Heidelberg Materials

Invitation
to the Annual General Meeting
of HeidelbergCement AG
on 11 May 2023

HeidelbergCement AG
Heidelberg

ISIN DE0006047004 / WKN 604700

Invitation to the Annual General Meeting of HeidelbergCement AG on 11 May 2023

We hereby invite our shareholders to attend the Annual General Meeting which will be held on Thursday, 11 May 2023, at 10:00 a.m. (Central European Summer Time – CEST) in the SNP dome in 69124 Heidelberg, Germany, Carl-Friedrich-Gauß-Ring 16.

Overview of the agenda

1. Submission of the adopted annual financial statements, the approved consolidated financial statements of the Group, the combined management report of HeidelbergCement AG and the Group, as well as the report of the Supervisory Board for the 2022 financial year

2. Resolution on the appropriation of the balance sheet profit for the 2022 financial year

3. Resolution on the discharge of the Managing Board for the 2022 financial year

4. Resolution on the discharge of the Supervisory Board for the 2022 financial year

5. Resolution on the appointment of the auditor for the 2023 financial year

6. Resolution on the approval of the remuneration report for the 2022 financial year

7. Resolution on the approval of the amendment of the existing domination and profit and loss transfer agreement between HeidelbergCement AG and HeidelbergCement International Holding GmbH

8. Resolution on the amendment of article 1 of the Articles of Association (Company Name)

9. Resolution on the amendment of article 12 para. 2 of the Articles of Association (Supervisory Board remuneration) on the remuneration of the members of the Sustainability and Innovation Committee, including the remuneration system for the Supervisory Board

10. Resolution on the amendment of article 16 of the Articles of Association (General Meeting) on the authorisation to hold future virtual general meetings

11. Resolution on the amendment of article 16 of the Articles of Association (General Meeting) on allowing members of the Supervisory Board to attend virtual general meetings via video and audio transmission

12. Resolution on the authorisation to acquire and use treasury shares pursuant to section 71 para. 1 no. 8 of the German Stock Corporation Act with the possible exclusion of subscription rights and any right to sell shares

13. Resolution on the authorisation to use derivatives in the course of acquiring treasury shares with the possible exclusion of subscription rights and any right to sell shares

14. Resolution on the granting of a new authorisation to issue warrant bonds, convertible bonds or participating bonds with authorisation to exclude subscription rights, the cancellation of the Conditional Capital 2018, as well as the creation of new Conditional Capital 2023 and the corresponding amendment of the Articles of Association

Agenda

1. Submission of the adopted annual financial statements, the approved consolidated financial statements of the Group, the combined management report of HeidelbergCement AG and the Group, as well as the report of the Supervisory Board for the 2022 financial year

The above documents also include the explanatory report on the statements in accordance with sections 289a para. 1 and 315a para. 1 of the German Commercial Code as well as the Corporate Governance statement with the Corporate Governance reporting for the 2022 financial year. They form part of the Annual and Sustainability Report 2022, with the exception of the adopted annual financial statements of HeidelbergCement AG. These documents and the Managing Board's proposal for the appropriation of the balance sheet profit and the remuneration report may be viewed on the Internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023** before and during the Annual General Meeting. The documents will also be available at the Annual General Meeting and explained there. In accordance with the statutory provisions, no resolution will be passed on agenda item 1, since the Supervisory Board has already approved the annual financial statements and consolidated financial statements and the annual financial statements have thus been adopted.

2. Resolution on the appropriation of the balance sheet profit for the 2022 financial year

The balance sheet profit for the 2022 financial year of HeidelbergCement AG amounts to €494,271,192.70. The Managing Board and the Supervisory Board propose

a) that a dividend in the amount of €2.60 be paid out of the balance sheet profit per share entitled to dividend. If this proposal is accepted, dividends in the total amount of €484,082,609.40 would be paid for the 186,185,619 no-par value shares entitled to dividends for the 2022 financial year; and

b) that the remaining balance sheet profit in the amount of €10,188,583.30 be carried forward in full.

The proposal for the appropriation of the balance sheet profit takes into account the 6,906,281 treasury shares, which are held by the Company at the time of the invitation to the Annual General Meeting and which are not entitled to dividends pursuant to section 71b of the German Stock Corporation Act. Should the number of shares entitled to dividends for the 2022 financial year change by the time of the Annual General Meeting, a correspondingly adjusted proposal for resolution will be submitted to the Annual General Meeting, which will continue to propose a dividend of €2.60 per share entitled to dividend as well as correspondingly adjusted amounts for the total dividend and the profit carried forward.

In accordance with section 58 para. 4 sentence 2 of the German Stock Corporation Act, the dividends are due on the third business day following the Annual General Meeting, i.e. on 16 May 2023.

3. Resolution on the discharge of the Managing Board for the 2022 financial year

The Managing Board and the Supervisory Board propose that discharge be granted to the members of the Managing Board in office in the 2022 financial year for this period and listed below in nos. 3.1 to 3.9:

3.1 Dr Dominik von Achten
3.2 René Aldach
3.3 Kevin Gluskie
3.4 Hakan Gurdal
3.5 Ernest Jelito
3.6 Dr Nicola Kimm
3.7 Dennis Lentz
3.8 Jon Morrish
3.9 Chris Ward

It is intended that the Annual General Meeting will resolve on the approval of the actions of the members of the Managing Board by way of separate votes.

4. Resolution on the discharge of the Supervisory Board for the 2022 financial year

The Managing Board and the Supervisory Board propose that discharge be granted to the members of the Supervisory Board in office in the 2022 financial year for this period and listed below in nos. 4.1 to 4.14:

4.1 Fritz-Jürgen Heckmann
4.2 Dr Bernd Scheifele
4.3 Heinz Schmitt
4.4 Barbara Breuninger
4.5 Birgit Jochens
4.6 Ludwig Merckle
4.7 Tobias Merckle
4.8 Luka Mucic
4.9 Dr Ines Ploss
4.10 Peter Riedel
4.11 Werner Schraeder
4.12 Margret Suckale
4.13 Dr Sopna Sury
4.14 Professor Dr Marion Weissenberger-Eibl

It is intended that the Annual General Meeting will resolve on the approval of the actions of the members of the Supervisory Board by way of separate votes.

5. Resolution on the appointment of the auditor for the 2023 financial year

The Supervisory Board proposes, based on the recommendation of its Audit Committee, that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany, be appointed as the auditor of the annual financial statements and consolidated financial statements for the 2023 financial year as well as the auditor to review the abbreviated financial statements and the interim management report of the Group for the first six months of the 2023 financial year, insofar as these are subjected to a review by an auditor.

The Audit Committee has stated that its recommendation is free from undue influence by third parties and no clause restricting the choice within the meaning of Art. 16 para. 6 of the EU Audit Regulation (Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC).

6. Resolution on the approval of the remuneration report for the 2022 financial year

Pursuant to section 120a para. 4 sentence 1 of the German Stock Corporation Act, the general meeting of a listed company must decide on the approval of the remuneration report prepared and audited by the managing board and supervisory board in accordance with section 162 of the German Stock Corporation Act for the previous financial year.

Pursuant to section 162 para. 3 of the German Stock Corporation Act, the remuneration report was checked by the auditor to determine whether the information required by section 162 para. 1 and 2 of the German Stock Corporation Act was provided. In addition to the statutory requirements, the auditors also checked the content.

The remuneration report for the 2022 financial year, including the auditor's report on the audit of the remuneration report, is printed after the agenda and available on the company's website **www.heidelbergmaterials.com/en/annual-general-meeting-2023** from the time the Annual General Meeting is convened.

The Managing Board and the Supervisory Board propose that the remuneration report for the 2022 financial year be approved.

7. Resolution on the approval of the amendment of the existing domination and profit and loss transfer agreement between HeidelbergCement AG and HeidelbergCement International Holding GmbH

On 1 March 2002, HeidelbergCement AG (formerly operating as Heidelberger Zement Aktiengesellschaft) concluded a profit and loss transfer agreement with its wholly-owned subsidiary HeidelbergCement International Holding GmbH (formerly operating as Heidelberger Zement International Holding GmbH), which the Annual General Meeting of HeidelbergCement AG approved on 7 May 2002. The profit and loss transfer agreement was registered in the commercial register of HeidelbergCement International Holding GmbH on 12 June 2002. On 5 February 2014, the profit and loss transfer agreement was changed to a domination and profit and loss transfer agreement, which the Annual General Meeting of HeidelbergCement AG approved on 7 May 2014. The amendment of the domination and profit and loss transfer agreement was registered in the commercial register on 13 May 2014.

Due to changes in the German Stock Corporation Act, HeidelbergCement AG and HeidelbergCement International Holding GmbH amended the domination and profit and loss transfer agreement on 2 March 2021. The Annual General Meeting of HeidelbergCement AG approved this amendment on 6 May 2021, and the corresponding registration in the commercial register took place on 10 May 2021. To make the intercompany agreements within the Group comparable, the language of some of the provisions of the domination and profit and loss transfer agreement was amended on 27 February 2023. In this context, a comprehensive right on the part of HeidelbergCement AG to be provided with information by HeidelbergCement International Holding GmbH and extraordinary termination rights were also added, and a few further clarifications were made.

The amendment agreement together with the amended domination and profit and loss transfer agreement between HeidelbergCement AG and HeidelbergCement International Holding GmbH is printed after the agenda and available on the company's website **www.heidelbergmaterials.com/en/annual-general-meeting-2023** with the joint report pursuant to section 293a of the German Stock Corporation Act and the additional documents pursuant to section 293f of the German Stock Corporation Act from the time the Annual General Meeting is convened.

The Managing Board and the Supervisory Board propose that the amendment agreement together with the amended domination and profit and loss transfer agreement between HeidelbergCement AG and HeidelbergCement International Holding GmbH of 27 February 2023, which is printed in the annex to this agenda, be approved.

8. Resolution on the amendment of article 1 of the Articles of Association (Company Name)

As a result of the Group-wide rebranding as Heidelberg Materials in September 2022, HeidelbergCement AG is to be renamed "Heidelberg Materials AG" as well. "Heidelberg" will continue to represent continuity and market leadership. "Materials" will replace "Cement", and stands for an innovative portfolio of sustainable and intelligent building materials as well as digital solutions.

Article 1 of the Articles of Association currently reads as follows:

"The Company's name is HeidelbergCement AG. Its registered office is in Heidelberg."

The Managing Board and the Supervisory Board propose that article 1 of the Articles of Association be revised as follows:

"The Company's name is Heidelberg Materials AG. Its registered office is in Heidelberg."

9. Resolution on the amendment of article 12 para. 2 of the Articles of Association (Supervisory Board remuneration) on the remuneration of the members of the Sustainability and Innovation Committee, including the remuneration system for the Supervisory Board

Pursuant to section 113 para. 3 of the German Stock Corporation Act, the Annual General Meeting will resolve on the remuneration and the remuneration system for the members of the Supervisory Board at least every four years.

The remuneration of the Supervisory Board is laid down in article 12 of the Company's Articles of Association and was most recently adjusted by resolution of the Annual General Meeting of 6 May 2021. It is to be adjusted retroactively as of 1 January 2023 in order to take into account the Sustainability and Innovation Committee, which has been newly set up in the meantime, within the scope of the Supervisory Board remuneration.

It is intended that article 12 para. 2 of the Articles of Association be amended by adding the members of the Sustainability and Innovation Committee. The remuneration will otherwise remain unchanged.

Article 12 para. 2 of the Articles of Association currently reads as follows:

“(2) The members of the Audit Committee shall additionally receive fixed remuneration of €25,000 p.a. and the members of the Personnel Committee shall additionally receive fixed remuneration of €20,000 p.a. The chairman of the committee shall receive two times these respective amounts.”

The Managing Board and the Supervisory Board propose that article 12 para. 2 of the Articles of Association be revised as follows:

“(2) The members of the Audit Committee shall additionally receive fixed remuneration of €25,000 p.a. and the members of the Personnel Committee as well as the members of the Sustainability and Innovation Committee shall additionally receive fixed remuneration of €20,000 p.a. The chairman of the committee shall receive two times these respective amounts.”

Article 12 of the Articles of Association will otherwise remain unchanged.

The remuneration system for the Supervisory Board approved by the Annual General Meeting on 6 May 2021 is to be correspondingly adjusted to take into account the newly set up Sustainability and Innovation Committee.

The Managing Board and the Supervisory Board propose that the remuneration system for the members of the Supervisory Board resolved by the Supervisory Board on 22 March 2023, which is printed in the annex to this agenda, be approved.

10. Resolution on the amendment of article 16 of the Articles of Association (General Meeting) on the authorisation to hold future virtual general meetings

The virtual general meeting has been permanently enshrined in the German Stock Corporation Act by the Act on the Introduction of Virtual General Meetings of Stock Corporations and Amendment of other provisions dated 20 July 2022 (Federal Law Gazette of 26 July 2022, p. 1166 et seq.). Pursuant to section 118a para. 1 sentence 1 of the German Stock Corporation Act, the articles of association can stipulate, or can authorise the managing board to stipulate, that the general meeting will be held as a virtual general meeting, i.e. without attendance in person of the shareholders or their proxies, at the place of the general meeting. Such a provision in the articles of association must be limited in time, whereby the maximum period is five years from registration of the corresponding amendment of the articles of association in the commercial register of the company.

The Managing Board and the Supervisory Board are of the opinion that there are generally good arguments both for conducting an in-person general meeting and for conducting a virtual general meeting. The Company has also opted for the in-person format for the Annual General Meeting on 11 May 2023 in particular because, from the Company’s perspective, the interaction when the shareholders and their proxies are physically present offers advantages compared to virtual interaction. This is above all the case after three years of virtual general meetings without direct in-person interaction due to the coronavirus pandemic. However, in the case of upcoming general meetings, it cannot be ruled out in specific cases that the arguments in favour of a virtual meeting will outweigh the arguments for an in-person meeting. For this reason, the Company should also be given the flexibility to hold future general meetings virtually as well. The virtual general meeting in the format envisaged by the corresponding new provisions in the German Stock Corporation Act safeguards the shareholders’ rights and provides in particular – approximating the in-person general meeting – for the direct interaction between shareholders and management during the meeting via video communication and electronic communication channels.

For this reason, it seems reasonable to authorise the Managing Board to decide, prior to each general meeting, whether that meeting should take place as a virtual or as an in-person meeting. In the case of such an authorisation of the Managing Board, use shall not be made of the maximum possible term of five years provided for in the Act. Instead, the Managing Board shall, for the time being, only be authorised to hold virtual general meetings within a period of two years after the registration of the amendment of the Articles of Association in the commercial register. For future general meetings, a separate decision shall be made taking into account the circumstances of the individual case as to whether use shall be made of the authorisation and a general meeting be held as a virtual general meeting. The Managing Board will make its decisions taking into account the interests of the Company and its shareholders and, in doing so, focus in particular on safeguarding shareholders’ rights along with aspects of health protection of the participants, effort and costs as well as sustainability considerations. Furthermore, the intention is to organise any future virtual general meetings in a manner comparable to an in-person general meeting and thus to grant the shareholders a full right to information and right to ask questions at the meeting itself without requiring questions to be submitted in advance with the accompanying possibility of limiting the right to ask questions to mere follow-up questions at the meeting.

The Managing Board and the Supervisory Board propose that the following new paragraph 5 be added to section 16 of the Articles of Association:

"(5) The Managing Board shall be authorised to stipulate that the general meeting will be held without attendance in person of the shareholders or their proxies at the place of the general meeting (virtual general meeting). The authorisation shall apply to the holding of virtual general meetings within a period of two years after registration of this provision of the Articles of Association in the commercial register of the Company. All the provisions of these Articles of Association for general meetings shall apply to virtual general meetings unless otherwise stipulated by mandatory law or otherwise expressly provided for in these Articles of Association."

Article 16 of the Articles of Association will – apart from the addition of agenda item 11 – otherwise remain unchanged.

11. Resolution on the amendment of article 16 of the Articles of Association (General Meeting) on allowing members of the Supervisory Board to attend virtual general meetings via video and audio transmission

The members of the Supervisory Board shall generally attend general meetings in person. However, pursuant to section 118 para. 3 sentence 2 of the German Stock Corporation Act, the articles of association may provide for certain cases in which members of the supervisory board may attend general meetings via video and audio transmission.

Use is to be made of this possibility to enable the members of the Supervisory Board, with the exception of the chair of the meeting, to attend a virtual general meeting via video and audio transmission pursuant to section 118a para. 2 sentence 2 in conjunction with section 118 para. 3 sentence 2 of the German Stock Corporation Act. Based on the experience gained from the most recent general meetings, the Company is convinced that online participation by the members of the Supervisory Board in virtual general meetings does not entail any disadvantages for the shareholders or the Company.

The Managing Board and the Supervisory Board propose that the following new paragraph 6 be added to article 16 of the Articles of Association:

"(6) When running a virtual general meeting, the members of the Supervisory Board, with the exception of the chair of the meeting, shall also be permitted to attend via video and audio transmission."

Article 16 of the Articles of Association will – apart from the addition of agenda item 10 – otherwise remain unchanged.

12. Resolution on the authorisation to acquire and use treasury shares pursuant to section 71 para. 1 no. 8 of the German Stock Corporation Act with the possible exclusion of subscription rights and any right to sell shares

The authorisation to acquire treasury shares issued by the Annual General Meeting on 6 May 2021 was partly utilised within the scope of the 2021/2022 share buyback programme. A total of 12,230,858 shares were acquired. Therefore, insofar as it has not already been utilised, such authorisation shall be revoked and replaced by a new authorisation, with essentially the same content, for another five-year term until 10 May 2028. In this connection, the Managing Board shall also be authorised again to use the shares in certain cases, subject to the approval of the Supervisory Board and the exclusion of the shareholders' subscription rights.

The Managing Board and the Supervisory Board propose that the following resolution be adopted:

a) Insofar as it has not already been utilised, the authorisation to acquire treasury shares resolved by the Annual General Meeting on 6 May 2021 shall be revoked upon the following authorisation taking effect; this will not affect the authorisation in the Annual General Meeting resolution of 6 May 2021 on the use of acquired treasury shares.

b) The Managing Board is authorised to acquire treasury shares until the end of 10 May 2028 subject to the approval of the Supervisory Board once or several times, in whole or in partial amounts, up to a total of 10% of the current share capital or – if such amount is lower – of the share capital at the time this authorisation is exercised, for any permissible purpose within the scope of the legal restrictions under the conditions stipulated below. The authorisation may not be used for the purpose of trading in treasury shares.

Pursuant to section 71 para. 2 sentence 1 of the German Stock Corporation Act, at no time may more than 10% of the respective share capital be attributable to the acquired treasury shares combined with other shares which the Company has already acquired and still possesses or which are attributable to it pursuant to sections 71d and 71e of the German Stock Corporation Act. Moreover, the requirements of section 71 para. 2 sentences 2 and 3 of the German Stock Corporation Act are to be complied with.

The shares may be acquired via the stock exchange or by way of a public purchase offer or by means of a public call to submit offers to sell or by issuing rights to sell shares to the shareholders.

aa) If the shares are acquired via the stock exchange, the equivalent value paid by the Company to acquire a share (without ancillary acquisition costs) may not exceed or fall below the price in the Xetra trading system on the Frankfurt Stock Exchange (or a functionally comparable successor system), as determined on the trading day by the opening auction, by more than 10%.

bb) If the shares are acquired outside the stock exchange by way of a public purchase offer, the purchase price per share (without ancillary acquisition costs) offered by the Company may not be more than 10% higher or lower than the unweighted average closing price of shares of the Company of the same type in the Xetra trading system on the Frankfurt Stock Exchange (or a functionally comparable successor system) in the last three trading days prior to the Managing Board's final decision on the offer. Should, after the publication of a purchase offer, the relevant price deviate to a considerable extent from the offered purchase price, the offer may be adjusted. In such a case, the average closing price of shares of the Company of the same type in the Xetra trading system on the Frankfurt Stock Exchange (or a functionally comparable successor system) from the sixth to the second trading days prior to the publication of any adjustment will be used as a basis and the 10% limit will be applied to this amount.

