

Heidelberg Materials

Group Presentation 2025

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4/22/2025





We drive change through innovation

**Heidelberg Materials
Headquarters –
Heidelberg, Germany**

Built of concrete, which actively
reduces the level of air pollutants.





We make cities more sustainable

Biblioteca degli Alberi park – Milan, Italy

The water-draining concrete guarantees higher water permeability, provides high mechanical resistance and improves the appearance of the pavement.



We enable encounters in an outstanding ambience

Elbphilharmonie – Hamburg, Germany

30,000 m³ of concrete for the imposing concert hall in the Hanseatic city.



© Thies Rätzke



We protect historical heritage from nature forces

Mose – Venice, Italy

“Marine Concrete”: underwater concrete specifically developed for the Mose project. Guarantees a lifespan up to 100 years.



We cross borders and build connections

Frederick Douglass Memorial Bridge – Washington DC, USA

This 440 metres long structure is the largest infrastructure project in DC's history. Designed for a 100-year service life, it has 3 above deck arches, 2 piers, 6 traffic lanes, and a pedestrian/bicycle lane with 4 pedestrian overlooks.





**We see challenges
as opportunities to
find new solutions**

**3D printed house –
Beckum, Germany**

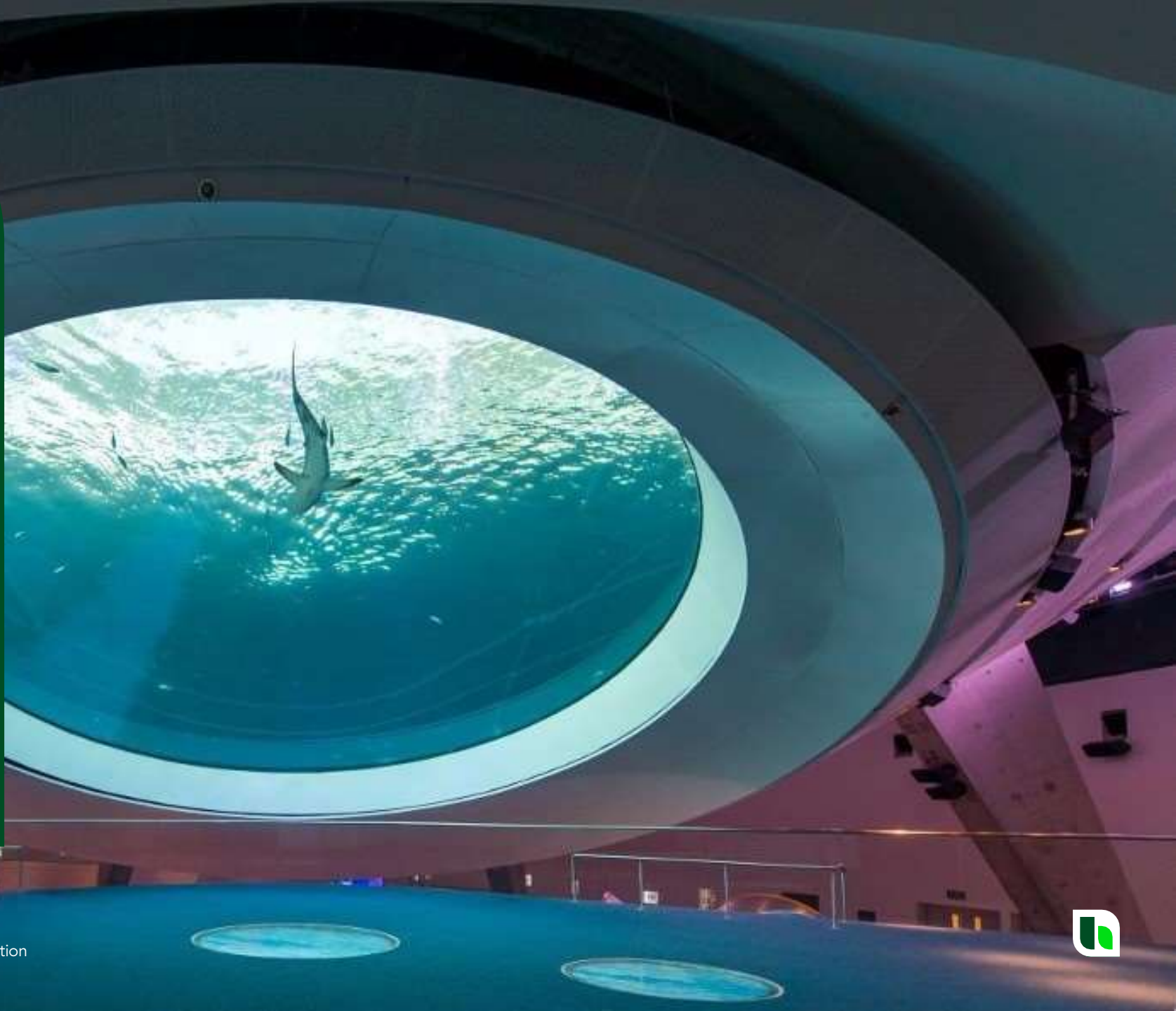
Less material, lower carbon
footprint – thanks to
Heidelberg Materials.



