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# ÅRSREDOVISNING FÖR

# Heidelberg Materials Sweden AB

**556000-6057**

## RÄKENSKAPSÅR

## 2022-01-01 -- 2022-12-31

*Undertecknad ledamot av styrelsen intygar härmed att med denna avskrift likatydande resultat- och balansräkningar blivit på ordinarie årsstämma den 27 juni 2023 fastställd.*
*Stämman beslöt att disponera vinstmedlen i enlighet med styrelsens och verkställande direktörens förslag.*

*Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.*

Jan Gånge
Styrelseledamot

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# Årsredovisning

för

# Heidelberg Materials Sweden AB

556000-6057

Räkenskapsåret

2022–01–01 – 2022–12–31

**Innehållsförteckning**


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Styrelsens säte: Stockholms län, Stockholm kommun
Företagets redovisningsvaluta: Svenska kronor (SEK)
Alla belopp redovisas, om inte annat anges, i tusentals kronor (tkr).

**Kopian överstämmelse med originalet intygas:**


Kerstin Nes
Heidelberg Materials Sweden AB
Tel 0708233910

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Styrelsen och verkställande direktören för Heidelberg Materials Sweden AB avger följande årsredovisning för räkenskapsåret 2022–01–01 – 2022–12–31.

# Förvaltningsberättelse

## Information om verksamheten

Verksamheten i Heidelberg Materials Sweden AB består huvudsakligen i förvaltning av aktier i rörelsedrivande dotterföretag samt tillhandahållande av koncerngemensamma tjänster från ett Shared Service Center. Dotterbolagens verksamhet omfattar tillverkning av cement, fabriksbetong, betongelement och ballast.

## Väsentliga händelser under räkenskapsåret

En fastighetsaffär har genomförts i första steget genom förvärv av interna och externa bolag och sedan försäljning till extern part. Se not 6.

Under året har bolaget bytt namn från HeidelbergCement Sweden AB till Heidelberg Materials Sweden AB.

## Väsentliga händelser efter räkenskapsårets slut

I början av 2023 har HeidelbergCement Miljö AB, org nr. 556513-6255, fusionerats med Heidelberg Materials Sweden AB. Fusionsdatum var 2023-01-17. Fusionen påverkar ej övrig verksamhet i bolaget.

## Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Ledningen har bedömt effekten av invasionen av Ukraina för bolaget. I denna bedömning har ledningen beaktat följande områden: ekonomiska sanktioner, finansiell rapportering, cybersäkerhet och frågan om fortsatt drift. Slutsatsen av denna bedömning är att invasionen inte anses ha någon direkt inverkan på bolagets verksamhet.
Indirekt påverkas bolagets dotterbolag av ökade energipriser, ökad inflation och valutafluktuationer.

## Forskning och utveckling

Bolaget bedriver ingen aktiv verksamhet inom forskning och utveckling.

## Hållbarhetsrapport

Företaget upprättar enligt 7 kap 31 a§ inte någon lagstadgad hållbarhetsrapport. Moderföretaget Heidelberg Materials AG, org nr HRB 82 med säte i Heidelberg, Tyskland, upprättar hållbarhetsrapport för koncernen där företaget ingår. Koncernens hållbarhetsrapport finns tillgänglig på Heidelberg Materials Groups hemsida, www.heidelbergmaterials.com.

## Ägarförhållanden

Heidelberg Materials Sweden AB är ett helägt dotterbolag till Heidelberg Materials Northern Europe AB, org.nr 556567-9601, med säte i Stockholm, och ingår i Heidelberg Materials AG-koncernen, org.nr HRB 82, med säte i Heidelberg, Tyskland.

| **Flerårsöversikt** (Tkr) | **2022** | **2021** | **2020** | **2019** |
|---|---|---|---|---|
| Nettoomsättning | 161 863 | 151 593 | 148 565 | 142 915 |
| Rörelseresultat | -171 480 | -111 820 | -92 503 | -90 917 |
| Resultat efter finansiella poster | 120 448 | 18 877 | 42 301 | 173 418 |
| Eget kapital | 2 726 698 | 2 424 856 | 2 279 289 | 2 135 651 |
| Obeskattade reserver | 175 | 590 | 235 | 800 |
| Balansomslutning | 3 607 485 | 3 667 588 | 3 411 425 | 3 145 510 |
| Soliditet (%) | 75,6 | 66,1 | 66,8 | 67,9 |
| Medeltal anställda | 128 | 105 | 105 | 96 |

För definition av nyckeltal, se redovisningsprinciper.

