

# Report of the Supervisory Board



**Dr Bernd Scheifele**  
Chairman of the Supervisory Board

**Heidelberg,**  
25 March 2026

## Dear Shareholders,

Heidelberg Materials continued its growth trajectory in the past reporting year despite ongoing geopolitical and economic uncertainties. The Supervisory Board closely monitored and supported the Group’s management and engaged intensively with economic and strategic issues.

With its “Strategy 2030: Making a Material Difference” launched last year, Heidelberg Materials has set itself ambitious growth and profitability targets for 2030. Building on a strong track record, the company continues to focus on its core business of heavy building materials in markets with high growth potential, underlining its leading position as a global heavy building materials manufacturer. The company benefits from worldwide synergies in three areas: sustainability, digitalisation, and technical excellence.

One area of focus in the past reporting year was on further developing and implementing the Group’s sustainability strategy and continuing to tighten the sustainability targets up to 2030. For example, Heidelberg Materials began delivering evoZero® to customers across Europe from its cement plant in Brevik, Norway. As the world’s first near-zero cement produced using CCS (carbon capture and storage) technology, evoZero® sets a new benchmark for decarbonisation in the construction industry. With the final investment decision reached, the company also started construction of Padeswood CCS in the United Kingdom. Four additional carbon capture projects in Europe have been selected by the EU Innovation Fund with a view to drawing up grant agreements.

At the same time, the Group successfully continued its ongoing portfolio optimisation, strengthening its position in key markets through attractive acquisitions, including in North America and the Asia-Pacific region. Meanwhile, efficiency at the plants has been further improved and additional synergies have been leveraged. The Transformation Accelerator initiative made a significant contribution in this regard in the past financial year.

## Consultation and monitoring

The Supervisory Board closely monitored and supported the Group’s development during the past financial year and discussed it with the Managing Board at meetings of the plenary session and its committees as well as outside the scheduled meetings. It also received regular, timely, and comprehensive reports, both in writing and verbally, about all matters of relevance to the Group, particularly in relation to business policy, strategy and planning, the progress of businesses, the financial situation, the risk situation and risk management, compliance, innovations, and sustainability. The Supervisory Board reviewed, discussed, and analysed the Managing Board’s reports in detail. The Managing Board agreed on the Group’s strategy with the Supervisory Board. Deviations of the actual business development from the plans were explained in detail by the Managing Board.

The Supervisory Board was directly involved at an early stage in all decisions of fundamental importance to the Group. A catalogue drawn up by the Supervisory Board, which is reviewed regularly and adjusted as necessary, outlines transactions and measures of fundamental importance that require the consent of the Supervisory Board. In the reporting year, the Supervisory Board took decisions on the transactions and measures submitted by the Managing Board that required its approval, having first reviewed them and discussed them with the Managing Board. In particular, investment projects and financing matters requiring authorisation were explained in detail by the Managing Board and discussed before decisions were made. In addition, the Supervisory Board has satisfied itself that the Managing Board has installed an internal control and risk management system appropriate to the business activities and risk situation of the Group, as well as a functioning monitoring system that is effective and capable of recognising at an early stage any developments that could jeopardise the company as a going concern. With regard to the accounting-related internal control system and the early risk detection system, the Supervisory Board also had this confirmed by the auditor. Furthermore, it has satisfied itself of the effectiveness of the compliance management system, which guarantees Group-wide compliance with the law, legality, and internal guidelines. In the relevant meetings, the responsible line managers of the Group below Managing Board level were available together with members of the Managing Board to provide information to the Audit Committee and to answer questions. The Chairman of the Supervisory Board and the Chairman of the Audit Committee also discussed topics relating to the audit with the auditor outside the scheduled meetings and without the participation of the Managing Board. In addition, the

Chairman of the Supervisory Board was in regular and ad hoc contact with the Chairman of the Managing Board outside the scheduled meetings.