We develop intelligent building materials that inspire

Phillip & Patricia Frost Museum of Science – Miami, USA

Our materials allow to create new levels of architecture. The Museum covers 23,200 m² and is divided into 4 buildings: a planetarium, an aquarium, and 2 separate wings for the science museum.





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1

About Heidelberg Materials



The global building materials industry faces major challenges



Climate change

In order to achieve the goals of the Paris Agreement for climate protection, the building materials industry needs to focus on decarbonisation.



Limited natural resources

For a more sustainable use of natural resources, industry must use fewer primary raw materials and rely more on recycling, for example.



Digitalisation

In production and on construction sites, digital solutions are needed that make processes simpler, faster, safer, more sustainable and efficient.



The building materials industry will continue to grow

Global megatrends that will shape the building materials industry over the next few years



Market Dynamics

- Population growth and urbanisation in emerging markets
- Infrastructure programmes in mature markets, e.g. USA, EU Green Deal

Society

- Solutions for sustainable building
- Circular economy models
- Regulation via CO₂ taxes/ emission caps

Technology

- New business models: Digitalisation & automation
- Innovative and sustainable building materials
- Technologies for CO₂ reduction



Concrete is essential for building a sustainable society



- Second most used material after water
- Locally produced and sold
- 100% recyclable
- Durable
- Sound absorbent
- Designable
- Flexible



Heidelberg Materials is one of the world's largest building materials companies



51,000
employees
on 5 continents



3,000
locations
worldwide



Leading positions in cement,
aggregates, and ready-mixed
concrete





Our purpose: Material to build our future

The world is undergoing profound changes. Our building materials and solutions shape significant development worldwide. We build on one and a half centuries of experience. Now is the time to lay the foundation for our future.

At the centre of our actions lies our responsibility for the environment. We want to be the leader in the industry on the path to carbon-neutrality.

We deliver long-term financial performance through operational excellence, dedication, and openness for change.

We are progressive minds with the ambition to drive transformation. We push the boundaries to strengthen innovation and deepen partnerships with our customers and other stakeholders. Together we craft material solutions for the future.

So that the world can always build on us.



We look back on a successful year 2024

-0.1%

Revenue

€21.2bn



+6%

RCO

€3.2bn



+11%

EPS (adjusted)

€11.9



Free Cashflow

€2.2bn



Shareholder return

>€1bn



ROIC

9.9%



-1.3%

CO₂ reduction

527 kg/t CEM



Demand varies across regions

-0.1%

Group (Revenue)