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## Förändringar i eget kapital

| | Aktie-kapital | Balanserat resultat | Årets resultat | Totalt |
|---|---|---|---|---|
| Belopp vid årets ingång | 1 339 566 725 | 939 721 656 | 145 566 833 | **2 424 855 214** |
| Överföring resultat föregående år | | 145 566 833 | -145 566 833 | **0** |
| Årets resultat | | | 301 843 463 | **301 843 463** |
| **Belopp vid årets utgång** | **1 339 566 725** | **1 085 288 489** | **301 843 463** | **2 726 698 677** |

## Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

| | |
|---|---|
| balanserad vinst | 1 085 288 491 |
| årets vinst | 301 843 463 |
| | **1 387 131 954** |
| | |
| disponeras så att | |
| i ny räkning överföres | 1 387 131 954 |

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# Resultaträkning

Tkr

| | Not | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|---|
| Nettoomsättning | | 161 863 | 151 593 |
| Övriga rörelseintäkter | | 20 312 | 11 622 |
| | | **182 175** | **163 215** |
| **Rörelsens kostnader** | | | |
| Övriga externa kostnader | 1, 2 | -148 014 | -118 040 |
| Personalkostnader | 3 | -202 862 | -155 544 |
| Avskrivningar av materiella anläggningstillgångar | | -1 474 | -1 451 |
| Övriga rörelsekostnader | | -1 305 | - |
| | | **-353 655** | **-275 035** |
| **Rörelseresultat** | 4 | **-171 480** | **-111 820** |
| **Resultat från finansiella poster** | | | |
| Resultat från andelar i koncernföretag | 5 | 78 176 | 137 441 |
| Resultat från övriga företag som det finns ett ägarintresse i | | 54 | - |
| Övriga ränteintäkter och liknande resultatposter | 6 | 220 404 | 209 |
| Räntekostnader och liknande resultatposter | 7 | -6 706 | -6 953 |
| | | **291 928** | **130 697** |
| **Resultat efter finansiella poster** | | **120 448** | **18 877** |
| Bokslutsdispositioner | 8 | 415 | -354 |
| Koncernbidrag, erhållna | | 621 030 | 793 500 |
| Koncernbidrag, lämnade | | -439 200 | -663 573 |
| **Resultat före skatt** | | **302 693** | **148 450** |
| Skatt på årets resultat | 9 | -850 | -2 883 |
| **Årets resultat** | | **301 843** | **145 567** |

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# Balansräkning

Tkr

| | Not | 2022-12-31 | 2021-12-31 |
|---|---|---|---|
| **TILLGÅNGAR** | | | |
| **Anläggningstillgångar** | | | |
| ***Immateriella anläggningstillgångar*** | | | |
| Koncessioner, patent, licenser, varumärken samt liknande rättigheter | 10 | 2 646 | 3 419 |
| ***Materiella anläggningstillgångar*** | | | |
| Inventarier, verktyg och installationer | 11 | - | - |
| Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar | 12 | - | 701 |
| | | **-** | **701** |
| ***Finansiella anläggningstillgångar*** | | | |
| Andelar i koncernföretag | 13, 14 | 2 851 325 | 2 852 228 |
| Andra långfristiga värdepappersinnehav | 15 | 9 | 9 |
| Uppskjuten skattefordran | | - | 53 |
| Andra långfristiga fordringar | 16 | - | 200 |
| | | **2 851 334** | **2 852 490** |
| **Summa anläggningstillgångar** | | **2 853 980** | **2 856 610** |
| **Omsättningstillgångar** | | | |
| ***Kortfristiga fordringar*** | | | |
| Fordringar hos koncernföretag | | 620 954 | 793 904 |
| Övriga fordringar | | 128 192 | 5 878 |
| Förutbetalda kostnader och upplupna intäkter | 17 | 4 359 | 11 196 |
| | | **753 505** | **810 978** |
| **Summa omsättningstillgångar** | | **753 505** | **810 978** |
| **SUMMA TILLGÅNGAR** | | **3 607 485** | **3 667 588** |

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# Balansräkning

Tkr

| | Not | 2022-12-31 | 2021-12-31 |
|---|---|---|---|
| **EGET KAPITAL OCH SKULDER** | | | |
| **Eget kapital** | 18, 19 | | |
| ***Bundet eget kapital*** | | | |
| Aktiekapital | | 1 339 567 | 1 339 567 |
| ***Fritt eget kapital*** | | | |
| Balanserad vinst | | 1 085 288 | 939 722 |
| Årets resultat | | 301 843 | 145 567 |
| | | **1 387 131** | **1 085 289** |
| **Summa eget kapital** | | **2 726 698** | **2 424 856** |
| **Obeskattade reserver** | 20 | 175 | 590 |
| **Avsättningar** | 21 | | |
| Avsatt för pensioner och likande förpliktelser enligt tryggandelagen | | 136 164 | 113 603 |
| **Kortfristiga skulder** | | | |
| Leverantörsskulder | | 25 620 | 13 851 |
| Skulder till koncernföretag | | 662 937 | 1 070 575 |
| Aktuella skatteskulder | | 4 697 | 746 |
| Övriga skulder | | 5 759 | 1 807 |
| Upplupna kostnader och förutbetalda intäkter | 22 | 45 435 | 41 560 |
| **Summa kortfristiga skulder** | | **744 448** | **1 128 539** |
| **SUMMA EGET KAPITAL OCH SKULDER** | | **3 607 485** | **3 667 588** |

