, is explicitly prohibited by the Group Anti-Corruption Policy. The policy provides guidelines for dealing with public officials and requires that all lobbying activities be carried out legally and ethically. This helps to avoid potential conflicts of interest. The policy addresses the potential negative impact regarding the material topic political engagement and lobbying activities (see the **Prevention and detection of corruption and bribery section**).

Actions

Coordination formats take place on a regular basis with our company representatives in industry associations. Heidelberg Materials conducts an annual internal evaluation of its political advocacy and association work.

This evaluation includes:

- Evaluation of our memberships in associations and their respective alignment with the targets of the Paris Agreement

- Engaging with associations that are not yet fully aligned with the company’s sustainability targets, including to advocate for the implementation of net-zero roadmaps
- Direct interaction with political decision-makers and non-state actors
- Open reporting and publication of the names of representatives in transparency registers

To check how the association’s strategies and activities are aligned with the targets of the Paris Agreement, we conduct regular internal research based on position papers and publications by national industry associations and consult the responsible Heidelberg Materials representative. This information is cross-checked, and in the event of any uncertainties, the respective country management is consulted. The responsible members of the Managing Board approve the final report.

The review is carried out across the Group and includes the lobbying work in our own operations, those of our national cement associations, and the respective industry associations for aggregates and ready-mixed concrete. We focus on associations where we are a direct member and therefore have greater influence on their positioning.

Due to their relevance for reducing our greenhouse gas emissions, an additional detailed analysis of the cement associations is conducted. The assessment reveals whether they have an appropriate CO₂ roadmap and whether they are committed to the introduction of carbon pricing. It also examines whether they are committed to promoting and using break-

through technologies, such as renewable energies and CCUS, as well as increasing demand for lower-emissions products.

If the position of an association deviates from our position on a strategically important topic, we will increase our engagement in the respective committees and demand an adjustment. If an association repeatedly pursues strategies and measures that run counter to the positions of Heidelberg Materials, we will publicly express our dissent. We will also assess the performance of the association and our membership and check whether leaving the association would be reasonable and appropriate.

Heidelberg Materials’ lobbying activities include the following issues:

Carbon pricing

When properly designed, carbon pricing can be an effective measure for achieving reductions in emissions, as it internalises external CO₂ costs, provides planning security, and creates an incentive to invest in emissions reduction. We are therefore in favour of carbon pricing and are involved in its political debate. The same applies to the Carbon Border Adjustment Mechanism (CBAM), a supplementary instrument used to ensure fair global competition.

Carbon capture, utilisation, and storage (CCUS)

CCUS technologies are currently one of the most important solutions for unavoidable process emissions in cement manufacturing. For Heidelberg Materials, CCUS is therefore an indispensable lever for achieving our climate targets.

Renewable energies and alternative fuels

As an energy-intensive company, we need to ensure that the required rapid phase-out of fossil fuels is accompanied by access to sufficient renewable and low-emission energy at competitive costs.

Circular economy

Alongside climate protection, circular economy is the second key pillar for sustainable building materials. Heidelberg Materials aims to close the carbon and material cycle. The use of by-products from other industrial sectors for the production of clinker and cement and the recycling of mineral construction and demolition waste enable us to operate in a more resource-efficient manner with lower CO₂ emissions and conserve primary raw materials.

Sustainable financing and public funding

A financial framework is needed to reward investment in industrial transformation with better access to finance and a lower cost of capital. In addition, Heidelberg Materials’ lobbying activities highlight the key role that state subsidies play in the transformation of the cement industry.

Green lead markets

Bringing lower-emissions and circular products to market quickly is another key driver of industrial transformation. It is up to the public and private sectors to create lead markets for these products. We advocate for regulatory and policy measures to stimulate demand and increase acceptance of sustainable products. For this reason, we actively support the establishment of robust definitions and standards for sustainable products and the enhancement of corresponding criteria in procurement procedures by the public sector.

Biodiversity and preservation of natural resources

Heidelberg Materials has a biodiversity management system and engages in intensive dialogue with a wide range of stakeholders. Within the scope of our business activities, this topic also plays a significant role in approval procedures. We participate in the further development of the regulatory framework for nature and biodiversity conservation primarily by participating in associations and working in partnership with non-governmental organisations.

The topics of CCUS, renewable energies and alternative fuels, circular economy, green lead markets, and biodiversity were assessed as material in the double materiality assessment. The topics of carbon pricing and sustainable financing as well as public subsidies are regarded as financial effects in the materiality assessment.

Targets and metrics

We have not set any lobbying targets, because we do not consider lobbying to be quantitatively measurable.

The overarching objective of Heidelberg Materials’ lobbying is to support our business activities and the implementation of our sustainability strategy. The implementation of our decarbonisation projects is partly dependent on external factors, such as political and legal frameworks.

We therefore monitor and support political discussions and legislative processes at global, regional, and national levels regarding the existing positions of our company and our industry. We do this by means of ongoing monitoring, participation in industry as-

sociations, and through direct dialogue with political decision-makers.

The qualitative indicators are therefore oriented towards the implementation of an efficient environmental and industrial policy approach that effectively supports the decarbonisation of the cement industry. One of the factors is whether the respective international and national projects are aligned with the Paris Agreement.

Progress is measured on a case-by-case basis and according to region. We do not have a Group-wide standardised methodology or procedure.

Our Code of Business Conduct defines the framework for ethical behaviour in our lobbying work and prohibits direct monetary and in-kind donations from our company to political parties, politicians, and political candidates. However, US federal law allows monetary donations to political candidates via Political Action Committees (PACs). PACs are independent, stand-alone funds managed by employees in their capacity as private individuals and regulated by the US Federal Election Commission (FEC) regarding membership and donations. Participation in a PAC is voluntary and restricted under federal law to eligible individuals who can privately support political candidates in elections by making personal donations to the PAC fund. This is common practice among companies and industry associations in the USA.

Our US subsidiary Heidelberg Materials US, Inc., operates a PAC. An independent panel of this committee, composed exclusively of employees of Heidelberg Materials US, Inc., decides how the funds are allocated. Contributions focus primarily on individual

candidates for the US House of Representatives and the US Senate. Support is given to candidates who represent business locations in their districts and advocate for the interests of the economy and our industry, regardless of their party affiliation. Management does not issue any guidelines regarding the size and allocation of donations to political parties and candidates. The PAC makes its decisions independently and without influence from Heidelberg Materials AG. The financial contributions are transparently disclosed on the FEC website. In the 2025 financial year, employees of the company supported political candidates with contributions of a total of USD112,252 via US PAC.

In the 2025 financial year, expenditure on lobbying activities amounted to a total of €17.5 million (previous year: €17.6 million), which was largely attributable

to financial contributions. In particular, these included Heidelberg Materials’ membership fees in cement, aggregates, and ready-mixed concrete associations. The largest financial contributions in 2025 were provided to German, French, and US cement industry associations (e.g. VDZ, France Ciment, ACA).

To determine expenditure and recipients, we conducted a global survey of all Group countries and consolidated the reported values in the following table. In some cases, this may result in potential measurement inaccuracies, because it is not possible to provide a detailed breakdown of, for example, membership fees or salaries for individual (lobbying) activities. In these cases, we estimated the shares based on empirical values of the actual time spent on the relevant activities in previous years, for example.

Political influence and lobbying activities¹⁾

	2024	2025	Unit	Reference
Financial political contributions	17.6	17.5	million €	G1-5 29b i
In-kind political contributions	0	0.1	million €	G1-5 29b i
Total political contributions	17.6	17.5	million €	G1-5 29b i
Political contributions by geographical area				
– Europe	14.0	13.8	million €	G1-5 29b i
– North America	2.4	2.4	million €	G1-5 29b i
– Asia-Pacific	0.6	0.6	million €	G1-5 29b i
– Africa-Mediterranean-Western Asia	0.5	0.7	million €	G1-5 29b i
Political contributions by recipient				
– Direct lobbying	–	2.6	million €	G1-5 29b i
– Third party government affairs or lobbying agencies	–	0.2	million €	G1-5 29b i
– National Political campaigns, organisations, or candidates	–	0.0	million €	G1-5 29b i
– National trade associations	–	14.1	million €	G1-5 29b i
– Tax exempt groups	–	0.5	million €	G1-5 29b i
– Other	–	0.1	million €	G1-5 29b i

1) Political Action Committees (PACs) are not included.

Among other records, Heidelberg Materials is listed in the EU Transparency Register and the lobby register as a lobbyist of the German Bundestag and the German Federal Government.

Our identification number in the EU Transparency Register is 81970148701-15. Our number in the lobby register for the German Bundestag and the German Federal Government is R001318.

None of the current members of the Managing Board or Supervisory Board of Heidelberg Materials were employed in public administration in the two years prior to their appointment.

Antitrust law

Compliance with antitrust law is of particular importance to Heidelberg Materials due to the extensive standardisation of our products. Competition is therefore mainly based on price. Coordination with competitors can thus focus on price and measures influencing it and consequently appears relatively easy to implement.

In addition, the markets in which Heidelberg Materials operates are highly transparent and often characterised by oligopolistic structures. This can increase the incentive for unlawful restraints on competition and also lead to mere suspicions of antitrust violations. The investigative activities of the supervisory authorities in the building materials sector are therefore extensive. This intense scrutiny makes the aforementioned risks especially relevant.

Policies

The Group Competition Law Policy and the Supplemental Competition Law Policy are part of Heidelberg Materials’ compliance programme and focus on setting minimum requirements for antitrust compliance for all country-specific implementation measures they specify. The antitrust policies address the financial risks and the potential negative impact regarding the company-specific material topic antitrust law.

In accordance with these policies, the national antitrust guidelines based on them, as well as the company’s Code of Business Conduct, Heidelberg Materials is committed to strict compliance with antitrust laws. These laws include the prohibition of cartels and prohibited collusion, the abuse of dominant market positions, and the rules of merger control.

Group Competition Law Policy

Scope	Worldwide
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
Relevance in the sustainability report	G1 – Corporate governance

The aim of the Group Competition Law Policy is to raise awareness of and prevent violations of competition law. It also supplements the relevant provisions of the Code of Business Conduct. The policy serves as a framework and must be implemented and substantiated by national guidelines within the Group countries.

Regarding competition law, acceptable actions for Heidelberg Materials are defined by applicable anti-trust laws including relevant international regulations, such as the antitrust regulations in the Treaty on the Functioning of the EU. The policy specifies the legal requirements, but also stipulates training, documentation, reporting, and monitoring obligations as well as responsibilities to prevent antitrust violations as the cause of the aforementioned risks.

Due to differences between the competition laws of the countries, the Group Competition Law Policy only refers to the common and general elements of the essential requirements for compliance with competition law. These apply uniformly in all Group countries, regardless of specific national laws.

Pending the introduction of competition guidelines at national level, the policy will also apply directly to all those employees who become involved in competition law issues while performing their duties. In addition to management, these are primarily executives and employees who work in sales, but also managers who are involved in procurement and M&A projects. The policy also applies to technicians who meet with representatives of competitors in industry associations and cooperation projects.

The Managing Board of Heidelberg Materials is responsible for matters regarding compliance, including compliance with antitrust regulations. Overall

responsibility for compliance with competition law at national level lies with the respective country managers as well as the heads of legal departments and/or compliance officers of the country organisations. They are usually assisted in this task by the heads of the national legal departments. However, compliance with antitrust regulations is also mandatory for every individual employee who is involved in relevant matters.

Supplemental Group Competition Law Policy

Scope	Group companies in the Europe Group area
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Chairman of the Managing Board
Availability	Internal
Relevance in the sustainability report	G1 – Corporate governance

The Supplemental Group Competition Law Policy contains more detailed guidelines for Group companies in the Europe Group area, which are subject to the highly harmonised antitrust regulations of the countries of the European Economic Area. In addition to specific guidelines for corporate measures such as price increases, it also includes a specific reporting system for antitrust training and monitoring activities.

National antitrust guidelines

Scope	Respective Group country
Value chain	Upstream and downstream value chain, own operations
Most senior level accountable	Country manager
Availability	Internal
Relevance in the sustainability report	G1 – Corporate governance

The country organisations have issued national antitrust law guidelines in accordance with the provisions of the Group Competition Law Policy and, where applicable, the Supplemental Competition Law Policy. These guidelines specify the regulations in force in the Group countries. A national antitrust law guideline may be waived if there is no significant deviation from the provisions of the Group Competition Law Policy in the respective country.

Actions

The following actions are intended to lead to compliance with antitrust law in the implementation of the policies described above. They ensure transparency about any violations at the top management level so that appropriate action can be taken. They are also intended to ensure that employees are aware of and

familiar with the relevant regulations, ensure ongoing monitoring of relevant developments in the Group countries, and, where appropriate, identify the need for further development of the antitrust compliance system. They apply to Heidelberg Materials’ own operations as well as the upstream and downstream value chain, ensuring that any violations by business partners can be identified, reported and addressed if necessary. The company intends to continue these measures on a permanent basis.

Reporting on antitrust investigations

In the area of competition law, we have a comprehensive reporting system on antitrust investigation proceedings to enable risk assessments and examine the need for response. In 2025, quarterly internal reports on the development of ongoing antitrust proceedings relating to Heidelberg Materials were prepared and made available to the Managing Board. The Audit Committee of the Supervisory Board receives a report on antitrust proceedings twice a year.

Antitrust law trainings

In 2025, the scheduled annual competition law update took place at Managing Board level to ensure continuous awareness training at the highest level of responsibility. Employees with sales responsibilities who report directly to the members of the Managing Board are also regularly informed about antitrust regulations. In 2024, employees who work in procurement or sales, have management responsibility, or otherwise have contact with competitors, customers, and suppliers, were assigned digital training on antitrust law, the completion of which was verified in 2025.

In the field of antitrust law, there were also seminars, lectures, and other measures, such as internal audits and comparable reviews. An internal audit focusing on antitrust compliance was conducted in Morocco.

Training programmes for people at risk must be provided every two years. The aim is to continuously minimise the risk over the planned recurrence periods. Internal audits and comparable spot checks are planned and carried out annually.

Antitrust risk assessments

In the Group countries, annual qualitative antitrust risk assessments are scheduled to enable reaction to changes in risk, such as those arising due to changes in laws and application principles or company acquisitions and other business expansions.

External audit of the antitrust compliance programme

A regular external audit of the antitrust compliance programme by a specialist law firm should be conducted approximately every three years. It was last conducted in 2023.

Targets and metrics

The company has a zero-tolerance policy and expects compliance with antitrust regulations. This is monitored by a comprehensive reporting system of antitrust investigation measures and suspected cases, which makes relevant processes transparent on a continuous basis. The reporting system comprises an ad hoc obligation to report new cases and significant developments and submit regular status reports (currently on a quarterly basis).

In addition, we use the training completion rates to monitor whether employees have successfully completed their assigned digital learning programmes. The digital antitrust law training courses were last assigned in 2024 and will be repeated as planned again in 2026.

We strive for a completion rate of 100%, but this is a non-binding target due to continuous changes in the workforce structure and the decentralised global structure of Heidelberg Materials.

Appendix

- 207** Datapoints from EU legislation
- 209** Disclosure Requirements
- 212** Statement on due diligence
- 212** Inclusion of information by reference

Datapoints from EU legislation

Disclosure Requirement and related datapoint that derive from other EU legislation	Materiality assessment / page
ESRS 2 GOV-1 § 21(d) Board's gender diversity	material; 87
ESRS 2 GOV-1 § 21(e) Percentage of board members who are independent	material; 87
ESRS 2 GOV-4 § 30 Statement on due diligence	material; 212
ESRS 2 SBM-1 § 40(d) i. Involvement in activities related to fossil fuel activities	material; 55
ESRS 2 SBM-1 § 40(d) ii. Involvement in activities related to chemical production	not material
ESRS 2 SBM-1 § 40(d) iii. Involvement in activities related to controversial weapons	not material
ESRS 2 SBM-1 § 40(d) iv. Involvement in activities related to cultivation and production of tobacco	not material
ESRS E1-1 § 14 Transition plan for climate change with the objective of achieving climate neutrality by 2050	material; 109
ESRS E1-1 § 16(g) Undertakings that are excluded from the Paris-aligned Benchmarks	not material; 109
ESRS E1-4 GHG § 34 GHG emission reduction targets	material; 113–114
ESRS E1-5 § 38 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	material; 122
ESRS E1-5 § 37 Energy consumption and mix	material; 122
ESRS E1-5 § 40-43 Energy intensity associated with activities in high climate impact sectors	material; 122
ESRS E1-6 § 44 Gross Scope 1, 2, 3 and Total GHG emissions	material; 170–120
ESRS E1-6 § 53-55 Gross GHG emissions intensity	material; 115
ESRS E1-7 § 56 GHG removals and carbon credits	material; 121

Disclosure Requirement and related datapoint that derive from other EU legislation	Materiality assessment / page
ESRS E1-9 § 66 Exposure of the benchmark portfolio to climate-related physical risks	Phase-in
ESRS E1-9 § 66(a) Disaggregation of monetary amounts by acute and chronic physical risk	Phase-in
ESRS E1-9 § 66(c) Location of significant assets at material physical risk	Phase-in
ESRS E1-9 § 67(c) Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Phase-in
ESRS E1-9 § 69 Degree of exposure of the portfolio to climate-related opportunities	Phase-in
ESRS E2-4 § 28 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	material; 134
ESRS E3-1 § 9 Water and marine resources	material; 136
ESRS E3-1 § 13 Dedicated policy	not material
ESRS E3-1 § 14 Sustainable oceans and seas	not material
ESRS E3-4 § 28(c) Total water recycled and reused	material; 139
ESRS E3-4 § 29 Total water consumption in m³ per net revenue on own operations	material; 139
ESRS 2- SBM-3 - E4 § 16(a) i.	Quick-fix
ESRS 2- SBM-3 - E4 § 16(b)	material; 140
ESRS 2- SBM-3 - E4 § 16(c)	not material
ESRS E4-2 § 24(b) Sustainable land / agriculture practices or policies	material; 142, 183
ESRS E4-2 § 24(c) Sustainable oceans / seas practices or policies	not material
ESRS E4-2 § 24(d) Policies to address deforestation	material; 142

Datapoints from EU legislation (continued)

Disclosure Requirement and related datapoint that derive from other EU legislation	Materiality assessment / page
ESRS E5-5 § 37(d) Non-recycled waste	material; 155
ESRS E5-5 § 39 Hazardous waste and radioactive waste	material; 155
ESRS 2- SBM3 - S1 § 14(f) Risk of incidents of forced labour	not material; 159
ESRS 2- SBM3 - S1 § 14(g) Risks of incidents of child labour	not material; 159
ESRS S1-1 § 20 Human rights policy commitments	material; 159–160
ESRS S1-1 § 21 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	material; 159–160
ESRS S1-1 § 22 Processes and measures for preventing trafficking in human beings	material; 162
ESRS S1-1 § 23 Processes and measures for preventing trafficking in human beings	material; 162, 169
ESRS S1-3 § 32(c) Grievance / complaints handling mechanisms	material; 158–159
ESRS S1-14 § 88(b) and (c) Number of fatalities and number and rate of work-related accidents	material; 170
ESRS S1-14 § 88(e) Numbers of days lost to injuries, accidents, fatalities or illness	Phase-in
ESRS S1-16 § 97(a) Unadjusted gender pay gap	material; 170
ESRS S1-16 § 97(b) Excessive CEO pay ratio	material; 170
ESRS S1-17 § 103(a) Incidents of discrimination	material; 171
ESRS S1-17 § 104(a) Non-respect of UNGPs on Business and Human Rights and OECD	not material; 171
ESRS 2- SBM3 – S2 § 11(b) Significant risk of child labour or forced labour in the value chain	material; 175

Disclosure Requirement and related datapoint that derive from other EU legislation	Materiality assessment / page
ESRS S2-1 § 17 Human rights policy commitments	material; 174–175
ESRS S2-1 § 18 Policies related to value chain workers	material; 175–177
ESRS S2-1 § 19 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	not material; 174
ESRS S2-1 § 19 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	material; 174
ESRS S2-4 § 36 Human rights issues and incidents connected to its upstream and downstream value chain	material; 174
ESRS S3-1 § 16 Human rights policy commitments	material; 181–182
ESRS S3-1 § 17 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	not material; 182
ESRS S3-4 § 36 Human rights issues and incidents	material; 182
ESRS S4-1 § 16 Policies related to consumers and end-users	material; 189–190
ESRS S4-1 § 17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	not material; 189
ESRS S4-4 § 35 Human rights issues and incidents	material; 189
ESRS G1-1 § 10(b) Human rights issues and incidents	not material
ESRS G1-1 § 10(d) Protection of whistle-blowers	not material
ESRS G1-4 § 24(a) Fines for violation of anti-corruption and anti-bribery laws	material; 200
ESRS G1-4 § 24(b) Standards of anti-corruption and anti-bribery	material; 199–200

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GOV-3	Integration of sustainability-related performance in incentive schemes		88–89
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GOV-5	Risk management and internal controls over sustainability reporting strategy		89–90
SBM-1	Strategy, business model and value chain	38–39, 41–42, 55, 90–94	
SBM-2	Interests and views of stakeholders		95–96
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ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		105, 108
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ESRS E4 – Biodiversity and ecosystems		Page
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	141
ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	101
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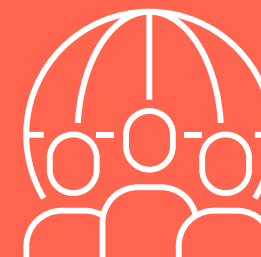
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Strategy 2030

Collective Strength

Our strength lies in the combined forces of a global team: a unique combination of local commitment and innovation.

What makes us strong collectively

€m	2024	2025
Profit for the financial year	1,918.4	2,129.5
Other comprehensive income		
Items not being reclassified to profit or loss in subsequent periods		
Remeasurement of the defined benefit liability (asset)	-30.2	60.6
Income taxes	11.9	-23.2
Defined benefit plans	-18.3	37.4
Net gains/losses arising from equity accounted investments	4.6	-8.7
Total	-13.7	28.7
Items that maybe be reclassified subsequently to profit or loss		
Cash flow hedges – change in fair value	-6.1	6.3
Reclassification adjustments for gains/losses included in profit or loss	-3.6	-7.4
Income taxes	-1.9	5.6
Cash flow hedges	-11.7	4.5
Currency translation	595.4	-1,662.4
Reclassification adjustments for gains/losses included in profit or loss	-0.3	-15.1
Income taxes	19.4	1.9
Currency translation	614.6	-1,675.6
Net gains/losses arising from equity accounted investments	97.1	-78.2
Total	700.0	-1,749.3
Other comprehensive income	686.3	-1,720.7
Total comprehensive income	2,604.6	408.8
Thereof attributable to non-controlling interests	150.3	77.7
Thereof attributable to Heidelberg Materials AG shareholders	2,454.3	331.2

Consolidated statement of cash flows

€m	Notes	2024	2025
Net income from continuing operations		1,882.2	2,173.6
Income taxes		704.3	750.7
Interest income/expenses		172.0	200.6
Dividends received	8.1	213.5	189.0
Interest received	8.2	184.9	160.5
Interest paid	8.2	-354.8	-356.2
Income taxes paid		-683.8	-716.3
Depreciation, amortisation, and impairment		1,545.0	1,397.3
Other eliminations	8.3	-95.9	-169.8
Cash flow		3,567.3	3,629.6
Changes in operating assets		-198.1	-212.1
Changes in operating liabilities		87.9	122.7
Changes in working capital	8.4	-110.2	-89.4
Decrease in provisions through cash payments		-201.2	-256.3
Cash flow from operating activities – continuing operations		3,255.9	3,284.0
Cash flow from operating activities – discontinued operations		-24.2	-29.2
Cash flow from operating activities		3,231.7	3,254.8
Intangible assets		-87.0	-50.0
Property, plant and equipment		-1,323.1	-1,364.6
Government grants		110.1	73.6
Subsidiaries and other business units		-774.3	-965.4
Other financial assets, associates, and joint ventures		-68.3	-178.3
Investments (cash outflow)	8.5	-2,142.6	-2,484.7
Intangible assets		0.4	0.1
Property, plant and equipment		150.2	145.7
Subsidiaries and other business units		51.1	29.9
Other financial assets, associates, and joint ventures		128.2	98.0
Divestments (cash inflow)	8.6	329.9	273.7
Cash flow from investing activities		-1,812.7	-2,211.0

€m	Notes	2024	2025
Capital increase of non-controlling interests		31.8	17.8
Dividend to Heidelberg Materials AG shareholders		-546.2	-588.8
Dividends to non-controlling interests		-114.4	-122.2
Acquisition of treasury shares	8.7	-350.0	-400.0
Increase in ownership interests in subsidiaries	8.8	-32.8	-19.6
Proceeds from bond issuance and loans	8.9	1,302.8	994.3
Repayment of bonds, loans and lease liabilities	8.10	-1,756.3	-1,301.4
Changes in short-term financial liabilities	8.11	15.0	-131.4
Cash flow from financing activities		-1,450.1	-1,551.5
Net change in cash and cash equivalents – continuing operations		-6.9	-478.5
Net change in cash and cash equivalents – discontinued operations		-24.2	-29.2
Net change in cash and cash equivalents		-31.2	-507.7
Effect of exchange rate changes		-14.4	-85.8
Cash and cash equivalents at 1 January		3,266.5	3,220.9
Cash and cash equivalents at 31 December	8.13	3,220.9	2,627.4
Reclassification of cash and cash equivalents according to IFRS 5		-0.8	
Cash and cash equivalents presented in the balance sheet at 31 December	8.13	3,220.1	2,627.4

Consolidated balance sheet – Equity and liabilities

€m	Notes	31 Dec. 2024	31 Dec. 2025
Equity			
Subscribed share capital	9.7	546.2	535.3
Share premium	9.8	6,274.5	6,285.4
Retained earnings	9.9	12,774.5	13,832.6
Other components of equity	9.10	-449.6	-2,088.8
Treasury shares	9.7	-350.0	-400.0
Total shareholders' equity of Heidelberg Materials AG		18,795.6	18,164.6
Non-controlling interests	9.11	1,179.3	1,136.3
Total equity		19,974.8	19,300.9
Non-current liabilities			
Bonds payable	9.14	5,598.9	5,354.8
Bank loans	9.14	142.9	360.0
Other non-current financial liabilities	9.14	1,042.7	1,070.8
Pension provisions	9.12	633.0	569.3
Deferred taxes	7.10	890.7	860.5
Other non-current provisions	9.13	1,505.5	1,360.8
Other non-current operating liabilities	9.14	104.1	113.2
Non-current income tax liabilities	7.10	150.4	188.2
Total non-current liabilities		10,068.2	9,877.6
Current liabilities			
Bonds payable (current portion)	9.14	1,078.7	1,075.8
Bank loans (current portion)	9.14	231.8	128.5
Other current financial liabilities	9.14	462.7	396.8
Pension provisions (current portion)	9.12	61.3	54.9
Other current provisions	9.13	287.4	310.3
Trade payables	9.14	3,288.6	3,311.3
Other current operating liabilities	9.14	1,534.2	1,483.8
Current income tax liabilities	7.10	293.9	199.3
Total current liabilities		7,238.6	6,960.6
Liabilities associated with assets held for sale	7.11	20.1	
Total liabilities		17,326.9	16,838.2
Balance sheet total		37,301.7	36,139.9

€m

Other components of equity

	Notes	Subscribed share capital	Share premium	Retained earnings	Cash flow hedge reserve	Currency translation	Total other components of equity	Treasury shares	Total shareholders' equity of Heidelberg Materials AG	Non-controlling interests ¹⁾	Total
1 January 2024		558.6	6,262.1	11,854.0	54.2	-1,189.6	-1,135.5	-298.0	17,241.3	1,133.5	18,374.8
Profit for the financial year				1,781.8					1,781.8	136.6	1,918.4
Other comprehensive income				-13.3	-11.8	697.6	685.9		672.6	13.7	686.3
Total comprehensive income				1,768.5	-11.8	697.6	685.9		2,454.3	150.3	2,604.6
Change in consolidation scope										7.0	7.0
Change in ownership interests in subsidiaries				-8.2					-8.2	-24.5	-32.7
Change in non-controlling interests with put options				-0.1					-0.1	-3.3	-3.4
Share-based payment of equity accounted investments				4.3					4.3		4.3
Capital increase from corporate funds										31.8	31.8
Other changes				0.3	-0.1		-0.1		0.2	-0.2	
Acquisition of treasury shares								-350.0	-350.0		-350.0
Cancellation of treasury shares		-12.4	12.4	-298.0				298.0			
Dividends				-546.2					-546.2	-115.3	-661.5
31 December 2024		546.2	6,274.5	12,774.5	42.3	-492.0	-449.6	-350.0	18,795.6	1,179.3	19,974.8
1 January 2025		546.2	6,274.5	12,774.5	42.3	-492.0	-449.6	-350.0	18,795.6	1,179.3	19,974.8
Profit for the financial year				1,940.9					1,940.9	188.6	2,129.5
Other comprehensive income				29.2	5.6	-1,644.6	-1,639.0		-1,609.7	-110.9	-1,720.7
Total comprehensive income				1,970.1	5.6	-1,644.6	-1,639.0		331.2	77.7	408.8
Change in consolidation scope										7.8	7.8
Change in ownership interests in subsidiaries				5.5					5.5	-24.4	-19.0
Change in non-controlling interests with put options				25.0					25.0	1.7	26.8
Other changes in equity of equity accounted investments				-4.0					-4.0		-4.0
Capital increase from corporate funds										17.8	17.8
Other changes				0.3					0.3	-0.1	0.2
Acquisition of treasury shares								-400.0	-400.0		-400.0
Cancellation of treasury shares		-10.9	10.9	-350.0				350.0			
Dividends				-588.8					-588.8	-123.4	-712.2
31 December 2025		535.3	6,285.4	13,832.6	47.9	-2,136.5	-2,088.6	-400.0	18,164.6	1,136.3	19,300.9

1) The accumulated currency translation differences included in non-controlling interests changed in 2025 by -€106.4 million (previous year: 18.7) to -€315.5 million (previous year: -237.0). The total currency translation differences recognised in equity thus amount to -€2,452.0 million (previous year: -729.0).

- 1) Corporate Functions/Reconciliation includes:
 - a) intra Group revenues = eliminations of intra-Group relationships between the segments
 - b) results from current operations before depreciation and amortisation/depreciation from corporate functions
 - c) additional ordinary result and earnings before interest and taxes
- 2) Capital expenditures = in the segment columns: cash effective investments in property, plant and equipment as well as intangible assets;
in the reconciliation column: cash effective investments in non-current financial assets and other business units
- 3) Segment assets = property, plant and equipment as well as intangible assets

Group Notes

1 General information

Heidelberg Materials AG is a public limited company based in Germany. The company has its registered office in Heidelberg, Germany. Its address is: Heidelberg Materials AG, Berliner Straße 6, 69120 Heidelberg. The company is registered at the Mannheim Local Court (HRB 330082).

The core activities of Heidelberg Materials include the production and distribution of cement, aggregates, ready-mixed concrete, and asphalt.

2 Accounting and valuation principles

2.1 Accounting principles

The consolidated financial statements of Heidelberg Materials AG as at 31 December 2025 were prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union and the additional requirements of German Commercial Law pursuant to section 315e(1) of the German Commercial Code (Handelsgesetzbuch, HGB). All binding IFRSs for the 2025 financial year adopted into European law by the European Commission, including the interpretations of the IFRS Interpretations Committee (IFRS IC), were applied. The previous year's figures were determined according to the same principles.

The consolidated financial statements cover the period from 1 January 2025 to 31 December 2025 and are prepared in euro. Unless otherwise stated, all amounts are given in millions of euros (€m). The amounts have been rounded in accordance with

standard commercial practice. The financial statements show a true and fair view of the assets, financial, and earnings position of the Heidelberg Materials Group.

In accordance with IAS 1 (Presentation of Financial Statements), the consolidated financial statements contain a balance sheet as at the reporting date, an income statement, a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows in accordance with the principles of IAS 7 (Statement of Cash Flows). The segment reporting is prepared in accordance with the regulations of IFRS 8 (Operating Segments).

For reasons of clarity, some individual items have been combined in the income statement and in the balance sheet. Explanations of these items are contained in the Notes. The income statement classifies expenses according to their nature. To improve the level of information, the additional ordinary result is shown separately in the income statement. This item shows income and expenses that, although occurring in the course of ordinary business activities, are not reported in result from current operations. This includes, in particular, impairment of goodwill, other intangible assets and property, plant and equipment, gains and losses from the disposal of subsidiaries and other business units, expenses from additions to or income from the reversal of provisions for legal proceedings, restructuring expenses pursuant to IAS 37, expenses directly related to the rebranding of our Group companies, and transaction costs for business combinations and disposals.

2.2 Scope of consolidation

In addition to Heidelberg Materials AG, the consolidated financial statements include subsidiaries, joint arrangements, and associates.

Subsidiaries are characterised by the fact that Heidelberg Materials can exercise control over these companies. Control exists when Heidelberg Materials has decision-making power, is exposed to variable returns, and is able to influence the level of the variable returns as a result of the decision-making power. Normally, this is the case when more than 50% of the shares are owned. If contracts or legal regulations stipulate that a company can be controlled despite a shareholding of less than 50%, this company is included in the consolidated financial statements as a subsidiary. If a company cannot be controlled with a shareholding of more than 50% as a result of contracts or legal regulations, this company is not included in the consolidated financial statements as a subsidiary.

In joint arrangements, Heidelberg Materials exercises joint control over a company with one or more parties through contractual agreements. Joint control exists if decisions about the relevant activities of the company must be made unanimously. Depending on the rights and obligations of the parties, joint arrangements may be joint operations or joint ventures. In joint operations, however, the controlling parties have direct rights to the assets and obligations for the liabilities of the jointly controlled operation. Joint ventures are characterised by the fact that the parties that have joint control participate in the net assets of the company by virtue of their position as shareholders.

In associates, Heidelberg Materials has a significant influence on the operating and financial policies of the company. This is normally the case if Heidelberg Materials holds between 20% and 50% of the voting rights in a company.

2.3 Consolidation principles

The capital consolidation of subsidiaries is performed using the acquisition method pursuant to IFRS 3 (Business Combinations). In this process, the acquirer measures the identifiable assets acquired and liabilities assumed at their fair values at the acquisition date. The acquiring entity's investment, measured at the fair value of the consideration transferred, is eliminated against the revalued equity of the newly consolidated subsidiary at acquisition date. The residual positive difference between the fair value of the consideration transferred and the fair value of acquired assets and liabilities is shown as goodwill. A residual negative difference is recognised in profit or loss after further review. Non-controlling interests can be recognised either at their proportionate share of the acquiree's net assets or at fair value. This option can be applied separately for every business combination.

Income and expenses as well as receivables and payables between consolidated companies are eliminated. Profits and losses from intra-Group sales of assets are eliminated. The consequences of consolidation on income tax are taken into account by recognising deferred taxes.

The share of equity and the share of profit or loss for the financial year attributable to non-controlling interests of consolidated subsidiaries are shown separately. In the case of put options held by non-controlling interests, the total comprehensive income attributable to the non-controlling interests as well as the dividend payments to non-controlling interests are shown over the course of the year as changes in equity. At the reporting date, non-controlling interests with a put option were reclassified as financial liabilities. The financial liability is measured at the present value of the redemption amount. Differences



between the carrying amount of the non-controlling interests and the present value of the redemption amount are recognised directly in equity. In the case of non-controlling interests in German partnerships, changes in the value of the settlement obligation are recognised in profit or loss in the financial result. In the statement of changes in equity, this is reported in the line Change in non-controlling interests with put options.

In the event of business combinations achieved in stages, Heidelberg Materials achieves control of a company in which it held a non-controlling equity interest immediately before the acquisition date. In this scenario, differences between the carrying amount and the fair value of previously held shares are recognised in profit or loss. Changes in the ownership interest in a subsidiary that do not lead to a loss of control are recognised outside profit or loss as equity transactions. In the case of transactions that lead to a loss of control, any residual interests are remeasured at fair value through profit or loss.

In joint operations, the assets, liabilities, income and expenses, as well as cash flows are included pro rata in the consolidated financial statements in accordance with the rights and obligations of Heidelberg Materials.

Joint ventures and associates are accounted for using the equity method. Initially, the acquired investments are recognised at cost. In subsequent years, the carrying amount of the investment is increased or decreased according to the share of Heidelberg Materials in the comprehensive income of the investee. Dividend payments received from investees re-

duce the carrying amount. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's participation in these companies. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. When the share of losses attributable to Heidelberg Materials in the company in which a participating interest is held equals or exceeds the carrying amount of the investment, no further shares of losses are recognised. If the investee subsequently reports profits, the investor resumes recognising its share of these profits only after the share in profit equals the share of losses not yet recognised.

Subsidiaries, joint operations, joint ventures, and associates that do not have a material impact on the assets, financial, and earnings position of the Group, either individually or collectively, are accounted for at cost less impairment and shown as financial investments. In each case, the financial data of the immaterial subsidiaries accounted for less than 1% of Group revenue, equity, and balance sheet total.

2.4 Currency translation

The separate financial statements of the Group's foreign subsidiaries are translated into euro pursuant to IAS 21 (The Effects of Changes in Foreign Exchange Rates) using the concept of functional currency. In general, for operating companies, the functional currency is the local currency of the country in which the subsidiary is based, since all foreign subsidiaries are financially, economically, and organisationally independent in the conduct of their business. Assets and liabilities are translated using the middle rates at the

reporting date, with equity, in contrast, using the historical exchange rates. The translation differences resulting from this are recognised outside profit or loss in other components of equity through other comprehensive income until the subsidiary is disposed of. The proportionate equity of the foreign joint ventures and associates is translated in accordance with the procedure described for subsidiaries. Income and expenses are translated using average annual exchange rates. The differences arising from the translation at the closing rate are also recognised outside profit or loss in other components of equity through other comprehensive income.

Transactions in foreign currency are recorded at company level at the spot exchange rate at the date of the transaction. Exchange gains or losses from the measurement of monetary items in foreign currency

at the closing rate up to the reporting date are recognised in profit or loss. Exchange differences arising from foreign currency borrowings, to the extent that they are part of a net investment in a foreign operation, form an exception to recognition in profit or loss. They are part of a net investment in a foreign operation if settlement is neither planned nor likely to occur in the foreseeable future. These translation differences are recognised directly in equity via other comprehensive income and only reclassified to profit or loss on disposal of the business. Non-monetary items in foreign currency are recorded at historical exchange rates.

The following table shows the key exchange rates used in the translation of the separate financial statements denominated in foreign currencies into euro.

Exchange rates

		Exchange rates at reporting date		Average exchange rates	
EUR		31 Dec. 2024	31 Dec. 2025	2024	2025
AUD	Australia	1.6732	1.7602	1.6403	1.7524
CAD	Canada	1.4890	1.6118	1.4821	1.5784
CZK	Czechia	25.2040	24.1810	25.1160	24.6872
GBP	Great Britain	0.8275	0.8717	0.8466	0.8569
INR	India	89.2005	105.4919	90.5354	98.5396
IDR	Indonesia	16,734	19,712	17,209	18,656
MAD	Morocco	10.4896	10.7140	10.7553	10.5495
NOK	Norway	11.7853	11.8417	11.6325	11.7235
PLN	Poland	4.2792	4.2168	4.3050	4.2397
SEK	Sweden	11.4600	10.8169	11.4370	11.0658
USD	USA	1.0354	1.1746	1.0819	1.1304



Hyperinflation

Turkey (since 30 June 2022) has been classified as hyperinflationary in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies). In order to reflect the change in purchasing power, activities in these countries are therefore not recognised on the basis of historical acquisition or production costs, but adjusted for the effects of inflation. The Turkish consumer price index is used for the activities of our joint venture Akçansa Çimento Sanayi ve Ticaret A.Ş. The balance sheet items as well as expenses and income are then translated into the reporting currency euro at the closing rate. As in the previous year, the resulting effect on the result from equity accounted investments (REI) is of minor importance.

For Ghana, which had been classified as a hyperinflationary country in accordance with IAS 29 since the 2023 financial year, this classification no longer applies for the 2025 financial year, as the three-year cumulative inflation rate fell below 100% in 2025. As a result, accounting in accordance with IAS 29 is no longer required and the balance sheet items of our subsidiaries based in Ghana are now reported at historical acquisition costs and fair value once again. The index-based purchasing power adjustments for non-monetary assets as at 1 January 2025 serve as the basis for updating the carrying amounts. The income statement items are again translated using the average exchange rate.

2.5 Recognition and measurement principles

The consolidated financial statements are generally prepared using the historical cost principle. Exceptions to this are derivative financial instruments and certain non-derivative financial assets, which are measured at fair value. Furthermore, the carrying amounts of the assets and liabilities recognised in the balance sheet, which represent the hedged items in fair value hedges and are otherwise accounted at cost, are adjusted as a result of changes in the fair values assigned to the hedged risks. The fundamental recognition and measurement principles are outlined below.

Intangible assets are initially measured at cost. In subsequent periods, intangible assets with a finite useful life are measured at cost less accumulated amortisation and impairment, and intangible assets with an indefinite useful life are measured at cost less accumulated impairment. Intangible assets with a finite useful life are amortised using the straight-line method.

Pursuant to IFRS 3 (Business Combinations), **goodwill** is not amortised. Instead, goodwill is tested for impairment according to IAS 36 (Impairment of Assets) at least once a year in the fourth quarter after completion of the current operational plan or upon the occurrence of significant events or changes in circumstances that indicate an impairment requirement. In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs. On the basis of the

sales and management structure, a group of CGUs is defined generally as a country or Group area; exceptions are the cross-border Nordic Precast Group and the Mibau Group. As soon as the carrying amount of a group of CGUs to which goodwill is allocated exceeds its recoverable amount, an impairment loss of the allocated goodwill is recognised in profit or loss. The recoverable amount is the higher of fair value less costs of disposal and the value in use of a group of CGUs. The fair value is the best estimate of the price at which an independent third party would acquire a group of CGUs. The value in use is calculated by discounting estimated future cash flows after taxes with a post-tax risk-adjusted discount rate (weighted average cost of capital – WACC).

Property, plant and equipment are accounted for according to IAS 16 (Property, Plant and Equipment) at cost less accumulated depreciation and impairment. Existing asset retirement obligations are also capitalised. Cost includes all costs that can be attributed to the manufacturing process and appropriate amounts of production overheads. Costs for repair and maintenance of property, plant and equipment are generally expensed as incurred. Capitalisation takes place if the measures lead to an extension or significant improvement of the asset. Property, plant and equipment are depreciated on a straight-line basis unless there is another depreciation method more appropriate for the pattern of use. Scheduled depreciation of property, plant and equipment is determined on the basis of the following Group-wide useful lives.

Useful lives

	Years
Buildings	20 to 40
Technical equipment and machinery	10 to 30
Plant and office equipment	5 to 15

Exploitation land and mineral reserves are amortised using the unit of production method. Borrowing costs that can be allocated directly or indirectly to the construction of large facilities with a creation period of more than 12 months (qualifying assets) are capitalised as part of the cost in accordance with IAS 23 (Borrowing Costs).

Government grants comprise financial support provided to the company by state entities and may be subject to certain conditions. Investment-related grants are associated with the acquisition or production of property, plant and equipment. Such grants are reported when there is reasonable assurance that the conditions attached to them will be fulfilled and that the company will receive the funding. These grants are recognised as a reduction in the cost of the associated asset. Grants received are reported separately in the cash flow from investing activities. Other grants or assistance related to income are recognised in profit or loss in the period in which the corresponding expenses to be compensated are recognised. An allocation via a deferred income item may be made if the grant relates to the same expenses over multiple periods. If grants subsequently become repayable in whole or in part, accounting is based on the original method of recognition. In the case of investment-related grants, a repayment in-



creases the carrying amount of the affected asset. If grants related to income were recorded via a deferred income item, the amount not yet recognised in profit or loss is first derecognised in profit or loss. If the repayment exceeds this amount, the surplus is recognised as an expense in the profit or loss for the financial year. Repayment obligations are treated as changes in accounting estimates and are accounted for prospectively.

Leases are accounted for pursuant to IFRS 16 (Leases). According to IFRS 16, the lessee has a fundamental obligation to recognise rights and obligations arising under leases in the balance sheet. Lessees account for the right-of-use asset in the fixed assets as well as a corresponding lease liability.

The lease liability is measured at the present value of the lease payments to be made during the term of the lease. In addition, payments connected with purchase options and term extension options are taken into account if their exercise is reasonably certain. The lease payments are discounted at the incremental borrowing rate. This is generally the interest rate that the lessee would have to pay in order to raise the necessary debt capital to acquire an asset offering a comparable right of use in a similar economic environment, with a similar term and security or similar conditions. The lease liabilities are reported in the other financial liabilities. The costs of the right-of-use asset include the initially recognised amount of the lease liability as well as any additional costs connected with the lease. The lease liability is compounded in subsequent periods and reduced by the amount of the lease payments made. The right-of-

use assets are depreciated over the term of the underlying lease. If the ownership of the leased asset is transferred to the Group at the end of the lease term or the exercise of a purchase option is included in the cost of the right-of-use asset, the depreciation takes place on the basis of the expected useful life of the underlying leased asset.

In the case of leases for vehicles and ships that contain lease and non-lease components, Heidelberg Materials separates the components so that only the lease components are accounted for in accordance with the regulations of IFRS 16. No right-of-use assets or lease liabilities are recognised for leases with a term of up to 12 months and contracts for low-value assets. The expenditure on these leases is recognised in the period in which it arises in the other operating expenses; the payments are shown under cash flow from operating activities in the statement of cash flows. The same applies to variable lease payments not linked to an index or (interest) rate. Leases for exploitation land do not fall within the scope of IFRS 16. These leases are considered pending transactions and the expenses are recognised in the material costs in the period in which they arise.

Inventories are measured pursuant to IAS 2 (Inventories) at the lower of cost and net realisable value using the weighted average cost method. Adequate provisions are made for risks relating to quality and quantity. Besides direct expenses, the costs for finished goods and work in progress include production-related indirect materials and indirect labour costs, as well as production-related depreciation. The overhead rates are calculated on the basis of the

average operating performance rate. Borrowing costs are not recognised as part of the costs because the production period is less than 12 months. Spare parts for equipment are generally reported under inventories. If they were acquired in connection with the acquisition of the equipment, or in a separate acquisition meet the definition of an asset, then they are reported under property, plant and equipment.

Emission rights are reported under raw materials and consumables. Emission rights granted free of charge by the public sector are initially measured at a nominal value of zero. Emission rights acquired for consideration are accounted for at cost and measured at the lower of cost and net realisable value using the average cost method. Provisions for the obligation to return emission rights are recognised if the actual CO₂ emissions up to the reporting date are not covered by emission rights granted free of charge. The amount of provision for emission rights already acquired for consideration is measured at the carrying amount and, for emission rights yet to be acquired in order to fulfil the obligation, at the market value as at the reporting date.

Treasury shares acquired are recognised at the settlement date at the consideration paid, including any directly attributable additional costs, and are deducted from equity in a separate item until the shares are cancelled, re-issued, or resold. Both the purchase or sale and any subsequent cancellation of treasury shares are recognised directly in equity.

Pension provisions and similar obligations are determined pursuant to IAS 19 (Employee Benefits). For numerous employees, the Group makes provisions for retirement either directly or indirectly through contributions to pension funds. Various post-employment benefit plans are in place, depending on the legal, economic, and tax framework in each country, which are generally based on employees' years of service and remuneration. The pension provisions include those from current pensions and from entitlements from pensions to be paid in the future.

At Heidelberg Materials, the company pension schemes include both defined contribution and defined benefit plans. In defined contribution plans, the Group pays contributions into external funds. After paying the contributions, the Group has no further benefit obligations. In defined benefit plans, the Group's obligation is to provide the agreed benefits to current and former employees. A distinction is made between benefit systems financed by provisions and those financed by funds.

The most significant post-employment benefit plans financed by funds exist in the United Kingdom, the USA, Belgium, Norway, Indonesia, and Australia. The retirement benefit system in Indonesia consists of a statutory defined benefit plan and a company-based defined contribution plan financed by funds, the benefits from the latter may be set off from the statutory benefits. In Germany, Sweden, and France, the retirement benefit plans are predominantly financed by means of provisions. Heidelberg Materials also has a number of post-retirement medical benefit plans financed by provisions to cover the health care

All material defined benefit pension plans in North America have been closed to new entrants, the majority of these have been frozen for future accruals. In North America, a retirement plans committee has been established by Heidelberg Materials to serve as oversight of the pension administration, the fiduciary responsibilities of Heidelberg Materials in relation to the retirement plans, and Heidelberg Materials' role as plan administrator. The regulatory framework for each of the qualified pension plans in the USA has a minimum funding requirement based on the statutory funding objective agreed with the plan administrator. In the USA, the Employee Retirement Income Security Act of 1974 (ERISA) provides the national legal framework. ERISA sets minimum standards for participation, vesting, the funding status of the pension plan, and the accountability of plan fiduciaries. In November 2025, Heidelberg Materials USA completed a buy-in transaction to purchase annuity policies covering approximately 98% of benefits under the Heidelberg Materials US pension plan. The defined benefit obligations to plan members continue to remain within the plan; however, they are now backed by insured assets that correspond to the obligation.

In Germany, pension plans operate under the framework of the German Company Pension Law (Betriebsrentengesetz, BetrAVG) and general regulations based on German Labour Law. The main pension plans were closed to new entrants in 2005. Employees hired prior to 2006 continue to earn benefits under these arrangements, which are final salary and/or years of service related. In addition, individual pension entitlements have been granted to the mem-

- Discount rate risks in all cases where falling market interest rates could result in a higher present value of the remaining future obligations
- Inflation risks (in particular where benefits are linked to salary, or pension payments are subject to inflation adjustments)
- Asset performance risks in countries where pension plans are funded (such as the United Kingdom and the USA); these risks have been partially mitigated through the use of liability-driven investment strategies
- Longevity risks in cases where benefits would be paid for a longer period in the future than is currently anticipated in the mortality tables used
- Changes to national funding requirements may increase contributions, and changes in national law might also mandate rises in benefits beyond those presently agreed upon

Other provisions are recognised in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) if, as a result of past events, there are legal or constructive obligations towards third parties that are likely to lead to outflows of resources embodying economic benefits that can be reliably determined. The provisions are calculated on the



basis of the best estimate, taking into account all identifiable risks.

The capital market components of the Group-wide virtual stock option plan are accounted for as cash-settled, share-based payment transactions pursuant to IFRS 2 (Share-based Payment). As at the reporting date, a provision is recognised pro rata temporis in the amount of the fair value of the payment obligation. Changes in the fair value are recognised in profit or loss. The fair value of the options is determined using a recognised option price model.

The **current tax expense** is determined according to the local tax regulations in which the respective Group company operates. Local tax liabilities not yet covered by prepayments are presented as non-current or current tax liabilities in the financial statements, depending on the expected cash outflow. Any overpayments are capitalised as current or non-current tax receivables.

Deferred tax assets and liabilities are recognised in accordance with the balance sheet liability method (IAS 12 Income Taxes). This means that deferred taxes are principally recognised for all temporary differences between the IFRS amount and the tax amount. No deferred taxes are recognised for temporary differences from goodwill, unless tax-deductible goodwill exists at the same time. Deferred tax assets are only recognised to the extent that it is probable that taxable income will be sufficiently available in the future. Furthermore, deferred tax assets are recognised on unused tax losses carried forward, to the extent that the probability of their recovery in subse-

quent years is sufficiently high. Deferred tax liabilities are considered in connection with undistributed profits from subsidiaries, joint ventures, and associates, unless Heidelberg Materials is able to control the dividend policy of the companies and no dividend distribution or disposal is anticipated in the foreseeable future. The deferred taxes are measured using the rates of taxation that, as at the reporting date, are applicable or have been announced as applicable in the individual countries for the period when the deferred taxes are realised. Deferred tax assets and liabilities are offset if there is an enforceable right to set off current tax assets and liabilities and if they relate to income taxes levied by the same taxing authority and the Group intends to settle its current tax assets and liabilities on a net basis. In principle, changes in the deferred taxes in the balance sheet lead to deferred tax expense or income. If circumstances that lead to a change in the deferred taxes are recognised outside profit or loss in other comprehensive income or directly in equity, the change in deferred taxes is also taken into account in other comprehensive income or directly in equity. If the item is subsequently reversed through other comprehensive income, the deferred tax is also reversed through other comprehensive income.

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments include non-derivative and derivative financial instruments.

The **non-derivative financial assets** include investments in equity instruments and debt instruments.

These assets are divided into the amortised cost, fair value through other comprehensive income, and fair value through profit or loss measurement categories when initially recognised, pursuant to IFRS 9 (Financial Instruments).

Investments in equity instruments are in principle measured at fair value. The gains and losses resulting from the subsequent measurement are recognised either in profit or loss or directly in equity through other comprehensive income. For investments in equity instruments that are not held for trading, an individual decision can be made for each participation, when initially recognised, as to whether it is measured at fair value through profit or loss or through other comprehensive income. Investments are generally measured at fair value through profit or loss and are therefore allocated to the financial investment category fair value through profit or loss, provided that there is no significant influence on the investee. If a participation is irrevocably allocated to the category fair value through other comprehensive income, the gains and losses resulting from the subsequent measurement are recognised outside profit or loss in other comprehensive income. After the participation is derecognised, the gains and losses will not be subsequently reclassified from fair value through other comprehensive income to profit or loss. Dividends received from these participations are recognised in profit or loss.

For debt instruments, the initial recognition of a financial asset is at fair value plus transaction costs directly attributable to the acquisition, provided that the financial asset is not measured at fair value

through profit or loss. For financial assets recognised at fair value through profit or loss, attributable transaction costs are recognised directly as an expense in profit or loss. The subsequent measurement is based on the cash flow characteristics and the business model in use. Accordingly, Heidelberg Materials divides its debt instruments into the following two measurement categories:

- At amortised cost (AC): Financial assets held for the collection of contractual cash flows that are solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is recognised in the financial result using the effective interest method. All gains or losses resulting from derecognition, impairment losses, or currency translation are recognised directly in profit or loss. Impairment losses represent probability-weighted estimates of credit losses. They are calculated on the basis of the best available information and the time value of money. Reversals are carried out if the reasons for the impairment losses no longer apply. Financial assets measured at amortised cost include loans, interest-bearing receivables, trade receivables, and other operating receivables. In principle, the amortised cost in the case of current financial assets corresponds to the carrying amount.
- Fair value through profit or loss (FVTPL): Financial assets for which the cash flow condition is not met because there are not only payments of principal and interest on the nominal amount outstanding are measured at fair value through profit or loss. Financial assets held for the purpose of sale are



also assigned to this measurement category. This category mainly includes trade receivables that are intended for sale in the context of factoring transactions. Changes in the fair value and income from these assets are recognised directly in profit or loss in the period in which they are incurred.

Financial assets are derecognised from the balance sheet at the point in time that the contractual rights to cash flows from the asset expire or the financial asset is transferred. Transferred financial assets are fully derecognised if all risks and rewards are substantially transferred to the acquirer. If the risks and rewards are only partially transferred (risk sharing), the assets continue to be recognised to the extent of the maximum risk retained due to the impossibility of resale.

Financial assets are also derecognised when there is no prospect of recovery, for example if enforcement measures have been unsuccessful, insolvency proceedings have been discontinued due to lack of assets, or the debt has since become statute barred. No further enforcement activities will subsequently be taken.

Non-derivative financial liabilities are initially recognised at the fair value of the consideration received or at the value of the cash received less transaction costs incurred, if applicable. These instruments are subsequently measured at amortised cost, using the effective interest method if applicable. In principle, the amortised cost in the case of current financial li-

abilities corresponds to the nominal value or the redemption amount. Non-derivative financial liabilities include trade payables, other operating liabilities, and financial liabilities. The Group has not yet made use of the possibility of designating non-derivative financial liabilities, when initially recognised, as financial instruments at fair value through profit or loss.

All non-derivative financial instruments at amortised cost are accounted for at the settlement date, whereas non-derivative financial instruments at fair value through profit or loss are accounted for at the trade date.

At Heidelberg Materials, **derivative financial instruments** are generally used to minimise financial risks and include stand-alone derivatives such as currency, interest rate, and commodity derivatives as well as embedded electricity derivatives.

In principle, embedded derivatives must be separated from the non-derivative host contract and recognised separately if the economic characteristics and risks of the embedded derivative are not closely linked to the economic characteristics and risks of the host contract. Separation is not required if the entire contract is already measured at fair value through profit or loss, for example because it is a financial asset and the cash flow criterion has been violated.

Derivative financial instruments are measured at fair value both on their initial accounting on the trade date and in subsequent periods. The valuations are

derived from the market or determined using recognised valuation methods (discounted cash flow or option price models). In particular, currency exchange rates, interest rate curves, and raw material prices are used, which can be observed in the corresponding markets. If market prices are no longer available for long-term commodity futures, the prices available on the market are extrapolated for the valuation. Derivatives are recognised as assets if their fair value is positive and as liabilities if their fair value is negative.

Whether changes in fair value are recognised in profit or loss or directly in equity depends on whether the derivative financial instrument is designated as being in an effective hedging relationship (hedge accounting) pursuant to IFRS 9 and the type of the underlying transaction.

Derivative financial instruments held for trading are classified in the category fair value through profit or loss (FVTPL). The changes in fair values are recognised immediately in profit or loss. Within the context of the Group strategy, derivative financial instruments held for trading generally represent an effective hedge in an economic sense, because the changes in the fair values of these derivative financial instruments are principally offset by changes in the fair values of the hedged items.