€21,156m



North America

+1.8%

€5,311m

Europe

-1.0%

€9,467m

Africa-Mediterranean-
Western Asia

+0.2%

€2,295m

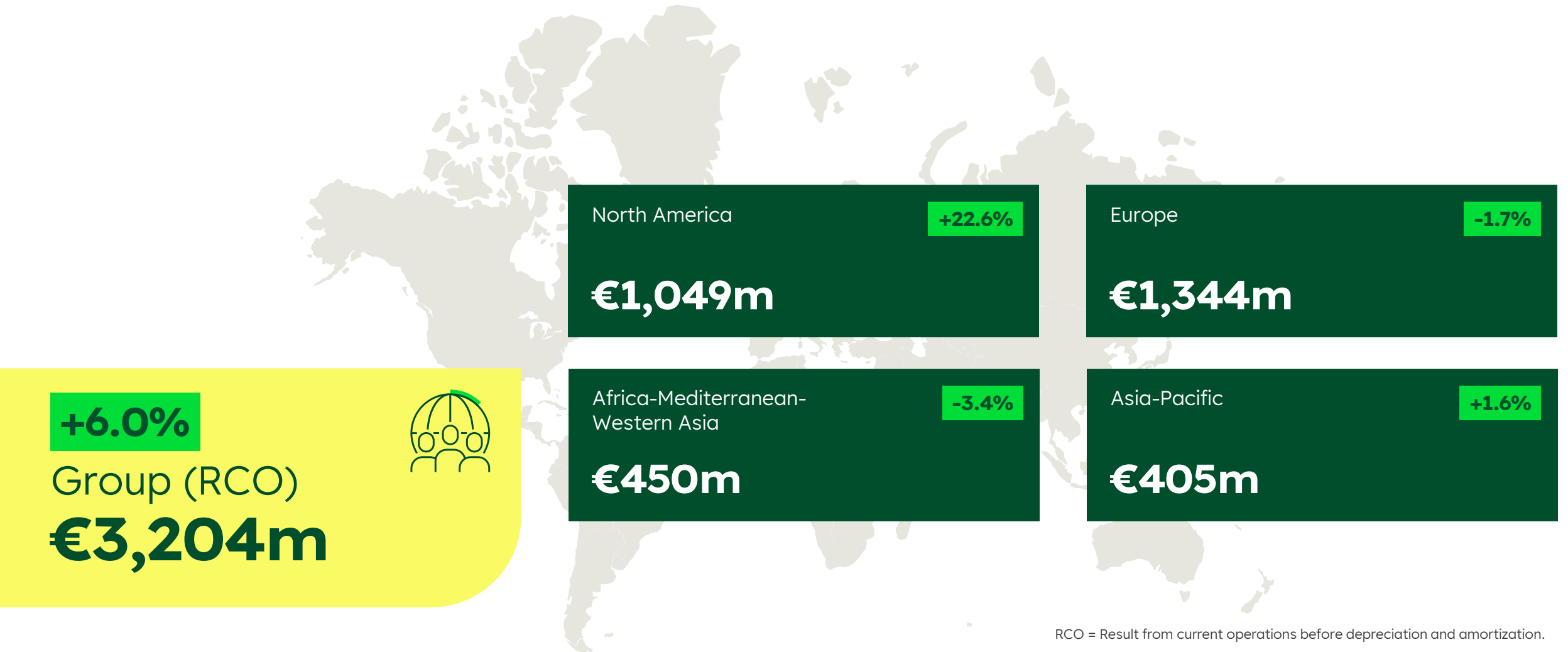
Asia-Pacific

-4.0%

€3,555m



Strong business in North America drives RCO growth



RCO = Result from current operations before depreciation and amortization.



2

Sustainability



Sustainability Commitments 2030 – stronger and more comprehensive

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

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



We place the **health and well-being** of employees, communities, and suppliers at the core of our business operations

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



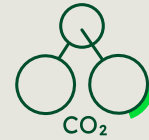
We commit to generate 50% of our revenue from sustainable products by 2030



With sustainable products we are already achieving

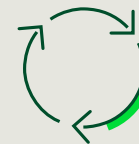
34%

of our revenue¹



Reduce and reuse CO₂

Less CO₂ in cement and concrete



Reuse and reduce materials

More circularity in the product mix

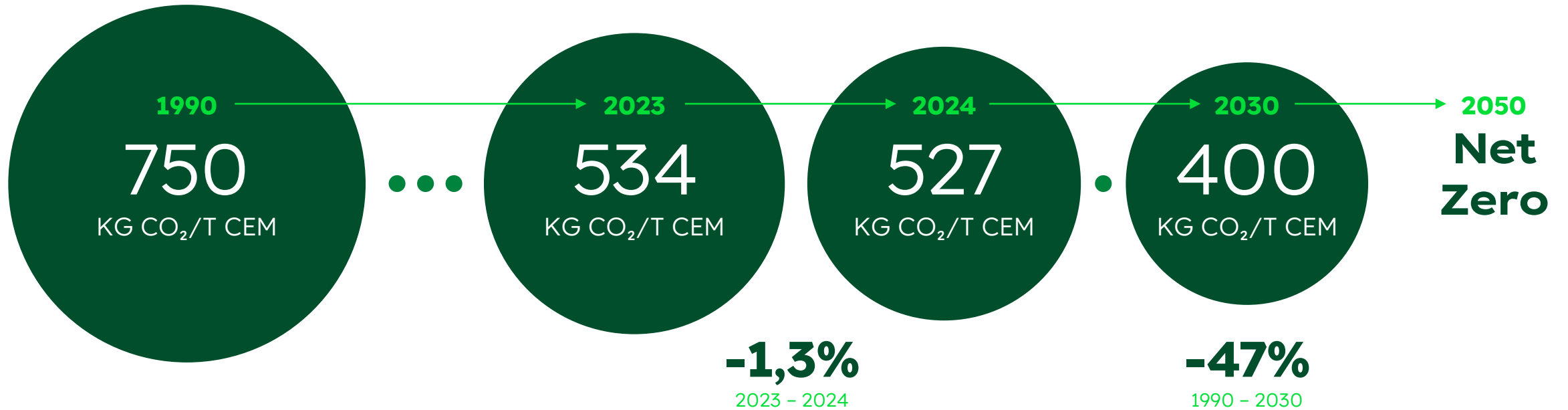
**Commoditisation comes to an end:
A sustainable product portfolio will be THE key differentiator!**

¹ Share of revenue from sustainable products in 2024.

