



Remuneration report

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Remuneration report for the 2024 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 2024 financial year to the members of the Managing Board and Supervisory Board in office in the 2024 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 2024 financial year

Business development and target achievement in the 2024 financial year

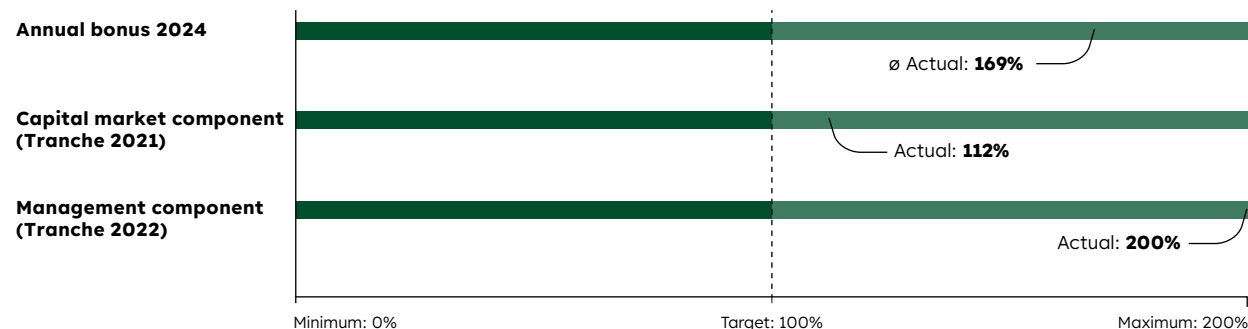
Heidelberg Materials has brought the 2024 financial year to a successful close despite global economic and geopolitical challenges.

The excellent business development of Heidelberg Materials in the 2024 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 effects and the reduction in CO₂ emissions contributed to the positive achievement of the objectives for the annual bonus. In the 2024 financial year, the newly implemented Sustainable Strategy Targets were also included in the target achievement for the annual bonus for the first time.

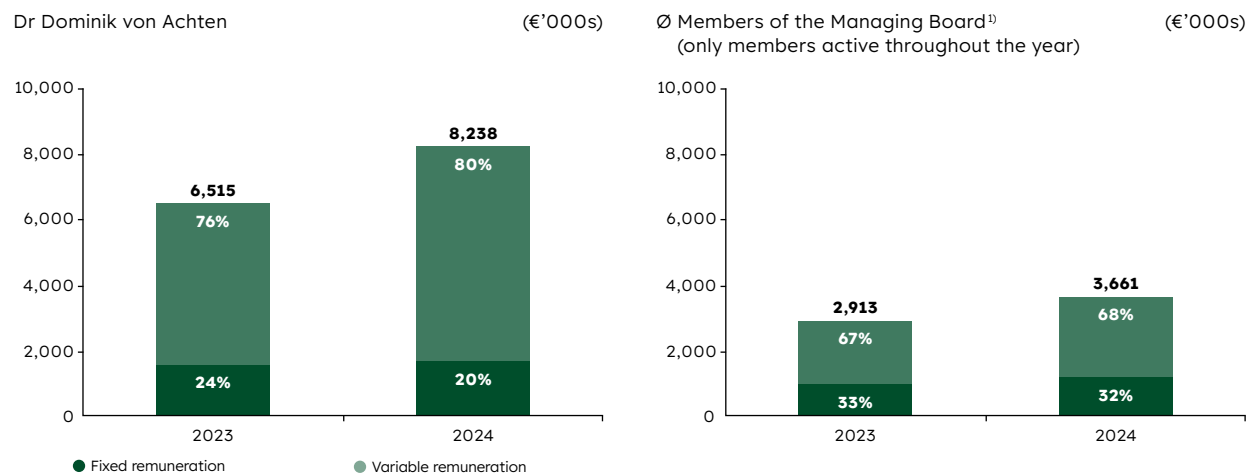
Taking into account the equal weighting of Group Performance and the Sustainable Strategy Targets in the target achievement, the average target achievement for the 2024 annual bonus is 169%.

For the management component of the 2022–2024/2025 long-term bonus, a strong performance of EBIT (Earnings Before Interest and Taxes) and ROIC (Return On Invested Capital), adjusted for special effects, led to a target achievement of 200%. In addition, the strong upswing in the Heidelberg Materials share, our progressive dividend policy, and our share buyback programme led to a significant improvement in shareholder return. This development is reflected in a target achievement of 112% for the capital market component of the long-term bonus 2021–2023/2024, which is based on the relative total shareholder return (TSR) of the Heidelberg Materials share.

Target achievement 2024



Granted and owed remuneration in the 2024 financial year



1) Excluding the Chairman of the Managing Board

Changes in the composition of the Managing Board

In the 2024 financial year, there were several personnel changes on the Managing Board of Heidelberg Materials. On 1 January 2024, Roberto Callieri was appointed to the Managing Board and assumed responsibility for the Asia Group area. In addition, Axel Conrads was appointed to the Managing Board on 1 February 2024. As Chief Technical Officer, he is responsible for the global technical Competence Centers Cement, Aggregates & Asphalt, and Ready-mix. In addition, long-standing member of the Managing Board Kevin Gluskie stepped down from the Managing Board at the end of his term with effect from 31 January 2024. On 31 August 2024, Dr Nicola Kimm also stepped down from the Managing Board after completing her term of office as Chief Sustainability Officer. In her place, Dr Katharina Beumelburg

was appointed to the Managing Board with effect from 1 October 2024 and has assumed the role of Chief Sustainability & New Technologies Officer.

In addition, the areas of responsibility of individual members of the Managing Board were expanded in the 2024 financial year. Chief Financial Officer René Aldach assumed additional responsibility for Australia with effect from January 2024. In addition, as of 1 January 2024, the Western and Southern Europe Group areas and the majority of Northern and Eastern Europe were combined to form the new Europe Group area under the responsibility of Jon Morrish. In January 2024, Hakan Gurdal took on responsibility for Kazakhstan and Russia in addition to his existing responsibility for the Africa-Eastern Mediterranean Basin Group area. Since then, the Group area has been called Africa-Mediterranean-Western Asia.

2023 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 2023 remuneration report was submitted to the 2024 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 95.84%. 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. For example, the 2024 remuneration report contains a detailed description of the changes to the 2024+ Remuneration System for the Managing Board. The 2023 remuneration report is available via the following link: <https://www.heidelbergmaterials.com/en/corporate-governance>.

Overview of the key changes resulting from the 2024+ Remuneration System

In 2023, the Supervisory Board carried out a comprehensive review of the remuneration system for the members of the Managing Board that had been in force since 2021 (2021 Remuneration System), taking into account the expectations of Heidelberg Materials' investors and stakeholders. The remuneration system for the members of the Heidelberg Materials Managing Board that was further developed on the basis of the review (2024+ Remuneration System) was approved by the 2024 Annual General Meeting with an acceptance rate of 96.21%. Since 1 January 2024, it applies to all members of the Managing Board whose employment contracts are newly concluded or extended on or after the date on which

the Annual General Meeting approved the 2024+ Remuneration System. The 2024+ Remuneration System is also effective as of 1 January 2024 with respect to members of the Managing Board already appointed as at the date on which the Annual General Meeting approved the remuneration system. As Kevin Gluskie, who stepped down from the Managing Board at the end of his term on 31 January 2024, was a member of the Managing Board for only one month in the 2024 financial year, he was not transferred to the new remuneration system for reasons of practicability. The special arrangement made with Kevin Gluskie to settle his variable remuneration entitlements for this period is described in the [Performance-related remuneration components section](#).

The revised remuneration system aligns the remuneration of the Managing Board even more closely with Heidelberg Materials' strategic targets and the expectations of investors. The main features of the revised remuneration system and the key changes compared with the 2021 Remuneration System are described in detail below. The 2024+ Remuneration System is available to download via the following link: <https://www.heidelbergmaterials.com/en/company/corporate-governance>.

Key changes to the 2024+ Remuneration System

Previous Remuneration System	Component	2024+ Remuneration System														
– Fixed annual salary, paid in 12 monthly installments	Fixed annual salary	– Fixed annual salary, paid in 12 monthly installments														
– Granting of customary fringe benefits	Fringe benefits	– Granting of customary fringe benefits														
– Defined contribution pension commitment – Transitional allowance	Pension commitment/ consideration	– Defined contribution pension commitment – Alternatively: pension consideration (cash allowance)														
– Plan type: target bonus – Cap: 200% of target value <table border="1"> <thead> <tr> <th>Corporate targets</th> <th>Individual targets</th> </tr> </thead> <tbody> <tr> <td>– Profit for the financial year – CO₂ multiplier</td> <td>– Individual targets (including ESG targets)</td> </tr> <tr> <td>2/3</td> <td>1/3</td> </tr> </tbody> </table>	Corporate targets	Individual targets	– Profit for the financial year – CO ₂ multiplier	– Individual targets (including ESG targets)	2/3	1/3	Annual bonus	– Plan type: target bonus – Cap: 200% of target value <table border="1"> <thead> <tr> <th>Group performance</th> <th>Sustainable strategy targets</th> </tr> </thead> <tbody> <tr> <td>– Profit for the financial year – CO₂ multiplier</td> <td>– Health and safety – Free cash flow – Sustainable revenue – Individual target</td> </tr> <tr> <td>50%</td> <td>50%</td> </tr> </tbody> </table>	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%		
Corporate targets	Individual targets															
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– Plan type: Performance cash plan – Term: 3 years – Cap: 200% of target value <table border="1"> <thead> <tr> <th>Management component</th> <th>Capital market component</th> </tr> </thead> <tbody> <tr> <td>EBIT 50%</td> <td>ROIC 50%</td> </tr> <tr> <td></td> <td>Relative TSR 100%</td> </tr> </tbody> </table> – Cap: 200% of total target value	Management component	Capital market component	EBIT 50%	ROIC 50%		Relative TSR 100%	Long-term bonus	– Plan type: Performance share plan – Term: 4 years – Cap: 225% of target value <table border="1"> <thead> <tr> <th colspan="4">Group Performance</th> </tr> </thead> <tbody> <tr> <td>EBIT 25%</td> <td>ROIC 25%</td> <td>Relative TSR 25%</td> <td>ESG targets 25%</td> </tr> </tbody> </table>	Group Performance				EBIT 25%	ROIC 25%	Relative TSR 25%	ESG targets 25%
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EBIT 25%	ROIC 25%	Relative TSR 25%	ESG targets 25%													
– Obligation to buy and hold Heidelberg Materials AG shares – 30,000 shares for the Chairman of the Managing Board – 15,000 shares for regular members of the Managing Board	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														
– Approx. 158% of target remuneration for the Chairman of the Managing Board – Approx. 177% or 184% of target remuneration 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														
– Compliance malus and clawback	Malus & clawback	– Compliance malus and clawback – Performance clawback														

Remuneration structure

In accordance with the 2024+ Remuneration System, around 60% to 80% of the target direct remuneration (fixed annual salary, target value of the annual bonus, grant amount of the long-term bonus) of the members of the Managing Board is made up of performance-related remuneration components. The fixed annual salary accounts for around 20% to 40% of the target direct remuneration. While the target value of the annual bonus accounts for around 20% to 35%, the grant amount of the long-term bonus accounts for around 35% to 50% of the target direct remuneration. To ensure the long-term focus of the remuneration of the Managing Board and satisfy regulatory requirements, the share of the long-term bonus exceeds that of the annual bonus within the performance-related remuneration components.

Further components of the target total remuneration include fringe benefits, amounting to an average of around 35% of the respective fixed annual salary, and the pension commitment or cash allowance, also amounting to an average of around 35% of the fixed annual salary. The relative proportions of pension commitments and fringe benefits may differ in the future due to the development of expenditure on contractual pension commitments or fringe benefits, or due to the granting of temporary benefits or benefits agreed for the entire duration of the service agreement, in particular to newly appointed or seconded members of the Managing Board.

Annual bonus

What was the objective?