In **hedge accounting**, in order to avoid volatility in the income statement, the accounting of the hedged item and the hedge of a hedging relationship is mod-

ified so that the results of measuring the hedged item or hedge are recognised in the period incurred directly in equity or in profit or loss. Heidelberg Materials uses cash flow hedges and fair value hedges. At the beginning of each hedge, the clear hedging relationship between the hedged item and the hedging instrument as well as the objectives and the risk management strategy are documented and the effectiveness of the hedge is demonstrated. The effectiveness of existing hedges is continuously monitored.

When hedging future cash flows (cash flow hedges), the effective portion of the changes in the fair value of the hedging instrument is recognised directly in equity through other comprehensive income. The ineffective portion of the hedging instrument is recognised immediately in profit or loss. When the hedged item is realised, the amounts recognised in equity are either reclassified directly to the acquisition costs of the hedged item, if this leads to the recognition of a non-financial asset or a non-financial liability, or reclassified to the income statement at the same time that the hedged item is recognised in profit or loss. Heidelberg Materials accounts for the hedging of the currency risk of off-balance sheet firm commitments as a cash flow hedge. In this case, only the spot component is designated as a hedging instrument. The change in the forward component of the currency derivative is recognised in profit or loss in the other financial result.



In the case of fair value hedges of balance sheet items, both the hedging instrument and the effective portion of the hedged portion of the risk of the underlying transaction are measured at fair value. The change in fair value of the hedging instrument and the hedged item are recognised simultaneously in the same item in profit or loss.

Contracts concluded for the purpose of receiving or supplying non-financial items pursuant to Heidelberg Materials' expected purchase, sale, or usage requirements and held as such (own use contracts) are accounted for as pending transactions rather than derivative financial instruments. Written options for the purchase or sale of non-financial items that can be cash-settled are not classified as own use contracts.

Both physical and virtual **long-term power purchase agreements** (PPAs) have been concluded to secure the supply of electricity from renewable energy sources. Depending on their structure, the physical PPAs are accounted for as lease contracts in accordance with IFRS 16 with fully variable lease payments or as pending transactions in accordance with IFRS 9, using the own use exception. The terms are up to 20 years. In addition, virtual PPAs with a term of up to 10 years have also been concluded in some cases. The embedded electricity price differential contracts are accounted for as derivatives that are designated in a cash flow hedge.

Assets held for sale and discontinued operations are shown separately in the balance sheet if they can be sold in their present condition and the sale is high-

ly probable. Assets classified as held for sale are recognised at the lower of their carrying amount and fair value less costs to sell, unless another value is to be recognised under other standards. According to their classification, liabilities directly connected with these assets are shown in a separate line on the liability side of the balance sheet.

For discontinued operations, the net result is shown in a separate line in the income statement. In the statement of cash flows, the cash flows are broken down into continuing and discontinued operations. For discontinued operations, the previous year's figures in the income statement, the statement of cash flows, and the segment reporting are adjusted accordingly in the year of the reclassification. The Notes include additional details on the assets held for sale and discontinued operations.

Contingent liabilities and assets are, on the one hand, possible obligations or assets arising from past events and whose existence depends on the occurrence or non-occurrence of one or more uncertain future events that are not within the Group's control. On the other hand, contingent liabilities are current obligations arising from past events for which there is unlikely to be an outflow of resources embodying economic benefits or where the scope of the obligation cannot be reliably estimated. Contingent liabilities are not recognised in the balance sheet unless they are current obligations that have been taken on as part of a business combination. Contingent assets are only recognised in the balance sheet if they are virtually certain. Insofar as an outflow or inflow of

economic benefits is possible, details of contingent liabilities and assets are provided in the Notes.

Income is recognised when control of a promised good or service is transferred to a customer. It is measured at the fair value of the consideration received or receivable, including variable consideration; sales tax and other duties collected on behalf of third parties are not taken into account.

Heidelberg Materials primarily generates **revenue** from simply structured sales of building materials, such as cement, aggregates (including processed primary raw materials), ready-mixed concrete, and asphalt, for which the control is transferred to the customer at a specific point in time. In the context of the sale of the products, separate performance obligations may arise from transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few isolated cases, particularly in the recycling business, revenue is recognised over time. In a few exceptional cases, the transport services are performed after the control of the products has been transferred. In accordance with IFRS 15 (Revenue from Contracts with Customers), the revenue relating to these transport services is realised later than the corresponding product revenue. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual price reductions. The variable consideration is estimated on the basis of the most like-

ly amount. However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved. As the period between the date on which Heidelberg Materials transfers the promised goods or services to the customer and the date on which the customer pays for these goods or services is generally one year or less, no financing components are taken into account. Contract assets and contract liabilities are recognised as soon as one of the contracting parties has commenced performance of the contract. If the right to consideration is unconditional, it is recognised as a trade receivable. Heidelberg Materials grants its customers country- and industry-specific payment terms, which normally include payment within 30 to 60 days after the date of invoicing. Contract assets and contract liabilities are not shown separately in the balance sheet but under other operating receivables and assets and other operating liabilities respectively. They are shown separately in the Notes. Costs directly attributable to obtaining or fulfilling the contract are recognised as an expense when they are incurred, as the amortisation period is generally no longer than one year.

Interest income is recognised pro rata temporis using the effective interest method.

Dividend income is realised when the legal entitlement to payment arises.

3 Application of new accounting standards

3.1 Initial application of accounting standards in the financial year

In the 2025 financial year, Heidelberg Materials applied the following amendments to existing standards of the International Accounting Standards Board (IASB) for the first time.

- **Amendments to IAS 21** The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The new regulation had no significant impact on the assets, financial, and earnings position of the Group, as there were no indications during the reporting period of any limited exchangeability of foreign currencies that would be relevant for the purpose of financial reporting. For the activities of our joint venture in Turkey, which is classified as hyperinflationary, the translation continues to be adjusted for the effects of inflation.

3.2 Published, but not yet applicable accounting standards

The IASB and IFRS IC have adopted additional standards and interpretations that may impact the assets, financial, and earnings position of the Heidelberg Materials Group, but whose application was not yet mandatory for the 2025 financial year.

Published, but not yet applicable accounting standards

Title	Date of initial application ¹⁾	Endorsement by the EU Commission
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	1 January 2026	yes
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026	yes
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026	yes
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	yes
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	1 January 2027	no

1) Fiscal years beginning on or after that date.

Heidelberg Materials will not apply these standards and interpretations until the date when their application first becomes mandatory and after endorsement by the European Commission.

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and introduces a revised structure for the consolidated income statement. It requires the presentation of subtotals, in particular “Operating profit” and “Profit before financing and income taxes.” In addition, income and expenses must be classified into the following categories:

- The operating category essentially comprises income and expenses from the company's main business activity.
- The investing category contains income and expenses from assets that are not used for operating activities. These include, in particular, income and expenses from equity accounted participations as well as interest income and effects from the foreign currency valuation of granted loans to third parties and financial investments.

- The financing category shows income and expenses from financing activities, particularly interest expenses and foreign currency effects from bonds and loans to third parties, as well as interest effects from lease liabilities, defined benefit obligations, and other provisions.
- There is currently still uncertainty as to the category in which effects from foreign currency valuation of intra-Group loans should be reported. Definitive clarification of the IFRS Interpretations Committee's tentative agenda decision "Classification of a Foreign Exchange Difference from an Intragroup Monetary Liability (or Asset)" is still pending. In particular, it is unclear whether it is mandatory for these effects to be allocated to the "operating" category, whether allocation in accordance with the income and expenses from the loan before consolidation is considered a permissible interpretation, or whether there is an accounting policy choice for presentation.

In addition, IFRS 18 requires the disclosure of management-defined performance measures (MPMs) if they are used in external communications. For these measures, reconciliations to the corresponding IFRS subtotals must be disclosed.

IFRS 18 also introduces changes to the presentation of the statement of cash flows. The operating profit subtotal is to be used as the starting point for presenting cash flows from operating activities. Interest received and dividends received are to be classified as cash flow from investing activities; interest paid must be shown in cash flow from financing activities.



Heidelberg Materials is currently analysing the impact of IFRS 18 on the presentation of the consolidated financial statements. In particular, impacts are expected on the structure of the consolidated income statement, the presentation and disclosure of management-defined performance measures, and the presentation of the statement of cash flows. A final assessment of the effects has not yet been completed.

The other standards and interpretations listed are not expected to have a significant impact on the assets, financial, and earnings position of the Group.

4 Judgements, estimates, and assumptions

4.1 Significant judgements by management

Judgements must be made by management when applying the accounting and valuation methods, which may have a material impact on the consolidated financial statements. These judgements are made in particular in the following situations:

- Assessing the existence of control over subsidiaries or joint control or significant influence when determining the scope of consolidation
- When accounting for business combinations, determining whether the business combination concerns a business operation or the acquisition of an individual asset or a group of assets, and whether

an intangible asset is identifiable and must be recognised separately from goodwill

- Deciding how to define cash-generating units or how to combine them into groups to which goodwill is allocated, and assessing the existence of indications of impairment or, in the case of impaired cash-generating units, assessing the occurrence of significant changes compared with the previous year
- In the accounting of leases in accordance with IFRS 16, assessing whether or not to exercise extension or termination options, and determining the incremental borrowing rate
- Assessing under which business model a financial asset should be classified
- For certain contracts, deciding whether they should be treated as derivatives or accounted for as own use contracts
- Determining whether the material opportunities and risks of selling receivables under factoring agreements have been transferred

4.2 Estimates and assumptions

The presentation of the assets, financial, and earnings position is dependent on estimates and assumptions that affect the amounts and presentation of assets, liabilities, expenses, and income accounted for. Estimates and assumptions are made in particular in the following situations:

- When accounting for business combinations, the fair values of the assets and liabilities as at the acquisition date are determined on the basis of estimates. Among other things, valuation methods are used that require a forecast of expected future cash flows. Explanations concerning business combinations are provided in Note 5.1.
- A cash flow-based method in accordance with IAS 36 (Impairment of Assets) is used to determine the recoverable amount of groups of cash-generating units as part of the impairment test for goodwill, intangible assets and property, plant and equipment. In particular, estimates are required in relation to future cash flows of the groups of cash-generating units as well as to the discount rates and growth rates used (discounted cash flow method). A change in the influencing factors may have a significant impact on the existence or amount of impairment losses. Explanations concerning the composition of the carrying amount of goodwill and the impairment test are provided in Note 9.1 Intangible assets. Explanations of impairments of property, plant and equipment are made in Note 9.2.
- Estimates of the useful lives of intangible assets and depreciable property, plant and equipment are based on the Group's empirical values. For the aggregates business, useful lives depend largely on the term of the mining concessions and usage permits as well as on the volume of available land or mineral reserves. Determining useful lives therefore requires assumptions to be made about the future regulatory environment and economically recover-

able reserves. These assumptions are subject to uncertainties and are reviewed regularly. Changes in the underlying assumptions may lead to an adjustment of the remaining useful lives and, if necessary, to an impairment or a reversal of an impairment loss pursuant to IAS 36.

- Extensive estimates and assumptions are required when making investment decisions, especially in relation to carbon capture, (utilisation,) and storage (CC(U)S) projects. The feasibility and economic viability of these projects primarily depend on the industrial usability of new technological solutions (technology risks), the creation of a suitable regulatory framework for the use of new technologies, expected government grants, the development of emissions trading, and sales opportunities for new low-carbon products. In light of these factors, the recoverability of such projects is subject to notable uncertainties.
- Furthermore, estimates and assumptions are made when recognising inventories that are subject to inherent measurement-related uncertainties due to their physical nature and when measuring inventories. The lower of cost and net realisable value is used in the impairment test. The net realisable value is determined as the estimated sales proceeds less the estimated costs to completion and the estimated necessary sale costs and therefore has an influence on any requirement for impairment or reversal of impairment losses. Impairments or reversal of impairment losses on inventories are shown in Note 9.5.

- To assess the future probability that deferred tax assets can be utilised, various estimates must be adopted. In addition to operational plans and tax projections, other factors are also taken into account, such as the earnings position and planning accuracy in the past as well as the existence of deferred tax liabilities, the reversal of which leads to taxable amounts. The planning horizon considered is determined by the circumstances of the respective Group company and is generally five years. Further explanations on current and deferred taxes are provided in Note 7.10 Income taxes.
- Owing to the international nature of its business activities, Heidelberg Materials AG and its subsidiaries are subject to a large number of national tax laws and regulations. Changes in tax laws as well as the issuance of case law and the possible differing interpretation by local tax authorities due to the complexity of tax laws can have an influence on the amount of both current and deferred taxes. The potential uncertainties resulting from this are to be resolved by means of appropriate discretionary decisions. Recognition and measurement are based on the most probable realisation value of the uncertainty. Individual presentation or aggregation of several uncertainties depends on the individual case under consideration. Uncertainties in current taxes are taken into account with an appropriate estimate of potential tax payments. Uncertainties regarding the recoverability of deferred tax assets are countered by means of internal planning, also with regard to the future development of results of the Group company concerned.

Ongoing monitoring of the aforementioned uncertainties is ensured by organisational measures.

- The obligations arising from defined benefit plans are determined on the basis of actuarial methods, which are based on assumptions and estimates concerning the discount rate, pension increase rate, life expectancy, and other influencing factors. A change in the underlying parameters may lead to changes in the extent of the obligation. Further details are given on [page 222 f.](#) and in Note 9.12 Pension provisions.
- Provisions for damages and environmental obligations are measured on the basis of an extrapolation of the claims and estimates of the development of costs. A change in the influencing parameters may have an impact on the income statement and the amount of the provision. Discretionary assumptions are required when determining the necessary parameters for the measurement of other environmental provisions (e.g. amount and timing of expected payouts, discount factor, rate of cost increase). The recognition and measurement of the miscellaneous other provisions are based on estimates of the probabilities of future outflow of resources and on the basis of empirical values and the circumstances known at the reporting date. The actual outflow of resources may differ from the outflow of resources expected at the reporting date and may have an impact on the recognition and measurement. Further explanations on provisions can be found in Note 9.13 Other provisions.

- The measurement of specific financial instruments such as put options of non-controlling interests and virtual long-term power purchase agreements, which are not traded on an active market, is based on best possible estimates using probability forecasts and recognised actuarial methods.
- Impairment testing of financial assets requires estimates of the amount of the possible default and the likelihood of future events. When determining the impairment for expected credit losses for receivables within the scope of IFRS 9, default probabilities and macroeconomic information are taken into account in the loss rates, which are based on assumptions about the future development of the relevant economic factors and how these factors will influence each other. Explanations of impairments of financial assets are provided in Note 10.3.

All estimates and assumptions are subject to ongoing review and based on past experience and other factors, including expectations about future events that may have a financial impact on the company and are considered appropriate in the circumstances. Effects of the ongoing conflicts in the Middle East and between Russia and Ukraine, the price development for energy and raw materials, and the slight decline in inflation expectations are also taken into account. The actual values may differ from these estimates and assumptions. Estimate adjustments are recognised in profit or loss at the point in time when new information or better insights become available.

4.3 Climate-related risks

Heidelberg Materials is subject to climate-related risks. Climate risks include both transition risks and physical risks.

- **Transition risks** exist in connection with the shift to a low-emission economy. As part of the structural transition, Heidelberg Materials anticipates a rise in prices for the acquisition of emission allowances in particular. These expected cost increases are taken into account in the operational plans. In addition, transition risks can lead to impairments. This is particularly relevant to carbon-intensive cement plants, whose recoverability may be impaired by stricter regulatory requirements or changes in market conditions.
- **Physical climate risks** result from the direct consequences of extreme weather events, such as floods and droughts. Heidelberg Materials regularly performs risk analyses to identify vulnerable locations. Extreme weather events may lead to a reduction in the useful lives of property, plant and equipment. Useful lives are reviewed regularly and, if necessary, adjusted to the changed conditions. Furthermore, extreme weather events may lead to increased maintenance costs and rising insurance premiums or increased deductibles due to the growing probability of damage. Overall, the aforementioned climate-related risks increase the uncertainties in the context of impairment tests.

5

 Changes in scope of consolidation

In addition to Heidelberg Materials AG, the consolidated financial statements include 679 subsidiaries that have been fully consolidated, of which 26 are German and 653 are foreign companies. The changes in comparison with 31 December 2024 are shown in the following table.

Number of fully consolidated companies			
	Germany	Abroad	Total
31 December 2024	27	660	687
First-time consolidations		15	15
Divestments		–4	–4
Other changes	–1	–18	–19
31 December 2025	26	653	679

A list of shareholdings of the Heidelberg Materials Group as at 31 December 2025 on the basis of the regulations of section 313(2) of the German Commercial Code (Handelsgesetzbuch, HGB) is provided in Note 12. It also contains an exhaustive list of all subsidiaries that make use of the exemption from disclosure obligations in accordance with sections 264(3) and 264b of the HGB.

5.1

 Business combinations

Business combinations in the reporting year

On 1 April 2025, Heidelberg Materials acquired 100% of the shares in Giant Cement Holding Inc., Harleyville, USA, and its subsidiaries. Giant Cement Holding Inc. is a cement manufacturer on the East Coast of the United States with a focus on utilising waste-based alternative fuels. The acquisition includes a cement plant, five cement terminals, two deep-sea import terminals, one of which is operated as part

of a joint venture, and a recycling company specialising in alternative fuels. Through this acquisition, Heidelberg Materials is further expanding its presence in the USA while broadening its range of solutions in the circular economy sector. The purchase price of €577.1 million consists of a cash payment of €588.4 million and a receivable from a purchase price adjustment of €11.3 million. The provisionally recognised goodwill of €232.1 million represents synergy and growth potential and is not tax-deductible. The purchase price allocation is provisional, primarily because the measurement of property, plant and equipment has not yet been completed.

On 30 June 2025, our 51% subsidiary Ciments du Maroc S.A., Casablanca, Morocco, acquired 62.62% of the shares in Asment de Témara S.A. (“Asment”), a cement and ready-mixed concrete manufacturer based in Témara, Morocco, along with its subsidiary. The business activities of the acquired entities include a cement plant and eight ready-mixed concrete plants. By means of this investment, Heidelberg Materials is strengthening its corporate presence in Morocco. Through this transaction, Heidelberg Materials, which already held 37.01% of the shares in Asment, has gained control of the company and fully consolidated it with effect from 30 June 2025. The total cost of the business combination is made up of the fair value of the previous equity interest in Asment of €130.8 million and the purchase price of the newly acquired shares of €212.3 million. The revaluation of the previously held interest in Asment resulted in a loss of €38.0 million, which was recognised in the additional ordinary expenses. The loss is mainly due to a lower purchase price due to the sharp depreciation of the US dollar against the euro since 31 December 2024 as well as valuation adjustments of raw material reserves. The non-controlling interests of

–€0.3 million were measured at the proportionate fair value of the identifiable net assets. The provisionally recognised goodwill, which is not tax-deductible, amounts to €278.6 million. The purchase price allocation is still pending.

On 4 July 2025, Heidelberg Materials completed the acquisition of the ready-mixed concrete business of the Australian family-owned company Midway Concrete. The company operates four concrete plants in Laverton, Craigieburn, Melton, and Lara in Australia. With this acquisition, Heidelberg Materials is expanding its existing concrete and quarrying activities in Melbourne and strengthening its integrated market position in Australia. The purchase price amounted to €56.1 million and was paid in cash. The purchase price allocation has been completed. The final good-

will of €27.2 million represents synergy and growth potential and is not tax-deductible.

On 1 December 2025, Heidelberg Materials acquired the principal assets of Walan Specialty Construction Products LLC, Wilmington, USA, a manufacturer of slag cement made from by-products of steel production. With this acquisition, Heidelberg Materials is expanding its portfolio of low-carbon products. The provisional purchase price of €21.6 million, which is subject to the usual purchase price adjustments, was paid in cash. The provisionally recognised goodwill of €5.6 million represents synergy and growth potential and is tax-deductible.

The following table shows the (provisional) fair values of the assets and liabilities as at the acquisition date.

(Provisional) fair values recognised as at the acquisition date (reporting year)				
€m	North America	Morocco	Australia	Total
Intangible assets	86.9	0.2	18.7	105.8
Property, plant and equipment	284.6	59.7	24.1	368.3
Financial fixed assets	0.1	4.4		4.5
Deferred taxes	25.0	1.4		26.4
Inventories	31.1	14.3	0.6	46.1
Trade receivables	34.4	12.6		47.0
Cash and cash equivalents	3.1	4.5		7.6
Other assets	11.3	5.1	0.1	16.4
Total assets	476.5	102.2	43.4	622.2
Deferred taxes		2.6	5.5	8.1
Provisions	61.2	10.9	0.1	72.3
Non-current liabilities	21.2	1.0	8.8	31.0
Current liabilities	34.0	22.8	0.1	57.0
Total liabilities	116.4	37.4	14.6	168.4
Net assets	360.1	64.8	28.9	453.8



The acquired intangible assets mainly relate to operating licences for the use of alternative raw materials and fuels as well as other operating licences related to the environment. The acquired property, plant and equipment relates to land and buildings, including mineral reserves recognised as exploitation land (€207.7 million), plant and machinery (€116.3 million), other operating equipment (€33.0 million), and pre-payments and assets under construction (€11.4 million).

As part of the business combinations, receivables with a fair value of €51.4 million were acquired. These concern trade receivables in the amount of €47.0 million, other operating receivables in the amount of €2.4 million, and loans in the amount of €2.0 million. The gross value of the contractual receivables totals €53.9 million, of which €2.5 million is likely to be irrecoverable.

Since the acquisition took place, the companies have contributed €287.5 million to revenue and €36.4 million to the profit for the financial year. If the acquisitions had taken place on 1 January 2025, contributions to revenue and profit for the financial year would have been €151.5 million and €5.4 million higher respectively. Transaction costs of €4.9 million arising in connection with the above-mentioned business combinations were recognised in the additional ordinary expenses.

Furthermore, Heidelberg Materials effected other business combinations during the reporting year that are of minor importance, both individually and collectively, for the presentation of the assets, financial, and earnings position of the Group.

Business combinations in the previous year

With effect from 1 May 2024, Heidelberg Materials acquired 100% of the shares in ACE Group. ACE Group is a supplier of pulverised fly ash in Malaysia and comprises three entities operating along the value chain: ACE Greencemt Venture (M) Sdn Bhd, a supplier of pulverised fly ash to the Malaysian building materials industry; Asas Asia (M) Sdn Bhd, a processor of coal ash; and AGP Logistics (M) Sdn Bhd, a logistics services company with 20 silo trucks. With the acquisition of ACE Group, Heidelberg Materials is strengthening circularity within the value chain in Southeast Asia and continuing to reduce its carbon footprint in another key market. The purchase price of €70.6 million consists of a cash payment of €35.6 million and a liability for contingent consideration with a fair value of €35.0 million. The contingent consideration is dependent on the extension of a supply contract and the Managing Director remaining in post. It is based on a value derived from the EBITDA of the companies in 2026 and 2027 and was determined on the basis of probabilities. The range of results (undiscounted) is between €0 and €58.1 million. The goodwill of €51.3 million represents synergy and growth potential and is not tax-deductible.

On 3 May 2024, Heidelberg Materials acquired 100% of the shares in Mick George Limited, Cambridge-shire, United Kingdom, and its subsidiaries (“Mick George Group”). The Mick George Group specialises in bulk excavation and earthmoving services, demolition work, and environmentally friendly waste disposal. Recycling services and the supply of aggregates and concrete complete the portfolio. The group operates four recycling plants, nine waste handling stations, fourteen aggregates quarries, and

ten ready-mixed concrete plants. The acquisition strengthens Heidelberg Materials’ range of circular materials and adds a comprehensive recycling platform to its portfolio. It will support the development of innovative technologies for processing and valorising waste as a valuable material in the construction cycle. The purchase price of €208.0 million was paid in cash. The contract also contains contingent payments to the sellers that are linked to their continued employment and are therefore treated as a separate transaction. Since the payments compensate for work performed after the business combination, they are recognised as personnel costs over the agreed service period. The purchase price allocation was completed in April 2025. In comparison with the values reported as at 31 December 2024, this primarily resulted in an increase of €18.0 million in provisions and a decrease of €5.2 million in property, plant and equipment, which was offset by a decrease in deferred tax liabilities of €5.2 million. The final goodwill of €164.6 million represents synergy and growth potential and is not tax-deductible.

Furthermore, as part of its commitment to conserving natural resources and promoting the circular economy through recycling and reuse and by reducing the use of primary raw materials, Heidelberg Materials acquired 100% of the shares in Bristol & Avon Group Limited and Balla Homes Ltd, Bristol, United Kingdom, and their subsidiaries (“B&A Group”) on 17 May 2024. The B&A Group is one of the leading excavated material and aggregates recycling companies in South West England. The B&A Group specialises in the supply of recycled and primary aggregates as well as site clearance, earthworks, land remediation, and sustainable land regeneration. The

purchase price of €62.9 million consists of a cash payment of €61.0 million and a liability for contingent consideration with a fair value of €1.9 million. The contingent consideration is based on the EBITDA of the companies until 30 May 2026 and was determined on the basis of probabilities. The range of results (undiscounted) is between €0 and €6.4 million. The contract also contains contingent payments to the sellers that are linked to their continued employment and are therefore treated as a separate transaction. Since the payments compensate for work performed after the business combination, they are recognised as personnel costs over the agreed service period. The purchase price allocation was completed in April 2025. In comparison with the values reported as at 31 December 2024, this primarily resulted in a decrease in intangible assets of €5.3 million. The final goodwill of €27.4 million represents synergy and growth potential and is not tax-deductible.

On 12 July 2024, Heidelberg Materials acquired the significant assets of Victory Rock USA LLC, Orem, USA, a producer of high-quality aggregates for concrete and asphalt and other related products with two well-positioned quarries. With this acquisition, Heidelberg Materials is expanding its existing footprint in an attractive growth market. The purchase price of €46.2 million was paid in cash. The purchase price allocation was completed in July 2025. In comparison with the values reported as at 31 December 2024, there were no material adjustments. The definitively recognised goodwill of €5.3 million, which represents synergy and growth potential, is tax-deductible.

On 1 August 2024, Heidelberg Materials acquired 100% of the shares in Highway Materials Inc., Flourtown, USA, one of the largest independent aggregates and asphalt manufacturers in the Philadelphia metropolitan area, and its subsidiaries. The acquisition comprises four gravel quarries, nine asphalt mixing facilities, two plants specialising in processing uncontaminated and unmixed recycled materials, a concrete recycling plant, and a construction services company. This acquisition complements Heidelberg Materials’ existing footprint in a core market in the USA while strengthening its focus on recycling. The purchase price amounts to a total of €285.2 million and consists of cash payments totalling €280.6 million and a liability for contingent consideration with a fair value of €4.6 million. The contingent consideration is based on certain revenues and is dependent on the granting of mining concessions. The amount of the contingent consideration was determined on the basis of probabilities. The purchase price allocation was completed in August 2025. In comparison with the values reported as at 31 December 2024, there were no material adjustments. The definitively recognised goodwill of €132.1 million represents synergy and growth potential and is tax-deductible.

Heidelberg Materials also acquired 100% of the shares in Carver Sand & Gravel LLC, Coeymans, USA, a large aggregates producer in the Albany area, New York, on 1 August 2024. This acquisition includes four quarries, three sand and aggregates pits, a transport company, two internal maintenance workshops, and two asphalt plants. Through this acquisition,

Heidelberg Materials has further expanded its presence in a core market in the USA while adding to its growing portfolio of circular solutions in North America. The purchase price of €86.3 million was paid in cash. The purchase price allocation was completed in August 2025. In comparison with the values reported as at 31 December 2024, there were no material adjustments. The recognised goodwill of €22.2 million represents synergy and growth potential and is tax-deductible.

On 1 September 2024, Heidelberg Materials acquired an additional 20% of the shares in Stone Quarries Hanson Ltd., Ramat Gan, Israel, previously accounted for at equity, thereby raising its shareholding to 70%. The company operates a ready-mixed concrete plant and an asphalt plant on the site of an aggregates quarry. The purchase price is made up of a cash payment of €13.5 million for the partial repayment of a shareholder loan and pre-existing receivables due from the acquired company totalling €53.3 million. The fair value of the previously held equity interest amounted to zero as at the acquisition date. The goodwill, which is not tax-deductible, amounts to €4.6 million.

In addition, Heidelberg Materials acquired the ready-mixed concrete operating line of the Elvin Group, the largest concrete manufacturer in the Canberra region, Australia, on 2 December 2024 as part of an asset deal. The assets include two concrete plants, a concrete laboratory, a sand mixing facility, and a shop selling equipment and accessories. With this

acquisition, Heidelberg Materials strengthens its vertically integrated market position and applies its extensive experience in sustainability and digitalisation in one of Australia’s largest regional markets. The purchase price amounted to €41.7 million and was paid in cash. The purchase price allocation was completed in 2025. In comparison with the values reported as at 31 December 2024, this primarily resulted in an increase in intangible assets of €6.7 million, offset

by higher deferred tax liabilities of €2.0 million. The acquired intangible assets mainly relate to customer relationships. The final goodwill of €18.3 million represents synergy and growth potential and is not tax-deductible.

The following table shows the fair values of the assets and liabilities as at the acquisition date.

Fair values recognised as at the acquisition date (previous year)

€m	Malaysia	United Kingdom	North America	Israel	Australia	Total
Intangible assets	10.4	26.7			6.7	43.8
Property, plant and equipment	5.5	188.2	264.6	16.2	18.8	493.2
Financial fixed assets	0.1	0.0	0.2			0.3
Deferred taxes				2.1		2.1
Inventories		12.2	18.8	2.7	0.6	34.2
Trade receivables	5.6	47.5	37.1	14.2		104.5
Cash and cash equivalents	3.4	32.5	8.2	0.9		45.0
Other assets	0.5	19.0	10.8	59.8		90.2
Total assets	25.6	326.0	339.7	95.9	26.0	813.2
Deferred taxes	2.6	20.5			1.8	24.9
Provisions		18.1	6.9	0.0	0.7	25.8
Non-current liabilities	0.0	72.9	45.2	20.2		138.4
Current liabilities	3.8	135.6	21.9	15.4		176.6
Total liabilities	6.3	247.2	74.0	35.6	2.5	365.6
Net assets	19.3	78.9	265.7	60.2	23.5	447.5

Furthermore, Heidelberg Materials effected other business combinations during the previous year that are of minor importance, both individually and collec-

tively, for the presentation of the assets, financial, and earnings position of the Group.

5.2 Divestments

Divestments in the reporting year

As part of its portfolio optimisation programme, Heidelberg Materials signed an agreement in October 2024 to sell its majority shareholding of 91% in Cimenterie de Lukala S.A. (DR Congo). The transaction was completed in December 2025. The sales price amounted to €3.2 million and was paid in cash. Currency translation differences of €21.5 million were realised in connection with the sale. The divestment resulted in an overall gain of €7.7 million, which is shown in the additional ordinary income.

On 29 December 2025, our Indonesian subsidiary PT Pionir Beton Indonesia sold 60% of its shares in PT

Mortar Prakarsa Utama (MPU) to PT Cipta Mortar Utama, a company in the Saint-Gobain Group. MPU operates three mortar plants in Citeureup (West Java) and Lampung (Sumatra). The sales price for 60% of the shares amounted to €24.4 million and was paid in cash. The remaining 40% of the shares in MPU are recognised as an associated investment at fair value amounting to €15.2 million. This divestment and the revaluation of the retained shares resulted in a gain of €33.4 million, which is shown in the additional ordinary income.

The following table shows the assets and liabilities as at the date of divestiture.

Assets and liabilities as at the date of divestiture (reporting year)

€m	DR Congo	Indonesia	Total
Goodwill		2.4	2.4
Other intangible assets	0.1		0.1
Property, plant and equipment	102.1	3.6	105.8
Other non-current assets	0.1		0.1
Inventories	14.9		14.9
Cash and cash equivalents	4.5		4.5
Other assets	19.4		19.4
Total assets	141.1	6.0	147.1
Provisions	1.5		1.5
Non-current liabilities	97.1		97.1
Current liabilities	29.8		29.8
Total liabilities	128.4		128.4
Net assets	12.6	6.0	18.7

Incidental disposal costs of €0.6 million arose in connection with these divestments and were recognised in the result from current operations.

Furthermore, Heidelberg Materials effected other divestments in the reporting year that were of minor importance for the presentation of the assets, financial, and earnings position of the Group.

Divestments in the previous year

As part of its portfolio optimisation programme, Heidelberg Materials signed agreements with various regional transport specialists in December 2023 to sell its French cement transport business Tratel S.a.s. The transactions were concluded in the first quarter of 2024. The sales prices totalled €26.6 million and were paid in cash. The divestment resulted in an overall gain of €5.3 million, which has been shown in the result from current operations.

In order to comply with competition law requirements in connection with the acquisition of the Mick George Group, Heidelberg Materials divested five ready-mixed concrete sites and two aggregates quarries on 3 May 2024. The sales prices totalling €23.4 million were paid in cash. The divestment resulted in an overall gain of €4.1 million, which has been shown in the result from current operations.

The following table shows the assets and liabilities as at the date of divestiture.

Assets and liabilities as at the date of divestiture (previous year)

€m	France	United Kingdom	Total
Goodwill	3.7	1.3	5.0
Property, plant and equipment	19.2	14.6	33.8
Inventories		2.5	2.5
Other assets		0.8	0.8
Total assets	22.9	19.3	42.2
Provisions	1.6		1.6
Non-current liabilities		0.0	0.0
Total liabilities	1.6	0.0	1.6
Net assets	21.3	19.3	40.6

Furthermore, Heidelberg Materials effected other divestments in the previous year that were of minor importance for the presentation of the assets, financial, and earnings position of the Group.

6 Notes to the segment reporting

Heidelberg Materials’ segment reporting is based on the Group’s internal division into geographical regions, corresponding to the management organisation. Heidelberg Materials is divided into five Group areas:

- **Europe:** Belgium/Netherlands, Bosnia-Herzegovina, Bulgaria, Croatia, Czechia, Denmark, France, Germany, Greece, Hungary, Iceland, Italy, Norway, Poland, Romania, Slovakia, Spain, Sweden, the United Kingdom, and the Baltic States, as well as the cross-border Nordic Precast Group and the Mibau Group
- **North America:** Canada and USA
- **Asia-Pacific:** Australia, Bangladesh, Brunei, China, India, Indonesia, Malaysia, Singapore, and Thailand

- **Africa-Mediterranean-Western Asia:** Benin, Burkina Faso, DR Congo, Egypt, Ghana, Israel, Kazakhstan, Liberia, Morocco, Mozambique, Russia, South Africa, Tanzania, Togo, and Turkey
- **Group Services** comprise the international trading activities

Heidelberg Materials evaluates the performance in the segments primarily on the basis of the result from current operations. As Group financing (including financing expenses and income) is managed centrally by the Group and income taxes are, in general, calculated across business lines, neither is allocated to segments. The IFRSs used in these financial statements form the basis for the valuation principles of the segment reporting. The inter-Group areas revenue represents the revenue between segments. In the reconciliation, intra-Group relationships between the segments are eliminated.

The revenue and non-current assets of the main countries are shown in the table below. Revenue is allocated to countries according to the supplying company’s country of origin.

Information by country

€m	Revenue with external customers		Non-current assets ¹⁾	
	2024	2025	2024	2025
USA	4,435	4,538	9,350	8,836
United Kingdom	2,057	2,094	1,733	1,789
Germany	2,003	1,932	1,850	1,845
Australia	1,412	1,393	1,880	1,897
France	1,189	1,155	1,211	1,270
Italy	913	1,016	471	485
Indonesia	1,066	935	1,258	1,093
Canada	979	904	607	557
Other countries	7,102	7,495	5,861	6,173
Total	21,156	21,460	24,221	23,944

1) Intangible assets and property, plant and equipment

7

 Notes to the income statement

7.1

 Revenue

The revenue shown in the consolidated income statement relates to revenue from contracts with customers in accordance with IFRS 15. In the following table, the revenue is broken down into two categories: type of products and services (business lines) and Group areas.

Revenue development by Group areas and business lines

€m	Cement		Aggregates		Ready-mixed concrete-asphalt		Service-other		Intra-Group eliminations		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Europe	4,901	4,874	2,337	2,384	2,930	2,876	817	935	-1,519	-1,519	9,467	9,550
North America	2,243	2,351	2,123	2,106	1,108	1,012	334	340	-497	-482	5,311	5,327
Asia-Pacific	1,833	1,713	664	650	1,377	1,342	19	23	-338	-337	3,555	3,392
Africa-Mediterranean-Western Asia	1,990	2,256	83	110	355	421	38	43	-172	-208	2,295	2,622
Group Services							1,296	1,350			1,296	1,350
Inter-Group area revenue within business lines	-0						8	9			7	9
Total	10,967	11,194	5,206	5,250	5,770	5,652	2,512	2,700	-2,525	-2,546	21,931	22,250
Inter-Group area revenue between business lines									-775	-790	-775	-790
Total									-3,300	-3,336	21,156	21,460

7.2

 Other operating income

Other operating income

€m	2024	2025
Gains from sale of fixed assets	88.2	115.1
Foreign exchange gains	75.1	60.0
Income from ancillary business	48.8	54.0
Rental income	37.7	37.9
Reversal of provisions	32.0	18.7
Other income	270.3	269.1
Total	552.1	554.8

The gains from the sale of fixed assets include gains from the sale of quarries that were depleted and no longer in operational use in the amount of €54.9 million (previous year: 36.2). The foreign exchange gains concern trade receivables and payables. Foreign exchange gains from interest-bearing receivables and liabilities are shown in the financial result. The income from the reversal of provisions includes the reversal of provisions that cannot be assigned by cost type. The other income item includes premium income from reinsurers amounting to €26.9 million (previous year: 25.2), proceeds of €7.6 million (previous year: 13.2) from participation in energy efficiency projects, and numerous other individual items from non-recurring transactions unrelated to the main business.

Significant income that occurs in the course of ordinary business activities but is not reported in result from current operations is shown in the additional ordinary income and explained in Note 7.7.

Material costs

€m	2024	2025
Raw materials	2,773.3	2,816.2
Costs of energy	2,076.1	1,928.0
Supplies, repair materials, and packaging	1,392.1	1,334.4
Goods purchased for resale	1,091.7	1,222.2
Miscellaneous	436.1	489.4
Total	7,769.4	7,790.2

Material costs amounted to 36.3% of revenue (previous year: 36.7%).

7.4 Personnel costs and employees

Personnel costs

€m	2024	2025
Wages and salaries	3,000.8	2,945.6
Social security costs	277.1	287.8
Costs of retirement benefits	148.7	165.4
Other personnel costs	42.9	61.0
Total	3,469.5	3,459.8

Personnel costs equalled 16.1% of revenue (previous year: 16.4%). The development of costs of retirement benefits is explained in Note 9.12 Pension provisions.

Annual average number of employees

Number based on full-time equivalents	2024	2025
Blue-collar employees	31,365	30,639
White-collar employees	19,352	19,335
Total	50,717	49,974
Apprentices	489	525
Total	51,207	50,499

Long-term bonus

As a long-term variable remuneration element, the members of the Managing Board of Heidelberg Materials AG and certain managers within the Heidelberg Materials Group receive a long-term bonus, which was made up of a management component and a capital market component until 2023. The capital market component, with a duration of four years, considers the external added value as measured by total shareholder return (TSR) – adjusted for the reinvested dividend payments and for changes in capital – compared with the relevant capital market indices, using performance share units (PSUs). The PSUs are virtual shares used for the calculation of the capital market component. From 2024, the long-term bonus is granted entirely in PSUs. The duration is four years and consists of a three-year performance period and a one-year waiting period. Four equally weighted performance criteria are taken into account. In addition to the financial performance targets EBIT (earnings before interest

and taxes) and ROIC (return on invested capital) and an ESG target, external added value is measured as relative TSR compared with an individual peer group consisting of international comparable companies.

For the capital market component until 2023 and the long-term bonus from 2024, the first step is to determine the number of PSUs granted: the number of PSUs is calculated from a set percentage of the fixed annual salary divided by the reference price of the Heidelberg Materials share as at the time of issue. The reference price in each case is the average of the daily closing prices (trading days) of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months before the start or expiration of the performance period. For the capital market component of the long-term bonus up to 2023, the PSUs definitively earned after expiry of the four-year performance period are calculated in a second step according to the target achievement (0%–200%) and paid in cash at the reference price of the Heidelberg Materials share valid at that time, ad-

justed for the notionally reinvested dividend payments and for changes in capital.

For the long-term bonus from 2024, the target achievement in the performance criteria is determined and the final number of PSUs is calculated at the end of the performance period. The final number of PSUs is calculated by multiplying the provisionally allocated number of PSUs by the target achievement. The payout is made following a one-year waiting period that begins after the performance period. The final number of PSUs is then multiplied by the current reference price of the Heidelberg Materials share (closing price), adjusted for notionally reinvested dividend payments and for changes in capital. The closing price is generally the average of the daily closing prices of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the day on which the waiting period expires.

The following table shows the key parameters of the plans.

Key parameters of the long-term bonus plans

	Plan 2022	Plan 2023	Plan 2024	Plan 2025
Date of issuance	1 January 2022	1 January 2023	1 January 2024	1 January 2025
Term	4 years	4 years	4 years	4 years
Reference price at issuance	€62.56	€48.74	€73.48	€111.21
Maximum payment amount per PSU	€156.40	€121.85	-	

The reconciliation of the number of PSUs granted from 1 January 2022 to 31 December 2025 is shown in the following table.

Number of PSUs

	Plan 2022	Plan 2023	Plan 2024	Plan 2025
Granted as of 1 January 2022				
Additions	158,790			
Disposals	-4,512			
Granted as of 31 December 2022/as of 1 January 2023	154,278			
Additions		207,673		
Disposals	-3,600	-3,450		
Granted as of 31 December 2023/as of 1 January 2024	150,678	204,223		
Additions			305,182	
Disposals	-2,409	-6,093	-5,231	
Granted as of 31 December 2024/as of 1 January 2025	148,269	198,130	299,951	
Additions				217,747
Disposals	-2,193	-4,653	-8,470	-5,366
Granted as of 31 December 2025	146,076	193,477	291,481	212,381

In the reporting year, all of the 160,490 PSUs from the 2021 plan granted as at 31 December 2024 were exercised and either settled via cash payment or lapsed due to the departure of employees.

For the capital market component of the long-term bonus until 2023 and for the long-term bonus from 2024, the fair value of the PSUs is calculated using a recognised option price model for accounting in ac-

cordance with IFRS 2 (Share-based Payment). A large number of different development paths for the Heidelberg Materials share – taking into account the effects of reinvested dividends – and the benchmark indices are simulated (Monte Carlo simulation). As at the reporting date, the benchmark index DAX 40 had 24,490 points (previous year: 19,909) and the benchmark index MSCI World Construction Materials 537.0 points (previous year: 398.4).

The fair value and additional measurement parameters are shown in the tables below.

Fair value

in €	Plan 2022	Plan 2023	Plan 2024	Plan 2025
Fair value as of 31 December 2022	51.20			
Fair value as of 31 December 2023	125.24	131.53		
Fair value as of 31 December 2024	259.88	216.76	117.18	
Fair value as of 31 December 2025		239.00	129.29	164.85

Measurement parameters

	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024	31 Dec. 2025
	Plans 2020/21/22 ²⁾	Plans 2021/22/23 ²⁾	Plans 2022/23/24 ²⁾	Plans 2023/24/25 ²⁾
Expected dividend yield	2.0%	2.9%	2.1%	2.0%
Share price at 31 December	€53.28	€80.94	€119.30	€223.00
Volatility of Heidelberg Materials share for plans until 2023 ¹⁾	25%	25%	20%	26%
Volatility of MSCI World Construction Materials Index ¹⁾	19%	19%	16%	17%
Volatility of DAX 40 Index ¹⁾	16%	16%	11%	13%
Correlation Heidelberg Materials share/ MSCI World Construction Materials Index ¹⁾	87%	96%	95%	91%
Correlation Heidelberg Materials share/ DAX 40 Index ¹⁾	79%	94%	96%	97%
Correlation DAX 40 Index/ MSCI World Construction Materials Index ¹⁾	94%	91%	95%	88%
Volatility of Heidelberg Materials share for plans from 2024 ¹⁾			28%	29%
Correlation TSR Rank Heidelberg Materials/Peer group			93%	93%

1) Average over the last two years
 2) The plans expiring in the financial year were revalued each on the base of the current value (31 Dec. 2023: Plan 2020/31 Dec. 2024: Plan 2021/31 Dec. 2025: Plan 2022).

The total expenditure on the capital market component of the long-term bonus plan amounted to €9.5 million (previous year: 21.8). As at the reporting date, the provisions for the capital market component until 2023 and the long-term bonus from 2024 totalled €32.7 million (previous year: 41.8). The capital market component of the 2022–2024/25 long-term bonus plan will be paid after the Annual General Meeting in 2026. The same applies to the other ongoing long-term bonus plans, i.e. payment is made in the year following the end of the four-year duration.

7.5 Other operating expenses

Other operating expenses		
€m	2024	2025
Expenses for third party repairs and services	2,377.6	2,392.3
Freight	2,163.5	2,198.4
Selling and administrative expenses	1,391.2	1,361.2
Other taxes	140.5	153.3
Lease expenses	149.2	151.5
Foreign exchange losses	75.0	69.2
Impairment losses on operating receivables and contract assets	12.9	12.0
Expenses from the transfer of receivables outstanding as at the reporting date	9.4	6.0
Other expenses	36.9	41.8
Total	6,356.3	6,385.9

The lease expenses include expenditure on short-term leases of €146.6 million (previous year: 144.9) and expenditure on leases of low-value assets of

€4.9 million (previous year: 4.3). The expenses for variable lease payments not included in the measurement of lease liabilities amount to €153.6 million (previous year: 142.4) and were incurred primarily in connection with freight and third-party services. The foreign exchange losses concern trade receivables and payables. Foreign exchange losses from interest-bearing receivables and liabilities are shown in the financial result. Other expenses include losses of €3.0 million (previous year: 1.6) from the derecognition of operating receivables.

Significant expenses that occur in the course of ordinary business activities but are not reported in result from current operations are shown in the additional ordinary expenses and explained in Note 7.7.

7.6 Result from equity accounted investments (REI)

The result from equity accounted investments (REI) is made up of the results from joint ventures and associates engaged in the Group’s core activities. Results from associates that are not engaged in the Group’s core activities are reported in the result from other participations.

Joint ventures

With its joint venture partners, Heidelberg Materials operates numerous joint ventures worldwide. Cement Australia makes an important contribution to the result from current operations of the Heidelberg Materials Group.

The joint venture Cement Australia comprises Cement Australia Holdings Pty Ltd, Cement Australia Pty Limited, and Cement Australia Partnership, all based in Darra, Australia. Cement Australia is a joint venture between Heidelberg Materials and Holcim. Each partner holds 50% of the capital shares in the companies. Cement Australia is the largest Australian cement manufacturer and operates two cement plants and two grinding plants, distributed across eastern and southeastern Australia, and Tasmania. Heidelberg Materials procures its entire Australian cement requirement from Cement Australia.

The following table shows the statement of comprehensive income (100% values).

Statement of comprehensive income Cement Australia		
€m	2024	2025
Revenue	850.3	855.8
Depreciation and amortisation	–46.3	–45.6
Result from current operations	225.6	206.3
Additional ordinary result		–0.2
Earnings before interest and taxes (EBIT)	225.6	206.1
Interest expenses	–25.9	–31.0
Other financial income and expenses	10.5	–1.4
Profit before tax	210.2	173.7
Income taxes	–6.3	–10.1
Profit for the financial year	204.0	163.6
Other comprehensive income	–12.7	39.4
Total comprehensive income	191.2	203.0

The assets and liabilities (100% values), the reconciliation to the total carrying amount of the interest, and the dividend received are shown in the following table.

Additional financial information Cement Australia		
€m	2024	2025
Intangible assets	20.0	217.1
Property, plant and equipment	482.5	594.3
Financial fixed assets	34.4	34.4
Other non-current assets	2.0	2.1
Total non-current assets	538.8	847.8
Cash and cash equivalents	2.2	4.8
Other current assets	173.1	196.3
Total current assets	175.3	201.1
Total assets	714.1	1,048.9
Non-current financial liabilities	368.1	697.7
Non-current provisions	23.3	19.8
Other non-current liabilities	14.6	12.2
Total non-current liabilities	406.0	729.8
Current financial liabilities	18.4	11.7
Current provisions	9.1	10.2
Trade payables	83.4	94.3
Other current liabilities	80.2	91.8
Total current liabilities	191.1	208.0
Total liabilities	597.1	937.8
Net assets	117.1	111.1
Group share in %	50.0	50.0
Group share of net assets	58.5	55.5
Goodwill	327.9	311.7
Total carrying amount of the interest	386.4	367.2
Dividends received	120.4	85.0



On 1 October 2025, Cement Australia acquired the cement activities of the Buckeridge Group of Companies (“BGC”) in Western Australia. BGC’s business portfolio is focused on the Western Australian market and includes cement, concrete, asphalt, and transport operations as well as a materials technology center.

Heidelberg Materials also holds investments in individually immaterial joint ventures. The summarised financial information for these companies is shown in the following table (Heidelberg Materials shareholding).

Summarised financial information for immaterial joint ventures

€m	2024	2025
Investments in immaterial joint ventures	1,408.9	1,279.2
Result from immaterial joint ventures	94.2	59.5
Other comprehensive income	102.6	-95.3
Total comprehensive income	196.8	-35.8
Unrecognised share of losses of the period	-1.4	-0.0
Unrecognised share of losses cumulated	-2.0	-1.0

Associates

The following table shows the summarised financial information concerning the associates.

Summarised financial information for associates

€m	2024	2025
Investments in associates	713.2	650.1
Result from associates – reported in result from equity accounted investments (REI)	52.2	49.9
Result from associates – reported in result from other participations	7.3	-3.0
Other comprehensive income	9.6	-5.2
Total comprehensive income	69.2	41.6
Unrecognised share of losses of the period	-1.8	-1.5
Unrecognised share of losses cumulated	-10.4	-11.6

Impairments / reversals of impairment losses

In the reporting year, Heidelberg Materials recognised impairments totalling €8.7 million (previous year: 13.8) and reversals of impairment losses of €12.4 million (previous year: 3.4) on equity accounted investments that are of minor importance, both individually and collectively, for the presentation.

The impairment and reversal of impairment losses on equity accounted investments are shown in the additional ordinary result.

7.7 Additional ordinary result

The additional ordinary result includes income and expenses that, although occurring in the course of ordinary business activities, are not reported in result from current operations.

Additional ordinary result

€m	2024	2025
Additional ordinary income		
Gains from the disposal of subsidiaries and other business units	0.9	42.3
Gains from the disposal of other non-current assets	18.1	
Reversal of impairment losses of other intangible assets and property, plant and equipment	10.0	58.1
Reversal of impairment losses of at equity accounted investments	3.2	12.4
Other additional income	5.7	14.7
	37.9	127.6
Additional ordinary expenses		
Losses from the disposal of subsidiaries and other business units	-1.3	-45.4
Impairment of goodwill	-46.0	-59.5
Impairment of other intangible assets and property, plant and equipment	-203.6	-104.6
Impairment at equity accounted investments	-13.8	-8.7
Restructuring expenses	-107.2	-77.9
Other additional expenses	-102.1	-95.4
	-474.1	-391.5
Total	-436.2	-263.9

Additional ordinary income

In 2025, the gains from the disposal of subsidiaries and other business units primarily result from the disposal of 60% of the shares in PT Mortar Prakarsa Utama, Indonesia, amounting to €33.4 million, and the sale of the subsidiary Cimenterie de Lukala S.A., DR Congo, amounting to €7.7 million.

An explanation of the reversal of impairment losses on other intangible assets and property, plant and equipment is given in Note 9.2. The reversal of impairment losses on equity accounted investments is explained in Note 7.6.

Other additional income mainly includes income from post-closing purchase price adjustments for subsidiaries acquired in previous years.



Additional ordinary expenses

Losses from the disposal of subsidiaries and other business units in the 2025 financial year primarily comprise expenses of €38.0 million from the remeasurement of the previously held shares in Asment de Témara, Morocco, as part of a step acquisition, and expenses from the deconsolidation of participations.

The impairment of goodwill related to the goodwill from Nordic Precast Group and is explained in Note 9.1. An explanation of the impairment of other intangible assets and property, plant and equipment is given in Note 9.2, and the impairment on equity accounted investments is explained in Note 7.6.

The restructuring expenses in the 2025 financial year included personnel costs incurred in connection with the Transformation Accelerator initiative in particular. These expenses were attributable to the Group areas of Europe at €54.2 million, Africa-Mediterranean-Western Asia at €14.0 million, Asia-Pacific at €5.7 million, North America at €3.3 million, and Group functions at €0.8 million. In the previous year, the restructuring expenses, which were mainly incurred as a result of the closure of locations, related to the Group areas of Europe at €98.8 million, Africa-Mediterranean-Western Asia at €5.8 million, Group functions at €1.4 million, Asia-Pacific at €1.2 million, and North America at €0.2 million.

Other additional expenses include expenses of €24.9 million from the rebranding of our Group companies, transaction costs of €21.0 million in connection with business combinations, additions to provisions for litigation risks of €13.5 million, expenses of €13.2 million for the introduction of a new ERP system, expenses in connection with the divestment of a participation amounting to €12.0 million, expenses

of €6.3 million in connection with the closure of locations, and other expenses not reported in results from current operations. In the previous year, this item included expenses of €34.6 million from additions to provisions for litigation risks, expenses directly attributable to the rebranding of our Group companies in the amount of €25.2 million, expenses in connection with the closure of locations amounting to €24.5 million, transaction costs of €11.3 million for business combinations, and other expenses not reported in results from current operations.

7.8 Interest expenses

In the 2025 financial year, the interest expenses for lease liabilities amounted to €44.3 million (previous year: 41.3).

7.9 Other financial result

Other financial result

€m	2024	2025
Interest balance from defined benefit pension plans	2.6	6.5
Interest effect from the valuation of other provisions	16.0	-13.4
Valuation result of derivative financial instruments	31.7	41.0
Financial expenses from factoring agreements	-41.0	-33.1
Miscellaneous other financial result	-14.6	3.4
Total	-5.3	4.4

Interest effects from the valuation of other provisions are explained in Note 9.13. The valuation result of derivative financial instruments essentially stems from the interest component of the foreign currency derivatives. The miscellaneous other financial result

includes impairment losses on interest-bearing receivables in the amount of €0.4 million (previous year: 2.0).

7.10 Income taxes

Income tax expense

€m	2024	2025
Current taxes		
Current taxes current year	-737.5	-711.0
Current taxes previous years	7.2	76.3
	-730.3	-634.7
Deferred taxes		
Deferred taxes resulting from the recognition and reversal of temporary differences	2.2	-46.7
Deferred taxes resulting from carryforwards of unused tax losses and interest, tax credits	26.6	-76.3
Deferred taxes resulting from changes in tax rate	-2.7	6.9
	26.0	-116.1
Income taxes from continuing operations	-704.3	-750.7

Adjusted for tax income for previous years, which amounted to €76.3 million (previous year: 7.2), the current tax expense decreased by €26.5 million. The deferred tax expense includes expenses of €46.7 million (previous year: deferred tax income of 2.2) due to the recognition and reversal of temporary differences. Deferred tax assets created in previous years for carryforwards of unused tax losses, interest, and tax credits were offset and reduced by €23.2 million during the reporting year (previous year: 47.5). The reduction in current and deferred tax expense for carryforwards of unused tax losses, interest, and tax credits not recognised in previous years amounted to €35.8 million in the financial year (previous year:

54.0). The deferred tax income resulting from changes in the tax rate amounts to €6.9 million (previous year: deferred tax expense: 2.7). In the reporting year, deferred tax assets of €7.7 million (previous year: 25.8) not covered by deferred tax liabilities were recognised from companies that had made a loss in the current or previous period. This mainly concerns three subsidiaries abroad, including one entity in Tanzania, which incurred a tax loss in the 2025 financial year that was largely due to a special item and is not expected to reoccur. Recoverability of the remaining amount can be expected based on the positive business development and corporate planning of the companies.

Tax refund claims and liabilities from income taxes include assessed taxes and taxes not yet assessed for the current year and for previous years.

Carryforwards of unused tax losses and tax credits for which no deferred tax assets are recognised amount to €1,396.6 million (previous year: 1,681.8). Of this figure, €1,324.5 million (previous year: 1,603.2) can be carried forward indefinitely, €33.5 million (previous year: 43.9) will expire within the next five years, and a further €38.5 million (previous year: 34.7) will expire after five years. However, they are not determined separately in all countries by official notice and are therefore partly subject to review by the financial authorities prior to utilisation. In addition, no deferred tax assets were recognised for carryforwards of interest amounting to €313.1 million (previous year: 296.1) and deductible temporary differences of €61.8 million (previous year: 67.0). These carryforwards of interest can be utilised in full indefinitely. Overall, unrecognised deferred tax assets amounted to €439.9 million in the reporting year (previous year: 503.6).

The following table shows the composition of the result.

The result includes income and expenses incurred in connection with discontinued operations of the Hanson Group in previous years and resulting from provisions for damages and environmental obligations. Further details on the obligations are provided in Note 9.13 Other provisions. In the previous year, a provision of €62.4 million was reversed due to the conclusion of a damages lawsuit.