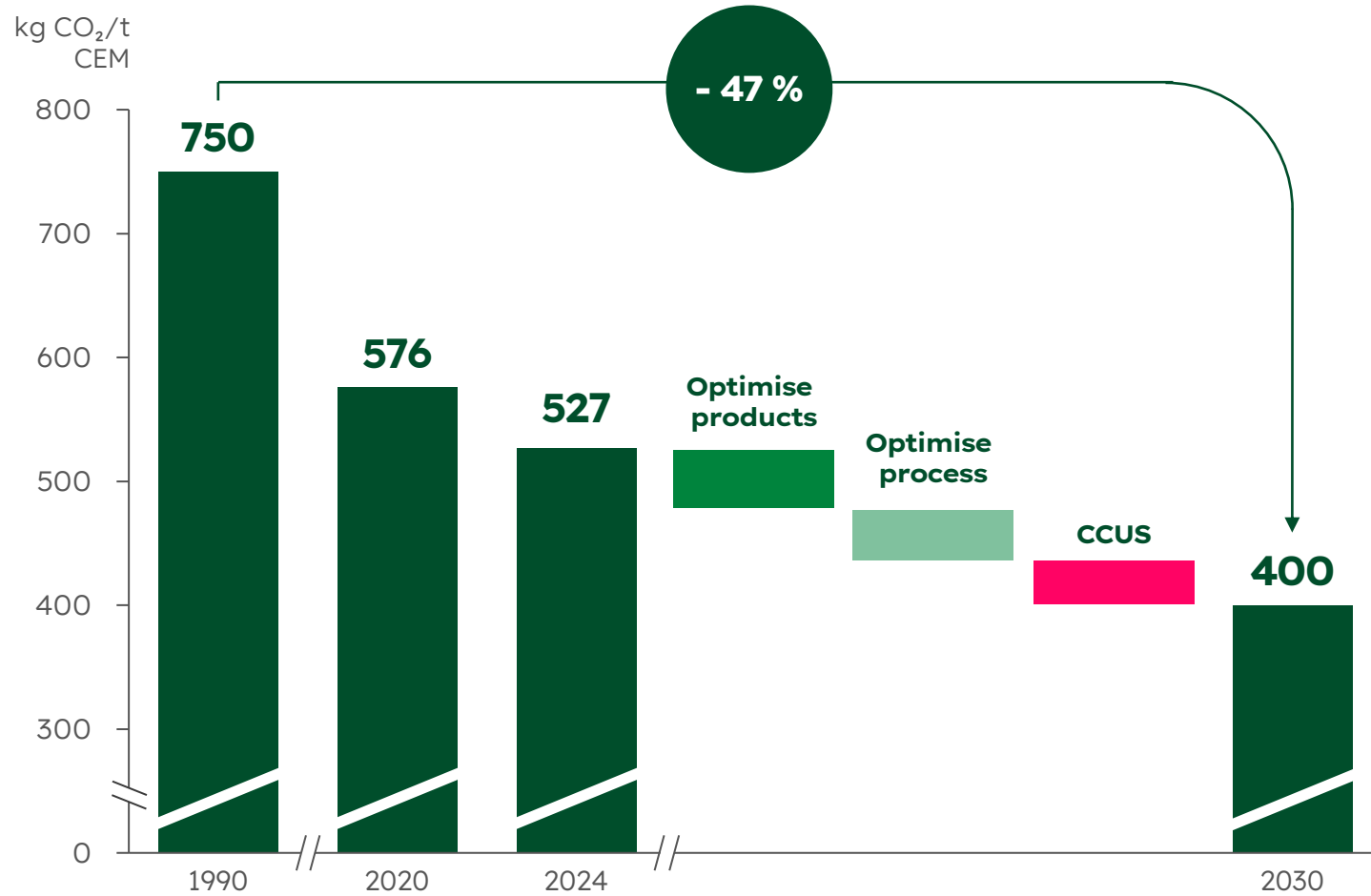


Major steps towards net zero

Reduction of our **specific net Scope 1 emissions**



We have set ambitious 2030 targets on the way to net zero



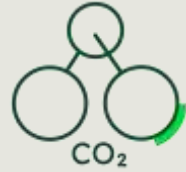
Levers to reach our 2030 targets

- Products**
 Clinker incorporation <68% Drive circularity
- Process**
 45% Alternative fuels rate
 20% Biomass fuels rate
- CCUS**
 10 mt CO₂ captured by 2030 (cumulative)