- To lower complexity by harmonising and reducing the number of performance criteria
- To increase the transparency and comparability of Managing Board targets
- To strengthen the links to Heidelberg Materials' strategic targets

What has been changed to achieve the objective?

- Use of two key target categories, Group Performance and Sustainable Strategy Targets, each with a 50% weighting
- Definition of four performance criteria within the Sustainable Strategy Targets:
 1. Health & Safety
 2. Free cash flow
 3. Increase in sustainable revenue
 4. Individual target

While the profit for the financial year and the CO₂ component continue to be taken into account in the Group Performance component of the annual bonus, the three performance criteria of health and safety, free cash flow, and increase of sustainable revenues, plus one individual target for each member of the Managing Board, are embedded in the Sustainable Strategy Targets. The intention here is to establish an even closer link between the performance criteria

and Heidelberg Materials' strategic principles. By reducing the individual targets from up to six targets in the 2021 Remuneration System down to one target, the complexity of the annual bonus is also significantly reduced. Furthermore, the harmonisation of performance criteria helps to increase the transparency and comparability of the Managing Board's targets.

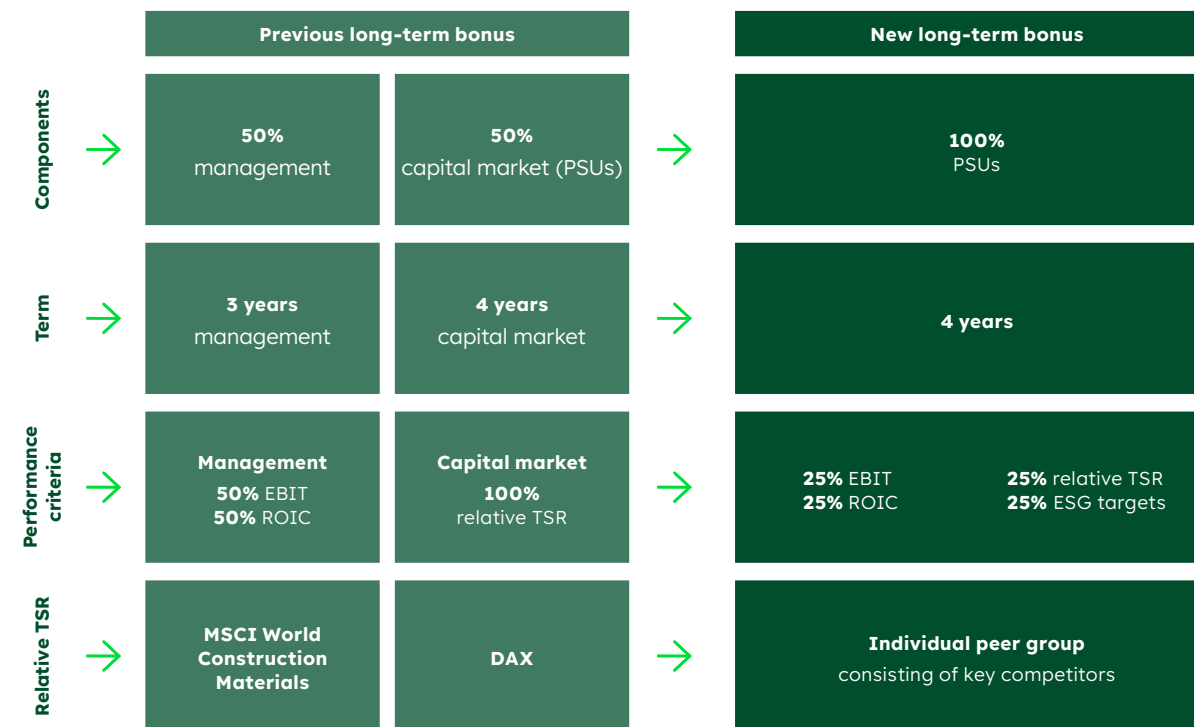
Long-term bonus

What was the objective?

- To reduce complexity by means of a standardised plan design
- To increase share price orientation
- To anchor ESG targets in the long-term bonus to support the achievement of ambitious sustainability targets

What has been changed to achieve the objective?

- Total grant amount to be issued in performance share units (PSUs) in all cases
- Harmonisation of the duration to four years
- Definition of four equally weighted performance criteria:
 1. Earnings before Interest and Taxes (EBIT)
 2. Return on Invested Capital (ROIC)
 3. Relative total shareholder return (relative TSR)
 4. ESG target
- Introduction of an individual peer group to measure the relative TSR



In order to strengthen the link between the share price and long-term performance-related remuneration, the new long-term bonus is 100% share-based and will be allocated entirely in the form of performance share units (PSUs). By dispensing with the previous separation into a management component and a capital market component, each with a 50% weighting, the complexity of the long-term bonus is significantly reduced. Harmonising the term to four years also strengthens the long-term focus of performance-related remuneration.

With regard to performance criteria, the new long-term bonus includes ESG targets in addition to the financial performance targets EBIT, ROIC, and relative TSR. The aim is to provide even stronger incentives to achieve Heidelberg Materials' ambitious sustainability targets. In addition, the performance criterion relative TSR will no longer be measured against the capital market indices DAX and MSCI World Construction Materials, but against an individual peer group consisting of international comparable companies. This will allow Heidelberg Materials' target setting and performance assessment to better reflect the competitive environment.

Maximum remuneration

What was the objective?

- To concretise the maximum remuneration amounts

In the 2021 Remuneration System, the maximum remuneration was defined as the maximum percentage of the target remuneration of the respective members of the Managing Board. This amounted to up to 158% of the corresponding target remuneration for the Chairman of the Managing Board and up to 184% for the regular members of the Managing Board, excluding pension commitments and fringe benefits. By contrast, the 2024+ Remuneration System places a cap on the amount of remuneration that can be awarded to members of the Managing Board, which

Share Ownership Guidelines

What was the objective?

- To increase the comparability of share ownership
- To set the share ownership levels in line with market standards

As part of the share ownership guidelines, the 2024+ Remuneration System obliges the members of the Managing Board of Heidelberg Materials to invest a fixed Euro amount corresponding to a fixed percentage of their respective fixed annual salary in Heidelberg Materials shares. Previously, the share ownership guidelines defined a fixed number of

What has been changed to achieve the objective?

- Definition of a concrete maximum remuneration amount for the various Managing Board positions
 - Chairman of the Managing Board: €11 million
 - Regular members of the Managing Board: €6 million
- Definition of the maximum remuneration amounts for members of the Managing Board whose contracts state their remuneration in US dollars: US\$ 6.5 million

also includes fringe benefits and expenses for pension commitments. This structure thus promotes transparency and traceability when it comes to reporting compliance with the maximum remuneration.

In addition, a maximum amount in US dollars has been defined for members of the Managing Board whose remuneration is contractually specified in US dollars in order to avoid risks arising from exchange rate fluctuations.

shares to be held. The move away from the previous rule requiring a fixed number of shares to be held serves the purpose of increasing the comparability of the share ownership guidelines. Furthermore, the levels of share ownership are in line with market practice in Germany, thus strengthening the market conformity of the remuneration system.

Further contractual provisions

What was the objective?

- To further increase the remuneration system's market conformity
- To enhance the Supervisory Board's scope for action

With regard to further contractual provisions, the 2024+ Remuneration System no longer provides for the option of granting members of the Managing Board a transitional allowance. This change is also in line with current market practice.

In addition, the existing clawback rule, under which performance-related remuneration can be reclaimed in the event of breaches of essential duties of diligence (compliance clawback), has been extended to include a performance clawback. This makes it possible to reclaim performance-related remuneration components in the event of materially incorrect consolidated annual financial statements. As a result, the Supervisory Board has greater scope for action in dealing with performance-related remuneration that has been paid out erroneously.

The Supervisory Board continues to have the option of discretionary adjustment of the annual or the long-term bonus in order to account for exceptional circumstances (administrative discretion). Under the new 2024+ Remuneration System, this margin of discretion remains unchanged at a standardised $\pm 15\%$ of the target value of the variable remuneration components for all members of the Managing Board.

What has been changed to achieve the objective?

- Removal of the option to grant a transitional allowance following retirement
- Extension of the clawback rules to include the option to reclaim variable compensation elements in the event of materially incorrect annual financial statements (performance clawback)

Remuneration of the Managing Board in the 2024 financial year

Principles of the remuneration of the Managing Board

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 2024+ Remuneration System was approved by the 2024 Annual General Meeting with an acceptance rate of 96.21%. It has been applicable to all members of the Managing Board since 1 January 2024 and is available via the following link: <https://www.heidelbergmaterials.com/en/company/corporate-governance>.

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 Heidelberg Materials.

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 DAX40 were used for the horizontal comparison. In order to take the industry criterion into account, the Supervisory Board will also be able to use companies from related sectors as a peer group in the future.

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 Heidelberg Materials, 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 2020 to 2024. 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	2020	Change 2021/2020	2021	Change 2022/2021	2022	Change 2023/2022	2023	Change 2024/2023	2024
Managing Board ²⁾	2,868.7	-9.1%	2,607.8	-0.7%	2,590.5	0.8%	2,610.6	5.1%	2,744.8
Top and senior management ³⁾	230.0	2.7%	236.3	-1.0%	233.9	8.0%	252.6	-1.8%	248.1
Total workforce of Heidelberg Materials AG ⁴⁾	63.4	1.2%	64.3	-2.2%	62.9	6.0%	66.6	3.9%	69.2

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) The decrease of 9.1% in the average target direct remuneration of the Managing Board from 2020 to 2021 is mainly due to the new appointment of three Managing Board members, whose target direct remuneration was lower than the average remuneration of the other Managing Board members.
 3) 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.
 4) Including top and senior management, excluding Managing Board.

In the 2024 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 1:11 (previous year: 1:10), and the ratio to the total workforce of Heidelberg Materials was 1:40 (previous year: 1:39).

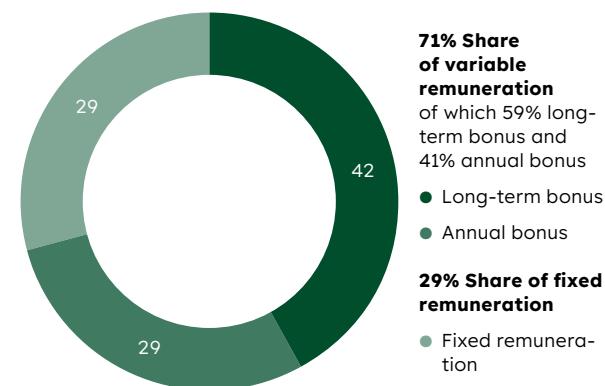
The percentage change in the average target direct remuneration of the Managing Board compared with the previous year is attributable to several adjustments to remuneration that were made in 2024 due to reappointments. These are explained in more detail in the [Fixed annual salary section](#).