In the previous year, the disposal groups included the assets and liabilities of Cimenterie de Lukala S.A. The sale was completed in December 2025. Further explanations are given in Note 5.2.

Assets and liabilities classified as held for sale

Other components of equity in the previous year contained income of €10.2 million connected with disposal groups.

€m	2024	2025
Profit for the financial year	1,918.4	2,129.5
Thereof attributable to non-controlling interests	136.6	188.6
Thereof attributable to Heidelberg Materials AG shareholders	1,781.8	1,940.9
Number of shares in '000s (weighted average)	180,581	177,680
Earnings per share in € – attributable to Heidelberg Materials AG shareholders	9.87	10.92
Net income from continuing operations – attributable to Heidelberg Materials AG shareholders	1,745.6	1,985.0
Earnings per share in € – continuing operations	9.67	11.17
Net income/loss from discontinued operations – attributable to Heidelberg Materials AG shareholders	36.1	-44.1
Earnings/loss per share in € – discontinued operations	0.20	-0.25

Basic earnings per share is calculated by dividing the share of profit for the financial year attributable to Heidelberg Materials AG shareholders by the weighted average of the number of shares issued. The diluted earnings per share figure takes into account not only shares actually issued, but also shares that are potentially available on the basis of option rights. There was no dilution of earnings per share in the reporting period or in the same period of the previous year.



8 Notes to the statement of cash flows

The consolidated statement of cash flows shows how the Group’s cash and cash equivalents changed through inflows and outflows during the reporting year. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating, investing, and financing activities. The changes in the relevant balance sheet items cannot be directly derived from the consolidated balance sheet, as they are adjusted for non-cash transactions, such as effects arising from currency translation and changes to the scope of consolidation.

The cash flow is calculated as net income from continuing operations adjusted for income taxes, net interest, depreciation, amortisation, impairment, and other eliminations. Cash flows from dividends received from non-consolidated companies, from interest received and paid, and from income taxes paid are also recognised. Changes in working capital and utilisation of provisions are taken into account when determining the cash flow from operating activities.

Cash flows from the acquisition or sale of intangible assets as well as property, plant and equipment and financial fixed assets are recognised in the cash flow from investing activities. If these relate to the acquisition or disposal of subsidiaries or other business units (gain or loss of control), the effects on the statement of cash flows are shown in separate items.

The cash flow from financing activities mainly results from changes in capital and dividend payments as well as proceeds from and repayments of bonds and loans and repayments of lease liabilities. In addition, cash flows from changes in ownership interests in subsidiaries that do not result in a loss of control are classified as financing activities.

The cash flows from foreign Group companies shown in the statement are generally translated into euro using the average annual exchange rates. In contrast, cash and cash equivalents are translated using the exchange rate at year end, as in the consolidated balance sheet. The effects of exchange rate changes on cash and cash equivalents are shown separately.

The significant individual items in the statement of cash flows are explained below.

8.1 Dividends received

Of the cash inflow from dividends received, €159.0 million (previous year: 188.4) relates to joint ventures, €24.6 million (previous year: 23.1) to associates, and €5.5 million (previous year: 2.0) to other participations.

8.2 Interest received/interest paid

The cash inflow from interest received decreased by €24.4 million to €160.5 million (previous year: 184.9), primarily as a result of the decline in payments received from short-term financial investments. Interest paid amounted to €356.2 million (previous year: 354.8), remaining at almost the same level as the previous year.

8.3 Other eliminations

The other eliminations include non-cash expenses and income, such as results from equity accounted investments (REI) (before impairment or reversal of impairments), additions to and reversal of provisions, and impairment and reversal of impairments of working capital. Furthermore, the results from divestments are adjusted because the total amount earned from divestments is shown in the cash flow from investing activities. The following table shows the composition of the other eliminations:

Other eliminations		
€m	2024	2025
Result from equity accounted investments	-255.7	-188.1
Addition/reversal of pension provisions	35.3	43.1
Addition/reversal of other provisions	228.8	131.4
Impairment/reversal of impairments of working capital	0.2	18.9
Result from divestments	-92.6	-149.0
Other non-cash expenses and income	-11.9	-26.1
Total	-95.9	-169.8

8.4 Changes in operating assets/liabilities

Operating assets consist of inventories, trade receivables, and other assets used in operating activities. Operating liabilities include trade payables and other liabilities from operating activities.

8.5 Investments (cash outflow)

The payments for investments differ from additions in the fixed-asset movement schedule, which shows, for instance, non-cash transactions as additions, such as additions in connection with leasing transactions.

Of the total cash-relevant investments of €2,484.7 million (previous year: 2,142.6), €1,108.9 million (previous year: 955.3) related to investments to maintain and optimise capacity and €1,375.8 million (previous year: 1,187.3) to capacity expansions.

Investments in intangible assets and property, plant and equipment less subsidies received amounted to €1,341.0 million (previous year: 1,300.1) and concerned maintenance, optimisation, and environmental protection measures at our production sites, as well as expansion projects in growth markets.

Payments for the acquisition of subsidiaries and other business units amounted to €965.4 million (previous year: 774.3); this figure was primarily attributable to the acquisition of Giant Cement Holding Inc. (€588.4 million) and significant assets of Walan Specialty Construction Products LLC (€21.6 million) in the USA, the acquisition of the outstanding shares in Asment de Témara in Morocco (€212.3 million), and the acquisition of the ready-mixed concrete business of Midway Concrete in Australia (€56.1 million). In the previous year, the payments resulted mainly from the acquisition of Highway Materials Inc. (€278.8 million)

and Carver Sand & Gravel LLC (€86.4 million), as well as significant assets of Victory Rock USA LLC (€46.2 million) in the USA, the Mick George Group (€208.0 million) and the B&A Group (€60.5 million) in the United Kingdom, the ACE Group in Malaysia (€35.6 million), and the ready-mixed concrete operating line of the Elvin Group in Australia (€41.7 million). Further details of the acquisitions are provided in Note 5.1.

Investments in financial assets, associates, and joint ventures amounted to €178.3 million (previous year: 68.3). Significant cash outflows related to the acquisition of associates in the amount of €54.1 million, short-term financial assets (time deposits) of €53.1 million, and the granting of loans totalling €45.5 million. Payments in the previous year related to €32.5 million in capital contributions to associates and other financial investments, and €29.8 million in loans granted.

8.6 Divestments (cash inflow)

The cash inflow from the disposal of subsidiaries and other business units amounted to €29.9 million (previous year: 51.1) and primarily results from the sale of the mortar business in Indonesia. Proceeds in the previous year mainly related to the sale of the French cement transport business and the divestment of ready-mixed concrete sites and aggregates quarries to comply with competition law requirements in connection with the acquisition of the Mick George

Group. Detailed explanations on the divestments are provided in Note 5.2.

Proceeds from the disposal of intangible assets and property, plant and equipment amounted to €145.8 million in the financial year (previous year: 150.5). As in the previous year, the payments received from the disposal of financial assets, associates, and joint ventures as well as the repayment of loans amounting to €98.0 million (previous year: 128.2) primarily resulted from the repayment of loans amounting to €92.8 million (previous year: 109.7).

8.7 Acquisition of treasury shares

The second tranche of the 2024 share buyback programme was completed in the financial year with the acquisition of 2,065,695 shares for a total of €400.0 million (including incidental acquisition costs). In the previous year, 3,637,360 shares were acquired for a total of €350.0 million under the first tranche.

8.8 Increase in ownership interests in subsidiaries

The payments amounting to €19.6 million (previous year: 32.8) made to increase ownership interests in subsidiaries primarily related to the 0.8% (previous year: 1.3%) increase in our share in PT Indocement Tunggal Prakarsa Tbk., Indonesia, through the acquisition of treasury shares.

8.9 Proceeds from bond issuance and loans

This item includes the issue of a €750 million bond in the 2025 financial year. The bond issued in May has a coupon of 3% and a term ending on 10 July 2030. In addition, our subsidiary Ciments du Maroc S.A. took out two loans of €112.3 million each with terms of five and seven years to finance the acquisition of the outstanding shares in Asment de Témara.

8.10 Repayment of bonds, loans, and lease liabilities

This item includes the scheduled repayments of financial liabilities. In the 2025 financial year, Heidelberg Materials AG repaid a bond with a nominal volume of €1,000 million and bank loans amounting to €10.8 million. Lease liabilities of €270.7 million (previous year: 254.7) were also repaid.

8.11 Changes in short-term financial liabilities

This item shows the balance of proceeds from and payments for items with a high turnover rate, large amounts, and short terms from financing activities.

The following table shows the changes in liabilities arising from financing activities, broken down into cash-relevant and non-cash changes.

The following table shows the changes in liabilities arising from financing activities, broken down into cash-relevant and non-cash changes.

€m	Bonds payable	Bank loans	Miscellaneous other financial liabilities	Lease liabilities	Non-controlling interests with put options	Derivative financial instruments (net position)	Total
1 January 2025	6,677.6	374.7	122.5	1,143.6	87.7	17.0	8,423.2
Cash flow from financing activities	-250.0	142.1	-5.8	-270.7		-54.2	-438.6
Change in consolidation scope		-0.0	-1.1	37.9			36.8
Currency translation	0.0	-32.2	-6.5	-48.6			-87.3
Changes in fair value						26.0	26.0
Other changes	2.9	3.8	6.3	330.6	-31.4		312.2
31 December 2025	6,430.6	488.5	115.4	1,192.8	56.3	-11.2	8,272.3
1 January 2024	6,861.5	290.3	104.9	1,088.5	79.3	40.7	8,465.2
Cash flow from financing activities	-200.0	40.8	-93.9	-254.7		69.3	-438.5
Change in consolidation scope		45.0	104.5	86.6			236.1
Currency translation		1.5	4.3	20.1			25.8
Changes in fair value						-93.0	-93.0
Other changes	16.1	-2.9	2.7	203.2	8.4		227.6
31 December 2024	6,677.6	374.7	122.5	1,143.6	87.7	17.0	8,423.2

The net position of the derivative financial instruments includes currency derivatives with both positive and negative fair values. This results in a positive net carrying amount of €11.2 million (previous year: negative net carrying amount of 17.0) as at 31 December 2025. The total change in interest liabilities is shown in other changes, as interest-related payment flows in the statement of cash flows are allocated to cash flow from operating activities.

Cash and cash equivalents with a remaining term of up to three months are included. The cash equivalents in this item are short-term, highly liquid financial investments that are readily convertible to a known amount of cash and subject to only insignificant changes in value. Of this item, €90.9 million (previous year: 99.8) is not available for use by Heidelberg Materials. This includes €23.7 million (previous year: 22.6) in short-term cash deposits at banks that were placed as security for various business transactions, for example outstanding recultivation payments and guarantees provided. The figure also takes into account bank balances of €67.2 million (previous year: 77.2) that cannot be freely transferred within the Group because of foreign exchange restrictions.

€m	Goodwill	Other intangible assets	Total
Cost			
1 January 2024	12,428.7	801.0	13,229.7
Currency translation	403.9	16.4	420.4
Business combinations	402.4	49.5	451.9
Divestments	-3.5	-0.1	-3.5
Additions		89.5	89.5
Disposals		-24.1	-24.1
Reclassifications		17.2	17.2
Reclassifications to current assets		-3.1	-3.1
31 December 2024	13,231.5	946.4	14,177.9
Amortisation			
1 January 2024	4,087.0	458.2	4,545.2
Currency translation	124.5	6.3	130.8
Divestments	-1.7	-0.1	-1.7
Additions		58.4	58.4
Impairment	46.0	4.8	50.8
Disposals		-22.6	-22.6
Reclassifications		-0.2	-0.2
Reclassifications to current assets		-3.0	-3.0
31 December 2024	4,255.9	501.8	4,757.7
Carrying amount at 31 December 2024	8,975.7	444.6	9,420.2

Goodwill

An impairment test on goodwill in accordance with IAS 36 (Impairment of Assets) is generally performed annually within the Heidelberg Materials Group, in the fourth quarter once the operational three-year plan has been prepared or if there are indications for impairment.

In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs.

Cash flow estimates extend over a five-year planning period, after which a terminal value is applied. A three-year detailed bottom-up operational plan approved by the Managing Board and Supervisory Board forms the basis for these estimates. This is generally complemented by a top-down plan for an additional two years, which incorporates medium-term expectations of the management based on estimates of market volume, market shares, as well as cost and price development. As a general rule, the

top-down plan is derived by applying growth rates to the detailed three-year operational plan. A detailed plan is created for all CGUs operating in unstable markets. This applies especially to those markets in which demand for building materials and building products, as well as the price level, have decreased substantially due to economic uncertainties. It is generally assumed that demand and prices in these markets will recover.

The volumes derived from the demand are generally based on the assumption of constant market shares. The underlying development of the price level varies by CGU.

Variable costs are assumed to evolve in line with the projected development of volumes and prices. With increasing volumes, this leads to a significant improvement in the operating margin in some cases.

Under our Sustainability Commitments 2030, we want to further reduce our emissions through conventional levers and carbon capture, utilisation, and storage

(CCUS), circular economy, responsible land use, and water conservation. The assumptions for the estimated CO₂ costs are based on analyst estimates. The potential impact of physical climate risks was assessed and taken into account accordingly in the operational plan. The projections for the estimated growth rates of the terminal value are based on country-specific long-term inflation rates.

The WACC rates for the Group were calculated using a two-phase approach, whereby a phase-one WACC rate was used to discount the payment surpluses for the first five years and a phase-two WACC discount rate was applied to determine the terminal value. The difference between the two WACC rates merely results from the downward adjustment for the perpetual growth rate as well as a long-term inflation differential adjustment in phase two. The credit spread was derived from the rating of the homogenous peer group. The peer group is subjected to an annual review and adjusted if necessary.



The following key assumptions were applied in the determination of the recoverable amount based on the value in use for the CGU.

Goodwill impairment test assumptions

Group area/CGU ¹⁾ or group of CGUs	Carrying amount of goodwill in €m		Weighted average cost of capital before taxes ²⁾		Weighted average cost of capital after taxes ²⁾		Perpetual growth rate	
	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024	31 Dec. 2025
Europe	1,914.3	1,894.1	9.5%–14.5%	9.6%–14.5%	7.9%–12.1%	8.0%–12.8%	1.8%–3.0%	1.9%–2.6%
Belgium/Netherlands	222.3	222.3	10.5%	10.5%	8.4%	8.4%	2.0%	2.0%
Czechia	139.0	143.0	10.7%	10.8%	8.8%	9.0%	2.0%	2.0%
France	195.1	200.3	10.7%	10.8%	8.5%	8.6%	1.8%	1.9%
Germany	486.1	486.1	10.4%	10.2%	7.9%	8.1%	2.0%	2.2%
Nordic Precast Group	58.7	0.00	9.5%	9.6%	8.1%	8.1%	2.0%	2.0%
Poland	151.5	152.2	12.1%	11.4%	10.3%	9.8%	2.5%	2.5%
United Kingdom	304.6	319.2	11.0%	11.1%	8.8%	8.9%	2.0%	2.0%
North America	5,177.7	4,838.7	10.7%	10.0%	8.5%	8.0%	2.1%	2.1%
Asia-Pacific	1,428.0	1,357.8	9.5%–22.1%	9.4%–21.4%	8.0%–19.4%	7.9%–19.0%	1.0%–5.5%	1.0%–5.5%
Australia	1,020.2	993.4	10.8%	11.0%	8.5%	8.6%	2.5%	2.5%
Bangladesh	8.1	7.9	22.1%	21.4%	19.4%	19.0%	5.5%	5.5%
India	209.4	177.7	15.1%	15.2%	12.7%	12.7%	4.0%	4.0%
Indonesia	97.6	89.0	13.3%	13.3%	11.0%	11.0%	2.5%	2.5%
Thailand	35.9	34.2	12.0%	11.5%	9.9%	9.5%	2.0%	1.8%
Africa-Mediterranean-Western Asia	455.8	736.1	12.9%–31.7%	12.6%–32.3%	10.5%–25.7%	10.2%–23.5%	2.0%–8.0%	2.0%–8.0%
Israel	77.0	77.5	12.9%	12.6%	10.5%	10.2%	2.1%	2.1%
Morocco	291.6	566.8	15.6%	15.7%	11.1%	11.0%	2.0%	2.0%
Total	8,975.7	8,826.7						

1) CGU = Cash-generating unit
 2) Stated figure is the phase one WACC, before adjustment for growth. The second phase WACC, used to calculate the terminal value, is equal to the phase one WACC after adjustment for growth and long-term inflation differential.

The impairment test led to impairments of goodwill in the amount of €59.5 million. This impairment relates to the CGU Nordic Precast Group, where the carrying amount exceeded the recoverable amount

of €61.0 million in accordance with the value-in-use method. This mainly resulted from a significantly weaker development of results.

For the CGUs Bangladesh, France, and India, changes in the sustainable growth rate, the operational plan as the basis for cash flow estimates, or the weighted average cost of capital could cause the

carrying amount to exceed the recoverable amount. Management does not rule out such a development. With a reduction of the growth rate of around 0.8 percentage points for the CGU France and around 1.9 percentage points for the CGU India, the recoverable amount corresponds to the respective carrying amount. With a decline in the planned results (EBIT) for each year of planning as well as in the terminal value of around 9.3% for the CGU France, the recoverable amount and carrying amount are equal. With an increase in the weighted average cost of capital before taxes of around 0.9 percentage points for the CGU France, around 1.9 percentage points for the CGU India, and around 2.5 percentage points for the CGU Bangladesh, the recoverable amount corresponds to the respective carrying amount. For the CGU Morocco, we assumed the fair value less costs to sell on the basis of the stock market price.

Without the aforementioned changes, the recoverable amount exceeds the carrying amount of the CGU Bangladesh by €7.9 million, of the CGU India by €84.4 million, and of the CGU France by €133.5 million as at the reporting date.

Other intangible assets
 Other intangible assets mainly include concessions, acquired customer relationships, development costs, and software. Spending on research and development of €119.8 million (previous year: 129.5) was recorded as an expense as it did not fulfil the recognition criteria for intangible assets.

9.2 Property, plant and equipment

Property, plant and equipment (31 December 2025)

€m	Land and buildings	Plant and machinery	Other operating equipment	Prepayments and assets under construction	Total
Cost					
1 January 2025	12,264.5	15,786.8	2,539.1	1,428.0	32,018.4
Currency translation	-672.2	-878.2	-119.4	-46.1	-1,715.9
Business combinations	228.8	137.8	33.5	24.6	424.7
Divestments	-3.9	-17.4	-16.7	-0.2	-38.2
Additions	180.1	128.6	253.0	1,094.8	1,656.5
Disposals	-84.3	-257.5	-156.5	-5.0	-503.3
Reclassifications	189.1	531.6	93.8	-814.5	0.1
Reclassifications to current assets	-3.4	-3.8	3.7	-1.0	-4.5
31 December 2025	12,098.6	15,428.1	2,630.6	1,680.5	31,837.7
Depreciation					
1 January 2025	4,999.1	10,538.1	1,660.1	20.4	17,217.8
Currency translation	-199.2	-537.0	-81.2	0.9	-816.6
Divestments	-2.5	-12.6	-12.9	-0.2	-28.3
Additions	337.8	644.9	251.8		1,234.5
Impairment	34.2	15.2	1.4	37.0	87.8
Reversal of impairment	-9.7	-46.3	-1.3	-0.5	-57.8
Disposals	-58.7	-215.8	-145.2	-5.6	-425.4
Reclassifications	-5.8	-21.4	28.8	-0.5	1.1
Reclassifications to current assets	0.0				0.0
31 December 2025	5,095.2	10,365.0	1,701.4	51.5	17,213.2
Carrying amount at 31 December 2025	7,003.3	5,063.1	929.1	1,629.0	14,624.6

Property, plant and equipment (31 December 2024)

€m	Land and buildings	Plant and machinery	Other operating equipment	Prepayments and assets under construction	Total
Cost					
1 January 2024	11,727.9	14,847.1	2,373.8	1,192.2	30,141.1
Currency translation	232.5	271.7	23.5	-6.7	521.0
Business combinations	355.4	183.4	35.1	4.0	577.8
Divestments	-26.6	-12.9	-7.8	0.0	-47.2
Additions	161.7	101.3	170.4	1,015.8	1,449.2
Disposals	-126.7	-168.2	-110.1	-2.4	-407.4
Reclassifications	17.2	678.6	60.9	-771.1	-14.4
Reclassifications to current assets	-77.0	-114.2	-6.7	-3.9	-201.7
31 December 2024	12,264.5	15,786.8	2,539.1	1,428.0	32,018.4
Depreciation					
1 January 2024	4,596.7	9,858.8	1,515.0	20.9	15,991.4
Currency translation	54.2	162.0	15.6	-1.5	230.3
Divestments	-12.9	-12.0	-7.3		-32.2
Additions	332.1	662.2	242.3		1,236.6
Impairment	124.1	61.8	9.2	3.8	198.9
Reversal of impairment	-7.2	-1.4	-0.4	-1.1	-10.0
Disposals	-63.8	-141.6	-99.8	0.3	-304.8
Reclassifications	1.4	13.6	-12.8	-2.0	0.2
Reclassifications to current assets	-25.4	-65.5	-1.8		-92.7
31 December 2024	4,999.1	10,538.1	1,660.1	20.4	17,217.8
Carrying amount at 31 December 2024	7,265.4	5,248.8	879.0	1,407.6	14,800.7

Exploitation land and mineral reserves are also recorded in land and buildings.

In the 2025 financial year, government grants of €73.6 million (previous year: 110.1) were deducted directly from the acquisition costs. Of this amount, €38.7 million was attributable to the CCS project in Brevik, Norway, and €17.0 million to the CCUS project in Edmonton, Canada. The conditions attached to

these grants have been met in full and there are no other uncertainties.

In the 2025 financial year, as in the previous years, no property, plant and equipment was pledged as security. In addition, borrowing costs of €2.1 million (previous year: 1.0) were capitalised. The average capitalisation rate applied was 3% (previous year: 3%).

Right-of-use assets

The right-of-use assets reported under property, plant and equipment result from leases accounted for in accordance with IFRS 16. The following table shows the development of the right-of-use assets.

Right-of-use assets (31 December 2025)

€m	Land and buildings	Plant and machinery	Other operating equipment	Total
Cost				
1 January 2025	1,143.6	278.5	941.7	2,363.8
Currency translation	-46.2	-20.0	-47.5	-113.7
Business combinations	20.2	10.0	8.5	38.7
Divestments	-0.9		-0.1	-0.9
Additions	107.9	19.2	221.1	348.3
Disposals	-33.5	-1.0	-107.1	-141.6
Reclassifications	-1.1	-13.3	-0.1	-14.5
31 December 2025	1,190.0	273.4	1,016.5	2,480.0
Depreciation				
1 January 2025	477.4	203.0	584.9	1,265.2
Currency translation	-21.8	-15.1	-33.4	-70.3
Divestments	-0.7	-0.0	-0.1	-0.8
Additions	100.7	13.1	135.0	248.8
Impairment	10.9		0.8	11.7
Reversal of impairment		0.0	-0.1	-0.1
Disposals	-19.0	-0.5	-102.8	-122.3
Reclassifications	0.7	2.8	-0.0	3.5
31 December 2025	548.4	203.1	584.4	1,335.8
Carrying amount at 31 December 2025	641.6	70.3	432.1	1,144.2

Right-of-use assets (31 December 2024)

€m	Land and buildings	Plant and machinery	Other operating equipment	Total
Cost				
1 January 2024	1,020.1	212.1	880.9	2,113.0
Currency translation	24.0	1.0	13.4	38.4
Business combinations	36.3	53.9	2.0	92.2
Divestments	0.1		-0.6	-0.5
Additions	89.9	14.9	120.2	225.0
Disposals	-26.7	-3.3	-74.3	-104.3
Reclassifications	-0.0	-0.1	0.1	0.0
31 December 2024	1,143.6	278.5	941.7	2,363.8
Depreciation				
1 January 2024	381.8	164.7	529.7	1,076.1
Currency translation	10.0	-0.9	9.6	18.8
Divestments			-0.7	-0.7
Additions	93.6	28.7	126.7	249.0
Impairment	3.4		0.2	3.6
Reversal of impairment	-0.4			-0.4
Disposals	-10.9	-2.0	-68.1	-81.1
Reclassifications	0.0	12.4	-12.4	-0.0
31 December 2024	477.4	203.0	584.9	1,265.2
Carrying amount at 31 December 2024	666.2	75.6	356.8	1,098.5

Information on lease liabilities is provided in Note 8.12 and Note 9.14 as well as on [page 272 f.](#) and [page 274.](#)

The following table contains all the cash outflows for leases.

Cash outflow for leases

€m	2024	2025
Principal payments for lease liabilities	254.7	270.7
Interest payments for lease liabilities	41.3	44.3
Short-term leases	144.9	146.6
Leases of low-value assets	4.3	4.9
Variable lease payments, that were not recognised in the lease liability	142.4	153.6
Total	587.7	620.1

Impairment of other intangible assets and property, plant and equipment

In the reporting year, Heidelberg Materials tested impairment losses on the basis of local cash-generating units (CGUs). This resulted in impairments.

Impairment of other intangible assets and property, plant and equipment (reporting year)

€m	Other intan- gible assets	Land and buildings	Plant and machinery	Other operating equipment	Prepayments and assets under con- struction	Total
Europe	-16.4	-32.0	-14.2	-1.4	-34.0	-98.0
United Kingdom	-2.2	-24.6	-10.9	-1.3		-39.0
Germany	-1.4	-0.9	-2.0	-0.0	-32.7	-37.1
Sweden	-12.8	-0.3	-0.8		-1.2	-15.1
Other		-6.1	-0.5	-0.1	-0.0	-6.7
North America		-1.7			-3.0	-4.7
Other	-0.3	-0.5	-1.0	-0.0		-1.9
Total	-16.8	-34.2	-15.2	-1.4	-37.0	-104.6

The impairments in the 2025 financial year are shown in the following table.

In the United Kingdom, property, plant and equipment were tested for impairment due to weaker activity in the construction industry. This resulted in impairments totalling €35.2 million for several operational sites. A cost of capital of 11.1% was taken into account. In addition, decommissioned sites were impaired by €3.8 million.

Impairment tests were also carried out in Germany and Sweden as a result of economic uncertainties, ongoing restructuring measures, and projects whose realisation is subject to a high degree of uncertainty. This resulted in impairments of €37.1 million in Germany and €15.1 million in Sweden in relation to several operational sites.

Impairments are shown in the additional ordinary expenses.

Reversal of impairment on other intangible assets and on property, plant and equipment

Reversals of impairment losses in the 2025 financial year are shown in the following table.

Reversal of impairment on other intangible assets and property, plant and equipment (reporting year)

€m	Other intangible assets	Land and buildings	Plant and machinery	Other operating equipment	Prepayments and assets under construction	Total
Europa	0.4	2.4	43.3	1.1		47.2
United Kingdom	0.0	2.2	42.6	0.7		45.5
Other	0.4	0.2	0.7	0.5		1.7
Africa-Mediterranean-Western Asia		7.3	1.6	0.0	0.5	9.4
Russia		7.3	1.6	0.0	0.5	9.4
Other			1.4	0.1	0.0	1.6
Total	0.4	9.7	46.3	1.3	0.5	58.1

In the United Kingdom, the cement plant in Padeswood was revalued due to higher volumes and improved operating business development. A cost of capital of 11.1% was used for this calculation. This resulted in reversals of impairment losses amounting to €45.5 million.

In Russia, impairments in previous years were reviewed as the economic outlook has proven to be more sustainable than originally expected. This resulted in reversals of impairment losses amounting to €9.4 million. The primary reversals of impairment losses of €7.3 million were recognised for production and infrastructure assets.

Reversals of impairment losses are shown in the additional ordinary income.

Impairment of other intangible assets and property, plant and equipment in the previous year

The impairments in the 2024 financial year are shown in the following table.

Impairment of other intangible assets and property, plant and equipment (previous year)

€m	Other intangible assets	Land and buildings	Plant and machinery	Other operating equipment	Prepayments and assets under construction	Total
Europe	-0.0	-82.2	-35.0	-1.9	-0.4	-119.5
France	-0.0	-45.5	-18.8	-1.2	-0.1	-65.6
Germany		-19.0	-6.9	-0.3	-0.2	-26.4
Other	-0.0	-17.6	-9.3	-0.5	-0.1	-27.5
Asia-Pacific	-3.1	-28.2	-11.2	-2.2	-2.9	-47.7
Australia	-3.1	-23.6	-6.1	-1.4	-2.8	-37.0
Other		-4.6	-5.1	-0.8	-0.1	-10.6
Africa-Mediterranean-Western Asia	-1.6	-13.7	-15.6	-5.1	-0.5	-36.4
Kazakhstan	-1.6	-5.1	-12.9	-5.1	-0.5	-25.2
Morocco		-8.5				-8.5
Other			-2.7			-2.7
Total	-4.8	-124.1	-61.8	-9.2	-3.8	-203.6

In France, the carrying amounts of property, plant and equipment totalling €41.0 million were fully impaired due to the closure of the cement plants in Beffes and Villiers-au-Bouin. In the aggregates business line, impairment tests due to a decline in the development of results led to impairments of €19.0 million for two quarries. The carrying amounts of €40.5 million were impaired to the recoverable amount of €21.5 million. A cost of capital of 6.40% was used for this calculation.

In Germany, clinker production ceased at the Hanover cement plant. The associated non-current assets with a carrying amount of €26.4 million were fully impaired.

In Australia, impairment tests were carried out on six aggregates sites due to declining earnings expectations. A cost of capital of 9.0% was used for this calculation. Overall, impairments amounted to €29.3 million. The carrying amounts of the locations of €41.1 million were impaired to the recoverable amount of €12.0 million.

In Kazakhstan, three clinker kilns at the Bukhtarma plant were shut down due to capacity adjustments. The impairment test carried out using a cost of capital of 13.79% resulted in a full impairment of the associated non-current assets amounting to €25.2 million.

An explanation of the credit risks is provided in Note 10.3.

A corresponding volume limit as well as the deduction clauses ensure that the sum of all exclusions of subscription rights in the Authorised Capital 2025 and the Conditional Share Capital 2023 will not exceed a limit of 10% of the share capital existing at the time the authorisation to exclude the subscription right comes into force.



Authorisation to acquire treasury shares

Furthermore, the authorisation to acquire treasury shares described below existed as at 31 December 2025. On 15 May 2025, the Annual General Meeting authorised the company, with the consent of the Supervisory Board, to acquire treasury shares until the end of 14 May 2030, once or several times, in whole or partial amounts, up to a total of 10% of the share capital at the time of the Annual General Meeting’s resolution, or – if this amount is lower – of the share capital at the time this authorisation is exercised, for any permissible purpose within the scope of the legal restrictions. The authorisation may not be used for the purpose of trading in treasury shares. At no time may more than 10% of the respective share capital be attributable to the acquired treasury shares combined with other shares that the company has already acquired and still possesses. The shares may be acquired via the stock exchange or by way of a public purchase offer or by means of a public call for the submission of offers to sell or by issuing rights to sell shares to the shareholders. The treasury shares acquired on the basis of the authorisation will be used by selling them via the stock exchange or in another suitable manner while ensuring the equal treatment of the shareholders, or for any other purposes permitted by law. The Managing Board is authorised to cancel the acquired treasury shares with the consent of the Supervisory Board without further resolution of the Annual General Meeting. The cancellation may also be effected without a capital decrease by adjusting the proportional amount of the remaining no-par value shares in the company’s subscribed share capital. In both cases, the Managing Board is

authorised to adjust the number of no-par value shares in the Articles of Association. Shareholders’ subscription rights can be excluded in certain cases. This authorisation replaces the authorisation granted by the Annual General Meeting on 11 May 2023, insofar as the latter has not already been used.

On 21 February 2024, the company announced that it would make use of the original authorisation of 11 May 2023 to launch a share buyback programme in the second quarter following the 2024 Annual General Meeting with a total volume of up to €1.2 billion (excluding incidental acquisition costs) and a term no later than the end of 2026. The share buyback will be carried out in three tranches via the stock exchange. The share buyback programme is in line with the Group’s financial policy and may be seen in the context of its successful reduction of net debt, good business performance in the 2023 financial year, and the participation of shareholders in the Group’s success. The company started the share buyback on 23 May 2024 with a first tranche in a planned volume of €350 to €400 million. A total of 3,637,360 shares were acquired by the completion of the first tranche on 25 November 2024. This corresponds to a nominal amount of €10,912,080 or 2.00% of the company’s subscribed share capital. The average purchase price per share paid on the stock exchange was €95.89. The total value (including incidental acquisition costs) of the repurchased shares amounted to around €350 million. The share buyback was effected in the above-mentioned period on 133 trading days by a bank commissioned by the company exclusively via the stock exchange.

On 19 February 2025, the Managing Board resolved to cancel all 3,637,360 treasury shares purchased under the first tranche of the 2024–2026 share buyback programme in the period from 23 May to 25 November 2024, representing all shares held by the company at that time, with a reduction of €10,912,080 in the subscribed share capital. This corresponds to 2.00% of the company’s subscribed share capital before cancellation and capital reduction. The Supervisory Board approved the cancellation on 24 February 2025. Following the cancellation of the shares and the capital reduction, the subscribed share capital of Heidelberg Materials AG amounts to €535,292,280 and is divided into 178,430,760 no-par value shares, each representing a notional amount of €3.00 of the subscribed share capital.

On 4 June 2025, the company announced that it would make use of the new authorisation of 15 May 2025 to continue the 2024–2026 share buyback programme in a second tranche from 5 June 2025. The company started the share buyback on 5 June 2025 with a planned volume of up to €450 million. A total of 2,065,695 shares were acquired by the completion of the second tranche on 1 December 2025. This corresponds to a nominal amount of €6,197,085 or approximately 1.16% of the company’s subscribed share capital. The average purchase price per share paid on the stock exchange (excluding incidental acquisition costs) was €194.86. The total value (including incidental acquisition costs) of the repurchased shares amounted to around €400 million. The share buyback was effected in the above-mentioned period by a bank commissioned by

the company exclusively via the stock exchange in compliance with the trading conditions set out in Article 3 of EU Regulation 2016/1052. Following the completion of the second tranche of the 2024–2026 share buyback programme, the company holds 2,065,695 treasury shares, corresponding to approximately 1.16% of the share capital.

The number of treasury shares as at 31 December 2025 is shown in the following overview:

Treasury shares	
Number	Shares
1 January 2025	3,637,360
Cancellation of treasury shares of the 1st tranche (2024–2026 programme)	–3,637,360
Share buyback 2nd tranche (2024–2026 programme)	2,065,695
31 December 2025	2,065,695

As at 31 December 2025, the company holds 2,065,695 treasury shares, corresponding to a nominal amount of €6,197,085 or approximately 1.16% of the company’s subscribed share capital.

9.8 Share premium

The share premium increased by €10.9 million to €6,285.4 million compared with the previous year as a result of the cancellation of treasury shares.

9.9 Retained earnings

The following table shows the changes in ownership interests in subsidiaries that do not lead to a change in control.

Changes in ownership interests in subsidiaries

€m	Change in share	Change in retained earnings	Change in non-controlling interests	Change in equity
PT Indocement Tunggal Prakarsa Tbk., Indonesia	0.8%	3.8	-19.1	-15.3
Heidelberg Materials- Tourah Cement S.A.E., Egypt	-3.2%	2.6	-2.4	0.2
Tanga Cement Company PLC, Tanzania	6.8%	-1.0	-2.8	-3.8
Total		5.5	-24.4	-19.0

In the financial year, dividends of €588.8 million (previous year: 546.2), i.e. €3.30 per share (previous year: €3.00 per share), were paid to shareholders of Heidelberg Materials AG.

The Managing Board and Supervisory Board propose the payment of a dividend of €3.60 on each of the participating 176,365,065 no-par value shares for the 2025 financial year. As at the reporting date of 31 December 2025, the number of no-par value shares entitled to dividends is calculated from 178,430,760 shares issued less the 2,065,695 treasury shares acquired in the 2025 financial year.

9.10 Other components of equity

The change of –€1,644.6 million in the currency translation reserve is essentially attributable to the depreciation of the US dollar against the euro.

9.11 Non-controlling interests

Subsidiaries with material non-controlling interests

PT Indocement Tungal Prakarsa Tbk. (“Indocement”), Jakarta, Indonesia, is the material subsidiary with non-controlling interests in the Heidelberg Materials Group. Indocement is a leading Indonesian manufacturer of high-quality cement and special cement products that are sold under the brand name Tiga Roda. Indocement has several subsidiaries that produce ready-mixed concrete, aggregates, and trass. Non-controlling interests hold 43.2% (previous year: 44%) of the capital or voting rights in the Indocement Group, which is included in the Asia-Pacific Group area. The Indocement share is listed on the stock exchange in Jakarta, Indonesia.

Non-controlling interests in the equity of Indocement amount to €464.4 million (previous year: 538.3). The profit for the financial year attributable to non-controlling interests amounts to €51.0 million (previous year: 50.5). In the 2025 financial year, Indocement paid dividends of €23.8 million (previous year: 8.7) to non-controlling interests.

The following tables summarise the key financial information of the Indocement Group excluding goodwill allocated to the CGU.

Statement of comprehensive income
Indocement Group

€m	2024	2025
Revenue	1,077.4	949.7
Depreciation and amortisation	-97.2	-89.1
Result from current operations	144.9	112.8
Additional ordinary result	-0.2	33.4
Earnings before interest and taxes (EBIT)	144.7	146.2
Interest income	7.8	11.1
Interest expenses	-10.6	-9.3
Other financial income and expenses	-1.1	-3.3
Profit before tax	140.7	144.7
Income taxes	-27.2	-27.5
Profit for the financial year	113.6	117.2
Other comprehensive income	26.3	-186.9
Total comprehensive income	139.9	-69.7

Assets and liabilities Indocement Group		
€m	2024	2025
Intangible assets	1.8	1.1
Property, plant and equipment	1,172.2	1,000.3
Financial fixed assets	15.6	32.2
Other non-current assets	9.7	8.6
Non-current assets	1,199.3	1,042.2
Cash and cash equivalents	268.7	297.9
Other current assets	340.5	259.3
Current assets	609.2	557.2
Total assets	1,808.6	1,599.5
Non-current financial liabilities	6.3	16.3
Non-current provisions	29.0	23.6
Other non-current liabilities	31.9	29.3
Non-current liabilities	67.2	69.3
Current financial liabilities	140.6	123.8
Current provisions	7.2	8.0
Trade payables	191.8	154.3
Other current liabilities	88.8	75.3
Current liabilities	428.4	361.4
Total liabilities	495.6	430.7

9.12 Pension provisions

Defined contribution plans

The sum of all pension expenses in connection with defined contribution plans amounted to €135.8 million (previous year: 129.8). In the 2025 financial year, the contributions to the social security programmes came to €82.5 million (previous year: 82.9).

Actuarial assumptions

	Discount rate		Pension increase rate		Mortality table
	2024	2025	2024	2025	
Group	5.02%	5.06%	2.55%	2.39%	-
North America	5.41%	5.21%	-	-	USA: PRI-2012; Canada: CPM 2014
United Kingdom	5.45%	5.41%	2.65%	2.50%	Different tables based on “S4” series
Germany	3.50%	4.20%	2.20%	2.00%	Heubeck 2018 G

The mortality tables in the United Kingdom, the USA, and Canada have been modified to consider future improvements in life expectancy and in many cases are additionally adjusted based on company-specific experience. With regard to the overfunded pension plans for which an asset ceiling has not been applied,

Actuarial assumptions

The significant actuarial assumptions on which the calculations of the defined benefit obligation are based are summarised in the following table (weighted presentation).

Heidelberg Materials has the unconditional entitlement to the pension plan surplus if the plan is wound up.

Development of defined benefit plans

In the 2025 financial year, defined benefit obligations amounting to €2,234.7 million (previous year: 2,470.1) existed in the Group, which were essentially covered by plan assets. In addition, there were obligations

from direct agreements of €618.0 million (previous year: 673.9). Of this figure, €169.3 million (previous year: 180.5) related to obligations for health care costs of pensioners.

The following table shows the financing status of these plans and their presentation in the balance sheet.

Development of defined benefit plans

€m	Defined benefit obligation (DBO) (a)		Fair value of plan assets (b)		Effects of asset ceiling (c)		Net defined benefit liability (a – b + c)	
	2024	2025	2024	2025	2024	2025	2024	2025
Balance at 1 January	3,635.1	3,144.0	3,550.2	3,109.0			84.9	35.0
Current service cost	23.1	24.5					23.1	24.5
Past service cost	–4.2	–1.4					–4.2	–1.4
Plan settlements	–12.4	–7.4					–12.4	–7.4
Interest cost	154.3	146.2					154.3	146.2
Interest income			156.9	152.6			–156.9	–152.6
Administrative expenses paid by the plan			–7.5	–8.2			7.5	8.2
Defined benefit costs recognised in profit and loss	160.8	172.8	149.4	155.4			11.4	17.4
Remeasurements recognised in other comprehensive income	–169.2	–67.6	–199.3	–7.0		–0.0	30.1	–60.6
Employer contributions			3.5	–14.0			–3.5	14.0
Employee contributions	1.1	1.0	1.1	1.0				
Benefits paid by the company	–65.3	–60.2					–65.3	–60.2
Benefits paid by the fund	–543.0	–194.5	–543.0	–194.5				
Cash flows in the period	–607.2	–253.7	–538.4	–207.4			–68.8	–46.2
Change in consolidation scope	0.3	31.6	0.1	16.0			0.2	15.6
Disposal groups	–1.5	0.4					–1.5	0.4
Exchange rate changes	125.7	–163.9	147.0	–179.9		0.0	–21.3	16.0
Other reconciling items	124.5	–131.9	147.1	–163.9		0.0	–22.6	32.0
Balance at 31 December	3,144.0	2,852.7	3,109.0	2,875.1		0.0	35.0	–22.4
North America	647.4	563.2	500.8	453.5			146.6	109.7
United Kingdom	1,705.2	1,544.9	2,344.0	2,160.0			–638.8	–615.1
Germany	399.0	367.5	110.2	111.9			288.8	255.6
Other countries	392.4	377.2	154.0	149.7		0.0	238.4	227.5
Total	3,144.0	2,852.7	3,109.0	2,875.1		0.0	35.0	–22.4
Thereof non-current provisions							633.0	569.3
Thereof current provisions							61.3	54.9
Thereof other long-term operating receivables (overfunding of pension schemes)							–659.3	–646.5

Breakdown of defined benefit obligation

The following tables show the defined benefit obligation divided into the underlying plan types and the different member groups.

Defined benefit obligation by plan type

€m	2024	2025
Defined benefit pension plans	2,963.5	2,683.4
Plans for health care costs	180.5	169.3
Total defined benefit obligation	3,144.0	2,852.7
Thereof related to wholly or partly funded plans	2,470.1	2,234.7
Thereof related to wholly unfunded plans	673.9	618.0

Defined benefit obligation by member groups

€m	2024	2025
Active members	460.1	419.7
Deferred vested members	655.2	549.3
Pensioners	2,028.7	1,883.6
Total defined benefit obligation	3,144.0	2,852.7

Development in the income statement

Of the total pension expenses of €17.4 million (previous year: 11.4), €23.9 million (previous year: 14.0) are shown in the personnel costs or in other operating expenses, and income of €6.5 million (previous year: 2.6) in other financial result.

In 2025, non-recurring special events resulted in a total gain of €8.8 million, which was recognised in the income statement. In November 2025, Heidelberg Materials USA entered into a bulk buy-in contract to purchase annuity policies covering approximately 98% of the benefits under the Heidelberg Materials US pension plan. The defined benefit obligations remain within the plan but are now backed by corresponding insured assets. The buy-in contract pro-

vides for the option of conversion into a buy-out transaction, whereby the defined benefit obligations would be transferred to the insurance company. It is Heidelberg Materials’ stated intention to complete this conversion as soon as possible. Accordingly, a settlement gain of €11.0 million was recognised, calculated as the difference between the defined benefit obligation for the affected portion of the pension plan and the insurance premium paid. Furthermore, one-off lump-sum payouts of life insurance benefits were made to retirees in the USA in some cases, resulting in a gain of €3.8 million. In Indonesia, a settlement loss of €3.0 million was recorded in respect of additional benefits paid to leavers. In Belgium, past service costs of €2.0 million were recognised for new early retirement agreements. All other special events that took place in 2025 had only a limited impact on the financial position.

Remeasurements recognised in other comprehensive income

In the 2025 financial year, the actuarial gains from the defined benefit obligation amounting to €67.6 million (previous year: 169.2) have arisen mainly from the increase in the discount rate on which the actuarial calculation is based.

The actuarial gains and losses can be broken down into effects from the adjustment of financial assumptions resulting in a gain of €73.0 million (previous year: 167.5), effects from experience adjustments resulting in a gain of €4.4 million (previous year: loss of 8.8), and effects from changes in demographic assumptions resulting in a loss of €9.8 million (previous

year: gain of 10.5), essentially attributable to the change in the base mortality table from the S3 Series to the S4 Series in the United Kingdom.

Sensitivity analysis of defined benefit obligation (pension plans)

Changes in the discount rate, pension increase rate, and life expectancy affect the income statement of the following year and the defined benefit obligation of pension plans. The sensitivities to changes in assumptions as shown below are determined by changing one assumption as indicated and keeping all other assumptions constant. In reality, multiple assumptions may change at the same time, and changing one parameter may lead to a change in another parameter.

Sensitivity analysis of defined benefit obligation (pension plans)

€m	2024	2025
Defined benefit obligation	2,963.5	2,683.4
	+0.5%	2,823.8
	-0.5%	3,118.5
Discount rate	+0.25%	3,014.1
	-0.25%	2,916.0
Pension increase rate	+1 year	3,072.5
	-1 year	2,854.1
Life expectancy		

Breakdown of plan assets

The plan assets originate primarily from the USA with 16% (previous year: 16%) and the United Kingdom with 75% (previous year: 75%). The plan assets can be divided into the following categories:

Breakdown of plan assets

€m	2024	2025
Cash and cash equivalents	242.6	128.6
Equity instruments	418.3	350.3
Derivatives	9.5	
Nominal government bonds	724.7	655.2
Nominal corporate bonds	417.4	216.1
Index linked bonds	1,019.3	975.0
Real estate	30.3	23.9
Insurance policies	72.9	485.9
Other	174.0	40.2
Total	3,109.0	2,875.1

The actual return on plan assets amounted to €134.6 million (previous year: -42.4).

The majority of the Group’s plan assets are based directly on quoted market prices for the invested assets or, in the case where investment funds are used, indirectly based on the quoted value of the underlying investments. Exceptions are that in the United Kingdom, a portion of the assets needs to be estimated as at the year end, as detailed asset information is not available or cannot be provided in time for the adoption of the consolidated financial statements by the Managing Board. The assets without a quoted market price (totalling €475.3 million) consist of insurance policies primarily in the USA, arising from the bulk buy-in contract in 2025, and in the United Kingdom. As a rule, the plan assets do not include any significant own financial instruments, real estate occupied by, or other assets used by Heidelberg Materials.

Cash flows

Heidelberg Materials paid €60.2 million (previous year: 65.3) directly to the pension recipients and -€14.0 million (previous year: 3.5) as employer contributions to the plan assets. In 2026, Heidelberg Materials expects to make pension payouts of €56.9 million and employer contributions to the plan assets of -€19.8 million. The actual and expected negative overall employer contribution arises because the largest pension plan in the United Kingdom uses part of the surplus from its defined benefit subplan to fund the contributions to its defined contribution subplan. This cross-subsidy is expected to amount to €22.2 million in 2026 and was recognised as a negative employer contribution. The cross-subsidy in 2025 amounted to €22.6 million.

Over the next ten years, average annual benefits of €238.9 million are expected to be paid to the pension recipients either in the form of direct payouts or in the form of payouts from the plan assets. The average duration of the obligations is 9.4 years (previous year: 10.2).

Multi-employer pension plans

Heidelberg Materials participates in multi-employer pension plans (MEPPs), predominantly in North America, which award some unionised employees fixed benefits after their retirement. These MEPPs are accounted for as defined contribution plans because it is not possible to isolate the individual company components for these plans. The contributions are determined on the basis of collective bargaining. Contributions of €13.9 million (previous year: 12.4)

were paid in 2025. The funding status of these pension plans could be affected by adverse developments in the capital markets, demographic changes, or increases in pension benefits. If one of the participating companies no longer pays contributions into the MEPP, all other parties concerned will be held liable for the obligations that have not been covered. For 2026, contributions of €13.4 million are expected in North America. The withdrawal liability of these plans as at 31 December 2025 would amount to €39.0 million (previous year: 64.6), should Heidelberg Materials decide to withdraw. Heidelberg Materials

has recognised provisions of €1.5 million (previous year: 13.1) for these liabilities, which are shown under miscellaneous other provisions. The decrease is mainly due to the fact that, after ten years of recognising provisions for certain plans, claims from these plans are no longer anticipated, and the relevant provisions have therefore been reversed.

9.13 Other provisions

The following table explains the development of other provisions.

Other provisions

€m	Provisions for damages and environmental obligations	Other environmental provisions	Miscellaneous other provisions	Total
1 January 2025	414.3	760.9	617.7	1,792.9
Change in consolidation scope		68.5	4.4	72.9
Currency translation	-49.9	-61.7	-20.4	-132.0
Reclassification		-0.4	0.2	-0.2
Utilisation	-32.8	-55.0	-155.1	-242.9
Release	-3.5	-27.5	-74.6	-105.7
Offset	-10.8	-2.9	-2.5	-16.2
Addition	67.6	67.2	167.4	302.3
31 December 2025	385.0	749.0	537.1	1,671.1

The offset line includes the offsetting of obligations against the corresponding claims for reimbursement and the offsetting of obligations in kind against other assets, particularly from emission rights.

The maturities of the other provisions can be broken down as follows:

Maturities of other provisions

€m	Provisions for damages and environmental obligations	Other environmental provisions	Miscellaneous other provisions	Total
Maturity ≤1 year	56.8	73.9	179.6	310.3
Maturity >1 year ≤5 years	223.5	438.5	307.0	969.0
Maturity >5 years	104.7	236.6	50.5	391.8
	385.0	749.0	537.1	1,671.1

Provisions for damages and environmental obligations

Provisions for damages and environmental obligations result from discontinued operations that were transferred to the Heidelberg Materials Group as part of the takeover of the Hanson Group in 2007. The obligations are therefore not linked to the continuing operations of the Heidelberg Materials Group.

The provisions for damages concern legal proceedings before US courts. The claims relate to health problems allegedly caused by the sale of products containing asbestos. The provisions to be recognised are measured at the present value of the expected expenses using reliable estimates of the development of costs for the next 15 years. The environmental liability claims pertain to remediation obligations in connection with the sale of chemical products and environmental pollution by former Hanson participations.

The provisions are offset by claims for reimbursement against environmental and third-party liability insurers. As at 31 December 2025, the claims amounted to €41.7 million (previous year: 52.6), of which €30.1 million (previous year: 39.9) is recorded under other non-current receivables and assets and €11.6 million (previous year: 12.7) under other current receivables and assets.



Other environmental provisions

The other environmental provisions include recultivation, environmental, and asset retirement obligations.

Recultivation obligations relate to legal and constructive obligations to backfill and restore raw material quarrying sites. The provisions recognised for these obligations are measured in accordance with the extraction progress on the basis of the best cost estimate for fulfilling the obligation. As at the reporting date, these provisions amount to €478.2 million (previous year: 504.4).

Provisions for environmental obligations are recognised on the basis of contractual or official regulations and essentially include expenses connected with the cleaning up of contaminated areas and the remediation of extraction damages. The provisions are measured at the present value of the expected expenses. These provisions amount to a total of €105.5 million (previous year: 87.0).

The provisions for asset retirement obligations pertain to obligations arising in connection with the removal of installations (e.g. conveying systems at rented locations), so that a location can be restored to its contractually agreed or legally defined state after the end of its useful life. As at the reporting date, provisions for asset retirement obligations of €165.4 million (previous year: 169.5) have been recognised.

Miscellaneous other provisions

Miscellaneous other provisions exist in particular for restructuring obligations, other litigation risks, compensation obligations, the obligation to return emission rights, and obligations to personnel.

The provisions for restructuring obligations concern expenditure on various optimisation programmes, such as the closure of locations. Provisions of €85.4 million (previous year: 106.5) have been recognised for this purpose as at the reporting date.

Because of pending legal action against the Group, provisions for litigation risks, including those relating to pending antitrust proceedings, amounting to €97.4 million (previous year: 122.8) were recognised in the balance sheet. These obligations are assessed as most likely, provided that other estimates do not lead to a fairer evaluation as a result of specific probability distributions.

Provisions for compensation obligations relate to the Group’s obligations arising from occupational accidents. As at the reporting date, provisions of €44.1 million (previous year: 70.2) have been formed for this purpose.

As at the reporting date, provisions for emission rights of €7.3 million (previous year: 6.7) have been recognised.

Obligations to personnel include the provision for the long-term bonus plan (management and capital market component) of €79.5 million (previous year: 83.2), as well as provisions for multi-employer pension plans amounting to €1.5 million (previous year: 13.1).

Additionally, there are provisions for a variety of minor issues.

Impact of interest effects

Provisions are measured at their present value, which is determined using a pre-tax interest rate. For this

purpose, Heidelberg Materials uses the risk-free interest rate of government bonds from the respective countries, taking into account the relevant term. The risks specific to the liability are taken into account in the estimate of future cash outflows.

Changes in the interest rate led to a decrease of €7.1 million in other environmental provisions and miscellaneous other provisions. Compounding effects of €20.5 million led to an increase in other environmental provisions and miscellaneous other provisions. Negative effects from the change in interest rate of €3.2 million and negative compounding effects of €15.6 million for provisions for damages and environmental obligations are included in the expenses from discontinued operations.

9.14 Liabilities

Bonds payable

The following table shows the issued bonds payable.

Bonds payable

Issuer (€m)	Nominal volume	Carrying amount 31 Dec. 2024	Carrying amount 31 Dec. 2025	Coupon rate in %	Offering date	Maturity date	ISIN
Heidelberg Materials AG	1,000.0	1,013.2		1.500	2016-12-07	2025-02-07	XS1529515584
HM Finance Luxembourg S.A.	1,000.0	1,011.0	1,011.7	1.625	2017-04-04	2026-04-07	XS1589806907
HM Finance Luxembourg S.A.	500.0	502.3	503.0	1.500	2017-06-14	2027-06-14	XS1629387462
HM Finance Luxembourg S.A.	750.0	701.2	715.8	1.125	2019-07-01	2027-12-01	XS2018637327
HM Finance Luxembourg S.A.	750.0	755.3	756.5	1.750	2018-04-24	2028-04-24	XS1810653540
Heidelberg Materials AG	750.0	756.8	758.1	3.750	2023-01-20	2032-05-31	XS2577874782
HM Finance Luxembourg S.A.	750.0	739.8	741.4	4.875	2023-11-21	2033-11-21	XS2721465271
Heidelberg Materials AG	700.0	699.0	698.4	3.950	2024-06-19	2034-07-19	XS2842061421
Heidelberg Materials AG	500.0	498.9	498.7	3.375	2024-09-24	2031-10-17	XS2904554990
HM Finance Luxembourg S.A.	750.0		747.0	3.000	2025-05-21	2030-07-10	XS3074499511
Total		6,677.6	6,430.6				

Bank loans

The following table shows the composition of bank loans.

Bank loans

Issuer (€m)	Carrying amount 31 Dec. 2024	Carrying amount 31 Dec. 2025	Coupon rate in %	Offering date	Maturity date
KfW-promoted loan – Heidelberg Materials AG	44.2	33.5	1.000	2019-08-08	2029-03-31
EIB-promoted loan – Heidelberg Materials AG	100.1	100.1	2.965	2024-12-04	2030-12-04
Others – Other Group companies	230.4	354.8			
Total	374.7	488.5			

Other financial liabilities and operating liabilities

The following table shows the composition of other financial liabilities and operating liabilities, broken down into financial and non-financial.

Other financial liabilities and operating liabilities

	31 December 2024		31 December 2025	
€m	Non-current	Current	Non-current	Current
Lease liabilities	916.0	227.6	963.2	229.6
Non-controlling interests with put options		87.7		56.3
Derivative financial instruments	71.3	80.3	54.8	48.3
Miscellaneous other financial liabilities	55.4	67.1	52.8	62.6
Miscellaneous other operating liabilities	88.0	775.0	88.6	744.5
Other liabilities that qualify as financial instruments	1,130.7	1,237.7	1,159.4	1,141.3
Employee liabilities		465.9		428.3
Contract liabilities	1.4	95.8	1.2	121.3
Prepaid expenses and other non-financial liabilities	14.7	197.5	23.4	189.7
Other liabilities that do not qualify as financial instruments	16.1	759.2	24.6	739.3

The contract liabilities relate to prepayments received by customers for performance obligations not yet fulfilled as at the reporting date. Current contract liabilities of €95.8 million as at 31 December 2024 were fully recognised in revenue in the 2025 financial year.

Explanations on the derivative financial instruments are provided in Note 10.2.

The aggregation of liabilities with individual payment service providers has not resulted in an increased liquidity risk.

