Press Release



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Heidelberg Materials introduces new framework for Green Finance instruments

- The new Green Finance Framework will fund sustainable projects and support the company's decarbonisation efforts
- The Framework supports the company's accountability and commitment to its environmental strategy and targets
- Green Finance instruments will play an essential role to reach Heidelberg Materials' target to increase the share of sustainable financial instruments to over 70% by 2025

The ongoing transformation and decarbonisation of the building materials sector requires investments. To fund these investments, Heidelberg Materials today announced the introduction of a Green Finance Framework which is aligned with the most recent best market practices and standards. The company intends to issue Green Bonds to finance and/or refinance assets and capital expenditure associated with economic activities that meet or will meet the Eligibility Criteria defined in the Green Finance Framework. This will complement the sustainable finance portfolio contributing to reach the company's target to increase the share of sustainable financial instruments to over 70% by 2025.

Heidelberg Materials Chief Financial Officer René Aldach said: "With the Green Finance Framework, we have set another cornerstone to cover our funding needs for the years to come. The framework reflects the continued confidence in our strong cashflow generation and enables us to fund sustainable projects and further decarbonise our business. The new framework underlines our position as front runner of decarbonisation in our industry."

Dr Nicola Kimm, Chief Sustainability Officer and member of the Managing Board of Heidelberg Materials, added: "The increasingly close integration of financial and ESG aspects provides vital opportunities for companies to identify and close performance gaps and strengthen stakeholder confidence. The trend toward sustainable investments continues to grow steadily. We are delighted that the new framework will make Heidelberg Materials an even more attractive investment case for a broader investor base."

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Heidelberg Materials' Green Finance Framework is based on the latest version of the International Capital Market Association's (ICMA) Green Bond Principles and the Loan Market Association's (LMA) Green Loan Principles. ISS Corporate has provided a Second Party Opinion, validating the alignment with ICMA and LMA Principles, the consistency with the company's sustainability strategy, and that the projects financed will positively contribute to achieving the UN Sustainable Development Goals. The framework also considers selected elements of the EU Taxonomy Regulation and the associated Delegated Acts as well as the EU Green Bond Regulation. The EU Taxonomy defines which economic activity can be considered environmentally sustainable and thus sets a Europe-wide standard for sustainable investments.

Heidelberg Materials' Green Finance Framework and Second Party Opinion are available online at: Sustainable Finance | Heidelberg Materials.

About Heidelberg Materials

Heidelberg Materials is one of the world's largest integrated manufacturers of building materials and solutions with leading market positions in cement, aggregates, and ready-mixed concrete. We are represented in around 50 countries with around 51,000 employees at almost 3,000 locations. At the centre of our actions lies the responsibility for the environment. As the front runner on the path to carbon neutrality and circular economy in the building materials industry, we are working on sustainable building materials and solutions for the future. We enable new opportunities for our customers through digitalisation.

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