Remuneration structure

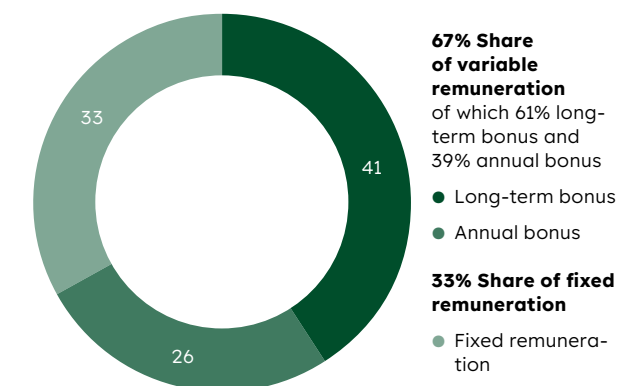
Pay for performance and the focus on the sustainable and long-term development of the company are central principles of the remuneration of its Managing Board. With these principles in mind, 71% of the target direct remuneration for the Chairman of the Managing Board and around 67% for the members of 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 2024 (2023) financial year, the target remuneration of the members of the Managing Board who were active in the 2024 (2023) financial year was subject to the 2024+ Remuneration System (2021 Remuneration System) and is as follows:

Target remuneration

€'000s	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⁾ (since 1 January 2024)		Axel Conrads Member of the Managing Board (since 1 February 2024)		Kevin Gluskie Member of the Managing Board ²⁾ (until 31 January 2024)	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Fixed annual salary	1,525	1,598	600	638	-	212	-	660	-	550	894	74
Fringe benefits	9	10	15	189	-	8	-	686	-	8	536	107
Contribution to private pension (cash allowance)	-	-	-	-	-	-	-	400	-	-	-	-
One-year variable compensation	1,525	1,598	480	511	-	170	-	528	-	439	715	60
Annual bonus 2023	1,525	-	480	-	-	-	-	-	-	-	715	-
Annual bonus 2024	-	1,598	-	511	-	170	-	528	-	439	-	60
Multi-year variable compensation	2,288	2,397	750	798	-	266	-	825	-	688	1,158	94
Long-term bonus plan 2023–2025/2026	2,288	-	750	-	-	-	-	-	-	-	1,158	-
Management component tranche 2023–2025	1,144	-	375	-	-	-	-	-	-	-	579	-
Capital market component tranche 2023–2026	1,144	-	375	-	-	-	-	-	-	-	579	-
Long-term bonus plan 2024–2027	-	2,397	-	798	-	266	-	825	-	688	-	94
Others	-	-	-	-	-	-	-	-	-	-	-	-
Service costs	359	417	164	179	-	63	-	-	-	194	525	49
Total compensation	5,706	6,021	2,010	2,315	-	719	-	3,099	-	1,879	3,828	384

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.

2) 90% of the fixed annual salary, the annual bonus and the long-term bonus of Kevin Gluskie are paid by Heidelberg Materials Asia. Kevin Gluskie receives his remuneration in Australian dollars in accordance with his employment contract. The average exchange rates for 2023 (1.6290 AUD/EUR) and 2024 (1.6403 AUD/EUR) were used for conversion into euros. The closing rate before the start of the performance period (31 December 2022: 1.5717 AUD/EUR; 31 December, 2023: 1.6206 AUD/EUR) was used to convert the long-term bonus into euros. As Kevin Gluskie left the Managing Board on January 31, 2024, the target remuneration for 2024 represents the remuneration for one month (January 2024).

Target remuneration

	Hakan Gurdal Member of the Managing Board		Dr Nicola Kimm Member of the Managing Board (until 31 August 2024)		Dennis Lentz Member of the Managing Board ³⁾		Jon Morrish Member of the Managing Board		Chris Ward Member of the Managing Board ⁴⁾	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
€'000s										
Fixed annual salary	770	841	600	400	600	638	903	944	829	872
Fringe benefits	87	81	52	10	412	479	82	103	58	62
Contribution to private pension (cash allowance)	-	-	-	-	-	-	-	-	374	392
One-year variable compensation	616	672	480	320	480	511	722	755	663	698
Annual bonus 2023	616	-	480	-	480	-	722	-	663	-
Annual bonus 2024	-	672	-	320	-	511	-	755	-	698
Multi-year variable compensation	963	1,051	750	500	750	798	1,129	1,180	1,086	1,068
Long-term bonus plan 2022–2024/2025	963	-	750	-	750	-	1,129	-	1,086	-
Management component tranche 2022–2024	481	-	375	-	375	-	564	-	542	-
Capital market component tranche 2022–2025	481	-	375	-	375	-	564	-	544	-
Long-term bonus plan 2023–2025/2026	-	1,051	-	500	-	798	-	1,180	-	1,068
Others	-	-	-	-	-	-	-	-	-	-
Service costs	383	247	214	153	145	164	324	216	-	-
Total compensation	2,818	2,892	2,096	1,382	2,388	2,590	3,160	3,199	3,011	3,092

3) 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.

4) 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 2023 (1.0816 USD/EUR) and 2024 (1.0819 USD/EUR) were used for conversion into euros. The closing rate before the start of the performance period (2022: 1.0705 USD/EUR; 2023: 1.1039 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 2024 financial year, the provisions of the 2024+ Remuneration System

regarding maximum remuneration will apply. Compliance with the maximum remuneration in the 2024 financial year will therefore be reported in the remuneration report for the 2027 financial year after the end of the duration of the 2024 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 2024 financial year, all remuneration components allocated in the 2021 financial year have been granted and are owed. For remuneration allocated in the 2021 financial year, the provisions of the 2021 Remuneration System regarding maximum remuneration apply. Accordingly, the maximum re-

muneration (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 between the 2020 financial

year and the 2024 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 2021 financial year. For the current Chairman of the Managing Board, the corresponding maximum remuneration was set at €8,000,000 based on individual contractual provisions. This corresponds to 158% 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 2021 financial year:

Remuneration paid for the 2021 financial year

	Dr Dominik von Achten Chairman of the Managing Board	René Aldach Member of the Managing Board (since 1 Sep. 2021)	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 (since 1 September 2021 until 31 August 2024)	Dennis Lentz Member of the Managing Board (since 1 Sep. 2021)	Jon Morrish Member of the Managing Board	Dr Lorenz Näger Member of the Managing Board (until 31 Aug. 2021)	Chris Ward Member of the Managing Board ²⁾
€'000s/share in %	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024	2021–2024
Fixed annual salary 2021	1,450	200	913	764	700	200	200	899	733	710
One-year variable compensation	2,770	297	1,314	1,133	1,045	293	303	1,362	1,081	1,013
Annual bonus 2021	2,770	297	1,314	1,133	1,045	293	303	1,362	1,081	1,013
Multi-year variable compensation	3,781	1,209	2,302	1,921	1,750	1,209	1,209	2,255	1,833	1,775
Long-term bonus 2021–2023/2024										
Management component tranche 2021–2023	2,175	584	1,151	960	875	584	584	1,127	917	888
Capital market component tranche 2021–2024	1,606	625	1,152	961	875	625	625	1,128	917	888
Total payments for the 2021 financial year	8,000	1,705	4,529	3,818	3,495	1,702	1,712	4,517	3,648	3,498
Target direct remuneration 2021	5,075	964	2,794	2,335	2,135	964	964	2,746	2,237	2,166
Total payments for 2021 as % of target remuneration ³⁾	158%	177%	162%	164%	164%	176%	177%	164%	163%	162%
Maximum remuneration as % of target remuneration	158%	177%	184%	184%	177%	177%	177%	177%	177%	177%
Fixed maximum remuneration for 2021	8,000	3,245	5,141	4,296	3,785	3,245	3,245	4,869	3,966	3,840
Maximum remuneration complied with	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes

1) The average exchange rate for 2021 (1.5751 AUD/EUR) was used for conversion into euros.

2) The average exchange rate for 2021 (1.1830 AUD/EUR) was used for conversion into euros.

3) For Mr. René Aldach, Dr. Nicola Kimm and Mr. Dennis Lentz, limited interpretability due to pro rata calculation of the long-term bonus over the entire plan term due to the appointment to the Managing Board during the year.

The maximum remuneration was complied with for all members of the Managing Board in office in the 2021 financial year. In the case of Dr Dominik von Achten, the payout of the 2021 tranche of the capital market component of the 2021–2023/2024 long-term bonus will be reduced by €569,500 to comply with the maximum remuneration.

Application of the remuneration system in the 2024 financial year

In the 2024 financial year, remuneration components agreed under the 2024+ Remuneration System as well as those agreed in previous years under the 2021 Remuneration System were paid out. The following section therefore clearly indicates which remuneration components in the 2024 financial year were still

(partially) granted under the 2021 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 2024 financial year, the Supervisory Board decided to make the following adjustments on the basis of this review process:

Dr Dominik von Achten: Adjustment of the fixed annual salary by 11.5% as of 1 August 2024 in connection with the extension of his mandate until 31 January 2028. Since the last adjustment in October 2022, this corresponds to an annual rate of increase of 6.1%. This adjustment is in line with the positioning of the remuneration of the Chairman of the Managing Board at the median of the DAX peer group, thus ensuring remuneration at a market common, competitive level. Furthermore, the adjustment reflects the key role of the Chairman of the Managing Board

in the context of the company's sustainability and digital transformation.

Hakan Gurdal: Adjustment of the fixed annual salary by 10.0% as of 1 February 2024 in connection with the extension of his appointment to the Managing Board until 31 January 2029. Since the last adjustment in January 2021, this corresponds to an annual rate of increase of 3.2%. This adjustment reflects Hakan Gurdal's expanded area of responsibility, which has comprised the Africa-Mediterranean-Western Asia Group area since January 2024.

Jon Morrish: Adjustment of the fixed annual salary by 5.0% as of 1 February 2024 in connection with the extension of his appointment to the Managing Board until 31 January 2029. Since the last adjustment in

January 2021, this corresponds to an annual rate of increase of 1.6%. The adjustment reflects Jon Morrish’s expanded area of responsibility, which has comprised the Europe Group area since January 2024.

René Aldach: First-time adjustment of the fixed annual salary by 19.2% as of 1 September 2024 in connection with the extension of his appointment to the Managing Board until 31 August 2029. Since his initial appointment on 1 September 2021, this corresponds to an annual rate of increase of 6.0%. The adjustment reflects René Aldach’s expanded area of responsibility, which has included Australia since January 2024, as well as Mr Aldach’s achievements in connection with his reappointment for a second term.

Dennis Lentz: First-time the adjustment of fixed annual salary by 19.2% as of 1 September 2024 in connection with the extension of his appointment to the Managing Board until 31 August 2029. Since his initial appointment on 1 September 2021, this corresponds to an annual rate of increase of 6.0%. The adjustment reflects the critical importance of Dennis Lentz’s role on the Managing Board in the context of the company’s digital transformation, as well as Mr Lenz’s achievements in connection with his reappointment for a second term.

In comparison with the rates of increase in the fixed annual salary of the members of the Managing Board concerned, the average annual rate of salary increase for the total workforce of Heidelberg Materials AG over the years 2021 to 2024 was 3.4%. In line with the procedure described, the appropriateness of the remuneration of the Managing Board members concerned was also reviewed in the course of these adjustments. The maximum remuneration pursuant to section 87a of the AktG has not been adjusted.

Fringe benefits

In the 2024 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, 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 2024 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.

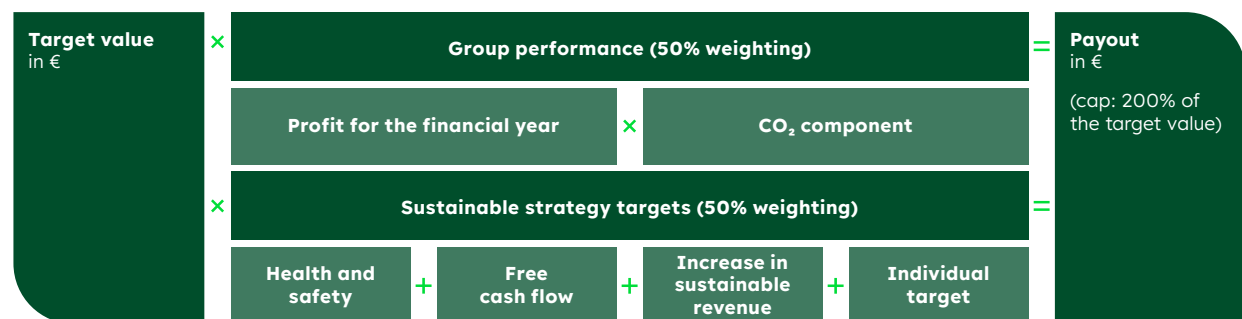
As in previous years, the Supervisory Board did not make use of the option of discretionary adjustment to the remuneration of the Managing Board in the 2024 financial year.

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 target 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 2024 financial year, the Supervisory Board set a target corridor of €1,795 million to €1,815 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 €1,595 million and the cap at €1,940 million.

In the 2024 financial year, the actual value of the profit for the financial year attributable to the share-

holders of Heidelberg Materials AG, including adjustments for special items relevant to remuneration, amounted to €1,889 million. This results in a target achievement of 159%.