10 Additional disclosures on financial instruments

10.1 Financial instruments by class

The following table assigns the individual balance sheet items for the financial instruments to classes

Carrying amounts and fair values of financial instruments

€m	Category of IFRS 9 ¹⁾	31 December 2024		31 December 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Assets					
Financial investments	FVTPL	38.4	38.4	40.8	40.8
Loans and other interest-bearing receivables	AC	217.8	214.1	290.6	289.0
Trade receivables and other receivables	AC	2,035.6	2,035.6	2,156.2	2,156.2
Trade receivables and other receivables	FVTPL	323.1	323.1	370.1	370.1
Cash and cash equivalents	AC	3,144.7	3,144.7	2,505.2	2,505.2
Cash and cash equivalents	FVTPL	75.5	75.5	122.2	122.2
Derivatives – hedge accounting	Hedge	7.5	7.5	10.4	10.4
Derivatives – held for trading	FVTPL	36.7	36.7	33.3	33.3
Liabilities					
Bonds payable, bank loans, and miscellaneous other financial liabilities	AC	7,174.8	7,313.7	7,034.4	7,193.2
Trade payables and miscellaneous operating liabilities	AC	4,151.7	4,151.7	4,144.4	4,144.4
Derivatives – hedge accounting	Hedge	97.9	97.9	80.9	80.9
Derivatives – held for trading	FVTPL	53.6	53.6	22.2	22.2
Non-controlling interests with put options	AC	87.7	87.7	56.3	56.3

1) AC: Amortised cost, FVTPL: Fair value through profit or loss, Hedge: Hedge accounting

Fair value disclosures

For level 1, the fair value is determined using prices quoted on an active market (unadjusted) for identical assets or liabilities to which Heidelberg Materials has access on the reporting date. For level 2, the fair value is determined using a discounted cash flow model

and measurement categories of IFRS 9. In addition, the aggregate carrying amounts for each measurement category and the fair values for each class are depicted.

on the basis of input data that does not involve quoted prices classified in level 1, and which is directly or indirectly observable. The fair values of level 3 are calculated using measurement models that include factors that cannot be observed on the active market.

The following table shows the fair value hierarchies for the assets and liabilities that are measured at fair

value in the balance sheet. Here, the fair value always corresponds to the carrying amount.

Fair value hierarchy of financial assets and liabilities measured at fair value in the balance sheet

€m	31 December 2024			31 December 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial investments	15.3		23.1	15.0		25.8
Trade receivables and other receivables		323.1			370.1	
Cash and cash equivalents	75.5			122.2		
Derivatives – hedge accounting		0.8	6.7		5.0	5.4
Derivatives – held for trading		36.7			33.3	
Liabilities						
Derivatives – hedge accounting		59.2	38.7		46.3	34.6
Derivatives – held for trading		53.6			22.2	

For financial investments in level 1, the fair value is determined using the published price quotations as at the reporting date.

The financial investments in level 3 include participations on which Heidelberg Materials has no significant influence. The increase of €2.6 million in the financial year was mainly due to additions totalling €1.8 million and remeasurements at fair value through profit or loss amounting to €1.6 million. One participation holds shares in an early-stage investment. In the case of this participation, the measurement is based on the most recent financing round in particular. The fair value measurement of the other participations is mainly carried out using the multiplier method, which determines the proportionate enterprise value based on company-specific variables using EBITDA or revenue multipliers. The revaluation through profit or loss is reported in the result from other participa-

tions. Uncertainties relating to the determination of the fair value of these investments mainly result from the change in the multipliers used, as no quoted price on an active market exists. If the multipliers used were increased or decreased by 10.0 percentage points, the fair value of these investments would increase or decrease by €1.9 million.

The receivables are receivables that are intended for sale in the scope of factoring transactions. The fair values were primarily determined using the prices of recent transactions.

Cash and cash equivalents include highly liquid money market funds whose fair value was determined by multiplying the shares by the price quotation as at the reporting date.

Derivative financial instruments in level 2, both those designated as hedges and those held for trading, are measured using recognised actuarial models based on observable input parameters. The derivative financial instruments designated as hedges in level 3 are embedded derivatives from long-term power purchase agreements (PPAs) for solar and wind power plants in Poland and Italy. The fair values are determined by discounting the expected future cash flows, which are largely determined by future electricity market prices. Any changes to the market situation

could have a positive or negative impact on this figure. If the electricity prices used were increased or decreased by 10.0 percentage points, the fair value would increase or decrease by €6.5 million (previous year: 6.5).

The following table shows the fair value hierarchies for the assets and liabilities that are not measured at fair value in the balance sheet, but whose fair value is reported.

Fair value hierarchy of financial assets and liabilities not measured at fair value in the balance sheet

€m	31 December 2024			31 December 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Loans and other interest-bearing receivables		214.1			289.0	
Trade receivables and other operating receivables – amortised cost		2,035.6			2,156.2	
Cash and cash equivalents – amortised cost	3,144.7			2,505.2		
Liabilities						
Bonds payable, bank loans, and miscellaneous other financial liabilities	6,734.8	578.9		6,512.7	680.5	
Trade payables and miscellaneous operating liabilities		4,151.7			4,144.4	
Non-controlling interests with put options			87.7			56.3

The fair values of the non-current loans, other non-current operating receivables, bank loans, and other non-current financial and operating liabilities correspond to the present values of the future payments, taking into account the current interest parameters.

The fair values of the listed bonds correspond to the nominal values multiplied by the price quotations as at the reporting date. For the financial instruments with short-term maturities, the carrying amounts on the reporting date represent appropriate estimates of the fair values.

Non-controlling interests with put options in level 3 are liabilities that relate to put options resulting from tender rights of non-controlling interests. The calculation of the fair value is based on the respective contractual agreements for paying off the non-controlling interests in the event of a tender. These usually provide an approximation of the proportionate enterprise value based on company-specific variables and multipliers. If the tender is only possible at a later point in time, the payoff amount is discounted using an appropriate market interest rate. For the German partnerships, the fair value is calculated using a discounted cash flow model. In this respect, the cash flows based on the companies’ underlying plans were discounted with a risk-adjusted discount rate (WACC).

The assessment as to whether financial assets and liabilities that are accounted for at fair value are to be transferred between the levels of the fair value hierarchy takes place at the end of each reporting period. No reclassifications were carried out in the reporting period.

The following table shows the net gains or losses from the financial instruments by measurement category.

Net gains or losses

€m	Measure-ment category	2024	2025
Financial assets	FVTPL	-47.5	-30.6
Financial assets	AC	-174.5	-6.2
Derivatives – held for trading	FVTPL	190.8	23.3
Financial liabilities	AC	-9.0	-7.9
Total		-40.2	-21.4

The net result of financial assets measured at fair value through profit or loss (FVTPL) is essentially derived from the measurement affecting profit or loss and the expenses from the continuing involvement. The net result of financial assets measured at amortised cost (AC) is made up of impairment losses of €10.4 million (previous year: 10.7), losses of €4.3 million (previous year: 1.6) from the derecognition of operating and interest-bearing receivables, and currency gains of €8.4 million (previous year: currency losses of 162.2). The net result of derivative financial instruments held for trading comprises currency and interest effects. For financial liabilities at amortised cost (AC), the net result primarily includes effects from currency translation.

The following table shows the total interest income and expenses for the financial instruments. All interest results from financial receivables and financial liabilities measured at amortised cost.

Total interest income and expense

€m	2024	2025
Total interest income	100.2	-72.7
Total interest expense	-213.9	224.6
Total	-113.7	151.8

Offsetting of financial instruments

The following table shows the gross and net amounts of financial instruments that have been netted on the

balance sheet or that are the subject of a legally enforceable global netting agreement.

Offsetting of financial instruments

€m	Offsetting amounts in balance sheet		Potential offsetting amounts	
	Gross amounts	Gross amounts set off in balance sheet	Net amounts presented in balance sheet	Amounts subject to global netting agreements
31 December 2025				
Financial assets				
Current interest-bearing receivables	458.5	-273.5	185.0	
Derivative financial instruments (assets)	43.7		43.7	-10.1
Financial liabilities				
Other current operating liabilities	1,757.3	-273.5	1,483.8	
Derivative financial instruments (liabilities) ¹⁾	103.1		103.1	-10.1
31 December 2024				
Financial assets				
Current interest-bearing receivables	480.0	-360.9	119.1	
Derivative financial instruments (assets)	44.2		44.2	-29.0
Financial liabilities				
Other current operating liabilities	1,895.1	-360.9	1,534.2	
Derivative financial instruments (liabilities) ¹⁾	151.6		151.6	-29.0

1) Derivative financial instruments (liabilities) are included in the balance sheet items "Other non-current financial liabilities" and "Other current financial liabilities".

Receivables and liabilities were netted in connection with factoring transactions. The presentation in the balance sheet is shown on a net basis. The derivatives contracted by Heidelberg Materials are partly subject to legally enforceable netting agreements (ISDA Agreement or German Master Agreement for Financial Derivatives Transactions), which, however, do not permit netting of receivables and liabilities in the balance sheet in accordance with IAS 32.42. The right to offset only exists in the case of delayed payment or if a contracting party becomes insolvent. The presentation in the balance sheet is therefore shown on a gross basis.

10.2 Derivative financial instruments and hedging relationships

The following table shows the nominal values and fair values of the derivative financial instruments.

Derivative financial instruments

€m	31 December 2024		31 December 2025	
	Nominal value	Fair value	Nominal value	Fair value
Assets				
Cash flow hedges				
Currency forwards ¹⁾	15.8	0.3	2.6	0.0
Commodity derivatives ²⁾	53.7	7.2	54.4	6.0
Fair value hedges				
Interest rate swaps ³⁾				4.4
Derivatives held for trading				
Currency forwards	2.8	0.0	8.8	0.1
Foreign exchange swaps	3,808.0	36.7	4,542.5	26.0
Cross-currency interest rate swaps ⁴⁾			736.2	7.2
	3,880.3	44.2	5,344.5	43.7
Liabilities				
Cash flow hedges				
Currency forwards ¹⁾	13.0	0.9	5.1	0.0
Commodity derivatives ²⁾	121.8	50.3	121.5	40.3
Fair value hedges				
Interest rate swaps ³⁾	750.0	46.8	1,500.0	40.7
Derivatives held for trading				
Currency forwards	101.8	0.8	14.0	0.2
Foreign exchange swaps	3,489.6	30.3	1,381.9	20.9
Cross-currency interest rate swaps ⁴⁾	788.6	22.5	0.0	1.1
	5,264.8	151.6	3,022.5	103.1

1) Fair values specified with €0.0 million amount to less than €50,000.

2) The commodity derivatives with positive fair values relate to a delivery volume of 1.0 (previous year: 0.7) million MWh of electricity, 0.002 (previous year: 0.008) million tonnes of fuels and 0.0 (previous year: 0.137) million BTU of gas. The commodity derivatives with negative fair values relate to a delivery volume of 1.0 (previous year: 1.3) million MWh of electricity, 0.023 (previous year: 0.013) million tonnes of fuels and 1.643 (previous year: 0.0) million BTU of gas.

3) Nominal values of €1,500.0 (previous year: 750.0) million relate to interest rate swaps with negative fair values of –€36.3 million (previous year: –46.8), which are shown on the assets side in the amount of €4.4 million (previous year: 0.0) and on the liabilities side in the amount of –€40.7 million (previous year: –46.8) because of the separation into long-term and short-term components of the swaps.

4) Nominal values of €736.2 (previous year: 788.6) million relate to cross-currency interest rate swaps with positive fair values of €6.1 million (previous year: negative fair values of –22.5), which are shown on the assets side in the amount of €7.2 million (previous year: 0.0) and on the liabilities side in the amount of –€1.1 million (previous year: –22.5) because of the separation into long-term and short-term components of the swaps.

At Heidelberg Materials, derivative financial instruments are generally used for economic hedging purposes arising from operational business or refinancing activities. In order to correct the accounting mismatch between the hedging instrument and the hedged item, hedges are designated in individual cases (hedge accounting).

Cash flow hedges

Our Group trading companies hedge significant purchase and sale contracts in foreign currencies through currency forwards and cash holdings in foreign currencies. The term of the contracts is up to one year. The features of the hedging instruments match those of the hedged items. The hedge ratio is 100%.

The two fixed-interest bonds issued in the 2023 financial year, each with a nominal volume of €750.0 million, were hedged by rolling forward starting payer interest rate swaps. Heidelberg Materials recognises the effective portion of the gains realised from the cancelled interest rate swaps directly in equity in the cash flow hedge reserve, which is reclassified to the income statement over the term of the bonds.

As an energy-intensive company, Heidelberg Materials is exposed to energy price risks in its fuel and electricity procurement activities. In Northern Europe and the UK, some of the future electricity and fuel deliveries are hedged using electricity and fuel forward contracts with terms of up to three years. In the electricity price hedges, 55% (previous year: 49%) of the short-term and 20% (previous year: 21%) of the long-term planned electricity purchases are hedged. The hedge ratio for the short-term fuel hedges is 75% (previous year: 60%), whereas the ratio for the long-term fuel hedges is 8% (previous year: 7%).

In Poland and Italy, electricity prices are secured via three long-term power purchase agreements (PPAs) until 2032. In one of the Polish PPAs, the contractually agreed fixed price scale was modified in the 2023 financial year. This resulted in an ineffectiveness of –€0.3 million (previous year: –3.4), which was recognised in profit or loss in other operating expenses. In the case of the other cash flow hedges, the main contract features of the hedging instruments correspond in principle to the features of the hedged items and do not lead to any significant ineffectiveness. The hedge ratio is 26% in Poland (previous year: 23%) and 7% in Italy (previous year: 8%).

The hedging instruments and hedged items designated as hedges have the following impact on the balance sheet and income statement.

Cash flow hedges by risk category

	2024		2025	
	Currency risk	Energy price risk	Currency risk	Energy price risk
€m				
Hedging instruments				
Balance sheet items and carrying amounts				
Derivative financial instruments (assets)		4.7		3.5
Current derivative financial instruments (assets)	0.3	2.5	0.0	2.5
Other non-current financial liabilities	-0.2	-37.4		-28.7
Other current financial liabilities	-0.7	-12.9	-0.0	-11.6
Change in fair value to measure the ineffectiveness in the reporting period	-0.3	-9.2	-0.3	-6.3
Hedged items				
Change to measure the ineffectiveness	0.3	5.8	0.3	6.0
Cash flow hedge reserve	-0.3	-31.2	0.1	-21.1
Profit or loss item and value of ineffectiveness				
Other operating expenses		-3.4		-0.3

The reconciliation of the cash flow hedge reserve including the non-controlling interests is shown in the following table.

Reconciliation of cash flow hedge reserve

€m	Risk	2024	2025
Balance as at 1 January		54.2	42.3
Changes in fair values	Currency risk	-0.3	0.3
Changes in fair values	Energy price risk	-5.8	6.0
Gains or losses recognised in other comprehensive income		-6.1	6.3
Reclassification to profit or loss (material costs)	Currency risk	-0.3	0.2
Reclassification to profit or loss (interest expenses)	Interest risk	-11.6	-11.6
Reclassification to profit or loss (material costs)	Energy price risk	8.3	4.1
Reclassification to cost of finished goods and goods for resale	Currency risk	-0.1	0.0
Income taxes		-1.9	5.6
Gains/losses arising from equity accounted investments		-0.1	1.1
Balance as at 31 December		42.3	47.9

Fair value hedges

The interest rate swaps open at the reporting date hedge the interest rate risk of two (previous year: one) fixed interest-bearing Eurobonds, each with a nominal volume of €750.0 million, that mature in 2027 and 2030 respectively. The weighted average hedge rate of the outstanding interest rate swaps is the six-month EURIBOR plus a margin of 0.88% (pre-

vious year: 1.06%). The interest rate swaps have similar terms to the hedged items as regards the benchmark interest rate, payment dates, terms, and notional amount. The changes in the value of the hedged items arising from the change in the EURIBOR are offset to the greatest extent possible by the change in the value of the swaps. The hedge ratio is 100%.

The hedging instruments and hedged items designated as fair value hedges have the following impact on the balance sheet and income statement.

Fair value hedge – hedging interest risk		
€m	2024	2025
Hedging instrument		
Balance sheet items and carrying amount		
Current derivative financial instruments (assets)		4.4
Other non-current financial liabilities	-29.3	-25.1
Other current financial liabilities	-17.5	-15.6
Change in fair value to measure the ineffectiveness in the reporting period	21.8	6.2
Hedged item		
Balance sheet items and carrying amount		
Bonds payable (liabilities)	-703.6	-1,459.5
Thereof cumulated changes in fair value	46.4	40.5
Change in fair value to measure the ineffectiveness in the reporting period	-21.4	-6.0
Profit or loss item and value of ineffectiveness		
Other financial result	0.4	0.3

The ineffectiveness of the fair value hedges results essentially from the influence of the credit risk of the counterparty and the Group on the fair value of the interest rate swaps and on the change in the fair value of the bonds. The accrued interest of €4.2 million (previous year: 0.9) included in the fair value was recognised in profit or loss in the interest result.

The effectiveness of the cash flow hedges and fair value hedges is verified prospectively on the basis of the main contract features at inception and at every reporting date.

10.3 Risks from financial instruments

With regard to its assets, liabilities, firm commitments, and planned transactions, Heidelberg Materials is particularly exposed to risks arising from changes in exchange rates, interest rates, and market and stock market prices. These market price risks might have a negative impact on the assets, financial, and earnings position of the Group. The Group manages these risks primarily as part of its ongoing business and financing activities and, when required, by using derivative financial instruments. The main aspects of the financial policy are determined by the Managing Board and implemented by the Group Treasury department on the basis of existing guidelines.

Credit risk

Heidelberg Materials is exposed to credit risk through its operating activities and certain financial transactions. The term credit risk refers to the risk that a contracting party unexpectedly does not fulfil, or only partially fulfils, the obligations agreed when signing a financial instruments contract. The Group limits its credit risk by essentially only concluding contracts for financial assets and derivative financial instruments with partners that meet our credit rating requirements (investment grade range).

Credit rating

The rating agencies Moody’s and Standard & Poor’s assess the Group’s creditworthiness as Baa2/P-2 (positive outlook) and BBB/A-2 (positive outlook) as at the end of 2025. Any potential downgrading of the ratings awarded by the rating agencies could have a negative impact on the Group’s cost of capital and refinancing options.

Cash and cash equivalents

This item essentially comprises cash and cash equivalents. The Group is exposed to losses arising from credit risk in connection with the investment of cash and cash equivalents if contracting parties do not fulfil their obligations. Heidelberg Materials manages the resulting risk position by diversification of contracting parties. Currently, no cash or cash equivalents are overdue or impaired as a result of actual defaults. The maximum credit risk of cash and cash equivalents corresponds to the carrying amount.

Trade receivables and contract assets

Trade receivables result mainly from the sale of cement, concrete, and aggregates. In operating activities, the outstanding debts are monitored on an ongoing basis. The maximum risk position from trade receivables corresponds to the carrying amount. The concentration of risk with regard to trade receivables and contract assets is classified as low because of Heidelberg Materials’ global activity and the dispersion across a large number of customers.

To calculate the expected credit losses for trade receivables carried at amortised cost and contract assets, Heidelberg Materials uses the simplified approach of IFRS 9. This provides for a loss allowance at every reporting date in the amount of the expected credit losses over the term.

Initially, receivables are tested for impairment individually. The decision as to when an individual loss allowance is required is made at the individual company level, taking local conditions into account. If there are objective indications that a receivable is not or only partially realisable, an individual loss allowance is recorded, e.g. for customers in financial difficulties or if insolvency proceedings have been opened. Available external and internal information on the financial situation of customers, such as an assessment of creditworthiness or past experience with these customers, is used to assess the need for impairment. The impaired receivables are classified as “credit-impaired.”

For receivables whose expected credit losses are not determined individually (“not credit-impaired”), the loss allowance is determined on the basis of the sector-specific default probability and country-specific default probabilities. The calculated default rate is then adjusted by a factor in order to reflect forward-looking macroeconomic information that could have an impact on customers’ ability to settle the receivables. The expected real growth of the gross domestic product of the countries in which the customers are domiciled is used for this purpose. In addition,

the expected credit loss is determined by taking into account the turnover period of the receivables of the respective individual companies, i.e. the average number of days from invoicing to receipt of payment.

In each country’s domestic business, trade receivables may be secured by various types of collateral, such as guarantees, letters of credit, and other types of credit insurance. These securities are considered an integral part of the trade receivables and are taken into account when calculating impairment. The securities received as at 31 December 2025 amount to €330.7 million (previous year: 329.4).

The contract assets relate to performance obligations already fulfilled for which no unconditional right

to payment exists as at the reporting date. The contract assets essentially have the same risk characteristics as the trade receivables. The expected default rates for trade receivables in each country are therefore regarded as a reasonable approximation of the default rates for the contract assets and used to calculate the expected credit losses.

Information about the credit risk position and the expected credit losses for the trade receivables accounted for at amortised cost is shown in the following table. The calculated loss allowance in % is derived from the ratio of all loss allowances posted per individual company to the gross carrying amount.

Trade receivables by risk class

€m	Loss allowance in %	Gross carrying amount	Loss allowance	Total
31 December 2025				
Not credit-impaired	0.5%	1,816.5	-9.7	1,806.9
Credit-impaired	56.6%	196.2	-111.1	85.2
		2,012.8	-120.7	1,892.1
31 December 2024				
Not credit-impaired	0.4%	1,710.6	-6.9	1,703.7
Credit-impaired	59.4%	201.9	-119.9	82.0
		1,912.5	-126.8	1,785.8

The loss allowances on trade receivables have developed as follows:

Loss allowances on trade receivables		
€m	2024	2025
Balance at 1 January	121.8	126.8
Addition	33.3	27.8
Reversal	-20.4	-15.6
Utilisation	-13.0	-13.5
Currency translation and other adjustments	5.0	-4.8
Balance at 31 December	126.8	120.7

Other receivables and financial assets
This item essentially includes loans, interest-bearing receivables, and other operating receivables. The credit risk position from other receivables and financial assets corresponds to the carrying amount of these instruments. Heidelberg Materials regards this credit risk as insignificant.

Heidelberg Materials already takes into account the default risk when a financial asset is initially recognised by setting up loss allowances for expected credit losses. The general approach in accordance with IFRS 9 is used for the calculation of impairments. At every reporting date, an assessment is made as to whether the credit risk has increased significantly. If the credit risk has not increased significantly since initial recognition, the default probability is calculated on the basis of a 12-month period; otherwise, the total remaining term is used.

In order to assess whether the credit risk has increased significantly, the risk of a default on the financial asset at the reporting date is compared with the default risk at the time of initial recognition. A significant increase in credit risk is assumed if there is information about a deterioration in the debtor's financial situation or if agreed payments have been overdue for more than 30 days. In addition to the local conditions, which vary from country to country, and customers' payment behaviour, this assessment also takes into account credit ratings according to internal assessments of Heidelberg Materials or external rating agencies.

External and internal credit assessments taking into account both quantitative and qualitative information are used to calculate the expected credit losses. The internal classifications are then reconciled with the rating classes of external rating agencies and the resulting default probabilities. The default probability, which is then determined by considering probability-weighted scenarios, is adjusted to take into account the expected real growth of the gross domestic product of the country in which the debtor is domiciled. Both the assets and earnings position of the debtor and securities received are taken into consideration when calculating the risk provision to be set up.

If there are objective indications of impairment, individual loss allowances are made to the corresponding receivables in the amount that is likely to be no longer recoverable, taking into account any securities received. Objective indications are, inter alia, payment arrears of more than 90 days, information about significant financial difficulties of the debtor, non-compliance with a payment plan, or a high probability of insolvency proceedings against the debtor.

The securities available as at the reporting date amount to €102.5 million (previous year: 114.5) and mainly comprise liens and guarantees.

The following table explains the development of the loss allowances for the other financial receivables that are accounted for at amortised cost.

Other financial receivables – amortised cost

€m	Loans and other interest-bearing receivables	Other operating receivables	Total
Gross carrying amount as at 31 December 2025	320.7	267.4	588.1
Loss allowances as at 1 January 2025	-31.8	-3.8	-35.6
Changes	1.5	0.0	1.5
Currency translation	0.6	0.5	1.1
Change in consolidation scope	-0.4	0.0	-0.4
Loss allowances as at 31 December 2025	-30.1	-3.3	-33.4
Carrying amount as at 31 December 2025	290.6	264.1	554.7
Gross carrying amount as at 31 December 2024	244.8	253.7	498.5
Loss allowances as at 1 January 2024	-34.0	-3.9	-37.9
Changes	1.9	0.1	2.0
Currency translation	0.2	0.1	0.3
Loss allowances as at 31 December 2024	-31.8	-3.8	-35.6
Carrying amount as at 31 December 2024	213.0	249.9	462.9

The credit risk position and expected credit losses for the other financial receivables accounted for at amortised cost can be broken down by risk class as follows.

Other financial receivables by risk class

€m	Loss allowance in %	Gross carrying amount	Loss allowance	Total
31 December 2025				
Low risk	0.1%	520.5	-0.3	520.2
Default event	48.9%	67.6	-33.1	34.6
		588.1	-33.4	554.7
31 December 2024				
Low risk	0.0%	438.3	-0.2	438.1
Default event	58.9%	60.2	-35.4	24.8
		498.5	-35.6	462.9

There was no allocation to the doubtful risk class as the credit risk for the above receivables has not increased significantly since initial recognition.

The cash and cash equivalents are also subject to the impairment requirements of IFRS 9. The identified impairment loss was immaterial.

Derivative financial instruments

Derivative financial instruments are generally used to reduce risks. In the course of its business activity, Heidelberg Materials is exposed to interest rate, currency, and energy price risks. For accounting purposes, a significant portion of the derivatives are not accounted for as hedges in accordance with IFRS 9,

but as instruments in the held-for-trading category. However, from a commercial perspective, the changes in the fair values of these instruments represent an economically effective hedge within the context of the Group strategy. The maximum credit risk of this item corresponds to the fair value of the derivative financial instruments that have a positive fair value and are shown as financial assets at the reporting date. To reduce default risks, care is taken to ensure that, as far as possible, hedging transactions are concluded only with financial institutions with a good credit rating (investment grade). There are currently no past-due derivative financial instruments in the portfolio.

Liquidity risk

The liquidity risk describes the risk of a company not being able to fulfil its financial obligations to a sufficient degree. To manage Heidelberg Materials’ liquidity, the Group maintains cash and cash equivalents as well as credit lines with banks, besides the cash inflow from operating activities. The operating liquidity management includes a daily reconciliation of cash and cash equivalents. The Group Treasury department coordinates the Group’s financing and liquidity management measures. This allows liquidity surpluses and requirements to be managed in accordance with the needs of the entire Group and of individual Group companies. In addition, factoring programmes are used to optimise working capital.

As at the year end, the Group still has as yet undrawn, confirmed credit lines of €1.9 billion available in order to secure liquidity, in addition to available cash and cash equivalents. Heidelberg Materials AG has an open-ended framework agreement for the issue of short-term bearer bonds (commercial papers) of €2 billion to cover short-term liquidity peaks. Within the context of the programme, individual tranches with different terms will be issued at different times depending on the market situation. As at the end of 2025, none of the commercial papers issued by Heidelberg Materials AG were outstanding.

As the financial contracts of Heidelberg Materials do not contain any clauses that trigger a repayment obligation in the event of the credit rating being downgraded, the maturity structure will remain unaffected

even if the credit assessments change. Margin calls that could lead to an outflow of liquidity are not agreed in any of the main financial instruments. All derivative financial instruments are contracted on the basis of existing framework agreements that contain netting agreements for the purpose of reducing credit and liquidity risks.

The maturity overviews below show the future cash flows of financial liabilities and derivative financial instruments. Payments include the undiscounted repayments and interest payments for bonds payable, bank loans, and other financial liabilities. The cash flows of the lease liabilities are presented on a gross basis – i.e. before deducting financing costs. The undiscounted contractually agreed payments for derivative financial instruments as a total for the year did not take into account the inflow of liquidity amounting to €913.7 million (previous year: 859.7) from interest rate and cross-currency interest rate swaps and €5,975.8 million (previous year: 7,463.0) arising from current foreign exchange transactions and other derivatives. The trade payables are assigned to short-term maturities (maturity within a year). For variable interest payments, the current interest rate is taken as a basis. Payments in foreign currency are translated using the exchange rate at year end.

Cash flows of financial liabilities and derivative financial instruments (reporting year)

€m	Carrying amount 31 Dec. 2025	Cash flows 2026	Cash flows 2027	Cash flows 2028	Cash flows 2029	Cash flows ≥ 2030
Bonds payable	6,430.6	1,180.1	1,410.8	894.8	131.7	3,875.1
Bank loans	488.5	140.9	30.0	26.1	15.3	349.6
Lease liabilities	1,192.8	275.8	216.4	151.2	115.5	754.5
Miscellaneous other financial liabilities	115.4	65.6	34.3	0.1	17.6	0.3
Derivatives with positive fair value						
Cash flow hedges	6.0	15.1	9.4	6.3	6.3	13.5
Derivatives held for trading	33.4	4,600.4	775.2			
Derivatives with negative fair value						
Cash flow hedges	40.3	53.7	25.9	12.3	8.4	24.8
Fair value hedges	36.3	45.3	47.3	23.4	25.2	26.5
Derivatives held for trading	22.2	1,409.9				

Cash flows of financial liabilities and derivative financial instruments (previous year)

€m	Carrying amount 31 Dec. 2024	Cash flows 2025	Cash flows 2026	Cash flows 2027	Cash flows 2028	Cash flows ≥ 2029
Bonds payable	6,677.6	1,172.9	1,154.5	1,388.3	872.3	3,211.8
Bank loans	374.7	238.1	20.5	20.6	15.8	108.6
Lease liabilities	1,143.6	273.1	212.9	162.6	121.2	755.6
Miscellaneous other financial liabilities	122.5	68.5	30.7	2.1	0.2	22.6
Derivatives with positive fair value						
Cash flow hedges	7.5	26.0	10.1	8.1	6.3	19.4
Derivatives held for trading	36.7	3,801.9				
Derivatives with negative fair value						
Cash flow hedges	51.2	48.1	31.5	14.0	9.7	32.6
Fair value hedges	46.8	28.6	28.7	28.7		
Derivatives held for trading	53.6	3,663.9	74.2	879.9		

Interest rate risk

Interest rate risks exist as a result of potential changes in the market interest rate and may lead to a change in fair value in the case of fixed interest-bearing financial instruments and to fluctuations in interest payments in the case of variable interest-bearing financial instruments. Our risk strategy aims to ensure that interest rate risks are maintained within the parameters set by the Chief Financial Officer. For financial instruments with fixed interest that are measured at amortised cost, interest rate risks have no impact on result and equity.

If the market interest rate level across all currencies had been 100 basis points higher or lower on 31 December 2025, the net interest cost of the Heidelberg Materials Group taking into account the variable interest-bearing assets and liabilities would have fallen by €5.4 million (previous year: 14.4) or risen by €5.4 million (previous year: 14.4).

Currency risk

Heidelberg Materials’ currency risk results from its investing, financing, and operating activities. Risks from foreign currencies are generally hedged, insofar as they affect the Group’s cash flow. Currency forwards and foreign exchange swaps are used in the elimination of existing currency risks.

Through Heidelberg Materials AG’s financing and liquidity management measures, the borrowing and investment of liquidity of the subsidiaries lead to currency positions that are generally hedged by external

foreign exchange swap transactions, which are appropriate in terms of maturities and amounts. Consequently, currency fluctuations in connection with the financing and liquidity management measures usually have no impact on result or equity. Unhedged items exist only in isolated cases.

The following table shows the hypothetical impact on the financial result assuming a 10% increase or decrease in the value of the foreign currency against the respective functional currency for the five largest foreign currency items, whereby the positive values represent income and the negative values an expense in the income statement.

Sensitivity analysis of currency risk

€m	Increase in the value of the foreign currency by 10%		Decrease in the value of the foreign currency by 10%	
	31 Dec. 2024	31 Dec. 2025	31 Dec. 2024	31 Dec. 2025
USD/CDF	–9.8		9.8	
USD/TZS	–5.0	8.3	5.0	–8.9
USD/GHS	1.3	0.7	–1.3	–0.5
USD/IDR	1.0	2.5	–1.0	–2.1
USD/LRD	1.0	1.3	–1.0	–1.3
MAD/EUR		0.5		–0.4

By contrast, foreign currency risks that do not affect the Group’s cash flows (i.e. the risks resulting from the translation of the assets and liabilities of foreign subsidiaries into the Group reporting currency) generally remain unhedged.

The stated transactions were carried out under conditions that would also apply to third parties.



11.5 Managing Board and Supervisory Board

The fixed remuneration of the Managing Board basically remained at the level of the previous year and totalled €7.9 million (previous year: 9.3). The prior-year figure included one-off expenses of €1.9 million. The sum of short-term variable remuneration elements amounted to €9.2 million (previous year: 10.6). In 2025, it consisted of the annual bonus in the amount of €9.2 million (previous year: 10.6). The annual bonus is a variable remuneration element, which relates to the financial year. Half of the overall target achievement for the annual bonus is measured by corporate targets (profit for the financial year attributable to the shareholders of Heidelberg Materials AG and CO₂ component) and half by sustainable strategy targets (Health & Safety, Free Cashflow, sustainable revenue and one individual target per managing board member). The achievement of the corporate targets results from the multiplication of the target achievement of the performance criterion profit for the financial year attributable to the shareholders of Heidelberg Materials AG with the multiplier of the CO₂ component. The target achievement of the sustainable strategy targets is calculated as the weighted sum of the target achievements of the four criteria.

Other remuneration elements totalled €2.3 million (previous year: 2.5). In 2025, they consisted of a contribution of private pension benefits (cash allowance) and taxable fringe benefits. These included, in particular, bearing the costs of flights home, tax consultancy, travel hardship allowances, school fees, and company-related relocations, assignment-related benefits, the provision of company cars and driving services, mo-

bile phones and communication tools, the reimbursement of expenses, as well as insurance benefits.

The members of the Managing Board are participating in the 2025 tranche of the long-term bonus plan granted in 2025. The target values for the plan, rounded to the nearest €'000, are €10,400,000.

Since 2024, the long-term bonus is structured as a virtual performance share plan, is based on virtual shares, so-called performance share units (PSUs), and is allocated in annual tranches. It has a four-year term. This is comprised of a three-year performance period and a one-year waiting period. At the end of the performance period, the target achievement for the performance criteria (EBIT, ROIC, relative TSR and ESG target) is determined and the final number of PSUs is calculated. For the payout, the final number of PSUs is multiplied by the then applicable reference price of the Heidelberg Materials share (closing price), adjusted for the reinvested dividend payments and for changes in capital. The allocation price for the long-term bonus plan 2025-2028 amounts to €111.21. This equates to 93,517 performance share units (PSUs) in total.

The plan comprised two equally weighted components up to and including 2023: the management component and the capital market component. The management component, with a term of three years, considers the internal added value as measured by earnings before interest and taxes (EBIT) and return on invested capital (ROIC), and is arranged in the form of a bonus with cash settlement. The capital market component, with a term of four years, considers the external added value as measured by total

shareholder return (TSR) – adjusted for the reinvested dividend payments and for changes in capital – compared with the relevant capital market indices, using performance share units (PSUs). The PSUs are virtual shares used for the calculation of the capital market component.

Pursuant to section 314(1)(6a) sentence 4 of the German Commercial Code (HGB), the fair value at the grant date must be indicated for the long-term bonus. For the members of the Managing Board, the amount, rounded to the nearest €'000, is in total €11,569,000.

The total remuneration pursuant to HGB amounted to €38.0 million (previous year: 41.0).

The retirement agreements of the members of the Managing Board appointed prior to 2019 contain the promise of an annual retirement pension, in the form of either an absolute amount or a percentage of the pensionable income. In 2019, a defined contribution pension commitment was introduced for the newly and reappointed members of the Managing Board. The design and expected pension benefits are based on the customary characteristics of such schemes, and existing contractual obligations are taken into account. In the financial year, allocations to provisions for pensions (service cost) for active members of the Managing Board amounted to €1.5 million (previous year: 1.7). The present values of the defined benefit obligation amounted to €20.5 million (previous year: 20.5).

Expenses relating to the share-based tranches of the last four issued and outstanding long-term bonus

plans in accordance with IFRS 2.51a amounted to €13,942,000 for the Members of the Managing Board (previous year: 19,087,000).

In accordance with IAS 24, recognized expenses relating to the capital market components of the long-term bonus plans granted up to and including 2023 for the service as members of the Managing Board amounted to €5.5 million (previous year: 15.3). The expenses recognized relating to the management components of the long-term bonus plans granted up to and including 2023 came to €4.2 million (previous year: 12.6). The expenses for the Managing Board awards for the long-term bonus plan granted for the first time in 2024 amounts to €8.4 million (previous year: 3.8).

Provisions for capital market components of the long-term bonus plans granted up to and including 2023 amounted to €17.1 million (previous year: 22.1), and for management components they amounted to €9.6 million (previous year: 16.1). Provisions for the long-term bonus plan granted for the first time in 2024 amounted to €12.5 million (previous year: 3.8).

For the members of the Managing Board appointed as of 2016, 2019 and 2024, the existing contractual entitlements from long-term bonus and pension plans from prior positions within the Heidelberg Materials Group were continued. These entitlements are serviced according to the original plan conditions. The corresponding expenses in the financial year are included in the following table, in addition to the expenses for the service as member of the Managing Board.



Total remuneration of the Managing Board in accordance with IAS 24 came to €39.2 million in 2025 (previous year: 55.9) as represented in the following table.

Total remuneration of the Managing Board in accordance with IAS 24

€m	2024	2025
Short-term employee benefits (fixed remuneration, short-term variable remuneration elements, other remuneration elements)	22.5	19.4
Post-employment benefits (allocations to provisions for pensions – service cost including prior positions)	1.7	1.5
Other long-term benefits (expenses related to the LTIP management components including prior positions)	12.6	4.2
Share-based payment (expenses related to the LTIP capital market components including prior positions)	19.1	13.9
Total	55.9	39.2

Payments to former members of the Managing Board and their surviving dependents amounted to €8.3 million in the financial year (previous year: 18.4). The sharp decrease compared with the previous year is due to three former Managing Board members who, upon their departure in the 2024 financial year, received various one-time payments (e.g., contractually agreed advance payments of the long-term bonus as well as pension entitlements earned up to the respective exit date). Provisions for pension obligations to former members of the Managing Board amounted to €55.0 million (previous year: 60.0).

The total Supervisory Board remuneration (excluding value added tax), which is short-term only, for the 2025 financial year amounted to €2,254,000 (previous year: 1,906,000). Employee representatives

of the Supervisory Board who are employees of the Heidelberg Materials Group also received remuneration in accordance with their contracts of employment, the level of which corresponded to an equitable remuneration for their relevant functions and tasks within the Group.

11.6 Declaration of compliance with the German Corporate Governance Code

The declaration of compliance with the German Corporate Governance Code as required by section 161 of the German Stock Corporation Act (Aktiengesetz, AktG) was submitted by the Managing Board and the Supervisory Board of Heidelberg Materials AG and made publicly available on the [company’s website](#).

11.7 Auditor’s fees

The total fee calculated for the services of the auditor PricewaterhouseCoopers GmbH Wirtschaftsprü-

fungsgesellschaft (PwC Germany) and the companies in the global PwC network for the 2025 financial year is composed as follows:

Auditor’s fees

€m	2024		2025	
	PwC network	Thereof: PwC Germany	PwC network	Thereof: PwC Germany
Audit services ¹⁾	16.2	5.4	17.0	5.1
Other assurance services	0.6	0.4	1.0	0.7
Tax services	0.0			
Other services	0.0		0.0	
Total	16.8	5.7	18.0	5.8

1) Thereof for the previous year: 2025: PwC network €0.2 million, PwC Germany €0.0 million, 2024: PwC network €0.6 million, PwC Germany €0.3 million

The auditor’s services mainly comprised services for the audit of the financial statements and, to a lesser extent, other assurance services, tax services, and other services. The fee for the other assurance services primarily includes the fee for the audit to obtain limited assurance on the Sustainability report. It also includes remuneration for issuing a comfort letter in connection with the €10 billion Euro Medium Term Note (EMTN) programme and for auditing the remuneration report.

11.8 Events occurring after the close of the 2025 financial year

On 8 January 2026, Heidelberg Materials issued its third green bond (ISIN XS3270897575) as part of its Green Finance Framework. The issue volume amounts to €600 million with a term until 2036. The 10.5-year Eurobond has a fixed interest rate of 3.75% per annum. The proceeds from the green bonds will be used to support a wide range of projects, ranging from the modernisation of plants – including to increase the use of alternative fuels – to the further development of carbon capture technologies.

On 16 January 2026, the Managing Board resolved to cancel all 2,065,695 treasury shares purchased under the second tranche of the 2024–2026 share buyback programme in the period from 5 June to

1 December 2025, representing all shares held by the company at the time, with a reduction of €6,197,085 in the subscribed share capital to €529,095,195. This corresponds to approximately 1.16% of the company’s subscribed share capital before cancellation and capital reduction. The Supervisory Board approved the cancellation on 29 January 2026. Following the cancellation of the shares and the capital reduction, the subscribed share capital of Heidelberg Materials AG amounts to €529,095,195 and is divided into 176,365,065 no-par value shares, each representing a notional amount of €3.00 of the subscribed share capital.

On 5 February 2026, Heidelberg Materials announced that it had signed an agreement to acquire the building materials business line of the Maas Group, a listed diversified group of companies in Australia. The trans-

action comprises 40 quarries with a total of more than 350 million tonnes of reserves, 22 ready-mixed concrete plants, two asphalt plants, and one recycling plant, located in New South Wales, Queensland, and Victoria. The preliminary purchase price amounts to around €1.0 billion, including a contingent consideration of around €70 million, and is subject to the usual post-closing purchase price adjustments. The transaction is subject to approval by the regulatory authorities, among them the Australian Competition and Consumer Commission and the Foreign Investment Review Board, as well as to other conditions, including the approval of Maas Group shareholders. Subject to approval and the fulfilment of the conditions, the transaction is expected to be completed in the second half of 2026.

On 6 March 2026, Heidelberg Materials announced that it would permanently shut down its cement plant in Paderborn. The decision was made against the backdrop of a persistently weak market environment in Germany and ongoing optimisations in the European production network. The measure will lead to restructuring expenses and impairments. The expected financial impact is limited overall and is expected to amount to a mid-double-digit million euro amount.

11.9 Approval by the Supervisory Board

The consolidated financial statements were prepared by the Managing Board and adopted on 24 March 2026. They were then submitted to the Supervisory Board for approval.

12
 List of shareholdings

List of shareholdings of Heidelberg Materials Group and Heidelberg Materials AG as at 31 December 2025 (section 313(2), resp. section 285(11) of the German Commercial Code (HGB)).

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Subsidiaries						
Europe						
A.R.C. (Western) Limited	Maidenhead, GB		100.00	2024	7.4	0.0
A1 Services (Manchester) Limited	Maidenhead, GB		100.00	2024	3.3	-3.3
Amey Group Limited (The)	Maidenhead, GB		100.00	2024	15.4	0.0
Amey Roadstone International Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Appleby Group Limited	Maidenhead, GB		100.00	2024	32.6	0.7
ARC Aggregates Limited	Maidenhead, GB		100.00	2024	3.9	0.0
ARC Building Limited	Maidenhead, GB		100.00	2024	-21.8	0.0
ARC Concrete (Anglia) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC Concrete Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC Holdings Limited	Maidenhead, GB		100.00	2024	0.1	0.0
ARC Land Holdings Limited	Maidenhead, GB		100.00	2024	0.3	0.0
ARC Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC Property Investments Limited	Maidenhead, GB		100.00	2024	47.3	0.0
ARC Slimline Limited	Maidenhead, GB		100.00	2024	-3.9	0.0
ARC South Wales Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC South Wales Mortar Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC South Wales Quarries Limited	Maidenhead, GB		100.00	2024	0.0	0.0
ARC South Wales Surfacing Limited	Maidenhead, GB		100.00	2024	0.4	0.0
Attendflower Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Balla Homes Ltd	Maidenhead, GB		100.00	2023	1.0	0.4
Banbury Alton Limited	Maidenhead, GB		100.00	2024	-0.3	0.0
Beazer Limited	Maidenhead, GB		100.00	2024	12.2	0.0
Beforebeam Limited	Maidenhead, GB		100.00	2024	103.9	-7.5
Beforeblend Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Berec Holdings B.V.	's-Hertogenbosch, NL		100.00	2024	60.8	1.1
Béton Contrôle de l'Adour S.a.s. ⁵⁾	Bayonne, FR		35.99	2024	2.2	-0.0
Béton Contrôle du Pays Basque S.a.s.	Bayonne, FR		59.98	2024	0.8	-0.9

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Betontir S.r.l.	Bergamo, IT		100.00	2024	0.1	-2.2
BETOTECH, s.r.o.	Beroun, CZ		91.50	2024	0.8	0.2
Birchwood Concrete Products Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Birchwood Omnia Limited	Maidenhead, GB		100.00	2024	717.5	38.1
Björgun Sement ehf.	Reykjavík, IS		52.98	2024	5.9	2.6
BM Valla ehf	Reykjavík, IS		52.98	2024	25.7	2.8
Bristol & Avon Group Limited	Maidenhead, GB		100.00	2024	0.3	0.7
Bristol & Avon Stone Supplies Limited	Maidenhead, GB		100.00	2024	2.8	0.4
Bristol & Avon Transport & Recycling Ltd	Maidenhead, GB		100.00	2024	27.2	3.0
British Agricultural Services Limited	Maidenhead, GB		100.00	2024	0.1	0.0
British Ever Ready Limited	Maidenhead, GB		100.00	2024	32.2	0.0
Bulldog Company Limited	St. Peter Port, GG		100.00	2024	46.3	-0.8
Calumite Limited	Maidenhead, GB		51.00	2024	3.0	0.4
Calumite s.r.o.	Ostrava-Kunčičky, CZ		51.00	2024	3.8	0.5
Castle Building Products Limited	Maidenhead, GB		100.00	2024	-0.5	0.0
Castle Cement (Chatburn) Limited	Maidenhead, GB		100.00	2024	0.2	0.0
Castle Cement (Clyde) Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Castle Cement (Ketton) Limited	Maidenhead, GB		100.00	2024	27.2	0.0
Castle Cement (Padeswood) Limited	Maidenhead, GB		100.00	2024	7.2	0.0
Castle Cement (Pitstone) Limited	Maidenhead, GB		100.00	2024	11.8	0.0
Castle Cement (Ribblesdale) Limited	Maidenhead, GB		100.00	2024	28.4	0.0
Castle Cement Limited	Maidenhead, GB		100.00	2024	372.2	82.9
Castle Lime Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Castle Pension Scheme Trustees Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Cava Nord S.r.l.	Monza, IT		100.00	2024	8.7	0.0
Cementa Fastighets AB	Stockholm, SE		100.00	2024	0.3	0.1
Cementos Asment EAA, S.L.U.	Madrid, ES		100.00	2024	87.1	14.3
Cemitaly S.r.l.	Bergamo, IT		100.00	2024	9.7	-9.3
Cetramaris S.a.s	Saint-Herblain, FR		70.00	2024	0.9	-0.0
CGF Capital B.V.	's-Hertogenbosch, NL		100.00	2024	0.0	-0.0
Charles Moroni S.A.	Saint Léonard, FR		100.00	2024	7.8	-0.1
Charterneed Limited	Maidenhead, GB		100.00	2024	0.0	0.0
CHB Group Limited	Maidenhead, GB		100.00	2024	808.6	-3.2
CHB P H R Limited	Maidenhead, GB		100.00	2024	7.4	1.0
CHB Products Limited	Maidenhead, GB		100.00	2024	2.9	-0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Chemical Manufacture and Refining Limited	Maidenhead, GB		100.00	2024	6.6	0.0
Ciment du Littoral S.a.s.	Bassens, FR		100.00	2024	-0.1	-1.4
Ciminter S.A.	Strassen, LU		100.00	2024	8.7	0.0
City of London Heliport Limited	Maidenhead, GB		55.56	2024	-2.1	0.0
Civil and Marine (Holdings) Limited	Maidenhead, GB		100.00	2024	37.1	0.7
Civil and Marine Limited	Maidenhead, GB		100.00	2024	425.4	36.1
Civil and Marine Slag Cement Limited	Maidenhead, GB		100.00	2024	73.7	0.0
Claughton Manor Brick Limited (The)	Maidenhead, GB		100.00	2024	0.2	0.0
Codesib S.a.s.	Guerville, FR		100.00	2024	123.8	16.4
Compagnie Financière et de Participations S.a.s.	Guerville, FR		100.00	2024	33.9	2.6
Compagnie pour l'Investissement Financier en Inde S.a.s.	Guerville, FR		100.00	2024	5.5	-3.0
Conbloc Limited	Maidenhead, GB		100.00	2024	-0.1	0.0
Creative Land Developers Limited ⁵⁾	Maidenhead, GB		50.00	2024	-0.5	0.0
Cromhall Quarries, Limited	Maidenhead, GB		100.00	2024	0.1	0.0
CSPS Trustees Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Cumbrian Industrials Limited	Maidenhead, GB		100.00	2024	9.1	-0.0
Delmorgal Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Desimpel Brick Limited	Maidenhead, GB		100.00	2024	3.1	0.0
Devon Concrete Works, Limited	Maidenhead, GB		100.00	2024	0.1	0.0
DOBET, spol. s r.o. v likvidaci ⁴⁾	Uherské Hradiště, CZ		100.00	2024	0.1	0.0
Dragages du Pont de St Leger S.a.s.	St Léger, FR		60.00	2024	5.2	0.5
Dragages Transports & Travaux Maritimes S.a.s.	La Rochelle, FR		100.00	2024	19.3	0.9
DRBS East Limited	Maidenhead, GB		100.00	2024	-0.1	-0.1
DUPAMIJ Holding GmbH i.L. ⁴⁾	Kalkar, DE		100.00	2024	0.0	-0.0
E & S Retail Limited	Maidenhead, GB		100.00	2024	0.0	0.0
E Sub Limited	Maidenhead, GB		100.00	2024	7.3	0.0
Eckhard Garbe GmbH ⁷⁾	Berlin, DE		100.00	2024	1.3	0.0
Effectengage Limited	Maidenhead, GB		100.00	2024	67.4	-4.9
Eignarhaldsfélagið Hornsteinn ehf.	Reykjavík, IS		52.98	2024	50.5	5.6
Emerging Markets Industrial Corporation S.à r.l.	Strassen, LU		100.00	2024	73.2	-0.3
Ensign Park Limited ⁵⁾	Maidenhead, GB		50.00	2024	-1.9	0.0
Essroc Netherlands Coöperatief U.A.	's-Hertogenbosch, NL		100.00	2024	253.9	-0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Eurarco France S.A.	Le Crotoy, FR		65.00	2024	8.3	1.2
F.C. Precast Concrete Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Fastighets AB Limhamns Kalkbrott	Stockholm, SE		100.00	2024	2.0	0.0
Fastighets AB Lövholmen	Stockholm, SE		100.00	2024	0.6	0.1
Fastighets AB Lövholmen 4	Stockholm, SE		100.00	2024	0.0	0.0
Ferrersand Aggregates Limited	Maidenhead, GB		100.00	2024	1.7	0.0
Frimstone Limited	Maidenhead, GB		100.00	2023	16.5	-1.0
Fruitbat Company	Maidenhead, GB		100.00	2024	0.0	0.0
Fulber Limited	St. Peter Port, GG		100.00	2024	0.0	-0.0
Gardena Beton S.C.A.R.L.	Bergamo, IT		51.00	2024	0.1	-0.0
Górażdże Beton Sp. z o.o.	Chorula, PL		100.00	2024	8.0	-11.0
Górażdże Cement S.A.	Chorula, PL		100.00	2024	644.9	155.2
Górażdże Kruszywa Sp. z o.o.	Chorula, PL		100.00	2024	68.4	9.7
Granulats de Lahontan	Guerville, FR		51.00	2024	2.7	0.4
Granulats Ouest – GO S.a.s.	Saint-Herblain, FR		100.00	2024	5.1	0.6
Greenwoods (St. Ives) Limited	Maidenhead, GB		100.00	2024	2.1	0.0
Guidelink	Maidenhead, GB		100.00	2024	0.1	0.0
Gypsum Carrier Limited	St. Peter Port, GG		100.00	2024	61.4	-2.8
Habfield Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (BB) Limited	Maidenhead, GB		100.00	2024	0.6	0.0
Hanson (BBIN02) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (CGF) (No.1) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (CGF) (No2) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (CGF) Finance Limited	Maidenhead, GB		100.00	2024	163.2	0.0
Hanson (CGF) Holdings Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (ER – No 10) Limited	Maidenhead, GB		100.00	2024	307.3	0.0
Hanson (ER – No 5) Limited	Maidenhead, GB		100.00	2024	534.7	53.5
Hanson (F) Limited	Maidenhead, GB		100.00	2024	6.0	0.0
Hanson (FH) Limited	Maidenhead, GB		100.00	2024	4.0	0.0
Hanson (FP) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (HPLE) Limited	Maidenhead, GB		100.00	2024	4.2	0.0
Hanson (LBC) Limited	Maidenhead, GB		100.00	2024	26.5	0.0
Hanson (MR) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson (NAIL) Limited	Maidenhead, GB		100.00	2024	6.5	0.0
Hanson (RBMC) Limited	Maidenhead, GB		100.00	2024	7.3	0.0
Hanson (SH) Limited	Maidenhead, GB		100.00	2024	76.7	5.5

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Hanson Aggregates (North) Limited	Maidenhead, GB		100.00	2024	48.7	0.0
Hanson Aggregates Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson Aggregates Marine Limited	Maidenhead, GB		100.00	2024	78.4	6.0
Hanson Aggregates South Wales Holdings Limited	Maidenhead, GB		100.00	2024	8.2	0.0
Hanson Aggregates South Wales Limited	Maidenhead, GB		100.00	2024	46.9	0.0
Hanson Aggregates UK Limited	Maidenhead, GB		100.00	2024	1.1	-0.3
Hanson America Holdings (1) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson America Holdings (2) Limited	Maidenhead, GB		100.00	2024	37.2	0.0
Hanson America Holdings (3) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson America Holdings (4) Limited	Maidenhead, GB		100.00	2024	146.9	2.3
Hanson Aruba Limited	St. Peter Port, GG		100.00	2024	0.3	-0.1
Hanson Bath and Portland Stone Limited	Maidenhead, GB		100.00	2024	-2.6	0.0
Hanson Batteries Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson Blocks North Limited	Maidenhead, GB		100.00	2024	16.0	0.0
Hanson Brick Ltd	Maidenhead, GB		100.00	2024	0.2	0.0
Hanson Building Materials Europe Limited	Maidenhead, GB		100.00	2024	290.2	-15.7
Hanson Building Materials Limited	Maidenhead, GB		100.00	2024	690.3	-18.4
Hanson Building Products (2003) Limited	Maidenhead, GB		100.00	2024	227.3	28.4
Hanson Building Products Limited	St. Helier, JE		100.00	2024	0.1	0.0
Hanson Canada Limited	Maidenhead, GB		100.00	2024	1.2	0.1
Hanson Clay Products Limited	Maidenhead, GB		100.00	2024	18.4	0.0
Hanson Concrete Products Limited	Maidenhead, GB		100.00	2024	63.4	0.0
Hanson Crewing Services Limited	Maidenhead, GB		100.00	2024	-0.0	0.0
Hanson Devon Designated Activity Company	Shannon, IE		100.00	2024	4,743.5	-0.2
Hanson Facing Bricks Limited	Maidenhead, GB		100.00	2024	5.0	0.0
Hanson Finance (2003) Limited	Maidenhead, GB		100.00	2024	525.6	-1.2
Hanson Finance Limited	Maidenhead, GB		100.00	2024	731.7	-0.0
Hanson Financial Services Limited	Maidenhead, GB		100.00	2024	242.9	0.0
Hanson FP Holdings B.V.	's-Hertogenbosch, NL		100.00	2024	93.5	0.5
Hanson Funding (G) Limited	Maidenhead, GB		100.00	2024	210.0	0.0
Hanson H4 Limited	Maidenhead, GB		100.00	2024	10.6	0.0
Hanson H5	Maidenhead, GB		100.00	2024	0.1	0.0
Hanson Hedging (Dollars) (1) Limited	Maidenhead, GB		100.00	2024	0.3	0.0
Hanson Holdings (1) Limited	Maidenhead, GB		100.00	2024	4,514.5	277.6