The volume of the public purchase offer may be restricted. Insofar as, in the case of a public purchase offer, the volume of the offered shares exceeds the volume of shares intended for repurchase, the acquisition may be performed, subject to the partial exclusion of any statutory right of the shareholders to sell the shares in this regard, according to the proportion of offered shares (offer quotas) instead of according to the proportion of the participations held by the offering shareholders in the Company (participation quotas). Moreover, offers for lower numbers of shares of up to 100 shares per shareholder may be given preferential treatment, and the number of shares may be rounded according to commercial principles in order to avoid fractional shares, subject to the partial exclusion of any statutory right of the shareholders to sell the shares in this regard.

cc) Insofar as the acquisition takes place via a public call for the submission of offers to sell sent to all shareholders, the Company will set a purchase price range per share within which the offers to sell can be submitted. The purchase price range may be adjusted should, during the offer period, the price deviate to a considerable extent from the price at the time of the publication of the call for the submission of offers to sell. The purchase price per share (without ancillary acquisition costs) to be paid by the Company as determined by the Company on the basis of the offers to sell received may not be more than 10% higher or lower than the unweighted average closing price of the shares of the Company of the same type in the Xetra trading system (or a functionally comparable successor system) in the last three trading days prior to the day of acceptance of the offers to sell.

The volume of accepted shares may be restricted. Insofar as the restriction of the volume means that not all of a number of similar offers to sell can be accepted, the acquisition may be performed, subject to the partial exclusion of any statutory right of the shareholders to sell the shares in this regard, according to the proportion of the offer quotas instead of according to participation quotas. Moreover, offers for lower numbers of shares of up to 100 shares per shareholder may be given preferential treatment, and the number of shares may be rounded according to commercial principles in order to avoid fractional shares, subject to the partial exclusion of any statutory right of the shareholders to sell the shares in this regard.

dd) Insofar as the acquisition takes place by means of rights to sell made available to the shareholders by the Company ("Created Rights to Sell"), these can be allocated per share of the Company. According to the proportion of the share capital of the Company to the volume of the shares to be repurchased by the Company, a correspondingly set number of Created Rights to Sell will confer the right to sell one share of the Company to the latter. Created Rights to Sell may also be allocated in such a way that one Created Right to Sell is in each case allocated to a number of shares that arises from the proportion of the share capital to the volume to be repurchased. Fractional Created Rights to Sell will not be allocated; in such a case, the corresponding partial rights to sell will be excluded. The price or the limits of the offered purchase price range (in each case without ancillary acquisition costs) at which a share can be sold to the Company by exercising the Created Right to Sell will be determined in accordance with the provisions of paragraph bb). The reference date is the date of the Managing Board's final decision on the offer to repurchase while granting rights to sell, which offer can be adjusted if necessary, whereby the record date is then the date of the Managing Board's final decision on the adjustment. The Managing Board of the Company will determine the further details of the Created Rights to Sell, especially their content, term and, if applicable, whether they can be traded.

c) The Managing Board is authorised, subject to the approval of the Supervisory Board, in addition to selling the treasury shares – acquired on the basis of this or an earlier authorisation – via the stock exchange or, with due observance of the principle of equal treatment of shareholders, by way of a public offer sent to all shareholders, to use the acquired treasury shares for all other purposes permitted by law, in particular

aa) to sell these to third parties for cash payment in a manner other than via the stock exchange. This is subject to the condition that the price at which the shares are sold (without ancillary acquisition costs) does not fall significantly below the stock exchange price of Company shares of the same type at the time of the sale;

bb) to sell these to third parties in return for non-cash consideration as part of corporate mergers or for the acquisition of undertakings, parts of undertakings and/or participations in undertakings;

cc) to use these to fulfil or secure obligations or rights to purchase shares of the Company, especially arising from and in connection with convertible/warrant bonds issued, in the past or in future, by the Company or by a Group company of the Company within the meaning of section 18 of the German Stock Corporation Act;

dd) to issue these in order to implement a so-called scrip dividend;

ee) to cancel these without a further resolution of the Annual General Meeting. The shares may also be cancelled without a capital reduction by adjusting the proportional amount of the remaining no-par value shares in the share capital of the Company. In both cases, the Managing Board is authorised to adjust the number of no-par value shares in the Articles of Association;

ff) to offer these to members of the Managing Board of the Company, members of the managing board and management of affiliated companies as well as employees of the Company or its affiliated companies for acquisition or to promise these as a remuneration component; the offered or promised shares may also be transferred to the entitled persons after termination of the board membership or employment relationship. The shares may also be transferred to a credit institution which takes over the shares subject to the obligation to use them exclusively for the purposes pursuant to sentence 1. Insofar as treasury shares are to be offered or promised as well as transferred to members of the Managing Board of the Company, this authorisation will apply to the Supervisory Board.

The shareholders' subscription rights in respect of acquired treasury shares will be excluded insofar as these shares are used in accordance with the authorisations in letter c) aa) to cc) as well as ff) above. In addition, the Managing Board is authorised, with the approval of the Supervisory Board, to exclude subscription rights in order to grant the bearers or creditors of conversion/option rights in respect of shares of the Company or corresponding conversion/option obligations in order to compensate for dilution subscription rights to the extent they would be entitled to after the exercise of these rights or after the fulfilment of these obligations. The Managing Board is also authorised to exclude subscription rights if an exclusion of subscription rights within the meaning of section 186 para. 3 sentence 4 of the German Stock Corporation Act is required to implement the scrip dividend (authorisation, letter c) dd)). Finally, subscription rights for fractional amounts may be excluded in the case of an offer to purchase treasury shares sent to all shareholders.

In the case of the authorisations in letter c) aa) and cc), the number of the shares of the Company to be sold subject to the exclusion of subscription rights combined with new shares of the Company that have been issued since the granting of this authorisation with the exclusion of subscription rights pursuant to section 186 para. 3 sentence 4 of the German Stock Corporation Act may not exceed a total of 10% of the share capital of the Company, either at the time at which this authorisation comes into force or – if this value is lower – at the time at which it is exercised. Furthermore, shares that are issued or that are to be issued to service warrant or convertible bonds will be counted towards the aforesaid cap of 10% of the share capital if the bonds were issued during the term of this authorisation subject to the exclusion of subscription rights in corresponding application of section 186 para. 3 sentence 4 of the German Stock Corporation Act. Shares that are issued in direct or corresponding application of this provision during the term of this authorisation up to the time of its utilisation are to be counted towards this cap.

The authorisation to use treasury shares may in each case be exercised in whole or in part, and in the latter case also repeatedly.

A report of the Managing Board on this agenda item 12, in particular on the reasons for the possibility of excluding subscription rights, is available on the internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

13. Resolution on the authorisation to use derivatives in the course of acquiring treasury shares with the possible exclusion of subscription rights and any right to sell shares

In addition to the methods of acquisition specified in the proposed authorisation to acquire treasury shares pursuant to section 71 para. 1 no. 8 of the German Stock Corporation Act in agenda item 12, the Company is to be granted the option in line with the applicable market standard to acquire treasury shares using derivatives.

The Managing Board and the Supervisory Board propose that the following resolution be adopted:

a) In supplement to the authorisation to acquire treasury shares to be resolved under agenda item 12 of the Annual General Meeting of 11 May 2023, along with the methods described there, shares may also be acquired by one or more of the following methods:

   aa) the sale of options to third parties obligating the Company to purchase shares of the Company when the option is exercised (“put option”),

   bb) the purchase of options giving the Company the right to acquire shares of the Company upon exercise of the option (“call option”),

   cc) forward purchases, in which the Company acquires treasury shares at a specified future time, and

   dd) the use of a combination of put options, call options, and forward purchases

   (collectively “Derivatives”).

b) Derivative transactions may only be concluded on the stock exchange or with one or more credit institutions or other companies that meet the requirements of section 186 para. 5 sentence 1 of the German Stock Corporation Act. The conditions of the Derivatives transaction must ensure that the Company is only supplied with shares that it has acquired with due observance of the principle of equal treatment of shareholders (section 53a of the German Stock Corporation Act). All share purchases using Derivatives are restricted to a share volume of a maximum of 5% of share capital at the time the general meeting adopts the resolution on this authorisation or – if such amount is lower – at the time this authorisation is utilised. The Derivatives terms must expire on 10 May 2028, whereby the term of an individual Derivative must not exceed 18 months and it must be ensured that the purchase of shares of the Company through the exercise or settlement of the Derivatives does not take place after 10 May 2028.

c) The option premium the Company pays for call options and receives for put options must not be significantly higher or lower the theoretical market value of that option as determined in accordance with recognised methods of financial mathematics, the determination of which must take into account the agreed exercise price, among other things. The purchase price per share of the Company to be paid upon exercise of the options or upon maturity of forward purchase contracts (without ancillary acquisition costs, but taking into account the option premium paid or received) must not exceed or fall below the non-weighted average closing price of shares of the Company of the same type in Xetra trading on the Frankfurt stock exchange (or a functionally comparable successor system) in the last three trading days prior to conclusion of that option or forward purchase transaction by more than 10%.

d) If treasury shares are acquired using Derivatives in adherence with the aforementioned regulations, any right of the shareholders to conclude such Derivatives transactions with the Company is excluded in corresponding application of section 186 para. 3 sentence 4 of the German Stock Corporation Act. Shareholders have the right to sell their shares of the Company only to the extent that the Company is obliged to purchase the shares under the Derivatives transactions. Any further right of the shareholders to sell their shares is excluded.

e) Treasury shares of the Company acquired using Derivatives may be used in accordance with the rules defined in agenda item 12 of the Annual General Meeting of 11 May 2023.

A report of the Managing Board on this agenda item 13, in particular on the reasons for the possibility of excluding subscription rights, is available on the internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

14. Resolution on the granting of a new authorisation to issue warrant bonds, convertible bonds or participating bonds with authorisation to exclude subscription rights, the cancellation of the Conditional Capital 2018, as well as the creation of new Conditional Capital 2023 and the corresponding amendment of the Articles of Association

The authorisation to issue warrant bonds, convertible bonds or participating bonds resolved at the Annual General Meeting of 9 May 2018 will expire on 8 May 2023 – i.e. before the date of this year's Annual General Meeting. This granted authorisation has not been utilised and will not be utilised before its expiration. To give the Company the option to issue warrant and/or convertible bonds or participating bonds in the future, too, a new authorisation is to be granted for this purpose. In this context, the existing Conditional Capital 2018 is to be cancelled and a new Conditional Capital 2023 is to be created and article 4 para. 3 of the Articles of Association is to be restated accordingly.

The Managing Board and the Supervisory Board therefore propose that the following resolution be adopted:

a) Authorisation to issue warrant bonds, convertible bonds or participating bonds and to exclude subscription rights in respect of such warrant bonds, convertible bonds or participating bonds against cash

The Managing Board is authorised, subject to the approval of the Supervisory Board, to issue, until 10 May 2028, once or several times, bearer or registered warrant bonds, convertible bonds or participating bonds or a combination of these instruments (collectively the "Bonds") up to a total nominal amount of €4,000,000,000 (in words: four billion euros) and to grant option rights to or impose obligations on the holders or creditors of the warrant bonds or option rights under the participating bonds, and/or conversion rights to or obligations on the holders or creditors of convertible bonds or convertible participating bonds, relating to no-par value bearer shares of the Company representing an aggregate pro rata amount in the share capital of up to €115,800,000 (in words: one hundred and fifteen million eight hundred thousand euros), subject to the terms and conditions of the warrant or convertible bonds. The Bonds shall be issued against cash contributions.

In addition to euros, the Bonds may also be issued in the valid currency of an OECD country, up to an amount corresponding to the euro value of the aforementioned total nominal amount. The Bonds may also be issued by a Group company of the Company within the meaning of section 18 of the German Stock Corporation Act, in which the Company directly or indirectly holds an interest of at least 90%. In such case, the Managing Board is authorised, subject to the approval of the Supervisory Board, to assume a guarantee on behalf of the Company for such Bonds, and to grant to, or to impose upon, the holders or creditors of warrant or convertible bonds or convertible participating bonds, as the case may be, option and conversion rights or obligations, in each case relating to no-par value bearer shares in the Company.

To the extent that the shareholders are not allowed to directly subscribe for the Bonds, the shareholders shall be granted statutory subscription rights such that the Bonds shall be offered by a credit institution or a syndicate of credit institutions subject to the obligation to offer the Bonds to the shareholders for subscription. If Bonds are issued by a Group company of the Company within the meaning of section 18 of the German Stock Corporation Act, in which the Company holds a direct or indirect interest of at least 90%, the Company shall ensure its shareholders are granted statutory subscription rights in accordance with the preceding sentence.

However, the Managing Board is authorised, subject to the approval of the Supervisory Board, to exclude from shareholders' subscription rights any fractional amounts resulting from the subscription ratio and to also exclude subscription rights to such extent as may be necessary in order to be able to grant to the holders or creditors of option or conversion rights or obligations already issued, at an earlier point in time, subscription rights on a scale to which they would be entitled after exercising their conversion or option rights or after performance of their conversion obligations.

The Managing Board is further authorised, subject to the approval of the Supervisory Board, to completely exclude subscription rights of the shareholders regarding Bonds with option or conversion rights or obligations, if the Managing Board, upon due review, determines that the issue price of the Bonds is not significantly below the theoretical market value of the bond, as determined in accordance with generally accepted – in particular, financial – calculation methods. The authorisation to exclude subscription rights only applies to Bonds issued with option or conversion rights or obligations relating to shares representing an aggregate pro rata share in the share capital of no more than 10%, whether at the time of coming into effect or – if such value is lower – at the time of exercise of the present authorisation. New no-par value shares issued from an authorised capital subject to the exclusion of subscription rights pursuant to section 186 para. 3 sentence 4 of the German Stock Corporation Act during the term of this authorisation until the issuance of Bonds with option or conversion rights or obligations without subscription rights pursuant to section 186 para. 3 sentence 4 of the German Stock Corporation Act are also to be counted towards the aforesaid 10% limit. Moreover, treasury shares that are sold subject to the exclusion of subscription rights on the basis of an authorisation pursuant to sections 71 para. 1 no. 8, 186 para. 3 sentence 4 of the German Stock Corporation Act and following the adoption of a resolution on the present authorisation must also be counted towards this limit.

To the extent that participating bonds are issued without conversion rights/obligations or option rights/obligations, the Managing Board is authorised, subject to the approval of the Supervisory Board, to exclude subscription rights of the shareholders as a whole, if such participating bonds have obligation-like features, i.e. if no membership rights in the Company and no share in the liquidation proceeds are granted thereunder and if the payable interest is not calculated by reference to the profit for the financial year, the balance sheet profit or the dividend. Furthermore, in such case, the interest and the issue price of the participating bonds must accord with the market conditions prevailing at the time of issue.

Where warrant bonds are issued, one or more warrants shall be attached to each partial bond granting to the holder or creditor the right to subscribe for no-par value bearer shares of the Company subject to the warrant bonds terms and conditions to be determined by the Managing Board. The terms and conditions of warrant bonds issued by the Company may provide that the option price can also be paid by transfer of partial bonds and, if applicable, additional cash payment. The pro rata amount of the share capital represented by the shares to be subscribed for under each partial bond must not exceed the nominal amount of the partial bond. To the extent that fractions of shares arise it may be provided that these fractions be consolidated into full shares for subscription pursuant to the terms and conditions of the options and/or bonds, if applicable, against additional payment. The same applies accordingly if warrants are attached to a participating bond. If the nominal value of the warrant bonds and the option price are denominated in different currencies, the last available ECB reference rate at the time of the final determination of the issue amount of the Bonds shall be decisive for the translation.

Where convertible bonds are issued, the holders or creditors are granted the right to convert their Bonds into no-par value bearer shares of the Company pursuant to the terms and conditions of the convertible bonds to be determined by the Managing Board. The Company may opt not to grant a conversion right to the holders or creditors if the German Stock Corporation Act permits it to do so at the time of use of the authorisation. The conversion ratio is determined by dividing the nominal amount – or the issue price below the nominal amount – of the partial bond by the conversion price determined for one share in the Company, and may be rounded up or down; furthermore, an additional payment in cash and a consolidation of, or a compensation for, any non-convertible fractions may be determined. The nominal amount/pro rata amount of the share capital represented by the shares to be subscribed for under each partial bond must not exceed the nominal amount of the convertible bond. The same applies accordingly if the conversion right relates to a participating bond. If the nominal value of the convertible bonds and the conversion price are denominated in different currencies, the last available ECB reference rate at the time of the final determination of the issue amount of the Bonds shall be decisive for the translation.

Where Bonds are issued which provide for an option or conversion right or an option or conversion obligation, the relevant option or conversion price to be determined for a share, even given a variable exchange/conversion rate, must equal 80% of the volume-weighted average price of the shares of the Company on the Xetra trading system at the Frankfurt stock exchange (or a functionally comparable successor system), on the last three days of stock exchange trading prior to the resolution by the Managing Board on the issuance of the bond, or where shareholders are entitled to subscription rights to the bond, in the closing auction during the days on which subscription rights to the bond are traded on the Xetra trading system at the Frankfurt stock exchange (or a functionally comparable successor system), with the exception of the last two days of subscription rights trading.

Notwithstanding the provisions in section 9 para. 1 of the German Stock Corporation Act, the option or conversion price in respect of Bonds with option or conversion rights or obligations may be adjusted in a value-preserving manner (wertwahrend) in case of economic dilution of the value of the option or conversion rights or obligations, as provided in the relevant terms of the respective Bonds, unless such adjustment is already regulated under applicable law and subscription rights are granted to the holders or creditors of option or conversion rights on a scale to which they would be entitled after exercising their conversion or option rights. The terms and conditions of the Bonds may provide for further adjustments of the option and/or conversion rights or obligations, or of the option and/or conversion price, in case of a capital reduction or other extraordinary measures or events (e.g. acquisition of control by third parties).

The terms and conditions of the bonds may provide that, in case of conversion or exercise of the option, the Company is entitled, instead of granting new no-par value shares, to pay an amount in cash equivalent to the volume-weighted average price of the amount of shares of the Company otherwise to be delivered, as such price is quoted on the Xetra trading system at the Frankfurt stock exchange (or a functionally comparable successor system) during the ten trading days following the notice of conversion or exercise of the option. In the event that the Company announces its decision to exercise the right to payment of an amount in cash upon conversion or exercise of the option, the aforementioned period of ten trading days shall not start until three trading days after the Company announces the cash payment. The terms and conditions of the bonds may also provide that the warrant bonds and/or convertible bonds may, instead of being converted into new no-par value shares out of conditional capital, be converted, at the option of the Company, into already existing no-par value shares of the Company or shares of another listed company, or that the option right or the option obligation may be satisfied by delivery of such shares.

The terms and conditions of the Bonds may also provide for (i) a conversion obligation or an option obligation as of the maturity date (or as of any other point in time which can also be determined by a future event, uncertain at the time of issuance of the Bonds) or for (ii) the right of the Company, upon maturity of Bonds with option or conversion rights (including maturity due to termination), to grant to the holders or creditors of the Bonds no-par value shares in the Company or in another listed company in lieu of payment of the amount due (or parts thereof). In such cases the option or conversion price – in deviation from the foregoing rule concerning the conversion price upon the exercise of a conversion right – shall equal at least the volume-weighted average price of the share of the Company or another company listed on the Xetra trading system at the Frankfurt stock exchange (or a functionally comparable successor system) during a reference period of ten to 20 days prior to the maturity date or any other specified point in time, as defined in the terms and conditions of the bonds, even if such average price is below the above minimum price (80%). The pro rata amount of the share capital represented by the shares to be issued upon exercise of the option and/or conversion must not exceed the nominal amount of the Bonds. Section 9 para. 1 in conjunction with section 199 para. 2 of the German Stock Corporation Act are to be observed.