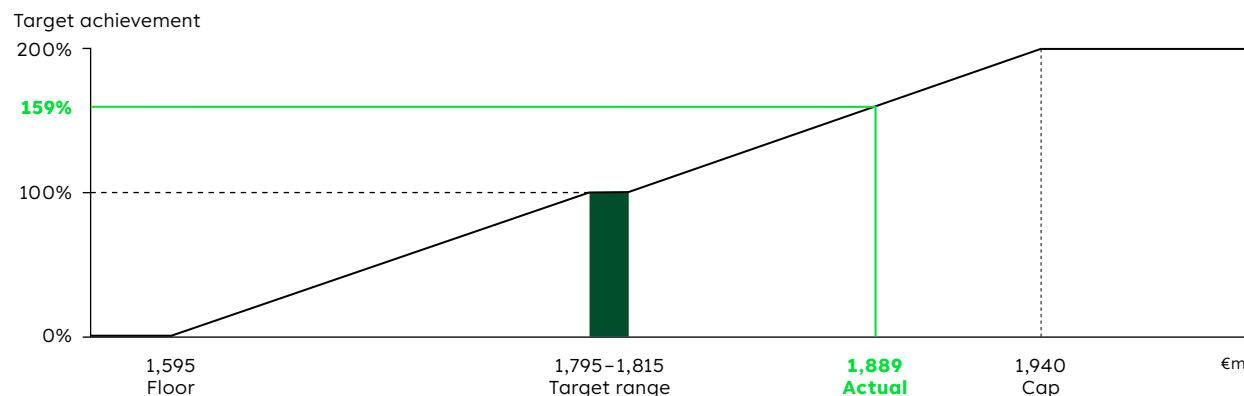
The following adjustments were made:

- Impairment and restructuring in France, Germany, Kazakhstan, Australia, Spain and for the Nordic Precast Group (as far as they were not planned) in the amount of €180 million were added.
- The reversal of a provision for legal dispute won in North America in the amount of €180 million was subtracted.
- Discounting effects from the evaluation of provisions in the amount of €35 million were subtracted.
- Expenses directly related to the rebranding of our Group companies in the amount of €25 million were added.
- Provisions for tax matters in the amount of €21 million were added.
- Provisions for damage claims in North America in the amount of €20 million were added.

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. 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) in the **Non-financial statement chapter of the Annual Report 2024**. 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.

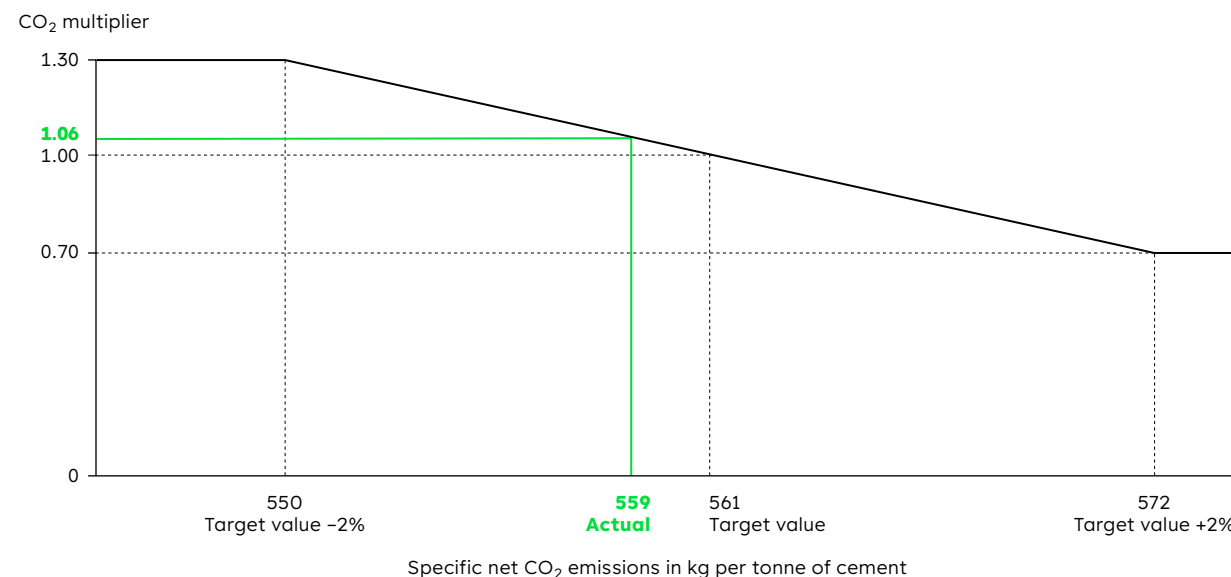
The CO₂ component is set up as a multiplier, which can range between 0.7 and 1.3 (CO₂ multiplier). To determine the CO₂ multiplier, the Supervisory Board defines a target value for the specific CO₂ emissions per tonne of cement at the beginning of the respective financial year. That target value is derived from Heidelberg Materials' long-term CO₂ roadmap and the Group's current CO₂ performance.

For the 2024 financial year, the Supervisory Board set a target value of 561 kg of CO₂ per tonne of ce-

ment. 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 2024 financial year, the actual value of CO₂ emissions was 558.7 kg of CO₂ per tonne of cement. This results in a CO₂ multiplier of 1.06. 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 2024 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 2024 financial year, the Supervisory Board has defined the weighting of the Sustainable Strategy Targets as follows:

Weighting of the Sustainable Strategy Targets for the 2024 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 set specific targets for reducing the lost time injury frequency rate (LTIFR) in the 2024 financial year. Both the relative change in the LTIFR compared with the previous year and the LTIFR per one million hours worked 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 2024 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, Axel Conrads, and Dr Nicola Kimm 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 2024 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 2024 financial year, the LTIFR was below 0.5 in the Asia and AMWA Group areas, and around 1.1 in the North America Group area. In the Europe Group area, the LTIFR reduced by around 30% compared with 2023. 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 2024 financial year amount to between 87% and 200% and can be found in the table at the end of this 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, free cash flow 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 fi-

ancial year. For the 2024 financial year, the Supervisory Board set a target corridor of 0% to 200%, whereby achieving the free cash flow value set out in the operational plan for the 2024 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 free cash flow Sustainable Strategy Target is also assessed either on a Group-wide basis (Dr Dominik von Achten, René Aldach, Dr Katharina Beumelburg, Axel Conrads, Dr Nicola Kimm, 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 free cash flow Sustainable Strategy Target in the 2024 financial year amount to between 170% 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 50% by 2030.

The target achievement for the Sustainable Strategy Target increase of sustainable revenues in the 2024 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 2024 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, Dr Nicola Kimm, 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 2024 financial year, sustainable revenues in almost all Group areas increased by more than the rise forecast in the operational plan. Only in the Asia Group area was the increase in sustainable revenues below the plan figure. The individual target achievements of the members of the Managing Board for the increase of sustainable revenues Sustainable Strategy Target in the 2024 financial year amount to between 55% 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 2024 financial year are presented in the following table:

Individual target achievement of Managing Board members

	Individual target	2024
Dr Dominik von Achten	Company performance – Project completion Brevik and commercialization of sustainable products – M&A-growth in NAM and Asia	172%
René Aldach	Performance Australia – Evaluation based on RCO, Free Cash Flow and fix cost budget	142%
Dr Katharina Beumelburg (Member of the Managing Board since 1 October 2024)	Sustainability – Further development of the sustainability strategy – Successful onboarding – Development of a 100-Day-Plan	130%
Roberto Callieri (Member of the Managing Board since 1 January 2024)	Major projects and transactions in Asia – Indonesia: Integration of Grobogan plant – M&A-growth in Asia – Progress in separate grinding in Thailand	155%
Axel Conrads (Member of the Managing Board since 1 February 2024)	Major projects and performance of business lines Cement and Aggregates – Progress in key projects Brevik and Airvault – Performance improvement in the business line Cement – Productivity increase in the business line Aggregates	111%
Hakan Gurdal	AMWA Performance – Tanzania: Integration of Tanga plant – Performance Kazakhstan – Progress in production of calcined clay in Ghana	130%
Dr Nicola Kimm (Member of the Managing Board until 31 August 2024)	Sustainability – Drive leadership of Heidelberg Materials in decarbonization – Commercialization of sustainable products – Progress in sustainability commitments and investor ratings	124%
Dennis Lentz	Digitalization – Performance of the investment in Command Alkon (software provider) – Progress in the implementation of remote-controlled facilities – Advancement of ERP systems	155%
Jon Morrish	Performance Europe – Improvement of cost structure in Europe	186%
Chris Ward	Transformation projects in NAM – Progress in major projects in Mitchell and Edmonton – M&A growth in NAM – Progress in the implementation of remote-controlled facilities	144%

In Australia, free cash flow improved significantly during the financial year and the target to reduce fixed costs was achieved, whereas the RCO fell short of the target for demand reasons.

With regard to sustainability, major advances have been made in the commercialisation of sustainable products through the establishment of the mass balance and book-and-claim approaches. In addition, significant improvements were achieved in terms of Heidelberg Materials' assessment in various sustainability ratings.

In the Asia Group area, further progress was made in the integration of PT Semen Grobogan, M&A growth was strengthened with the acquisition of ACE Group in Malaysia, and significant advances were made towards implementing the separate grinding process.

Mechanical completion of the large-scale CCS project in Brevik was achieved ahead of schedule. In the cement business line, the proportion of clinker was reduced in the Group and we further improved the reliability of our cement kilns. Productivity targets in the aggregates business line were not achieved due to weak demand.

The integration of the Tanzanian cement manufacturer Tanga Cement PLC was successfully completed in the AMWA Group area. In addition, progress was made in the performance of the Group country Kazakhstan and in the production of calcined clay as a clinker substitute in Ghana.

With regard to digitalisation, growth in the Command Alkon participation increased and progress was made in the development of remote-controlled facilities for our cement and grinding plants in North America. We also made substantial advances in the transformation of our ERP systems. In the Europe Group area, comprehensive measures were implemented to improve the cost structure.

In the North America Group area, important milestones were reached in the CCS projects in Mitchell and Edmonton, and M&A growth was significantly accelerated through transactions (e.g. Giant Cement, Carver Sand & Gravel, and Highway Materials, Inc.).

For 2024, the achievement rate of the Managing Board members' individual targets was between 111% and 186%.

Target achievement: Sustainable Strategy Targets

The individual target achievements of the members of the Managing Board for the individual Sustainable Strategy Targets are shown in the following table:

Sustainable strategy targets: Individual target achievement 2024 of Managing Board members

€'000s	Health & Safety (20%)	Free cash flow (40%)	Sustainable revenue (20%)	Individual target (20%)	Total
Dr Dominik von Achten	162%	178%	194%	172%	177%
René Aldach	162%	178%	194%	142%	171%
Dr Katharina Beumelburg	162%	178%	194%	130%	168%
Roberto Callieri	167%	200%	55%	155%	155%
Axel Conrads	162%	178%	194%	111%	165%
Hakan Gurdal	158%	200%	125%	130%	163%
Dr Nicola Kimm	162%	178%	194%	124%	167%
Dennis Lentz	200%	178%	194%	155%	181%
Jon Morrish	199%	200%	200%	186%	197%
Chris Ward	87%	170%	146%	144%	143%

2024 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 2024 annual bonus:

Overall target achievement Annual bonus 2024

€'000s	Target value	Target achievement			Total	Total	Payout
		Group performance (50%)		Sustainable strategy targets (50%)			
		Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders	CO ₂ multiplier				
Dr Dominik von Achten	1,598			177%	173%	2,765	
René Aldach	511			171%	170%	868	
Dr Katharina Beumelburg	170			168%	169%	288	
Roberto Callieri	528			155%	162%	855	
Axel Conrads	439	159%	1.06	169%	165%	734	
Hakan Gurdal	672			163%	166%	1,116	
Dr Nicola Kimm	320			167%	168%	538	
Dennis Lentz	511			181%	175%	894	
Jon Morrish	755			197%	183%	1,382	
Chris Ward	698			143%	156%	1,088	
Total	6,203					10,528	