During the reporting year, the Chairman of the Supervisory Board remained open to dialogue with investors at all times and willing to receive suggestions from investors on topics specific to the Supervisory Board and to consider these suggestions in the Supervisory Board's discussions. As part of a governance roadshow in March/April 2026, the Chairman of the Supervisory Board expanded this exchange and held talks with investors. In the physical and virtual meetings with international shareholders from the United Kingdom, Germany, and the USA, governance-specific topics were discussed, in particular the tasks, work, and composition of the Supervisory Board as well as environmental, social, and governance (ESG) issues.

Overall, the Supervisory Board continuously and thoroughly monitored the work of the Managing Board and provided it with advice, particularly with

regard to the Group's management, the alignment and implementation of its strategy, and its development. In doing so, it assessed the Managing Board's management of the Group in terms of its lawfulness, propriety, expediency, and economic efficiency. The Managing Board and Supervisory Board worked together in a spirit of mutual trust for the benefit of the Group and maintained an open and intensive dialogue. In summary, it can be said that the Supervisory Board has again duly and diligently fulfilled the duties incumbent upon it under the law, the Articles of Association, the Rules of Procedure, and the German Corporate Governance Code (with the exception of any declared deviations) in the 2025 financial year.

During the reporting year, the plenary session of the Supervisory Board convened at six ordinary meetings (29 January, 23 March, 15 May before the Annual General Meeting, 14 and 15 September, and 20 November). The number and format of Supervisory Board meetings and committee meetings in the reporting year are shown in the following overview.

### Number and type of Supervisory Board and committee meetings

	Type of meeting		Total number of meetings
	In person	Conference call and/or video-conference	
Plenary session of the Supervisory Board	5	1	6
Sustainability and Innovation Committee	2	0	2
Nomination Committee	0	0	0
Personnel Committee	3	0	3
Audit Committee	2	4	6
Mediation Committee	0	0	0

### Participation of the members of the Supervisory Board at the plenary sessions and committee meetings

Supervisory Board member	Plenary session		Audit Committee	Personnel Committee	Sustainability and Innovation Committee	Nomination Committee	Mediation Committee	Total	
	Participation/number	Rate	Participation/number	Participation/number	Participation/number	Participation/number	Participation/number	Participation/number	Rate
Dr Bernd Scheifele, <sup>1)</sup> Chairman of the Supervisory Board	6/6	100 %	-	3/3	-	-	0/0	9/9	100 %
Werner Schraeder, <sup>2)</sup> Deputy Chairman of the Supervisory Board	6/6	100 %	6/6	3/3	-	-	0/0	15/15	100 %
Barbara Breuninger <sup>2)</sup>	6/6	100 %	6/6	-	2/2	-	-	14/14	100 %
Gunnar Groebler <sup>1)</sup>	5/6	83.33 %	-	-	2/2	-	-	7/8	91.67 %
Katja Karcher <sup>2)</sup>	6/6	100 %	-	3/3	2/2	-	-	11/11	100 %
Ludwig Merckle <sup>1)</sup>	6/6	100 %	6/6	3/3	2/2	0/0	-	17/17	100 %
Luka Mucic <sup>1)</sup>	6/6	100 %	6/6	3/3	-	-	-	15/15	100 %
Markus Oleynik <sup>2)</sup>	6/6	100 %	-	3/3	2/2	-	-	11/11	100 %
Peter Riedel <sup>2)</sup>	6/6	100 %	6/6	3/3	-	-	-	15/15	100 %
Margret Suckale <sup>1)</sup>	6/6	100 %	6/6	3/3	-	0/0	0/0	15/15	100 %
Dr Sopna Sury <sup>1)</sup>	6/6	100 %	-	3/3	2/2	0/0	-	11/11	100 %
Anna Toborek-Kacar <sup>2)</sup>	6/6	100 %	-	3/3	-	-	0/0	9/9	100 %
<b>Total</b>	<b>71/72</b>	<b>98.61 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>0/0</b>	<b>0/0</b>	<b>149/150</b>	<b>99.33 %</b>

1) Shareholder representative

2) Employee representative

The participation rate of all members of the Supervisory Board at the six plenary sessions of the Supervisory Board in the 2025 reporting year was 98.61%. The participation rate at all the committee meetings held in the reporting year was 100%.