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# Kassaflödesanalys

Tkr

| | Not | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|---|
| **Den löpande verksamheten** | | | |
| Resultat efter finansiella poster | | 120 448 | 18 877 |
| Justeringar för poster som inte ingår i kassaflödet | 23 | -169 402 | -132 629 |
| Betald skatt | | 3 155 | -712 |
| **Kassaflöde från den löpande verksamheten före förändring av rörelsekapital** | | **-45 799** | **-114 464** |
| **Kassaflöde från förändring av rörelsekapitalet** | | | |
| Förändring av kortfristiga fordringar | | -114 997 | 49 381 |
| Förändring av kortfristiga skulder | | -163 670 | -173 782 |
| **Kassaflöde från den löpande verksamheten** | | **-324 466** | **-238 865** |
| **Investeringsverksamheten** | | | |
| Avyttring av dotterbolag | | 115 461 | -191 |
| Erhållen utdelning från dotterbolag | | 79 078 | 137 441 |
| **Kassaflöde från investeringsverksamheten** | | **194 539** | **137 250** |
| **Finansieringsverksamheten** | | | |
| Erhållna (lämnade) koncernbidrag | | 129 927 | 101 615 |
| **Likvida medel vid årets slut** | | **0** | **0** |

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# Noter

Tkr

## Tilläggsupplysningar

## Redovisnings- och värderingsprinciper

**Allmänna redovisningsprinciper**
Årsredovisningen har upprättats enligt årsredovisningslagen (1995:1554) och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

**Koncerntillhörighet**
Närmast överordnade moderföretag som upprättar koncernredovisning i vilken företaget ingår, är Heidelberg Materials AG (org.nr. HRB 82) med säte i Heidelberg, Tyskland. Tillika moderföretag för hela koncernen.

**Koncernredovisning**
Företaget är ett moderföretag men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i Årsredovisningslagen 7 kap. 2 §.

**Intäktsredovisning**
Intäkter redovisas till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen.

Ersättning i form av ränta, royalty eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett tillförlitligt sätt.

Ränta redovisas som intäkt enligt den så kallade effektivräntemetoden. Royalty periodiseras i enlighet med den aktuella överenskommelsens ekonomiska innebörd. Utdelning redovisas som intäkt när företagets rätt till betalning är säkerställd.

**Redovisning av leasingavtal**
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

**Nyckeltalsdefinitioner**

*Justerat eget kapital*
Eget kapital med tillägg för obeskattade reserver som reducerats med uppskjuten skatt.

*Soliditet (%)*
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Upprättandet av bokslut och tillämpning av redovisningsprinciper, baseras ofta på ledningens bedömningar, uppskattningar och antaganden som anses vara rimliga vid den tidpunkt då bedömningen görs. Uppskattningar och bedömningar är baserade på historiska erfarenheter och ett antal andra faktorer, som under rådande omständigheter anses vara rimliga. Resultatet av dessa används för att

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bedöma de redovisade värdena på tillgångar och skulder, som inte annars framgår tydligt från andra källor. Det verkliga utfallet kan avvika från dessa uppskattningar och bedömningar. Uppskattningar och antaganden ses över regelbundet.

Inga väsentliga källor till osäkerhet i uppskattningar och antaganden på balansdagen bedöms kunna innebära en betydande risk för en väsentlig justering av redovisade värden för tillgångar och skulder under nästa räkenskapsår.

## Not 1 Leasingavtal

Årets leasingkostnader avseende leasingavtal, uppgår till 18 162 tkr (18 187 tkr).

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

| | **2022-01-01 -2022-12-31** | **2021-01-01 -2021-12-31** |
|---|---|---|
| Inom ett år | 13 221 | 7 442 |
| Senare än ett år men inom tre år | 18 782 | 2 829 |
| | **32 003** | **10 271** |

Företaget har inte ingått några väsentliga leasingavtal som redovisas som operationella leasingavtal.

## Not 2 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

| | **2022-01-01 -2022-12-31** | **2021-01-01 -2021-12-31** |
|---|---|---|
| **PwC** | | |
| Revisionsuppdrag | 5 058 | 5 482 |
| | **5 058** | **5 482** |

Ovan visas totalt fakturerat revisionsarvode till bolaget. Det egna faktiska revisionsarvodet uppgår till 143 tkr. Beloppet ovan är högre på grund av att bolaget faktureras för revisionsarvode som avser flera dotterbolag samt koncernen.