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. In the 2024 financial year, this applies to the newly appointed members of the Managing Board, Axel Conrads and Dr Katharina Beumelburg, and to the two outgoing members of the Managing Board, Kevin Gluskie and Dr Nicola Kimm. The 2024 annual bonus will be paid after the Annual General Meeting in 2025. Since Kevin Gluskie was a member of the Managing

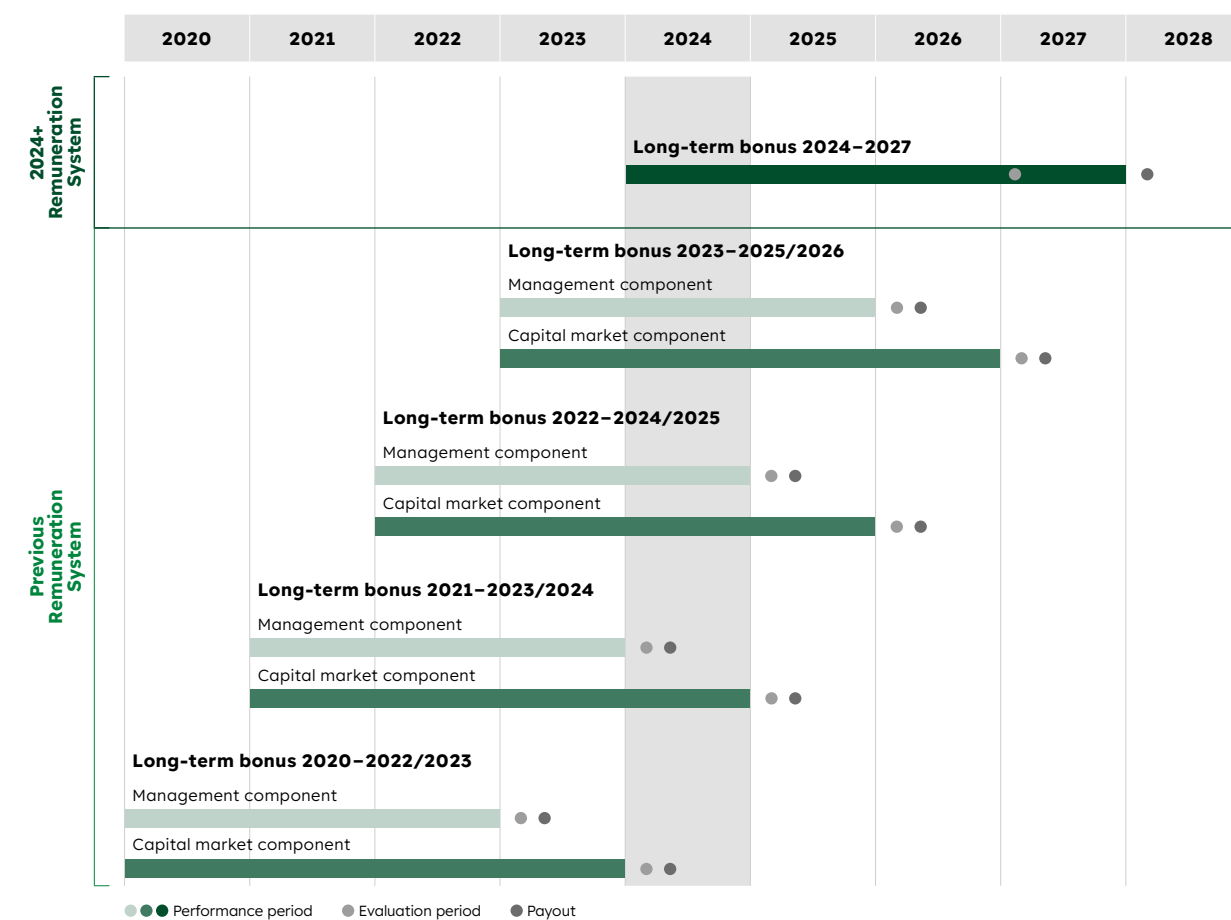
Board for only one month in the 2024 financial year and the Supervisory Board was therefore of the opinion that no meaningful performance assessment could be carried out, a special arrangement was made to settle his claims to variable remuneration for this period. For reasons of practicability, Mr Gluskie's 2024 annual bonus was thus valued in accordance with the target achievement of the 2023 annual bonus and paid out following the 2024 Annual General Meeting.

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 2024 financial year, the new, fully share-based long-term bonus in the form of performance share units (PSUs) was allocated for the first time based on the 2024+ Remuneration System (2024–2027 tranche). The following illustration gives an overview of the payout scheme for the tranche of the long-term bonus allocated in 2024 and the still-outstanding tranches of the long-term bonus 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.

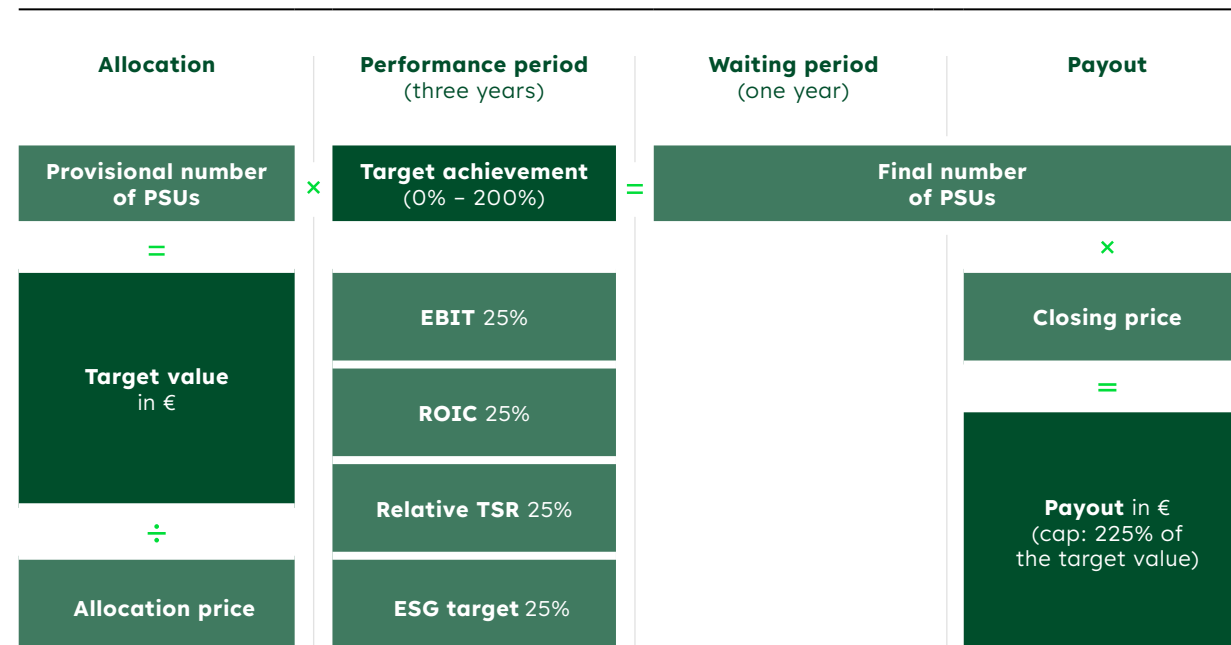
The long-term bonus has a duration of four years. This consists of a three-year performance period and a one-year waiting period. At the end of the performance period, the target achievement for the performance criteria is determined and the final number

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 2024–2027 long-term bonus:

Allocation long-term bonus 2024–2027

€'000s	Award value	Allocation price in €	Number of provisionally allocated PSUs	Maximum possible number of PSUs
Dr Dominik von Achten	2,397	73.48	32,624	65,248
René Aldach	798		10,859	21,718
Dr Katharina Beumelburg ¹⁾	266		3,622	7,244
Roberto Callieri	825		11,228	22,456
Axel Conrads ²⁾	688		9,356	18,712
Hakan Gurdal	1,051		14,300	28,600
Dr Nicola Kimm ³⁾	500		6,805	13,610
Dennis Lentz	798		10,859	21,718
Jon Morrish	1,180		16,065	32,130
Chris Ward	1,068		14,539	29,078
Total	9,571			130,257

1) Calculation basis: Pro-rata calculation of the award value due to entry as of 01.10.2024.

2) Calculation basis: Pro-rata calculation of the award value due to entry as of 01.02.2024.

3) Calculation basis: Pro-rata calculation of the award value due to exit as of 31.08.2024.

Due to the standardisation of the duration of the long-term bonus to four years, there will be a one-time shift of the payout in the 2027 financial year, as only the capital market component of the 2023 tranche of the long-term bonus (50% of the original grant amount) will be paid out in that financial year.

To mitigate this one-time shift of the payout in the 2027 financial year, 25% of the payout amount of the 2024 tranche of the long-term bonus, provisionally calculated on the basis of the determined target achievement, will be paid after the three-year perfor-

mance period. The payout amount is calculated based on the reference price of the Heidelberg Materials share valid at the end of the three-year performance period, which in turn is adjusted for notionally reinvested dividend payments and for changes in capital. This payout will then be offset against the regular payout of the 2024 tranche of the long-term bonus, taking into account the reference price of the Heidelberg Materials share at the end of the waiting period in the 2028 financial year. The provisional payout thus does not constitute additional or guaranteed remuneration.

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. In the 2024 financial year, this applies to the newly appointed members of the Managing Board, Axel Conrads and Dr Katharina Beumelburg, and to the two outgoing members of the Managing Board, Kevin Gluskie and Dr Nicola Kimm.

Since Kevin Gluskie was a member of the Managing Board for only one month in the 2024 financial year, a special arrangement was made to settle his claims to variable remuneration for this period for reasons of practicability. Mr Gluskie's 2024 long-term bonus was thus valued in accordance with the target achievement of the management and capital market components of Mr Gluskie's long-term bonus completed at the end of the 2023 financial year, respectively, and paid out following the 2024 Annual General Meeting.

In accordance with his employment contract, Kevin Gluskie also received an advance payout of 100% of the grant amounts of all tranches of the long-term bonus outstanding at the time of his departure. This advance payout will be offset against the regular payout of the respective tranche of the long-term bonus, which may result in both additional payments to Kevin Gluskie and clawbacks by Heidelberg Materials AG. The advance payout therefore does not constitute additional or guaranteed remuneration. Advance payouts of the long-term bonus as a result of the departure of a member of the Managing Board are no longer provided for in the 2024+ Remuneration System.

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.

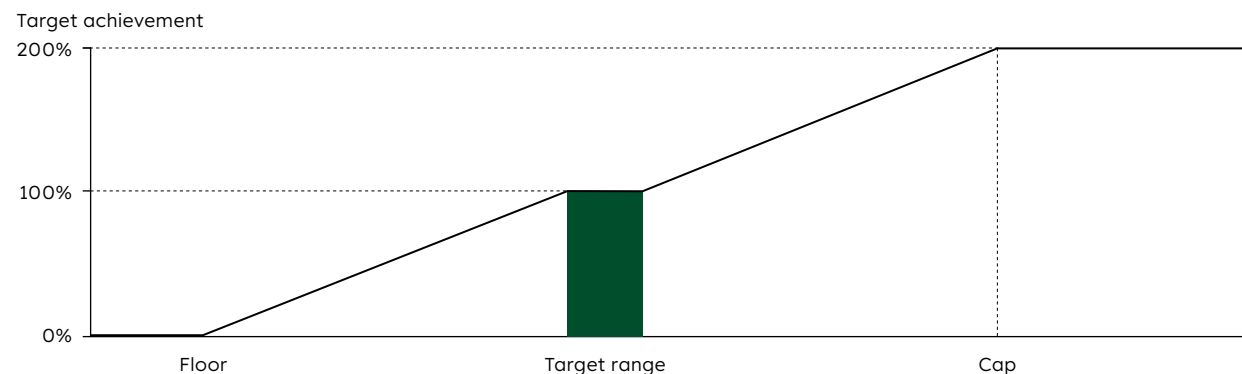
EBIT

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-

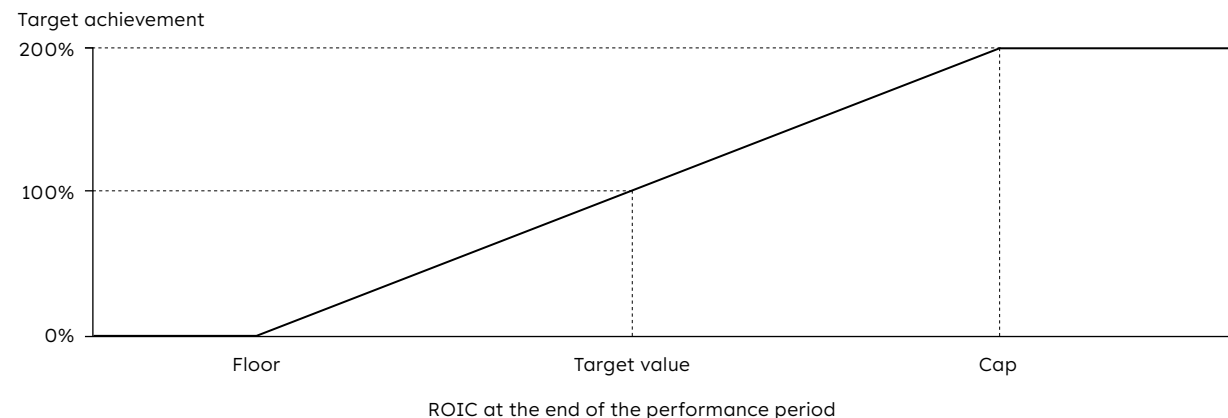
ments made for the calculation of target achievement are disclosed in the remuneration report after the duration of the respective tranche.