Members of the Supervisory Board and its committees are listed in the [Corporate Governance statement chapter](#).

Separate preliminary meetings of the employee representatives were held in connection with the Supervisory Board meetings. In the reporting year, the members of the Managing Board generally attended the meetings of the Supervisory Board, although the Supervisory Board also met regularly and on an ad hoc basis without the Managing Board to discuss certain agenda items and topics.

### Topics of discussion in the meetings of the Supervisory Board and its committees

The **plenary sessions** in the first half of 2025 dealt with, among other things, the discussion, auditing, and approval of the 2024 annual financial statements and consolidated financial statements, including the non-financial statement and the dividend proposal to the Annual General Meeting, the preparation of the 2024 remuneration report, the approval of the 2025 operational plan, the review of the remuneration of the Supervisory Board, the Strategy 2030, and preparations for the 2025 Annual General Meeting. Further matters discussed by the Supervisory Board were the cancellation of all 3,637,360

treasury shares purchased under the first tranche of the 2024–2026 share buyback programme between 23 May and 25 November 2024 and the continuation of the programme in a second tranche with a planned volume of up to €450 million, based on the authorisation granted by the Annual General Meeting on 15 May 2025. At the first plenary session of 2026, the Supervisory Board addressed the cancellation of all 2,065,695 treasury shares purchased under the second tranche of the 2024–2026 share buyback programme between 5 June and 1 December 2025. The share buyback programme is in line with the Group's financial policy and may be seen in the context of its successful reduction of net debt, good business performance in previous financial years, and the participation of shareholders in the Group's success.

In the second quarter of 2025, the Supervisory Board adjusted the peer group relevant for measuring the relative total shareholder return (TSR), as a company in this group had been delisted from the stock exchange. The Supervisory Board also recommissioned the auditor to perform a material audit of the 2025 remuneration report.

In the second half of 2025, the Supervisory Board focused in particular on the positioning and commercialisation of the company's decarbonised products. Furthermore, it discussed Heidelberg Materials' global business activities and the associated risks and opportunities. In this context, geopolitical issues were also the focus of the Supervisory Board's deliberations. In addition, the Supervisory Board supported the Managing Board in the implementation of the digitalisation strategy and discussed related milestones. It also addressed the issue of enhancing efficiency in operating activities through digitalisation and the use of artificial intelligence.

Throughout the 2025 reporting year, the Supervisory Board devoted considerable attention to the further development and implementation of the sustainability strategy. The focus was on the updated CO<sub>2</sub> roadmap and the decarbonisation of cement production through the use of carbon capture and storage (CCS). In this context, the Supervisory Board's discussions centred in particular on the opening of Brevik CCS in Norway in June 2025, the final investment decision for the construction of the carbon capture facility at the Padeswood cement plant in the United Kingdom, and the planned CCS project in Edmonton, Canada. The Supervisory Board also considered further measures to improve the carbon footprint of emission-intensive plants, new technologies for low-carbon products, the EU Emissions Trading System, and the EU's Carbon Border Adjustment Mechanism (CBAM). The expected implementation of the EU's Corporate Sustainability Reporting Directive (CSRD) and the associated double materiality analysis were once again on the Supervisory Board's agenda in the reporting year.

Sustainability and digitalisation thus remain key areas of focus for the Supervisory Board's monitoring and advisory activities.

In the 2025 financial year, the Supervisory Board also examined the process of securing raw materials in the cement and aggregates business lines and the results achieved. In addition, the Supervisory Board held several meetings with the Managing Board to discuss major investments, divestments, and portfolio optimisations, as well as the Group's underlying M&A strategy. The main focus of these meetings was on measures that could affect Heidelberg Materials' strategic targets and lead to an improvement of its balance sheet structure. Further topics addressed by

the Supervisory Board and its committees in the reporting year included the adjustment of the Supervisory Board's Rules of Procedure, in particular with regard to its obligation since the 2025 financial year to audit the income tax information report; the simplification of the Group structure; the corporate governance rankings; the further development of the company's corporate governance; and the Managing Board's regular reports on business development.