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## Not 3 Anställda och personalkostnader

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| **Medelantalet anställda** | | |
| Kvinnor | 73 | 62 |
| Män | 55 | 43 |
| | **128** | **105** |
| **Löner och andra ersättningar** | | |
| Styrelse och verkställande direktör | - | - |
| Tantiem och rörlig ersättning till styrelse och verkställande direktör | 949 | 893 |
| Övriga anställda | 110 905 | 98 002 |
| | **111 854** | **98 895** |
| **Sociala kostnader** | | |
| Pensionskostnader för styrelse och verkställande direktör | 416 | 413 |
| Pensionskostnader för övriga anställda | 46 796 | 15 421 |
| Övriga sociala avgifter enligt lag och avtal | 37 325 | 30 892 |
| | **84 537** | **46 726** |
| **Totala löner, ersättningar, sociala kostnader och pensionskostnader** | **196 391** | **145 621** |

Arvode har under året utgått till styrelsen med 0 tkr (0 tkr).

| | | |
|---|---|---|
| **Könsfördelning bland ledande befattningshavare** | | |
| Andel kvinnor i styrelsen | 0 % | 0 % |
| Andel män i styrelsen | 100 % | 100 % |
| Andel kvinnor bland övriga ledande befattningshavare | 20 % | 20 % |
| Andel män bland övriga ledande befattningshavare | 80 % | 80 % |

**Avtal om avgångsvederlag**
Något avgångsvederlag finns ej avtalat för verkställande direktören. Pensionsåldern för verkställande direktören är 60 år. Uppsägningstiden från företages sida är 24 månader och från verkställande direktörens sida 6 månader. Arbetsplikt råder under uppsägningstiden. Bolagets verkställande direktör avlönas från Heidelberg Materials Norway AS.

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## Not 4 Inköp och försäljning mellan koncernföretag

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| Andel av årets totala inköp som skett från andra företag i koncernen | 41,38 % | 51,36 % |
| Andel av årets totala försäljning som skett från andra företag i koncernen | 95,31 % | 97,23 % |

## Not 5 Resultat från andelar i koncernföretag

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| Nedskrivningar | -902 | - |
| Utdelningar | 79 078 | 137 441 |
| | **78 176** | **137 441** |

## Not 6 Övriga ränteintäkter och liknande resultatposter

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| Övriga ränteintäkter | 8 | 209 |
| Resultat vid försäljningar | 220 396 | - |
| | **220 404** | **209** |

## Not 7 Räntekostnader och liknande resultatposter

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| Räntekostnader PRI | -3 581 | -4 236 |
| Bankgarantikostnader | -293 | -613 |
| Räntekostnader till koncernföretag | -2 656 | -1 893 |
| Övriga räntekostnader | -176 | -211 |
| | **-6 706** | **-6 953** |

## Not 8 Bokslutsdispositioner

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| Avskrivningar över plan - maskiner | 415 | -354 |
| | **415** | **-354** |

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## Not 9 Aktuell och uppskjuten skatt

| | 2022-01-01 -2022-12-31 | 2021-01-01 -2021-12-31 |
|---|---|---|
| **Skatt på årets resultat** | | |
| Aktuell skatt | -998 | -2 341 |
| Justering avseende tidigare år | 202 | -534 |
| Förändring av uppskjuten skatt avseende temporära skillnader | -54 | -8 |
| **Totalt redovisad skatt** | **-850** | **-2 883** |

**Avstämning av effektiv skatt**

| | | 2022-01-01 -2022-12-31 | | 2021-01-01 -2021-12-31 |
|---|---|---|---|---|
| | **Procent** | **Belopp** | **Procent** | **Belopp** |
| Redovisat resultat före skatt | | 302 693 | | 148 450 |
| Skatt enligt gällande skattesats | 20,60 | -62 355 | 20,60 | -30 581 |
| Ej avdragsgilla kostnader | | -348 | | -73 |
| Ej skattepliktiga intäkter | | 61 705 | | 28 313 |
| Justering avseende skatter för föregående år | | 202 | | -534 |
| Övrigt | | -54 | | -8 |
| **Redovisad effektiv skatt** | **0,28** | **-850** | **1,94** | **-2 883** |

## Not 10 Licenser och Mjukvaror

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 5 482 | 2 822 |
| Inköp | 701 | 2 660 |
| **Utgående ackumulerade anskaffningsvärden** | **6 183** | **5 482** |
| Ingående avskrivningar | -2 063 | -612 |
| Årets avskrivningar | -1 474 | -1 451 |
| **Utgående ackumulerade avskrivningar** | **-3 537** | **-2 063** |
| **Utgående redovisat värde** | **2 646** | **3 419** |