The Managing Board is authorised, subject to the approval of the Supervisory Board, to determine all further details regarding the issuance and the features of the Bonds, including without limitation, interest rates, issue price, term to maturity and denomination, creation of a conversion or option obligation, determination of an additional cash payment, consolidation of, or compensation for, any fractions, payment in cash in lieu of granting shares of the Company, granting of existing shares in lieu of issuing new shares, anti-dilution provisions and the applicable option and conversion periods, and/or where applicable, to determine such details in consultation with the relevant bodies of the Group company of the Company issuing the warrant bonds or convertible bonds.

As far as the approval of the Supervisory Board is required according to this authorisation, the Supervisory Board may delegate the resolution on the approval to one of its committees.

b) Cancellation of the existing Conditional Capital 2018, creation of a new Conditional Capital 2023 as well as amendment of the Articles of Association

aa) Cancellation of the existing Conditional Capital 2018 as well as creation of a new Conditional Capital 2023

The Conditional Capital 2018 resolved by the Annual General Meeting on 9 May 2018 and set out in article 4 para. 3 of the Articles of Association is cancelled.

The share capital is conditionally increased by an amount of up to €115,800,000 (in words: one hundred and fifteen million eight hundred thousand euros), divided into up to 38,600,000 (in words: thirty-eight million six hundred thousand) new no-par value bearer shares (Conditional Capital 2023). The conditional capital increase serves the purpose of granting no-par value bearer shares upon the exercise of option or conversion rights (or upon fulfilment of corresponding option/conversion obligations) or upon exercise of the Company’s right to grant, in lieu of payment of the amount in cash due (or parts thereof), shares of the Company to the holders or creditors of warrant, convertible or participating bonds (or combinations of these instruments) issued or guaranteed on the basis of the authorisation resolved by the Annual General Meeting of 11 May 2023 under agenda item 14 a) until 10 May 2028 by the Company or a Group company of the Company within the meaning of section 18 of the German Stock Corporation Act in which the Company directly or indirectly holds an interest of at least 90%. The new shares are issued at the option or conversion price, as the case may be, to be determined in accordance with the specifications of this authorisation.

The conditional capital increase is only to be implemented to the extent that option or conversion rights are exercised, or holders or creditors of bonds subject to the obligation to exercise their options or convert their bonds fulfil their obligation to exercise their options or convert their bonds, or to the extent that the Company exercises its right to grant shares of the Company in lieu of the payment of the amount in cash due (or parts thereof) and unless cash settlement has been accepted or treasury shares or shares of another listed company are used for performance purposes. The new shares issued are entitled to dividends as of the beginning of the financial year in which they are created. As far as legally permissible, the Managing Board may determine, subject to the approval of the Supervisory Board, a dividend entitlement of new shares deviating from the provisions set forth in section 60 para. 2 of the German Stock Corporation Act.

The Managing Board is authorised, subject to the approval of the Supervisory Board, to determine all further details regarding the implementation of the conditional capital increase.

bb) Amendment of the Articles of Association

Article 4 para. 3 of the Articles of Association is to be restated as follows:

“(3) The share capital shall be conditionally increased by an amount of up to €115,800,000 (in words: one hundred and fifteen million eight hundred thousand euros), divided into up to 38,600,000 (in words: thirty-eight million six hundred thousand) new no-par value bearer shares (Conditional Capital 2023). The conditional capital increase shall only be implemented to the extent that the holders or creditors of option or conversion rights, and/or the holders or creditors subject to the obligation to exercise the options or to convert their bonds, under warrant bonds, convertible bonds or participating bonds issued or guaranteed by the Company or a Group company of the Company within the meaning of section 18 of the German Stock Corporation Act, in which the Company directly or indirectly holds an interest of at least 90%, until 10 May 2028 on the basis of the authorisation resolved by the Annual General Meeting of 11 May 2023 under agenda item 14 a), exercise such rights and/or comply with such obligations, or to the extent that the Company exercises its right to grant shares of the Company in lieu of payment of the amount in cash due (or parts thereof), and unless cash settlement has been accepted or treasury shares or shares of another listed company are used for performance purposes. The new shares shall be issued at the option or conversion price, as the case may be, which corresponds to the specifications of this authorisation.

The new shares shall be entitled to dividends as of the beginning of the financial year in which they are created. As far as legally permissible, the Managing Board may determine, subject to the approval of the Supervisory Board, a dividend entitlement of new shares deviating from the provisions set forth in section 60 para. 2 of the German Stock Corporation Act. The Managing Board shall be authorised, subject to the approval of the Supervisory Board, to determine all further details regarding the implementation of the conditional capital increase.”

cc) Authorisation to amend the Articles of Association

The Supervisory Board is authorised to amend article 4 para. 1 and para. 3 of the Articles of Association in accordance with the relevant issuance of the new shares and to effect all other amendments to the Articles of Association in connection therewith relating only to the wording. The same applies accordingly in case the authorisation to issue warrant bonds, convertible bonds or participating bonds is not used upon the expiry of the term of the authorisation, as well as where the Conditional Capital 2023 is not used after the expiry of the term for the exercise of option or conversion rights or for the fulfilment of option or conversion obligations, respectively.

A report of the Managing Board on this agenda item 14 is available on the internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

Annex to agenda item 6

Remuneration report for the 2022 financial year

Introduction

The remuneration report sets out the principles and structure of the remuneration of the Managing Board and the Supervisory Board of HeidelbergCement AG. When the remuneration report reports on remuneration at Group level, the brand name “Heidelberg Materials” is used. The remuneration report contains the remuneration granted and owed to the current and former members of the Managing Board and the Supervisory Board in the 2022 financial year. 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.

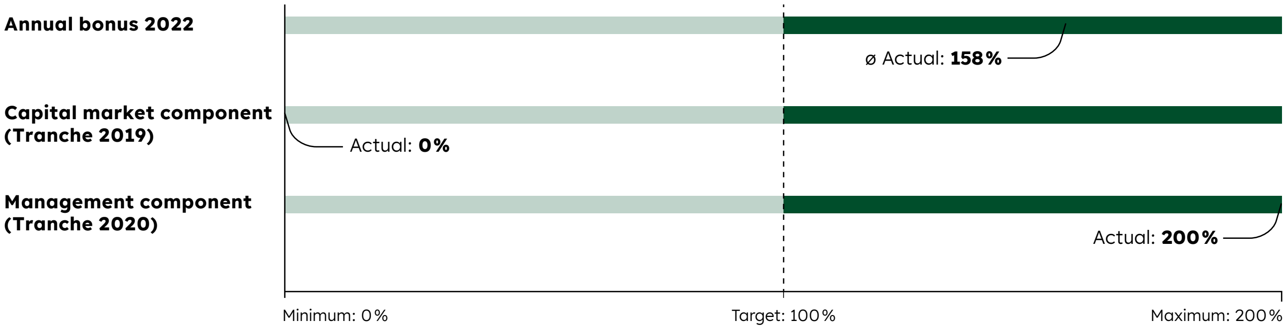
The remuneration report was also audited with reasonable assurance by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft beyond the requirements of section 162(3) of the AktG. The report on the audit of the remuneration report can be found at the end of the remuneration report.

Review of the 2022 financial year

Business development and target achievement in the 2022 financial year

The good business development of Heidelberg Materials in the financial year 2022 despite the challenging conditions is also reflected in the target achievement of the variable elements of the remuneration of the Managing Board. The good result in the profit for the financial year attributable to the shareholders of HeidelbergCement AG adjusted for special effects and the reduction in CO_2 emissions compared with the previous year contributed to the achievement of the objectives for the annual bonus. In addition, initiatives were implemented that served as a basis of the individual target agreements for the members of the Managing Board within the framework of the company strategy.

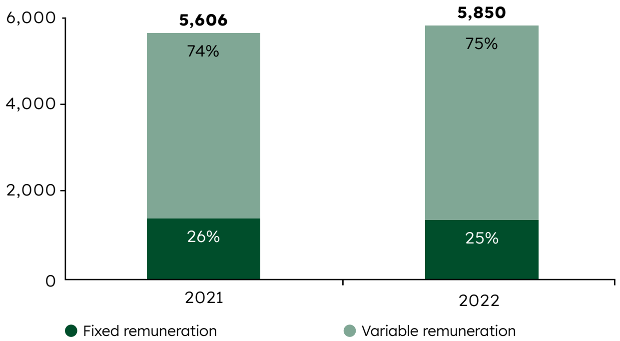
Target achievement 2022



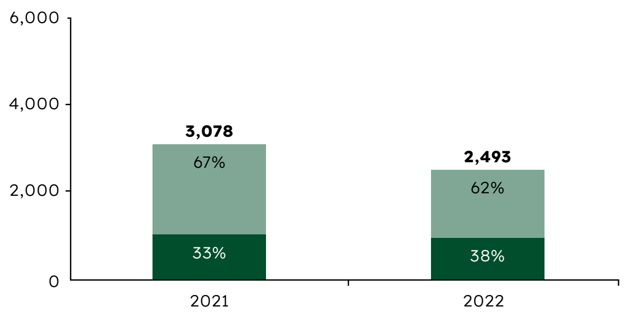
For the management component of the long-term bonus 2020–2022/2023, a strong performance of EBIT and ROIC, adjusted for special effects, led to a target achievement of 200%. However, the total shareholder return (TSR) of the HeidelbergCement AG share after the end of the performance period from 2019 to 2022 was below that of the TSRs of the DAX and the MSCI World Construction Materials Index. Consequently, there is no payment from the capital market component of the long-term bonus 2019–2021/2022.

Granted and owed remuneration in the 2022 financial year

Dr Dominik von Achten (€'000s)



Ø Members of the Managing Board[1)2)] (€'000s)
(only active members throughout the year)



1) Excluding the Chairman of the Managing Board
2) Decrease from 2021 to 2022 as, in contrast to 2021, the 2022 value includes the remuneration of the three members of the Managing Board that were appointed during 2021 and that do not receive a payout from the long-term bonus for 2022.

Changes in the composition of the Supervisory Board

The long-standing Chairman of the Supervisory Board, Mr Fritz-Jürgen Heckmann, and Mr Tobias Merckle resigned their Supervisory Board mandates with effect from the end of the ordinary 2022 annual general meeting and thus stepped down from the Supervisory Board on 12 May 2022. By way of a vote to choose their successors with effect from the end of the annual general meeting on 12 May 2022, Dr Bernd Scheifele and Dr Sopna Sury were elected to the Supervisory Board, and Dr Scheifele was elected by the Supervisory Board as its new chairman at the meeting on 12 May 2022.

2021 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 2021 remuneration report was submitted to the 2022 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 94.16%. The 2021 remuneration report is available via the following link: **https://www.heidelbergmaterials.com/en/corporate-governance**.

The Managing Board and Supervisory Board are committed to continuously reviewing and further improving the transparency and clarity of remuneration reporting. For that reason, the 2022 remuneration report reports the number of shares held by the members of the Managing Board on an individual basis for the first time, in addition to the degree of target achievement in terms of share ownership.

Remuneration of the Managing Board in the 2022 financial year

Principles of remuneration of the Managing Board

The remuneration system of the Managing Board is aligned with the Group strategy. By selecting appropriate performance criteria for the variable 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 variable remuneration underlines the desire for excellent economic performance as well as 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 variable and thus performance-based remuneration elements, 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 provide incentives to promote the long-term and sustainable development of Heidelberg Materials.

Fundamentals of the Managing Board remuneration

- Strong **pay for performance orientation** due to high performance-related share of total remuneration
- Alignment of variable remuneration and performance criteria with the long-term **Group strategy**
- **Sustainability** as important component of Managing Board remuneration through **CO_2 component** in variable remuneration
- **Alignment with shareholder interests** through share-based remuneration and obligation for individual investment
- Use of **relative performance assessment** and **prevention of adjustments** of target values or performance criteria during the year
- **Capping of total remuneration** through contractually **fixed payout caps**
- **Malus and clawback rules** for the variable remuneration in total

Procedure for determining and implementing the remuneration system and the amount of Managing Board remuneration

The remuneration system for the members of the Managing Board is determined by the Supervisory Board pursuant to section 87a of the AktG following a recommendation by the Personnel Committee and is then submitted to the annual general meeting for approval.

As a result of the German Act Implementing the Second Shareholder Rights Directive (ARUG II) entering into force on 1 January 2020, the remuneration system of the Managing Board was submitted to the annual general meeting in 2021 after a resolution by the Supervisory Board and was approved by the annual general meeting with an acceptance rate of 92.21%. It has been applicable to all members of the Managing Board since 1 January 2021 and is available via the following link: **https://www.heidelbergmaterials.com/en/corporate-governance**.

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 also be submitted to the annual general meeting for approval in the year of its change.

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.

Further development of the remuneration system

The Supervisory Board is committed to continuously improving the remuneration system for the members of the Managing Board in the interests of the shareholders of HeidelbergCement AG. It aims to do so by means of ongoing dialogue with our investors as well as regular analysis of current market practice.

By introducing a CO_2 component to the annual bonus awarded to the members of the Managing Board in 2021, Heidelberg Materials has taken an important step in aligning the remuneration of the Managing Board with a reduction in CO_2 emissions. To lend further support to the achievement of our ambitious climate targets, the Supervisory Board is currently reviewing the inclusion of a CO_2 emissions-related key performance indicator in the long-term bonus. In addition, a fundamental review of the Managing Board remuneration system is planned for the current year, with the aim of submitting a revised remuneration system to the annual general meeting for approval in 2024.

By doing so, the Supervisory Board intends to go beyond the regular, legally mandated four-yearly review of the Managing Board remuneration system in order to take account of the constantly changing requirements of a dynamic market and economic environment.

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. For the horizontal comparison, the selection of companies is based on the size and international activity of Heidelberg Materials, the economic and financial situation, and future prospects.

The companies of the DAX are used for the horizontal comparison. The horizontal comparison serves to verify that the remuneration of the Managing Board is market common.

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 HeidelbergCement AG, 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 target value of the long-term bonus) in the internal comparison in the period from 2018 to 2022. 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 remuneration[1] of the Managing Board and total workforce of HeidelbergCement AG

€’000s	2018	Change 2019/2018	2019	Change 2020/2019	2020	Change 2021/2020	2021	Change 2022/2021	2022
Managing Board[2]	3,036.0	–5.6%	2,866.8	0.1%	2,868.7	–9.1%	2,607.8	–0.7%	2,590.5
Top and senior management[3]	207.7	4.6%	217.2	5.9%	230.0	2.7%	236.3	–1.0%	233.9
Total workforce of HeidelbergCement AG[4]	61.4	2.0%	62.6	1.2%	63.4	1.4%	64.3	–2.2%	62.9

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 5.6% in the average target direct remuneration of the Managing Board from 2018 to 2019 is due to personnel changes to the Managing Board. The decrease of 9.1% 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 HeidelbergCement 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.

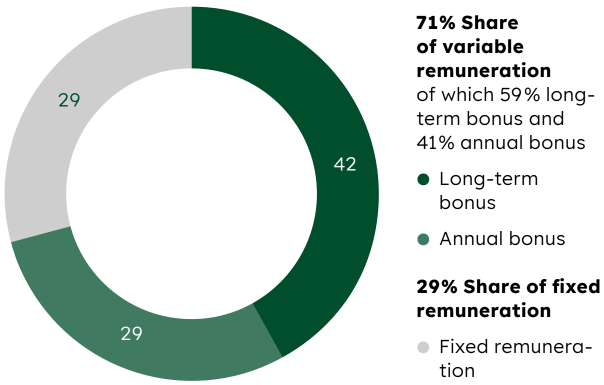
In the 2022 financial year, the ratio of the average remuneration of the Managing Board (including the Chairman of the Managing Board) to the average remuneration of top and senior management was 1:11 (previous year: 1:11), and the ratio to the total workforce of HeidelbergCement AG was 1:41 (previous year: 1:41).

Remuneration structure

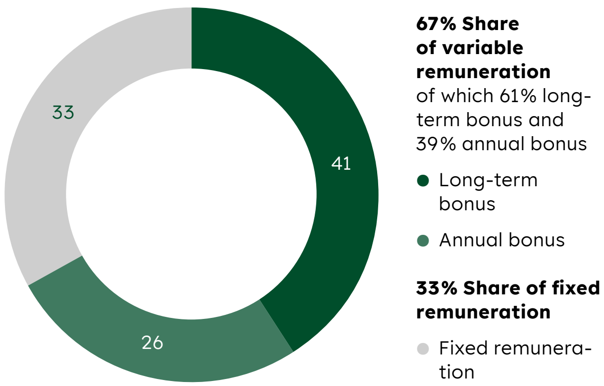
Pay for performance and the focus on the sustainable and long-term development of the company are central principles of the remuneration of its Managing Board. With these principles in mind, 71% of the target direct remuneration for the Chairman of the Managing Board and around 67% for the members of the Managing Board consist of variable remuneration elements. 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.

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 variable remuneration elements.

Remuneration components of the Chairman of the Managing Board in %



Remuneration components of the members of the Managing Board[1] 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 of the individual member of the Managing Board.

The target remuneration of the members of the Managing Board that were active in the 2022 financial year is as follows:

Target remuneration

	Dr Dominik von Achten Chairman of the Managing Board		**René Aldach** Chief Financial Officer (since 1 September 2021)	
€'000s	2021	**2022**	2021	**2022**
Fixed annual salary	**1,450**	**1,469**	**200**	**600**
Fringe benefits	11	11	5	13
Contribution to private pension (cash allowance)	–		–	–
One-year variable compensation	**1,450**	**1,469**	**160**	**480**
Annual bonus 2021	1,450	–	160	–
Annual bonus 2022	–	1,469	–	480
Multi-year variable compensation	**2,175**	**2,263**	**604**	**750**
Long-term bonus plan 2021–2023/2024	2,175	–	604	–
Management component tranche 2021–2023	1,088	–	292	–
Capital market component tranche 2021–2024	1,088	–	313	–
Long-term bonus plan 2022–2024/2025	–	2,263	–	750
Management component tranche 2022–2024	–	1,130	–	375
Capital market component tranche 2022–2025	–	1,133	–	375
Others	–	–	–	–
Service costs	427	414	83	254
Total compensation	**5,513**	**5,626**	**1,052**	**2,097**

Target remuneration

	Kevin Gluskie Member of the Managing Board[1]		**Hakan Gurdal** Member of the Managing Board		**Ernest Jelito** Member of the Managing Board		**Dr Nicola Kimm** Member of the Managing Board (since 1 September 2021)	
€'000s	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**
Fixed annual salary	**913**	**960**	**764**	**770**	**700**	**719**	**200**	**600**
Fringe benefits	463	502	84	79	27	80	72	83
Contribution to private pension (cash allowance)	–	–	–		–	–	–	–
One-year variable compensation	**730**	**768**	**611**	**616**	**560**	**575**	**160**	**480**
Annual bonus 2021	730	–	611	–	560	–	160	–
Annual bonus 2022	–	768	–	616	–	575	–	480
Multi-year variable compensation	**1,151**	**1,164**	**960**	**963**	**875**	**907**	**604**	**750**
Long-term bonus plan 2021–2023/2024	1,151	–	960	–	875	–	604	–
Management component tranche 2021–2023	575	–	480	–	438	–	292	–
Capital market component tranche 2021–2024	576	–	480	–	438	–	313	–
Long-term bonus plan 2022–2024/2025	–	1,164	–	963	–	907	–	750
Management component tranche 2022–2024	–	582	–	481	–	453	–	375
Capital market component tranche 2022–2025	–	582	–	481	–	454	–	375
Others	–	–	–	–	–	–	–	–
Service costs	843	821	664	638	460	462	83	272
Total compensation	**4,099**	**4,215**	**3,084**	**3,065**	**2,622**	**2,742**	**1,119**	**2,185**

1) Kevin Gluskie receives his remuneration in Australian dollars in accordance with his employment contract. The average exchange rates for 2021 (1.5751 AUD/EUR) and 2022 (1.5169 AUD/EUR) were used for conversion into euros. The closing rates before the start of the performance period (31 December, 2020: 1.5876 AUD/EUR, 31 December, 2021: 1.5647 AUD/EUR) were used to convert the long-term bonus into euros.