The Supervisory Board's work also focused on the 2025 annual bonus plan prepared by the Personnel Committee, the long-term bonus plan for 2025 to 2027, the target achievement of the 2024 annual bonus, the target achievement of the capital market component from the long-term bonus for 2021 to 2023/2024 and the management component from the long-term bonus for 2022 to 2024/2025, and matters relating to the Managing Board.

In the reporting year, the **Audit Committee** engaged extensively with the further development of the Group's corporate governance, risk management, and internal control system, including the effectiveness of the compliance management system. The Audit Committee dealt regularly and intensively with compliance issues in particular. One area of focus was on resources and organisation in relation to compliance. The Director Group Legal & Compliance regularly reported to the committee on his activities and on the status of the compliance management system and its further development. He was also in direct contact with the Chairman of the Audit Committee in the reporting year. The members of the Audit Committee also received reports from the Director Group Treasury, Insurance & Corporate Risk on the risk management system and from the Director Group Internal Audit on the internal control system.

In addition to the reports regarding internal audit, risk management, and compliance, meetings of the Audit Committee dealt with the 2024 annual financial statements and consolidated financial statements, including the non-financial statement, as well as the points of focus for the audit, the half-year financial report, and quarterly statements for the 2025 financial year. After convincing itself of the auditor's independence and evaluating the quality of the audit, the Audit Committee prepared the Supervisory Board's proposal to the 2025 Annual General Meeting for the appointment of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) as the auditor and Group auditor and – after the Annual General Meeting followed this proposal – issued the audit assignment to PwC. In this context, it also defined the points of focus for the 2025 audit. Furthermore, it monitored the development of the non-audit services by the auditor and received reports from the Managing Board on the nature and scope of the non-audit services performed by the auditor. It also discussed sustainability reporting in the context of the CSRD, which has not been transposed into German law.

Heidelberg Materials is ideally prepared to secure financing for its business transactions in the short, medium, and long term with its existing debt instruments. The maturity profile of the liabilities shows its usual balanced structure.

The Audit Committee continued to focus on the topic of IT security in this financial year. Furthermore, it again looked at the use of enterprise resource planning systems in the individual Group countries and their standardisation.

The Chairman of the Audit Committee is Luka Mucic. Mr Mucic, like Audit Committee member Ludwig Merckle, is regarded as a financial expert pursuant to section 100(5) of the German Stock Corporation Act (Aktiengesetz, AktG). The Supervisory Board is of the opinion that both Mr Mucic and Mr Merckle have expertise in the areas of accounting and auditing, including sustainability reporting and the auditing thereof. For more information, see the [Corporate Governance statement chapter](#).

In the reporting year, the **Personnel Committee** focused on the preliminary discussion and recommendation to the Supervisory Board regarding the determination of the variable Managing Board remuneration for the 2024 financial year and on the definition of the parameters for the variable Managing Board remuneration in 2025 and in the years from 2025 to 2027/2028. Furthermore, the Personnel Committee conducted the pre-audit of the 2024 remuneration report and prepared the related decision of the plenary session of the Supervisory Board. The Personnel Committee also dealt intensively with matters relating to the Managing Board, particularly salary reviews and the acceptance of external supervisory board mandates, and prepared the decisions of the plenary session in this regard. Finally, the Personnel Committee assured itself that all members of the Managing Board have carried out the required individual investment in Heidelberg Materials shares as part of the Managing Board remuneration system.

The **Sustainability and Innovation Committee** focused intensively on the market launch of and business case for products based on carbon capture and storage technology: evoZero® and evoBuild®. Together with the Audit Committee, it oversaw the audit of the sustainability reporting and the assessment of

risks and opportunities related to environment, social, and governance (ESG) topics. It also discussed the current status of the EU Emissions Trading System and related developments, as well as reporting pursuant to the CSRD and the Corporate Sustainability Due Diligence Directive (CSDDD). Further areas of focus included the relevant ESG ratings and monitoring progress on and updating the CO<sub>2</sub> roadmap.

