**Convenience Translation**

## Annex to agenda item 9

## Report by the Managing Board of Heidelberg Materials AG to the Annual General Meeting pursuant to section 203 para. 2 in conjunction with section 186 para. 4 sentence 2 of the German Stock Corporation Act

The Managing Board and the Supervisory Board propose to the Annual General Meeting regarding item 9 of the agenda, due to the expiry of the existing Authorised Capital 2020, to create a new Authorised Capital 2025 of up to a total of € 98,300,000 that is available for both capital increases in cash and capital increases in return for contributions in kind. This corresponds to about 18% of the Company's share capital, significantly less than the previous Authorised Capital 2020.

Regarding the authorisation to exclude the shareholders' subscription right, pursuant to sections 203 para. 2 and 186 para. 4 sentence 2 German Stock Corporation Act, the Managing Board submits the following report on the reasons for the authorisation to exclude the subscription right. The entire report is available on the Company's website www.heidelbergmaterials.com/en/annual-general-meeting-2025 from the day on which the Annual General Meeting is convened and throughout the entire Annual General Meeting.

If the Authorised Capital 2025 is utilised, the shareholders will generally be entitled to a subscription right. To the extent that the shareholders are not allowed to directly subscribe for the new shares, the Managing Board may, at its option, offer the new shares in whole or in part to a credit or securities institution or other company within the meaning of section 186 para. 5 sentence 1 of the German Stock Corporation Act subject to the obligation to offer the new shares to the shareholders for subscription in accordance with their subscription right (indirect subscription right within the meaning of section 186 para. 5 of the German Stock Corporation Act). Under certain conditions, however, the Managing Board may exclude the subscription right subject to the approval of the Supervisory Board.

- In the case of capital increases in cash, the Managing Board may exclude the subscription right for fractional amounts arising as a result of the subscription ratio. This authorisation serves to ensure a practicable subscription ratio with regard to the amount of the respective capital increase. Without the exclusion of the subscription right in respect of the fractional amount, the technical implementation of the capital increase and the exercise of the subscription right would be considerably more difficult, particularly in the case of a capital increase by full amounts. The new shares that will be excluded from the shareholders' subscription right as "non-allocable fractional amounts" will be used in the best possible way for the Company – either by selling them via the stock exchange or in another manner. The potential dilution effect for shareholders is low.

- The Managing Board shall also be able to exclude the subscription right if and to such extent as may be required in order to grant holders or creditors of conversion or option rights and/or the holders or creditors of financing instruments carrying conversion or option obligations which were or are issued by the Company, or by a domestic or foreign company in which the Company directly or indirectly holds the majority of the votes and capital, a subscription right in the amount to which they would be entitled after having exercised the conversion or option rights and/or after fulfilment of the conversion or option obligation, respectively. This is intended to make it possible for the Company to offer the holders or creditors of conversion or option rights or of the financing instruments carrying conversion or option obligations which usually have an anti-dilution mechanism in the relevant bond conditions, e.g. in the case of capital measures or dividend payments, compensation without having to adjust the option or conversion price or the conversion ratio. This exclusion of the subscription right serves to simplify the issue and settlement of conversion or option rights or conversion or option obligations; it also preserves the conditional capital that usually exists to service conversion or option rights or conversion or option obligations and is therefore ultimately also in the interest of the Company and its shareholders.