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Hanson Holdings (2) Limited	Maidenhead, GB		100.00	2024	171.4	-12.4
Hanson Holdings (3) Limited	Maidenhead, GB		100.00	2024	2,351.3	36.4
Hanson Holdings Limited	Maidenhead, GB		100.00	2024	2,090.6	39.4
Hanson Iceland EHF	Reykjavik, IS		100.00	2024	1.3	-0.2
Hanson Industrial (Engineering Holdings) Limited	Maidenhead, GB		100.00	2024	6.5	0.0
Hanson Industrial Limited	Maidenhead, GB		100.00	2024	6.4	-0.0
Hanson International Holdings Limited	Maidenhead, GB		100.00	2024	2,514.5	280.7
Hanson Island Management Limited	St. Peter Port, GG		100.00	2024	-3.9	-0.5
Hanson Land Development Limited	Maidenhead, GB		100.00	2024	-35.7	0.0
Hanson Limited	Maidenhead, GB		100.00	2024	17,841.2	1,461.2
Hanson Marine Holdings Limited	Maidenhead, GB		100.00	2024	1.5	2.4
Hanson Marine Limited	Maidenhead, GB		100.00	2024	4.1	0.4
Hanson Overseas Corporation Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson Overseas Holdings Limited	Maidenhead, GB		100.00	2024	4,146.3	350.6
Hanson Packed Products Limited	Maidenhead, GB		100.00	2024	371.4	39.0
Hanson Peabody Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson Quarry Products Europe Limited	Maidenhead, GB		100.00	2024	2,208.3	93.6
Hanson Quarry Products Holdings Limited	Maidenhead, GB		100.00	2024	50.7	0.0
Hanson Quarry Products Trade Finance Limited	Maidenhead, GB		100.00	2024	3.6	0.0
Hanson Quarry Products Transport Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Hanson Quarry Products Ventures Limited	Maidenhead, GB		100.00	2023	53.8	-1.3
Hanson Retail Limited	Maidenhead, GB		100.00	2024	473.0	0.0
Hanson Ship Management Ltd	St. Peter Port, GG		100.00	2024	-1.9	-0.4
Hanson Thermalite Limited	Maidenhead, GB		100.00	2024	50.4	0.0
Hanson TIS Holdings Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson TIS Limited	Maidenhead, GB		100.00	2024	-3.1	0.0
Hanson Trust Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hanson Trustees Limited	Maidenhead, GB		100.00	2024	-1.7	0.0
Harrisons Limeworks Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Hartsholme Property Limited	Maidenhead, GB		100.00	2024	0.1	0.0
HB Hotels Limited	Maidenhead, GB		100.00	2024	-0.7	0.0
HC Fuels Limited	Maidenhead, GB		100.00	2024	12.1	0.6
HC Green Trading Limited	Żebbuġ, MT		100.00	2024	0.0	0.1
HC Trading Malta Limited	Żebbuġ, MT		100.00	2024	0.0	2.3

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
HCT Holding Malta Limited	Żebbuġ, MT	100.00	100.00	2024	5.2	3.2
HDigital GmbH ⁷⁾	Heidelberg, DE		100.00	2024	365.5	0.0
Heidelberg Materials Alkmaar Beton B.V.	Alkmaar, NL		66.67	2024	-0.8	-0.3
Heidelberg Materials AMWA Holding GmbH ⁹⁾	Heidelberg, DE	100.00	100.00		-	-
Heidelberg Materials Asia Holding GmbH	Heidelberg, DE	100.00	100.00	2024	92.9	2.9
Heidelberg Materials Ballast Sverige AB	Stockholm, SE		100.00	2024	10.3	0.1
Heidelberg Materials Beton Danmark A/S	Ringsted, DK		100.00	2024	35.3	-2.6
Heidelberg Materials Beton DE GmbH ⁷⁾	Heidelberg, DE	100.00	100.00	2024	579.6	1.5
Heidelberg Materials Betonelemente DE GmbH & Co. KG ⁷⁾	Chemnitz, DE		83.00	2024	19.8	1.3
Heidelberg Materials Betong Norge AS	Oslo, NO		100.00	2024	94.0	-1.1
Heidelberg Materials Betong Sverige AB	Stockholm, SE		100.00	2024	6.9	0.3
Heidelberg Materials Betoon AS	Tallinn, EE		100.00	2024	5.4	-0.4
Heidelberg Materials BP Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Heidelberg Materials Canada Holding Limited	Maidenhead, GB		100.00	2024	3,248.7	257.3
Heidelberg Materials Cement Danmark A/S	Ringsted, DK		100.00	2024	9.8	0.4
Heidelberg Materials Cement Holding Limited	Maidenhead, GB		100.00	2024	96.8	37.2
Heidelberg Materials Cement Sverige AB	Stockholm, SE		100.00	2024	43.3	0.2
Heidelberg Materials Central Asia B.V.	's-Hertogenbosch, NL		100.00	2024	85.1	0.0
Heidelberg Materials Central Europe B.V.	's-Hertogenbosch, NL		100.00	2024	1,285.2	128.5
Heidelberg Materials CZ, a.s.	Mokrá-Horákov, CZ		100.00	2024	131.1	73.6
Heidelberg Materials Denmark A/S	Ringsted, DK		100.00	2024	45.1	-2.2
Heidelberg Materials Devnya JSC	Devnya, BG		99.94	2024	151.2	31.3
Heidelberg Materials Digital Hub Varna EAD	Devnya, BG		99.94	2024	1.5	0.1
Heidelberg Materials Donau-Naab GmbH & Co. KG ⁷⁾	Burglengenfeld, DE		77.70	2024	3.6	1.1
Heidelberg Materials Euro II Limited	Maidenhead, GB		100.00	2024	3,626.2	171.4
Heidelberg Materials Euro III Limited	Maidenhead, GB		100.00	2024	965.2	45.6
Heidelberg Materials Finance Luxembourg S.A.	Strassen, LU		100.00	2024	34.9	80.8
Heidelberg Materials France Bétons S.a.s.	Courbevoie, FR		100.00	2024	-88.0	-64.7
Heidelberg Materials France Ciments S.a.s.	Courbevoie, FR		100.00	2024	1,100.0	-23.1

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Heidelberg Materials France Granulats S.a.s.	Courbevoie, FR		100.00	2024	230.5	21.2
Heidelberg Materials France Innovation S.a.s.	Guerville, FR		100.00	2024	-17.1	-1.
Heidelberg Materials France Logistique S.a.s.	Courbevoie, FR		100.00	2024	44.9	8.9
Heidelberg Materials France S.A.S.	Courbevoie, FR		100.00	2024	2,880.7	288.6
Heidelberg Materials Garkalnes Grants SIA	Riga, LV		100.00	2024	9.7	0.2
Heidelberg Materials Grundstücksgesellschaft DE mbH & Co.KG ⁷⁾	Heidelberg, DE	100.00	100.00	2024	5.3	1.8
Heidelberg Materials Hellas S.A.	Aspropyrgos, GR		99.91	2024	54.8	8.0
Heidelberg Materials Hispania Áridos, S.A.	Madrid, ES		100.00	2024	47.7	20.5
Heidelberg Materials Hispania Cementos, S.A.	Madrid, ES		99.94	2024	348.2	62.5
Heidelberg Materials Hispania Hormigones, S.L.	Madrid, ES		100.00	2024	7.4	-1.0
Heidelberg Materials Holding GmbH ⁷⁾	Heidelberg, DE		100.00	2024	3,082.7	0.0
Heidelberg Materials Holding S.à r.l.	Strassen, LU		100.00	2024	23,303.8	710.9
Heidelberg Materials Iberia Holding, S.L.	Madrid, ES		100.00	2024	441.6	79.5
Heidelberg Materials Iceland ehf.	Reykjavík, IS		100.00	2024	27.2	3.0
Heidelberg Materials International Holding GmbH ⁷⁾	Heidelberg, DE	100.00	100.00	2024	20,635.7	0.0
Heidelberg Materials Kunda AS	Kunda, EE		75.00	2024	25.7	0.5
Heidelberg Materials Latvija Betons SIA	Riga, LV		100.00	2024	0.9	-0.4
Heidelberg Materials Latvija Cements SIA	Riga, LV		100.00	2024	1.8	0.0
Heidelberg Materials Latvija SSC SIA	Riga, LV		100.00	2024	0.0	0.0
Heidelberg Materials Leeuwarden Beton B.V.	Leeuwarden, NL		79.79	2024	-1.2	-0.6
Heidelberg Materials Lietuva Betonas UAB	Kaunas, LT		100.00	2024	1.2	-0.1
Heidelberg Materials Lietuva Cementas UAB	Klaipėda, LT		100.00	2024	7.3	2.1
Heidelberg Materials Lietuva SSC UAB	Kaunas, LT		100.00	2024	0.0	0.0
Heidelberg Materials Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Heidelberg Materials Lyulyaka EAD	Devnya, BG		99.94	2024	1.8	0.2
Heidelberg Materials Mediterranean Basin B.V.	's-Hertogenbosch, NL		100.00	2024	281.6	5.5
Heidelberg Materials Miljø AS	Aurskog, NO		100.00	2024	4.1	0.4

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Heidelberg Materials Mineralik DE GmbH ⁷⁾	Heidelberg, DE	6.00	100.00	2024	248.8	0.0
Heidelberg Materials NAM B.V.	's-Hertogenbosch, NL		100.00	2024	14,699.7	875.4
Heidelberg Materials Nederland Aggregaten B.V.	's-Hertogenbosch, NL		100.00	2024	4.1	0.7
Heidelberg Materials Nederland Beton B.V.	's-Hertogenbosch, NL		100.00	2024	59.5	-5.3
Heidelberg Materials Nederland Cement B.V.	's-Hertogenbosch, NL		100.00	2024	168.1	38.7
Heidelberg Materials Nederland Extractie B.V.	's-Hertogenbosch, NL		100.00	2024	7.5	-0.0
Heidelberg Materials Nederland N.V.	's-Hertogenbosch, NL		100.00	2024	339.0	-0.0
Heidelberg Materials Netherlands Holding B.V.	's-Hertogenbosch, NL	14.54	100.00	2024	812.9	0.5
Heidelberg Materials Northern Europe AB	Stockholm, SE		100.00	2024	1,026.3	25.2
Heidelberg Materials Norway AS	Oslo, NO		100.00	2024	557.3	46.0
Heidelberg Materials Polska B.V.	's-Hertogenbosch, NL		100.00	2024	220.0	65.9
Heidelberg Materials Precast Abetong AB	Växjö, SE		100.00	2024	6.3	0.1
Heidelberg Materials Precast Contiga AB	Norrköping, SE		100.00	2024	18.7	0.2
Heidelberg Materials Precast Denmark A/S	Tinglev, DK		100.00	2024	6.7	-8.0
Heidelberg Materials Prefab Contiga Holding AS	Oslo, NO		100.00	2024	62.4	-10.1
Heidelberg Materials Prefab Norge AS	Moss, NO		100.00	2024	34.5	-10.4
Heidelberg Materials Reinsurance Luxembourg S.A.	Strassen, LU		100.00	2024	16.0	8.8
Heidelberg Materials România S.A.	Bukarest, RO		100.00	2024	259.8	63.8
Heidelberg Materials SBC Latvia SIA	Marupe, LV		100.00	2024	4.1	0.1
Heidelberg Materials Sement Norge AS	Oslo, NO		100.00	2024	59.7	38.9
Heidelberg Materials South Asia B.V.	's-Hertogenbosch, NL		100.00	2024	182.9	12.7
Heidelberg Materials Sweden AB	Stockholm, SE		100.00	2024	245.3	7.0
Heidelberg Materials Tilslag Norge AS	Sandnes, NO		100.00	2024	5.2	1.4
Heidelberg Materials UK Holding II Limited	Maidenhead, GB		100.00	2024	19,220.5	-13.8
Heidelberg Materials UK Holding Limited	Maidenhead, GB		100.00	2024	11,524.8	-355.6
Heidelberg Materials UK Limited	Maidenhead, GB	100.00	100.00	2024	2.4	0.0
Heidelberg Materials Volcanic Pozzolana Iceland ehf.	Reykjavik, IS		100.00	2024	5.6	-0.3
Heidelberg Materials Vulkan JSC	Dimitrovgrad, BG		98.60	2024	13.6	2.6
Heidelberg Materials Y GmbH	Heidelberg, DE		100.00	2024	95.9	1.2

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Heidelberg Materials, Funk & Kapphan Grundstücksgesellschaft DE GmbH & Co. KG ⁷⁾	Heidelberg, DE	79.91	79.91	2024	11.7	0.2
HeidelbergCement Africa Holding Kommanditbolag	Stockholm, SE		100.00	2024	32.2	3.7
HeidelbergCement Logistik GmbH ⁷⁾	Polch, DE		100.00	2024	10.3	0.0
HIPS (Trustees) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
HK Holdings (No.1) Limited	Maidenhead, GB		100.00	2024	51.1	0.0
HK Holdings (No.2) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
HM Górażdże Prefabrykacja Sp.z.o.o.	Chorula, PL		100.00	2024	1.3	-1.9
HM Italia Calcestruzzi S.p.A.	Peschiera Borromeo, IT		100.00	2024	15.4	-17.4
HM Italia Cementi S.p.A.	Peschiera Borromeo, IT		100.00	2024	3,816.6	488.4
HM MEDBASIN HOLDING, S.L.	Madrid, ES		100.00	2024	20.7	1.0
HM Trading Global GmbH ⁷⁾	Heidelberg, DE		100.00	2024	7.3	0.0
HM Trading Services B.V.	's-Hertogenbosch, NL		100.00	2024	0.4	0.7
Holms Sand & Gravel Company (1985) (The)	Maidenhead, GB		100.00	2024	0.0	0.0
Holms Sand & Gravel Company Limited (The)	Maidenhead, GB		100.00	2024	0.0	0.0
Homes (East Anglia) Limited	Maidenhead, GB		100.00	2024	0.2	0.0
Housemotor Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Houseprice Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Housemate Limited	Maidenhead, GB		100.00	2024	9,425.3	323.1
HPL Albany House Developments Limited ⁵⁾	Maidenhead, GB		50.00	2024	-0.6	0.0
HPL Investments Limited	Maidenhead, GB		100.00	2024	0.0	0.0
HPL Properties Limited	Maidenhead, GB		100.00	2024	48.0	0.0
HPL Property Limited	Maidenhead, GB		100.00	2024	48.4	0.0
HPL West London Developments Limited ⁵⁾	Maidenhead, GB		50.00	2024	-0.3	0.0
Hurst and Sandler Limited	Maidenhead, GB		100.00	2024	5.7	0.0
Immobilière des Technodes S.a.s.	Guerville, FR		100.00	2024	14.3	0.9
Imperial Foods Holdings Limited	Maidenhead, GB		100.00	2024	0.7	0.0
Imperial Group Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Imperial Seafoods Limited	Maidenhead, GB		100.00	2024	1.4	0.0
Interbulk Trading (IBT) S.A.	Lugano, CH		100.00	2024	15.8	0.5
Investcim S.a.s.	Guerville, FR		100.00	2024	118.8	3.3
Irvine – Whitlock Limited	Maidenhead, GB		100.00	2024	-21.4	-0.2

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Ital Real Estate S.r.l.	Bergamo, IT		100.00	2024	50.3	0.9
Italcementi Finance S.A.	Guerville, FR		100.00	2024	28.9	1.0
Italmed Cement Company Ltd.	Limassol, CY		99.91	2024	41.6	3.4
Italsacci S.p.A.	Bergamo, IT		100.00	2024	186.6	17.2
James Grant & Company (West) Limited	Edinburgh, GB		100.00	2024	2.7	0.0
Jehander 1 AB	Stockholm, SE		100.00	2024	0.0	0.0
Judkins Limited	Maidenhead, GB		100.00	2024	0.1	0.0
K.M. Property Development Company Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Ketton Cement Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Kingston Minerals Limited	Maidenhead, GB		100.00	2024	0.2	0.0
L.B. (Stewartby) Limited	Maidenhead, GB		100.00	2024	63.4	0.0
Lehigh UK Limited	Maidenhead, GB		100.00	2024	16,089.4	0.7
Lindustries Limited	Edinburgh, GB		100.00	2024	53.8	0.0
Lithonplus GmbH & Co. KG ⁷⁾	Lingenfeld, DE		60.00	2024	101.8	5.3
Localdouble Limited	Maidenhead, GB		100.00	2024	0.0	0.0
M E Sub Limited	Maidenhead, GB		100.00	2024	21.3	0.0
Magnatool AB	Stockholm, SE		75.00	2024	0.0	0.0
Manchester Waste Recycling Limited	Maidenhead, GB		100.00	2024	6.6	-0.0
Mantle & Llay Limited	Maidenhead, GB		100.00	2024	-0.0	0.0
Marnee Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Marples Ridgway Limited	Maidenhead, GB		100.00	2024	-4.8	0.0
Menaf S.a.s.	Guerville, FR		100.00	2024	-7.6	-8.1
Meppeler Betoncentrale B.V.	Meppel, NL		66.67	2024	-1.3	-0.3
Mibau Stema Danmark A/S	Aabenraa, DK		60.00	2024	103.1	31.5
Mibau Stema Deutschland GmbH	Cadenberge, DE		60.00	2024	1.4	0.0
Mibau Stema France SAS	Le Mesnil Esnard, FR		60.00	2024	0.1	-0.3
Mibau Stema Group GmbH	Cadenberge, DE		60.00	2024	81.5	42.3
Mibau Stema Nederland B.V.	Venlo, NL		60.00	2024	4.1	0.6
Mibau Stema Norge AS	Jelsa, NO		60.00	2024	85.0	7.7
Mibau Stema Polska Sp. z o.o.	Danzig, PL		60.00	2024	5.0	1.7
Mibau Stema Shipping ApS	Aabenraa, DK		60.00	2024	33.5	12.5
Mibau Stema UK Ltd.	Grays, GB		60.00	2024	8.1	0.5
Mick George Concrete Limited	Maidenhead, GB		100.00	2023	-1.8	-1.6
Mick George Contracting Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Mick George Demolition Limited	Maidenhead, GB		100.00	2024	0.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Mick George Earthworks Limited	Maidenhead, GB		100.00	2024	14.1	-2.7
Mick George EBT Trustee Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Mick George Environmental Limited	Maidenhead, GB		100.00	2024	0.1	-2.3
Mick George Limited	Maidenhead, GB		100.00	2023	62.6	8.2
Mick George Mepal Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Mick George Recycling Limited	Maidenhead, GB		100.00	2024	6.9	-1.4
Midland Quarry Products Limited	Maidenhead, GB		100.00	2024	92.9	17.7
Milton Hall (Southend) Brick Company Limited (The)	Maidenhead, GB		100.00	2024	1.6	0.0
Minster Quarries Limited	Maidenhead, GB		100.00	2024	-1.5	0.0
Mixconcrete Holdings Limited	Maidenhead, GB		100.00	2024	4.7	0.0
Mixconcrete Limited	Maidenhead, GB		100.00	2024	-2.1	0.0
Morebeat Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Motioneager Limited	Maidenhead, GB		100.00	2024	0.0	0.0
National Brick Company Limited	Maidenhead, GB		100.00	2024	3.0	0.0
National Star Brick and Tile Holdings Limited	Maidenhead, GB		100.00	2024	2.6	0.0
National Star Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Nordic Precast Group AB	Stockholm, SE		100.00	2024	115.2	-5.4
Nordic Precast Kasen Fastighets AB	Uddevalla, SE		100.00	2024	3.2	0.2
Nuova Sacelit S.r.l.	Bergamo, IT		100.00	2024	13.3	-1.4
Paperbefore Limited	Maidenhead, GB		100.00	2024	0.2	-0.0
Pencrete Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Picon Overseas Limited	St. Peter Port, GG		100.00	2024	7.6	211.1
PILC Limited	St. Peter Port, GG		100.00	2024	27.8	2.3
Pimco 2945 Limited	Maidenhead, GB		100.00	2024	4.9	0.0
Pinden Plant & Processing Co. Limited (The)	Maidenhead, GB		100.00	2024	6.8	0.0
Pioneer Aggregates (UK) Limited	Maidenhead, GB		100.00	2024	5.5	0.0
Pioneer Asphalts (U.K.) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Pioneer Concrete (U.K.) Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Pioneer Concrete Holdings Limited	Maidenhead, GB		100.00	2024	140.7	0.0
Pioneer International Group Holdings Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Pioneer Investments UK Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Pioneer Overseas Investments Limited	St. Peter Port, GG		100.00	2024	2.0	59.9
Premix Concrete Limited	Maidenhead, GB		100.00	2024	0.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Protenna AB	Stockholm, SE		75.00	2024	24.2	0.7
Purfleet Aggregates Limited	Maidenhead, GB		100.00	2024	-0.2	-0.0
Redshow Limited	Maidenhead, GB		100.00	2024	132.8	0.0
Rezincote (1995) Limited	Maidenhead, GB		100.00	2024	-0.5	0.0
Roads Reconstruction Limited	Maidenhead, GB		100.00	2024	10.4	
Rostocker Zementumschlagsgesellschaft mbH	Rostock, DE		60.00	2024	0.1	0.0
Rouennaise de Transformation S.a.s.	Grand-Couronne, FR		100.00	2024	0.5	0.0
RUZ Mineralik GmbH ⁷⁾	Heilbronn, DE		100.00	2024	9.2	3.3
RWG I/Schicht Baustoffaufbereitung, Logistik + Entsorgung GmbH ⁷⁾	Berlin, DE		100.00	2024	6.2	0.0
RWG I Abbruch und Tiefbau GmbH ⁷⁾	Berlin, DE		100.00	2024	1.8	0.0
S Sub Limited	Maidenhead, GB		100.00	2024	0.0	0.0
S.A. Heidelberg Materials Benelux N.V.	Braine-l'Alleud, BE	0.00	100.00	2024	717.7	58.2
Sabine Limited	St. Peter Port, GG		100.00	2024	0.0	-0.0
Sablmaris S.a.s.	Saint-Herblain, FR		100.00	2024	17.7	1.1
Sagrex France S.A.S.	Thourotte, FR		100.00	2024	9.8	0.9
Sailtown Limited	Maidenhead, GB		100.00	2024	1,085.0	109.6
Samuel Wilkinson & Sons Limited	Maidenhead, GB		100.00	2024	-0.0	0.0
Sax S.a.s.	Guerville, FR		100.00	2024	2.5	0.0
Scancem Central Africa Holding 1 AB	Stockholm, SE		100.00	2024	4.7	0.0
Scancem Central Africa Holding 2 AB	Stockholm, SE		100.00	2024	0.3	0.1
Scancem Central Africa Holding 3 AB	Stockholm, SE		100.00	2024	0.3	0.0
Scancem Central Africa Holding 4 AB	Stockholm, SE		100.00	2024	0.2	0.1
Scancem Energy and Recovery Limited	Maidenhead, GB		100.00	2024	21.1	0.0
Scancem Holding AS	Oslo, NO		100.00	2024	14.8	0.4
Scancem International DA	Oslo, NO		100.00	2024	166.7	47.9
Scancem International Limited	Maidenhead, GB		100.00	2024	21.6	0.0
Scancem Recovery Limited	Maidenhead, GB		100.00	2024	23.2	1.3
Scancem Supply Limited	Maidenhead, GB		100.00	2024	-2.3	0.0
Seago Concrete Products Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Second City Properties Limited	Maidenhead, GB		100.00	2024	13.9	0.0
SER Hoch- und Tiefbau GmbH & Co. KG ⁷⁾	Heilbronn, DE		100.00	2024	0.0	0.1
SER Sanierung im Erd- und Rückbau GmbH ⁷⁾	Heilbronn, DE		100.00	2024	1.2	0.0
Shapedirect Limited	Maidenhead, GB		100.00	2024	1,698.0	363.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
SIA SBC Finance	Marupe, LV		100.00	2024	0.1	-0.0
SIA SBC Property ⁵⁾	Marupe, LV		49.00	2024	4.4	0.1
Sinclair General Limited	St. Peter Port, GG		100.00	2024	142.2	-0.2
SJP 1 Limited	Maidenhead, GB		100.00	2024	-0.1	0.0
Slotcount Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Small Lots (Mix-It) Limited	Maidenhead, GB		100.00	2024	13.0	0.0
Smiths Concrete Limited	Maidenhead, GB		100.00	2023	5.5	-4.3
Socli S.a.s.	Izaourt, FR		100.00	2024	28.9	16.2
Sola Betong AS	Tananger, NO		66.67	2024	0.8	0.5
Solrec Limited	Maidenhead, GB		100.00	2024	10.1	0.0
SQ Corporation Limited	Maidenhead, GB		100.00	2024	0.0	0.0
SQ Finance No 2 Limited	Maidenhead, GB		100.00	2024	52.2	0.0
ST NICOLAS S.à r.l.	Strassen, LU		100.00	2024	1,163.2	0.0
Stephen Toulson & Sons Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Stewartby Housing Association Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Supamix Limited	Maidenhead, GB		100.00	2024	6.8	0.0
TBG BETONMIX a. s.	Brünn, CZ		66.00	2024	10.3	2.2
TBG BETONPUMPY MORAVA s.r.o.	Brünn, CZ		84.90	2024	1.1	0.3
TBG VYSOČINA s.r.o.	Kožichovice, CZ		59.40	2024	2.0	0.3
Tercim S.a.s.	Guerville, FR		100.00	2024	-1.0	-1.2
Terrain Plant (Holdings) Limited	Maidenhead, GB		100.00	2023	28.8	0.0
The Purfleet Ship to Shore Conveyor Company Limited	Maidenhead, GB		100.00	2024	0.1	0.0
Thistleton Quarries Limited	Maidenhead, GB		100.00	2024	-1.7	0.0
Tillotson Commercial Motors Limited	Maidenhead, GB		100.00	2024	-22.5	0.0
Tillotson Commercial Vehicles Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Tilmanstone Brick Limited	Maidenhead, GB		100.00	2024	8.5	0.0
Timesound	Maidenhead, GB		100.00	2024	0.6	0.0
TLQ Limited	Edinburgh, GB		100.00	2024	0.0	0.0
TMC Pioneer Aggregates Limited	Maidenhead, GB		100.00	2024	0.0	0.0
Tunnel Cement Limited	Maidenhead, GB		100.00	2024	0.0	0.0
U.D.S. Holdings B.V.	's-Hertogenbosch, NL		100.00	2024	48.2	0.4
UDS (No 10)	Maidenhead, GB		100.00	2024	2,351.3	36.4
UDS (No 3) Limited	Maidenhead, GB		100.00	2024	6.8	0.0
UDS Corporation Limited	Maidenhead, GB		100.00	2024	0.0	0.0
UDS Finance Limited	Maidenhead, GB		100.00	2024	49.3	0.0

← €

← €

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Hanson Building Materials Manufacturing Sdn Bhd ⁴⁾	Kuala Lumpur, MY		100.00	2024	1.1	0.3
Hanson Building Materials Production Sdn Bhd	Kuala Lumpur, MY		100.00	2024	12.1	0.8
Hanson Cement Holdings Pty Ltd	Sydney, AU		100.00	2024	17.3	7.8
Hanson Holdings (M) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	11.8	0.0
Hanson Pty Limited	Sydney, AU		100.00	2024	2,412.3	0.0
Hanson Quarries Victoria Pty Limited	Sydney, AU		100.00	2024	0.5	0.0
Hanson Quarry Products (Batu Pahat) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	0.1	-0.0
Hanson Quarry Products (EA) Sdn Bhd ⁴⁾	Kuala Lumpur, MY		100.00	2024	0.0	-0.0
Hanson Quarry Products (Holdings) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	76.3	17.2
Hanson Quarry Products (Land) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	0.7	-0.0
Hanson Quarry Products (Masai) Sdn Bhd ⁴⁾	Kuala Lumpur, MY		100.00	2024	0.0	-0.0
Hanson Quarry Products (Segamat) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	0.9	0.1
Hanson Quarry Products (Tempoyak) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	-1.9	-0.0
Hanson Quarry Products (Terengganu) Sdn Bhd	Kuala Lumpur, MY		100.00	2024	0.7	0.0
Hanson Quarry Products Sdn Bhd	Kuala Lumpur, MY		100.00	2024	59.8	17.5
Heidelberg Materials Asia Pte. Ltd.	Singapur, SG		100.00	2024	-13.2	20.9
HEIDELBERG MATERIALS AUSTRALIA FINANCE LTD	Sydney, AU		100.00	2024	78.2	6.5
HEIDELBERG MATERIALS AUSTRALIA GROUP HOLDINGS PTY LTD	Sydney, AU		100.00	2024	931.5	100.6
HEIDELBERG MATERIALS AUSTRALIA GROUP PTY LTD	Sydney, AU		100.00	2024	801.8	-0.1
HEIDELBERG MATERIALS AUSTRALIA HOLDINGS PTY LTD	Sydney, AU		100.00	2024	15.8	-7.2
HEIDELBERG MATERIALS AUSTRALIA PTY LTD	Sydney, AU		100.00	2024	-30.2	-42.1
HEIDELBERG MATERIALS AUSTRALIA RESOURCE RECOVERY PTY LTD	Sydney, AU		100.00	2024	32.9	11.8
Heidelberg Materials Bangladesh PLC.	Narayanganj, BD		60.66	2024	31.5	3.7
Heidelberg Materials Butra Sdn Bhd	Muara, BN		70.00	2024	5.0	0.8
HeidelbergCement (Hong Kong) Company Limited	Hongkong S.A.R., CN		100.00	2024	0.5	0.2

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
HeidelbergCement Holding HK Limited	Hongkong S.A.R., CN		100.00	2024	69.8	5.9
HeidelbergCement India Limited	Gurugram, IN		69.39	2024	155.2	11.8
HeidelbergCement Myanmar Company Limited	Yangon, MM		100.00	2024	-0.2	0.0
HM Trading Global (APAC) Pte. Ltd.	Singapur, SG		100.00	2024	7.5	2.0
Hymix Australia Pty Ltd	Sydney, AU		100.00	2024	125.8	23.9
Jalaprathan Cement Public Company Limited ⁵⁾	Bangkok, TH		35.17	2024	115.8	-2.9
Jalaprathan Concrete Co., Ltd. ⁵⁾	Bangkok, TH		35.17	2024	8.7	0.4
Midway Concrete (Vic) Pty Ltd ⁹⁾	Sydney, AU		100.00		-	-
Naga Property Co., Ltd. ⁵⁾	Bangkok, TH		35.17	2024	0.2	0.0
Pioneer Concrete (Tasmania) Proprietary Limited	Sydney, AU		100.00	2024	5.0	0.0
Pioneer Concrete Services (Malaysia) S/B ⁴⁾	Petaling Jaya, MY		100.00	2024	0.0	0.0
Pioneer International Holdings Pty Ltd	Sydney, AU		100.00	2024	134.4	7.1
Pioneer North Queensland Pty Ltd	Sydney, AU		100.00	2024	11.1	0.3
Placecrete Australia Pty Ltd	Sydney, AU		100.00	2024	-0.7	-2.1
PT Bahana Indonor	Jakarta, ID		56.79	2024	21.2	4.4
PT Bhakti Sari Perkasa Abadi	Bogor Regency, ID		56.79	2024	1.6	0.2
PT Cipta Armada Bersama	Bogor Regency, ID		56.79	2024	7.6	0.8
PT Dian Abadi Perkasa	Jakarta, ID		56.79	2024	75.5	7.6
PT Indocement Tunggal Prakarsa Tbk.	Jakarta, ID	56.81	56.81	2024	1,219.6	77.3
PT Indomix Perkasa	Jakarta, ID		56.81	2024	31.3	0.0
PT Kencana Terang Sejahtera	Jakarta, ID		56.79	2024	0.0	-0.0
PT Lentera Abadi Sejahtera	Jakarta, ID		56.81	2024	0.0	-0.0
PT Lintas Bahana Abadi	Jakarta, ID		56.79	2024	4.0	0.3
PT Makmur Abadi Perkasa Mandiri	Jakarta, ID		56.81	2024	0.0	-0.0
PT Makmur Lestari Abadi	Jakarta, ID		56.79	2024	0.2	0.0
PT Makmur Lestari Indonesia	Jakarta, ID		56.79	2024	0.4	-0.0
PT Makmur Lestari Sentosa	Jakarta, ID		56.79	2024	0.0	0.0
PT Mandiri Sejahtera Sentra	Purwakarta, ID		56.79	2024	42.4	1.0
PT Mineral Industri Sukabumi	Jakarta, ID		56.79	2024	4.0	0.0
PT Multi Bangun Galaxy	Lombok, ID		56.79	2024	11.8	-0.2
PT Pionirbeton Industri	Jakarta, ID		56.81	2024	6.2	2.4
PT Sahabat Muliasakti	Pati, ID		56.79	2024	-0.1	-0.0
PT Sari Bhakti Sejati	Jakarta, ID		56.81	2024	1.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
PT Semen Grobogan	Semarang, ID		56.81	2024	93.9	25.9
PT Semesta Perkasa Cipta	Bogor Regency, ID		56.79	2024	1.9	0.0
PT Sinar Sakti Agung	Jakarta, ID		56.79	2024	-0.0	-0.0
PT Tarabatu Manunggal	Bogor Regency, ID		56.79	2024	29.5	1.2
PT Terang Prakarsa Cipta	Medan, ID		56.81	2024	-0.0	0.0
PT Tigaroda Rumah Sejahtera	Jakarta, ID		56.79	2024	1.4	-0.1
PT Tiro Abadi Perkasa	Jakarta, ID		56.79	2024	0.0	-0.0
Queensland Recycling Holdings Pty Ltd	Sydney, AU		100.00	2024	2.4	0.0
Queensland Recycling Pty Ltd	Sydney, AU		100.00	2024	3.3	1.2
Rajang Perkasa Sdn Bhd	Kuala Lumpur, MY		60.00	2024	0.6	-0.0
Realistic Sensation Sdn Bhd	Kuala Lumpur, MY		69.98	2024	1.9	0.1
Recycling Industries Pty Ltd	Sydney, AU		100.00	2024	19.8	4.0
Sofinaz Holdings Sdn Bhd	Kuala Lumpur, MY		100.00	2024	0.5	0.1
South Coast Basalt Pty Ltd	Sydney, AU		100.00	2024	9.0	2.3
Suncoast Asphalt Pty Ltd	Sydney, AU		100.00	2024	2.9	1.3
Tanah Merah Quarry Sdn Bhd	Kuala Lumpur, MY		100.00	2024	-1.7	0.2
Valscot Pty Limited	Sydney, AU		100.00	2024	0.0	0.0
Vaniyuth Co., Ltd. ⁵⁾	Bangkok Metropolis, TH		49.00	2024	72.0	6.3
Waterfall Quarries Pty Limited	Sydney, AU		100.00	2024	0.0	0.0
Western Suburbs Concrete Partnership ⁵⁾	Sydney, AU		50.00	2024	5.1	8.0
XL Premix Pty Ltd	Sydney, AU		51.00	2024	-6.0	-1.8
Zuari Cement Ltd.	Bangalore, IN		100.00	2024	149.6	-14.4
Subsidiaries						
Africa-Mediterranean-Western Asia						
ACH Investments Limited	Ebene, MU		100.00	2024	21.7	3.0
ASMENT DE TEMARA	Témara, MA		68.98	2024	71.5	19.2
ASMENT DU CENTRE	Témara, MA		68.98	2024	13.4	0.0
ATLANTIC CIMENT	Casablanca, MA		51.00	2024	2.0	-0.0
Austral Cimentos Sofala S.A.	Dondo, MZ		100.00	2024	17.9	7.4
BETOSAHA SA ⁵⁾	Laâyoune, MA		26.01	2024	1.7	0.6
Bukhtarma Cement Company LLP	Oktyabrskiy village, KZ		100.00	2024	20.9	-11.2
Calcim S.A.	Cotonou, BJ		90.00	2024	1.7	0.4
CaspiCement Limited Liability Partnership	Shetpe, KZ		100.00	2024	58.3	6.8
Caspinerud Limited Liability Partnership	Shetpe, KZ		100.00	2024	2.6	0.3
Cimbenin S.A.	Cotonou, BJ		87.95	2024	20.3	5.1
CimBurkina S.A.	Ouagadougou, BF		80.00	2024	39.5	5.8

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Ciments du Maroc S.A.	Casablanca, MA		51.00	2024	304.9	83.6
Ciments du Togo SA	Lomé, TG		99.63	2024	38.2	0.9
DECOM Egyptian Co for Development of Building Materials S.A.E. ⁵⁾	Kairo, EG		38.86	2024	6.1	2.1
Ghacem Ltd.	Tema, GH		93.10	2024	18.3	23.1
GRABEMARO	Témara, MA		51.00	2024	9.2	0.5
GRANUBENIN SA avec CA ⁴⁾	Cotonou, BJ		90.00		-	-
Granuburkina SA ^{5) 8)}	Ouagadougou, BF		49.00		-	-
Hanson (Israel) Ltd	Ramat Gan, IL		99.98	2024	144.0	13.5
Hanson Quarry Products (Israel) Ltd	Ramat Gan, IL		99.98	2024	82.3	3.0
Hanson Yam Limited Partnership	Ramat Gan, IL		99.98	2024	10.4	1.6
HEIDELBERG MATERIALS DIGITAL HUB GHANA LTD ⁹⁾	Tema, GH		100.00		-	-
Heidelberg Materials- Helwan Cement S.A.E.	Helwan/Greater Cairo, EG		74.40	2024	16.8	-3.1
Heidelberg Materials Kazakhstan LLP	Almaty, KZ		100.00	2024	-0.4	-0.6
Heidelberg Materials- Suez Cement S.A.E.	Kairo, EG		74.74	2024	66.4	-12.9
Heidelberg Materials- Tourah Cement S.A.E.	Kairo, EG		69.93	2024	-57.7	-13.7
HeidelbergCement Afrique Service	Lomé, TG		94.43	2024	-0.0	-0.0
HeidelbergCement Services – LLP	Almaty, KZ		100.00	2024	0.3	0.4
HM Trading Middle East FZE FZCO	Dubai, AE		100.00	2024	1.2	0.6
Industrie Sakia El Hamra "Indusaha" S.A. ⁵⁾	Laâyoune, MA		46.41	2024	81.4	17.0
Interbulk Egypt for Export S.A.E.	Kairo, EG		100.00	2024	-1.8	-1.8
La Societe GRANUTOGO SA	Lomé, TG		90.00	2024	2.9	0.1
Liberia Cement Corporation Ltd.	Monrovia, LR		81.67	2024	31.2	8.0
LLC "HeidelbergCement Rus"	Slantsy, RU		100.00	2024	274.1	67.0
LLC "Norcem Kola"	Murmansk, RU		100.00	2024	-0.3	-0.1
LLC KaliningradCement	Kaliningrad, RU		100.00	2024	-0.0	-0.1
MAMBA CEMENT COMPANY LIMITED	Dar es Salaam, TZ		65.82	2024	14.9	-0.8
OJSC "Cesla"	Slantsy, RU		99.98	2024	4.4	1.6
OJSC Gurovo-Beton	Novogurovsky, RU		100.00	2024	4.9	0.7
Pioneer Beton Muva Umachzavot Ltd	Ramat Gan, IL		99.98	2024	0.2	0.0
Procimar S.A.	Casablanca, MA		100.00	2024	233.3	17.4
Scantogo Mines SA	Lomé, TG		90.00	2024	38.2	1.7
ShymkentCement LLP	Shymkent, KZ		100.00	2024	51.3	6.4

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Stone Quarries Hanson Ltd.	Ramat Gan, IL		69.99	2024	-9.0	-7.5
Suez for Transportation & Trade S.A.E.	Kairo, EG		74.07	2024	0.3	0.0
Tadir Readymix Concrete (1965) Ltd	Ramat Gan, IL		100.00	2024	0.8	0.0
Tanga Cement PLC	Tanga, TZ		74.87	2024	3.7	-2.3
Tanzania Portland Cement Public Limited Company	Dar es Salaam, TZ		69.25	2024	121.7	19.7
Teracem Limited	Accra, GH		100.00	2024	-0.2	-0.2
Universal Company for Ready Mix Concrete Production S.A.E. ⁵⁾	Kairo, EG		38.86	2024	10.7	1.8
West Africa Quarries Limited	Tema, GH		83.79	2024	2.4	0.7
Joint Operations						
Europe						
Atlantica de Graneles y Moliendas S.A.	Zierbena-Vizcaya, ES		49.97	2024	-21.2	0.0
Joint Operations						
North America						
Terrell Materials LLC	Frisco, US		50.00	2024	13.8	8.8
Joint Operations						
Asia-Pacific						
Lytton Unincorporated Joint Venture	Sydney, AU		50.00	2024	0.0	0.0
Joint Ventures						
Europe						
ABE Deponie GmbH	Tensfeld, DE		50.00	2024	4.6	1.4
AS Betongpumping	Våler i Østfold, NO		50.00	2024	0.4	-0.2
Betong Øst AS	Kongsvinger, NO		50.00	2024	11.0	2.3
Betong Vest AS	Blomsterdalen, NO		40.00	2024	3.0	-0.0
BETONMIX DOPRAVA s.r.o. ⁶⁾	Brünn, CZ		66.00	2024	0.1	0.1
BT Topbeton Sp. z o.o.	Gorzów Wielkopolski, PL		50.00	2024	6.3	0.9
Carrières Bresse Bourgogne S.A.	Épervans, FR		33.27	2024	5.4	0.3
CEEM Investment Fund B.V.	's-Hertogenbosch, NL		50.00	2024	54.4	16.8
CEMET S.A.	Warschau, PL		42.91	2024	31.4	8.2
Concrete Italia S.r.l. ⁶⁾	Brescia, IT		51.00	2024	1.8	1.3
Continental Blue Investment SA	Buchs, CH		50.00	2024	34.5	0.4
Cugla B.V.	Breda, NL		50.00	2024	11.3	5.9
Donau Kies GmbH & Co. KG ⁶⁾	Fürstenzell, DE		75.00	2024	5.9	-0.0
DONAU MÖRTEL – GmbH & Co. KG	Neuburg a. Inn, DE		50.00	2024	0.0	-0.1
Dragages et Carrières S.A.	Épervans, FR		50.00	2024	5.3	0.7

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Drew Group Holdings Limited	New Milton, GB		49.00	2024	17.6	-1.6
Duna-Dráva Cement Kft.	Vác, HU		50.00	2024	57.3	-28.7
Evolve Supply Chain Limited ⁹⁾	Newmarket, GB		50.00		-	-
Fraimbois Granulats S.à r.l.	Fraimbois, FR		50.00	2024	0.2	0.1
GENAMO Gesellschaft zur Entwicklung des Naherholungsgebietes Misburg-Ost mbH	Hannover, DE	50.00	50.00	2024	3.6	0.0
Hafenbetriebsgesellschaft mbH & Co KG Stade	Stade, DE		50.00	2024	0.5	0.0
Harri Green Recycling, S.L.	Abanto y Ciérvana, ES		50.00	2024	0.4	0.1
Heidelberg Materials Donau-Iller GmbH & Co. KG ⁶⁾	Elchingen, DE		82.38	2024	0.7	-0.1
Heidelberg Mobile UAB	Kaunas, LT		45.00	2024	1.9	0.7
Heidelbergberger Betonpumpen Simonis GmbH & Co. KG ⁶⁾	Ubstadt-Weiher, DE		65.29	2024	2.5	0.2
Humber Sand and Gravel Limited	Coventry, GB		50.00	2024	-0.9	-
KANN Beton GmbH & Co KG	Bendorf, DE		50.00	2024	0.9	0.0
Kieswerk Langsdorf GmbH ⁶⁾	Jarmen, DE		62.45	2024	0.9	-0.0
Kieswerke Flemmingen GmbH ⁶⁾	Penig, DE		54.00	2024	4.1	0.3
Les Graves de l'Estuaire S.a.s.	Le Havre, FR		50.00	2024	-2.2	-1.9
LOMY MOŘINA spol. s r.o.	Mořina, CZ		48.95	2024	11.6	0.3
M og S ehf.	Akureyri, IS		26.23	2024	3.0	0.4
North Tyne Roadstone Limited	Birmingham, GB		50.00	2024	-2.6	-0.3
Pražské betonpumpy a doprava s.r.o.	Prag, CZ		50.00	2024	3.5	0.2
Raunheimer Quarzsand GmbH & Co. KG	Raunheim, DE		50.00	2024	0.8	1.5
SCL S.A.	Heillecourt, FR		50.00	2024	0.1	-0.0
Tangen Eiendom AS	Brevik, NO		50.00	2024	3.2	0.3
TBG Bayerwald Transportbeton GmbH & Co. KG	Fürstenzell, DE		50.00	2024	0.5	0.1
TBG Ilm-Beton GmbH & Co. KG ⁶⁾	Arnstadt, DE		55.00	2024	0.6	-0.0
TBG METROSTAV s.r.o.	Prag, CZ		50.00	2024	16.7	4.2
TBG Plzeň Transportbeton s.r.o. ⁶⁾	Beroun, CZ		50.10	2024	3.6	0.8
TBG Rott Kies und Transportbeton GmbH	Kelheim, DE		38.85	2024	0.5	0.0
TBG SEVEROZÁPADNÍ ČECHY s.r.o. ⁶⁾	Chomutov, CZ		66.00	2024	2.3	0.7
TBG SWIETELSKY s.r.o. ⁶⁾	Budweis, CZ		51.00	2024	1.5	0.6
TBG Transportbeton GmbH & Co. KG Betonpumpendienst ⁶⁾	Nabburg, DE		55.54	2024	0.3	0.6

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
TBG Transportbeton GmbH & Co. KG Naabbeton	Nabburg, DE		50.00	2024	3.9	0.5
TBG Transportbeton Oder-Spree GmbH & Co. KG	Wriezen, DE		50.00	2024	1.5	0.3
TBG Transportbeton Werner GmbH & Co. KG	Dietfurt a.d. Altmühl, DE		38.85	2024	0.1	0.2
TBG Východní Čechy s.r.o. ⁶⁾	Mladé Buky, CZ		70.04	2024	2.4	0.4
Transportbeton Johann Braun GmbH & Co. KG	Tröstau, DE		50.00	2024	1.0	0.9
Trapobet Transportbeton GmbH Kaiserslautern Kommanditgesellschaft	Kaiserslautern, DE		50.00	2024	1.0	1.8
Joint Ventures						
North America						
American Stone Company	Raleigh, US		50.00	2024	4.5	1.1
BP General Partner Ltd. ⁸⁾	Winnipeg, CA		50.00		-	-
Building Products & Concrete Supply Limited Partnership	Winnipeg, CA		50.00	2024	12.0	5.3
Bulk Silos LLC	Mendota Heights, US		50.00	2024	0.9	0.0
Capital District Green Asphalt, LLC	Coeymans, US		50.00	2024	0.3	0.4
China Century Cement Ltd.	Hamilton, BM		50.00	2024	169.0	6.5
GCNC Port Operations I, LLC ⁸⁾	Raleigh, US		50.00		-	-
Jack Cewe Construction Ltd.	Coquitlam, CA		50.00	2024	13.2	0.6
Project Potter Parent, L.P.	Grand Cayman, KY		44.17	2024	29.3	-55.6
Red Bluff Sand & Gravel, L.L.C.	Birmingham, US		50.00	2024	7.6	0.1
Sunset Quarry, L.L.C.	Tacoma, US		50.00	2024	-0.1	-0.2
Texas Lehigh Cement Company LP	Austin, US		50.00	2024	262.4	56.9
Joint Ventures						
Asia-Pacific						
Alliance Construction Materials Limited	Hongkong S.A.R., CN		50.00	2024	93.3	41.3
Cement Australia Holdings Pty Ltd	Darra, AU		50.00	2024	182.4	25.9
Cement Australia Partnership	Darra, AU		50.00	2024	49.2	166.7
Cement Australia Pty Limited	Darra, AU		50.00	2024	0.0	0.0
Easy Point Industrial Ltd.	Hongkong S.A.R., CN		50.00	2024	0.1	0.2
Jidong Heidelberg (Fufeng) Cement Company Limited	Baoji City, CN		48.11	2024	79.9	12.7
Jidong Heidelberg (Jingyang) Cement Company Limited	Xianyang City, CN		50.00	2024	79.9	17.5
M&H Quarries Partnership	Sydney, AU		50.00	2024	-3.7	-0.6

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Metromix Pty Limited	Parramatta, AU		50.00	2024	16.0	-1.3
Penrith Lakes Development Corporation Pty Limited	Castlereagh, AU		20.00	2024	-137.5	-1.3
Squareal Cement Ltd	Hongkong S.A.R., CN		50.00	2024	115.8	5.4
Joint Ventures						
Africa-Mediterranean-Western Asia						
Akçansa Çimento Sanayi ve Ticaret A.Ş.	Ataşehir/Istanbul, TR	39.72	39.72	2024	408.2	42.6
JSC "Mineral Resources Company"	Ishimbay, RU		50.00	2024	12.7	2.2
Associates						
Europe						
AS Betongtransport	Våler i Østfold, NO		49.00	2024	0.1	-0.0
Béton Contrôle des Abers S.a.s.	Lannilis, FR		34.00	2024	8.2	0.9
Betuwe Beton Holding B.V.	Tiel, NL		50.00	2024	10.1	1.1
bihek GmbH	Freiburg im Breisgau, DE		24.00	2024	0.0	0.0
C.V. Projectbureau Grensmaas	Born, NL		8.24	2024	7.7	-2.8
Construction Logistics Sweden AB	Johanneshov, SE		49.00	2024	0.6	0.1
Dijon Béton S.A.	Saint-Apollinaire, FR		15.00	2024	7.9	-0.6
EKOINVEST ASETS AD ⁸⁾	Varna, BG		14.99		-	-
Ernst Marschall GmbH & Co. KG Kies- und Schotterwerke	Kressbronn, DE		19.96	2024	4.0	1.6
Fertigbeton (FBU) GmbH & Co Kommanditgesellschaft Unterwittbach ⁶⁾	Kreuzwertheim, DE		57.14	2024	0.2	-0.0
Foundamental CM Fund GmbH & Co. KG ⁶⁾ ⁸⁾	Berlin, DE		73.01		-	-
Foundamental GmbH & Co. KG	Berlin, DE		50.00	2024	39.5	-1.7
Foundamental Rebel Fund GmbH & Co. KG ⁸⁾	Berlin, DE		26.73		-	-
Foundamental Revolution Fund GmbH & Co. KG ⁶⁾	Berlin, DE		59.71	2024	41.4	-2.8
Heidelberg Materials Grenzland GmbH & Co. KG	Marktredwitz, DE		50.00	2024	0.4	2.7
Heidelberger Beton Inntal GmbH & Co. KG ⁶⁾	Altötting, DE		68.39	2024	0.6	0.6
ISAR-DONAU MÖRTEL-GmbH & Co. KG	Plattling, DE		33.33	2024	0.9	0.0
Kronimus Aktiengesellschaft	Iffezheim, DE	24.90	24.90	2024	41.1	1.4
Kronimus SAS	Maizières-lès-Metz, FR		43.60	2024	8.0	0.5
Maasgrind B.V.	Maasbracht, NL		16.48	2024	0.1	-0.4

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Maasgrind Ontwikkeling B.V.	Maasbracht, NL		16.48	2024	0.1	0.0
Materiaux Traités du Hainaut S.A.	Antoing, BE		50.00	2024	0.5	0.0
Misburger Hafengesellschaft mit beschränkter Haftung	Hannover, DE	39.66	39.66	2024	1.6	0.1
Münchener Mörtel GmbH & Co. KG	München, DE		20.00	2024	0.1	0.0
Nederlands Cement Transport Cetra B.V.	Oss, NL		50.00	2024	1.5	0.3
Panheel (Maatschappij tot Exploitatie van het Ontgrondingsproject Panheel) B.V.	Maasbracht, NL		16.48	2024	0.3	-0.0
Peene Kies GmbH	Jarmen, DE		24.90	2024	2.5	-0.1
Raunheimer Sand- und Kiesgewinnung Blasberg GmbH & Co. KG	Raunheim, DE		23.53	2024	0.5	0.5
Recybel S.A.	Flémalle, BE		25.50	2024	0.5	0.2
Recyfuel S.A.	Engis, BE		50.00	2024	14.4	1.6
Ribe Betong AS	Kristiansand, NO		40.00	2024	3.6	1.4
SP Bohemia, k.s.⁴)	Královův Dvůr, CZ		75.00	2024	12.8	0.9
Südbayerisches Portland-Zementwerk Gebr. Wiesböck & Co. GmbH	Rohrdorf, DE	23.90	23.90	2024	869.0	70.1
Sylteosen Betong AS	Elnesvågen, NO		39.94	2024	3.1	0.3
TBG Deggendorfer Transportbeton GmbH	Deggendorf, DE		33.33	2024	1.6	0.7
TBG Louny s.r.o.	Louny, CZ		33.33	2024	0.9	0.3
TBG PKS a.s.	Žďár nad Sázavou, CZ		29.70	2024	4.9	0.6
TBG PODIVÍN s.r.o.	Brünn, CZ		33.00	2024	1.2	0.1
TBG Singen GmbH & Co. KG	Singen, DE		36.90	2024	0.2	-0.1
TBG Transportbeton Caprano GmbH & Co. KG	Heidelberg, DE		50.00	2024	0.3	0.2
TBG Transportbeton Gesellschaft mit beschränkter Haftung & Co. KG. Hohenlohe	Schwäbisch Hall, DE		25.00	2024	0.1	0.0
TBG Transportbeton GmbH & Co.KG Lohr-Beton	Lohr am Main, DE		50.00	2024	0.2	0.5
Transbeton Gesellschaft mit beschränkter Haftung & Co Kommanditgesellschaft	Löhne, DE		27.34	2024	3.2	1.4
Van Zanten Holding B.V.	Leek, NL		25.00	2024	8.5	1.3
Vassiliko Cement Works Ltd.	Nicosia, CY		25.96	2024	262.4	25.9
Zement- und Kalkwerke Otterbein GmbH & Co. KG	Großenlütder-Müs, DE	38.10	38.10	2024	5.7	1.4
Associates						
North America						
Cemstone Products Company	Mendota Heights, US		35.32	2024	144.1	16.0
Cemstone Ready-Mix, Inc.	Mendota Heights, US		33.01	2024	18.6	2.4

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Giateg Scientific, Inc.	Ottawa, CA		27.37	2025	12.5	-4.7
Gotham Ready Mix, LLC	New York, US		20.00	2024	0.0	0.0
Innocon Inc.	Richmond Hill, CA		45.00	2024	19.3	-3.2
Innocon Partnership	Richmond Hill, CA		45.00	2024	-21.8	-5.2
Associates						
Asia-Pacific						
PT Bhakti Sari Perkasa Bersama	Bogor Regency, ID		17.04	2024	1.8	0.1
PT Cibinong Center Industrial Estate	Bogor Regency, ID		28.40	2024	6.2	14.3
PT Jaya Berdikari Cipta	Bogor Regency, ID		28.39	2024	9.0	1.7
PT Mortar Prakarsa Utama ⁹⁾	Bogor Regency, ID		22.72		-	-
PT Pama Indo Mining	Jakarta, ID		22.71	2024	4.3	0.7
PT Prima Abadi Distribusi ⁹⁾	Denpasar, ID		14.20		-	-
PT Samudra Harmoni Prakarsa	Jakarta, ID		28.39	2024	6.8	-0.0
PT Tripa Semen Aceh	Jakarta, ID		21.11	2024	-0.5	0.0
Associates						
Africa-Mediterranean-Western Asia						
CEMZA (PTY) LTD	Midrand, ZA		40.00	2025	34.7	9.9
Fortia Cement S.A. ⁸⁾	Lomé, TG		50.00		-	-
Tecno Gravel Egypt S.A.E.	Kairo, EG		33.63	2024	1.3	0.3
The following subsidiaries are accounted for at amortised cost due to their immateriality.						
Immaterial subsidiaries						
Europe						
Azer-E.S. Limited Liability Company	Baku, AZ	100.00	100.00	2024	-6.0	-0.1
Azienda Agricola Lodoletta S.r.l.	Bergamo, IT		100.00	2024	1.5	0.1
Betotech Baustofflabor GmbH	Heidelberg, DE	100.00	100.00	2024	0.4	0.1
Betotech GmbH, Baustofftechnisches Labor	Nabburg, DE		100.00	2024	0.1	-0.0
Cava delle Capannelle S.r.l.	Bergamo, IT		100.00	2024	0.6	0.1
Centrum Technologiczne Betotech Sp. z o.o.	Dąbrowa Górnicza, PL		100.00	2024	0.8	-0.0
Cowlishaw, Walker Co., Limited ⁸⁾	London, GB		100.00		-	-
Deltapav S.r.l.	Samarate, IT		100.00	2024	1.1	0.0
Donau Kies Bohemia Verwaltungs, s.r.o.	Pilsen, CZ		75.00	2024	0.0	0.0
Entreprise Lorraine d'Agriculture - ELDA S.à r.l.	Heillecourt, FR		100.00	2024	0.1	-0.0
Etablissement F.S. Bivois SARL	Strasbourg, FR		60.00	2024	0.1	-0.1

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Fastighets AB Lövholmen 1	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 2	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 3	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 5	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 6	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 7	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 8	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 9	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 10	Stockholm, SE		100.00	2024	0.0	0.0
Fastighets AB Lövholmen 11	Stockholm, SE		100.00	2024	0.0	0.0
Ferme de Wisempierre SRL	Antoing, BE		100.00	2024	1.8	0.0
FjordLab AS	Jelsa, NO		60.00	2024	0.1	-0.3
Geo Nieruchomości Sp. z o.o.	Chorula, PL		100.00	2024	0.1	0.1
GIE GM	Guerville, FR		100.00	2024	-0.0	-0.0
Hanson (ER-No 3) Limited [®]	London, GB		100.00		-	-
HConnect GmbH	Heidelberg, DE		100.00	2024	0.0	0.0
Heidelberg Materials Africa Holding GmbH ⁹⁾	Heidelberg, DE		100.00		-	-
Heidelberg Materials Betonelemente DE Verwaltungs-GmbH	Chemnitz, DE		83.00	2024	0.1	0.0
Heidelberg Materials Digital Hub Brno, s.r.o.	Brünn, CZ		100.00	2024	4.1	0.6
Heidelberg Materials Donau-Naab Verwaltungsgesellschaft mbH	Burglengenfeld, DE		77.70	2024	0.0	0.0
Heidelberg Materials Eurotech Albania	Durrës, AL		92.42	2024	3.8	1.4
Heidelberg Materials France Participations [®]	Courbevoie, FR		100.00		-	-
Heidelberg Materials Gersdorf GmbH & Co. KG	Gersdorf, DE		65.00	2024	0.0	-0.0
Heidelberg Materials Gersdorf Verwaltungs-GmbH	Gersdorf, DE		65.00	2024	0.0	0.0
Heidelberg Materials Grundstücks-verwaltungsgesellschaft DE mbH	Heidelberg, DE	100.00	100.00	2024	0.1	0.0
Heidelberg Materials Personal Service DE GmbH	Heidelberg, DE		100.00	2024	0.1	0.0
Heidelberg Materials Shared Services DE GmbH	Leimen, DE	100.00	100.00	2024	2.6	0.3