Building a Net-Zero Future

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

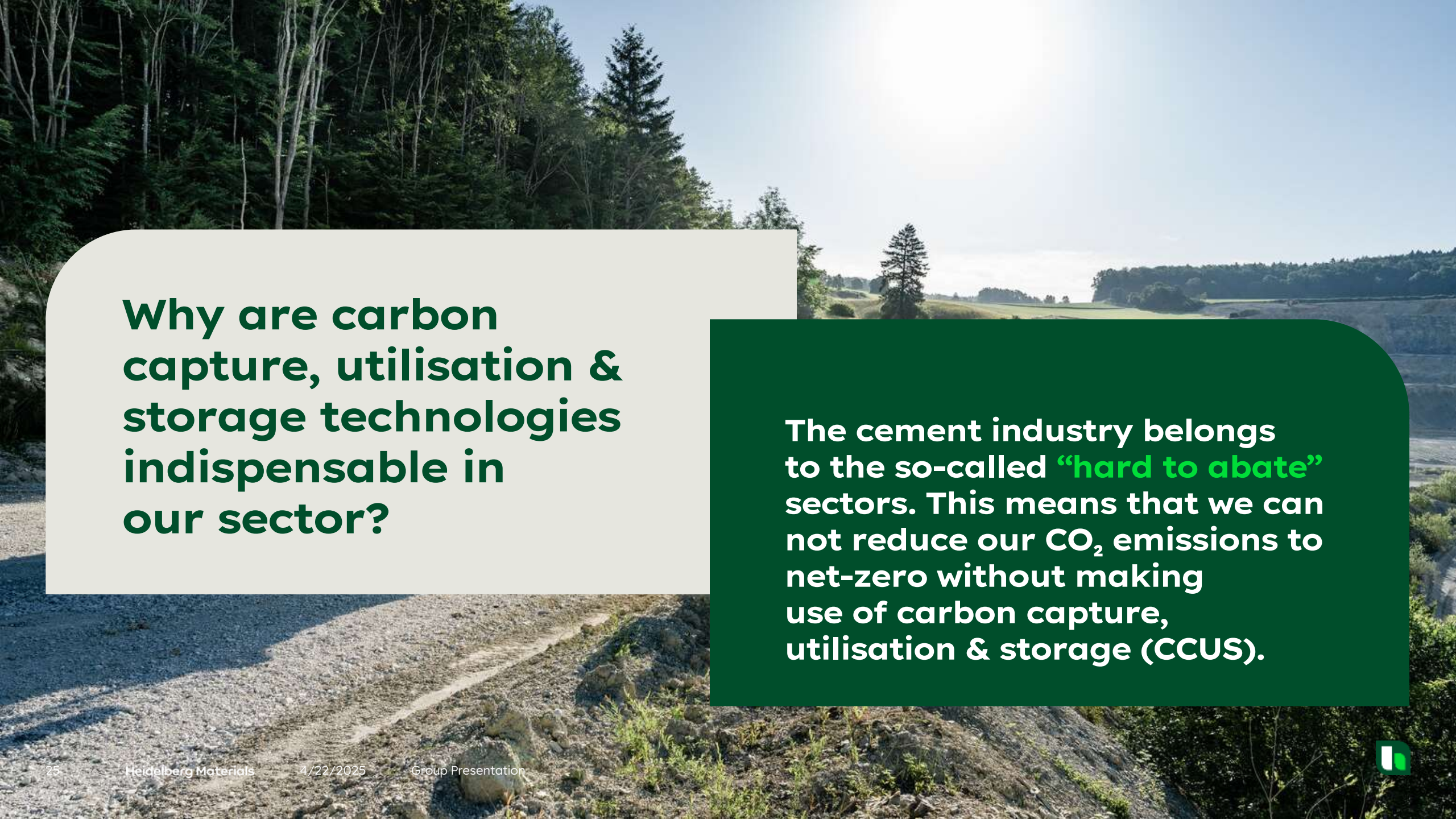


Our reduction strategy is based on solid measures at plant and product levels, the implementation of which is well underway.

Pioneering CCS: Our CCS project in Brevik, Norway, will go into operation as early as 2025

We are reducing our carbon footprint in line with the SBTi's 1.5°C roadmap





Why are carbon capture, utilisation & storage technologies indispensable in our sector?

The cement industry belongs to the so-called **“hard to abate”** sectors. This means that we can not reduce our CO₂ emissions to net-zero without making use of carbon capture, utilisation & storage (CCUS).