Target remuneration

€'000s	**Dennis Lentz** Member of the Managing Board (since 1 September 2021)2) 2021	2022	**Jon Morrish** Member of the Managing Board 2021	2022	**Chris Ward** Member of the Managing Board3) 2021	2022
Fixed annual salary	**200**	**600**	**899**	**903**	**710**	**819**
Fringe benefits	25	326	79	97	58	60
Contribution to private pension (cash allowance)	–	–	–	–	356	401
One-year variable compensation	**160**	**480**	**720**	**722**	**568**	**655**
Annual bonus 2021	160	–	720	–	568	–
Annual bonus 2022	–	480	–	722	–	655
Multi-year variable compensation	**604**	**750**	**1,127**	**1,129**	**888**	**957**
Long-term bonus plan 2021–2023/2024	604	–	564	–	888	–
Management component tranche 2021–2023	292	–	564	–	444	–
Capital market component tranche 2021–2024	313	–	–	–	444	–
Long-term bonus plan 2022–2024/2025	–	750	–	1,129	–	957
Management component tranche 2022–2024	–	375	–	564	–	478
Capital market component tranche 2022–2025	–	375	–	564	–	479
Others	–	–	–	–	–	–
Service costs	83	237	600	572	–	–
Total compensation	**443**	**2,393**	**3,425**	**3,423**	**2,580**	**2,892**

2) As of 1 December, 2021, 70% of Mr. Dennis Lentz's fixed annual salary, annual bonus, and long-term bonus were borne by Heidelberg Materials North America (Lehigh Hanson until 1 January 2023). The remaining 30% is borne by HeidelbergCement AG. Until 30 November, 2021, 100% of the remuneration of Mr. Dennis Lentz was borne by HeidelbergCement AG.

3) Chris Ward receives his remuneration in US dollars in accordance with his employment contract. The average exchange rates for 2021 (1.1830 USD/EUR) and 2022 (1.0536 USD/EUR) were used for conversion into euros. The closing rates before the start of the performance period (31 December, 2020: 1.2216 USD/EUR, 31 December, 2021: 1.1370 USD/EUR) were used to convert the long-term bonus into euros.

Compliance with the maximum remuneration

The maximum remuneration (without taking into account fringe benefits and annual service costs of pension commitments) equals the fixed annual salary plus the sum of the individual variable remuneration elements (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 old contracts of 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) are defined in the Managing Board agreements concluded since the 2020 financial year. A maximum remuneration of €3,245,000 applies for René Aldach, Dr Nicola Kimm, and Dennis Lentz. For the current Chairman of the Managing Board, the maximum remuneration is limited to €8,400,000 based on individual contractual provisions. This corresponds to 157% 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 maximum remuneration of the Chairman of the Managing Board or the upper limits of the Managing Board agreements concluded since the 2020 financial year limit all payments resulting from the commitment for a financial year, regardless of when they are received. A compliance report on the maximum remuneration for the 2022 financial year will therefore be prepared after the tranche of the long-term bonus promised in 2022 has been paid out. Compliance with the maximum remuneration will be reported in the remuneration report for the 2025 financial year after the end of the performance period of the capital market component of the 2022 tranche. If the payout from the long-term bonus results in the maximum remuneration being exceeded, the payment amount will be reduced accordingly to ensure compliance with the maximum remuneration.

Application of the remuneration system in the 2022 financial year

The remuneration system of the Managing Board consists of fixed and variable remuneration elements. The fixed elements consist of the fixed annual salary, the fringe benefits, as well as – if contractually agreed – a cash allowance for private pensions contributions. The performance-related components include the annual bonus and the long-term bonus.

The following is an overview of the arrangement of the remuneration elements and their time horizon:

Remuneration components and time frame, application 2022

Fixed remuneration components

Fixed annual salary **2022** 2023 2024 2025	**Designed as:** Fixed cash payment relating to the financial year, paid on a monthly basis, cash allowance (only Chris Ward) **Share of target direct remuneration:** Chairman of the Managing Board 29%, members of the Managing Board 33%
Fringe benefits **2022** 2023 2024 2025	**Arrangement:** Especially company cars, driving services, school fees, flight costs, tax consultancy costs, insurance benefits, individually agreed membership fees and secondment-related non-cash benefits

Variable remuneration components

Annual bonus **2022** 2023 2024 2025	**Designed as:** Target bonus **Performance criteria:** 2/3 Profit/loss for the financial year attributable to HeidelbergCement AG shareholders and CO_2 component, 1/3 individual targets **Target achievement:** 0–200% target achievement **Cap:** 200% of target value **Share of target direct remuneration:** Chairman of the Managing Board 29%, members of the Managing Board 26%
Long-term bonus	**Cap of long-term bonus:** (sum of management component and capital market component) 200% **Share of target direct remuneration:** Chairman of the Managing Board 42%, members of the Managing Board 41%
Management component **2022 2023 2024** 2025	**Designed as:** 50% performance cash plan **Performance period:** Three years **Performance criteria:** 50% EBIT, 50% ROIC **Target achievement:** 0–200% target achievement **Cap:** 200% of target value
Capital market component **2022 2023 2024 2025**	**Designed as:** 50% performance cash plan **Performance period:** Four years **Performance criteria:** 50% relative TSR vs. DAX, 50% relative TSR vs. MSCI World Construction Materials Index **Target achievement:** 0–200% target achievement **Cap:** 400% of target value

In addition to the remuneration elements shown, pension commitments are in place for the members of the Managing Board within the framework of the company pension scheme. Another central element of the Managing Board remuneration system is the mandatory share ownership, which obliges the members of the Managing Board to build up a contractually defined portfolio of HeidelbergCement AG shares during their appointment and to hold them until the end of their appointment.

Fixed remuneration elements

Fixed annual salary
The fixed annual salary is a set cash payment relating to the financial year, which is based on each Managing Board member's area of responsibility and is paid on a monthly basis over the year.

The employment contracts of the members of the Heidelberg Materials Managing Board provide for periodic reviews of the fixed annual salary. In the past financial year, the fixed annual salary of Dr Dominik von Achten, Ernest Jelito, and Chris Ward was reviewed and adjusted. The fixed annual salary of Ernest Jelito and Chris Ward was increased by 4% with effect from 1 May 2022. Taking into account the most recent adjustments to the fixed annual salary in July and September 2019 respectively, this corresponds to an annual rate of increase of 1.4% for Mr Jelito and 1.5% for Mr Ward. The fixed annual salary of Dr von Achten was increased by 5.2% with effect from 1 October 2022. Compared with the most recent adjustment in February 2020, this corresponds to an annual rate of increase of 1.9%. In comparison, the average annual rate of increase for the total workforce of HeidelbergCement AG over the years 2020 to 2022 was over 2.0%. In line with the procedure described in section 1.3, the appropriateness of the remuneration of the Managing Board members concerned was also reviewed in the course of these adjustments.

Fringe benefits
In the 2022 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, housing and school benefits, as well as insurance benefits, individually agreed membership fees, and secondment-related benefits. The secondment-related benefits included foreign health insurance as well as relocation and living costs.

No further fringe benefits were granted to the members of the Managing Board in the 2022 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.

Variable remuneration elements

The variable remuneration elements include the annual bonus and the long-term bonus. While the annual bonus relates to a financial year, the long-term bonus has a performance period of three years (management component) or four years (capital market component).

For the overall consideration of the company's success, different performance criteria are used within the variable remuneration elements to measure the target achievement. The performance criteria are derived from the Group strategy and are both financial and non-financial. The following table shows the link between performance criteria and Group strategy:

Performance criteria and Group strategy

	Growth and trans-formation	Sustain-ability	Digitali-sation	People and organi-sation	Corporate portfolio	Capital allocation	Value creation
Annual bonus							
Profit for the financial year attributable to HeidelbergCement AG shareholders	●					●	●
CO_2 component	●	●		●	●	●	●
Individual targets	●	●	●	●	●	●	●
Long-term bonus							
EBIT	●					●	●
ROIC	●					●	●
Relative TSR	●					●	●

For the variable remuneration, the Supervisory Board generally has the option of discretionary adjustment of the annual and the long-term bonus in order to account for exceptional circumstances (administrative discretion). For new appointments and reappointments as of 2019, this range of discretion has been reduced to ±15% of the target value of the variable remuneration elements. For Managing Board agreements concluded before 2019, it is ±25% of the respective target value. In the 2022 reporting year, this still applies to Managing Board members Kevin Gluskie and Hakan Gurdal. 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 2022 financial year.

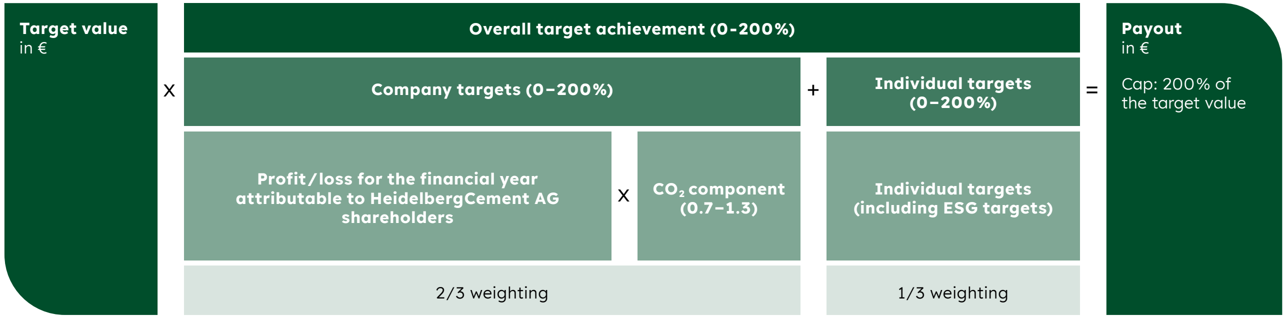
Annual bonus

Fundamentals of the annual bonus

The annual bonus is a variable remuneration element that provides incentives to implement the operational targets in the financial year. At a target achievement rate of 100%, the annual bonus amounts to 100% of the fixed annual salary for the Chairman of the Managing Board and 80% for the members of the Managing Board. The share of the annual bonus in the target direct remuneration amounts to around 29% for the Chairman of the Managing Board and 26% for the members of the Managing Board. The payout amount depends on the overall target achievement, which can range between 0% and 200%.

The annual bonus is paid in cash after the annual general meeting of the following year.

Annual bonus



If the term of office of the Managing Board member begins during the year, the target value will be reduced pro rata temporis.

Performance criteria of the annual bonus

Two thirds of the overall target achievement for the annual bonus is measured against corporate targets (profit for the financial year attributable to the shareholders of HeidelbergCement AG and CO_2 component) and one third against individual targets. The achievement of the corporate targets is calculated by multiplying the target achievement of the performance criterion profit for the financial year attributable to the shareholders of HeidelbergCement AG by the achieved multiplier of the CO_2 component.

At the beginning of the financial year, the Supervisory Board sets the target and threshold values for the individual performance criteria or, in the case of individual targets, the specific targets for the financial year. The Supervisory Board makes sure that these targets are challenging and ambitious. At the end of the financial year, the Supervisory Board determines the extent to which the individual performance criteria have been reached.

Profit for the financial year attributable to the shareholders of HeidelbergCement AG

The profit for the financial year attributable to the shareholders of HeidelbergCement AG, adjusted for special items, is the basis for the first performance criterion. Special items are only taken into account above a value of €20 million.

The profit for the financial year attributable to the shareholders of HeidelbergCement 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. The profit for the financial year attributable to the shareholders of HeidelbergCement AG provides the basis for dividend payments. As a component of the annual bonus, this key figure is therefore intended to provide incentives for profitable management.

For the target achievement calculation of the performance criterion profit for the financial year attributable to the shareholders of HeidelbergCement AG, the Supervisory Board determines a target corridor and the thresholds (lower and upper limit) at the beginning of the respective financial year. Target achievement ranges from 0% to 200%. For the 2022 financial year, the Supervisory Board set a target corridor of €1,526 million to €1,546 million. The target achievement rate is 120% if the actual value of the profit for the financial year attributable to the shareholders of HeidelbergCement AG is within the target corridor. The background to this decision is the unexpectedly sharp rise in energy and raw material costs between the preparation of the operational plan and the targets for 2022. The lower limit was set at €1,286 million and the upper limit at €1,646 million.

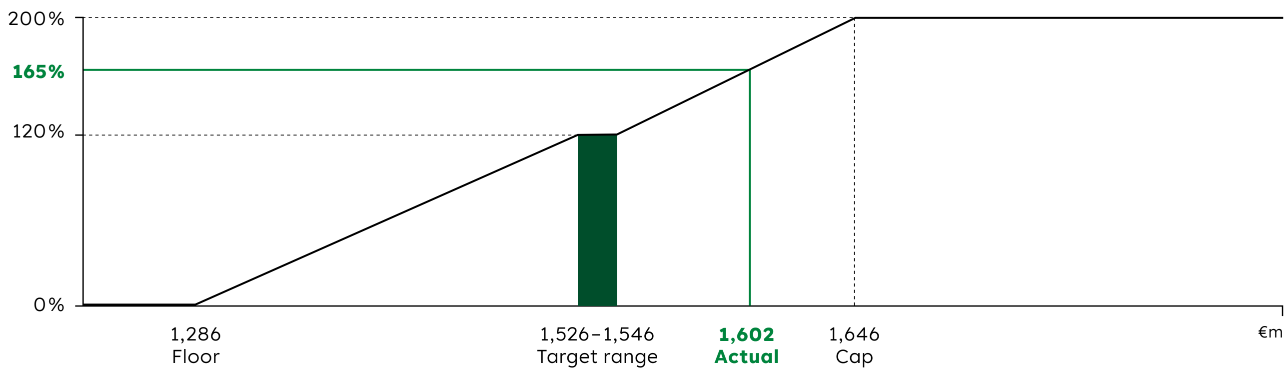
In the 2022 financial year, the actual value of the profit for the financial year attributable to the shareholders of HeidelbergCement AG, including adjustments for special items, amounted to €1,602 million. This results in a target achievement of 165%. The adjustments include:

- profits in the amount of €71 million from the sale of business operations in Spain and of real estate in Sweden and the Netherlands
- impairments in the amount of €–102 million of fixed assets in Russia as a result of the effects of the Russia-Ukraine war
- impairment of the investment in the joint venture Akcansa Cimento Sanayi ve Ticaret A.S. in the amount of €–26 million as a result of the local economic situation and the highly inflationary environment
- expenses of €80 million for the restructuring and closure of sites in connection with the startup of our new cement plant in Mitchell, Indiana, USA
- interest rate effects in the amount of €165 million from discounting of provisions

For the calculation of the profit for the financial year attributable to the shareholders of HeidelbergCement 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 attributable to the shareholders of HeidelbergCement AG:

Profit / loss for the financial year attributable to HeidelbergCement AG shareholders



CO_2 component

The CO_2 component in the annual bonus is intended to provide a significant incentive to achieve the CO_2 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.

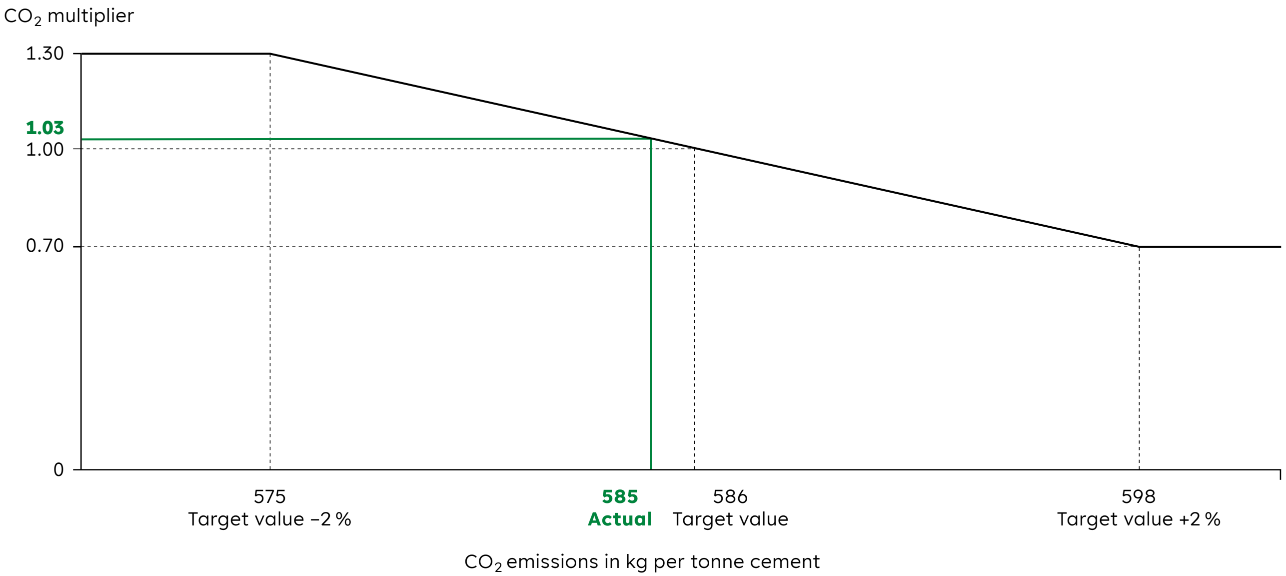
The methodology for calculating the CO_2 component is based on an internal definition for the specific CO_2 emissions per tonne of cement. The internal definition takes into account the CO_2 emissions of the main process steps in cement manufacture. These include the consumption of raw materials and fuel, clinker production, and clinker grinding. The CO_2 emissions of purchased clinker are also factored in. In line with the EU ETS accounting methodology, the biomass content of the alternative fuels used is considered as CO_2 neutral.

To ensure comparability with relevant competitors, Heidelberg Materials reports on CO_2 emissions in accordance with the GCCA standard (specific net CO_2 emissions per tonne of cementitious material) in the Non-financial statement chapter. Compared with the internal definition, the net CO_2 emissions calculation considers alternative fuels in their entirety as carbon-neutral rather than just their biogenic content. As a result, the CO_2 emissions according to the internal definition are higher than those calculated in line with the GCCA standard.

The CO_2 component is set up as a multiplier, which can range between 0.7 and 1.3 (CO_2 multiplier). To determine the CO_2 multiplier, the Supervisory Board defines a target for the specific CO_2 emissions per tonne of cement at the beginning of the respective financial year. That target is derived from Heidelberg Materials' CO_2 roadmap and the Group's current CO_2 performance. For the 2022 financial year, the Supervisory Board set a target value of 586 kg of CO_2 per tonne of cement. 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 CO_2 multiplier between 1.3 (at −2%: upper limit) and 0.7 (at +2%: lower limit).