- The Managing Board shall further be authorised, in accordance with section 186 para. 3 sentence 4 German Stock Corporation Act, with the approval of the Supervisory Board, to completely exclude shareholders' subscription rights if the new shares are issued at an issue price which is not materially lower than the current stock market price of the issued shares. This enables the Company to quickly seize favourable market opportunities on a short-term basis and, by determining the conditions in accordance with prevailing market terms, to achieve the highest possible market price. Section 186 para. 3 sentence 4 of the German Stock Corporation Act provides that the issue price must not be materially lower than the current quoted price. This provision is intended to prevent a significant economic dilution of the value of the shares. This provision prescribes a limit of 20% of the share capital in respect of excluded subscription rights which is to observed by the resolution with a limit of 10%. Therefore, the volume of the capital increase must not exceed 10% of the share capital existing at the time the authorisation to exclude subscription rights pursuant to section 186 para. 3 sentence 4 of the German Stock Corporation Act comes into force. The resolution on the authorisation contains a corresponding provision to also ensure that, even in the case of a capital reduction, the limit of 10% of the share capital is not exceeded, since the authorisation to exclude subscription rights expressly prescribes that the 10% limit must not be exceeded whether at the time of coming into effect or – if such value is lower – at the time of exercise of the present authorisation. Shares that have otherwise been issued during the term of this authorisation subject to the exclusion of the subscription right by applying section 186 para. 3 sentence 4 German Stock Corporation Act will be counted towards the aforesaid 10% limit. New shares issued or to be issued to cover subscription rights arising from option or conversion rights or obligations arising from convertible bonds are also to be counted towards the aforesaid 10% limit, provided that they have been issued subject to the exclusion of the subscription right in corresponding application of section 186 para. 3 sentence 4 German Stock Corporation Act during the term of the Authorised Capital 2025. Moreover, treasury shares that are sold subject to the exclusion of the subscription right on the basis of an authorisation pursuant to sections 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 German Stock Corporation Act during the term of the Authorised Capital 2025 must also be counted towards this limitation.

- Moreover, the authorisation to grant the Authorised Capital 2025 provides that the subscription right can be excluded in the case of capital increases against contributions in kind. This exclusion serves the purpose of making it possible to acquire companies, parts thereof, participations in companies or other assets, including receivables from the Company or its Group companies, in return for shares or in the context of implementing a dividend in kind/dividend option. If the acquisition by way of a capital increase against contributions in kind leads to tax savings for the seller or if the seller, for other reasons, is more interested in acquiring shares in the Company than in a cash payment, the option provided for here strengthens the Company's negotiating position. In individual cases, it may also be necessary to offer the seller new shares as consideration due to a special interest of the Company. The Authorised Capital 2025 enables the Company to react quickly and flexibly when opportunities arise in order to – in suitable individual cases – acquire companies, parts of companies, participations in companies or other assets in return for the issue of new shares. The proposed authorisation thus allows, in individual cases, for optimal financing of the acquisition by issuing new shares, thereby strengthening the equity capital base of Heidelberg Materials AG. Other assets to be acquired may also include receivables (e.g. loans or bonds) from the Company or from Group companies. If these are contributed to the Company as a contribution in kind, this results in the elimination of the liability and at the same time in a strengthening of equity capital. The management in any case intends to use the option of a capital increase against contributions in kind utilising the authorisation to exclude subscription rights from the Authorised Capital 2025 only if the value of the new shares and the value of the consideration for the Company, part of the Company, participation or other assets to be acquired are in an appropriate ratio. In this context, the issue price of the new shares to be issued shall generally be based on the stock market price. In this way, an economic disadvantage for the shareholders excluded from the subscription right is avoided.

The above exclusions of subscription rights can generally be combined with each other as desired. The deduction clause ensures that the pro rata amount of the share capital attributable to shares issued against contributions in cash and/or in kind on the basis of the authorisation subject to the exclusion of the subscription right (with the exception of smoothing fractional amounts) does not exceed a limit of 10% of the share capital existing at the time the authorisation to exclude subscription rights takes effect.

It must be taken into account that it is possible for the shareholders to maintain their stake in the share capital of the Company at any time by additional purchases of shares via the stock exchange. On the other hand, the authorisation to exclude subscription rights enables the Company to determine the conditions in accordance with prevailing market terms, and to obtain the highest possible degree of certainty that the bonds can be placed with third parties and that favourable short-term market opportunities can be seized.

After weighing up all these circumstances, the authorisation to exclude subscription rights within the limits described is necessary, suitable, appropriate and in the interest of the Company. The authorisation may also be used to allow shareholders of the Company to choose between a dividend in cash or in shares of the Company.

The Managing Board will report on every use of the authorisation at the subsequent Annual General Meeting.

Heidelberg, March 2025

Heidelberg Materials AG

The Managing Board

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| (Dr. Dominik von Achten)<br>Chairman of the Managing Board | (René Aldach)<br>Chief Financial Officer |