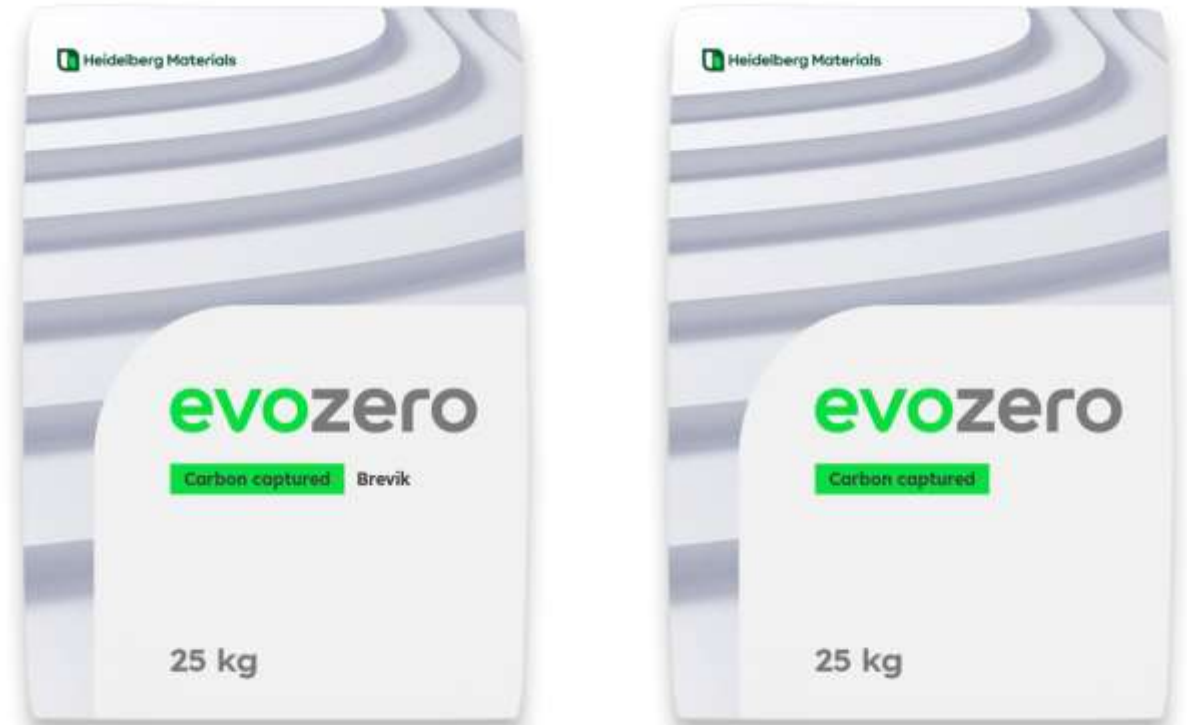


evoZero®: We will be the first to offer Net Zero cement and concrete at scale

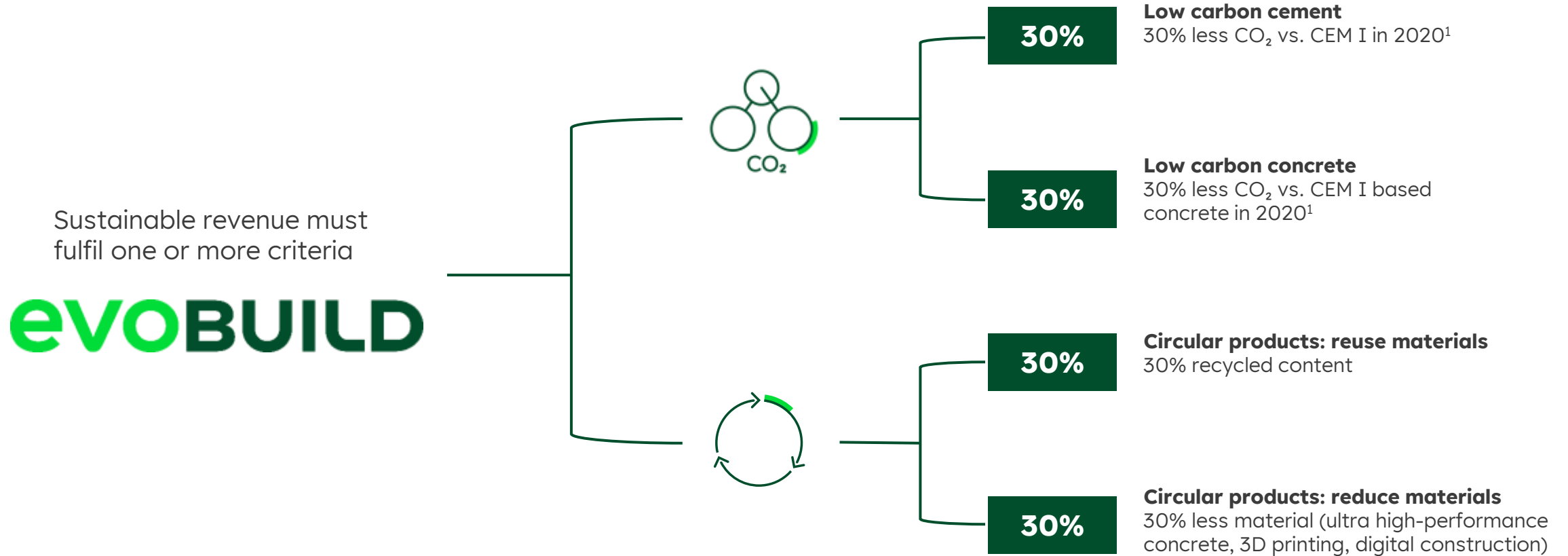
evozero

Applies to cement and concrete products

- Globally unique product: CCS technology, applied for the first time at a large scale in Brevik, enables net-zero carbon footprint of evoZero®
- Broadest product application combined with lowest CO₂ footprint: customers benefit from trusted product performance
- Transparent CO₂ capturing and accounting process: each tonne of captured CO₂ only accounted for once, independently reviewed by third-party verifier and secured by blockchain technology
- Innovative go-to-market approach: evoZero® will be available in two versions, depending on the customer location



With evoBuild®, we are now applying the same clear criteria for sustainable products across the world

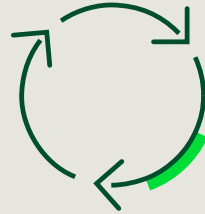


¹) 30% vs. GCCA CEM I in 2020, translates to ≤ 552 kg CO₂/t cementitious and ≤ 5.5 kg CO₂/m³/MPa



Building a Circular & Resilient Future

We drive circularity to reduce and reuse materials and natural resources



We are **strengthening circularity** along the entire value chain and are advancing our portfolio towards more circular products.

Through resource efficiency, co-processing of waste products, and concrete recycling, we want to contribute to a functioning circular economy.

With our ReConcrete process, concrete can be fully recycled without loss of quality through selective processing of its individual components.



Building a Nature Positive Future

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



For many years, we have been **committed to protecting and preserving** native animal and plant species, with targets aimed to help nature recover.

