Responsible Procurement

Supplier Information
Heidelberg Materials is heavily committed towards sustainability. Responsible Procurement plays a key role in our company’s strategic goal of keeping our five Concrete Promises.

1. We focus on heavy building materials.

2. We commit to generate 50% of our revenue from sustainable products by 2030.

3. We commit to reduce CO₂ emissions by to 400 kg CO₂/t CEM by 2030.

4. We will make this transition a successful business case.

5. We drive change for the benefit of our customers, our shareholders, our employees, and the society we live in.
## We make our supply chain more sustainable: Our Sustainability Commitments

### Building a Net Zero Future

- **CO₂ & Energy**
  - 400 kg CO₂/t cement
  - SBTi 1.5 °C
  - 10 Mio. t CO₂ captured (CCUS)

- **Additional Emissions**
  - -40 % NOₓ & SOₓ

- **Sustainable Revenue**
  - 50 % Sustainable Revenue

### Building a Safe & Inclusive Future

- **Diversity, Equity & Inclusion**
  - 25 % women in leadership

- **Occupational Health & Safety**
  - 0 fatalities and -50 % LTI-FR

- **Community Engagement**
  - 100 % Community Engagement Plans
  - 1 day volunteering

- **Sustainable Suppliers**
  - 80 % with green ESG rating (spend)

### Building a Circular & Resilient Future

- **Circularity**
  - Offer 50 % circular alternatives

- **Sustainable Revenue**
  - 50 % Sustainable Revenue

### Building a Nature Positive Future

- **Biodiversity**
  - 15 % Space for Nature

- **Water**
  - 100 % WMPs
  - Water-recycling/harvesting

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We drive the decarbonisation of our sector and provide low-carbon products.

We place the health and wellbeing of employees, communities, and suppliers at the core of our business operations.

We contribute to a nature positive world through our industry-leading biodiversity programme and sustainable water management.

We drive circularity to reduce and reuse materials and natural resources.

We offer 50 % circular alternatives.

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### Responsible Procurement is key in supporting our Sustainability Commitments

<table>
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<tr>
<th>Our 2030 Sustainability Commitments...</th>
<th>...are relying on a Responsible Procurement approach</th>
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<tr>
<td>Driving economic strength and innovation</td>
<td>Co-innovating with suppliers on CO₂-reduction projects</td>
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<tr>
<td>Achieving Excellence in Occupational Health and Safety</td>
<td>Ensuring that service providers are well trained and equipped</td>
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<td>Reducing our Environmental Footprint</td>
<td>Reducing CO₂-emissions in 3rd-party cement, clinker &amp; transport</td>
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<td>Enabling the Circular Economy</td>
<td>Increasing use of alternative raw materials and fuels</td>
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<td>Being a good Neighbor</td>
<td>Managing 90% of our global Spend with local suppliers</td>
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<td>Ensuring Compliance and Creating Transparency</td>
<td>Recognizing Human Rights and Compliance as non-negotiable</td>
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Success depends on full commitment along the complete supply chain

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
Heidelberg Materials Responsible Procurement – Sustainable Supply Chain

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 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.

- 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
Concrete. The most versatile building material.