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 incentives 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 adjust-

ments 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 reinvested 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 2024–2027 tranche, the peer group used to measure relative TSR is composed of the following competitors of Heidelberg Materials:

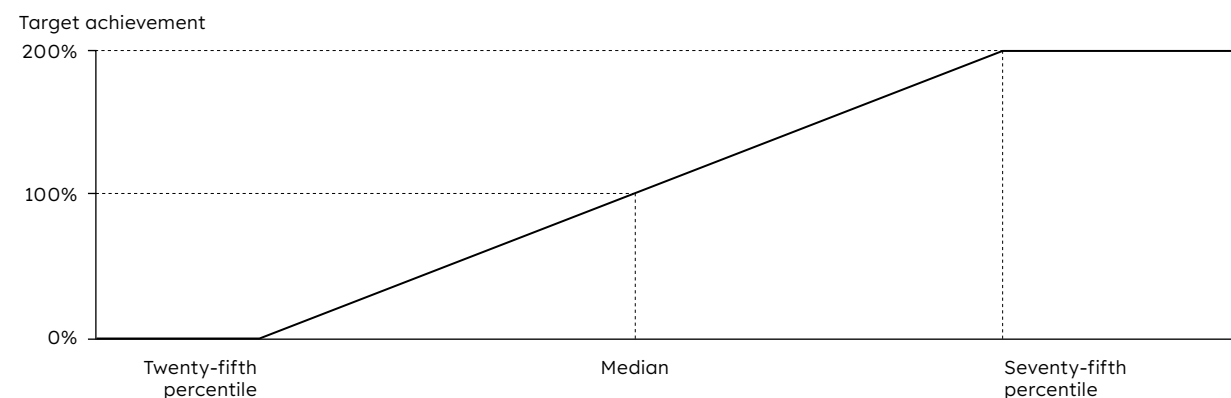
Peer group used from 2024 onwards

Global	Europe	North America	Asia
Cemex S.A.B.	ACS, S.A.	Eagle Materials Inc.	PT Semen Indonesia Tbk
CRH plc	Bouygues SA	Martin Marietta Materials Inc.	
Holcim Ltd	Breedon Group plc	Summit 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 company Boral Limited, which was included in the chosen peer group, was delisted from the stock exchange following a takeover. As a result, the Boral Limited share 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 from it. The Supervisory Board has the option of adjusting the peer group again in the future if necessary, for example if individual companies no longer serve as a meaningful comparison or other competitors grow in importance.

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 tar-

get 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 has 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 materiality analysis carried out as part of sustainability reporting (see also [Non-financial statement chapter of the Annual Report 2024](#)).

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 2024 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.

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 CO₂ emissions to 400 kg of CO₂ per tonne of cementitious material by 2030.

Calculation of the long-term bonus in accordance with the previous 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 2024–2026 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 performance 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

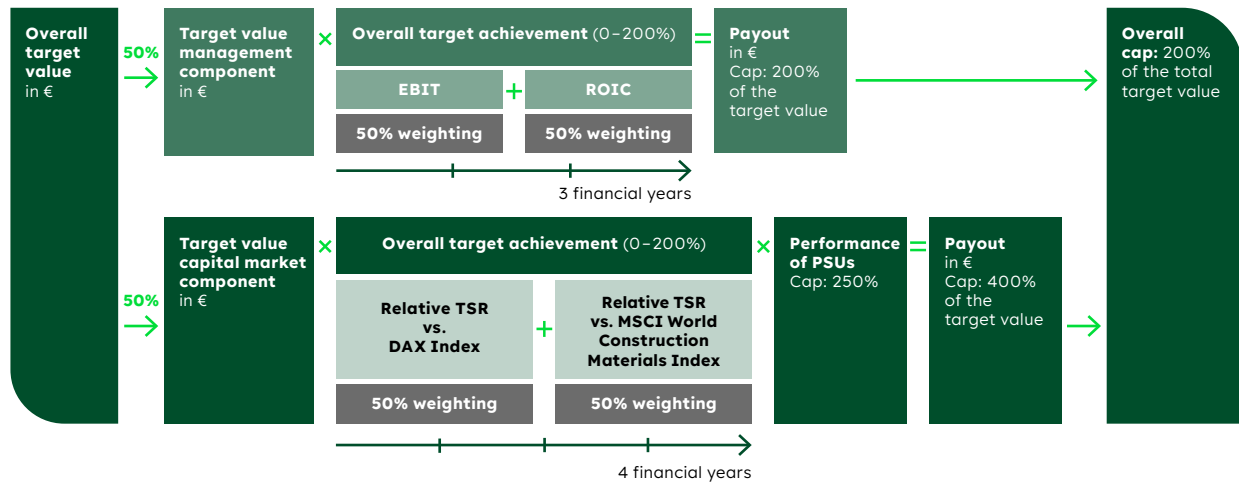
The capital market component is based on PSUs, has a four-year performance period, and takes into account the external added value, measured using the performance criterion TSR compared with the relevant capital market indices. For the capital market component, the first step is to determine the number 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



Performance criteria of the management component in accordance with the previous 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. For tranches of the long-term bonus that were awarded before 2023, a different calculation methodology applies, which is described in the [Completed tranches at the end of the 2024 financial year section](#).

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 previous remuneration system

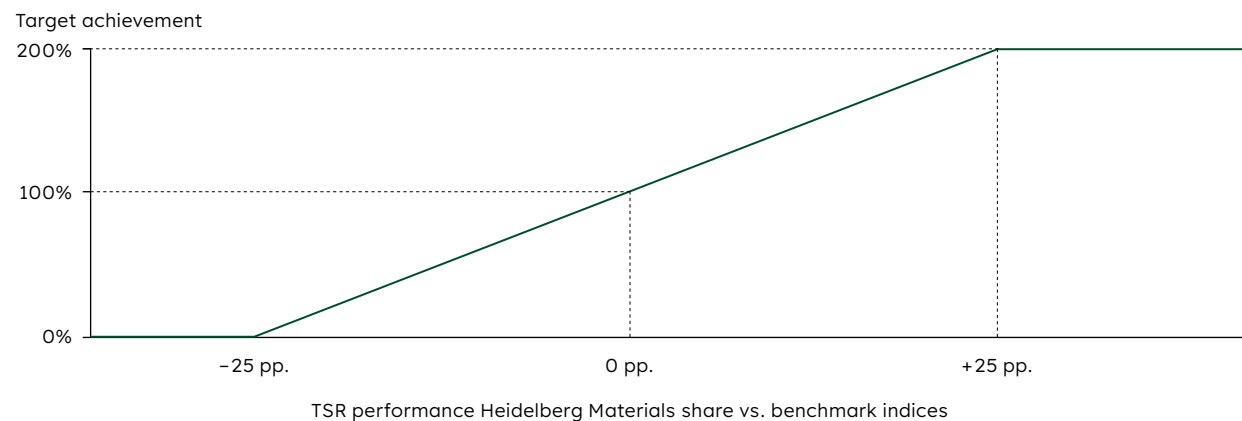
For the capital market component, the target achievement is measured using the performance criterion relative TSR.

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 2024 financial year

At the end of the 2024 financial year, the 2022 tranche of the management component (2022–2024/2025 long-term bonus) and the 2021 tranche of the capital market component (2021–2023/2024 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.

2022 tranche of the management component

Deviating from the calculation methodology applied for the 2023 tranche and described in the previous section, ROIC is calculated as the ratio between the adjusted EBIT minus standard taxes and invested capital.

Invested capital is calculated as equity plus net financial liabilities less loans, financial investments, and current interest-bearing receivables at the end of the performance period. Invested capital is calculated as the average of the opening balance sheet and the closing balance sheet of the last year of the performance period of the management component.

Before the start of the tranche, a target corridor of €2,490 million to €2,590 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 €2,844 million (2022: €2,419 million, 2023: €2,957 million, 2024: €3,157 million). The individual annual figures are adjusted 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 the 2024 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 8.88% 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 8.20%, while the upper threshold (cap) for ROIC, which must be reached for a target achievement of 200%, is 9.20%. The actual ROIC value at the end of the performance period is 9.85%, corresponding to a target achievement of 200%.

Based on the target achievements in the two performance criteria, the overall target achievement for the 2022 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 2022–2024/2025

€m	Target achievement curve				Actual value	Target achievement
		Floor	Target corridor/ value	Cap		
EBIT	50%	2,400	2,490–2,590	2,650	2,844	200%
ROIC	50%	8.20%	8.88%	9.20%	9.85%	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 2022 tranche of the management component:

Management component of long-term bonus 2022–2024/2025

€'000s	Award value	Target achievement			Payout
		EBIT	ROIC	Total	
Dr Dominik von Achten	1,130				2,259
René Aldach	375				750
Kevin Gluskie	582				1,163
Hakan Gurdal	481				963
Dr Nicola Kimm	375	200%	200%	200%	750
Dennis Lentz	375				750
Jon Morrish	564				1,129
Chris Ward	478				956
Total	4,360				8,720

The payout from the 2022 tranche of the management component will be made following the Annual General Meeting in 2025.

2021 tranche of the capital market component

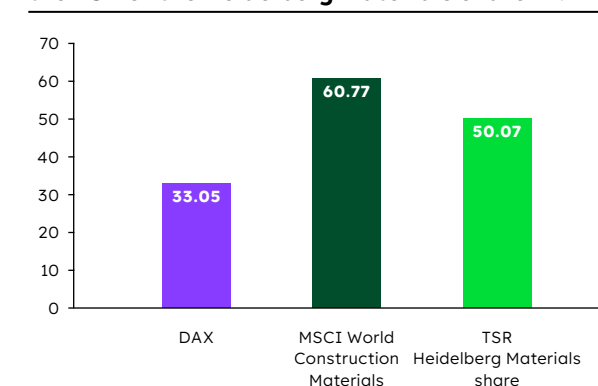
The target achievement for the 2021 tranche of the capital market component was measured analogously to the methodology of the long-term bonus in accordance with the previous remuneration system as described above on the basis of the performance criterion relative TSR.

While the DAX recorded an increase of 33.05% over the four-year performance period compared with the reference period and the MSCI World Construction Materials Index an increase of 60.77%, the TSR of the Heidelberg Materials share was 50.07% at the end of the performance period. This results in a difference of +17.0 percentage points compared with the DAX and a difference of -10.7 percentage points compared with the MSCI World Construction Materials Index. This amounts to an average difference of 3 percentage points. The overall target achievement rate for the relative TSR is therefore 112% for the 2021 tranche of the capital market component.