Partner organisations such as BirdLife International assist us in understanding and minimising our impact on the environment.

We want to conserve water and minimise negative impacts through measures aimed at saving water and using it efficiently.



Building a Safe & Inclusive Future

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



Our declared aim: zero harm. With effective preventive measures, we intend to reduce the risk of accidents, incidents, and ill health.

When selecting and evaluating our suppliers, we also consider social, ethical, and environmental factors.

Volunteering is part of our CSR strategy – with a focus on projects in the areas of culture, environment, infrastructure & education.



3

Appendix



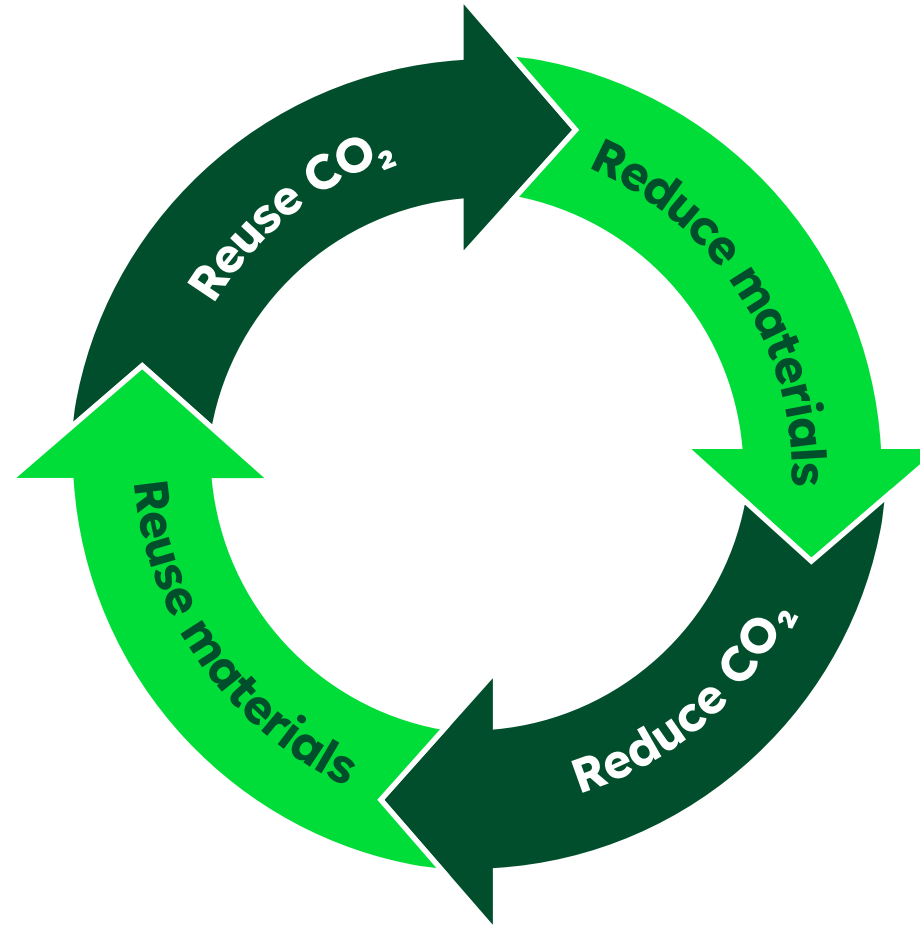
Reduce and reuse: closing the carbon and material loops

Net-zero products

Brevik CCS: our milestone CO₂ project
Lengfurt CCU: CO₂ as a valuable raw material

Circular products

Concrete containing recycled aggregates
CO₂ mineralisation in building materials



Products using less material

Special mortar for 3D concrete printing
Ultra-high-performance concrete (UHPC)

Carbon-reduced products

Substituting clinker with fly ash
Substituting clinker with calcined clay



Digitalisation is a key pillar enabling our strategy and future-proofing our operations

Revenue growth

Cost optimisation

HConnect

HProduce

HService

We provide connected solutions for our customers

We drive efficiency in our operations

We optimise our back-office processes

Digital strategy

> 75%
of global revenue connected

> 50%
of operational improvements supported digitally

> 20%
efficiency gains in central shared services

Digital targets



We set ourselves ambitious targets for 2025 & 2030

By 2025



5% p.a.

Revenue
Growth



20 – 22%

EBITDA
margin



> 10

ROIC



> 45%

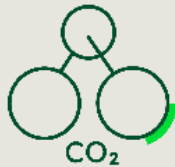
Cash
conversion rate



1.5x – 2.0x

Leverage
ratio

By 2030



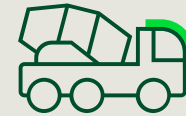
400 kg/t CEM

CO₂ emissions



50%

Sustainable products



50%

Circular concrete¹

¹) Offer circular alternatives for half of our concrete products – aiming for full coverage.