In the 2022 financial year, the actual value of CO_2 emissions was 585 kg of CO_2 per tonne of cement. This results in a CO_2 multiplier of 1.03. The following graph shows the target achievement of the CO_2 component:

CO_2 component



Individual targets

The individual targets have a weighting of one third within the annual bonus and may be both financial and non-financial. At the beginning of the financial year, the Supervisory Board defines the targets for each member of the Managing Board. Target achievement ranges from 0% to 200%.

Individual targets were agreed for each member of the Managing Board in 2022 depending on their respective area of responsibility. These targets were based on the objectives of the Group strategy: growth and transformation, sustainability, digital transformation, people and organisation, company portfolio, capital allocation, and value creation. With regard to growth and transformation, revenue growth targets as well as targets for optimising processes and structures in sales, production, and administration were implemented. In terms of company portfolio, the focus was on simplifying the country portfolio and prioritising the strongest market positions. The agreed targets provided incentives to accelerate divestments if the expected returns could not be achieved in the medium term and only to pursue acquisitions if the expected returns are high. As for digital transformation, targets were set to expand the digital customer base (HConnect), enable efficiency gains and cost reductions in production and administration (HProduce), and integrate the participation in Command Alkon into the digitalisation strategy. In order to achieve the company's sustainability goals, targets were set to develop a product labelling system for sustainable products, improve sustainability reporting, and further develop the CO_2 roadmap. Furthermore, targets were set to increase occupational safety as well as to ensure sustainable water management and the protection and preservation of biodiversity.

For 2022, the achievement rate of individual targets for Managing Board members was between 117% and 149%. In many areas, the Managing Board not only achieved the targets, but even exceeded them. In the area of sustainability, a product tagging system for sustainable products was introduced on a global level and the reporting of CO_2 emissions was further improved to meet the auditing requirements for reasonable assurance. In addition, water and biodiversity management plans were introduced across the board at many sites worldwide. With regard to digital transformation, the digital customer base was increased (HConnect), further digital products were introduced (new "Smartrock" sensors) and the company's cyber security was improved. Through the acquisition of several companies (e.g. Mick George, RWG) the strategically important presence in the recycling market was further expanded. In terms of value creation further savings potential was realized through the implementation of the Business Excellence Program and the optimization of administration (e.g. by reducing legal units). The highly successful pricing policy led to sales targets in many regions being overachieved. At the same time, margin targets were missed due to the sharp increase in costs of energy and raw materials. The following table provides an overview of the targets and their achievement per Managing Board member for 2022.

Individual target achievement of Managing Board members

	Individual target	2022
Dr Dominik von Achten	– Global growth targets for Heidelberg Materials – Acceleration of sustainability transformation (focus on sustainable products, CO_2 roadmap, and reporting) – Digital customer growth, IT security, and the digitalisation of administrative processes – Transformation of the Managing Board – Further development of the Heidelberg Materials brand identity	149%
René Aldach	– Improvement of ROIC, free cash flow, and cash conversion rate – Acceleration of sustainability transformation (focus on sustainable financing, CO_2 modelling, and reporting) – Sustainability transparency and data management – Realisation of operational and administrative savings potential – Realisation of savings potential through restructuring	149%
Kevin Gluskie	– Growth and operational targets for Asia-Pacific (APAC) – Focusing portfolio in APAC in accordance with company strategy – Establishment of sustainable products in APAC – Occupational safety, water management, and protection of biodiversity in APAC – Strengthening the digital customer base in APAC – Operational targets for ready-mixed concrete	117%
Hakan Gurdal	– Growth and operational targets for Africa-Eastern Mediterranean Basin (AEM) and Heidelberg Materials Trading – Focusing portfolio in AEM in accordance with company strategy – Establishment of sustainable products in AEM – Occupational safety, water management, and protection of biodiversity in AEM – Digital transformation in AEM – Increase in the use of alternative fuels	134%
Ernest Jelito	– Growth and operational targets for Northern and Eastern Europe-Central Asia (NEECA) – Focusing portfolio in NEECA in accordance with company strategy – Establishment of sustainable products in NEECA – Occupational safety, water management, and protection of biodiversity in NEECA – Strengthening the digital customer base in NEECA – Expansion of clinker production and digital process optimisation	130%
Dr Nicola Kimm	– Development and establishment of sustainable products – Sustainability reporting and rating improvement – Updating of the CO_2 roadmap and implementation of sustainability projects (e.g. CCUS, circular economy, etc.) – Occupational safety, water management, and protection of biodiversity	128%
Dennis Lentz	– Strengthening the digital customer base – IT security and the digitalisation of administrative processes – Process optimisation through digital transformation – Command Alkon growth targets	138%
Jon Morrish	– Growth and operational targets for Western and Southern Europe (WSE) – Focusing portfolio in WSE in accordance with company strategy – Occupational safety, water management, and protection of biodiversity in WSE – Establishment of sustainable products in WSE – Strengthening the digital customer base and digital process optimisation in WSE – Development and communication of the new Heidelberg Materials brand identity	131%
Chris Ward	– Growth and operational targets for North America (NAM) and aggregates – Focusing portfolio in NAM in accordance with company strategy – Occupational safety, water management, and protection of biodiversity in NAM – Establishment of sustainable products in NAM – Strengthening the digital customer base in NAM and Command Alkon growth targets	118%

Annual bonus 2022 – 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 annual bonus 2022:

Overall target achievement Annual bonus 2022

		Target achievement					
				Company targets (2/3)	Individual targets (1/3)		
€'000s	Target value	Profit/loss for the financial year attributable to HeidelbergCement AG shareholders	CO_2 multiplier	Total		**Total**	**Payout**
Dr Dominik von Achten	1,469				149%	163%	2,394
René Aldach	480				149%	163%	782
Kevin Gluskie	768				117%	152%	1,170
Hakan Gurdal	616				134%	158%	973
Ernest Jelito	575	165%	1.03	170%	130%	157%	901
Dr Nicola Kimm	480				128%	156%	749
Dennis Lentz	480				138%	159%	765
Jon Morrish	722				131%	157%	1,134
Chris Ward	655				118%	153%	1,000
Total	**6,245**						**9,868**

In the case of a start or termination of the Managing Board membership during the year, the target achievement is applied to the target value reduced pro rata temporis in order to calculate the payout amount (this does not apply to any Managing Board member for the financial year 2022). The 2022 annual bonus is paid after the annual general meeting in 2023.

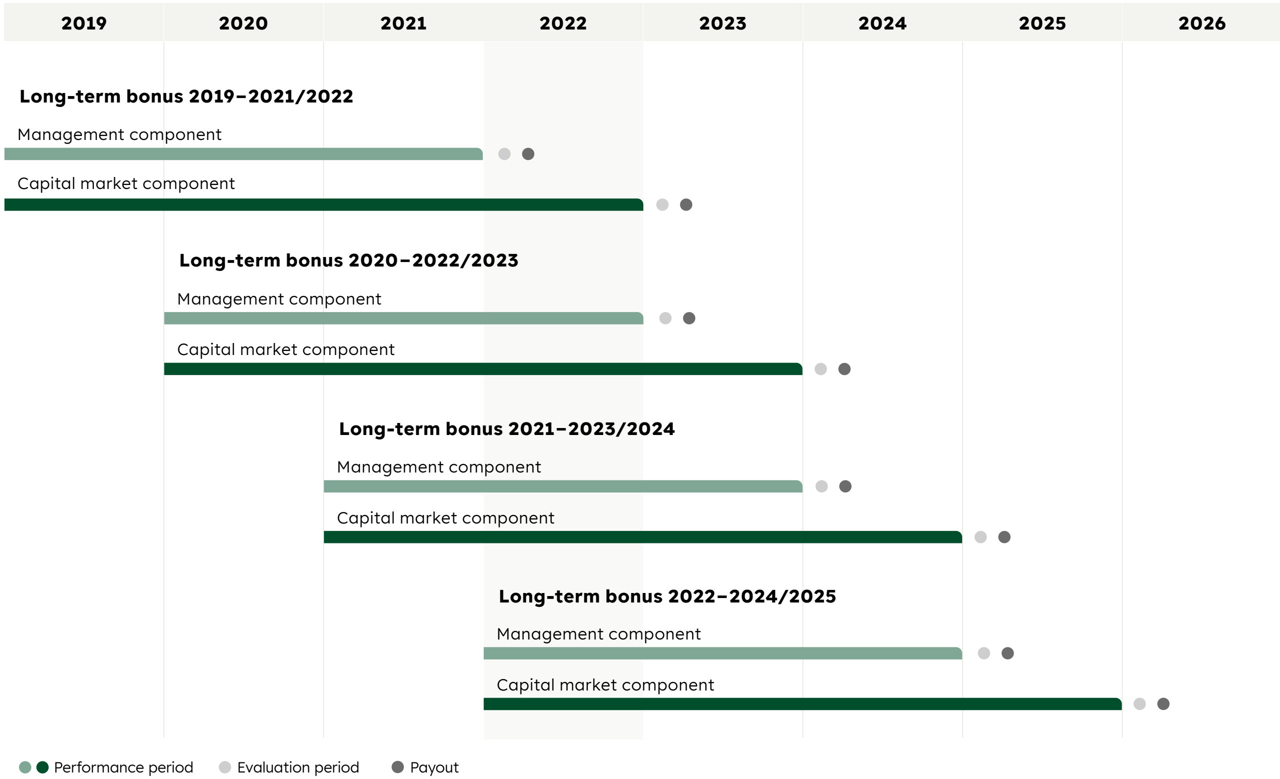
Long-term bonus

The long-term bonus is a variable remuneration element based on the company's long term performance and is allocated in annual tranches. If 100% of the target is achieved, it amounts to 150% of the fixed annual salary for the Chairman of the Managing Board and 125% of the fixed annual salary for the members of the Managing Board.

At the beginning of the 2022 financial year, the long-term bonus 2022–2024/2025 was allocated. The first allocation was made in the 2011 financial year.

The following illustration gives an overview of the payout scheme of the long-term bonus tranches in relation to the 2022 financial year and the still outstanding tranches:

Payment system for the long-term bonus



The long-term bonus 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 earnings before interest and taxes (EBIT) and return on invested capital (ROIC). The target value for the management component is 50% of the total target value 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 structured as a performance share plan. It is based on virtual shares, so-called performance share units (PSUs), thus establishing a direct link to the development of the HeidelbergCement AG share price and strengthening the alignment between the interests of the Managing Board and the shareholders. The capital market component has a four-year performance period and considers the external added value as measured by 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 target value for the long-term bonus divided by the reference price of the HeidelbergCement AG share at the start of the performance period (allocation price). The allocation price is the average of the daily closing prices of the HeidelbergCement AG share on the Frankfurt Stock Exchange Xetra trading system in the three months prior to the start of the performance period.

The allocation price for the long-term bonus 2022–2024/2025 and the 2022 tranche of the capital market component is €62.56.

After 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 with the target achievement. The resulting number of PSUs is then multiplied with the current reference price of the HeidelbergCement AG 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 represents the average of the daily closing prices of the HeidelbergCement AG 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 following table summarises the individual target values 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 long-term bonus 2022–2024/2025:

Allocation long-term bonus 2022–2024/2025

	Management component	Capital market component				
€'000s	Target value	Target value	Allocation price in €	Number of provisionally allocated PSUs	Maximum possible number of PSUs	**Overall target value**
Dr Dominik von Achten[1]	1,130	1,133	62.56	18,114	36,229	2,263
René Aldach	375	375		5,994	11,988	750
Kevin Gluskie	582	582		9,295	18,590	1,163
Hakan Gurdal	481	481		7,693	15,385	963
Ernest Jelito[2]	453	454		7,250	14,500	907
Dr Nicola Kimm	375	375		5,994	11,988	750
Dennis Lentz	375	375		5,994	11,988	750
Jon Morrish	564	564		9,021	18,043	1,129
Chris Ward[2]	478	479		7,652	15,304	957
Total	**4,813**	**4,818**		**77,008**	**154,016**	**9,631**

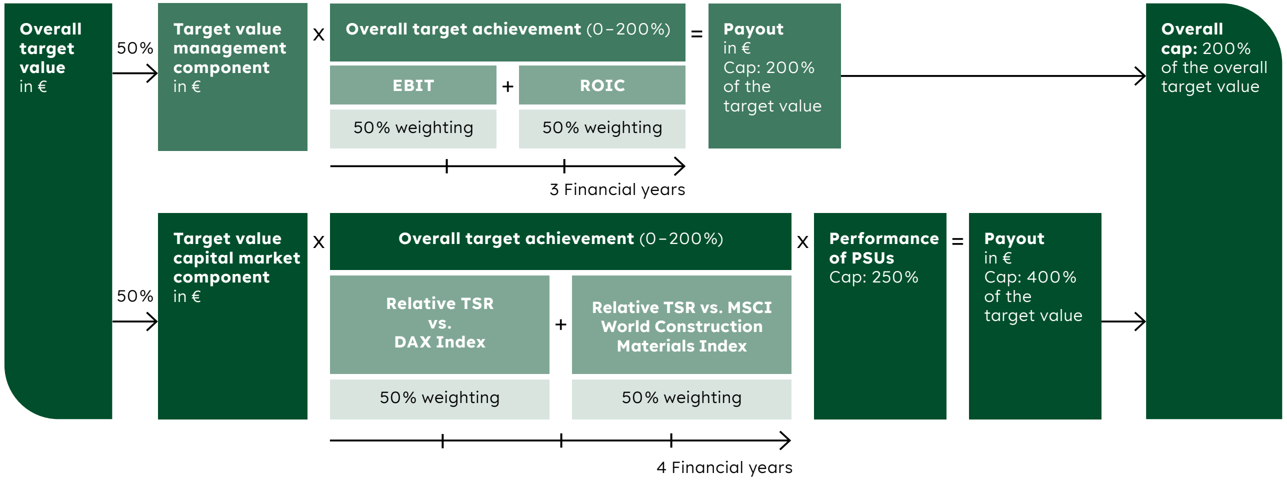
1) Calculation basis: daily pro rata calculation from 1 January 2022 to 30 September 2022 and from 1 October 2022 over the term of 3 and 4 years, respectively.
2) Calculation basis: daily pro rata calculation from 1 January 2022 to 30 April 2022 and from 1 May 2022 over the term of 3 and 4 years, respectively.

If the term of office of the Managing Board member begins or ends during the year, the target value for both the management component and the capital market component will be calculated to the day pro rata temporis based on the period from the date of appointment to the end of the respective performance period or from the beginning of the performance period to the respective exit date in relation to the total duration of the performance period.

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 target value. 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 target value.

Payouts from the overall long-term bonus are limited to a maximum of 200% of the contractually agreed target value, 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

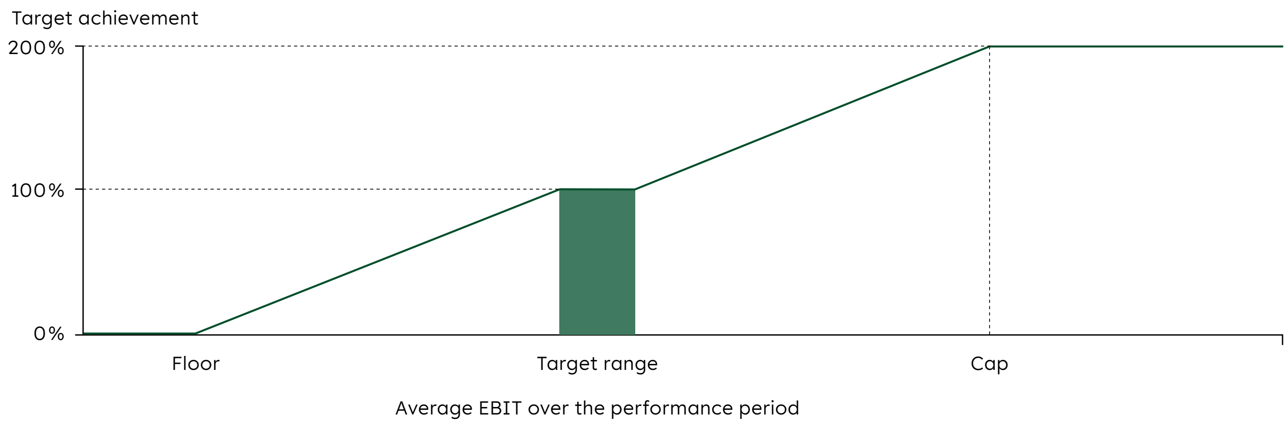
The overall target achievement for the management component is determined on the basis of the equally weighted performance criteria adjusted EBIT and ROIC.

EBIT
The basis for the performance criterion is the EBIT, which is adjusted for one-time special effects that could not be foreseen at the time when the operating plan and the targets were set. As for the calculation of the profit for the financial year attributable to the shareholders of HeidelbergCement AG, 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 consideration of the profit for the financial year attributable to the shareholders of HeidelbergCement AG in the annual bonus, incentives for profitable growth are thus provided in both the short-term and long-term variable remuneration elements.

At the beginning of each tranche, the Supervisory Board determines a target corridor, which is derived from the Group's three-year operating plan, as well as the thresholds (upper and lower limit). The calculation of the target achievement at the end of the performance period is based on the 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%.

Performance criterion EBIT



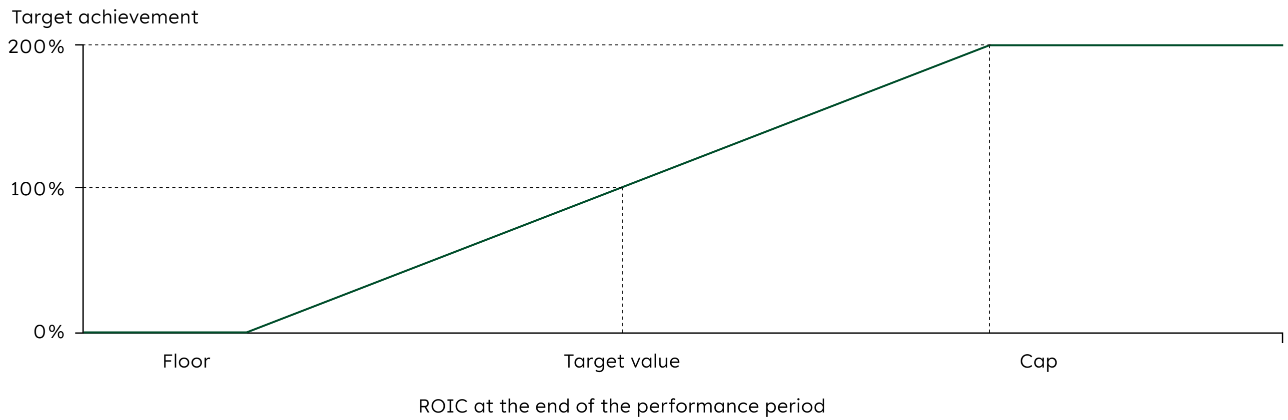
For the performance criterion EBIT, the defined target corridor, the thresholds (upper and lower limit), as well as the resulting target achievement and the adjustments made for the calculation of target achievement are disclosed in the remuneration report after the performance period has ended.

ROIC

The performance criterion is based on ROIC. Starting with the 2021 tranche of the long-term bonus, ROIC is calculated as the ratio between the result from current operations minus current tax expense (adjusted for impairments) and the average invested capital (average of the opening and closing balance of the respective financial year). For tranches of the long-term bonus that were awarded before 2021, a different calculation methodology applies, which is described in the Completed tranches at the end of the 2022 financial year section. 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 actual value at the end of the performance period. The lower and upper limits 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 operating plan. The target achievement can range from 0% to 200%.

Performance criterion ROIC



For the performance criterion ROIC, the defined target value, the thresholds (upper and lower limit), as well as the resulting target achievement and the adjustments made for the calculation of target achievement are disclosed in the remuneration report after the respective the performance period has ended.