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Heidelberg Materials, Funk & Kapphan Grundstücksverwaltungsgesellschaft DE mbH	Heidelberg, DE	80.00	80.00	2024	0.0	0.0
HSustainability GmbH	Heidelberg, DE		100.00	2024	0.5	-0.0
Lindustries (D) Limited ⁸⁾	London, GB		100.00		-	-
Lithonplus Verwaltungs-GmbH	Lingenfeld, DE		60.00	2024	0.0	-0.0
Matériaux de Boran S.A.	Tourcoing, FR		99.76	2024	-0.0	-0.0
MIBAU STEMA S&G Aabenraa ApS	Aabenraa, DK		60.00	2024	0.2	-0.1
MIXT Sp. z o.o.	Chorula, PL		100.00	2024	0.7	0.1
MM MAIN-MÖRTEL GmbH & Co.KG	Kleinostheim, DE		84.19	2024	0.1	0.2
MM MAIN-MÖRTEL Verwaltungs-gesellschaft mbH	Aschaffenburg, DE		84.19	2024	0.0	0.0
MS "Wesertrans" Verwaltungsgesellschaft mbH ⁸⁾	Elsfleth, DE		75.00	2024	0.0	0.0
MTE Mineralstoff Terminal Emden GmbH	Emden, DE		60.00	2024	0.2	-0.0
NOHA Norddeutsche Hafenumschlags-gesellschaft mbH	Cadenberge, DE		60.00	2024	0.1	0.0
Podgrodzie Sp. z o.o.	Raciborowice Górne, PL		100.00	2024	-0.6	0.7
Polgrunt Sp. z o.o.	Chorula, PL		100.00	2024	7.4	4.8
Rederij Cement-Tankvaart B.V.	Terneuzen, NL		66.64	2024	9.9	0.9
RST Ralf Schmidt Tiefbau, Kabel & Kabel-rohrverlegung GmbH	Velten, DE		100.00	2024	1.9	-0.4
SCI de Balloy	Avon, FR		100.00	2024	-0.0	-0.0
SCI du Colombier	Rungis, FR		63.00	2024	-0.1	-0.1
Shqiperia Cement Company Shpk	Tirana, AL		100.00	2024	0.7	-0.1
Sizewell Aggregates Limited	Grays, GB		60.00	2024	0.0	0.0
Société Civile Bachant le Grand Bonval	Guerville, FR		100.00	2024	0.0	0.0
Société Civile d'Exploitation Agricole de l'Avesnois	Guerville, FR		100.00	2024	-0.0	-0.0
Société d'Extraction et d'Aménagement de la Plaine de Marolles SEAPM S.a.s.	Avon, FR		56.40	2024	0.1	-0.2
Transportbeton Meschede Gesellschaft mit beschränkter Haftung	Meschede, DE		58.49	2024	0.1	0.0
Transportbeton Meschede GmbH & Co. KG	Meschede, DE		58.49	2024	0.1	0.5
TRANS-SERVIS, spol. s r.o.	Prag, CZ		100.00	2024	2.0	0.2
Immaterial subsidiaries						
North America						
Charleston Koppers FTA Park LLC ⁸⁾	Wilmington, US		100.00		-	

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Conservation Resources Company, Inc. ⁸⁾	Springfield, US		100.00		-	-
Hanson (ER-No 16) Inc. ⁸⁾	Wilmington, US		100.00		-	-
Industrial Del Fresno SA ⁸⁾	San Miguel de Allende, MX		76.00		-	-
Kidde Industries, Inc. ⁸⁾	Wilmington, US		100.00		-	-
Permanente Cement Company ⁸⁾	Los Angeles, US		100.00		-	-
PUSH NA Holdings, Inc. ⁸⁾	Wilmington, US		100.00		-	-
Seacoast Products, Inc. ⁸⁾	Wilmington, US		100.00		-	-
Total Limited ⁸⁾	Wilmington, US		100.00		-	-
Volt RMC Solutions Canada Ltd.	Montreal, CA		100.00	2024	0.2	0.1
VOLT RMC Solutions, Inc.	Wilmington, US		100.00	2024	0.2	0.2
Immaterial subsidiaries						
Asia-Pacific						
Vesprapat Holding Co., Ltd. ^{5) 8)}	Bangkok, TH		49.00		-	-
Immaterial subsidiaries						
Africa-Mediterranean-Western Asia						
8 Vershin LLP	Almaty, KZ		100.00	2024	0.2	0.0
C.N.A. - Cimentos Nacionais de Angola S.A. ⁸⁾	Luanda, AO		56.00		-	-
Cement Distributors (E.A.) Limited	Tanga, TZ		74.87	2024	0.1	-0.1
Center Cement Plus Limited Liability Partnership	Astana, KZ		100.00	2024	0.5	-0.2
LLC HC Yug	Novogurovsky, RU		100.00	2024	-0.4	-0.0
Suez for Import & Export Co S.A.E.	Kairo, EG		74.07	2024	-0.0	-0.0
Terra Cimentos LDA	Dondo, MZ		100.00	2024	0.2	0.0
WAMIX LTD ⁹⁾	Tema, GH		60.52		-	-
The following joint arrangements and associates are accounted for at amortised cost due to their immateriality.						
Immaterial joint arrangements and associates						
Europe						
Agecroft Management Ltd	London, GB		30.87	2024	0.0	0.0
Alzagri NV	Brügge, BE		50.00	2024	1.6	0.1
Asto Holding B.V.	Raamsdonksveer, NL		33.32	2024	2.3	0.5
Asto Investment B.V.	Raamsdonksveer, NL		33.32	2024	0.9	0.2
Auxerre Béton S.à r.l.	Guerville, FR		50.00	2024	0.3	0.2
Calcaires de la Rive Gauche I SRL	Nivelles, BE		35.00	2024	2.5	-0.3
Cambridgeshire Aggregates Limited	Coalville, GB		50.00	2024	0.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Canteras Aldoyar, S.L. ⁸⁾	Olazagutia, ES		20.00		-	-
Cap2U GmbH	Triefenstein-Lengfurt, DE	30.00	30.00	2024	3.1	-1.4
Carrière de la Plaine d'Ay	Rungis, FR		20.00	2024	-1.0	-0.0
Cementi della Lucania S.r.l.	Potenza, IT		30.00	2024	-1.0	-0.0
CI4C GmbH & Co. KG	Heidenheim an der Brenz, DE	25.00	25.00	2024	95.6	0.0
CI4C Verwaltungs GmbH	Heidenheim an der Brenz, DE		25.00	2024	0.0	0.0
Consorzio Stabile San Francesco S.C.A.R.L.	Foligno, IT		42.00	2024	0.1	0.0
Devnya Limestone AD, Chernevo	Chernevo Village, BG		49.97	2024	6.1	-8.4
Donau Kies Verwaltungs GmbH ⁶⁾	Fürstenzell, DE		75.00	2024	0.0	0.0
DONAU MÖRTEL-Verwaltungs und-GmbH	Passau, DE		50.00	2024	0.0	0.0
Fertigbeton (FBU) Gesellschaft mit beschränkter Haftung ⁶⁾	Kreuzwertheim, DE		57.14	2024	0.1	0.0
GIE des Terres de Mayocq	Le Crottoy, FR		32.50	2024	-0.0	-0.0
GIE Loire Grand Large	Saint-Herblain, FR		26.00	2024	-0.0	-0.0
GIE Manche Est	Rouxmesnil-Bouteilles, FR		20.00	2024	-0.0	0.0
GIE Sud Atlantique	La Rochelle, FR		50.00	2024	-0.1	-0.0
GIE Yprema Moroni	Saint Léonard, FR		45.00	2024	0.1	0.0
Granulats Marins de Normandie GIE	Le Havre, FR		32.50	2024	0.0	0.0
Hafen- und Lagergesellschaft Greifswald mbH	Greifswald, DE		30.00	2024	0.4	0.2
Hafenbetriebs- und Beteiligungs-GmbH, Stade	Stade, DE		50.00	2024	0.1	0.0
Heidelberg Materials Donau-Ilser Verwaltungs-GmbH ⁶⁾	Elchingen, DE		82.38	2024	0.1	0.0
Heidelberg Materials Grenzland Verwaltungs-GmbH	Marktredwitz, DE		50.00	2024	0.0	0.0
Heidelberger Beton Inntal Verwaltungs-GmbH ⁶⁾	Altötting, DE		68.39	2024	0.0	0.0
Heidelberger Beton Karlsruhe GmbH & Co. KG ^{6) 10)}	Karlsruhe, DE		50.30	2024	0.5	0.0
Heidelberger Beton Kurpfalz GmbH & Co. KG ^{4) 6)}	Eppelheim, DE		64.73	2024	1.1	0.2
Heidelberger Beton Kurpfalz Verwaltungs-GmbH ^{4) 6)}	Eppelheim, DE		64.73	2024	0.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Heidelberger Betonpumpen Simonis Verwaltungs-GmbH ⁶⁾	Ubstadt-Weiher, DE		65.25	2024	0.0	0.0
Hormigones Olazti S.A. ⁸⁾	Olazagutia, ES		25.00		-	-
Hormigones Txingudi S.A.	San Sebastián, ES		33.33	2024	0.1	-0.0
ISAR-DONAU MÖRTEL-Verwaltungs-GmbH	Plattling, DE		33.33	2024	0.0	0.0
ISPS TERMINAL SJURSØY NORD AS	Oslo, NO		50.00	2024	0.0	0.0
Kalkkaia AS	Verdal, NO		50.00	2024	2.4	0.1
KANN Beton Verwaltungsgesellschaft mbH	Bendorf, DE		50.00	2024	0.1	0.0
Les Quatre Termes S.a.s.	Salon-de-Provence, FR		50.00	2024	0.0	-0.0
Les Sables de Mezieres S.a.s.	Saint-Pierre-des-Corps, FR		50.00	2024	0.5	0.1
Lippe-Kies GmbH & Co. KG	Delbrück, DE		50.00	2024	0.1	-0.2
Lippe-Kies Verwaltungs GmbH	Delbrück, DE		50.00	2024	0.0	0.0
Mantovana Inerti S.r.l.	Castiglione delle Stiviere, IT		50.00	2024	2.5	-0.2
Mendip Rail Limited	Coalville, GB		50.00	2024	-0.2	1.9
MS "Wesertrans" Binnenschiffsreederei GmbH & Co. KG ^{6) 8)}	Elsfleth, DE		50.00	2024	0.0	0.0
Münchner Mörtel Verwaltungsges. mbH ⁴⁾	München, DE		20.00	2024	0.0	0.0
Neuciclaje S.A.	Bilbao, ES		49.97	2024	-0.1	-0.0
Nordhafen Stade-Bützfleth Verwaltungsgesellschaft mbH ⁸⁾	Stade, DE		20.00	2024	0.0	0.0
Otterbein Gesellschaft mit beschränkter Haftung	Großenlütder-Müs, DE	20.00	20.00	2024	0.0	0.0
Padyear Limited	Maidenhead, GB		50.00	2024	-0.2	0.0
Peters Cement Overslagbedrijf B.V.	Raamsdonksveer, NL		33.32	2024	1.9	-0.1
Raunheimer Quarzsand Verwaltungsgesellschaft mbH	Raunheim, DE		50.00	2024	0.0	0.0
San Francesco S.c.a.r.l. in liquidazione ⁴⁾	Foligno, IT		45.71	2024	0.4	-0.0
SCI de Barbeau	Bray-sur-Seine, FR		49.00	2024	0.0	0.0
SCI des Granets	Cayeux-sur-Mer, FR		33.33	2024	-0.0	-0.0
SCI La Motte au Bois	Harnes, FR		50.00	2024	0.0	0.0
SNC Sablo	Saint Léonard, FR		25.00	2024	0.0	-0.0
Société Foncière de la Petite Seine S.a.s.	Saint-Sauveur-lès-Bray, FR		42.25	2024	0.0	0.1
TBG Bayerwald Verwaltungs-GmbH	Fürstenzell, DE		50.00	2024	0.1	0.0
TBG Ilm-Beton Verwaltungs-GmbH ⁶⁾	Arnstadt, DE		55.00	2024	0.0	0.0

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
TBG Singen Verwaltungs-GmbH	Singen, DE		36.90	2024	0.1	0.0
TBG Transportbeton Caprano Verwaltungs-GmbH	Heidelberg, DE		50.00	2024	0.0	0.0
TBG Transportbeton Gesellschaft mit beschränkter Haftung	Schwäbisch Hall, DE		25.00	2024	0.0	0.0
TBG Transportbeton Lohr Verwaltungsgesellschaft mbH	Lohr am Main, DE		50.00	2024	0.0	0.0
TBG Transportbeton Oder-Spree Verwaltungs-GmbH	Wriezen, DE		50.00	2024	0.0	0.0
TBG Transportbeton Verwaltungsgesellschaft mbH	Nabburg, DE		50.00	2024	0.0	0.0
TBG Transportbeton Werner Verwaltungsgesellschaft mbH	Dietfurt a.d. Altmühl, DE		38.85	2024	0.0	0.0
terravas GmbH	Königs Wusterhausen, DE		50.00	2024	1.7	-0.2
Transbeton Gesellschaft mit beschränkter Haftung	Löhne, DE		27.34	2024	0.0	0.0
Transportbeton Johann Braun Geschäftsführungs GmbH	Tröstau, DE		50.00	2024	0.0	0.0
Urzeit Weide GbR	Schelklingen, DE	50.00	50.00	2025	0.1	0.0
Velkolom Čertovy schody, akciová společnost	Tmaň, CZ		50.00	2024	7.7	0.2
Verwaltungsgesellschaft mit beschränkter Haftung TRAPOBET Transportbeton Kaiserslautern	Kaiserslautern, DE		50.00	2024	0.0	-0.0

1) Last fiscal year for which financial statements are available.

2) Translated with the closing rate of the fiscal year for which financial statements are available.

3) Translated with the average rate of the fiscal year for which financial statements are available.

4) In liquidation

5) Controlling influence through contractual arrangements and/or legal regulations.

6) Absence of controlling influence through contractual arrangements and/or legal regulations.

7) The company makes use of the exemption from disclosure obligations in accordance with section 264(3) or with section 264b of the German Commercial Code (HGB).

8) Information on equity and earnings is omitted pursuant to section 313(3) or to section 286(3), sentence 1, no. 1 of the German Commercial Code (HGB) if such information is of minor relevance for a fair presentation of the assets, financial, and earnings position of Heidelberg Materials AG.

9) Company founded last year. Therefore, no annual financial statement available yet.

10) Liquidation completed; strike-off proceedings are pending.

Heidelberg, 24 March 2026

Heidelberg Materials AG

The Managing Board

Company name	Registered office	Direct ownership %	Group ownership %	Year ¹⁾	Equity in € million ²⁾	Net income in € million ³⁾
Immaterial joint arrangements and associates						
North America						
KHB Venture LLC ⁸⁾	Waltham, US		33.33		-	-
Newbury Development Associates, LP ⁸⁾	Bridgeville, US		35.00		-	-
Newbury Development Management, LLC ⁸⁾	Bridgeville, US		35.00		-	-
Project Potter Parent GP, LLC ⁸⁾	Grand Cayman, KY		49.00		-	-
Woodbury Investors, LLC ⁸⁾	Atlanta, US		50.00		-	-
Immaterial joint arrangements and associates						
Asia-Pacific						
Pornphen Prathan Company Limited ⁴⁾	Bangkok, TH		49.70	2024	0.0	0.0
Sanggul Suria Sdn Bhd	Kuala Lumpur, MY		45.00	2024	-0.0	-0.0
Immaterial joint arrangements and associates						
Africa-Mediterranean-Western Asia						
Ceval GIE	Casablanca, MA		39.99	2024	0.0	0.0
Italcementi for Cement Manufacturing – Libyan J.S.C. ⁸⁾	Tripolis, LY		50.00		-	-
SOCIETE MAROCAINE DE BROUAGE ET DE RECYCLAGE DE MATIERE	Kénitra, MA		33.80	2024	4.6	-0.6
Suez Lime S.A.E. ⁴⁾	Kairo, EG		37.32	2024	0.0	0.0

Hereinafter we present the key audit matter:

1 Recoverability of goodwill

- a) In the Company's consolidated financial statements goodwill amounting in total to EUR 8,826.7 million (24.4% of total assets or 45.7% of equity) is reported under the "Intangible assets" balance sheet item. Goodwill is tested for impairment by the Company once a year or when there are indications of impairment to determine any possible need for write-downs. The impairment test is carried out at the level of the groups of cash-generating units to which the relevant goodwill is allocated. The carrying amount of the relevant cash-generating units, including goodwill, is compared with the corresponding recoverable amount in the context of the impairment test. The recoverable amount is generally determined using the value in use. The present value of the future cash flows from the respective group of cash-generating units normally serves as the basis of valuation. Present values are calculated using discounted cash flow models. For this purpose, the adopted medium-term business plan of the Group forms the starting point which is extrapolated based on assumptions about long-term rates of growth. Expectations relating to future market developments and assumptions about the development of macroeconomic factors as well as the expected effects on the Group's business activities of the corporate strategy geared towards carbon neutrality are also taken into account. The discount rate used is the weighted average cost of capital for the respective group of cash-generating units. The impairment test determined that, even after taking into account the fair value less

costs of disposal, it was necessary to recognize write-downs amounting to a total of EUR 59.5 million at the cash-generating unit “Nordic Precast Group”.

The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors with respect to the future cash flows from the respective group of cash-generating units, the discount rate used, the rate of growth and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

- b) As part of our audit, we assessed the methodology used for the purposes of performing the impairment test, among other things. After matching the future cash flows used for the calculation against the adopted medium-term business plan of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations. In this context, we also evaluated the assessment of the executive directors regarding the effects of the corporate strategy geared towards carbon neutrality on the Group's business activities, and examined how this was taken into consideration in determining the future cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing in particular on the parameters used to determine the discount rate ap-

plied and assessed the measurement model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company in order to estimate any potential impairment risk related to a key assumption of the measurement. We verified that the necessary disclosures were made in the notes to the consolidated financial statements relating to groups of cash-generating units for which a reasonably possible change in an assumption would result in the recoverable amount falling below the carrying amount of the cash-generating units including the allocated goodwill.

Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

- c) The Company's disclosures on the „goodwill“ balance sheet item are contained in section „9.1 Intangible assets“ of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the non-financial statement to comply with §§289b to 289e HGB and with §§315b to 315c HGB included in section “Non-financial statement” of the group management report

- the section “Adequacy, and effectiveness of the internal control and risk management system” of the group management report

The other information comprises further

- the statement on corporate governance pursuant to §289f HGB and §315d HGB
- the remuneration report pursuant to §162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the Annual and Sustainability Report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with §328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with §328 Abs. 1 Satz 4 Nr. 2 HGB.

[sgd. Michael Conrad]	[sgd. Thorsten Neumann]
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engage- ment in Relation to the Group Sustaina- bility Report

To Heidelberg Materials AG, Heidelberg

Assurance Conclusion

We have conducted a limited assurance engagement on the group sustainability report of Heidelberg Materials AG, Heidelberg, (hereinafter the “Company”) included in section “Sustainability Report” of the group management report, which is combined with the Company’s management report, for the financial year from 1 January to 31 December 2025 (hereinafter the “Group Sustainability Report”). The Group Sustainability Report has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 289b to 289e HGB [Handelsgesetzbuch: German Commercial Code] and §§315b to 315c HGB to prepare a combined non-financial statement.

The reports of other assurance practitioners in relation to the assurance of information, from sources within the value chain, contained in the Group Sustainability Report and as referred to in the Group Sustainability Report are not subject to our assurance engagement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Report is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852,, §315c in conjunction with §§289c to 289e HGB to prepare a combined non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Report does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Report (hereinafter the “materiality assessment”) is not, in all material respects, in accordance with the description set out in section “Double materiality analysis” of the Group Sustainability Report, or
- that the disclosures set out in section “Information according to the EU Taxonomy Regulation” of the Group Sustainability Report do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

We do not express an assurance conclusion on references in the Group Sustainability Report to assurance reports or reports of other assurance practitioners.

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the “German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Report” section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public

Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Report

The executive directors are responsible for the preparation of the Group Sustainability Report in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Report in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Report, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Report.

Inherent Limitations in the Preparation of the Group Sustainability Report

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Report.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Report

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Report has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Report, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Report.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on direct access to the sources of value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Report.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Report about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Report, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Report.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these

estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.

- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Report.
- performed site visits.
- considered the presentation of the information in the Group Sustainability Report.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Report.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Frankfurt am Main, 24 March 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

[sgd. Michael Conrad]	[sgd. ppa. Christoph Schudok]
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüfer (German Public Auditor)

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group management report, which has been combined with the management report of Heidelberg Materials AG, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Heidelberg, 24 March 2026

Heidelberg Materials AG

The Managing Board



Dr Dominik von Achten



René Aldach



Dr Katharina Beumelburg



Roberto Callieri



Axel Conrads



Hakan Gurdal



Dennis Lentz



Jon Morrish



Chris Ward

Remuneration report

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Strategy 2030

Value Creation

We are committed to creating sustainable value for our customers and shareholders and are striving to accelerate growth and increase profitability.

How we create value

Remuneration report for the 2025 financial year

Introduction

The remuneration report sets out the principles and structure of the remuneration of the Managing Board and the Supervisory Board of Heidelberg Materials AG. The remuneration report contains the remuneration granted and owed in the 2025 financial year to the members of the Managing Board and Supervisory Board in office in the 2025 financial year and to former members. The remuneration granted includes the remuneration components whose underlying (single or multi-year) service or performance period was fully completed in the financial year. The remuneration report was jointly prepared by the Managing Board and the Supervisory Board in accordance with the provisions of section 162 of the German Stock Corporation Act (Aktiengesetz, AktG). In addition, it takes into account the recommendations and suggestions of the German Corporate Governance Code (GCGC) in its version of 28 April 2022.

The remuneration report was also audited with reasonable assurance by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft beyond the requirements of section 162(3) of the AktG. The report on the audit of the remuneration report can be found at the end of the remuneration report.

Review of the 2025 financial year

Business development and target achievement in the 2025 financial year

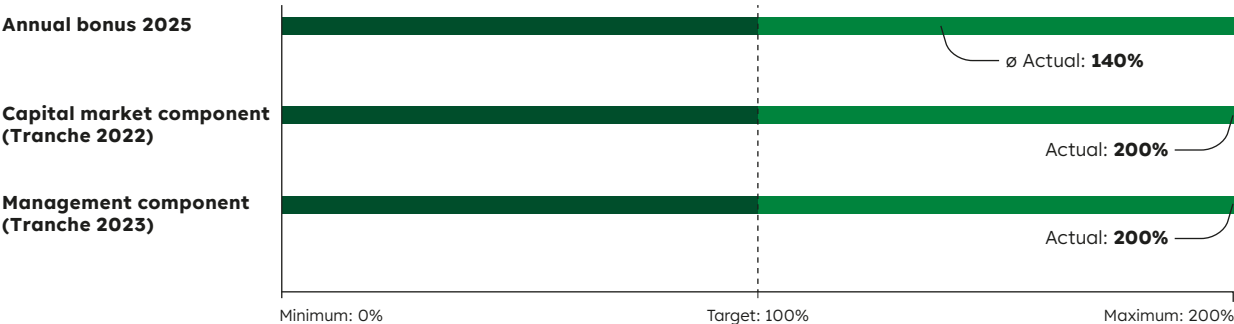
Heidelberg Materials has brought the 2025 financial year to a successful close despite global economic and geopolitical challenges.

The excellent business development of Heidelberg Materials in the 2025 financial year is also reflected in the target achievement of the performance-related elements of the remuneration of the Managing Board. The result in the profit for the financial year adjusted for special items and the reduction in CO₂ emissions contributed to the positive achievement of the targets for the annual bonus. Taking into account the equal weighting of Group Performance and the

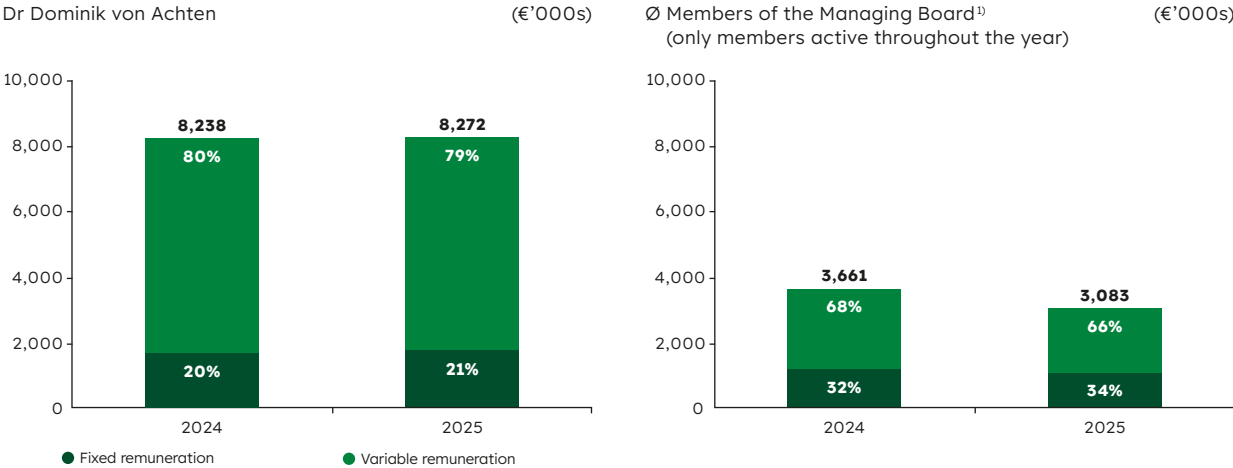
Sustainable Strategy Targets in the target achievement, the average target achievement for the 2025 annual bonus is 140%.

For the management component of the 2023–2025/2026 long-term bonus, a strong performance of EBIT (earnings before interest and taxes) and ROIC (return on invested capital), adjusted for special items, led to a target achievement of 200%. In addition, the strong upswing in the Heidelberg Materials share, our progressive dividend policy, and our share buy-back programme led to a significant improvement in shareholder return. This development is reflected in a target achievement of 200% for the capital market component of the 2022–2024/2025 long-term bonus, which is based on the relative total shareholder return (TSR) of the Heidelberg Materials share.

Target achievement 2025



Granted and owed remuneration in the 2025 financial year



1) Excluding the Chairman of the Managing Board

Changes in the composition of the Managing Board

The Supervisory Board of Heidelberg Materials AG had as early as 20 March 2024 extended the mandate of the Chairman of the Managing Board Dr Dominik von Achten, which was due to expire on 31 January 2025, by three years until 31 January 2028. There were no personnel changes in the composition of the Managing Board in the 2025 financial year.

2024 remuneration report

In accordance with the requirements of the German Act Implementing the Second Shareholder Rights

Directive (Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie, ARUG II), the 2024 remuneration report was submitted to the 2025 Annual General Meeting as part of a consultative vote for approval pursuant to section 120a(4) of the AktG and approved with an acceptance rate of 91.83%. In view of the consistently high acceptance rates for our remuneration report at the Annual General Meeting in recent years, we have retained the basic structure and have only made selective adjustments to further improve the transparency of the report. The 2024 remuneration report is available via the following link: www.heidelbergmaterials.com/en/corporate-governance.

Remuneration of the Managing Board in the 2025 financial year

Principles of the remuneration of the Managing Board

The current remuneration system for the members of the Heidelberg Materials Managing Board (2024+ Remuneration System) was approved by the 2024 Annual General Meeting with an acceptance rate of 96.21%. With effect from 1 January 2024, it applies to all members of the Managing Board whose employment contracts are newly concluded, extended on or after the date on which the Annual General Meeting approved the 2024+ Remuneration System, or whose contracts were already in place at that date. The 2024+ Remuneration System is available to download via the following link: www.heidelbergmaterials.com/en/company/corporate-governance.

The remuneration system of the Managing Board is aligned with the Heidelberg Materials Group strategy. By selecting appropriate performance criteria for the performance-related remuneration, incentives are given to implement the Group strategy and to promote the long-term and sustainable development of Heidelberg Materials. Both financial and non-financial performance criteria are used to represent the company's success as a whole. The consideration of ESG targets in the performance-related remuneration underlines the pursuit of excellent business performance combined with environmentally and socially responsible conduct.

The remuneration of the company's Managing Board is based on the principle that members of the Managing Board should be remunerated appropriately according to their performance. With the high proportion of performance-related remuneration components, the Supervisory Board pursues a strict pay-for-performance approach.

The following overview summarises the most important principles of remuneration of the Managing Board. Together, they are designed to provide incentives to promote the long-term and sustainable development of Heidelberg Materials.

Principles of the remuneration of the Managing Board

- Strong **pay-for-performance orientation** due to large performance-related share of total remuneration
- Alignment of performance-related remuneration and performance criteria with the **long-term Group strategy**
- **Sustainability** as an important component of the performance criteria in both the **annual bonus** and the **long-term bonus**
- Alignment of remuneration with **shareholder interests**, in particular by making the long-term bonus fully **share-based**
- Use of **relative performance assessment** and **avoidance of retroactive adjustments** to target values or performance criteria during the year
- **Total remuneration limited** by **maximum remuneration** defined in the remuneration system
- **Malus and clawback rules** for the performance-related remuneration components

Procedure for determining and implementing the remuneration system and the amount of Managing Board remuneration

Pursuant to section 87a of the AktG, the remuneration system for the members of the Managing Board is determined by the Supervisory Board following a recommendation by the Personnel Committee and is then submitted to the Annual General Meeting for approval. As long as no significant changes are made to the remuneration system, it will be submitted to the Annual General Meeting for approval at least every four years in accordance with the legal requirements. In the event of significant changes to the remuneration system, the adjusted remuneration system will be submitted to the Annual General Meeting for approval in the year of its change.

The remuneration of the Managing Board is determined by the Supervisory Board following a recommendation by the Personnel Committee. The Supervisory Board takes into account the responsibility and tasks of the individual members of the Managing Board, their individual performance, the economic situation, as well as the success and future prospects of Heidelberg Materials.

Review of the appropriate remuneration of the Managing Board

The Supervisory Board regularly reviews the appropriateness of the remuneration of the Managing Board with the support of the Personnel Committee. This includes an external, horizontal comparison with the remuneration of managing boards of comparable companies as well as an internal, vertical comparison of remuneration within the workforce of the Heidelberg Materials AG.

The horizontal comparison serves to verify that the remuneration of the Managing Board is market common. The selection of companies is based on the size and international activity of Heidelberg Materials, as well as on the economic and financial situation, and future prospects. Most recently, the companies in the German benchmark index DAX 40 were used for the horizontal comparison. In order to take the industry criterion into account, the Supervisory Board may also use companies from related sectors as a peer group.

For the vertical comparison, the remuneration of the Managing Board is compared with the remuneration of top and senior management (upper management) and the remuneration of the total workforce of the Heidelberg Materials AG, both overall and in terms of development over time.

The following overview shows the development of the target direct remuneration (fixed annual salary, target value of the annual bonus, and – if the corresponding employee groups are eligible – the grant amount of the long-term bonus) in the internal comparison in the period from 2021 to 2025. The vertical comparison of the target remuneration is used when reviewing the appropriateness of the remuneration of the Managing Board pursuant to section 87a of the AktG. The comparative statement pursuant to section 162(1)(2) of the AktG can be found in the [Comparative presentation of the development in remuneration and earnings section](#).

Development of the average target direct remuneration¹⁾ of the Managing Board and total workforce of Heidelberg Materials AG

€'000s	2021	Change 2022/2021	2022	Change 2023/2022	2023	Change 2024/2023	2024	Change 2025/2024	2025
Managing Board	2,607.8	-0.7%	2,590.5	0.8%	2,610.6	5.1%	2,744.8	1.0%	2,773.4
Top and senior management ²⁾	236.3	-1.0%	233.9	8.0%	252.6	-1.8%	248.1	4.2%	258.6
Total workforce of Heidelberg Materials AG ³⁾	64.3	-2.2%	62.9	6.0%	66.6	3.9%	69.2	1.1%	70.0

1) Fixed salary (incl. 13th monthly salary, vacation pay), annual bonus (target 100%) and long-term bonus (target 100%) on a full-time basis.
2) Top- and Senior-Management of Heidelberg Materials AG excluding the Managing Board. Top Management comprises positions with management responsibility for global and area functions as well as for large- and medium-sized countries. Senior management comprises mostly positions with management responsibility that are not included in Top Management.
3) Including top and senior management, excluding Managing Board.

In the 2025 financial year, the ratio of the average remuneration of the Managing Board (including the Chairman of the Managing Board) to the average remuneration of top and senior management was 1:10 (previous year: 1:11), and the ratio to the total workforce of Heidelberg Materials was 1:40 (previous year: 1:40).

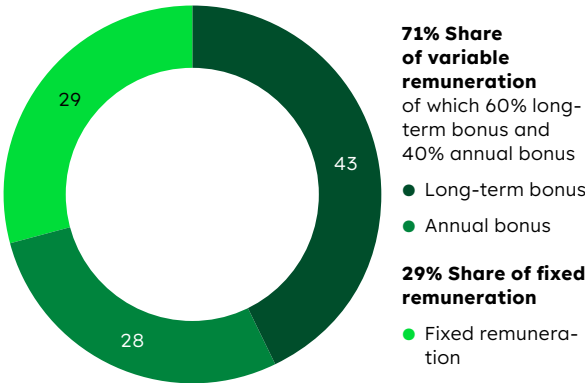
The percentage change in the average target direct remuneration of the Managing Board compared with the previous year is attributable to a regular salary adjustment that took place in 2025. This is explained in more detail in the [Fixed annual salary section](#).

Remuneration structure

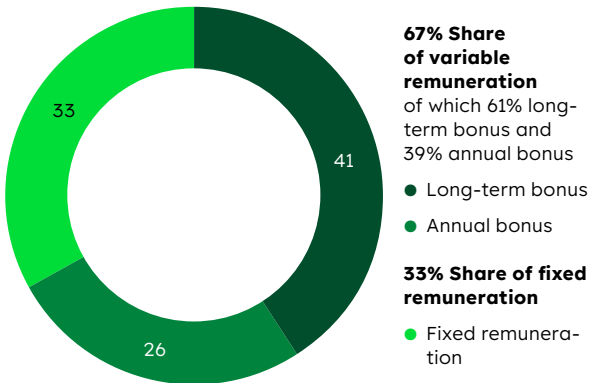
Pay for performance and the focus on the sustainable and long-term development of the company are central principles of the remuneration of its Managing Board. With these principles in mind, 71% of the target direct remuneration for the Chairman of the Managing Board and around 67% for the members of the Managing Board consists of performance-related remuneration components. The fixed annual salary thus accounts for 29% of the target direct remuneration for the Chairman of the Managing Board and around 33% for the members of the Managing Board. This remuneration structure is within the ranges envisaged in the 2024+ Remuneration System.

To ensure the long-term focus of the remuneration of the Managing Board, the share of the long-term bonus exceeds that of the annual bonus within the performance-related remuneration components.

Remuneration components of the Chairman of the Managing Board in %



Remuneration components of the members of the Managing Board¹⁾ in %



1) Excluding the Chairman of the Managing Board

Determining the target remuneration

Each member of the Managing Board is contractually promised a target remuneration that lies within the specified remuneration structure. The amount of the target remuneration depends on the responsibilities as well as the relevant experience of and tasks carried out by the individual member of the Managing Board.

In the 2025 and 2024 financial years, the target remuneration of the active members of the Managing Board is as follows:

Target remuneration

	Dr Dominik von Achten Chairman of the Managing Board		René Aldach Member of the Managing Board		Dr Katharina Beumelburg Member of the Managing Board (since 1 October 2024)		Roberto Callieri Member of the Managing Board ¹⁾		Axel Conrads Member of the Managing Board (since 1 February 2024)	
€'000s	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Fixed annual salary	1,598	1,700	638	715	212	847	660	660	550	600
Fringe benefits	10	11	189	190	8	16	686	663	8	16
Contribution to private pension (cash allowance)	-	-	-	-	-	-	400	400	-	-
One-year variable compensation	1,598	1,700	511	572	170	678	528	528	439	480
Annual bonus 2024	1,598	-	511	-	170	-	528	-	439	-
Annual bonus 2025	-	1,700	-	572	-	678	-	528	-	480
Multi-year variable compensation	2,397	2,550	798	894	266	1,059	825	825	688	750
Long-term bonus plan 2024–2027	2,397	-	798	-	266	-	825	-	688	-
Long-term bonus plan 2025–2028	-	2,550	-	894	-	1,059	-	825	-	750
Others	-	-	-	-	-	-	-	-	-	-
Service costs	417	424	179	178	63	188	-	-	194	196
Total compensation	6,021	6,386	2,315	2,548	719	2,788	3,099	3,076	1,879	2,042

1) 90% of Mr. Roberto Callieri's fixed annual salary, annual bonus, and long-term bonus are borne by Materials Asia. The remaining 10% is borne by Heidelberg Materials AG.

Target remuneration

	Hakan Gurdal Member of the Managing Board		Dennis Lentz Member of the Managing Board ²⁾		Jon Morrish Member of the Managing Board		Chris Ward Member of the Managing Board ³⁾	
€'000s	2024	2025	2024	2025	2024	2025	2024	2025
Fixed annual salary	841	847	638	715	944	948	872	868
Fringe benefits	81	51	479	467	103	52	62	69
Contribution to private pension (cash allowance)	-	-	-	-	-	-	392	375
One-year variable compensation	672	678	511	572	755	759	698	695
Annual bonus 2024	672	-	511	-	755	-	698	-
Annual bonus 2025	-	678	-	572	-	759	-	695
Multi-year variable compensation	1,051	1,059	798	894	1,180	1,185	1,068	1,185
Long-term bonus plan 2024–2027	1,051	-	798	-	1,180	-	1,068	-
Long-term bonus plan 2025–2028	-	1,059	-	894	-	1,185	-	1,185
Others	-	-	-	-	-	-	-	-
Service costs	247	234	164	165	216	164	-	-
Total compensation	2,892	2,868	2,590	2,813	3,199	3,108	3,092	3,191

2) 70% of Mr. Dennis Lentz's fixed annual salary, annual bonus, and long-term bonus are borne by Materials North America. The remaining 30% is borne by Heidelberg Materials AG.
3) 90% of Mr. Chris Ward's fixed annual salary, annual bonus, and long-term bonus are borne by Materials North America. The remaining 10% is borne by Heidelberg Materials AG. Chris Ward receives his remuneration in US dollars in accordance with his employment contract.
The average exchange rates for 2024 (1.0819 USD/EUR) and 2025 (1.1304 USD/EUR) were used for conversion into euros. The closing rate before the start of the performance period (2023: 1.10395 USD/EUR; 2024: 1.0354 USD/EUR) was used to convert the long-term bonus into euros.

Changes in the target remuneration compared with the previous year are explained in more detail in the [Fixed annual salary section](#).

Compliance with the maximum remuneration

The maximum remuneration defined for the members of the Managing Board limits all payouts resulting from the commitment for a financial year, regardless of when they are received. Reporting on compliance with the maximum remuneration in a financial year is therefore deferred until the point in time when all remuneration components allocated in the relevant financial year have been fully earned or granted and owed.

For remuneration agreed in the 2025 financial year, the provisions of the 2024+ Remuneration System regarding maximum remuneration will apply. Compliance with the maximum remuneration in the 2025 financial year will therefore be reported in the remuneration report for the 2028 financial year after the end of the duration of the 2025 tranche of the long-term bonus. If the payout from the long-term bonus results in the maximum remuneration being exceeded, the payout amount for the members of the Managing Board concerned will be reduced accordingly to ensure compliance with the maximum remuneration.

At the end of the 2025 financial year, all remuneration components allocated in the 2022 financial year have been granted and are owed. For remuneration

allocated in the 2022 financial year, the provisions of the 2021 Remuneration System regarding maximum remuneration apply. Accordingly, the maximum remuneration (without taking into account fringe benefits and annual service costs of pension commitments) equals the fixed annual salary plus the sum of the individual performance-related remuneration components (annual bonus and long-term bonus), which are each limited to twice the target value, plus the discretionary adjustment of a maximum of 15% or, for two members of the Managing Board, a maximum of 25%. The maximum remuneration for Ernest Jelito, Jon Morrish, and Chris Ward corresponds to up to 177% of the target direct remuneration, the maximum remuneration for Kevin Gluskie and Hakan Gurdal 184% of the target direct remuneration.

Absolute upper limits (excluding fringe benefits and annual service costs of pension commitments) for remuneration are defined in the Managing Board agreements concluded since the 2020 financial year. A maximum remuneration of €3,245,000 applies to René Aldach, Dr Nicola Kimm, and Dennis Lentz for the remuneration allocated in the 2022 financial year. For the current Chairman of the Managing Board, the corresponding maximum remuneration was set at €8,100,822 based on individual contractual provisions. This corresponds to 156% of the target direct remuneration for the Chairman of the Managing Board and 177% of the target direct remuneration for René Aldach, Dr Nicola Kimm, and Dennis Lentz.

The following table shows compliance with the maximum remuneration on an individualised basis for the members of the Managing Board in office in the 2022 financial year:

Remuneration paid for the 2022 financial year

	Dr Domink von Achten Chairman of the Managing Board	René Aldach Member of the Managing Board	Kevin Gluskie Member of the Managing Board ¹⁾ (until 31 January 2024)	Hakan Gurdal Member of the Managing Board	Ernest Jelito Member of the Managing Board (until 31 December 2023)	Dr Nicola Kimm Member of the Managing Board (until 31 August 2024)	Dennis Lentz Member of the Managing Board	Jon Morrish Member of the Managing Board	Chris Ward Member of the Managing Board ²⁾
€'000s/share in %	2022-2025	2022-2025	2022-2025	2022-2025	2022-2025	2022-2025	2022-2025	2022-2025	2022-2025
Fixed annual salary 2022	1,469	600	960	770	719	600	600	903	819
One-year variable compensation	2,394	782	1,170	973	901	749	765	1,134	1,000
Annual bonus 2022	2,394	782	1,170	973	901	749	765	1,134	1,000
Multi-year variable compensation	4,238	1,500	2,326	1,925	1,813	1,500	1,500	2,258	1,914
Long-term bonus 2022-2024/2025									
Management component tranche 2022-2024	2,259	750	1,163	963	906	750	750	1,129	956
Capital market component tranche 2022-2025	1,978	750	1,163	963	907	750	750	1,129	957
Total payments for the 2022 financial year	8,101	2,882	4,456	3,668	3,433	2,849	2,865	4,295	3,732
Target direct remuneration 2022	5,201	1,830	2,928	2,349	2,200	1,830	1,830	2,754	2,506
Total payments for 2022 as % of target remuneration	156%	158%	152%	156%	156%	156%	157%	156%	149%
Maximum remuneration as % of target remuneration	156%	177%	184%	184%	177%	177%	177%	177%	177%
Fixed maximum remuneration for 2022	8,101	3,245	5,388	4,321	3,901	3,245	3,245	4,883	4,443
Maximum remuneration complied with	yes	yes	yes	yes	yes	yes	yes	yes	yes

1) The average exchange rate for 2022 (1.5169 AUD/EUR) was used for conversion into euros. The closing rate before the start of the performance period (2021: 1.5647 AUD/EUR) was used to convert the long-term bonus into euros.
2) The average exchange rate for 2022 (1.0536 USD/EUR) was used for conversion into euros. The closing rate before the start of the performance period (2021: 1.1370 USD/EUR) was used to convert the long-term bonus into euros.

The maximum remuneration was complied with for all members of the Managing Board in office in the 2022 financial year. In the case of Dr Dominik von Achten, the payout of the 2022 tranche of the capital market component of the 2022-2024/2025 long-term bonus will be reduced by 288,198€ to comply with the maximum remuneration.

Application of the remuneration system in the 2025 financial year

With the exception of the long-term bonus, the remuneration components agreed in the 2025 financial year are based on the 2024+ Remuneration System. Only the long-term bonus payable for the 2025 financial year was still agreed under the 2021 Remuneration System. The following is an overview of the arrangement of the remuneration components under the current 2024+ Remuneration System.

Non-performance-related remuneration components

Fixed annual salary

The fixed annual salary is a fixed cash payment relating to the financial year, which is based on each Managing Board member’s area of responsibility and paid in 12 monthly instalments.

The employment contracts of the members of the Heidelberg Materials Managing Board provide for periodic reviews of the fixed annual salary in order to ensure that the remuneration is competitive, market common, and appropriate in relation to the tasks and performance of the members of the Managing Board and the position of the company.

In the 2025 financial year, the fixed annual salary of Managing Board member Chris Ward was adjusted by 6.0% as part of a contractually agreed periodic review. Since the last adjustment in September 2023, this corresponds to an annual rate of increase of 3.6%. This adjustment reflects the expected salary developments for 2025 as well as the strong competition for executives in North America. In comparison, the average annual rate of salary increase for the total workforce of Heidelberg Materials AG over the years 2023 to 2025 was 3.7%. In line with the proce-

Key components of the 2024+ Remuneration System

Component	2024+ Remuneration System			
Fixed annual salary	– Fixed annual salary, paid in 12 monthly installments			
Fringe benefits	– Granting of customary fringe benefits			
Pension commitment/ consideration	– Defined contribution pension commitment – Alternatively: pension consideration (cash allowance)			
Annual bonus	– Plan type: target bonus – Cap: 200% of target value			
	Group performance		Sustainable strategy targets	
	– Profit for the financial year – CO ₂ multiplier		– Health and safety – Free cash flow – Sustainable revenue – Individual target	
	50%		50%	
Long-term bonus	– Plan type: Performance share plan – Term: 4 years – Cap: 225% of target value			
	Group Performance			
	EBIT	ROIC	Relative TSR	ESG targets
	25%	25%	25%	25%
Share ownership	– Obligation to buy and hold Heidelberg Materials AG shares – 180% of fixed annual salary for the Chairman of the Managing Board – 100% of fixed annual salary for regular members of the Managing Board			
Maximum remuneration	– €11 million for the Chairman of the Managing Board – €6 million for regular members of the Managing Board – USD 6.5 million for members of the Managing Board whose remuneration is contractually specified in US dollar			
Malus & clawback	– Compliance malus and clawback – Performance clawback			

cedure described, the appropriateness of the remuneration of Chris Ward was also reviewed in the course of these adjustments. The maximum remuneration pursuant to section 87a of the AktG has not been adjusted.

The fixed annual salaries of the other members of the Managing Board remained unchanged in the 2025 financial year.

Fringe benefits

In the 2025 financial year, the taxable fringe benefits of the members of the Managing Board consisted of the provision of company cars and driving services, costs for flights home, tax consulting costs, relocation expenses, housing and school benefits, travel allowances, tax refunds for previous years, as well as insurance benefits, individually agreed membership fees, and additional secondment-related benefits. The additional secondment-related benefits included foreign health insurance as well as relocation and cost-of-living expenses.

No further fringe benefits were granted to the members of the Managing Board in the 2025 financial year.

The members of the Managing Board are covered in the company’s existing D&O liability insurance. The agreed deductible corresponds to the minimum deductible pursuant to section 93(2)(3) of the AktG in the respective version.

Performance-related remuneration components

The performance-related remuneration components include the annual bonus and the long-term bonus. While the annual bonus relates to a financial year, the long-term bonus has a duration of four years.

For the overall consideration of the company’s success, various performance criteria are used within the performance-related remuneration components to measure the target achievement. The performance criteria are derived from the Group strategy and are both financial and non-financial. Furthermore, the majority of the selected performance criteria contribute to the achievement of Heidelberg Materials’ sustainability targets.

The following table illustrates the focus of the performance criteria that are anchored in performance-related remuneration and derived from the Group strategy:

Type of performance criteria			
Performance criteria	Financial	Non-financial	ESG
Annual bonus			
Profit for the financial year	●	●	●
CO ₂ component	●	●	●
Health and safety	●	●	●
Free cash flow	●	●	●
Increase in sustainable revenue	●	●	●
Individual target	○	○	○
Long-term bonus			
EBIT	●	●	●
ROIC	●	●	●
Relative TSR	●	●	●
ESG target	○	○	●

● applicable

○ partly applicable

● not applicable

The Supervisory Board has the option of increasing or reducing the payout amount of the annual bonus and the long-term bonus at its reasonable discretion by a maximum of 15% of the respective target value in order to account for the personal performance of the individual members of the Managing Board and/or exceptional developments or circumstances in accordance with GCGC recommendation G.11. The respective limits on the performance-related remuneration components remain unchanged and have not been increased. If the Supervisory Board exercises this administrative discretion, the extent to which the payout amount is adjusted and the reasons for this will be set out in detail in the remuneration report.

In the 2025 financial year, the Supervisory Board made partial use of the option of discretionary adjustment when assessing the individual targets in the annual bonus. The application of this discretion is described in the Annual Bonus section. As in previous years, no discretionary adjustments were made to the long-term bonus.

Annual bonus

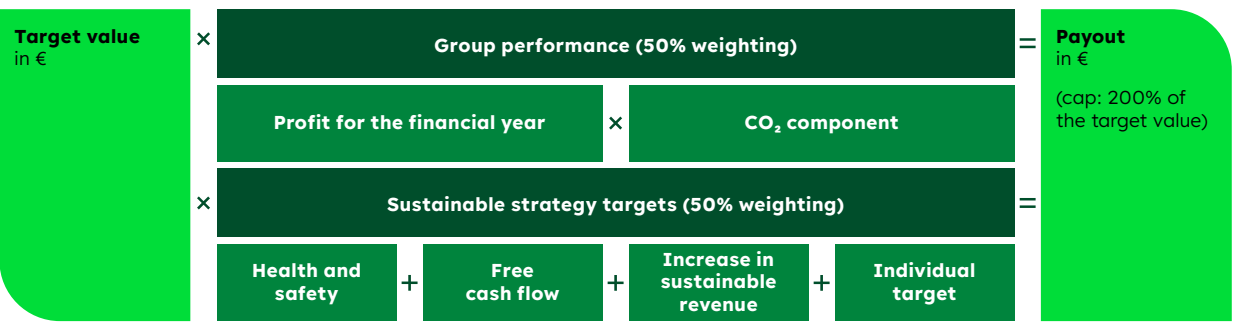
How it is calculated

The annual bonus is a one-year performance-related remuneration component that provides incentives to implement the operational targets in the financial year. The payout amount depends on the overall tar-

get achievement for the performance criteria and can range between 0% and 200% of the individual target value.

The annual bonus is paid in cash after the Annual General Meeting of the following year.

Annual bonus



If a member of the Managing Board joins or leaves during the year, the target value will be reduced pro rata temporis.

Performance criteria

Half of the overall target achievement for the annual bonus is measured by Group Performance and half by Sustainable Strategy Targets.

Group Performance

Group Performance is measured on the basis of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG (profit for the financial year) and the CO₂ component. The target achievement is calculated by multiplying the target achievement for the profit for the financial year by the CO₂ component.

Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders

Basis of this criterion is the profit for the financial year attributable to the shareholders of Heidelberg Materials AG, adjusted for special items. Special items are only taken into account above a value of €20 million.

The profit for the financial year attributable to the shareholders of Heidelberg Materials AG reflects Heidelberg Materials' profitability as a basic parameter. Increasing the value of the Group through sustainable and result-oriented growth is intended to guarantee a lasting entrepreneurial capacity to act. In line with its financial strategy, Heidelberg Materials strives to offer an attractive investment opportunity for its shareholders and to pursue a progressive dividend policy. As a component of the annual bonus,

this performance criterion is therefore intended to provide incentives for profitable management.

In order to calculate the target achievement of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG, the Supervisory Board determines a target corridor and the thresholds (floor and cap) at the beginning of the respective financial year. The target achievement can range from 0% to 200%.

For the 2025 financial year, the Supervisory Board set a target corridor of €2,018 million to €2,038 million. The target achievement rate is 100% if the actual value of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG is within the target corridor. The floor was set at €1,818 million and the cap at €2,205 million.

In the 2025 financial year, the actual value of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG, including adjustments for special items relevant to remuneration, amounted to €2,099.2 million. This results in a target achievement of 137%.

The following adjustments were agreed by the Supervisory Board in line with the above-mentioned threshold for special items:

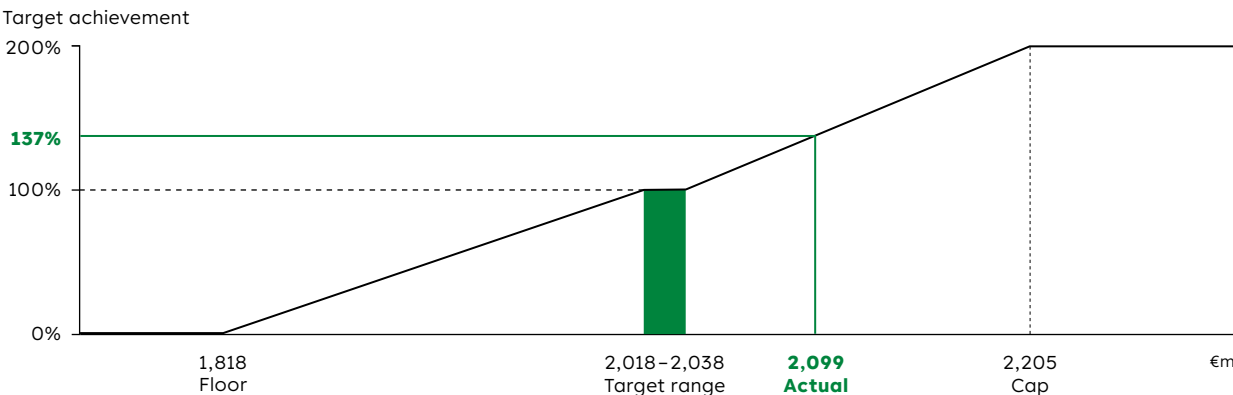
- Non-capitalisable expenses for software projects amounting to €22.8 million were added
- Losses related to the acquisition of the remaining 62.62% stake in Asment de Témara S.A. (Morocco), arising from the remeasurement of the previously held interest, were added in the amount of €38 million

- Restructuring expenses for the "Transformation Accelerator" initiative amounting to €48.4 million were added
- Impairments of goodwill for the Nordic Precast Group amounting to €59.5 million were added
- Impairments on assets under construction for projects in Germany, Sweden, and the USA – whose recoverability is subject to significant uncertainty – were added in the amount of €54.1 million
- Gains from the disposal and remeasurement of the retained interest in PT Mortar Prakarsa Utama (Indonesia) were subtracted in the amount of €33.4 million
- Reversals of tax provisions for prior years amounting to €28 million were subtracted

For the calculation of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG, the mentioned adjustments are corrected for the respective tax effects.

The following graph presents the target achievement of the performance criterion profit for the financial year:

Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders



CO₂ component

The CO₂ component in the annual bonus is intended to provide a meaningful incentive to achieve the CO₂ reduction targets set as part of the Group strategy. At the same time, the aim is to promote the long-term and sustainable development of Heidelberg Materials by orienting the business model towards resource-efficient production.

The methodology for calculating the CO₂ component is based on an internal definition for the specific CO₂ emissions per tonne of cement (Scope 1). This takes into account the CO₂ emissions of the main process steps in cement manufacture. These include the consumption of raw materials and fuel, as well as clinker production and clinker grinding. The CO₂ emissions of purchased clinker are also taken into account. In line with the EU ETS accounting methodology, the biomass content of the alternative fuels used is considered carbon-neutral.

To ensure comparability with relevant competitors, Heidelberg Materials reports on CO₂ emissions in accordance with the guidelines of the Global Cement and Concrete Association (GCCA) CO₂ Protocol (specific net CO₂ emissions per tonne of cementitious material, Scope 1) in the [Sustainability report chapter of the Annual Report 2025](#). Compared with the internal definition, the net CO₂ emissions calculation considers alternative fuels in their entirety as carbon-neutral rather than just their biomass content. As a result, the CO₂ emissions according to the internal definition are higher than those calculated in line with the GCCA standard.