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## Not 11 Inventarier, verktyg och installationer

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 19 081 | 19 081 |
| Försäljningar/utrangeringar | -16 559 | - |
| **Utgående ackumulerade anskaffningsvärden** | **2 522** | **19 081** |
| Ingående avskrivningar | -19 081 | -19 081 |
| Försäljningar/utrangeringar | 16 559 | - |
| **Utgående ackumulerade avskrivningar** | **-2 522** | **-19 081** |
| **Utgående redovisat värde** | **-** | **-** |

## Not 12 Pågående nyanläggningar och förskott avseende materiella anläggningar

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 701 | - |
| Inköp | - | 701 |
| Omklassificeringar | -701 | - |
| **Utgående ackumulerade anskaffningsvärden** | **-** | **701** |
| **Utgående redovisat värde** | **-** | **701** |

## Not 13 Andelar i koncernföretag

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 3 462 388 | 3 461 361 |
| Inköp | 500 | 1 027 |
| Försäljningar/utrangeringar | -501 | - |
| **Utgående ackumulerade anskaffningsvärden** | **3 462 387** | **3 462 388** |
| Ingående nedskrivningar | -610 160 | -610 160 |
| Årets nedskrivningar | -902 | - |
| **Utgående ackumulerade nedskrivningar** | **-611 062** | **-610 160** |
| **Utgående redovisat värde** | **2 851 325** | **2 852 228** |

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## Not 14 Specifikation andelar i koncernföretag

| Namn | Kapital-andel | Rösträtts-andel | Antal andelar | Bokfört värde |
|---|---|---|---|---|
| Heidelberg Materials Cement Sverige AB | 100 | 100 | 1 960 000 | 729 418 |
| Protenna AB | 75 | 75 | 405 450 | 108 411 |
| Heidelberg Materials Betong Sverige AB | 100 | 100 | 800 | 124 494 |
| Heidelberg Materials Ballast Sverige AB | 100 | 100 | 100 000 | 166 400 |
| AS Kunda Nordic Cement Corp. | 75 | 75 | 1 403 267 | 42 808 |
| HeidelbergCement Miljö AB | 100 | 100 | 1 000 | 18 802 |
| Fastighets AB Limhamns Kalkbrott | 100 | 100 | 1 000 | 51 |
| Nordic Precast Group AB | 60 | 60 | 137 856 700 | 1 660 737 |
| SSC Lithuania UAB | 100 | 100 | 2 500 | 49 |
| HC SSC Latvia SIA | 100 | 100 | 102 800 | 155 |
| | | | | **2 851 325** |

| | Org.nr | Säte |
|---|---|---|
| Heidelberg Materials Cement Sverige AB | 556013-5864 | Stockholm |
| Protenna AB | 556258-8813 | Malmö |
| Heidelberg Materials Betong Sverige AB | 556188-3892 | Stockholm |
| Heidelberg Materials Ballast Sverige AB | 556016-1183 | Stockholm |
| AS Kunda Nordic Cement Corp. | 10156772 | Kunda |
| HeidelbergCement Miljö AB | 556513-6255 | Örebro |
| Fastighets AB Limhamns Kalkbrott | 556246-1888 | Stockholm |
| Nordic Precast Group AB | 559005-4267 | Stockholm |
| SSC Lithuania UAB | 304315523 | Kaunas |
| HC SSC Latvia SIA | 40203200172 | Riga |

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## Not 15 Andra långfristiga värdepappersinnehav

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 9 | 9 |
| **Utgående ackumulerade anskaffningsvärden** | **9** | **9** |
| **Utgående redovisat värde** | **9** | **9** |

## Not 16 Andra långfristiga fordringar

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ingående anskaffningsvärden | 200 | 200 |
| Avgående fordringar | -200 | - |
| **Utgående ackumulerade anskaffningsvärden** | **-** | **200** |
| **Utgående redovisat värde** | **-** | **200** |

## Not 17 Förutbetalda kostnader och upplupna intäkter

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Förutbetalda hyreskostnader | 1 080 | 4 359 |
| Förutbetalda leasingavgifter | 502 | 346 |
| Övriga förutbetalda kostnader | 2 777 | 6 491 |
| | **4 359** | **11 196** |

## Not 18 Antal aktier och kvotvärde

| Namn | Antal aktier | Kvot-värde |
|---|---|---|
| Antal A-Aktier | 41 947 296 | 25 |
| Antal B-Aktier | 11 635 373 | 25 |
| | **53 582 669** | |