The **Nomination Committee** and the **Mediation Committee**, formed in accordance with section 27(3) of the German Co-Determination Law (Mitbestimmungsgesetz, MitbestG), did not need to meet in the reporting year.

The results of the committees' meetings were reported at the subsequent plenary sessions.

During the reporting year, there were no potential conflicts of interest of any Managing Board or Supervisory Board member that would have had to be disclosed to the Supervisory Board without undue delay. There were also no consulting or other contracts for services or work between any member of the Supervisory Board and the Group in the reporting year.

In the reporting period, there were no related party transactions requiring disclosure within the meaning of sections 111a(1)(2) and 111b(1) of the AktG.

Every two years, the Supervisory Board carries out a regular self-assessment of the effectiveness of the work of the Supervisory Board and its committees, as required by the German Corporate Governance Code. The last such self-assessment took place in the second half of 2025. To avoid repetition, details are included in the **[Corporate Governance statement chapter](#)**.

### Corporate Governance

The declaration of compliance in the reporting year was submitted by the Managing Board on 17 January 2025 and by the Supervisory Board on 29 January 2025. The declaration of compliance for the current financial year was submitted by the Managing Board on 15 January 2026 and by the Supervisory Board on 29 January 2026. The complete text can be found in the **[Declaration of compliance section](#)** pursuant to section 161 of the AktG in the **[Corporate Governance statement chapter](#)**. The current declaration of compliance is made permanently available on the company's **[website](#)**.

With regard to its composition and that of the Managing Board, the Supervisory Board thoroughly complies with the requirements of the German Corporate Governance Code regarding the principles of diversity when appointing corporate bodies and leadership positions within the Group and of section 289f(2) (6) of the German Commercial Code (Handelsgesetzbuch, HGB) (diversity concept). Regarding its own composition, it implements the diversity targets stated in the Code and the profile of skills for the Supervisory Board adopted on 23 March 2022. Detailed information on this topic can be found in the **[Corporate Governance statement chapter](#)**.

On 18 March 2020, the Supervisory Board resolved to set the target figure for the proportion of women on the Managing Board to at least one woman for the period from 1 July 2020 to 30 June 2025. With Dr Nicola Kimm as a member of the Managing Board from 1 September 2021 until 31 August 2024, succeeded by Dr Katharina Beumelburg on 1 October 2024, this target was achieved ahead of schedule. The Supervisory Board also welcomes and supports the Managing Board's target of further increasing the proportion of women in management positions in the

first and second leadership levels below the Managing Board. The Managing Board has formulated a global<sup>1)</sup> target for the proportion of women in leadership positions of 25%<sup>1)</sup> by 2030. For details, please refer to the **[Corporate Governance statement chapter](#)**.

With regard to the remuneration for the members of the Managing Board for the 2025 financial year, specifics are included in the **[Remuneration report chapter](#)** to avoid repetition. A description of the 2024+ Managing Board remuneration system approved by the 2024 Annual General Meeting and applicable from 1 January 2024, can also be found there. Having been commissioned to do so by the company's Supervisory Board, the auditor also carried out the voluntary audit of the correctness of the content of the 2025 remuneration report and issued an unqualified audit opinion. The Supervisory Board also examined the remuneration report on this basis and approved it together with the Managing Board. The 2025 remuneration report will be submitted to the 2026 Annual General Meeting for approval and will be available on the company's **[website](#)** for ten years.

The members of the Supervisory Board are themselves responsible for obtaining the training required for their tasks and are supported by the company in this respect. The company also offers specific training sessions – sometimes with external support – for members of the Supervisory Board, most recently in November 2025. These training courses cover topics that are particularly relevant to the Group and the work of the Supervisory Board – for example, with regard to legal changes, the selection of suitable investment projects, sustainability reporting under the CSRD, and, most recently, tax issues and governance considerations relating to the Group structure.

1) Excluding the North America Group area

In addition, the Managing Board reports on corporate governance at Heidelberg Materials, including on behalf of the Supervisory Board, in the **[Corporate Governance statement chapter](#)**.

