AGM 2022
CEO Key Messages
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Key Messages Annual General Meeting 2022

– We improved in all key financial figures in 2021.
– We continuously optimise our portfolio and strengthen our core markets.
– We create value for our shareholders.
– We are making great progress in the implementation of our "Beyond 2020" strategy.
– We drive the topics of sustainability and digitalisation forward in a leading, ambitious, and consistent manner.

1. We improved in all key financial figures in 2021.
   – Solid price and demand growth: revenue up 8% (on a like-for-like basis).
   – Strong RCO growth of 12% despite significant cost inflation (on a like-for-like basis).
   – RCOBD up in almost all Group areas.
   – Further optimisation of financial result and taxes:
     Earnings per share increase to €7.91.
   – Robust cash generation supported by disciplined CapEx:
     Leverage ratio decreased to 1.3x.
   – Record ROIC of 9.3% due to solid operating performance and portfolio optimisation.

2. We continuously optimise our portfolio and strengthen our core markets.
   – Business activities acquired in 8 existing countries/regions.
   – Business activities sold in 5 countries/regions.

3. We create value for our shareholders.
   – Continuation of the progressive dividend policy: dividend proposal of €2.40 (previous year €2.20). This corresponds to a payout ratio of 29.4% in relation to the Group share of adjusted profit for the financial year 2021.
   – With a dividend yield of 4.0%, HeidelbergCement belongs to the DivDAX share index, which lists the 15 companies with the highest dividend yields in the DAX 40.
Almost €1 billion spent on dividends and share buy-back programme in 2021.

4. **We are making great progress in the implementation of our "Beyond 2020" strategy.**
   - Improved all key financial figures in 2021:
     - RCOBD margin: +171 bp.
     - ROIC: 9.3% and thus clearly above strategic medium-term target (>8%).
     - Leverage ratio: 1.3x and thus below target corridor of 1.5x-2.0x.
   - Further CO₂ reduction to 565kg CO₂/t of cementitious material (target by 2025: 525kg CO₂/t).
   - Digital transformation: >52% of global revenue covered by HConnect (target by 2025: 75%).

5. **We drive the topics of sustainability and digitalisation forward in a leading, ambitious, and consistent manner.**
   - We are reducing our CO₂ emissions continuously.
   - As we are advancing existing and further carbon capture projects around the world, we will commission the world's first industrial-scale carbon capture plant in the cement industry in Brevik, Norway in 2024.
   - Further large-scale projects in Edmonton, Canada, Padeswood, UK, and Slite, Sweden.
   - The expansion of local, sustainable product portfolios in the Group countries is a central element of HeidelbergCement's sustainability strategy. In Germany, we offer EcoCrete, a sustainable concrete with up to 66% less CO₂.
   - Our 3 digital pillars HConnect, HProduce, and HService support our profitable market growth.
   - Key target is the digitalisation of our value chain: HConnect user base increases to >20,000 per month for the first time.