## Not 19 Disposition av vinst eller förlust

| | 2022-12-31 |
|---|---|
| **Förslag till vinstdisposition** | |
| Styrelsen föreslår att till förfogande stående vinstmedel: | |
| balanserad vinst | 1 085 288 |
| årets vinst | 301 843 |
| | **1 387 131** |
| disponeras så att | |
| i ny räkning överföres | 1 387 131 |

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## Not 20 Obeskattade reserver

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ackumulerade överavskrivningar på maskiner och inventarier | 175 | 590 |
| | **175** | **590** |

## Not 21 Avsättningar

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| **Pensioner och liknande förpliktelser** | | |
| Belopp vid årets ingång | 107 995 | 103 809 |
| Årets avsättningar | 22 735 | 4 186 |
| | **130 730** | **107 995** |
| | | |
| **Övriga avsättningar pensioner** | | |
| Belopp vid årets ingång | 2 129 | 2 334 |
| Årets avsättningar | - | -205 |
| Under året ianspråktagna belopp | -175 | - |
| | **1 954** | **2 129** |
| | | |
| **Avsättningar förpliktelser för ledande befattningshavare** | | |
| Belopp vid årets ingång | 3 479 | 2 371 |
| Årets avsättningar | 1 738 | 3 573 |
| Under året ianspråktagna belopp | -1 737 | -2 465 |
| | **3 480** | **3 479** |

## Not 22 Upplupna kostnader och förutbetalda intäkter

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Upplupna semesterlöner | 26 600 | 23 427 |
| Upplupen bonus | 12 449 | 11 401 |
| Övriga upplupna personalkostnader | 3 576 | 3 163 |
| Övriga upplupna kostnader | 2 810 | 3 569 |
| | **45 435** | **41 560** |

## Not 23 Justering för poster som inte ingår i kassaflödet

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Avskrivningar | 1 474 | 1 451 |
| Nedskrivning av andelar i dotterföretag | 902 | - |
| Nedskrivning av lån | 200 | - |
| Förändring i avsättningar | 22 561 | 5 089 |
| Erhållen utdelning | -79 078 | -137 441 |
| Erhållen köpeskilling vid försäljning av dotterbolag | -115 405 | - |
| Återbet aktiekaptial likviderat bolag | -56 | - |
| Övrigt | - | -1 728 |
| | **-169 402** | **-132 629** |

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## Not 24 Eventualförpliktelser

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| Ansvarighet till PRI | 2 615 | 2 160 |
| Faciliteter inom Heidelberg Materials Group | 447 | 7 029 |
| | **3 062** | **9 189** |

## Not 25 Ställda säkerheter

| | 2022-12-31 | 2021-12-31 |
|---|---|---|
| **För skulder till kreditinstitut:** | | |
| Bankgarantier | 1 869 | 1 869 |
| | **1 869** | **1 869** |

Stockholm, den 27 juni 2023

Jan Gånge
Ordförande

Peter Linderoth

Magnus Cosmo

Giv Brantenberg
Verkställande direktör

Vår revisionsberättelse har lämnats den 27 juni 2023

Öhrlings PricewaterhouseCoopers AB

Bo Lagerström
Auktoriserad revisor

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# Revisionsberättelse

Till bolagsstämman i Heidelberg Materials Sweden AB, org.nr 556000-6057

## Rapport om årsredovisningen

### Uttalanden

Vi har utfört en revision av årsredovisningen för Heidelberg Materials Sweden AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Heidelberg Materials Sweden ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för Heidelberg Materials Sweden AB.

### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Heidelberg Materials Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Heidelberg Materials Sweden AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

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## Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Heidelberg Materials Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

## Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

## Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

## Anmärkning

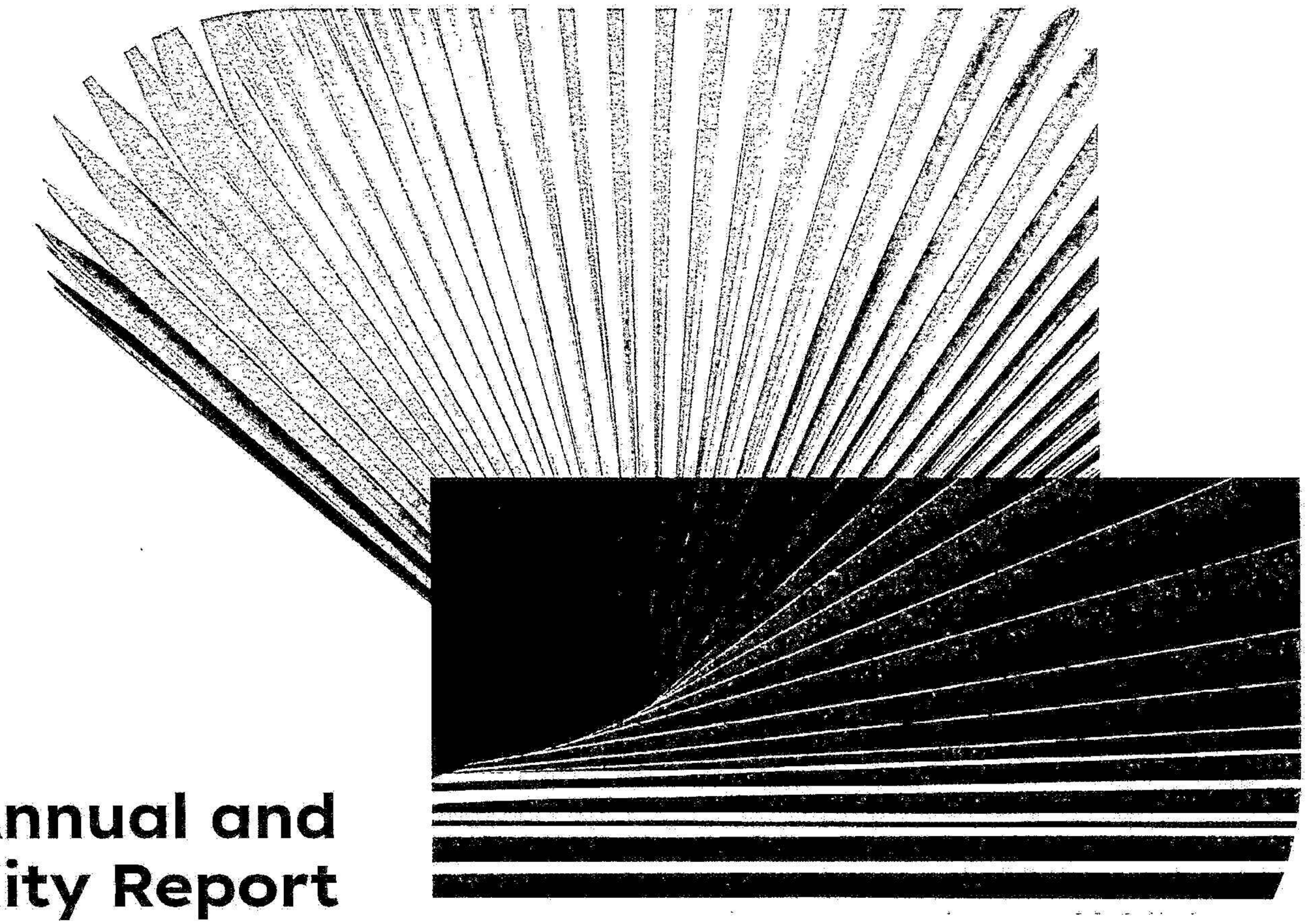
Utan att det påverkar våra uttalanden vill vi anmärka på att avdragen skatt, sociala avgifter och mervärdesskatt vid flera tillfällen inte betalats i rätt tid.