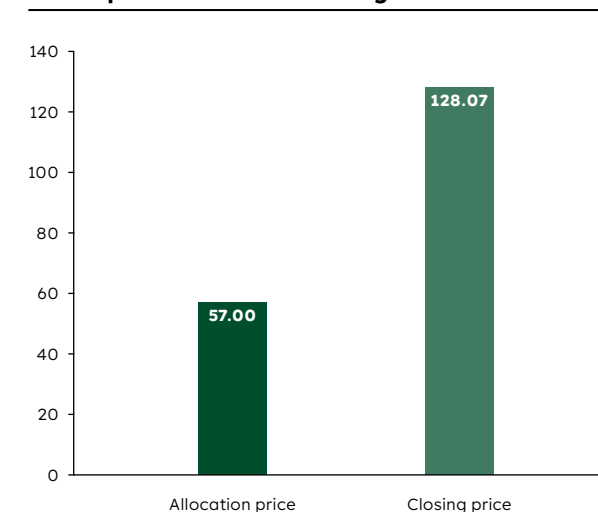
The allocation price for determining the number of provisionally allocated PSUs at the start of the tranche was €57.00. The closing price, including notionally reinvested dividends and adjusted for changes in capital, was €128.07 at the end of the performance period. This corresponds to an increase of 125% over the performance period.

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 2021 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 2021 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 2021 tranche of the capital market component per member of the Managing Board:

Summary of the capital market component of the long-term bonus 2021–2023/2024

€'000s	Target value	Allocation price in €	Number of provisionally allocated PSUs	Target achievement relative TSR	Final number of PSUs	Closing price in €	Payout ⁴⁾
Dr Dominik von Achten ¹⁾	1,088		19,079		21,368		1,605
René Aldach	313		5,485		6,143		625
Kevin Gluskie ²⁾	576		10,104		11,316		1,152
Hakan Gurdal	480	57.00	8,427	112.00%	9,438	128.07	961
Dr Nicola Kimm	313		5,485		6,143		625
Dennis Lentz	313		5,485		6,143		625
Jon Morrish	564		9,891		11,078		1,128
Chris Ward ³⁾	444		7,786		8,720		888
Total	4,089		71,742		80,351		7,608

1) To ensure compliance with the maximum remuneration, the payout for Dr. Dominik von Achten is limited to 1,605 k€.
 2) The average exchange rate in 2021 (1.5751 AUD/EUR) was used to convert the long-term bonus into euros.
 3) The average exchange rate in 2021 (1.1830 USD/EUR) was used to convert the long-term bonus into euros.
 4) Due to the target achievement of 200% of the management component of the long-term bonus 2021–2023/2024, 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, Dr Nicola Kimm, Dennis Lentz, and Jon Morrish each had a defined contribution pension commitment in the 2024 financial year. Due to his retirement and resignation from the Managing Board on 31 December 2023 and his choice of a one-off capital payment, Ernest Jelito received a payment in 2024 equal to the value of his pension account held as part of his defined contribution pension commitment.

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 2024 financial year, such an agreement was made with Roberto Callieri, who joined the Managing Board in January 2024. In lieu of a pension commitment, an annual cash allowance is also provided to Chris Ward, 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 2024 financial year, this applied to Dr Dominik von Achten, Hakan Gurdal, and Jon Morrish. Upon Kevin Gluskie’s departure on 31 January 2024, his defined benefit pension

commitment was settled by a one-off payment equal to the present value of the commitment at the date of his departure in accordance with his contract of employment.

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.

Service costs and present values of defined benefit entitlements

The service costs and present values of the existing defined benefit entitlements as at 31 December 2024 are presented in the following table per member of the Managing Board:

Pension commitments (IAS 19)

€'000s	Service costs		Present value of the pension obligations	
	2023	2024	2023	2024
Dr Dominik von Achten	359	417	11,464	11,579
René Aldach	164	179	613	959
Dr Katharina Beumelburg	-	63	-	61
Axel Conrads	-	194	-	225
Kevin Gluskie	525	49	4,623	-
Hakan Gurdal	383	247	2,818	2,884
Dr Nicola Kimm	214	153	605	863
Dennis Lentz	145	164	613	1,011
Jon Morrish	324	216	3,134	2,930
Total	2,115	1,682	23,871	20,512

In addition to the amount of the agreed benefit and the agreed contribution, both the service costs and the present values of the defined benefit entitlements depend in a substantial way on various actuarial parameters, such as the age of the individual member of the Managing Board and the current interest rate level.

Share Ownership Guidelines

To further harmonise the interests of the Managing Board and the shareholders of Heidelberg Materials, the Supervisory Board has adopted share ownership guidelines. The members of the Managing Board are obliged to acquire shares of Heidelberg Materials AG in the amount of a fixed, relative proportion of their fixed annual salary and to hold these shares for the term of their membership of the Managing Board.

The obligation amounts to 180% of the fixed annual salary for the Chairman of the Managing Board and 100% of the fixed annual salary for regular members

of the Managing Board. In order to comply with the requirements, half of the payout amounts from the long-term bonus that the member of the Managing Board has received for their activities on the Managing Board must be used to acquire shares of Heidelberg Materials AG until the complete share ownership level has been reached. Company shares that are already held by members of the Managing Board are taken into account when calculating share ownership.

The following table provides an overview of the share ownership status per member of the Managing Board:

Share ownership as at 31 December 2024 of current members of the Managing Board

	Target in % of fixed annual salary	Status	Value of shares held as of 31 December 2024 as % of fixed annual salary
Dr Dominik von Achten	180%	Investment target fully achieved	182%
René Aldach	100%	In accumulation phase	78%
Dr Katharina Beumelburg ¹⁾	100%	In accumulation phase	-
Roberto Callieri ¹⁾	100%	In accumulation phase	-
Axel Conrads ¹⁾	100%	In accumulation phase	94%
Hakan Gurdal	100%	Investment target fully achieved	101%
Dennis Lentz	100%	In accumulation phase	48%
Jon Morrish	100%	Investment target fully achieved	129%
Chris Ward	100%	Investment target fully achieved	139%

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.

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 2024 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.

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 2024 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 2024, waiting allowances were paid to Kevin Gluskie (€814k), Dr Nicola Kimm (€200k), and Ernest Jelito (€364k).

No severance payments were made in the 2024 financial year.

Disclosure of benefits from third parties

For the 2024 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 2024 financial year

Remuneration of active members of the Managing Board in the 2024 financial year

The remuneration granted and owed to the individual members of the Managing Board in the 2024 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 2024 financial year pursuant to section 162 of the AktG consists of the following remuneration components:

- The fixed annual salary paid in the 2024 financial year
- The fringe benefits accrued in the 2024 financial year

- The cash allowance paid for the 2024 financial year in the case of Roberto Callieri and Chris Ward
- The annual bonus determined for the 2024 financial year in accordance with the 2024+ Remuneration System (annual bonus 2024), which is paid in the 2025 financial year

- The 2022 tranche of the management component, which was completed at the end of the 2024 financial year and is paid in the 2025 financial year
- The 2021 tranche of the capital market component, which was completed at the end of the 2024 financial year and is paid in the 2025 financial year

Furthermore, the service costs of the pension commitments in accordance with IAS 19 for the 2024 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)			Roberto Callieri Member of the Managing Board ¹⁾ (since 1 January 2024)			Axel Conrads Member of the Managing Board (since 1 February 2024)			Kevin Gluskie Member of the Managing Board ²⁾ (until 31 January 2024)		
	2023	2024		2023	2024		2023	2024		2023	2024		2023	2024		2023	2024	
€'000s/share of granted and owed remuneration pursuant to section 162 of the AktG in %																		
Fixed annual salary	1,525	1,598	19%	600	638	21%	-	212	9%	-	660	26%	-	550	43%	894	74	1%
Fringe benefits	9	10	0%	15	189	6%	-	8	0%	-	686	26%	-	8	1%	536	107	1%
Contribution to private pension (cash allowance)	-	0	0%	-	0	0%	-	0	0%	-	400	15%	-	0	0%	-	0	0%
One-year variable compensation	2,806	2,765	34%	883	868	28%	-	288	12%	-	855	33%	-	734	56%	1,282	0	0%
Annual bonus 2023	2,806	-		883	-		-	-		-	-		-	-		1,282	-	
Annual bonus 2024	-	2,765		-	868		-	288		-	855		-	734		-	0	
Multi-year variable compensation	2,175	3,864	47%	584	1,375	45%	-	0	0%	-	0	0%	-	0	0%	1,142	2,315	25%
Long-term bonus 2020-2022/2023	-	-		-	-		-	-		-	-		-	-		-	-	
Capital market component tranche 2020-2023	0	-		-	-		-	-		-	-		-	-		0	-	
Long-term bonus 2021-2023/2024	-	-		-	-		-	-		-	-		-	-		-	-	
Management component tranche 2021-2023	2,175	-		-	-		-	-		-	-		-	-		1,142	-	
Capital market component tranche 2021-2024	-	1,605		-	625		-	-		-	-		-	-		-	1,152	
Long-term bonus 2022-2024/2025	-	-		-	-		-	-		-	-		-	-		-	-	
Management component tranche 2022-2024	-	2,259		584	750		-	-		-	-		-	-		-	1,163	
Others³⁾	-	0	0%	-	0	0%	-	1,900	79%	-	0	0%	-	0	0%	-	6,781	73%
Granted and owed remuneration pursuant to section 162 of the AktG	6,515	8,238	100%	2,083	3,071	100%	-	2,408	100%	-	2,601	100%	-	1,292	100%	3,854	9,277	100%
Service costs	359	417	-	164	179	-	-	63	-	-	-	-	-	194	-	525	49	-
Total compensation	6,874	8,655	-	2,247	3,250	-	-	2,471	-	-	2,601	-	-	1,486	-	4,379	9,325	-

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) 90% of the fixed annual salary, the annual bonus and the long-term bonus of Kevin Gluskie are paid by Heidelberg Materials Asia. The remaining 10% was paid by Heidelberg Materials AG. The fringe benefits of Kevin Gluskie 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. Under the terms of his employment contract, Kevin Gluskie receives his remuneration in Australian dollars. The average exchange rates for 2023 (AUD/EUR 1.6290) and 2024 (AUD/EUR 1.6403) were used for translation into euros. The closing rates prior to the start of the performance period (31 December, 2019: AUD/EUR 1.5971, 31 December, 2020: AUD/EUR 1.5876) were used to convert its long-term bonus into euros.

3) 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. In the case of Mr. Kevin Gluskie, the value for 2024 includes the following payments described in the respective paragraphs in the remuneration report: the early payout of the annual bonus for the fiscal year 2024 (€0.1 million), an advance payment of the long-term bonus (€1.7 million) and a settlement of the existing pension entitlements in the amount of the present value of the pension commitment as per the date of exit (€5.0 million).