Performance criterion of the capital market component

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

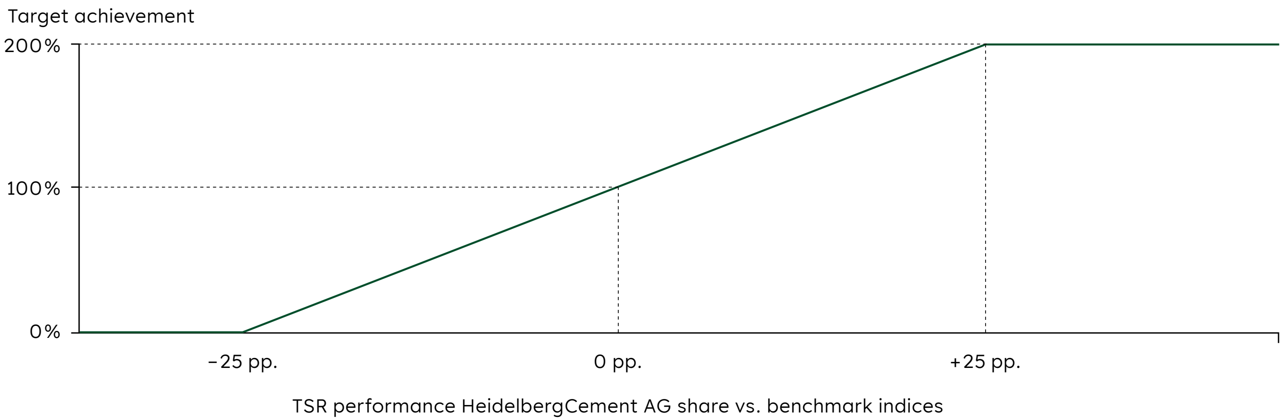
Relative TSR
The TSR performance is determined by comparing the performance of the HeidelbergCement AG share (calculated as percentage increase in share value taking into account reinvested dividend payments and adjustments for capital measures) with the performance of the two capital market indices DAX and MSCI World Construction Materials Index.

Relative TSR represents a capital market-oriented performance criterion that provides an incentive for the sustainable and long-term outperformance of the peer groups and is thus in line with Heidelberg Materials' target of offering shareholders an attractive investment opportunity. Furthermore, the relative TSR adds a relative performance metric to the long-term bonus.

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. The development of the TSR of the HeidelbergCement AG 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.

The target achievement curve for the relative TSR is as follows:

Relative TSR



Completed tranches at the end of the 2022 financial year

At the end of the 2022 financial year, the 2020 tranche of the management component (long-term bonus 2020–2022/2023) and the 2019 tranche of the capital market component (long-term bonus 2019–2021/2022) were completed. The structure of the two completed tranches largely corresponds to the tranches of the long-term bonus allocated in the 2022 financial year.

2020 tranche of the management component

The target achievement for the 2020 tranche of the management component was determined on the basis of the equally weighted performance criteria EBIT and ROIC. Deviating from the calculation methodology applied since the 2021 tranche and described in the previous section, ROIC for the 2020 tranche is measured on the basis of the result from current operations less taxes paid divided by invested capital in the last year of the performance period adjusted for currency translation effects. Taxes paid correspond to taxes paid as reported in the statement of cash flows. Invested capital comprises equity and reported net debt less puttable minorities at the end of the performance period. Invested capital is adjusted for the currency translation differences recognised in equity at the end of the performance period and at the time of the target setting.

Before the start of the tranche, a target corridor of €2,210 million to €2,310 million corresponding to a target achievement of 100% was set for EBIT. The actual EBIT value, which is calculated as the average EBIT over the three years of the performance period, was €2,429 million (2020: €2,302 million, 2021: €2,565 million, 2022: €2,419 million). The individual annual figures are adjusted for the special items that were also taken into account when determining the Group share of profit for the purposes of the annual bonus, insofar as they have an impact on EBIT. In previous years, these were primarily restructuring expenses, impairments, and gains on disposals. For 2022 these are listed in the Annual bonus section and include the gains from the disposal of business operations in Spain and of real estate in Sweden and the Netherlands, impairment losses in Russia and on the investment in the joint venture Akcansa Cimento Sanayi ve Ticaret A.S., as well as restructuring expenses in North America. This results in a target achievement for EBIT of 200%.

Before the start of the tranche, a target value of 6.70% was set for ROIC, for which a target achievement of 100% could be reached. The actual ROIC value was 7.97% corresponding to a target achievement of 200%.

Based on the target achievements in the two performance criteria, the overall target achievement for the 2020 tranche of the management component is 200%.

The table summarises the target values, thresholds (upper and lower limit), as well as actual values and target achievements per performance criterion:

Target achievement in management component of long-term bonus 2020–2022/2023

		Target achievement curve				
	Weighting	Floor	Target corridor	Cap	Actual value	**Target achievement**
EBIT	50%	€m 2,110	€m 2,210–2,310	€m 2,410	€m 2,429	200%
ROIC	50%	5.70%	6.70%	7.70%	7.97%	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 2020 tranche of the management component:

Summary of the management component of long-term bonus 2020–2022/2023

		Target achievement			
€ '000s	Target value	EBIT	ROIC	Total	**Payout**
Dr Dominik von Achten	988	200%	200%	200%	1,976
Kevin Gluskie	548				1,096
Hakan Gurdal	438				875
Ernest Jelito	438				875
Jon Morrish	538				1,075
Chris Ward	468				936
Total	**3,417**				**6,833**

The payment from the 2020 tranche of the management component will be made following the annual general meeting in 2023.

2019 tranche of the capital market component

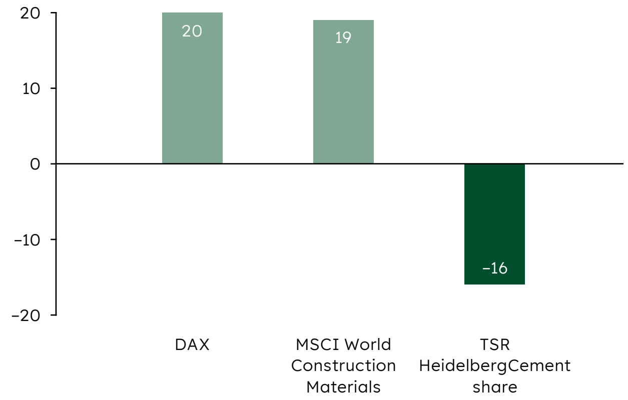
The target achievement for the 2019 tranche of the capital market component was measured analogously to the tranche allocated in the 2022 financial year on the basis of the performance criterion relative TSR.

While the DAX recorded an increase of 20.3% over the four-year performance period compared with the reference period and the MSCI World Construction Materials Index an increase of 18.9%, the TSR of the HeidelbergCement AG share was −16.2% at the end of the performance period. This results in a difference of −36.5 percentage points compared with the DAX and a difference of −35.1 percentage points compared with the MSCI World Construction Materials Index. The average difference amounts to −36 percentage points.

The overall target achievement rate for the relative TSR is therefore 0% for the 2019 tranche of the capital market component.

The allocation price for determining the number of provisionally allocated PSUs at the start of the tranche was €58.78. The closing price, including notionally reinvested dividends and adjusted for changes in capital, was €54.78 at the end of the performance period. This corresponds to a development of −6.8% over the performance period.

Performance of the benchmark indices and the TSR of the HeidelbergCement share in %



Development of the HeidelbergCement share in €

The following table describes the main elements of the 2018 tranche of the capital market component per member of the Managing Board:

Summary of the capital market component of the long-term bonus 2019–2021/2022

€'000s	Target value	Allocation price in €	Number of provisionally allocated PSUs	Target achievement relative TSR	Final number of PSUs	Closing price in €	Payout
Dr Dominik von Achten	688	58.78	11,696	0.00%	0	54.76	0
Kevin Gluskie	538		9,150		0		0
Hakan Gurdal	438		7,443		0		0
Ernest Jelito	383		6,521		0		0
Jon Morrish	538		9,144		0		0
Chris Ward	382		6,493		0		0
Total	**2,965**		**50,447**		**0**		**0**

Pension commitment

Defined contribution commitment

Members of the Managing Board who have been newly appointed or reappointed since 2019 are granted a defined contribution commitment, based on which the company will pay the 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. If the member of the Managing Board dies, the pension entitlement shall pass to the widow or widower or to the children of the Managing Board member. Dr Dominik von Achten, René Aldach, Ernest Jelito, Dr Nicola Kimm, and Dennis Lentz currently have a defined contribution commitment.

As part of the defined contribution commitment, an annual cash allowance is provided to Chris Ward, that can be used to finance a private pension plan.

Defined benefit commitment prior to 2019 (old commitment)

In addition to his defined contribution commitment, Dr Dominik von Achten has a defined benefit commitment in the form of an annual retirement pension for the defined benefit obligations earned until his reappointment in 2020.

The retirement agreements of the members of the Managing Board appointed between 2016 and 2018 contain the commitment of an annual retirement pension in the form of a percentage of the pensionable income. Kevin Gluskie, Hakan Gurdal, and Jon Morrish currently possess a defined benefit commitment. The percentage can equal up to 4% per commenced year of service; the maximum percentage accumulated is 40% of the pensionable income. The pensionable income is agreed individually for each member of the Managing Board.

Upon reappointment, existing defined benefit commitments are continued with the value of the pension benefit at the reappointment date. If the Supervisory Board agrees additional retirement benefit commitments, these will be covered by a defined contribution commitment. The Supervisory Board reserves the right to agree an adjustment of the retirement benefit, including within the existing system, in the event of a contract extension when an employee is close to retirement age.

In addition to the defined benefit commitment and defined contribution commitment, a transitional allowance equal to a monthly salary will be paid for a period of six months upon termination of the contract and benefit commencement.

Pension payments
The payment of the pension commitment is made monthly either:

- After leaving the company upon reaching retirement age (pension benefit paid on 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 he or she has reached the age of 60 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, the widow or widower and the dependent children receive a widow's, widower's or orphan's pension. In the case of defined benefit commitments, the widow's pension is 60% and the orphan's pension 10% of the deceased's pension benefit as long as a widow's pension is being paid at the same time. If a widow'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 pension credit shall pass to the widow or widower and the surviving children.

Service costs and present values of pension obligations
The service costs and the present values of the existing pension obligations as at 31 December 2022 are presented in the following table in consolidated form per member of the Managing Board:

Pension commitments (IAS 19)

	Service costs		Present value of the pension obligations	
€'000s	2021	2022	2021	2022
Dr Dominik von Achten	427	414	13,859	9,357
René Aldach	83	254	88	306
Kevin Gluskie	843	821	5,171	3,709
Hakan Gurdal	664	638	4,019	2,697
Ernest Jelito	460	462	1,175	1,609
Dr Nicola Kimm	83	272	93	313
Dennis Lentz	83	237	86	306
Jon Morrish	600	572	3,606	2,280
Total	**4,205**	**3,668**	**40,653**	**20,576**

In addition to the amount of the agreed benefit and the agreed contribution, both the service costs and the present values of the pension obligations depend in a substantial way on various actuarial parameters, such as the age of the individual member of the Managing Board and the currently prevailing interest rate level. The sharp rise in interest rates over the past year led to a smaller increase in the present values of pension obligations than in previous years and, as can be seen in the table, even to a decrease in individual cases.

Share ownership

To further harmonise the interests of the Managing Board and the shareholders, the Supervisory Board has adopted guidelines for share ownership. The members of the Managing Board are obliged to acquire a contractually defined number of Heidelberg Cement AG shares and to hold them for the duration of their appointment as a member of the Managing Board.

The share ownership is a key element in creating a strong link between the interests of the Managing Board and the shareholders and at the same time aligning the remuneration of the Managing Board even further with the long-term success of Heidelberg Materials. The number of HeidelbergCement AG shares to be held equals 30,000 for the Chairman of the Managing Board and 15,000 for each of the members of the Managing Board. Before 2019, the obligation for members of the Managing Board equalled 10,000 HeidelbergCement AG shares, which is why contracts concluded prior to this date stipulate an obligation in this amount. In the event of a reappointment, the required number of 15,000 shares also applies to these members of the Managing Board. In order to fulfil the share ownership, provided that the investment target has not yet been achieved at the relevant payout date, half of the payment amounts from the long-term bonus must be used to acquire shares of the company until the complete share ownership requirement has been met. Accumulating the share ownership can therefore take several years. HeidelbergCement shares that are already held by members of the Managing Board are taken into account for the share ownership. The members of the Managing Board have confirmed to the Supervisory Board that sufficient shares were acquired in accordance with the respective obligation.

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

Share ownership as at 31 December 2022 of current members of the Managing Board

Piece	Target	Status	Shares held as of 31 December 2022	in % of target
Dr Dominik von Achten	30,000	Investment target fully achieved	35,300	118%
René Aldach[1)]	15,000	In accumulation phase	4,000	27%
Kevin Gluskie	10,000	Investment target fully achieved	15,000	150%
Hakan Gurdal	10,000	Investment target fully achieved	10,000	100%
Ernest Jelito	15,000	In accumulation phase	10,644	71%
Dr Nicola Kimm[1)]	15,000	In accumulation phase	722	5%
Dennis Lentz[1)]	15,000	In accumulation phase	2,000	13%
Jon Morrish	15,000	Investment target fully achieved	15,004	100%
Chris Ward	15,000	Investment target fully achieved	15,000	100%

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 variable remuneration elements include malus and clawback rules. These give the Supervisory Board the option to reduce part or all of the variable remuneration elements that have not yet been paid out (malus) or to reclaim variable remuneration elements that have already been paid out (clawback) in case of breaches of essential duties of diligence. The malus and clawback rules apply to both the annual bonus and the long-term bonus.

In the 2022 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

Departure conditions

In the event of the early termination of a Managing Board membership without serious 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 is no early settlement or payout. The annual bonus and long-term bonus shall be reduced pro rata temporis in case of a departure during the financial year in which the annual bonus or long-term bonus is allocated.

In the event of the early termination of a Managing Board membership for serious cause before the end of the performance period, the claims to the annual bonus and long-term bonus shall be forfeited.

Severance pay cap

In the event of the early termination of a Managing Board membership without serious cause, care is taken in accordance with the recommendations of the GCGC when concluding new Managing Board contracts or extending existing Managing Board contracts 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, if applicable, also based on the amount of the expected total remuneration for the current financial year. A severance pay cap has been agreed with all current members of the Managing Board.

Change of control clause
Managing Board contracts concluded before the publication of the version of the GCGC of 16 December 2019 are governed by the version of 7 February 2017, according to which a commitment to benefits in the event of the early termination of the Managing Board membership as a result of a change of control should not exceed 150% of the severance pay cap.

Managing Board contracts concluded since the 2020 financial year are governed by the proposal of the GCGC in force since 2019, according to which change of control clauses are no longer to be part of Managing Board contracts. The contracts of René Aldach, Dr Nicola Kimm, and Dennis Lentz therefore do not contain any change of control clauses.

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 two years after the termination of the 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 the 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 the pension agreement after leaving the company. HeidelbergCement AG may waive the post-contractual non-compete clause before the termination of the employment contract.

In 2022, a waiting allowance of €60,000 was paid to Dr Bernd Scheifele. Dr Lorenz Näger received a waiting allowance of €746,000.

Disclosure of benefits from third parties

For the 2022 financial year, the members of the Managing Board have not received any benefits from third parties in connection with their Managing Board activities.

Remuneration granted and owed in the 2022 financial year

Remuneration of active members of the Managing Board in the 2022 financial year
The remuneration granted and owed to the individual members of the Managing Board in the 2022 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 payment does not occur until the following financial year. With the exception of the lack of including the service costs of the pension commitments, this reporting logic corresponds to the previous remuneration reporting of HeidelbergCement AG, in the table Allocations according to GCGC in the version of the GCGC of 7 February 2017.

The remuneration granted and owed in the 2022 financial year pursuant to section 162 of the AktG consists of the following remuneration elements:

- The fixed annual salary paid in the 2022 financial year
- The fringe benefits accrued in the 2022 financial year
- The cash allowance paid for the 2022 financial year in the case of Chris Ward
- The annual bonus determined for the 2022 financial year (annual bonus 2022), which is paid in the 2023 financial year
- The 2020 tranche of the management component, which was completed at the end of the 2022 financial year and is paid in the 2023 financial year
- The 2019 tranche of the capital market component, which was completed at the end of the 2022 financial year and is paid in the 2023 financial year

Furthermore, the service costs of the pension commitments in accordance with IAS 19 for the 2022 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 elements 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 Board (since September 1, 2021)		
€'000s / share of total remuneration in %	2021	**2022**		2021	**2022**	
Fixed annual salary	**1,450**	**1,469**	**25%**	**200**	**600**	**43%**
Fringe benefits	11	11	0%	5	13	1%
Contribution to private pension (cash allowance)	–	–		–	–	
One-year variable compensation	**2,770**	**2,394**	**41%**	**297**	**782**	**56%**
Annual bonus 2021	2,770	–		297	–	
Annual bonus 2022	–	2,394		–	782	
Multi-year variable compensation	**1,375**	**1,976**	**34%**	**0**		**0%**
Long-term bonus 2018–2020/2021						
Capital market component tranche 2018–2021	0	–		–	–	
Long-term bonus 2019–2021/2022						
Management component tranche 2019–2021	1,375	–		–	–	
Capital market component tranche 2019–2022	–	0		–	–	
Long-term bonus 2020–2022/2023	–			–		
Management component tranche 2020–2022	–	1,976		–	–	
Others	–		0%	–		0%
Granted and owed remuneration pursuant to section 162 of the AktG	**5,606**	**5,850**	**100%**	**502**	**1,395**	**100%**
Service costs	427	414	–	83	254	–
Total compensation	**6,033**	**6,264**	**–**	**585**	**1,649**	**–**

Granted and owed remuneration pursuant to section 162 of the AktG

	Kevin Gluskie Member of the Managing Board[1)]			**Hakan Gurdal** Member of the Managing Board			**Ernest Jelito** Member of the Managing Board			**Dr Nicola Kimm** Member of the Managing Board (since 1 September 2021)		
€'000s / share of total remuneration in %	2021	**2022**		2021	**2022**		2021	**2022**		2021	**2022**	
Fixed annual salary	**913**	**960**	**26%**	**764**	**770**	**29%**	**700**	**719**	**28%**	**200**	**600**	**42%**
Fringe benefits	463	502	13%	84	79	3%	27	80	3%	72	83	6%
Contribution to private pension (cash allowance)	–	–		–	–		–	–		–	–	
One-year variable compensation	**1,314**	**1,170**	**31%**	**1,133**	**973**	**36%**	**1,045**	**901**	**35%**	**293**	**749**	**52%**
Annual bonus 2021	1,314	–		1,133	–		1,045	–		293	–	
Annual bonus 2022	–	1,170		–	973		–	901		–	749	
Multi-year variable compensation	**1,076**	**1,096**	**30%**	**875**	**875**	**32%**	**730**	**875**	**34%**	**0**		**0%**
Long-term bonus 2018–2020/2021		–										
Capital market component tranche 2018–2021	0	–		0	–		0	–		–	–	
Long-term bonus 2019–2021/2022		0										
Management component tranche 2019–2021	1,076	–		875	–		730	–		–	–	
Capital market component tranche 2019–2022	–	–		–	–		–	–		–	–	
Long-term bonus 2020–2022/2023												
Management component tranche 2020–2022	–	1,096			875		–	875		–	–	
Others	–	–	0%	–	–	0%	–	–	0%	–	–	0%
Granted and owed remuneration pursuant to section 162 of the AktG	**3,766**	**3,728**	**100%**	**2,856**	**2,697**	**100%**	**2,502**	**2,575**	**100%**	**565**	**1,432**	**100%**
Service costs	843	821	–	664	638	–	460	462	–	83	272	–
Total compensation	**4,608**	**4,549**	**–**	**3,520**	**3,335**	**–**	**2,962**	**3,037**	**–**	**648**	**1,704**	**–**

1) 90% of the fixed annual salary, the annual bonus and the long-term bonus of Kevin Gluskie are paid by HeidelbergCement Asia. The remaining 10% was paid by HeidelbergCement 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 2021 (AUD/EUR 1.5751) and 2022 (AUD/EUR 1.5169) were used for translation into euros. The closing rates prior to the start of the performance period (31 December, 2018: AUD/EUR 1.62681, 31 December, 2019: AUD/EUR 1.5971) were used to convert its long-term bonus into euros.