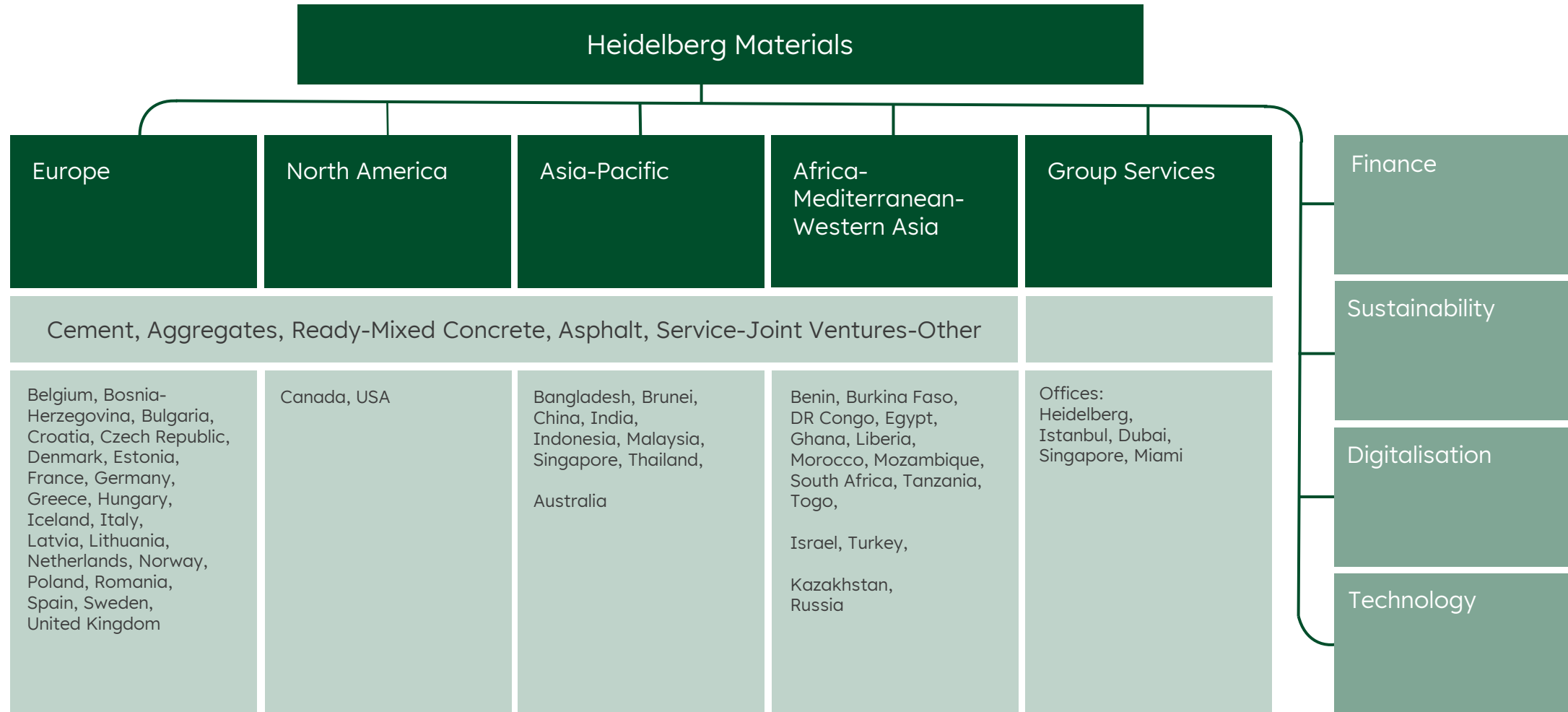


Heidelberg Materials as a competent partner

- 1. Solid growth** – We are benefiting from growth trends thanks to our balanced presence in mature and emerging markets.
- 2. Strong results** – We are on track to achieve our medium-term financial targets.
- 3. Added value for our customers** – We offer our customers a high-quality and sustainable product portfolio.
- 4. Leading the way in decarbonisation** – We have the speed, knowledge, and technology to successfully manage the transformation to climate neutrality.
- 5. All stakeholders in view** – We are shaping the transformation for the benefit of our customers, our shareholders, our employees, and society.



Our organisational structure



● Group Areas ● Functional Responsibilities ● Countries/Hubs



Heidelberg Materials Trading

Heidelberg Materials Trading is one of the largest trading companies serving the global cement industry



Availability across the globe: Covering over 100 countries with our trading hubs in Heidelberg, Miami, Singapore, Dubai, and Shanghai



Cement & clinker trade: Lifting more than 10% of the global seaborne cement trading volume



For a greener industry: Sourcing reliable clinker substitutes and additives



Our Managing Board



Dr Dominik von Achten
Chairman of the Managing Board



René Aldach
Chief Financial Officer
and Australia



Dr Katharina Beumelburg
Chief Sustainability Officer



Roberto Callieri
Asia



Axel Conrads
Chief Technical Officer



Hakan Gurdal
Africa-Mediterranean-
Western Asia



Dennis Lentz
Chief Digital Officer



Jon Morrish
Europe



Chris Ward
North America



Thank You.



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