Granted and owed remuneration pursuant to section 162 of the AktG

	Hakan Gurdal Member of the Managing Board			Dr Nicola Kimm Member of the Managing Board (until 31 August 2024)			Dennis Lentz Member of the Managing Board ¹⁾			Jon Morrish Member of the Managing Board			Chris Ward Member of the Managing Board ²⁾		
	2023	2024		2023	2024		2023	2024		2023	2024		2023	2024	
€'000s/share of granted and owed remuneration pursuant to section 162 of the AktG in %															
Fixed annual salary	770	841	21%	600	400	17%	600	638	19%	903	944	20%	829	872	20%
Fringe benefits	87	81	2%	52	10	0%	412	479	14%	82	103	2%	58	62	1%
Contribution to private pension (cash allowance)	-	0	0%	-	0	0%	-	0	0%	-	0	0%	392	392	9%
One-year variable compensation	1,109	1,116	28%	864	538	24%	856	894	26%	1,317	1,382	30%	1,168	1,088	26%
Annual bonus 2023	1,109	-		864	-		856	-		1,317	-		1,168	-	
Annual bonus 2024	-	1,116		-	538		-	894		-	1,382		-	1,088	
Multi-year variable compensation	960	1,923	49%	584	1,375	59%	584	1,375	41%	1,127	2,256	48%	860	1,844	43%
Long-term bonus 2020-2022/2023															
Capital market component tranche 2020-2023	0	-		0	-		-	-		-	-		0	-	
Long-term bonus 2021-2023/2024															
Management component tranche 2021-2023	960	-		584	-		584	-		1,127	-		860	-	
Capital market component tranche 2021-2024	-	961		-	625		-	625		-	1,128		-	888	
Long-term bonus 2022-2024/2025															
Management component tranche 2022-2024	-	963		-	750		-	750		-	1,129		-	956	
Others	-	0	0%	-	0	0%	-	0	0%	-	0	0%	-	0	0%
Granted and owed remuneration pursuant to section 162 of the AktG	2,925	3,961	100%	2,100	2,322	100%	2,452	3,386	100%	3,429	4,686	100%	3,308	4,258	100%
Service costs	383	247	-	214	153	-	145	164	-	324	216	-	18	-	-
Total compensation	3,308	4,209	-	2,314	2,475	-	2,597	3,550	-	3,753	4,902	-	3,326	4,258	-

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 2023 (1.0816 USD/EUR) and 2024 (1.0819 USD/EUR) were used for conversion into euros. The closing rates before the start of the performance period (31 December, 2019: 1.1213 USD/EUR, 31 December, 2020: 1.2216 USD/EUR) were used to convert his long-term bonus into euros.

Remuneration of former members of the Managing Board

The remuneration granted and owed 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 2024 financial year section**, former members of the Managing Board are entitled to payouts from the 2022 tranche of the management component as well as from the 2021 tranche of the capital market component. The payout of the tranches will be made following the Annual General Meeting in 2025.

Summary of management component of long-term bonus 2022–2024/2025 for former members of the Managing Board

1,000 €	Target value	Target achievement			Payout
		EBIT	ROIC	Total	
Ernest Jelito	453	200%	200%	200%	906

Summary of capital market component of long-term bonus 2021–2023/2024 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
Dr Lorenz Näger ¹⁾	458		8,041		9,006		917

1) For Dr Lorenz Näger, the value for 2024 includes a crediting of a prepayment for the long-term bonus 2021–2023/2024 in the amount of €458 thousand.

The following tables show the remuneration granted and owed to the former members of the Managing Board in the 2024 financial year pursuant to section 162 of the AktG:

Granted and owed remuneration pursuant to section 162 of the AktG

€'000s/share of granted and owed remuneration pursuant to section 162 of the AktG in %	Ernest Jelito Member of the Managing Board (until 31 Dec. 2023) ¹⁾		Andreas Kern Member of the Managing Board (until 30 June 2016)		Dr Lorenz Näger Deputy Chairman of the Managing Board (until 31 Aug. 2021) ²⁾		Dr Bernd Scheifele Chairman of the Managing Board (until 31 Jan. 2020)	
	2024	2024	2024	2024	2024	2024	2024	2024
Multi-year variable compensation	1,781	36%	-	-	917	68%	-	-
Long-term bonus 2021–2023/2024								
Capital market component tranche 2021–2024	875		-	-	917		-	-
Long-term bonus 2022–2024/2025								
Management component tranche 2022–2024	906		-	-	-		-	-
Others	2,823	57%	-	-	-	-	-	-
Total	4,604		0	0%	917		0	0%
Retirement and transitional payments	364	7%	341	100%	425	32%	1,023	100%
Granted and owed remuneration pursuant to section 162 of the AktG	4,968	100%	341	100%	1,342	100%	1,023	100%

1) In the case of Ernest Jelito, the other remuneration components contain an advance payment of his long-term bonus 2023–2025/2026, the payout of the value of his pension account held as part of his defined contribution pension commitment, the payout of the waiting allowance as well as costs for tax consultancy.
2) In the case of Dr Lorenz Näger, the value for 2024 includes an amount of €458 thousand, which was already paid out as part of an advance payment for the long-term bonus 2021–2023/2024 in 2021.

Remuneration of the Supervisory Board in the 2024 financial year

Principles of the remuneration of the Supervisory Board

The Supervisory Board last adjusted the current remuneration system for the members of the Supervisory Board of Heidelberg Materials AG by resolution of 22 March 2023, taking into account the Sustainability and Innovation Committee in the remuneration. The adjusted remuneration system of the Supervisory Board of Heidelberg Materials AG was approved by the Annual General Meeting in 2023 with 99.80% of votes in favour.

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 €80,000, the Chairman receives two and a half times and his deputy one and a half times the amount. The members of the Audit Committee additionally receive a fixed remuneration of €25,000 and the members of the Personnel Committee and the members of the Sustainability and Innovation Committee receive €20,000. The chairperson of the committees receives twice these respective amounts.

In addition, an attendance fee of €2,000 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.).

On 29 January 2025, the Supervisory Board adopted a revised remuneration system for the members of the Supervisory Board of Heidelberg Materials AG, which it will submit to the 2025 Annual General Meeting for approval.

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 2024 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		
	2023	2024	2023	2024	%	2023	2024	%	2023	2024	
Dr Bernd Scheifele (Chairman)	200	200	80%	45	29	12%	20	20	8%	265	249
Heinz Schmitt (Deputy Chairman until 16.05.2024)	120	45	61%	45	17	23%	22	12	16%	187	74
Barbara Breuninger	80	80	56%	25	38	27%	20	24	17%	125	142
Gunnar Groebler (Member since 16.05.2024)	-	50	71%	-	13	18%	-	8	11%	-	71
Birgit Jochens (Member until 16.05.2024)	80	30	66%	20	7	16%	18	8	18%	118	45
Katja Karcher (Member since 16.05.2024)	-	50	59%	-	25	29%	-	10	12%	-	85
Ludwig Merckle	80	80	42%	85	85	45%	26	24	13%	191	189
Luka Mucic	80	80	46%	70	70	41%	22	22	13%	172	172
Markus Oleynik (Member since 16.05.2024)	-	50	67%	-	15	20%	-	10	13%	-	75
Dr Ines Ploss (Member until 31.10.2024)	80	67	59%	40	33	29%	18	14	12%	138	114
Peter Riedel	80	80	54%	45	45	30%	20	24	16%	145	149
Werner Schraeder (Deputy Chairman since 16.05.2024)	80	105	58%	65	52	29%	22	24	13%	167	182
Margret Suckale	80	80	54%	45	45	30%	26	24	16%	151	149
Dr Sopna Sury	80	80	58%	20	45	32%	14	14	10%	114	139
Anna Toborek-Kacar (Member since 01.11.2024)	-	13	75%	-	2	14%	-	2	11%	-	18
Prof. Dr Marion Weissenberger-Eibl (Member until 16.05.2024)	80	30	57%	40	15	28%	18	8	15%	138	53
Total	1,120	1,121	59%	545	537	28%	246	248	13%	1,911	1,906

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 2024 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

	2020	Change	2021	Change	2022	Change	2023	Change	2024
Development of earnings									
Result from current operations before depreciation and amortisation in €m	3,707	5%	3,875	-4%	3,739	-4%	4,258	6%	4,499
Profit/loss for the financial year attributable to Heidelberg Materials AG shareholders in €m	-2,139	(-182%) ¹⁾	1,759	-9%	1,597	17%	1,865	-4%	1,782
Net profit/net loss of Heidelberg Materials AG pursuant to the HGB in €m	-86	(-556%) ¹⁾	392	-34%	257	214%	806	-2%	787
Employees²⁾									
Average	71	4%	74	-3%	72	7%	77	4%	80
Active members of the Managing Board in the financial year									
Dr Dominik von Achten (Chairman) ³⁾	5,104	10%	5,606	4%	5,850	11%	6,515	26%	8,238
René Aldach ⁴⁾	-	-	502	178%	1,395	49%	2,083	47%	3,071
Dr Katharina Beumelburg ⁵⁾	-	-	-	-	-	-	-	-	2,408
Roberto Callieri	-	-	-	-	-	-	-	-	2,601
Axel Conrads	-	-	-	-	-	-	-	-	1,292
Kevin Gluskie ⁶⁾	3,277	15%	3,766	-1%	3,728	3%	3,854	141%	9,277
Hakan Gurdal	2,430	18%	2,856	-6%	2,697	8%	2,925	35%	3,961
Dr Nicola Kimm ⁷⁾	-	-	565	153%	1,432	47%	2,100	11%	2,322
Dennis Lentz ⁴⁾	-	-	528	220%	1,691	45%	2,452	38%	3,386
Jon Morrish	3,109	10%	3,415	-6%	3,209	7%	3,429	37%	4,686
Chris Ward	2,152	32%	2,850	13%	3,216	3%	3,308	29%	4,258

Development of the direct remuneration of the Managing Board, the Supervisory Board, and the average direct remuneration of the workforce of Heidelberg Materials AG

	2020	Change	2021	Change	2022	Change	2023	Change	2024
Former members of the Managing Board									
Ernest Jelito ⁸⁾	1,736	44%	2,502	3%	2,575	22%	3,150	58%	4,968
Dr Lorenz Näger ⁹⁾	3,544	81%	6,407	-63%	2,355	-24%	1,792	-25%	1,342
Dr Bernd Scheifele ¹⁰⁾	2,439	67%	4,063	-71%	1,163	-12%	1,023	0%	1,023
Dr Albert Scheuer ¹¹⁾	743	17%	873	-68%	280	-	-	-	-
Andreas Kern	-	-	-	-	-	-	199	71%	341
Members of the Supervisory Board¹²⁾									
Fritz-Jürgen Heckmann (Chairman) ¹³⁾	251	9%	273	-62%	105	-	-	-	-
Dr Bernd Scheifele (Chairman) ¹⁴⁾	-	-	-	-	167	59%	265	-6%	249
Heinz Schmitt (Deputy Chairman) ¹⁵⁾	175	9%	191	-4%	183	2%	187	-61%	74
Barbara Breuninger	117	9%	127	-3%	123	2%	125	13%	142
Gunnar Groebler ¹⁶⁾	-	-	-	-	-	-	-	-	71
Birgit Jochens ¹⁷⁾	112	9%	122	-8%	112	5%	118	-61%	45
Katja Karcher ¹⁶⁾	-	-	-	-	-	-	-	-	85
Ludwig Merckle	157	10%	173	-2%	169	13%	191	-1%	189
Tobias Merckle	90	9%	98	-64%	35	-	-	-	-
Dr Sopna Sury	-	-	-	-	57	100%	114	22%	139
Luka Mucic	160	10%	176	-5%	168	2%	172	0%	172
Markus Oleynik ¹⁶⁾	-	-	-	-	-	-	-	-	75
Dr Ines Ploss ¹⁸⁾	112	9%	122	-8%	112	23%	138	-17%	114
Peter Riedel	117	9%	127	-3%	123	18%	145	3%	149
Werner Schraeder (Deputy Chairman) ¹⁹⁾	137	10%	151	-5%	143	17%	167	9%	182
Margret Suckale	135	13%	153	-3%	149	1%	151	-1%	149
Anna Toborek-Kacar ²⁰⁾	-	-	-	-	-	-	-	-	18
Prof. Dr Marion Weissenberger-Eibl ¹⁷⁾	88	14%	100	-8%	92	50%	138	-62%	53

1) Mathematically determined change; limited interpretability due to change of algebraic sign within the reference values.
 2) Total workforce of Heidelberg Materials AG incl. top and senior management, excluding Managing Board (full-time equivalents).
 3) Chairman of the Managing Board since 1 February 2020
 4) Member of the Managing Board since 1 September 2021
 5) Member of the Managing Board since 1 October 2024
 6) Member of the Managing Board until 31 January 2024
 7) Member of the Managing Board from 1 September 2021 until 31 August 2024
 8) Member of the Managing Board until 31 December 2023
 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 May 2024
 20) Member of the Supervisory Board since 1 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, 2024, 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 promulgat-

ed 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, 2024, 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 21, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

[sgd. Thomas Tilgner]	[sgd. ppa. Christoph Schudok]
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüfer (German Public Auditor)