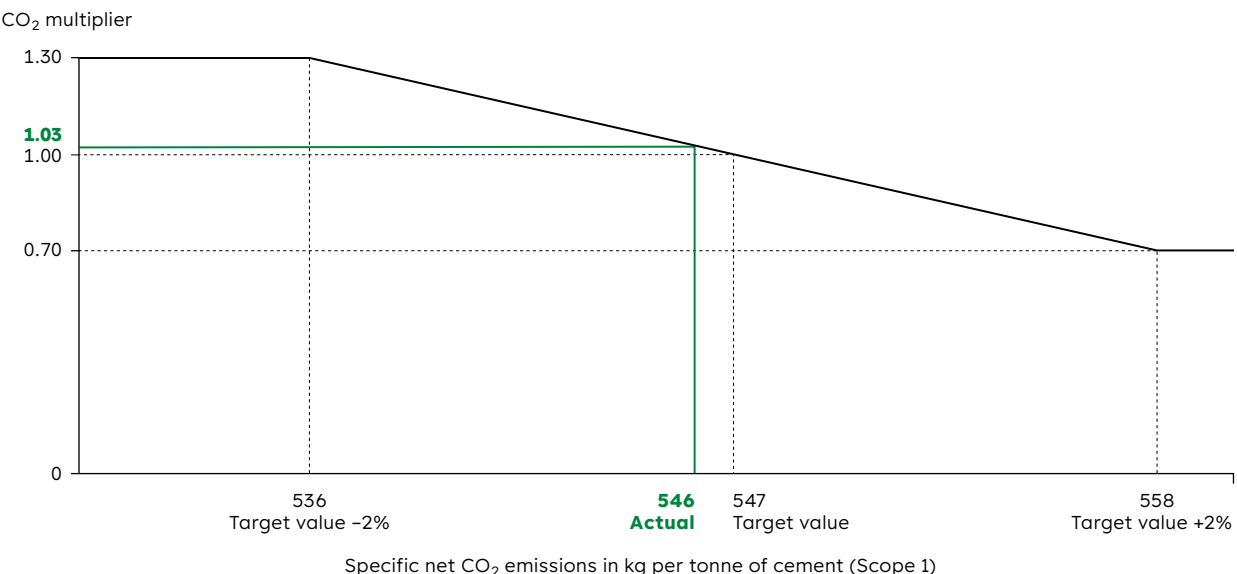
The Supervisory Board has resolved to align the methodology for calculating the CO₂ component with the guidelines of the GCCA CO₂ Protocol starting in the 2026 financial year in order to ensure consistency between the remuneration of the Managing Board on the one hand and the reporting in the sustainability report on the other.

The CO₂ component is set up as a multiplier, which can range between 0.7 and 1.3 (CO₂ multiplier). To determine the CO₂ multiplier, the Supervisory Board defines a target value for the specific CO₂ emissions per tonne of cement at the beginning of the respective financial year. That target value is derived from Heidelberg Materials' long-term CO₂ roadmap and the Group's current CO₂ performance.

For the 2025 financial year, the Supervisory Board set a target value of 547 kg of CO₂ per tonne of cement. Overachievement or underachievement of the target value by up to -2% or +2% leads to a linear increase or decrease of the target achievement. This results in a CO₂ multiplier between 1.3 (at -2.0%: cap) and 0.7 (at +2.0%: floor).

In the 2025 financial year, the actual value of CO₂ emissions was 546 kg of CO₂ per tonne of cement. This results in a CO₂ multiplier of 1.03. The following graph shows the target achievement of the CO₂ component:

CO₂ component



Sustainable Strategy Targets

The Sustainable Strategy Targets represent the second target category for the annual bonus. They consist of four different performance criteria. Anchored in the remuneration system are the two criteria health and safety and free cash flow adjusted for special items. This takes into account all cash flow-relevant special items that are also adjusted in the profit for the financial year. The third performance criterion is a sustainability-linked indicator. Targets for the increase of sustainable revenues were agreed with the members of the Managing Board for the 2025 financial year as part of this criterion. As a fourth performance criterion, the Supervisory Board sets an individual target for each member of the Managing Board at the beginning of each financial year.

For the 2025 financial year, the Supervisory Board has defined the weighting of the Sustainable Strategy Targets as follows:

Weighting of the Sustainable Strategy Targets for the 2025 financial year

Health and safety	20%
Free cash flow	40%
Sustainable revenues	20%
Individual target	20%

Health and safety

The Sustainable Strategy Target health and safety is designed to ensure the occupational health and safety of Heidelberg Materials' employees.

In order to achieve this target, the Supervisory Board sets specific targets for reducing the lost time injury frequency rate (LTIFR) in the 2025 financial year. Both the relative change in the LTIFR compared with the previous year and the absolute LTIFR are considered. A target achievement of 100% is reached in the event of a 15% reduction in the LTIFR compared with the previous year, or when the LTIFR is 1.0 per one million hours worked. A target achievement of 0% arises in the event that the LTIFR has increased compared with the previous year or is 2.0 or higher. For a maximum target achievement of 200%, the LTIFR must have been reduced by 30% or more compared with the previous year, or an LTIFR of 0 per one million hours worked must be achieved. Between these measurement points, a lower LTIFR leads to a linear increase of the target achievement and a higher LTIFR leads to a decrease. The better value of the two comparison scales is used to determine the target achievement.

In the 2025 financial year, the specific targets were differentiated by Managing Board responsibility or business line. While the target for the Managing Board members Dr Dominik von Achten, René Aldach, Dr Katharina Beumelburg, and Axel Conrads is measured at Group level, Group area-specific targets are set for Roberto Callieri (Asia), Hakan Gurdal (Africa-Mediterranean-Western Asia), Jon Morrish (Europe), and Chris Ward (North America). For Dennis Lentz, a

target to improve cybersecurity was set for the 2025 financial year as part of the health and safety criterion. The achievement of this target will be measured by evaluating Heidelberg Materials' cybersecurity standards against the criteria of an independent institute (Cybersecurity Framework of the National Institute of Standards and Technology).

In the 2025 financial year, the LTIFR was below 0.7 in the Africa-Mediterranean-Western Asia Group area, In the Asia and North America Group Area, the LTIFR was reduced by 46% and 63% respectively compared with 2024. In Europe, the LTIFR was above 2.5. The external assessment of Heidelberg Materials' cybersecurity standards improved very significantly at Group level in the financial year. The individual target achievements of the members of the Managing Board for the Sustainable Strategy Target health and safety in the 2025 financial year amount to between 0% and 200% and can be found in the table at the end of the section.

Free cash flow

In order to increase oversight of strategic investments and divestments by taking cash inflow into account, free cash flow is used as a further Sustainable Strategy Target. Depending on the responsibility of the member of the Managing Board concerned, this key figure is measured at Group or Group area level, adjusted in each case for special items. This takes into account all cash flow-relevant special items that are also adjusted in the profit for the financial year. For the 2025 financial year, the Supervisory Board set a target corridor of 0% to 200%, whereby achieving the free cash flow value set out in the op-

erational plan for the 2025 financial year corresponds to a target achievement of 100%. A target achievement of 0% arises if the free cash flow falls below the value set out in the operational plan by -20% or more. Overachievement of the free cash flow value set out in the operational plan by +15% or more corresponds to a target achievement of 200%. Between these measurement points, a higher free cash flow leads to a linear increase of the target achievement and a lower free cash flow leads to a decrease.

The performance of the Sustainable Strategy Target free cash flow is also assessed either on a Group-wide basis (Dr Dominik von Achten, René Aldach, Dr Katharina Beumelburg, Axel Conrads, Dennis Lentz) or on a Group area-specific basis (Roberto Callieri, Hakan Gurdal, Jon Morrish, and Chris Ward), depending on the responsibilities of the members of the Managing Board.

The individual target achievements of the members of the Managing Board for the Sustainable Strategy Target free cash flow in the 2025 financial year amount to between 115% and 200% and can be found in the table at the end of this section.

Increase of sustainable revenues

The aim of the Sustainable Strategy Target increase of sustainable revenues is to help raise the share of Group revenue generated by sustainable products in the cement business line to more than 50% by 2030.

The target achievement for the Sustainable Strategy Target increase of sustainable revenues in the 2025 financial year is calculated on the basis of the share of sustainable revenues in the cement business line relative to the corresponding total revenue. The target corridor is between 0% and 200%, whereby a target achievement of 100% is met if the percentage increase envisaged in the operational plan for the 2025 financial year is achieved, while a target achievement of 200% or 0% applies if the percentage increase is 2 percentage points above the operational plan or 2 percentage points below it, respectively. Between these measurement points, a higher share of sustainable revenues relative to total revenue leads to a linear increase of the target achievement and a lower share leads to a decrease.

Performance in terms of the increase of sustainable revenues is also assessed either at Group level (Dr Dominik von Achten, René Aldach, Dr Katharina Beumelburg, Axel Conrads, and Dennis Lentz) or at Group area level (Roberto Callieri, Hakan Gurdal, Jon Morrish, and Chris Ward), depending on the responsibilities of the members of the Managing Board.

In the 2025 financial year, sustainable revenues on Group level as well as in the Group areas Asia and Europe increased by more than the rise forecast in the operational plan. In the Africa-Mediterranean-Western Asia and Northamerica Group areas the increase of sustainable revenues was below the plan figure. The individual target achievements of the members of the Managing Board for the Sustainable Strategy Target increase of sustainable revenues in the 2025 financial year amount to between 35% and 200% and can be found in the table at the end of this section.

Individual target

The individual targets, which are the final component of the Sustainable Strategy Targets, are person-specific targets derived from the specific strategic or

operational targets of the respective Managing Board responsibilities. The individual targets for the 2025 financial year are presented in the following table:

Individual target achievement of Managing Board members

	Individual target	2025
Dr Dominik von Achten	Company Performance – Start-up of CCS Brevik and commercialization of evoZero (40%) – "Transformation Accelerator" initiative (30%) – M&A growth (30%)	154%
René Aldach	Strategic Projects & Performance Improvement Australia – M&A projects Australia (40%) – Strategic projects (30%) – "Transformation Accelerator" initiative (30%)	129%
Dr Katharina Beumelburg	Advancing Commercialization and Share of Sustainable Cement – Commercialization of evoZero (40%) – Increase of the alternative fuel substitution rate (30%) – Decrease of the clinker incorporation rate (30%)	111%
Roberto Callieri	Transformation Asia – Strategic projects Indonesia (30%) – Strategic projects India (40%) – "Transformation Accelerator" initiative Asia (30%)	160%
Axel Conrads	Programs, Projects & Automation – Deliver on programs (40%) – Deliver on projects (40%) – Deliver on automatisisation (20%)	141%
Hakan Gurdal	Africa-Mediterranean-Western Asia Portfolio Optimization & Efficiency – M&A portfolio optimization (40%) – Strategic projects Kazakhstan (30%) – "Transformation Accelerator" initiative Africa-Mediterranean-Western Asia (30%)	166%
Dennis Lentz	Digital Transformation – ERP Transformation (50%) – Command Alkon (15%) – Installation of remote-controlled facilities (15%) – "Transformation Accelerator" initiative Digital (20%)	153%
Jon Morrish	Business Transformation Europe – M&A contribution recycling Europe (30%) – Commercialization of evo Zero in Europe (30%) – "Transformation Accelerator" initiative Europe (40%)	110%
Chris Ward	Transformational Projects in Northamerica – M&A growth in NAM (40%) – Strategic projects in NAM (20%) – "Transformation Accelerator" initiative NAM (40%)	120%

The achievement of the individual targets of each member of the Managing Board is described below:

Dr Dominik von Achten: The carbon capture facility in Brevik was commissioned on schedule in 2025. The carbon captured near-zero cement evoZero was delivered to its first customers. Savings under the Transformation Accelerator initiative were significant above the target for the 2025 financial year. In North America, further strategic acquisitions were made during the financial year. On this basis, the Supervisory Board assessed Dr von Achten's individual target achievement as 154%.

René Aldach: Recent acquisitions in Australia met profit expectations in the 2025 financial year. Savings under the Transformation Accelerator initiative were below the target for the 2025 financial year in Australia. Significant progress was made in removing internal dividend blocks. On this basis, the Supervisory Board assessed Mr Aldach's individual target achievement as 129%.

Dr Katharina Beumelburg: The carbon captured near-zero cement evoZero was delivered to its first customers. In addition, the alternative fuels rate was increased to 34.2% and the Group-wide proportion of clinker in cement was reduced to 68.4%. On this basis, the Supervisory Board assessed Dr Beumelburg's individual target achievement as 111%.

Roberto Callieri: Savings under the Transformation Accelerator initiative were significantly above the target for the 2025 financial year in the region Asia. In addition, further progress was made on strategic projects in India and Indonesia. On this basis, the Supervisory Board assessed Mr Callieri's individual target achievement as 160%.

€'000s	Health & Safety (20%)	Free cash flow (40%)	Sustainable revenue (20%)	Individual target (20%)	Total
Dr Dominik von Achten	106%	121%	140%	154%	128%
René Aldach	106%	121%	140%	129%	123%
Dr Katharina Beumelburg	106%	121%	140%	111%	120%
Roberto Callieri	200%	200%	186%	160%	189%
Axel Conrads	106%	121%	140%	141%	126%
Hakan Gurdal	128%	200%	35%	166%	146%
Dennis Lentz	200%	121%	140%	153%	147%
Jon Morrish	0%	115%	200%	110%	108%
Chris Ward	200%	192%	77%	120%	156%

2025 annual bonus – overall target achievement and payouts

The following table shows the overall target achievement and the resulting payout amount per member of the Managing Board for the 2025 annual bonus:

Overall target achievement Annual bonus 2025

		Target achievement			Total	Payout
		Group performance (50%)		Sustainable strategy targets (50%)		
€'000s	Target value	Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders	CO ₂ multiplier	Total		
Dr Dominik von Achten	1,700			128%	135%	2,295
René Aldach	572			123%	132%	755
Dr Katharina Beumelburg	678			120%	131%	888
Roberto Callieri	528			189%	165%	871
Axel Conrads	480	137%	1.03	126%	134%	643
Hakan Gurdal	678			146%	144%	976
Dennis Lentz	572			147%	144%	824
Jon Morrish	759			108%	125%	948
Chris Ward	695			156%	149%	1,035
Total	6,660					9,235

In the event that a Managing Board membership begins or terminates during the year, the target achievement is applied to the target value reduced pro rata temporis in order to calculate the payout amount. This does not affect any member of the Managing Board in the 2025 financial year.

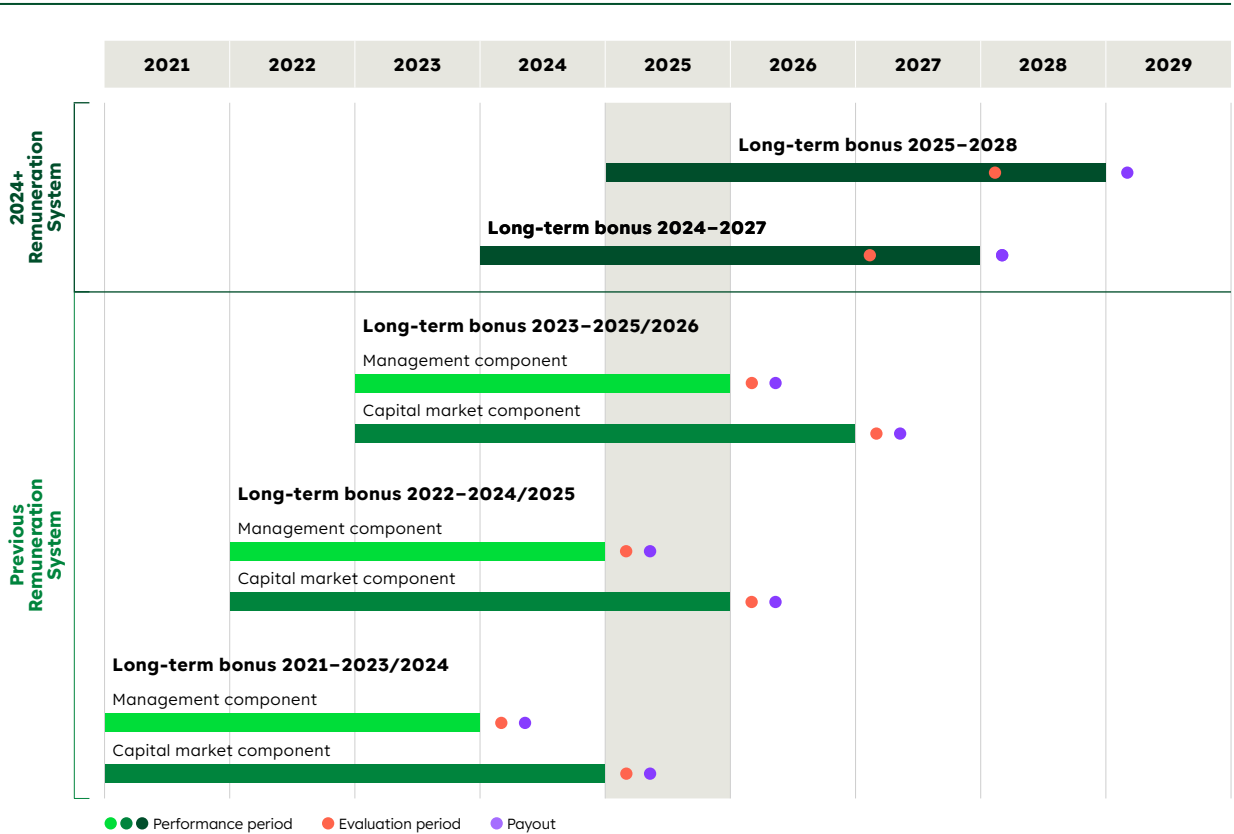
Long-term bonus

The long-term bonus is a performance-related remuneration component based on the company's long-term performance and is allocated in annual tranches.

At the beginning of the 2025 financial year, a new tranche of the fully share-based long-term bonus was allocated in the form of performance share units

(PSUs) based on the 2024+ Remuneration System (2025–2028 tranche). The following illustration gives an overview of the payout scheme for the tranche of the long-term bonus allocated in 2025 and the still-outstanding tranches of the long-term bonus (until including allocation year 2023, based on the 2021 Remuneration System):

Outstanding tranches of the long-term bonus



Calculation of the long-term bonus in accordance with the 2024+ Remuneration System

The long-term bonus is based on virtual shares, so-called performance share units (PSUs), and is allocated in annual tranches. Using PSUs in the long-term bonus establishes a direct link to the performance of the Heidelberg Materials share, strengthening the alignment between the interests of the Managing Board and those of the shareholders.

When calculating the long-term bonus, the first step is to determine the number of PSUs to be provisionally allocated. This is done by dividing the contractually agreed grant amount for the long-term bonus by the reference price of the Heidelberg Materials share at the beginning of the duration of a tranche (allocation price). The allocation price is generally the average of the daily closing prices of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the day on which the duration of a tranche begins.

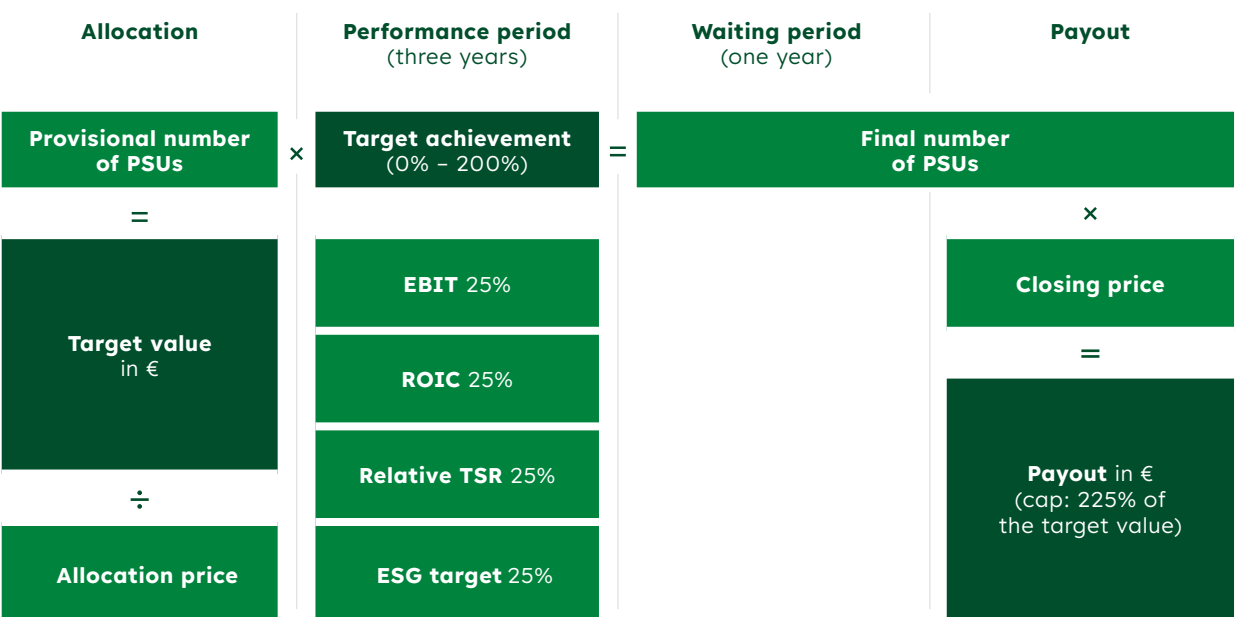
The long-term bonus has a duration of four years. This consists of a three-year performance period and a one-year waiting period. At the end of the performance period, the target achievement for the performance criteria is determined and the final number of

PSUs is calculated. The target achievement can range between 0% and 200%. The final number of PSUs is calculated by multiplying the provisionally allocated number of PSUs by the target achievement.

The payout is made following a one-year waiting period that begins after the performance period. The final number of PSUs is then multiplied by the current reference price of the Heidelberg Materials share (closing price), adjusted for notionally reinvested dividend payments and for changes in capital. The closing price is generally the average of the daily closing prices of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the day on which the waiting period expires.

Payouts from the long-term bonus are capped at a maximum of 225% of the contractually agreed grant amount and are made after the Annual General Meeting following expiry of the duration. In order to fulfil the Share Ownership Guidelines, half of the payout amount must be used to acquire Heidelberg Materials shares until the complete share ownership requirement has been met (see [Share Ownership Guidelines section](#)).

Long-term bonus according to 2024+ Remuneration System



The following table summarises the individual grant amounts per Managing Board member, the allocation price, the number of provisionally allocated PSUs,

and the maximum possible number of PSUs at the end of the performance period for the 2025–2028 long-term bonus:

Allocation long-term bonus 2025–2028

€'000s	Award value	Allocation price in €	Number of provisionally allocated PSUs	Maximum possible number of PSUs
Dr Dominik von Achten	2,550	111.21	22,929	45,858
René Aldach	894		8,037	16,074
Dr Katharina Beumelburg	1,059		9,520	19,040
Roberto Callieri	825		7,418	14,836
Axel Conrads	750		6,744	13,488
Hakan Gurdal	1,059		9,520	19,040
Dennis Lentz	894		8,037	16,074
Jon Morrish	1,185		10,657	21,314
Chris Ward	1,185		10,655	21,310
Total	10,400		93,517	187,034

In the event that a Managing Board membership begins or terminates during the year, the grant amount for the tranche allocated in the corresponding financial year is reduced pro rata temporis. This does not affect any member of the Managing Board in the 2025 financial year.

Performance criteria for the long-term bonus in accordance with the 2024+ Remuneration System

The overall target achievement for the long-term bonus in accordance with the 2024+ Remuneration System is determined on the basis of the equally weighted performance criteria EBIT, ROIC, relative TSR, and ESG target.

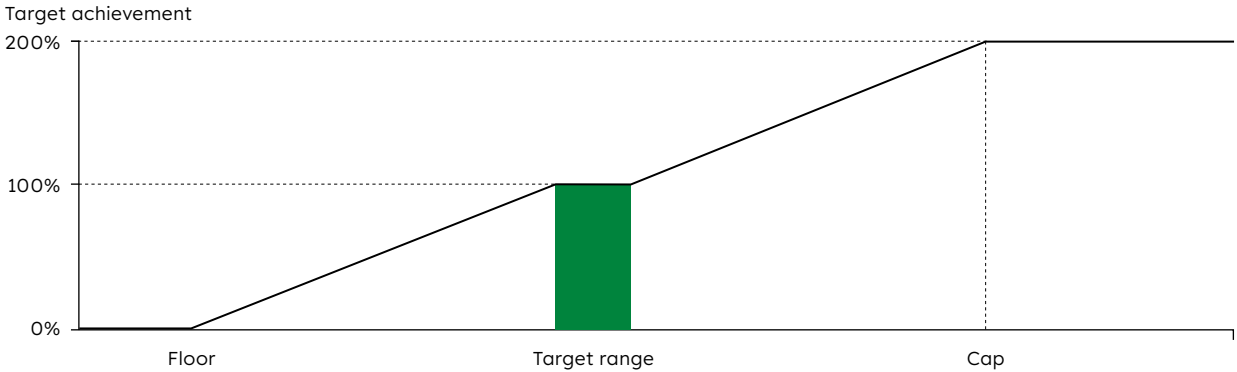
EBIT

The basis for this performance criterion is earnings before interest and taxes (EBIT), which is adjusted for one-time extraordinary effects. As for the calculation of the profit for the financial year, only special items above a threshold of €20 million are taken into account.

EBIT is a measure of profitability and reflects the economic strength of Heidelberg Materials. Combined with the profit for the financial year in the annual bonus, incentives for profitable management are thus provided in both the short-term and long-term performance-related remuneration components.

At the beginning of each tranche, the Supervisory Board determines a target corridor, which is derived from the Group's three-year operational plan, as well as the thresholds (floor and cap). The calculation of the target achievement at the end of the performance period is based on a comparison of the average EBIT over the three-year performance period with the specified target corridor. The target achievement can range from 0% to 200%.

Exemplary target achievement curve for EBIT



For the performance criterion EBIT, the defined target corridor, the thresholds (floor and cap), as well as the resulting target achievement and the adjust-

ments made for the calculation of target achievement are disclosed in the remuneration report after the duration of the respective tranche.

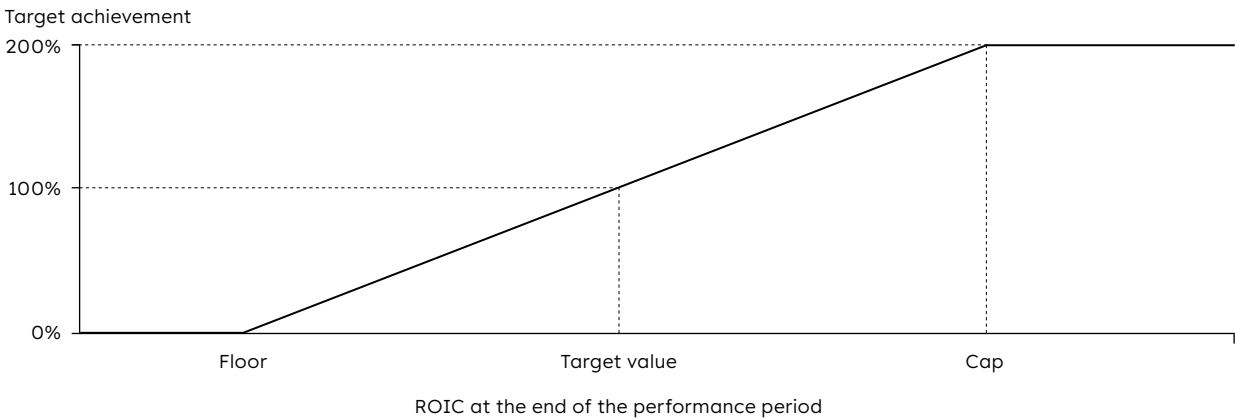
ROIC

The performance criterion is based on return on invested capital (ROIC). ROIC is calculated as the ratio between EBIT adjusted for exchange rate effects less standard taxes and invested capital according to the consolidated balance sheet, also adjusted for exchange rate effects. The Supervisory Board may adjust ROIC for impairments that could not be influenced by the Managing Board during the performance period, or could only be influenced to a limited extent. ROIC is one of Heidelberg Materials’ most important financial performance indicators. The inclusion of ROIC as a performance criterion in the long-term bonus therefore provides further incen-

tives to increase capital efficiency in line with the Group strategy.

The ROIC target achievement is measured by comparing the target value set at the beginning of the respective tranche with the average ROIC over the performance period. The floor and cap of the target achievement curve at the beginning of the performance period are defined depending on the target value. The target value set by the Supervisory Board is derived from the company’s relevant three-year operational plan. The target achievement can range from 0% to 200%.

Exemplary target achievement curve for ROIC



For the performance criterion ROIC, the defined target value, the thresholds (floor and cap), as well as the resulting target achievement and the adjustments made for the calculation of target achievement are disclosed in the remuneration report after the duration of the respective tranche.

Relative TSR

The total shareholder return (TSR) performance is determined by comparing the performance of the Heidelberg Materials share (calculated as percentage increase in share value taking into account re-invested dividend payments and adjustments for capital measures) with a peer group.

Relative TSR represents a capital market-oriented performance criterion that provides an incentive for

the sustainable and long-term outperformance of the peer group and is thus in line with Heidelberg Materials’ target of offering shareholders an attractive investment opportunity.

For the 2025–2028 tranche, the peer group used to measure relative TSR is composed of the following competitors of Heidelberg Materials:

Peer group used from 2025 onwards

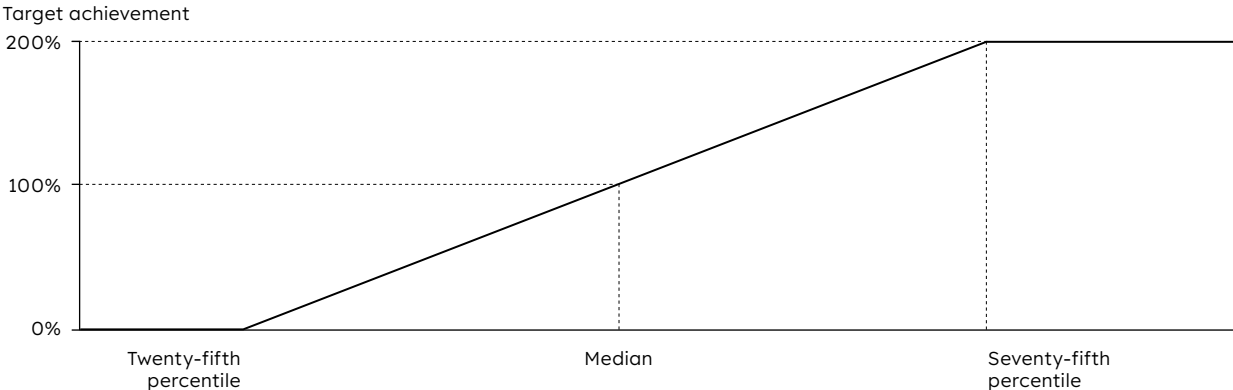
Global	Europe	North America	Asia
Cemex S.A.B.	ACS, S.A.	Amrize Ltd	PT Semen Indonesia Tbk
CRH plc	Bouygues SA	Eagle Materials Inc.	
Holcim Ltd	Breedon Group plc	Martin Marietta Materials Inc.	
	Buzzi S.p.A	Vulcan Materials Co.	
	Skanska AB		
	Titan Cement Int. S.A.		
	Vicat SA		

As part of the resolution on the 2024+ Remuneration System, the Supervisory Board defined the peer group for measuring relative TSR. The Supervisory Board has the option of adjusting the peer group if necessary, for example if individual companies no longer serve as a meaningful comparison or other competitors grow in importance. The companies Boral Limited and Summit Materials, Inc., which were included in the chosen peer group, have since been delisted from the stock exchange following take-overs. As a result, the corresponding share prices can no longer be taken into account when determining the TSR performance. In line with the 2024+ Remuneration System, the Supervisory Board has adjusted the peer group and excluded Boral Limited (in 2024) and Summit Materials (in 2025) from it for all current and future tranches of the long-term bonus.

Furthermore, Holcim spun off its North American business in June 2025, which has since been listed as an independent company under the name Amrize. As a result, the Supervisory Board of Heidelberg Materials AG resolved to include Amrize as an additional company in the peer group from June 2025 for all current and future tranches of the long-term bonus.

The target achievement range for the relative TSR at the end of the performance period is 0% to 200%. To measure the relative TSR, the TSR performance of Heidelberg Materials and the peer group companies over the performance period is ranked. The target achievement is calculated based on Heidelberg Materials' rank within the peer group according to the following target achievement curve:

Target achievement curve for relative TSR



The target achievement rate is 100% if Heidelberg Materials' TSR corresponds to the median within the peer group. Below the 25th percentile, the target achievement is 0%; above the 75th percentile, it is 200%. Between these measurement points, the target achievement is determined by means of linear interpolation.

The Supervisory Board set the target achievement curve in line with German market practice and with a view to achieving a balanced risk and opportunity profile.

ESG target

In the context of the global challenges caused by climate change and resource scarcity, the Supervisory Board decided to include an ESG target in the long-term bonus from 2024 onwards in order to provide strong incentives to achieve Heidelberg Materials' ambitious sustainability targets in the long-term performance-related remuneration component as well. At the beginning of the duration of a tranche of the long-term bonus, the Supervisory Board sets a measurable and quantifiable ESG target. The ESG target is derived from Heidelberg Materials' Group and sustainability strategy, taking into account the results of the double materiality analysis carried out as part of sustainability reporting (see also [Sustainability report chapter of the Annual Report 2025](#)).

The Supervisory Board will determine the ESG target for each tranche of the long-term bonus as needed, taking into account the progress made on the various corporate targets, such as those within the framework of the Sustainability Commitments 2030.

For the ESG target, the Supervisory Board determines a target value corresponding to a target achievement of 100%, a lower threshold (floor) corresponding to a target achievement of 0%, and an upper threshold (cap) corresponding to a target achievement of 200%. The target values set for the ESG target, the floor and cap, and the target achievements are disclosed in the remuneration report after the duration of the respective tranche.

For the 2025 tranche of the long-term bonus, the Supervisory Board agreed targets with the members of the Managing Board to reduce specific CO₂ emissions per tonne of cement over the three-year performance period of the long-term bonus. The specific CO₂ emissions per tonne of cement are measured in

accordance with the internal logic described in the CO₂ component section, which also applies to the measurement of target achievement in the annual bonus. If the ESG target described here is continued, the plan is to align the methodology for calculating CO₂ emissions with the GCCA guidelines for the long-term bonus as well, starting in the 2026 financial year.

Reducing CO₂ emissions is a key lever when it comes to achieving Heidelberg Materials' Sustainability Commitments 2030. The use of the CO₂ multiplier in the annual bonus, in combination with the definition of CO₂ reduction targets over a three-year period in the long-term bonus, is intended to create a balanced incentive profile for the members of the Managing Board in order to achieve the target of reducing specific net CO₂ emissions to below 400 kg of CO₂ per tonne of cementitious material by 2030.

Calculation of the long-term bonus in accordance with the 2021 remuneration system

Before the 2024+ Remuneration System came into force, tranches of the long-term bonus were allocated in accordance with the 2021 Remuneration System, the last time being in the 2023 financial year. The tranches of the long-term bonus to be paid out in the period 2024–2027 will therefore still follow the methodology of the previous long-term bonus. The latter consists of two components.

Management component

The management component is structured as a performance cash plan. It has a three-year performance period and considers internal added value as measured by the equally weighted performance criteria EBIT and ROIC. The target value for the management component is 50% of the total grant amount for the long-term bonus. At the end of the perfor-

mance period, the Supervisory Board determines the target achievement for the management component. The overall target achievement can range between 0% and 200%.

Capital market component

The capital market component is based on PSUs, has a four-year performance period, and takes into account the external added value, measured using the performance criterion TSR compared with the relevant capital market indices. For the capital market component, the first step is to determine the number of PSUs to be provisionally allocated. The number of PSUs is calculated on the basis of 50% of the overall grant amount for the long-term bonus divided by the reference price of the Heidelberg Materials share at the start of the performance period (allocation price). The allocation price is the average of the daily closing prices of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the start of the performance period.

At the end of the four-year performance period, the target achievement is determined for the performance criterion of the capital market component. The target achievement can range between 0% and 200%. The final number of PSUs is calculated by multiplying the provisionally allocated number of PSUs by the target achievement. The resulting number of PSUs is then multiplied by the current reference price

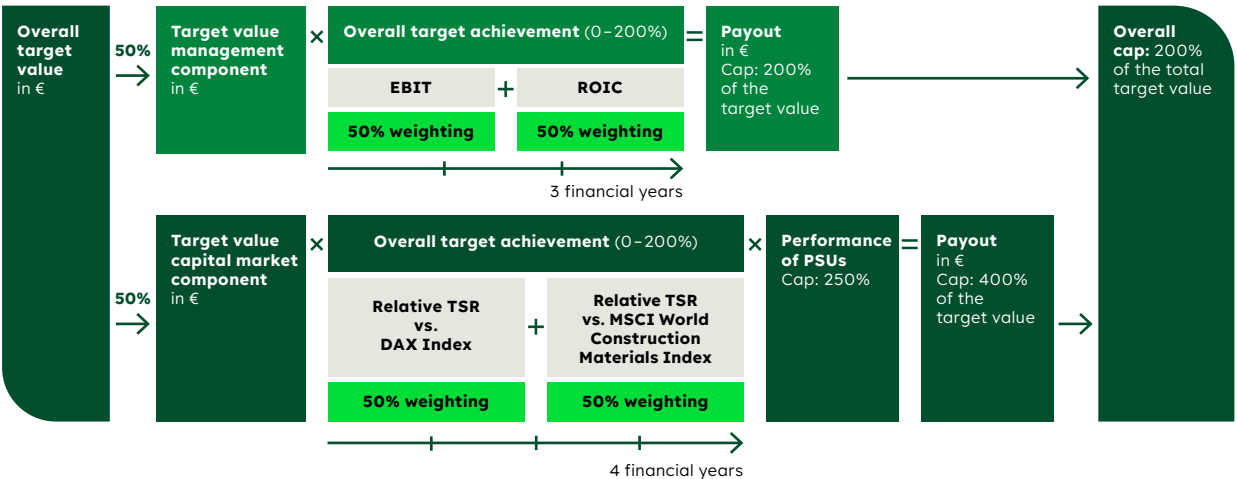
of the Heidelberg Materials share at the end of the performance period (closing price), adjusted for the notionally reinvested dividend payments and for changes in capital. The closing price is the average of the daily closing prices of the Heidelberg Materials share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the start of the performance period. The increase in value per PSU is limited to 250% of the allocation price.

The management component is paid in cash after the Annual General Meeting of the year following the

three-year performance period and is limited to 200% of the grant amount. The capital market component is paid in cash after the Annual General Meeting of the year after the four-year performance period and is limited to 400% of the grant amount.

Payouts from the overall long-term bonus are capped at a maximum of 200% of the contractually agreed grant amount, where the amount of the capital market component can offset the amount of the management component payout.

Long-term bonus (Remuneration System 2021)



Performance criteria of the management component in accordance with the 2021 remuneration system

The overall target achievement for the management component is determined on the basis of the equally weighted performance criteria adjusted EBIT and ROIC.

EBIT

The basis for this performance criterion is the EBIT, which is adjusted for one-time extraordinary effects. As for the calculation of the profit for the financial year attributable to the shareholders of Heidelberg Materials AG, only special items above a threshold of €20 million are taken into account.

At the beginning of each tranche, the Supervisory Board determined a target corridor, which is derived from the Group’s three-year operational plan, as well as the thresholds (floor and cap). The calculation of the target achievement at the end of the performance period is based on a comparison of the average EBIT over the three-year performance period with the specified target corridor. The target achievement can range from 0% to 200%.

ROIC

This performance criterion is based on ROIC. In the 2023 tranche of the long-term bonus, adjusted ROIC is calculated as EBIT adjusted for exchange rate effects less standard taxes and divided by invested capital. EBIT is adjusted solely for exchange rate differences compared with the assumptions made in the operational plan in the first year of the performance period. The standard tax rate is calculated by dividing the current tax expense (non-deferred) for the current year by the profit before tax adjusted for impairments.

The ROIC target achievement is measured by comparing the target value set at the beginning of the respective tranche with the actual value at the end of the performance period. The floor and cap of the target achievement curve are defined depending on the target value. The target value set by the Supervisory Board is derived from the company’s relevant three-year operational plan. The target achievement can range from 0% to 200%.

Performance criterion of the capital market component in accordance with the 2021 remuneration system

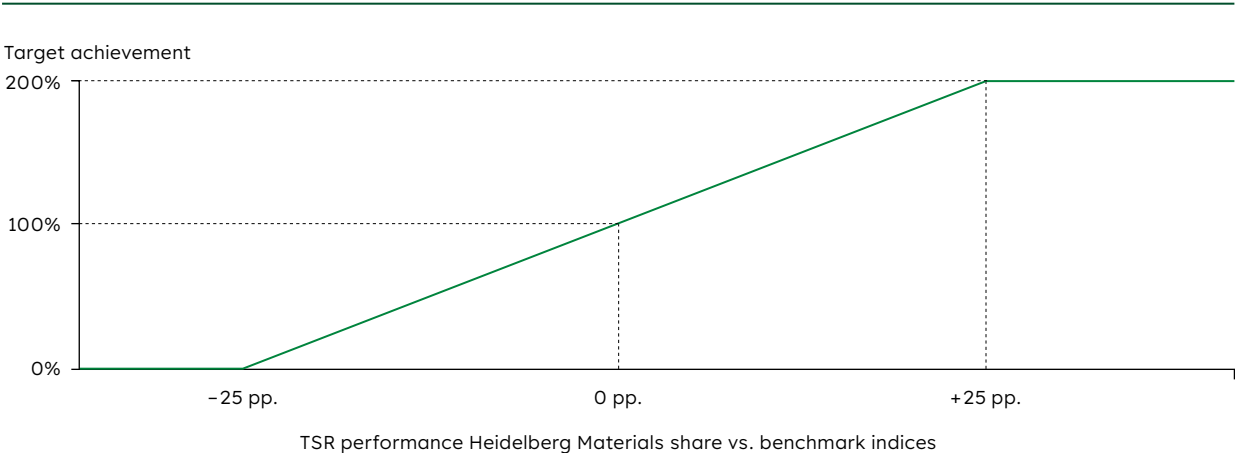
For the capital market component, the target achievement is measured using the performance criterion relative TSR.

Relative TSR

The TSR performance is determined by comparing the performance of the Heidelberg Materials share (calculated as percentage increase in share value taking into account reinvested dividend payments and adjustments for capital measures) with the performance of the two capital market indices DAX and MSCI World Construction Materials Index.

The target achievement range for determining the final number of PSUs at the end of the performance period is 0% to 200%. Target achievement is measured by the change in TSR based on a four-year reference period prior to the start of the plan over the four-year duration of the performance period (degressive smoothing). The development of the TSR of the Heidelberg Materials share is determined and compared with the respective development of the benchmark indices. Target achievement is then calculated on the basis of the average relative TSR using the following target achievement curve:

Relative TSR



Completed tranches at the end of the 2025 financial year

At the end of the 2025 financial year, the 2023 tranche of the management component (2023–2025/2026 long-term bonus) and the 2022 tranche of the capital market component (2022–2024/2025 long-term bonus) were completed. The structure of the two completed tranches largely follows the methodology of the long-term bonus in accordance with the 2021 Remuneration System as described above.

2023 tranche of the management component

Before the start of the tranche, a target corridor of €2,308 million to €2,408 million corresponding to a target achievement of 100% was set for EBIT. The actual EBIT value, which is calculated as the average of the EBIT over the three years of the performance period, was €3,140 million (2023: €2,957 million, 2024: €3,157 million, 2025: €3,307 million). The Supervisory Board decided to adjust the individual annual figures for the special items that were also taken into account when determining the profit for the financial year attributable to the shareholders of Heidelberg Materials AG for the purposes of the annual bonus, insofar as they have an impact on EBIT. In previous years and in the 2025 financial year, these were primarily restructuring expenses, impairments, and gains on disposals. This results in a target achievement for EBIT of 200%.

Before the start of the tranche, a target value of 7.88% was set for ROIC, for which a target achievement of 100% could be reached. The lower threshold (floor) for ROIC, where the target achievement is 0%, is 7.25%, while the upper threshold (cap) for ROIC, which must be reached for a target achievement of 200%, is 8.65%. The actual ROIC value at the end of the performance period is 9.96%, corresponding to a target achievement of 200%.

Based on the target achievements in the two performance criteria, the overall target achievement for the 2023 tranche of the management component is 200%.

The table summarises the target values, thresholds (floor and cap), as well as actual values and target achievements per performance criterion:

Target achievement in management component of long-term bonus 2023–2025/2026

€m		Target achievement curve			Actual value	Target achievement
		Floor	Target corridor/ value	Cap		
EBIT	50%	2,208	2.308- 2.408	2,508	3,140	200%
ROIC	50%	7.25%	7.88%	8.65%	9.96%	200%
Total	100%					200%

The following table shows the payout amount per member of the Managing Board resulting from the overall target achievement for the 2023 tranche of the management component:

Management component of long-term bonus 2023–2025/2026

€'000s	Award value	Target achievement			Payout
		EBIT	ROIC	Total	
Dr Dominik von Achten	1,144	200%	200%	200%	2,288
René Aldach	375				750
Hakan Gurdal	481				963
Dennis Lentz	375				750
Jon Morrish	564				1,129
Chris Ward ¹⁾	542				1,084
Total	3,481				6,962

1) The closing rate before the start of the performance period (2022: 1.0705 USD/EUR) was used to convert the long-term bonus into euros.

The payout from the 2023 tranche of the management component will be made following the Annual General Meeting in 2026.

2022 tranche of the capital market component

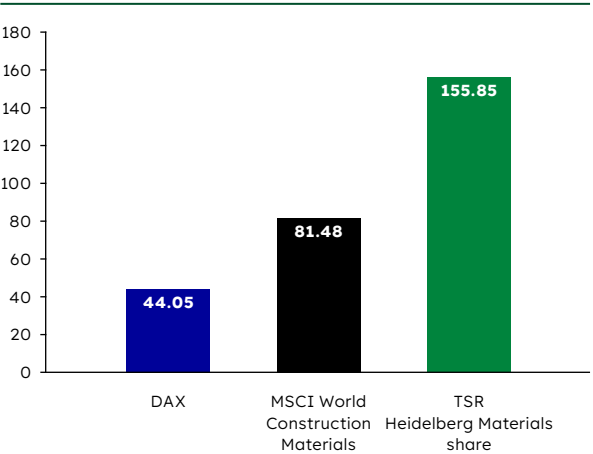
The target achievement for the 2022 tranche of the capital market component was measured analogously to the methodology of the long-term bonus in accordance with the previous remuneration system as described above on the basis of the performance criterion relative TSR.

While the DAX recorded an increase of 44.05% over the four-year performance period compared with the reference period and the MSCI World Construction Materials Index an increase of 81.48%, the TSR of the Heidelberg Materials share was 155.85% at the end of the performance period. This results in a difference of +111.8 percentage points compared with the DAX and a difference of +74.4 percentage points compared with the MSCI World Construction Materials Index. This amounts to an average difference of 93 percentage points. The overall target achievement rate for the relative TSR is therefore 200% for the 2022 tranche of the capital market component.

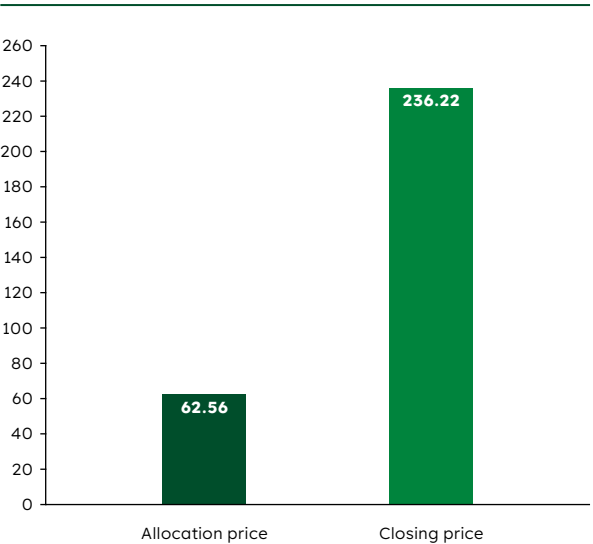
The allocation price for determining the number of provisionally allocated PSUs at the start of the tranche was €62.56. The calculated closing price, including notionally reinvested dividends and adjusted for changes in capital, was €236.22 at the end of the performance period. This corresponds to an increase of 278% over the performance period. Pursuant to the conditions of the long-term bonus plan, the closing price is capped at 2.5 times the allocation price. As a result, the closing price relevant for calculating the payout amounts is €156.40.

Pursuant to the conditions of the long-term bonus plan, the sum of the payout amounts from the management and capital market components of a tranche is limited to 200% of the respective grant amount. Since the management component of the 2022 tranche of the long-term bonus reached a target achievement of 200%, the payout amount for the capital market component of this tranche is also limited to 200%. Applying the target achievement and the payout price calculated as described above thus gives a payout amount for the 2022 tranche of the capital market component of 200% of the respective grant amount.

Performance of the benchmark indices and the TSR of the Heidelberg Materials share in %



Development of the Heidelberg Materials share in €



The following table describes the main elements of the 2022 tranche of the capital market component per member of the Managing Board:

Summary of the capital market component of the long-term bonus 2022–2024/2025

€'000s	Target value	Allocation price in €	Number of provisionally allocated PSUs	Target achievement relative TSR	Final number of PSUs	Closing price ³⁾ in €	Payout ⁴⁾
Dr Dominik von Achten ¹⁾	1,133	62.56	18,114	200%	36,228	156.40	1,978
René Aldach	375		5,994		11,988		750
Hakan Gurdal	481		7,693		15,386		963
Dennis Lentz	375		5,994		11,988		750
Jon Morrish	564		9,021		18,042		1,129
Chris Ward ²⁾	479		7,652		15,304		957
Total	3,408		54,468		108,936		6,527

1) To ensure compliance with the maximum remuneration, the payout for Dr Dominik von Achten is limited to 1,978 k€.
2) The closing rate before the start of the performance period (2021: 1.1370 USD/EUR) was used to convert the long-term bonus into euros.
3) The calculated closing price is EUR 236.22. However, according to the plan terms and conditions, the closing price is limited to 2.5 times the reference price. This value amounts to EUR 156.40.
4) Due to the target achievement of 200% of the management component of the long-term bonus 2022–2024/2025, the payout per member of the Managing Board is limited to 200% of the respective target value.

Pension commitment/cash allowance

Defined contribution pension commitment

Members of the Managing Board who have been newly appointed or reappointed since 2019 are generally provided with a defined contribution pension commitment, based on which the company will pay the Managing Board member an annual pension contribution. The amount of this contribution is reviewed on a regular basis. In the framework of a capital market-oriented model, these contributions are used to acquire fund shares that are credited to a pension account. The Managing Board member is entitled to a one-off capital payment in the amount of the value of the pension account at the time of benefit commencement. Alternatively, the Managing Board

member can choose to receive an annuity based on the accumulated pension capital. The pension contributions accumulated over the duration of the commitment are guaranteed.

Dr Dominik von Achten, René Aldach, Dr Katharina Beumelburg, Axel Conrads, Hakan Gurdal, Dennis Lentz, and Jon Morrish each had a defined contribution pension commitment in the 2025 financial year.

Cash allowance

As an alternative to granting the defined contribution pension commitment, the Supervisory Board may grant members of the Managing Board a fixed monetary amount for their own private pension provision (cash allowance).

In the 2025 financial year, Roberto Callieri and Chris Ward were entitled to receive an annual cash allowance, which can be used to finance a private pension plan.

Defined benefit pension commitment (old commitment)

The retirement agreements of the members of the Managing Board appointed prior to 2019 contained the commitment to an annual retirement pension in the form of a percentage of their pensionable income. The percentage was limited to 4% per commenced year of service; the maximum amount was 40% of the pensionable income. The pensionable income was agreed individually for each member of the Managing Board.

When the respective members of the Managing Board were reappointed, these defined benefit pension commitments were fixed at the value of the pension benefit at the changeover date. In addition to their defined contribution pension commitment, the members of the Managing Board concerned therefore have a defined benefit commitment in the amount of the defined benefit entitlements earned up to the date on which the defined contribution pension commitment is granted. In the 2025 financial year, this applied to Dr Dominik von Achten, Hakan Gurdal, and Jon Morrish.

Commencement of benefits

Entitlement to pension benefits arises in the case of both defined contribution and defined benefit pension commitments either:

- After leaving the company upon reaching retirement age (pension benefit paid on an individual basis between the 62nd and 63rd year of age), or
- In the event of premature termination of contract for reasons for which the Managing Board member is not responsible, provided that they have reached the age of 60 or 62 at the time of termination of contract, or
- Due to permanent disability owing to illness

Survivor pension benefit

The retirement agreements include a survivor pension benefit. If a member of the Managing Board dies during the term of his or her employment contract or after benefit commencement, their widow or widower and dependent children receive a widow's, widower's, or orphan's pension. In the case of defined benefit commitments, the widow/widower's pension is 60% and the orphan's pension 10% of the deceased's pension benefit as long as a widow/widower's pension is being paid at the same time. If a widow/widower's pension is not being paid at the same time, the orphan's pension is 20% of the deceased's pension benefit. In the case of defined contribution commitments, the full entitlement to the value of the pension account shall pass to the widow or widower and the surviving children.

- 1) Currently, no payments have been made from a long-term bonus granted during Managing Board membership. According to the Managing Board contract, there has therefore been no obligation to purchase shares to date.
- 2) In the case of Chris Ward, the shares held as of December 31, 2025 are converted into USD using the exchange rate applicable on their respective purchase dates and compared with his fixed annual base salary in USD.

Malus and clawback rules

The performance-related remuneration components include malus and clawback rules. These give the Supervisory Board the option to reduce part or all of the performance-related remuneration components that have not yet been paid out (compliance malus) or to reclaim performance-related remuneration components that have already been paid out (compliance clawback) in the event of breaches of essential duties of diligence.

In the event of the payout of performance-related remuneration components on the basis of materially incorrect consolidated financial statements, the Supervisory Board may reclaim performance-related remuneration components that have already been paid out (performance clawback). In this case, the claim for repayment consists of the difference between the performance-related remuneration owed and the excess amount paid out. The malus and clawback rules apply to both the annual bonus and the long-term bonus.

In the 2025 financial year, the Supervisory Board did not see any reason to apply malus and clawback rules, which is why the Supervisory Board did not reduce or reclaim variable remuneration.

Disclosure of benefits in the event of departure

Exit conditions

In the event of the early termination of a Managing Board membership without good cause, the payout from the annual bonus and the long-term bonus shall be made in accordance with the contractually stipulated due dates and conditions. There shall be no accelerated settlement or payout. The target values of the annual bonus and the long-term bonus shall be reduced pro rata temporis in the case of a departure during the financial year in which the annual bonus or long-term bonus is allocated.

If the employment contract of a member of the Managing Board is extraordinarily and effectively terminated for good cause before the expiry of the term, entitlements to the annual bonus and the long-term bonus shall be forfeited.

No severance payments were made in the 2025 financial year.

Severance pay cap

In the event of an early termination of a Managing Board membership without good cause, care is taken in accordance with the recommendations of the GCGC to ensure that payments to a Managing Board member, including fringe benefits, do not exceed the value of two annual remunerations and do not compensate more than the remaining term of the employment contract (severance pay cap). The severance pay cap is calculated based on the amount of the total remuneration for the past financial year and, where applicable, on the amount of the expected total remuneration for the current financial year. A severance pay cap has been agreed with all members of the Managing Board in office in the 2025 financial year.

Change of control

The remuneration system does not provide for any commitments in the event of an early termination of the Managing Board membership as a result of a change of control.

Post-contractual non-compete clause

A post-contractual non-compete clause applies to the members of the Managing Board, according to which they are prohibited for a period of up to two years after the termination of their employment contract from working for a company that is in direct or indirect competition with Heidelberg Materials or another Heidelberg Materials company, either independently or in an employed capacity or in any other way. Moreover, the members of the Managing Board are prohibited from establishing, acquiring, or directly or indirectly participating in such a competing company for the duration of the post-contractual non-compete clause. For the duration of the post-contractual non-compete clause, the member of the Managing Board receives their last fixed annual salary in equal monthly instalments (waiting allowance). The waiting allowance shall be reduced to the extent that the member of the Managing Board receives benefits from a defined benefit pension commitment after leaving the company. Heidelberg Materials AG may waive the post-contractual non-compete clause before the termination of the employment contract.

In 2025, waiting allowances were paid to Kevin Gluskie (€831,000) and Dr Nicola Kimm (€400,000).

Disclosure of benefits from third parties

For the 2025 financial year, the members of the Managing Board have not received any benefits from third parties in connection with their Managing Board activities. For the avoidance of doubt, the costs of the remuneration of Dennis Lentz in the context of his secondment to the USA and of Chris Ward due to his role as CEO of Heidelberg Materials US, Inc., were shared between Heidelberg Materials AG and Heidelberg Materials US, Inc., by way of a cost split. The cost of the remuneration of Kevin Gluskie and Roberto Callieri was split between Heidelberg Materials AG and Heidelberg Materials Asia Pte. Ltd.

Remuneration granted and owed in the 2025 financial year

Remuneration of active members of the Managing Board in the 2025 financial year

The remuneration granted and owed to the individual members of the Managing Board in the 2025 financial year pursuant to section 162 of the AktG is presented in the following.

The remuneration granted includes the remuneration components whose underlying (single or multi-year) service or performance period was fully completed in the financial year, even if payout does not take place until the following financial year.

The remuneration granted and owed in the 2025 financial year pursuant to section 162 of the AktG consists of the following remuneration components:

- The fixed annual salary paid in the 2025 financial year
- The fringe benefits accrued in the 2025 financial year

- The cash allowance paid for the 2025 financial year in the case of Roberto Callieri and Chris Ward
- The annual bonus determined for the 2025 financial year in accordance with the 2024+ Remuneration System (2025 annual bonus), which is paid in the 2026 financial year

- The 2023 tranche of the management component, which was completed at the end of the 2025 financial year and is paid in the 2026 financial year
- The 2022 tranche of the capital market component, which was completed at the end of the 2025 financial year and is paid in the 2026 financial year

Furthermore, the service costs of the pension commitments in accordance with IAS 19 for the 2025 financial year is shown in the tables as part of the Managing Board remuneration.