Granted and owed remuneration pursuant to section 162 of the AktG

	Dennis Lentz Member of the Managing Board (since 1 September 2021)[2)			**Jon Morrish** Member of the Managing Board			**Chris Ward** Member of the Managing Board[3)		
€'000s / share of total remuneration in %	2021	**2022**		2021	**2022**		2021	**2022**	
Fixed annual salary	**200**	**600**	**36%**	**899**	**903**	**28%**	**710**	**819**	**25%**
Fringe benefits	25	326	19%	79	97	3%	58	60	2%
Contribution to private pension (cash allowance)	–	–		–	–		356	401	13%
One-year variable compensation	**303**	**765**	**45%**	**1,362**	**1,134**	**35%**	**1,013**	**1,000**	**31%**
Annual bonus 2021	303	–		1,362			1,013	–	
Annual bonus 2022	–	765		–	1,134		–	1,000	
Multi-year variable compensation	**0**		**0%**	**1,075**	**1,075**	**34%**	**713**	**936**	**29%**
Long-term bonus 2018–2020/2021									
Capital market component tranche 2018–2021	–	–		0	–		0	–	
Long-term bonus 2019–2021/2022									
Management component tranche 2019–2021	–	–		1,075	–		713	–	
Capital market component tranche 2019–2022	–	–		–	0		–	0	
Long-term bonus 2020–2022/2023									
Management component tranche 2020–2022	–	–		–	1,075		–	936	
Others	–	–	0%	–	–	0%	–	–	0%
Granted and owed remuneration pursuant to section 162 of the AktG	**528**	**1,691**	**100%**	**3,415**	**3,209**	**100%**	**2,850**	**3,216**	**100%**
Service costs	83	237	–	600	572	–	–	–	–
Total compensation	**611**	**1,928**	**–**	**4,015**	**3,781**	**–**	**2,850**	**3,216**	**–**

2) As of 1 December 2021, 70% of Dennis Lentz's fixed annual salary, the annual bonus and the long-term bonus were paid by Heidelberg Materials North America (Lehigh Hanson until 1 January 2023). The remaining 30% are paid by HeidelbergCement AG. Until 30 November 2021, 100% of the remuneration of Dennis Lentz was paid by HeidelbergCement 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.

3) 90% of the fixed annual salary, the annual bonus, and the long-term bonus of Chris Ward are borne by Heidelberg Materials North America (Lehigh Hanson until 1 January 2023). The remaining 10% is borne by HeidelbergCement AG. Chris Ward receives his remuneration in US dollars in accordance with his employment contract. The average exchange rates for the years 2021 (1.1830 USD/EUR) and 2022 (1.0536 USD/EUR) were used for conversion into euros. The closing rates before the start of the performance period (31 December, 2018: 1.1467 USD/EUR, 31 December, 2019: 1.1213 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.

Former members of the Managing Board are entitled to payouts from the 2020 tranche of the management component, which was completed at the end of the 2022 financial year, and from the 2019 tranche of the capital market component, which was also completed at the end of the 2022 financial year.

The following table summarises the main elements of the tranches:

Summary of management component of long-term bonus 2020–2022/2023 for former members of the Managing Board

€'000s	Target value	Target achievement			Payout
		EBIT	ROIC	Total	
Dr Bernd Scheifele[1)]	102	200%	200%	200%	203
Dr Lorenz Näger	627				1,255

1) In the case of Dr Bernd Scheifele, the value for 2022 includes a crediting of a prepayment for the long-term bonus 2020–2022/2023 in the amount of € 102 thousand.

Summary of capital market component of long-term bonus 2020–2022/2023 for former members of the Managing Board

€'000s	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	531		9,038		0		0
Dr Bernd Scheifele	1,219	58.78	20,734	0.00%	0	54.76	0
Dr Albert Scheuer	313		5,316		0		0

The payment of the tranches will be made following the annual general meeting in 2023.

Further information on the 2020 tranche of the management component and the 2019 tranche of the capital market component can be found in the Tranches completed at the end of the 2022 financial year section.

The following table shows the remuneration granted and owed to the former members of the Managing Board in the 2022 financial year pursuant to section 162 of the AktG:

Granted and owed remuneration pursuant to section 162 of the AktG

	Dr Lorenz Näger Deputy Chairman of the Managing Board (until 31 Aug. 2021)		Dr Bernd Scheifele Chairman of the Managing Board (until 31 Jan. 2020)[1]		Dr Albert Scheuer Member of the Managing Board (until 5 Aug. 2019)	
€'000s / share of total remuneration in %	2022		2022		2022	
Multi-year variable compensation	**1,255**	**53%**	**203**	**18%**	**0**	**0%**
Long-term bonus 2019–2021/2022						
Management component tranche 2019–2021	0		0		0	
Long-term bonus 2020–2022/2023						
Management component tranche 2020–2022	1,255		203		–	
Others[2]	746	32%	60	5%	0	0%
Total	**2,001**	**–**	**263**	**–**	**0**	**–**
Retirement and transitional payments	354	15%	900	77%	280	100%
Granted and owed remuneration pursuant to section 162 of the AktG	**2,355**	**100%**	**1,163**	**100%**	**280**	**100%**

1) In the case of Dr Bernd Scheifele, the value for 2022 includes a crediting of a prepayment for the long-term bonus 2020–2022/2023 in the amount of €102 thousand.
2) Includes the payment of a waiting allowance to Dr Scheifele and Dr Näger.

Remuneration of the Supervisory Board in the 2022 financial year

Principles of remuneration of the Supervisory Board

The remuneration system of the Supervisory Board of HeidelbergCement AG was approved by the annual general meeting in 2021 and came into force retroactively as of 1 January 2021.

The remuneration of the Supervisory Board is set out in section 12 of the Articles of Association of HeidelbergCement 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 €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.

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 2022 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	
	2021	**2022**		2021	**2022**		2021	**2022**		2021	**2022**
Fritz-Jürgen Heckmann (Chairman) (until 12 May 2022)	200	72	70%	45	16	15%	28	16	15%	273	105
Dr Bernd Scheifele (Chairman) (since 12 May 2022)	–	128	77%	–	29	17%	–	10	6%	–	167
Heinz Schmitt (Deputy Chairman)	120	120	66%	45	45	25%	26	18	10%	191	183
Barbara Breuninger	80	80	65%	25	25	20%	22	18	15%	127	123
Birgit Jochens	80	80	71%	20	20	18%	22	12	11%	122	112
Ludwig Merckle	80	80	47%	65	65	38%	28	24	14%	173	169
Tobias Merckle[1)] (until 12 May 2022)	80	29	83%	–	0	0%	18	6	17%	98	35
Dr Sopna Sury[1)] (since 12 May 2022)	–	51	89%	–	0	0%	–	6	11%	–	57
Luka Mucic	80	80	48%	70	70	42%	26	18	11%	176	168
Dr Ines Ploss	80	80	71%	20	20	18%	22	12	11%	122	112
Peter Riedel	80	80	65%	25	25	20%	22	18	15%	127	123
Werner Schraeder	80	80	56%	45	45	31%	26	18	13%	151	143
Margret Suckale	80	80	54%	45	45	30%	28	24	16%	153	149
Prof. Dr Marion Weissenberger-Eibl[1)]	80	80	87%	–	0	0%	20	12	13%	100	92
Total	**1,120**	**1,121**	**64%**	**405**	**405**	**23%**	**288**	**212**	**12%**	**1,813**	**1,738**

1) No committee work

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 2022 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 HeidelbergCement AG excluding the Managing Board was taken into account.

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

€'000s	**2018**	Change	**2019**	Change	**2020**	Change	**2021**	Change	**2022**
Development of earnings									
Result from current operations before depreciation and amortisation in €m	3,100	15%	3,580	4%	3,707	5%	3,875	–4%	3,739
Profit/loss for the financial year attributable to HeidelbergCement AG shareholders in €m	1,143	–5%	1,091	(-296%) [1]	–2,139	(-182%)[1]	1,759	–9%	1,597
Net profit/net loss of HeidelbergCement AG pursuant to the HGB in €m	–204	(-177%)[1]	35	(-346%)[1]	–86	(-556%)[1]	392	–34%	257
Employees[2]									
Average	71	1%	72	–1%	71	4%	74	–3%	72
Active members of the Managing Board in the financial year									
Dr Dominik von Achten (Chairman)[3]	4,210	–14%	3,611	41%	5,104	10%	5,606	4%	5,850
René Aldach[4]	–		–		–	–	502	178%	1,395
Kevin Gluskie	2,830	16%	3,287	0%	3,277	15%	3,766	–1%	3,728
Hakan Gurdal	1,963	16%	2,286	6%	2,430	18%	2,856	–6%	2,697
Ernest Jelito[5]	–		809	115%	1,736	44%	2,502	3%	2,575
Dr Nicola Kimm[4]	–		–		–	–	565	153%	1,432
Dennis Lentz[4]	–		–		–	–	528	220%	1,691
Jon Morrish	2,425	16%	2,806	11%	3,109	10%	3,415	–6%	3,209
Chris Ward[6]	–		780	176%	2,152	32%	2,850	13%	3,216

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

€'000s	**2018**	Change	**2019**	Change	**2020**	Change	**2021**	Change	**2022**
Former members of the Managing Board									
Dr Lorenz Näger[7)]	3,457	–17%	2,878	23%	3,544	81%	6,407	–63%	2,355
Dr Bernd Scheifele[8)]	7,933	–19%	6,433	–62%	2,439	67%	4,063	–71%	1,163
Dr Albert Scheuer[9)]	3,003	–27%	2,179	–66%	743	17%	873	–68%	280
Members of the Supervisory Board[10)]									
Fritz-Jürgen Heckmann (Chairman)[11)]	232	11%	257	–2%	251	9%	273	–62%	105
Dr Bernd Scheifele (Chairman)[12)]	–		–		–		–		167
Heinz Schmitt (Deputy Chairman)	162	9%	177	–1%	175	9%	191	–4%	183
Barbara Breuninger	58	83%	106	10%	117	9%	127	–3%	123
Birgit Jochens	–		71	58%	112	9%	122	–8%	112
Ludwig Merckle	172	–3%	166	–5%	157	10%	173	–2%	169
Tobias Merckle	78	15%	90	0%	90	9%	98	–64%	35
Dr Sopna Sury	–		–		–		–		57
Luka Mucic	–		101	58%	160	10%	176	–5%	168
Dr Ines Ploss	–		71	58%	112	9%	122	–8%	112
Peter Riedel	–		74	58%	117	9%	127	–3%	123
Werner Schraeder	107	21%	130	5%	137	10%	151	–5%	143
Margret Suckale	102	25%	128	5%	135	13%	153	–3%	149
Prof. Dr Marion Weissenberger-Eibl	80	13%	90	–2%	88	14%	100	–8%	92

1) Mathematically determined change; limited interpretability due to change of algebraic sign within the reference values.
2) Total workforce of HeidelbergCement 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 July 2019
6) Member of the Managing Board since 1 September 2019
7) Deputy Chairman of the Managing Board until 31 August 2021
8) Chairman of the Managing Board until 31 January 2020
9) Member of the Managing Board until 5 August 2019
10) Individual amounts may fluctuate due to entries and exits during the year as well as changing committee activities.
11) Chairman of the Supervisory Board until 12 May 2022
12) Chairman of the Supervisory Board since 12 May 2022

Auditor's Report

To HeidelbergCement AG, Heidelberg

We have audited the remuneration report of HeidelbergCement AG, Heidelberg, for the financial year from January 1 to December 31, 2022 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of HeidelbergCement 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 promulgated 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 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, 2022, 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 HeidelbergCement 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 22, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

[sgnd. Thomas Tilgner]	[sgnd. ppa. Olav Krützfeldt]
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Annex to agenda item 7

Text of the amendment agreement together with the amended domination and profit and loss transfer agreement between HeidelbergCement AG and HeidelbergCement International Holding GmbH

Amendment Agreement to the Domination and Profit and Loss Transfer Agreement

between

HeidelbergCement International Holding GmbH, having its registered seat in Heidelberg, registered in the commercial register of the local court of Mannheim under no. HRB 334775, with registered business address at Berliner Straße 6, 69120 Heidelberg (the "**Dependent Company**");

and

HeidelbergCement AG, having its registered seat in Heidelberg, registered in the commercial register of the local court of Mannheim under no. HRB 330082, with registered business address at Berliner Straße 6, 69120 Heidelberg (the "**Controlling Enterprise**"; the Dependent Company and the Controlling Enterprise together the "**Parties**").

Preamble

(A) The Parties have entered into a domination and profit and loss transfer agreement dated 1 March 2002 and amended on 5 February 2014 and 2 March 2021 (the "**Agreement**").

(B) The provisions of the Agreement shall be amended in order to make the inter-company agreements in the Group comparable. Furthermore, in this context, a comprehensive right of information of the Controlling Enterprise vis-à-vis the Dependent Company as well as extraordinary termination rights and some further clarifications are also to be added. The amendment does not involve any cancellation of the existing Agreement; rather, the existing Agreement – in the amended form – continues to exist.

(C) That being said, the Parties agree as follows:

1. Amendment of contract

The Agreement is amended so that the previous wording of the Agreement is replaced by the wording contained in the **Annex** to this Amendment Agreement.

2. Effectiveness and application

2.1 This Amendment Agreement becomes effective if and when the following conditions precedent (section 158 (1) German Civil Code) are fulfilled:

a) approval by the shareholders' meeting of the Dependent Company by means of a notarised shareholders' resolution;

b) approval by the shareholders' meeting of the Controlling Enterprise; and

c) registration of this Amendment Agreement in the commercial register of the Dependent Company.

2.2 This Amendment Agreement (except for the domination provisions and the right of information set forth in sections 1 and 4 of the Agreement as set out in this Amendment Agreement which shall be applicable beginning with the effectiveness of this Amendment Agreement according to section 2.1) shall be applicable with effect as of the beginning of the business year of the Dependent Company in which this Amendment Agreement is registered in the commercial register of the Dependent Company.

Heidelberg, 27 February 2023

HeidelbergCement AG
The Managing Board

HeidelbergCement International Holding GmbH
The Management

Domination and Profit and Loss Transfer Agreement

between

HeidelbergCement International Holding GmbH, having its registered seat in Heidelberg, registered in the commercial register of the local court of Mannheim under no. HRB 334775, with registered business address at Berliner Straße 6, 69120 Heidelberg (the "**Dependent Company**");

and

HeidelbergCement AG, having its registered seat in Heidelberg, registered in the commercial register of the local court of Mannheim under no. HRB 330082, with registered business address at Berliner Straße 6, 69120 Heidelberg (the "**Controlling Enterprise**"; the Dependent Company and the Controlling Enterprise together the "**Parties**", each a "**Party**").

Preamble

(A) The Controlling Enterprise is the sole shareholder of the Dependent Company since 20 September 1993.

(B) The purpose of the following Domination and Profit and Loss Transfer Agreement (the "**Agreement**") is to ensure a uniform corporate management of the Dependent Company and to establish a fiscal unity within the meaning of sections 14, 17 German Corporate Income Tax Act between the Dependent Company and the Controlling Enterprise.

1.1 Domination and instructions

1.1 The Dependent Company submits its management to the control of the Controlling Enterprise. The Controlling Enterprise is thus entitled to give instructions to the management board of the Dependent Company with respect to the conduct of the Dependent Company.

1.2 The Dependent Company is obliged to follow the instructions given by the Controlling Enterprise.

2. Profit transfer

2.1 Subject to section 2.2 of this Agreement, the Dependent Company shall transfer its entire profit to the Controlling Enterprise. The profit transfer shall not exceed the maximum amount for any profit transfer set forth in section 301 German Stock Corporation Act (in each case in its current version). The provisions of section 301 of the German Stock Corporation Act (in each case in its current version) shall also apply mutatis mutandis in all further respects. If, in the event of future amendments to section 301 of the German Stock Corporation Act, the wording of the Agreement conflicts with the statutory provision, the statutory provision shall prevail.

2.2 With the approval of the Controlling Enterprise, the Dependent Company may allocate amounts from the annual net income to profit reserves (section 272 (3) German Commercial Code) to the extent that such allocation is permitted under commercial law and commercially justified from the perspective of a reasonably acting prudent businessman.

3. Loss compensation

The provisions of section 302 German Stock Corporation Act, in each case in its current version, shall apply mutatis mutandis.

4. Access to information

4.1 The Controlling Enterprise is entitled to review the Dependent Company's accounts and records at any time. The management of the Dependent Company is obliged to provide the Controlling Enterprise at any time with any information it may request concerning all legal, economic, business and organisational matters of the Dependent Company.

4.2 The annual financial statements of the Dependent Company shall be submitted to the Controlling Enterprise for acknowledgement, review and coordination prior to their adoption.

5. Term, termination

5.1 This Agreement is concluded for an indefinite term.

5.2 This Agreement may be terminated no earlier than with effect as of the end of 31 December 2027, in case the business year of the Dependent Company deviates from the calendar year with effect as of the end of the first business year ending after 31 December 2027. The termination notice period shall be six months.

5.3 Thereafter, this Agreement can be terminated, subject to a termination notice period of six months, with effect as of the end of any business year of the Dependent Company.

5.4 The termination notice must be given in writing. For the determination of whether or not the termination notice period has been complied with, the point in time shall be decisive at which the written termination notice is received by the respective other Party.

5.5 The right to an extraordinary termination of this Agreement for good cause without adhering to a termination notice period shall remain unaffected. Such good cause exists, inter alia,

a) if the Controlling Enterprise ceases to hold the majority of voting rights arising from a participation in the Dependent Company within the meaning of section 14 (1) sent. 1 no. 1 sent. 1 German Corporate Income Tax Act;

b) if the Controlling Enterprise ceases to hold all shares in the Dependent Company;

c) in case of a merger or demerger of either the Controlling Enterprise or the Dependent Company; or

d) in the presence of any other reason set forth in regulation 14.5 (6) sent. 2 German Corporation Tax Regulations 2015 (or any provision subsequent to this regulation).

6. Final provisions

6.1 Any amendments and supplements to this Agreement, including this written form requirement, must be made in writing unless a notarial deed is required by law.

6.2 Should any individual provision of this Agreement be or become in whole or in part invalid or infeasible, or should there be an omission in this Agreement, this shall not affect the validity or feasibility of the remaining provisions. In place of the invalid or infeasible provision or in order to remedy the omission, the Parties undertake to agree on an appropriate, valid and feasible provision that comes closest to what the Parties intended or would have intended in accordance with the purpose of this Agreement had they considered the matter at the outset.

Accessible documents

Alongside the amendment agreement together with the amended domination and profit and loss transfer agreement and the previous version thereof, the annual financial statements and the management reports of the contracting companies for the last three financial years as well as the joint report of the Managing Board of HeidelbergCement AG and the management of HeidelbergCement International Holding GmbH prepared pursuant to section 293a of the German Stock Corporation Act will be available at the Internet address **www.heidelbergmaterials.com/en/annual-general-meeting-2023** from the time the Annual General Meeting is convened.

