Responsible Procurement

Supplier Information
We have a clear focus on carbon neutrality & sustainable supply chain

Responsible Procurement is an integral part of Heidelberg Materials’ strategic objectives
Our CO₂ reduction target 2025: -30% vs 1990 & CO₂ neutrality by 2050

Our Sustainability Commitments – taken seriously

The Sustainability Commitments 2030 challenge us to find **new solutions** and **think differently** to make our business even more sustainable.
Less clinker incorporation and more biomass are key levers for CO₂ reduction

5 levers to meet our 2030 target of <500kg CO₂/ton of cementitious material

- **Product mix**
  - Clinker incorporation: 2019 until 2030: 75% to 70%

- **Alternative fuels**
  - AF rate: 2019 until 2030: 24% to 43%
  - Biomass rate: 2019 until 2030: 9% to 19%

- **Low emission fuels**
  - Increased usage of gas as fuel (~40% CO₂ emissions/GJ compared to coal)

- **Footprint changes / plant efficiency**
  - All major overhaul investments targeting CO₂ reduction (e.g. EU, US)

- **Commercial levers**
  - Increased share of sustainable low carbon concrete products
CO₂-reduction is key – But „Responsible Procurement“ goes even further

Our 2030 sustainability commitments ...

- Driving economic strength and innovation
- Achieving Excellence in Occupational Health and Safety
- Reducing our Environmental Footprint
- Enabling the Circular Economy
- Being a Good Neighbour
- Ensuring Compliance and Creating Transparency

...are relying on a responsible procurement approach

- Co-innovating with suppliers on CO₂-reduction projects
- Ensuring that service providers are well trained and equipped
- Reducing CO₂-emissions in 3rd-party cement, clinker & transport
- Increasing use of alternative raw materials and fuels
- Managing 90% of our global Spend with local suppliers
- Recognizing Human Rights and Compliance as non-negotiable
We are actively working on sustainable, resilient and cost-competitive supply chains in close cooperation with our existing and potential partners.

Some examples:

- Strategic long-term partnerships and agreements
- Joint proactive engagement on climate actions, e.g. through innovation
- Strict Adherence to the legal framework (supply chain acts etc.) and Heidelberg Materials’ Supplier Code-of-Conduct
- Transparency on and diligent communication of sustainability-related data and legally required information, e.g. supplier’s supply chain, risk management or ESG strategy
Let’s work jointly towards a more sustainable, responsible future

Making our supply chain more sustainable

To ensure a reliable and sustainable supply chain, we initiated a global risk assessment program for our supply chain. This program is designed to identify sustainability issues, before they become problems.

For this approach we are joining forces with Ariba, IntegrityNext, Avetta and other partners.

IntegrityNext and Avetta are a global program providers that have extensive experience in monitoring the safety, qualification and social responsibility of companies.

They help monitoring, informing and assisting suppliers in complying with the principles of our Supplier Code of Conduct and additional sustainability requirements.

This support allows us to reliably assess and evaluate our suppliers with respect to our sustainable supply chain standards.

Selected Sustainability Partners, e.g.:

- We ensure fair, responsible and safe purchasing procedures and collaboration.
- In case of a non-compliant supplier, we strive to implement our sustainability standards in cooperation.
- Only, if all remedy efforts fail, the contractual relationship will have to be terminated.
Our goal is to realize carbon neutral concrete by 2050 at the latest.
Beton ist langlebig, extrem stark und widerstandsfähig – und kann vollständig recycelt werden. Beton wird benötigt, um auf die Bedürfnisse einer wachsenden Bevölkerung zu reagieren.