In addition to the absolute remuneration amounts, the tables also contain the relative proportion of the individual remuneration components within the total remuneration granted and owed.

Granted and owed remuneration pursuant to section 162 of the AktG

	Dr Dominik von Achten Chairman of the Managing Board			René Aldach Member of the Managing Board			Dr Katharina Beumelburg Member of the Managing Board (since 1 October 2024) ²⁾			Roberto Callieri Member of the Managing Board ¹⁾ (since 1 January 2024)			Axel Conrads Member of the Managing Board (since 1 February 2024)		
€'000s/share of granted and owed remuneration pursuant to section 162 of the AktG in %	2024	2025		2024	2025		2024	2025		2024	2025		2024	2025	
Fixed annual salary	1,598	1,700	21%	638	715	23%	212	847	48%	660	660	26%	550	600	48%
Fringe benefits	10	11	0%	189	190	6%	8	16	1%	686	663	26%	8	16	1%
Contribution to private pension (cash allowance)	-	-		-	-		-	-		400	400	15%	-	-	
One-year variable compensation	2,765	2,295	28%	868	755	24%	288	888	51%	855	871	34%	734	643	51%
Annual bonus 2024	2,765	-		868	-		288	-		855	-		734	-	
Annual bonus 2025	-	2,295		-	755		-	888		-	871		-	643	
Multi-year variable compensation	3,864	4,266	52%	1,375	1,500	47%	0	0	0%	0	0	0%	0	0	0%
Long-term bonus 2021-2023/2024															
Capital market component tranche 2021-2024	1,605	-		625	-		-	-		-	-		-	-	
Long-term bonus 2022-2024/2025															
Management component tranche 2022-2024	2,259	-		750	-		-	-		-	-		-	-	
Capital market component tranche 2022-2025	-	1,978		-	750		-	-		-	-		-	-	
Long-term bonus 2023-2025/2026															
Management component tranche 2023-2025	-	2,288		-	750		-	-		-	-		-	-	
Others	-	-		-	-		1,900	-		-	-		-	-	
Granted and owed remuneration pursuant to section 162 of the AktG	8,238	8,272	100%	3,071	3,160	100%	2,408	1,751	100%	2,601	2,595	100%	1,292	1,259	100%
Service costs	417	424		179	178		63	188		-	-		194	196	
Total compensation	8,655	8,697		3,250	3,337		2,471	1,939		2,601	2,595		1,486	1,455	

1) 90% of the fixed annual salary, the annual bonus and the long-term bonus of Roberto Callieri are paid by Heidelberg Materials Asia. The remaining 10% was paid by Heidelberg Materials AG. The fringe benefits of Roberto Callieri include, in addition to the assumption of costs for a company car, group accident insurance and flights home, as well as a travel allowance and the assumption of costs for a company flat.
2) In the case of Dr Katharina Beumelburg, the value for 2024 includes a compensation payment as compensation for the loss of long-term variable remuneration components from her former employer.

Granted and owed remuneration pursuant to section 162 of the AktG

	Hakan Gurdal Member of the Managing Board			Dennis Lentz Member of the Managing Board ¹⁾			Jon Morrish Member of the Managing Board			Chris Ward Member of the Managing Board ²⁾		
€'000s/share of granted and owed remuneration pursuant to section 162 of the AktG in %	2024	2025		2024	2025		2024	2025		2024	2025	
Fixed annual salary	841	847	22%	638	715	20%	944	948	23%	872	868	20%
Fringe benefits	81	51	1%	479	467	13%	103	52	1%	62	69	2%
Contribution to private pension (cash allowance)	-	-		-	-		-	-		392	375	9%
One-year variable compensation	1,116	976	26%	894	824	23%	1,382	948	23%	1,088	1,035	24%
Annual bonus 2024	1,116	-		894	-		1,382	-		1,088	-	
Annual bonus 2025	-	976		-	824		-	948		-	1,035	
Multi-year variable compensation	1,923	1,925	51%	1,375	1,500	43%	2,256	2,258	54%	1,844	2,041	47%
Long-term bonus 2021-2023/2024												
Capital market component tranche 2021-2024	961	-		625	-		1,128			888	-	
Long-term bonus 2022-2024/2025												
Management component tranche 2022-2024	963	-		750	-		1,129			956	-	
Capital market component tranche 2022-2025	-	963		-	750		-	1,129		-	957	
Long-term bonus 2023-2025/2026												
Management component tranche 2023-2025	-	963		-	750		-	1,129		-	1,084	
Others	-	-		-	-		-			-	-	
Granted and owed remuneration pursuant to section 162 of the AktG	3,961	3,799	100%	3,386	3,506	100%	4,686	4,206	100%	4,258	4,388	100%
Service costs	247	234		164	165		216	164		-	-	
Total compensation	4,209	4,032		3,550	3,671		4,902	4,370		4,258	4,388	

1) 70% of Dennis Lentz's fixed annual salary, the annual bonus and the long-term bonus were paid by Heidelberg Materials North America. The remaining 30% are paid by Heidelberg Materials AG. The fringe benefits of Dennis Lentz include, in addition to the assumption of costs for a company car, group accident insurance and flights home, especially secondment-related benefits such as foreign health insurance, relocation, housing, school and living costs.

2) 90% of the fixed annual salary, the annual bonus, and the long-term bonus of Chris Ward are borne by Heidelberg Materials North America. The remaining 10% is borne by Heidelberg Materials AG. Chris Ward receives his remuneration in US dollars in accordance with his employment contract. The average exchange rates for the years 2024 (1.0819 USD/EUR) and 2025 (1.1304USD/EUR) were used for conversion into euros. The closing rates before the start of the performance period (31 December, 2020: 1.2216 USD/EUR, 31 December, 2021: 1.1370 USD/EUR) were used to convert his long-term bonus into euros.

Remuneration of former members of the Managing Board

Granted and owed remuneration pursuant to section 162 of the AktG to former members of the Managing Board consists in particular of payouts of the long-term bonus and of retirement and transitional payments.

In line with the information provided in the [Completed tranches at the end of the 2025 financial year](#)

[section](#), former members of the Managing Board are entitled to payouts from the 2023 tranche of the management component as well as from the 2022 tranche of the capital market component. The payout of the tranches will be made following the Annual General Meeting in 2026.

The following tables show the remuneration granted and owed to the former members of the Managing Board in the 2025 financial year pursuant to section 162 of the AktG:

Summary of management component of long-term bonus 2023–2025/2026 for former members of the Managing Board

1,000 €	Target value	Target achievement			Payout
		EBIT	ROIC	Total	
Kevin Gluskie ¹⁾	579				1,158
Ernest Jelito ²⁾	455	200%	200%	200%	910
Dr Nicola Kimm	375				750

1) The closing rate before the start of the performance period (31 December 2022: 1.5717 AUD/EUR) was used to convert the long-term bonus into euros.
For Kevin Gluskie, the value includes a crediting of a prepayment for the long-term bonus 2023–2025/2026 in the amount of 579 k€.

2) For Ernest Jelito, the value includes a crediting of a prepayment for the long-term bonus 2023–2025/2026 in the amount of 455 k€.

Summary of capital market component of long-term bonus 2022–2024/2025 for former members of the Managing Board

1,000 €	Target value	Allocation price in €	Number of provisionally allocated PSUs	Target achievement relative TSR	Final number of PSUs	Closing price in €	Payout
Kevin Gluskie ¹⁾	582		9,296		18,592		1,163
Ernest Jelito	454	62.56	7,250	200.00%	14,500	156.40	907
Dr Nicola Kimm	375		5,994		11,988		750

1) The closing rate before the start of the performance period (2021: 1.5647 AUD/EUR) was used to convert the long-term bonus into euros.
For Kevin Gluskie, the value includes a crediting of a prepayment for the long-term bonus 2022–2024/2025 in the amount of 582 k€.

- 1) In the case of Kevin Gluskie, the other remuneration components contain the payout of the waiting allowance.
- 2) In the case of Ernest Jelito, the other remuneration components contain costs for tax consultancy.
- 3) In the case of Dr Nicola Kimm, the other remuneration components contain the payout of the waiting allowance as well as costs for tax consultancy.

Remuneration of the Supervisory Board in the 2025 financial year

Principles of the remuneration of the Supervisory Board

On 29 January 2025, the Supervisory Board adopted a revised remuneration system for the members of the Supervisory Board of Heidelberg Materials AG. This revised remuneration system was approved by the 2025 Annual General Meeting with an acceptance rate of 99.57% and has applied to all members of the Supervisory Board since 1 January 2025.

While retaining the proven model of fixed remuneration, the amended remuneration system takes into account the steadily growing demands on and increased workload and time commitment required of the members of the Supervisory Board, in particular the Chairman of the Supervisory Board, the Audit Committee, the Personnel Committee, and the Sustainability and Innovation Committee, as well as the members of these committees. At the same time, the attendance fee was reduced by an appropriate amount.

The remuneration of the Supervisory Board is set out in section 12 of the Articles of Association of Heidelberg Materials AG. It consists of fixed amounts and attendance fees. Each member receives a fixed remuneration of €100,000; the Chairman receives

three times, and his deputy one and a half times, that amount. The members of the Audit Committee additionally receive a fixed remuneration of €30,000 and the members of the Personnel Committee and the members of the Sustainability and Innovation Committee receive €25,000. The chairperson of each committee receives two and a half times the respective amount.

In addition, an attendance fee of €1,000 is paid for each personal participation in a meeting of the Supervisory Board and its committees, irrespective of the form in which it is carried out. For multiple meetings that take place on the same day or on subsequent days, the attendance fee is paid only once.

The employee representatives on the Supervisory Board remit a significant portion of their Supervisory Board remuneration to the recuperation facility for the employees of Heidelberg Materials AG (Erholungswerk der Belegschaft der Heidelberg Materials AG e.V.).

Remuneration granted and owed to the members of the Supervisory Board

The following table lists the remuneration granted and owed to the members of the Supervisory Board in the 2025 financial year pursuant to section 162 of the AktG.

Remuneration granted and owed to the members of the Supervisory Board

€'000s/share of total remuneration in %	Fixed remuneration			Remuneration for committee membership			Attendance fees			Total remuneration	
	2024	2025		2024	2025		2024	2025		2024	2025
Dr Bernd Scheifele (Chairman)	200	300	90%	29	25	8%	20	7	2%	249	332
Barbara Breuninger	80	100	56%	38	55	33%	24	10	6%	142	165
Gunnar Groebler	50	100	78%	13	25	19%	8	4	3%	71	129
Katja Karcher	50	100	64%	25	50	32%	10	7	4%	85	157
Ludwig Merckle	80	100	44%	85	118	51%	24	11	5%	189	229
Luka Mucic	80	100	46%	70	100	47%	22	11	5%	172	211
Markus Oleynik	50	100	64%	15	50	32%	10	7	4%	75	157
Peter Riedel	80	100	60%	45	55	33%	24	11	7%	149	166
Werner Schraeder (Deputy Chairman)	105	150	69%	52	55	25%	24	11	5%	182	216
Margret Suckale	80	100	60%	45	55	33%	24	11	7%	149	166
Dr Sopna Sury	80	100	58%	45	88	45%	14	7	4%	139	195
Anna Toborek-Kacar	13	100	76%	2	25	19%	2	7	5%	18	132
Total	950	1,450	64%	465	700	31%	206	104	5%	1,620	2,254

Comparative presentation
of the development in remuneration
and earnings

In accordance with the provisions of section 162(1)(2) (2) of the AktG, the following table shows the remuneration development of the members of the Managing Board who were active in the 2025 financial year

as well as former members of the Managing Board on the basis of the remuneration granted and owed pursuant to section 162 of the AktG, the members of the Supervisory Board, and the employees in comparison with the company’s development in earnings. For the employees, the total workforce of Heidelberg Materials AG excluding the Managing Board was taken into account.

Development of the direct remuneration of the Managing Board, the Supervisory Board, and the average direct remuneration of the workforce of Heidelberg Materials AG

	2021	Change	2022	Change	2023	Change	2024	Change	2025
Development of earnings									
Result from current operations before depreciation and amortisation in €m	3,875	–4%	3,739	–4%	4,258	6%	4,499	4%	4,679
Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders in €m	1,759	–9%	1,597	17%	1,865	–4%	1,782	9%	1,941
Net profit/net loss of Heidelberg Materials AG pursuant to the HGB in €m	392	–34%	257	214%	806	–2%	787	–33%	525
Employees¹⁾									
Average	74	–3%	72	7%	77	4%	80	6%	85
Active members of the Managing Board in the financial year									
Dr Dominik von Achten (Chairman)	5,606	4%	5,850	11%	6,515	26%	8,238	6%	8,697
René Aldach ²⁾	502	178%	1,395	49%	2,083	47%	3,071	9%	3,337
Dr Katharina Beumelburg ³⁾	–	–	–	–	–	–	2,408	–19%	1,939
Roberto Callieri ⁴⁾	–	–	–	–	–	–	2,601	–0%	2,595
Axel Conrads ⁵⁾	–	–	–	–	–	–	1,292	13%	1,455
Hakan Gurdal	2,856	–6%	2,697	8%	2,925	35%	3,961	2%	4,032
Dennis Lentz ²⁾	528	220%	1,691	45%	2,452	38%	3,386	8%	3,671
Jon Morrish	3,415	–6%	3,209	7%	3,429	37%	4,686	–7%	4,370
Chris Ward	2,850	13%	3,216	3%	3,308	29%	4,258	3%	4,388
Former members of the Managing Board									
Kevin Gluskie ⁶⁾	3,766	–1%	3,728	3%	3,854	141%	9,277	–66%	3,152
Ernest Jelito ⁷⁾	2,502	3%	2,575	22%	3,150	58%	4,968	–63%	1,830
Andreas Kern	–	–	–	–	199	71%	341	0%	341
Dr Nicola Kimm ⁸⁾	565	153%	1,432	47%	2,100	11%	2,322	–17%	1,917
Dr Lorenz Näger ⁹⁾	6,407	–63%	2,355	–24%	1,792	–25%	1,342	–64%	489
Dr Bernd Scheifele ¹⁰⁾	4,063	–71%	1,163	–12%	1,023	–0%	1,023	0%	1,023
Dr Albert Scheuer ¹¹⁾	873	–68%	280	–	–	–	–	–	–

Development of the direct remuneration of the Managing Board, the Supervisory Board, and the average direct remuneration of the workforce of Heidelberg Materials AG

	2021	Change	2022	Change	2023	Change	2024	Change	2025
Members of the Supervisory Board¹²⁾									
Fritz-Jürgen Heckmann (Chairman) ¹³⁾	273	-62%	105	-	-	-	-	-	-
Dr Bernd Scheifele (Chairman) ¹⁴⁾	-	-	167	59%	265	-6%	249	33%	332
Heinz Schmitt (Deputy Chairman) ¹⁵⁾	191	-4%	183	2%	187	-61%	74	-	-
Barbara Breuning	127	-3%	123	2%	125	13%	142	16%	165
Gunnar Groebler ¹⁶⁾	-	-	-	-	-	-	71	82%	129
Birgit Jochens ¹⁷⁾	122	-8%	112	5%	118	-61%	45	-	-
Katja Karcher ¹⁶⁾	-	-	-	-	-	-	85	85%	157
Ludwig Merckle	173	-2%	169	13%	191	-1%	189	21%	229
Tobias Merckle	98	-64%	35	-	-	-	-	-	-
Dr Sopna Sury	-	-	57	100%	114	22%	139	40%	195
Luka Mucic	176	-5%	168	2%	172	0%	172	23%	211
Markus Oleynik ¹⁶⁾	-	-	-	-	-	-	75	109%	157
Dr Ines Ploss ¹⁸⁾	122	-8%	112	23%	138	-17%	114	-	-
Peter Riedel	127	-3%	123	18%	145	3%	149	11%	166
Werner Schraeder (Deputy Chairman) ¹⁹⁾	151	-5%	143	17%	167	9%	182	19%	216
Margret Suckale	153	-3%	149	1%	151	-1%	149	11%	166
Anna Toborek-Kacar ²⁰⁾	-	-	-	-	-	-	18	633%	132
Prof. Dr Marion Weissenberger-Eibl ¹⁷⁾	100	-8%	92	50%	138	-62%	53	-	-

1) Total workforce of Heidelberg Materials AG incl. top and senior management, excluding Managing Board (full-time equivalents).
2) Member of the Managing Board since 1 September 2021
3) Member of the Managing Board since 1 October 2024
4) Member of the Managing Board since 1 January 2024
5) Member of the Managing Board since 1 February 2024
6) Member of the Managing Board until 31 January 2024
7) Member of the Managing Board until 31 December 2023
8) Member of the Managing Board from 1 September 2021 until 31 August 2024
9) Deputy Chairman of the Managing Board until 31 August 2021
10) Chairman of the Managing Board until 31 January 2020
11) Member of the Managing Board until 5 August 2019
12) Individual amounts may fluctuate due to entries and exits during the year as well as changing committee activities.
13) Chairman of the Supervisory Board until 12 May 2022
14) Chairman of the Supervisory Board since 12 May 2022
15) Deputy Chairman of the Supervisory Board until 16 May 2024
16) Member of the Supervisory Board since 16 May 2024
17) Member of the Supervisory Board until 16 May 2024
18) Member of the Supervisory Board until 31 October 2024
19) Deputy Chairman of the Supervisory Board since 16.05.2024
20) Member of the Supervisory Board since 01 November 2024

Auditor's Report

To Heidelberg Materials AG, Heidelberg

We have audited the remuneration report of Heidelberg Materials AG, Heidelberg, for the financial year from January 1 to December 31, 2025 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Heidelberg Materials AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory

board, as well as evaluating the overall presentation of the remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2025, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Heidelberg Materials AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Frankfurt am Main, March 24, 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

[sgd. Michael Conrad] Wirtschaftsprüfer (German Public Auditor)	[sgd. Thorsten Neumann] Wirtschaftsprüfer (German Public Auditor)

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Heidelberg Materials at a glance

Figures in €m

	2021	2022	2023	2024	2025
Income statement					
Revenue	18,720	21,095	21,178	21,156	21,460
- thereof share of revenue from sustainable products ¹⁾	31%	34%	33%	35%	37%
- thereof share of revenue from sustainable products of cement business line ¹⁾	34%	37%	39%	45%	47%
Result from current operations before depreciation and amortisation (RCOBD)	3,875	3,739	4,258	4,499	4,679
RCOBD margin in %	20.7	17.7	20.1	21.3	21.8
Result from current operations (RCO)	2,614	2,476	3,022	3,204	3,381
Additional ordinary result	481	-193	1	-436	-264
Financial result	-201	-65	-174	-181	-193
Profit for the financial year	1,902	1,723	2,087	1,918	2,130
Profit attributable to Heidelberg Materials AG shareholders	1,759	1,597	1,929	1,782	1,941
Earnings per share in € ²⁾	8.91	8.45	10.43	9.87	10.92
Dividend per share in €	2.40	2.60	3.00	3.30	3.60*
Investments					
Investments in intangible assets and PP&E less state subsidies	1,419	1,260	1,235	1,300	1,341
Investments in financial assets	180	551	614	843	1,144
Total investments	1,599	1,811	1,850	2,143	2,485
Cash flow					
Cash flow from operating activities	2,396	2,420	3,205	3,232	3,255
Free cash flow	1,187	1,341	2,163	2,169	2,109
Balance sheet					
Equity (incl. non-controlling interests)	16,659	17,624	18,375	19,975	19,301
Balance sheet total	33,711	33,256	35,471	37,302	36,139
Net debt	4,999	5,532	5,294	5,293	5,715
Return on invested capital (ROIC) in %	9.3	9.1	10.3	9.9	10.4
Leverage ratio	1.29x	1.48x	1.24x	1.18x	1.22x
Additional key figures					
Specific net Scope 1 CO2 emissions in kg CO2/t cementitious material ³⁾	565	551	534	527	512
Alternative fuel rate in % ³⁾	26.4	28.7	29.9	31.3	34.1
Clinker ratio in % ³⁾	72.9	71.6	70.2	69.3	68.2
Number of employees as at 31 December ⁴⁾	51,209	50,780	50,997	51,129	48,973
Share of women at top management level (n-1 and n-2, based on headcount) in % ⁵⁾	14	14	18	18	20
Lost time injury frequency rate ^{5) 6)}	1.6	1.7	1.7	1.3	1.6

1) In 2024, there was a retroactive change in methodology.

2) Attributable to Heidelberg Materials AG shareholders.

3) Previous year figures are presented as published in the reporting year.

4) From 2024, the number of employees is based on headcount.

5) From 2023, the methodology has been adjusted. Figure for 2023 based on FTE.

6) Number of accidents suffered by Group employees per 1,000,000 working hours.

* The Managing Board and Supervisory Board will propose to the Annual General Meeting on 13 May 2026 the distribution of a cash dividend of €3.60.

Revenue and results by business lines

	Cement		Aggregates		Ready-mixed concrete-asphalt		Service-joint ventures-other		Reconciliation ²⁾		Total Group	
€m	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
External revenue	9,507	9,802	4,147	4,134	5,674	5,552	1,829	1,972	0	0	21,156	21,460
Inter-business lines revenue	1,460	1,392	1,060	1,116	97	100	683	728	-3,300	-3,336	0	0
Revenue	10,967	11,194	5,206	5,250	5,770	5,652	2,512	2,700	-3,300	-3,336	21,156	21,460
of which Europe	4,901	4,874	2,337	2,384	2,930	2,876	817	935	-1,519	-1,519	9,467	9,550
of which North America	2,243	2,351	2,123	2,106	1,108	1,012	334	340	-497	-482	5,311	5,327
of which Asia-Pacific	1,833	1,713	664	650	1,377	1,342	19	23	-338	-337	3,555	3,392
of which Africa-Mediterranean-Western Asia	1,990	2,256	83	110	355	421	38	43	-172	-208	2,295	2,622
of which Group Services	0	0	0	0	0	0	1,296	1,350	0	0	1,296	1,350
of which corporate, reconciliation, and other ¹⁾	-0	0	0	0	0	0	8	9	-775	-790	-767	-781
Result from current operations before depreciation and amortisation (RCOBD)	2,902	3,074	1,286	1,364	79	106	272	208	-40	-73	4,499	4,679
of which Europe	1,399	1,425	450	490	-11	21	48	17	0	0	1,885	1,953
of which North America	674	674	685	701	32	21	16	9	0	0	1,407	1,405
of which Asia-Pacific	310	305	140	147	47	51	152	120	0	0	648	623
of which Africa-Mediterranean-Western Asia	520	670	11	27	13	12	32	18	0	0	576	727
of which Group Services	0	0	0	0	0	0	38	40	0	0	38	40
of which corporate, reconciliation, and other ¹⁾	-1	0	0	0	-1	0	-13	3	-40	-73	-55	-69
Result from current operations	2,230	2,418	916	982	-93	-72	217	154	-67	-101	3,204	3,381
of which Europe	1,165	1,192	264	294	-98	-75	14	-16	0	0	1,344	1,395
of which North America	498	492	559	573	-4	-10	-3	-10	0	0	1,049	1,045
of which Asia-Pacific	162	168	87	94	5	7	151	120	0	0	405	388
of which Africa-and Mediterranean-Western Asia	406	566	7	22	6	5	31	17	0	0	450	610
of which Group Services	0	0	0	0	0	0	37	40	0	0	37	40
of which corporate, reconciliation, and other ¹⁾	-1	0	0	0	-1	0	-13	3	-67	-101	-82	-97

1) Reconciliation includes:

a. intra-Group revenues = eliminations of intra-Group relationships between the areas

b. corporate functions (column "Reconciliation") & other (column "Service-joint ventures-other")

2) Reconciliation includes: a. intra-Group revenues = eliminations of intra-Group relationships between the segments b. corporate functions

Cement capacities¹⁾

	Total
Europe	
Belgium	3.9
Bulgaria	2.1
Germany	10.0
Estonia	1.0
France	6.0
Greece	0.9
United Kingdom	6.2
Italy	9.2
Netherlands	2.2
Norway	1.8
Poland	5.1
Romania	5.9
Sweden	2.7
Spain	1.0
Czechia	2.8
	60.6
North America	
Canada	3.8
USA	12.3
	16.1
Asia-Pacific	
Bangladesh	3.7
Brunei	0.5
India	12.3
Indonesia	28.1
Thailand	4.7
	49.2

Cement capacities¹⁾

	Total
Africa-Mediterranean-Western Asia	
Egypt	9.0
Benin	0.6
Burkina Faso	1.4
Ghana	4.3
Liberia	0.6
Morocco	6.7
Mozambique	0.4
Tanzania	3.3
Togo	1.5
Kazakhstan	4.0
Russia	4.7
	36.5
Total Heidelberg Materials	162.4

1) Operational capacities based on 80% calendar time utilisation.

Cement capacities of joint ventures²⁾

	Total
Australia	2.3
Bosnia-Herzegovina	0.4
China	7.9
South Africa	0.3
Turkey	3.0
Hungary	1.4
USA (Texas)	0.7
Total joint ventures	16.0
Heidelberg Materials incl. joint ventures	178.4

2) Cement capacities according to our ownership.

Aggregates reserves and resources ³⁾

Billion tonnes	Reserves	Resources	Total
Europe	1.6	2.6	4.2
North America	4.6	7.7	12.3
Asia-Pacific	1.1	2.0	3.2
Africa-Mediterranean- Western Asia	0.03	0.08	0.1
Heidelberg Materials total	7.4	12.5	19.8

3) Defined in the PERC Reporting Standard for mineral reserves and resources, see page 74 in the Risk and opportunity report.

Associations, initiatives, and networks

We have singled out memberships and engagements that we consider to be of central strategic importance for the company as a whole, since they address current and future transformation activities in a significant way.

BirdLife International: Since 2011, we have been working together with the largest international nature conservation organisation, BirdLife International. The interaction with BirdLife International and our cooperation with its national partner organisations help us to minimise our environmental impact and promote biodiversity in our quarries and the surrounding areas.

www.birdlife.org

German Building Materials Association (bbs): As the umbrella organisation of the German building materials industry, the bbs represents the interests of the various sub-sectors and formulates policy and expert positions for this purpose. It is a member of the Federation of German Industries (BDI).

www.baustoffindustrie.de

CEMBUREAU: Through our memberships in national associations, we support the work of the European Cement Association Cement Europe (formerly CEMBUREAU), which puts forward the industry's concerns in discussions and negotiations with the European Union and its institutions.

www.cementeuropa.eu

Concrete Sustainability Council (CSC): As a founding member of the Concrete Sustainability Council (CSC), we are involved in the ongoing development of a certification system for sustainably produced concrete. The goal of the CSC is to further increase the transparency of sustainable activities within the cement and concrete industry.

www.csc.eco

econsense – Forum for Sustainable Development of German Business: econsense, as a network and flagship initiative of global German companies, aims to promote sustainable development in business and to assume social responsibility collectively.

www.econsense.de/en/

European Roundtable on Climate Change and Sustainable Transition (ERCST): As a sustaining member, we support independent research and public debates on European and global climate and economic policy on the part of the ERCST.

www.ercst.org

GCCA Global Cement and Concrete Association (GCCA): As a founding member of the GCCA, we aim to further strengthen innovation and sustainability at a global level. The GCCA published the first global net zero roadmap in the industrial sector, thus helping to limit global warming to 1.5°C.

www.gccassociation.org

Global CCS Institute: The mission of the Global CCS Institute (GCCSI) is to facilitate and accelerate the deployment of CCS worldwide. The GCCSI shares expertise and offers advice and support to help this important technology play its part in reducing greenhouse gas emissions. Heidelberg Materials benefits from the GCCSI's expertise in regulatory and policy matters.

www.globalccsinstitute.com

Mission Possible Partnership: The Mission Possible Partnership (MPP) is an alliance of leading organisations and companies committed to the industrial decarbonisation of emission-intensive heavy industry across the value chain. The initiative focuses on areas that require cross-industry collaboration, such as strengthening demand for low-carbon products.

www.missionpossiblepartnership.org

Race to Zero: Heidelberg Materials is a signatory to Business Ambition for 1.5°C, a global initiative committed to reducing CO₂ emissions to net zero by 2050 at the latest. The company is therefore also part of the global, UN-backed Race to Zero campaign, which aims to create positive momentum for the transition to a low-carbon economy.

climatechampions.unfccc.int

Science Based Targets Network (SBTN): As a member of the corporate engagement programme of the Science Based Targets Network (SBTN), we are contributing to the development of science-based targets for nature through feedback in particular in the water and land hub work areas.

www.sciencebasedtargetsnetwork.org

Society for Ecological Restoration (SER): As a business member of the global Society for Ecological Restoration (SER), a non-profit network dedicated to biodiversity conservation, climate change resilience, and ecological restoration, we contribute to the development of emerging standards on restoration in mining sites and share best practice and restoration success on our sites.

www.ser.org

Stiftung KlimaWirtschaft: The companies supporting the Stiftung KlimaWirtschaft (climate economy foundation) form a business network advocating progressive climate policy at Managing Board level. As a member of this network, we develop cross-sectoral approaches and policy concepts for a successful industrial transformation towards climate neutrality.

www.klimawirtschaft.org/english

UEPG: As an indirect member of the European Aggregates Association (UEPG), which represents the interests of the European aggregates industry in Brussels, we present our positions on aggregates to political decision makers.

www.uepg.eu

UN Global Compact: We are signatories to the UN Global Compact, a United Nations initiative for sustainable and responsible corporate governance. As part of the UN Global Compact, companies commit themselves to strategically anchor sustainability in their business practices on the basis of ten universal principles. As part of this commitment, we are also a member of the UN Global Compact Network Germany e.V.

www.unglobalcompact.org

World Economic Forum: As an international organisation, the World Economic Forum brings together stakeholders from politics, business, academia, and civil society to discuss global challenges and develop joint solutions. We are actively involved in key issues relating to the economy, climate, technology, and international cooperation.

www.weforum.org

World Green Building Council: We are involved in the global umbrella organisation of the Green Building Councils, the World Green Building Council. The goal here is to jointly develop certification systems for sustainable construction and to make the design, construction, and operation of buildings more sustainable.

www.worldgbc.org

Zero Emission Platform: As a member of the Zero Emission Platform, we are committed to science-based projects and industrial CO₂ management. The aim is to accelerate the deployment of carbon capture, utilisation, and storage technologies to achieve carbon neutrality by 2050 and net negative emissions thereafter.

www.zeroemissionsplatform.eu

Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

TCFD report with additional disclosures of the ISSB standards

For the purposes of this report, the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) have been applied extensively and, for the most part, supplemented by the more far-reaching requirements of the International Sustainability Standards Board (ISSB).

The aim was to expand on the existing TCFD recommendations and include more detailed information, as required by the ISSB standard IFRS S2 (Climate-related Disclosures). One of the main areas of focus was a granular presentation of risks along the value chain.

Implementation was carried out in accordance with the fundamental elements of the ISSB standard IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information), but without all the detailed requirements of both ISSB standards having already been fully met. We have not reported on the anticipated financial effects, as this is currently not possible without undue cost or effort.

Our approach represents a significant step forward, as we have now substantially enhanced our established TCFD reporting.

Governance

Disclosure focus area: Disclose the organization's governance around climate-related risks and opportunities.

TCFD Recommendation 1: Describe the board's oversight of climate-related risks and opportunities.

TCFD Recommendation 2: Describe management's role in assessing and managing climate-related risks and opportunities.

CDP Questionnaire (C4.1 – 4.6)
Pages (Annual and Sustainability Report)
10–15, 19–21, 66–70, 85–88, 94, 109, 113–114

Includes: IFRS S1, 27 a+b, IFRS S2, 6 a+b

The Supervisory Board of Heidelberg Materials AG holds ultimate responsibility for oversight of sustainability-related risks and opportunities, including climate-related risks. Operational responsibility for implementing the sustainability and climate strategy, as well as monitoring the material risks, rests with the Managing Board and is driven forward by the Chief Sustainability & New Technologies Officer (CSO).

The mandate of the Supervisory Board also encompasses sustainability topics. The Supervisory Board's Rules of Procedure mandate regular engagement with these sustainability topics, particularly the sustainability strategy and targets. The required expertise on the Supervisory Board is ensured by the profile of skills for the Managing Board as a whole, adopted by the Supervisory Board.

The CSO is supported in the fulfilment of her duties by the Sustainability Office, which is also responsible for the design and further development of the sustainability strategy, including the associated targets. The Sustainability Reporting Steering Committee consists of the Chief Financial Officer and the CSO, among others, and usually meets quarterly.

The Managing Board and Supervisory Board cooperate closely on sustainability issues. The Managing Board informs the Supervisory Board regularly, in a timely manner, and comprehensively, about relevant sustainability topics. The sustainability strategy and its integration into the company's business processes and overall strategy are regularly discussed at plenary sessions of the Supervisory Board. The Supervisory Board receives sustainability-related briefings, including on climate risks and opportunities, at every Supervisory Board meeting.

The Supervisory Board oversees target setting and monitoring through its semi-annual review of the CO₂ roadmap. The strategic relevance of the climate targets is highlighted by linking the reduction in specific net Scope 1 CO₂ emissions to the remuneration of the Managing Board and the majority of bonus-eligible employees, and by increasing the share of revenue from sustainable products, which is also a component of the Managing Board remuneration.

A Group-wide risk and opportunity management system identifies and assesses material risks and opportunities, and incorporates them into the planning, management, and reporting processes, including regular reporting to the Managing Board and Supervisory Board. They are taken into account in both strategic management and investment decisions, with financial and ESG matters being weighed against each other on a case-by-case basis and submitted to the Managing Board for decisions.

Strategy

Disclosure focus area: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

TCFD Recommendation 3: Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term.

CDP Questionnaire (C2.1, C2.2)
Pages (Annual and Sustainability Report)
19–20, 78–82, 102–104

TCFD Recommendation 4: Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning

CDP Questionnaire (C5.2, C5.3, C5.4, C5.5, C5.9, C5.10)
Pages (Annual and Sustainability Report)
41–43, 48, 78–82, 94, 102–104, 106, 151–153

TCFD Recommendation 5: Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario Heidelberg Materials utilizes Shared Socioeconomic Pathways (SSP) scenarios.

CDP Questionnaire (C5.1)
Pages (Annual and Sustainability Report)
78–82, 102–105, 108–109

Includes IFRS S2, 13–22

Heidelberg Materials’ Group strategy includes a forward-looking assessment of climate-related risks and opportunities, taking into account the 1.5°C target.

The disclosures are in accordance with the recommendations of the TCFD and the expanded disclosure requirements of IFRS S2, 13 to 22.

Identification and assessment of climate-related risks and opportunities

Material climate-related risks and opportunities that could affect the business model and strategy are identified and assessed across the Group.

Risks are divided into

- **physical risks** (acute and chronic), e.g. extreme weather conditions affecting specific plants, and
- **transition risks**, e.g. evolving CO₂ regulations, technologies, or shifts in market and consumer preferences.

Potential climate-related opportunities are also identified, such as increasing market demand for low-carbon building materials or the growing importance of climate-resilient infrastructure. The results of the assessment of climate risks and opportunities and the scenarios used can be found in the [Climate risks and scenarios section of the ESRS 2 chapter](#) and in the [Climate risks and opportunities section of the Risk and opportunity report chapter](#).

Heidelberg Materials defines the time horizons applied as follows:

- **short-term:** 1 year
- **medium-term:** >1–3 years
- **long-term:** >3 years

In addition, when analysing climate-related risks, we also consider the periods 2030, 2040, and 2050, deviating from the time horizons used in the general risk management process.

Impacts on business model and value chain

Heidelberg Materials recognises the key role played by the building materials sector in the transformation of the economy towards climate neutrality. The Group-wide focus in terms of climate protection is on CO₂-intensive clinker production in the cement business line.

The company identifies relevant criteria for climate risks, such as important production regions that are vulnerable to physical impacts or may be affected by regulatory changes, key business units, and critical infrastructure assets.

Climate-related physical risks in the upstream and downstream value chains are currently not assessed in a structured manner. However, they have already been qualitatively assessed for the upstream and downstream value chain.

Integration with strategy and decision-making

Climate-related risks and opportunities are systematically integrated into the Group strategy and financial planning. Heidelberg Materials has set itself the target to decrease its specific net Scope 1 CO₂ emissions to below 400 kg of CO₂ per tonne of cementitious material by 2030, thereby reducing specific gross Scope 1 CO₂eq emissions by 24% compared with 2020 figures. Heidelberg Materials aims to achieve net-zero emissions by 2050.

In addition, it plans to generate more than half of its Group revenue from low-carbon and circular products by 2030 to contribute to the specific net Scope 1 CO₂ emission reduction target. Heidelberg Materials’ Environmental Policy is thus incorporated into operational and investment decisions, qualitative and quantitative progress is assessed annually, and the key assumptions and dependencies are disclosed pursuant to IFRS S2.

Transition plan

In the 2025 financial year, Heidelberg Materials created a [Climate Transition Plan](#), which outlines Heidelberg Materials’ path to net zero in 2050 in compliance with the 1.5°C target set out in the Paris Agreement.

The [Climate Transition Plan](#) contains targets for Scope 1, 2, and 3 emissions, which have been validated by the Science Based Targets initiative (SBTi). It also describes the decarbonisation levers. These include modernising plants, increasing the use of alternative fuels and raw materials, introducing breakthrough technologies such as carbon capture and storage (CCUS), and working with suppliers to reduce emissions in the upstream value chain.

Financial effects

Our [Climate Transition Plan](#) is aligned with the IFRS Sustainability Standards. However, Heidelberg Materials has not reported on the anticipated financial effects, as this is currently not possible without undue cost or effort.

Resilience and scenario analysis

In 2025, Heidelberg Materials conducted its first resilience analysis based on an updated climate scenario analysis. The aim was to systematically assess the resilience of the Group strategy and business model to material physical risks and transition risks and to derive actions from this assessment.

The results show that Heidelberg Materials is highly adaptable to the impacts of climate change with regard to the identified climate-related risks and is able to counteract the risks facing its business model in the short, medium, and long term.

The risk report is presented to the Managing Board and Supervisory Board once a year by the Group Treasury, Insurance & Corporate Risk department. Climate-related risks are consolidated in the Group-wide risk catalogue with regard to potentially critical economic impacts on Heidelberg Materials.

Climate-related risks are assessed globally on the basis of the Shared Socio-Economic Pathway (SSP) scenarios, using one high-emissions scenario and at least one scenario consistent with the current international climate agreement (<2°C).

Risk management

Disclosure focus area: Disclose how the organization identifies, assesses, and manages climate-related risks

TCFD Recommendation 6: Describe the organization’s processes for identifying and assessing climate-related risks

TCFD Recommendation 7: Describe the organization’s processes for managing climate-related risks

TCFD Recommendation 8: Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management

CDP Questionnaire (C2.2)
Pages (Annual and Sustainability Report)
66–70, 78–80, 89–90, 101, 103–104, 106

Includes IFRS S1, 44 and IFRS S2, 25–26

Heidelberg Materials has a Group-wide framework for identifying and assessing climate-related risks and opportunities, which takes into account both physical and transition risks relevant to its business activity.

The Group’s risk management process is aligned with the Recommendations of the TCFD and also takes into account the requirements of IFRS S1, 44 and IFRS S2, 25–26.

Process to identify and assess risks and opportunities

The company systematically identifies and assesses climate-related risks relevant to its business activity by using external, science-based assessments and scenario analyses obtained from a third-party tool provider. Climate-related opportunities refer to potential future developments or events that could lead to a positive deviation from the forecast.

Both physical climate risks and transition risks are included.

Materiality is determined by assessing the potential financial effects (result from current operations, profit for the financial year, and cash flow), the likelihood, and, for climate risks, the consideration of the periods 2030, 2040, and 2050.

Processes to prioritise and monitor risks

Climate risks are prioritised in line with the established Group-wide assessment system. Climate risks with strategically relevant impacts or potentially material financial effects are classified as priority risks and monitored more closely. Monitoring is carried out continuously by means of quarterly risk reports and an annual overall risk assessment, which ensure transparency for the Managing Board and Supervisory Board.

Integration into general risk management

Climate-related risk management is fully integrated into the company’s enterprise risk management (ERM) framework.

Scope, methodologies, and use of the scenario

The scope of the risk assessments extends to all significant business units, functions, and regions. Scenario analysis is an integral part of risk identification and assessment and is used for both qualitative and quantitative evaluations. Assumptions, methodologies, data sources, and limitations are documented, including descriptions of uncertainties and limitations inherent in the process.

Metrics and targets

Disclosure focus area: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

TCFD Recommendation 9: Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

TCFD Recommendation 10: Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 Greenhouse gas (GHG) emissions, and the related risks

TCFD Recommendation 11: Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

CDP Questionnaire (C4.5, C5.2, C6.1, C7, C7.53, C7.54, C7.6-8, C9, C9.15, C10.1)_
Pages (Annual and Sustainability Report) 30, 42-44, 85-89, 94, 108-110, 113-121, 124-125, 306-309

Includes IFRS S2 29 (a, f, g), 32-33, 34 (b, c, d), 35-37

CO₂ emissions and targets

Heidelberg Materials' climate targets are part of the company's **Sustainability Commitments 2030**. They were updated in connection with our "Strategy

2030: Making a Material Difference," published in May 2025. The progress made so far in achieving these targets is consistent with the original timeline.

Heidelberg Materials has further tightened the targets for specific net Scope 1 CO₂ emissions (<400 kg/t cementitious material) and for the share of revenue from sustainable products (>50% of Group revenue). The aim is to reduce specific gross Scope 1 CO₂eq emissions by 24% by 2030 compared with 2020.

The use of carbon credits, that is tradable allowances from third-party projects designed to offset a company's own emissions (CO₂ compensatory measures), is not part of the strategy to reduce emissions and achieve the climate targets. To achieve the net-zero target, the remaining CO₂eq emissions are to be neutralised by means of carbon sinks or negative emissions.

All relevant information relating to CO₂ emissions is recorded in an integrated reporting system on a monthly basis, and control mechanisms have been put in place to verify that the CO₂ reduction targets are being achieved. In Heidelberg Materials' **Sustainability Commitments 2030**, climate protection is identified as a crucial element of the company's sustainability strategy. The Science Based Targets initiative (SBTi) has validated Heidelberg Materials' Scope 1 and Scope 2 reduction targets for 2030 and 2050 under its 1.5°C framework.

- Gross Scope 1, Scope 2, and Scope 3 emissions in tonnes of carbon dioxide equivalent (CO₂eq), together with measurement approach, inputs, assumptions, and (if applicable) changes in methodology compared with the previous year, are presented in the **section Targets and metrics of the chapter E1 – Climate change**.

- Scope 2 emissions are calculated in accordance with the GHG Protocol and the GCCA standard for the cement industry.

Location-based: based on purchased electricity volumes and the annually updated IEA emission factors for national electricity grids.

Market-based: preference is given to supplier-specific emission factors that include energy products and certificates, or standardised factors provided by the electricity supplier.

- For Scope 3 categories and all other indirect emissions, see **section Targets and metrics of the chapter E1 – Climate change**.

In addition to the above-mentioned metrics, sector-specific metrics are also tracked:

- **Targets at the clinker level:** To reduce specific gross Scope 1 CO₂eq emissions, Heidelberg Materials plans to increase the proportion of alternative fuels in the fuel mix to over 50% and the proportion of biomass to 20% by 2030.

- **Targets at the cement level:** The company's carbon footprint can also be reduced by lowering the proportion of clinker in cement through the use of cementitious materials. The aim is to reduce the proportion of clinker in cement to 64% by 2030.

Capital deployment, internal carbon price, and incentives

An investment plan has been developed in line with the EU taxonomy, with the aim of increasing the share of taxonomy-aligned revenue by 2030 and ensuring compliance with the technical screening criteria.

Total CapEx pursuant to the Taxonomy Regulation amounted to €1,926.1 million (previous year: 1,926.1). Of this, €817.0 million or 42.4% (previous year: 817.0 or 42.4) was attributable to taxonomy-eligible CapEx for the cement business line and €113.3 million or 5.9% (previous year: 113.3 or 5.9) to the recycled aggregates operating line.

Heidelberg Materials has established a shadow pricing mechanism to factor carbon costs into CapEx decisions. The current market price, which is adjusted for the percentage increase forecast by analysts, serves as a reference. The carbon price is set quarterly during the year and annually for medium-term planning. It is taken into account in annual financial planning.

Based on the current market price, Heidelberg Materials expects the medium-term price of carbon allowances to rise to around €100 per tonne of CO₂ by 2030. The internal carbon price applies in countries with an emissions trading system (ETS) or comparable regulations, especially in Europe. The internally forecast carbon price is not included in the consolidated income statement, since it is only used for the valuation of investment projects.

Within the framework of the Managing Board remuneration system, 40% to 60% of short-term variable remuneration is dependent on sustainability-related key figures. Approximately 18% of the variable remuneration granted to the members of the Managing Board in the 2025 financial year is linked to the reduction of CO₂ emissions.

Recommendations of the Task Force on Nature-related Financial Disclosures (TNFD)

Governance

Disclosure focus area: Disclose the organisation’s governance of nature-related dependencies, impacts, risks and opportunities.

Heidelberg Materials is committed to contributing to a nature- positive future. In cooperation with country management, the Group Sustainability team ensures that the highest level of management is involved in the assessment and monitoring process. The Supervisory Board’s mandate explicitly includes sustainability-related and thus nature-related control tasks by means of rules of procedure that require an assessment of sustainability and nature-related factors in all major strategic decisions, capital investments, and annual budget approvals.

The target roadmap is submitted to the Managing Board for approval, in particular assigning responsibility and accountability for the nature targets to the Chief Sustainability & New Technologies Officer, who is a member of the Managing Board. The progress towards the target roadmap is reviewed every two years.

The company has a long-standing partnership with the nature conservation NGO BirdLife International, which provides both advice and governance support in achievingthe nature-positive targets.

A. Describe the board’s oversight of nature-related dependencies, impacts, risks and opportunities.

B. Describe management’s role in assessing and managing nature-related dependencies, impacts, risks and opportunities.

Pages (Annual and Sustainability Report)
85–89, 141–143

C. Describe the organisation’s human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation’s assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.

Pages (Annual and Sustainability Report)
141–143, 180–186

Strategy

Disclosure focus area: Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation’s business model, strategy and financial planning where such information is material.

Nature-positive is a key chapter of our sustainability strategy. Acknowledging that our business activities inevitably have an impact on the environment, we recognise our responsibility to minimise negative and promote positive impacts. Therefore, before we can consider our actions as a contribution to Nature-positive, we first deal with our negative impacts on the environment. In order to identify and understand our impacts, risks, and opportunities, we regularly conduct assessments of our business activities with the support of our NGO partners. To support the achievement of our targets, we have implemented a process that assists in establishing baseline and reclamation objectives to aid in the protection and recovery of biodiversity.

As part of our **Sustainability Commitments 2030**, Heidelberg Materials aims to make a positive contribution to nature both during the extraction phase by committing to a minimum amount of “space for nature” and by restoring biodiversity and ecosystems within the landscapes in which we operate.

A. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.

In terms of nature risks, the following time horizons have been defined:

- **Short-term** (current) relates to the regular business and financial planning routines, as well as existing and readily foreseeable regulatory requirements.
- **Medium-term** (to 2030) is defined as the time horizon that extends beyond regular strategic planning time frames, but for which a roadmap exists.
- **Long-term** (from 2035) refers to time horizons extending beyond the next ten years.

B. Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation’s business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.

C. Describe the resilience of the organisation’s strategy to nature-related risks and opportunities, taking into consideration different scenarios.

D. Disclose the locations of assets and/or activities in the organisation’s direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.

Pages (Annual and Sustainability Report)
90–94, 97–101, 106, 135–139, 140–146

Risk management

Disclosure focus area: Describe the process used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risks and opportunities.

Heidelberg Materials’ risk policy is in line with the Group strategy, which focuses on sustainably preserving and increasing enterprise value. An effective risk and opportunity management system serves to identify risks and opportunities, including nature-related ones, at an early stage and to systematically assess and reduce them. Operational management in each Group country and in the central Group departments are directly responsible for identifying and addressing risks and opportunities at an early stage. Risks and opportunities are recorded and assessed in the annual operational plan and continuously tracked as part of monthly financial reporting.

Heidelberg Materials for example recognises that the operation of quarries alters ecosystems and affects local biodiversity by transforming natural environments. The extraction of raw materials can contribute to the displacement of native species while facilitating the spread of invasive alien species and temporarily reduce soil quality. To address these challenges, we are committed to responsible extraction practices and holistically planned land-use. As biodiversity is a material topic, we recognise that certain operational activities can have impacts on endangered species. To mitigate these effects, we

conduct internal and external environmental impact assessments and implement measures to ensure that population sizes of endangered species are not adversely affected.

- A. i. Describe the organisation’s processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.
- ii. Describe the organisation’s processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).

Heidelberg Materials currently focuses mainly on nature-related dependencies, impacts, risks, and opportunities within its own operations. This provides a solid basis for the process of extending the scope of nature-related considerations in the upstream and downstream value chain.

- B. Describe the organisation’s processes for managing nature-related dependencies, impacts, risks and opportunities.
- C. Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation’s overall risk management processes.

Pages (Annual and Sustainability Report)
66–70, 89–90, 97–101, 140–146

Metrics and targets

Disclosure focus area: Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.

We are committed to the Global Goal for Nature and want to contribute to a nature-positive future. Nature-positive means not only halting biodiversity loss but actively reversing it to achieve a global net gain for the planet, allowing ecosystems to recover. Through our **Sustainability Commitments 2030**, we are supporting the United Nations Sustainable Development Goals (SDGs). Our efforts are concentrated on issues to which we can make a significant contribution as a company.

We monitor our nature-related performance using metrics on climate change, pollution, as well as resource and land use. Progress in implementing measures to mitigate potential impacts and risks on biodiversity is measured at quarries identified as being within a 1 km proximity from biodiversity-sensitive areas. As part of our reporting, reclamation plans and annual restoration activities are tracked and recorded.

- A. Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.
- B. Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.
- C. Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.

Pages (Annual and Sustainability Report)
93–94, 132–134, 137–139, 145–146

Glossary

Aggregates

Aggregates in the form of sand, gravel, and crushed rock are used principally for concrete manufacturing or for road construction and maintenance.

Alternative fuel rate

Proportion of alternative fuels in the fuel mix.

Alternative fuels

Combustible substances and materials used in place of fossil fuels in the clinker-burning process, such as used tyres, biomass or household waste.

Alternative raw materials

By-products or waste from other industries, whose chemical components make them suitable substitutes for natural raw materials. Alternative raw materials are used both in the production of clinker, the most important intermediate product in cement production, and as additives in cement grinding, in order to conserve natural raw material resources and reduce the proportion of energy-intensive clinker in cement, the end product.

Amine technology

With amine technology for carbon capture, sulphur and nitrogen oxides are filtered out of the flue gas at the end of the conventional combustion process. The CO₂ is then separated from the remaining exhaust gas via a washing system using liquid amine. After separation, the CO₂ with a purity of about 99% can be used as a raw material or stored.

Asphalt

Asphalt is manufactured from a mixture of graded aggregates, sand, filler, and bitumen. It is used primarily for road construction and maintenance.

Biodiversity

Biodiversity or biological diversity is the genetic diversity within species, diversity between species, and diversity of ecosystems.

Blast furnace slag

Finely ground, glassy by-product from steel production. Additive for cement.

Calcined clay

Secondary cementitious material with great potential for reducing CO₂ in cement production. For its production, raw clay minerals are heated to between 650°C and 950°C.

CEM I

CEM I is the designation for Portland cement in the European cement standard EN 197-1. The main component of Portland cement is Portland cement clinker with a proportion of 95% to 100%.

Cement

Cement is a hydraulic binder, i.e. a finely ground inorganic material that sets and hardens by chemical interaction with water and that is capable of doing so also under water. Cement is mainly used to produce concrete. It binds the sand and gravel into a solid mass.

Cementitious materials

Heidelberg Materials reports specific net CO₂ emissions in kg per tonne of cementitious material. In addition to cement, this includes materials with cement-like properties. Heidelberg Materials uses predominantly ground granulated blast furnace slag (by-product of the steel industry) as alternative raw material to replace clinker as far as possible.

Cement mill

Cement grinding is the final stage of the cement manufacturing process. In cement mills, the clinker is ground into cement, with the addition of gypsum and anhydrite, as well as other additives, such as limestone, blast furnace slag, or fly ash, depending on the type of cement.

Circular economy

A circular economy is a model of production and consumption designed to preserve and regenerate. It is based on three principles: prevention of waste and pollution, recycling of products and materials (at the level of their highest value), and regeneration of natural resources.

Circularity

Circularity is the compatibility of a material flow (e.g. materials or products) with the principle of circular economy.

Clinker (Portland cement clinker)

Intermediate product in the cement production process that is made by heating a finely-ground raw material mixture to around 1,450°C in the cement kiln. For the manufacture of cement, the greyish-black clinker nodules are extremely finely ground. Clinker is the main ingredient in most cement types.

Clinker ratio

Proportion of clinker in cement.

Commercial Paper

Bearer notes issued by companies within the framework of a commercial paper programme (CP programme) to meet short-term financing needs.

Composite cement

In composite cements, a proportion of the clinker is replaced with alternative raw materials, usually by-products from other industries, such as blast furnace slag or fly ash. Decreasing the proportion of energy-intensive clinker in cement is of critical importance for reducing energy consumption and CO₂ emissions as well as for preserving natural raw materials.

Concrete

Building material that is manufactured by mixing cement, aggregates (gravel, sand, or crushed stone), and water.

CCUS

CCUS stands for the capture, utilisation, and storage of CO₂.

Direct separation

Direct separation technology is supposed to enable the capture of process-related CO₂ without additional use of heat or any other commodity. A special reactor replaces the conventional calciner of the kiln system to separate the CO₂ already during calcination.

EMTN programme

An EMTN (Euro Medium Term Note) programme represents a framework agreement made between the company and the banks appointed to be dealers. Heidelberg Materials has the option of issuing debenture bonds up to a total volume of €10 billion under its EMTN programme.

European Union Emissions Trading Scheme (EU ETS)

The European Union Emissions Trading Scheme (EU ETS) obliges companies or operators of emission-intensive industrial facilities to participate in European emissions trading. These companies must purchase allowances for their CO₂ emissions.

Fly ash

Solid, particulate combustion residue from coal-fired power plants. Additive for cement.

Full-time equivalents (FTE)

Number of hours worked by all full-time and part-time employees divided by the working hours of a full-time employee.

Free cash flow

Operating cash flow minus cash-effective investments in property, plant and equipment plus grants received from public authorities, as well as cash-effective disposals of property, plant and equipment.

Grinding plant

A grinding plant is a cement production facility without a clinker-burning process. Delivered clinker and selected additives, depending on the type of cement, are ground into cement. Grinding plants are particularly operated at locations where suitable raw material deposits for cement production are not available.

Gross emissions

Direct emissions excluding emissions from pure biomass and biogenic CO₂ content of mixed fuels minus emissions from on-site power generation.

Leverage ratio

Ratio of net debt to result from current operations before depreciation and amortisation (RCOBD).

Near-zero products

A near-zero product is a product that meets GCCA's near-zero rating, specifically falling within the low-carbon band AA.

Net debt

The sum of all non-current and current financial liabilities minus cash and cash equivalents and short-term derivatives.

Net emissions

Net emissions equal gross emissions minus emissions from alternative fossil fuels and non-biogenic CO₂ content of mixed fuels minus emissions for external heat transfer.

Net-zero emissions

Reduction of our CO₂ emissions across the value chain in line with **SBTi's** 1.5°C pathway, while neutralising residual emissions.

OxyCal technology

Clinker-burning technique in which only the static part of the kiln process is operated in Oxyfuel mode. OxyCal is often combined with amine technology to also capture the CO₂ from the rotary kiln. In this way, up to 97% of the CO₂ can be captured with a purity of 99%.

Oxyfuel technology

Clinker-burning technique in which pure oxygen is introduced into the kiln instead of air. This leads to a CO₂ content of up to 90% in the exhaust gases, which can be further upgraded to 99%. The aim is to

capture the CO₂ in a more energy-efficient way than by post-combustion capture, as no additional heat is required.

Ready-mixed concrete

Concrete that is manufactured in a ready-mixed concrete facility and transported to the building site using ready-mix trucks.

RCOBD/RCO

Result from current operations before depreciation and amortisation/result from current operations.

RCOBD margin

Ratio of result from current operations before depreciation and amortisation (RCOBD) to revenue.

ROIC

Return on invested capital.

Sustainable products

Products with the use of recycled materials and/or lower CO₂ emissions during production.

Sustainable revenue

We aim to generate more than 50% of our Group revenue from low-carbon and circular products and solutions by 2030, thereby contributing to our specific net Scope 1 CO₂ emission reduction target.

Financial calendar 2026

A vertical timeline with a green line and four green circular markers. The events are listed from top to bottom:

- 6 May: Quarterly Statement January to March 2026
- 13 May: Annual General Meeting 2026
- 30 Jul: Half-Year Financial Report 2026
- 4 Nov: Quarterly Statement January to September 2026

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The Company has its registered office in Heidelberg, Germany. It is registered with the Commercial Register at the Local Court of Mannheim (Amtsgericht Mannheim) under HRB 330082.

This report – in German and English –
is only available electronically on the
Internet: www.heidelbergmaterials.com.

There, you will also find the 2025 financial statements of Heidelberg Materials AG and further information about Heidelberg Materials.

Translation of the Annual and Sustainability Report 2025. The German version is binding.

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Due to rounding, numbers presented in the report may not add up precisely to the totals provided.