Annex to agenda item 9

Remuneration system for the Supervisory Board members of HeidelbergCement AG

The system for the remuneration of the members of the Supervisory Board is based on the legal requirements and takes into account the recommendations of the German Corporate Governance Code.

The remuneration of the members of the Supervisory Board shall be balanced overall and shall be commensurate with the responsibilities and tasks of the members of the Supervisory Board and the situation of the Company, also taking into account the remuneration regulations of other large listed companies. At the same time, it should make the assumption of a mandate as a member or chairman of the Supervisory Board or a committee appear sufficiently attractive in order to be able to attract and retain outstanding mandate holders. This is a prerequisite for the best possible supervision of and advice to the Managing Board, which in turn make an essential contribution to a successful business strategy and the long-term success of the Company. The members of the Supervisory Board shall continue to receive a purely fixed remuneration to strengthen the independence of the Supervisory Board, to enable an objective and neutral performance of the advisory and supervisory function as well as independent personnel and remuneration decisions. The extent of the workload and the liability risk of the Supervisory Board members does not usually develop in parallel with the business success or the earnings situation of the Company. Rather, it is often in difficult times, when variable remuneration may be reduced, that the Supervisory Board members are required to perform their advisory and supervisory functions particularly intensively.

In accordance with the recommendation of the German Corporate Governance Code, the higher time expenditure of the Chairman and the Deputy Chairmen of the Supervisory Board as well as the Chairmen and members of the Audit, Personnel and Sustainability and Innovation Committees shall be adequately taken into account through corresponding additional remuneration. The Chairman of the Supervisory Board shall receive two and a half times the basic remuneration of an ordinary member of the Supervisory Board, his/her deputy one and a half times. The Chairmen of the Audit, Personnel and Sustainability and Innovation Committees shall each receive twice the additional remuneration of a committee member. The members of the Nomination Committee and the Arbitration Committee shall not receive any additional remuneration. In view of the special time burden, a higher additional remuneration shall be provided for the activity in the Audit Committee than for the activity in the Personnel and Sustainability and Innovation Committees. There shall be no offsetting or reduction of remuneration for work on more than one committee.

In the case of several meetings on one day, attendance fees shall only be paid once, whereby participation by telephone, video conference or similar customary means of communication shall also entitle the respective member of the Supervisory Board to receive attendance fees. The remuneration (if applicable pro rata temporis) and the attendance fee shall be paid after the expiry of each financial year.

Finally, the members of the Supervisory Board shall be included in a directors & officers liability insurance policy for members of the executive bodies and certain employees of the Heidelberg Materials Group, maintained by the Company in its own interest and at its own expense, to the extent that such a policy exists. In addition, the Company reimburses each member of the Supervisory Board for his/her expenses and the value-added tax payable on his/her remuneration.

The regulations on remuneration and the remuneration system shall be regularly reviewed by the Supervisory Board for their appropriateness, whereby external remuneration experts may also be consulted. At least every four years and in the event of proposals to amend the remuneration regulations, the Annual General Meeting shall pass a resolution on the remuneration of the members of the Supervisory Board. The Annual General Meeting may confirm the existing system of Supervisory Board remuneration or pass a resolution to change it. Corresponding resolution proposals to the Annual General Meeting are submitted by the Managing Board and the Supervisory Board in accordance with the legally regulated allocation of responsibilities, so that there is mutual control between the two bodies. The decision on the final structure of the remuneration system rests with the Annual General Meeting.

Further information and notes

Requirements for attending the Annual General Meeting and exercising voting rights

In accordance with article 16 para. 1 of the Company's Articles of Association, shareholders must have registered for the Annual General Meeting and have provided the Company with proof of their shareholding as of the start of the 21st day before the Annual General Meeting, i.e. as of 20 April 2023, 0000 hrs (CEST) (so-called record date), in order to attend the Annual General Meeting and exercise their voting rights. For this purpose, a certificate of shareholding issued in text form in German or English by the depositary institution or a proof pursuant to section 67c para. 3 of the German Stock Corporation Act (in each case "proof of entitlement") shall be sufficient.

The registration and the proof of entitlement must be received by the Company at the latest six days prior to the Annual General Meeting, i.e. by 4 May 2023, 2400 hrs (CEST) at the following address (please note that this is different from last year):

HeidelbergCement AG
c/o Computershare Operations Center
80249 München, Germany
E-mail: anmeldestelle@computershare.de

The Company shall be entitled to request appropriate further proof in the event of any doubt concerning the accuracy or authenticity of the proof of entitlement.

In relation to the Company, only those persons who have furnished such proof of entitlement shall be considered shareholders for the purpose of attending the Annual General Meeting or exercising the voting rights. The right to attend and the extent of the voting rights shall be determined exclusively by the shareholding of the shareholder contained in the proof of entitlement as at the record date. A registration for the Annual General Meeting will not block the shares from trading; for this reason shareholders can continue to freely dispose of their shares, also starting from the record date and even after having registered for the Annual General Meeting. Also in the case of the full or partial sale of the shareholding after the record date, only the shareholding of the shareholder as at the record date shall be decisive for the attendance and the extent of the voting rights; i.e. sales of shares after the record date do not have any effect on the right to attend or on the extent of the voting rights. The same shall apply to purchases and additional purchases of shares after the record date. Persons who do not own any shares as at the record date and only become shareholders afterward, shall not be entitled to attend and vote. The record date shall not have any relevance for the entitlement to dividends.

Following receipt of the registration and proof of shareholding by the Company at the above address, admission tickets for the Annual General Meeting will be sent to the shareholders. Please note that admission tickets are only used for organisational purposes and do not constitute additional conditions of attendance. In order to ensure that the admission tickets are received on time, we kindly ask the shareholders to send the registration and proof of their shareholding to the Company sufficiently in advance. No further action is required of shareholders who have requested, in a timely manner, an admission ticket for attending the Annual General Meeting from their depositary institution. In such cases, the depositary institution will handle the registration and proof of shareholding.

InvestorPortal

The Company has made an Internet-based and password-protected Annual General Meeting system (InvestorPortal) available on its website at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**. Once shareholders have duly and properly registered for the Annual General Meeting, they or their proxies will receive admission tickets containing access data. The shareholders or their proxies may use this access data to log into the InvestorPortal and exercise certain shareholders' rights in accordance with the following provisions without attending the Annual General Meeting themselves. In particular they can exercise their voting right by way of electronic absentee voting, grant (sub-)powers of attorney to proxies as well as grant powers of attorney and give instructions to the proxies of the Company and follow the video and audio transmission of the Annual General Meeting. This will not affect the exercising of shareholder' rights by other means, as described below. The InvestorPortal is expected to be available from 20 April 2023.

Voting by proxies

Shareholders may also appoint a proxy, such as a credit institution or shareholders' association, to vote on their behalf in the Annual General Meeting. Also in this case shareholders, proxies, credit institutions or shareholders' associations must register in due time for the Annual General Meeting and provide proof of shareholding.

If the proxy authorisation is not granted to a credit institution, a shareholders' association or another person or institution equivalent to them pursuant to the regulations of the German Stock Corporation Act, the granting of the power of attorney, its amendment, its revocation and the proof of authorisation vis-à-vis the Company must be in writing in order to be valid. For granting power of attorney, shareholders may use the power-of-attorney form which is printed on the admission ticket and which is available on the Internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**. However, it is also possible to issue a separate power of attorney in writing. The granting of the power of attorney, its amendment, its revocation and the proof of authorisation must be sent to us at the address: HeidelbergCement AG, c/o Computershare Operations Center, 80249 München, Germany, or via e-mail to the e-mail address: anmeldestelle@computershare.de. For this purpose, on the day of the Annual General Meeting, the entrance and exit control to the meeting in the SNP dome, Carl-Friedrich-Gauß-Ring 16, 69124 Heidelberg, will also be available from 0900 hrs (CEST). Alternatively, registered shareholders may also grant or revoke their powers of attorney, at the latest, by 10 May 2023, 2400 hrs (CEST) via the password-protected InvestorPortal. In such a case, it is not necessary to send anything to the Company in writing.

Credit institutions, shareholders' associations and persons equivalent to them pursuant to section 135 paras. 8 and 10 of the German Stock Corporation Act that offer proxy voting services to shareholders as part of their regular business activities, may set forth deviating conditions with respect to the process of their own authorisation. Shareholders are asked to agree with these persons or institutions on the form of such authorisation in advance.

Voting by proxies of the Company

The Company additionally offers its shareholders the option of being represented at the Annual General Meeting in accordance with their instructions by proxies nominated by the Company. A power-of-attorney and instruction form to authorise a proxy nominated by the Company is printed on the admission ticket and is available on the Internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**. If proxies of the Company are granted authorisation, instructions for exercising the voting right must be issued in each case. The proxies of the Company are obliged to vote in accordance with the instructions. Please note that proxies of the Company will not accept instructions to speak, to object to Annual General Meeting resolutions or to ask questions or make requests and that the proxies are available only for voting on proposed resolutions presented together with the invitation or later-announced proposals by the Managing Board and/or Supervisory Board pursuant to section 124 para. 3 of the German Stock Corporation Act or by shareholders pursuant to sections 124 para. 1, 122 para. 2 of the German Stock Corporation Act or which are made accessible in accordance with sections 126, 127 of the German Stock Corporation Act.

Powers of attorney for the proxies giving explicit instructions, and using the forms designated for this purpose, must be received by the Company, at the latest, on 10 May 2023, 2400 hrs (CEST) at the address: HeidelbergCement AG, c/o Computershare Operations Center, 80249 München, Germany or by e-mail to the e-mail address: anmeldestelle@computershare.de or in the InvestorPortal. Powers of attorney and instructions that are given to the proxies of the Company can be amended or revoked, at the latest, by 10 May 2023, 2400 hrs (CEST) in writing to the above-mentioned address or by e-mail to the above-mentioned e-mail address or in the InvestorPortal. In all cases, the date of receipt by the Company shall be decisive.

On the day of the Annual General Meeting, powers of attorney and instructions to the proxies of the Company can be given, amended or revoked from 0900 hrs (CEST) on at the entrance and exit control to the meeting in the SNP dome, Carl-Friedrich-Gauß-Ring 16, 69124 Heidelberg.

Instructions to proxies in respect of agenda item 2 in this invitation will also apply should the proposal for the appropriation of balance sheet profit be amended on account of a change in the number of shares entitled to dividends.

Absentee voting process

Shareholders not wanting to attend the Annual General Meeting personally and not wanting to appoint a proxy to vote on their behalf at the Annual General Meeting shall be entitled to cast their votes in writing or by e-mail by way of absentee voting, provided they have duly registered. This can be done using the form printed on the admission ticket or a corresponding form which is available online at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**. Registered shareholders also have the option of casting their votes by way of electronic absentee voting via the InvestorPortal.

We kindly ask our shareholders to note that absentee voting is only possible for proposed resolutions presented together with the invitation or later-announced proposals by the Managing Board and/or Supervisory Board pursuant to section 124 para. 3 of the German Stock Corporation Act or by shareholders pursuant to sections 124 para. 1, 122 para. 2 of the German Stock Corporation Act or which are made accessible in accordance with sections 126, 127 of the German Stock Corporation Act.

The votes cast by way of absentee voting have to use the forms designated for this purpose and must be received by the Company, at the latest, on 10 May 2023, 2400 hrs (CEST) at the address: HeidelbergCement AG, c/o Computershare Operations Center, 80249 München, Germany, or by e-mail to the e-mail address: anmeldestelle@computershare.de or in the InvestorPortal. The votes cast by way of absentee voting may be amended or revoked by this date and time at the latest in writing to the above-mentioned address or by e-mail to the above-mentioned e-mail address or in the InvestorPortal. In all cases, the date of receipt by the Company shall be decisive.

Even after submission of an absentee vote, shareholders retain the right to take part in the meeting personally or by proxy, in which case the absentee vote is automatically deemed to be revoked. If several absentee votes and/or several powers of attorney and instructions to the proxies that are not revoked are received, the declaration that was last received is binding. If declarations that differ from one another are received on different transmission channels and it is not apparent which was issued last, the declarations will be taken into account in the following transmission channel order: (i) InvestorPortal, (ii) e-mail, (iii) in writing by post.

Absentee votes in respect of agenda item 2 in this invitation will also apply should the proposal for the appropriation of balance sheet profit be amended on account of a change in the number of shares entitled to dividends.

Shareholders should be aware that the exercise of certain participatory rights (such as the right to submit questions or motions and make statements) by absentee vote is not possible.

Authorised credit institutions, shareholders' associations and persons equivalent to them pursuant to section 135 paras. 8 and 10 of the German Stock Corporation Act that offer proxy voting services to shareholders as part of their regular business activities may also make use of absentee voting.

Transmission of the Annual General Meeting

There will be a live video and audio transmission of the entire Annual General Meeting for duly registered shareholders or their proxies via the password-protected InvestorPortal, which will be available at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**, from 1000 hrs (CEST) on 11 May 2023. Shareholders or their proxies may access the InvestorPortal and therefore follow the Annual General Meeting by entering the access data printed on their admission ticket. Following the Annual General Meeting on the Internet via the InvestorPortal does not constitute attendance of the Annual General Meeting in the sense of section 118 para. 1 sentence 2 of the German Stock Corporation Act.

Rights of the shareholders pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 of the German Stock Corporation Act

Amendment to the agenda pursuant to section 122 para. 2 of the German Stock Corporation Act

In accordance with section 122 para. 2 of the German Stock Corporation Act shareholders with shares corresponding to a part of the share capital equal to €500,000 – i.e. 166,667 shares – can request that items be added to the agenda and announced. Each new item must be accompanied by a statement of reasons or a proposal. The request is to be sent in writing to the Managing Board of the Company and must reach the Company no later than 30 days before the meeting, not counting the date of receipt. The last possible date of receipt is therefore 10 April 2023, 2400 hrs (CEST). Please send any such requests to the following address: HeidelbergCement AG, Vorstand, Berliner Strasse 6, 69120 Heidelberg, Germany. Further details as to the requirements for exercise of said right and its limits may be viewed at **www.heidelbergmaterials.com/en/annual-general-meeting-2023** under the heading “Information pursuant to section 121 para. 3 sentence 3 no. 3 of the German Stock Corporation Act regarding shareholders’ rights”.

Motions and election proposals of shareholders pursuant to sections 126 para. 1, 127 of the German Stock Corporation Act

In accordance with section 126 of the German Stock Corporation Act, all motions by shareholders regarding agenda items, including the reasons in support thereof, or proposals by shareholders for the election of auditors in accordance with section 127 of the German Stock Corporation Act, received by us at our address: HeidelbergCement AG, Abt. GLC, Berliner Strasse 6, 69120 Heidelberg, Germany, or by e-mail to the e-mail address: antrag-hv@heidelbergmaterials.com at least 14 days before the Annual General Meeting, whereby the day of receipt shall not be counted, i.e. by 2400 hrs (CEST) on 26 April 2023, and required to be disclosed will be published without undue delay after receipt at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**. Any responses from the management will likewise be published at the aforementioned Internet address. Further details as to the requirements for exercise of the rights and their limits are to be found there under the heading “Information pursuant to section 121 para. 3 sentence 3 no. 3 of the German Stock Corporation Act regarding shareholders’ rights”.

Shareholders’ rights to information pursuant to section 131 para. 1 of the German Stock Corporation Act

To the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda, each shareholder shall upon request be provided with information at the Annual General Meeting by the Managing Board regarding the Company’s affairs, including legal and business relations with affiliated companies and the situation of the Group and the companies that are included in the consolidated financial statements, pursuant to section 131 para. 1 of the German Stock Corporation Act. As a general principle, requests for information at the Annual General Meeting are to be made verbally during the general debate. The information provided shall comply with the principles of proper and genuine accountability. The Managing Board may refuse to provide information if the conditions set forth in section 131 para. 3 of the German Stock Corporation Act are met.

Pursuant to article 18 para. 2 sentence 3 of the Articles of Association, the chair of the meeting may impose appropriate limits on the speaking time, the question time or the total speaking and question time for the whole Annual General Meeting, for individual items on the agenda and for individual speakers, at the beginning or during the course of the Annual General Meeting and, as far as it is necessary for proper running of the Annual General Meeting, bring the debate to a close.

Further details as to the requirements for exercise of said right and its limits may be viewed at **www.heidelbergmaterials.com/en/annual-general-meeting-2023** under the heading “Information pursuant to section 121 para. 3 sentence 3 no. 3 of the German Stock Corporation Act regarding shareholders’ rights”.

Publications on the Company’s website

The publications and explanations specified in section 124a of the German Stock Corporation Act are to be found at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

Notice of the aggregate number of shares and voting rights

At the time of the invitation to the Annual General Meeting, 186,185,619 no-par value shares out of the total of 193,091,900 no-par value shares of the Company issued are entitled to attend and vote. Each share entitled to attend shall carry one vote at the Annual General Meeting. At the time of the invitation to the meeting, the Company holds 6,906,281 treasury shares, which are not entitled to dividends pursuant to section 71b of the German Stock Corporation Act. There are no different classes of shares.

Information on data protection for shareholders of HeidelbergCement AG

In the EU General Data Protection Regulation, transparency regarding data processing plays a key role. The security of your personal data and protection of your privacy are also our top priority. You can find information on the processing of your personal data by HeidelbergCement AG and your rights granted by the data protection law on the Internet at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

Heidelberg, March 2023

HeidelbergCement AG
The Managing Board

Information pursuant to the Implementing Regulation (EU) 2018 / 1212 for the notification pursuant to section 125 of the German Stock Corporation Act by HeidelbergCement AG

A. Specification of the message	
1. Unique identifier of the event	2023 Annual General Meeting of HeidelbergCement AG a59b0d73d6bced118143005056888925
2. Type of message	NEWM
B. Specification of the issuer	
1. ISIN	DE0006047004
2. Name of issuer	HeidelbergCement AG
C. Specification of the Annual General Meeting	
1. Date of the Annual General Meeting	11 May 2023 (20230511)
2. Time of the Annual General Meeting	1000 hrs CEST (0800 hrs UTC)
3. Type of Annual General Meeting	GMET
4. Location of the Annual General Meeting	Location of the Annual General Meeting with physical presence of shareholders: SNP dome, Carl-Friedrich-Gauß-Ring 16 69124 Heidelberg, Germany URL for video and audio transmission via internet: **www.heidelbergmaterials.com/en/annual-general-meeting-2023**
5. Record Date	19 April 2023 (20230419)
6. Uniform Resource Locator (URL)	**www.heidelbergmaterials.com/en/annual-general-meeting-2023**

Further information on the invitation to the Annual General Meeting (blocks D to F of Table 3 of the Annex to Implementing Regulation (EU) 2018 / 1212: participation in the Annual General Meeting (block D), agenda (block E) and indication of deadlines for exercising other shareholder rights (block F) can be found on the following website: **www.heidelbergmaterials.com/en/annual-general-meeting-2023**

Location

SNP dome
Carl-Friedrich-Gauß-Ring 16
69124 Heidelberg, Germany

Directions to the Annual General Meeting are available online at **www.heidelbergmaterials.com/en/annual-general-meeting-2023**.

Contact

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Imprint

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René Aldach
Kevin Gluskie
Hakan Gurdal
Ernest Jelito
Dr Nicola Kimm
Dennis Lentz
Jon Morrish
Chris Ward

Chairman of the Supervisory Board
Dr Bernd Scheifele

HeidelbergCement AG
Berliner Strasse 6
69120 Heidelberg, Germany
www.heidelbergmaterials.com

The Company has its registered office in Heidelberg, Germany.

It is registered with the Commercial Register at the Local Court of Mannheim (Amtsgericht Mannheim) under HRB 330082

This is a convenience translation of the German invitation to the Annual General Meeting. Only the German version of this document is legally binding.