With all of the above statements, the Supervisory Board reaffirms its commitment to effective corporate governance in the Group.

### Auditing and approval of annual financial statements, consolidated financial statements, and sustainability report

Before the contract for the auditing of the annual financial statements of the company and the consolidated financial statements of the Group was awarded, the points of focus for the audit and the content of the audit were discussed with the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main. The Audit Committee discussed the audit fee and, with the auditor, the assessment of audit risk, the audit strategy, audit planning, and the audit results. The Chairman of the Audit Committee and the auditor regularly exchanged information on the progress of the audit, after which the Chairman reported to the committee.

In January 2026, the Managing Board informed the Supervisory Board about the preliminary, unaudited key figures for the 2025 financial year and provided a status report on the financial statements work. The annual financial statements of Heidelberg Materials AG, the consolidated financial statements as at 31 December 2025, and the combined management report for the company and the Group, as prepared by the Managing Board, were audited by the auditor. In addition, the auditor performed a limited assurance on the sustainability report (sections 289b and 315b of the HGB) contained in the combined management report on behalf of the Supervisory Board.

Although the CSRD has not yet been transposed into national law in Germany – meaning that there is currently no legal obligation to report in full pursuant to the European Sustainability Reporting Standards (ESRS) – Heidelberg Materials is already reporting in full compliance of the CSRD for the 2025 financial year. The sustainability report was voluntarily audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and an assurance report was issued. The financial statements documents together with the reading copies of the auditors’ reports were sent in advance to the members of the Supervisory Board. At first, the Audit Committee dealt intensively with the financial statements, including the combined management report and the sustainability report, in the presence of the auditor. The auditor reported on the main results of its audit. In addition, the Audit Committee had the auditor report on the effectiveness of the internal control and early risk identification system in relation to accounting, whereby the auditor stated that it had not found any significant weaknesses in this regard. Against this background and after its own consideration, the Audit Committee determined that the internal control system, the internal audit system, and the risk management system, including the early risk identification system, meet the requirements placed on them. The Supervisory Board shares the opinion of the Audit Committee on the effectiveness of these

systems. Then, the Supervisory Board discussed the financial statements, including the combined management report and the sustainability report, in detail at the accounts meeting on 25 March 2026, once again in the presence of the auditor. The Audit Committee and the Supervisory Board also held related discussions without the participation of the Managing Board. The Supervisory Board approved the audit results. It examined the annual financial statements and consolidated financial statements, the combined management report, including the sustainability report, and the Managing Board’s proposal for the use of the balance sheet profit. The results of the pre-audit conducted by the Audit Committee and the results of its own audit correspond fully to the results of the auditor. Following the final results of this audit, the Supervisory Board also raised no objections. The auditor issued an unqualified audit opinion on the annual financial statements of Heidelberg Materials AG and the consolidated financial statements as at 31 December 2025 as well as on the combined management report of Heidelberg Materials AG and the Group.

The Supervisory Board approved the Managing Board’s proposal for the use of the balance sheet profit, including the payout of a dividend of €3.60 per share (previous year: €3.30).

### Personnel matters and notes of thanks

There were no personnel changes on the Managing Board or the Supervisory Board during the reporting year. In January 2026, the Supervisory Board extended the appointment of Roberto Callieri as a member of the Managing Board until 31 December 2029.

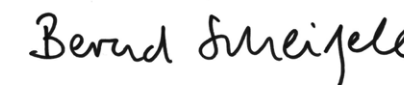
The Supervisory Board confirmed Margret Suckale and Dr Sopna Sury from among its members as sustainability experts on the Supervisory Board. For more information, see the [Corporate Governance statement chapter](#).

In conclusion, the Supervisory Board would like to thank all members of the Managing Board and all employees of the Group for their outstanding and dependable cooperation as well as their continued high level of personal commitment and excellent performance on the company’s behalf in the 2025 financial year.

### Approval of this report

The Supervisory Board approved this report during its meeting on 25 March 2026 pursuant to section 171(2) of the AktG.

For the Supervisory Board



**Dr Bernd Scheifele**

Chairman of the Supervisory Board