Stockholm den 27 juni 2023

Öhrlings PricewaterhouseCoopers AB

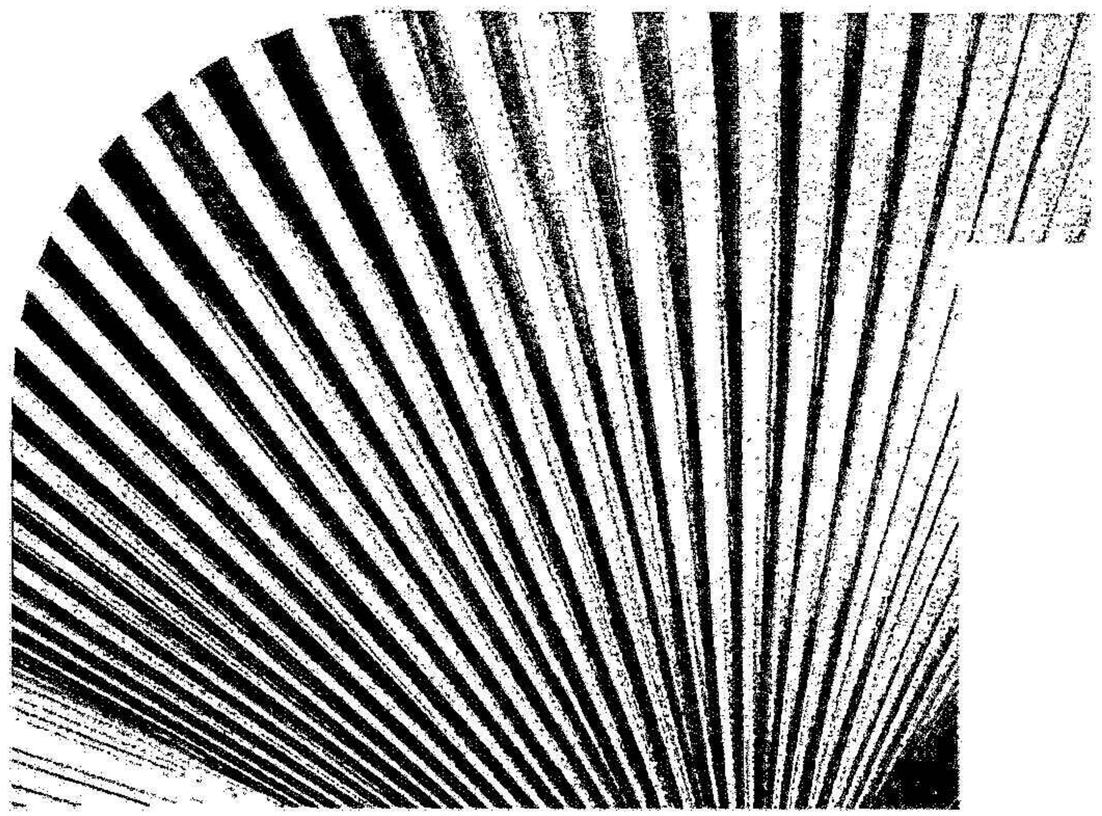
Bo Lagerström
Auktoriserad revisor

Heidelberg Materials



# Annual and Sustainability Report 2022

Heidelberg Materials



With our new and global corporate brand Heidelberg Materials, we are giving our transformation a face and an anchor. At the same time, we remain true to the "Heidelberg" in our name – a 150-year legacy synonymous with **reliability**, **down-to-earthness**, and **market leadership**. With "Materials," we look to the future – more than cement, sustainable, with a focus on the circular economy. A team that achieves the best results based on its global strength.

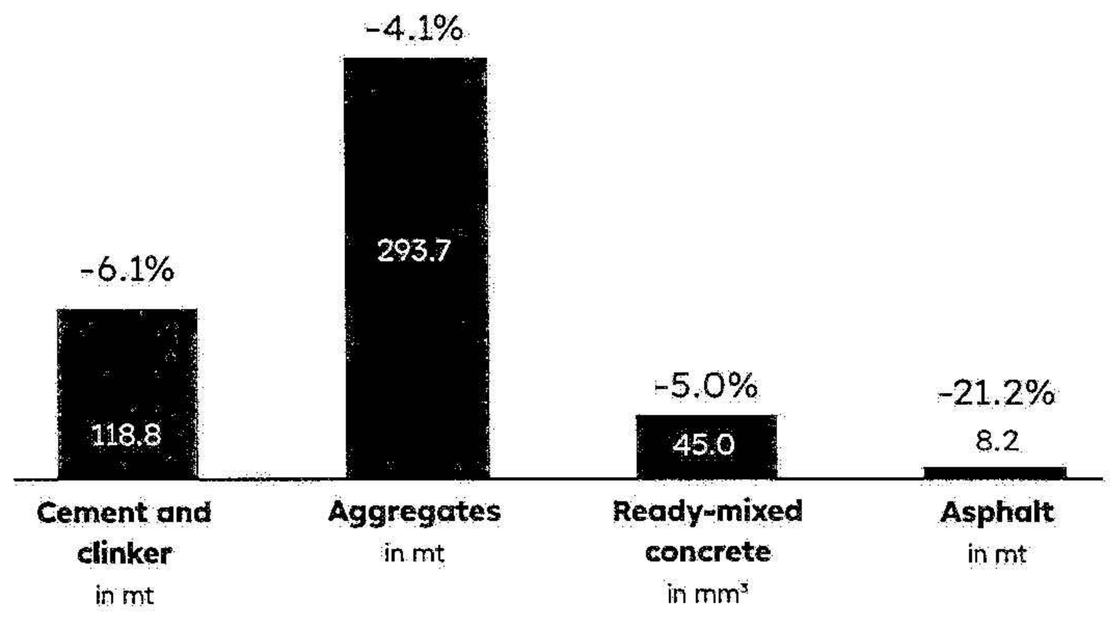
Let us therefore use our joint efforts to take a pioneering role in the **reduction of $CO_2$ emissions**. To drive the **circular economy** in the construction industry. To open up new opportunities for our customers through digitalisation. To evelop intelligent and sustainable building materials and to continue to grow profitably in the process.

It is therefore consistent to combine the **Annual Report and Sustainability Report** this year, giving you insight into both our financial development and our commitment to environmental, social and governance (ESG) matters. In the following chapters, we report on our activities in 2022, taking into account reporting standards such as GRI, HGB, IFRS, SASB, and TCFD.

# Our 2022 business year

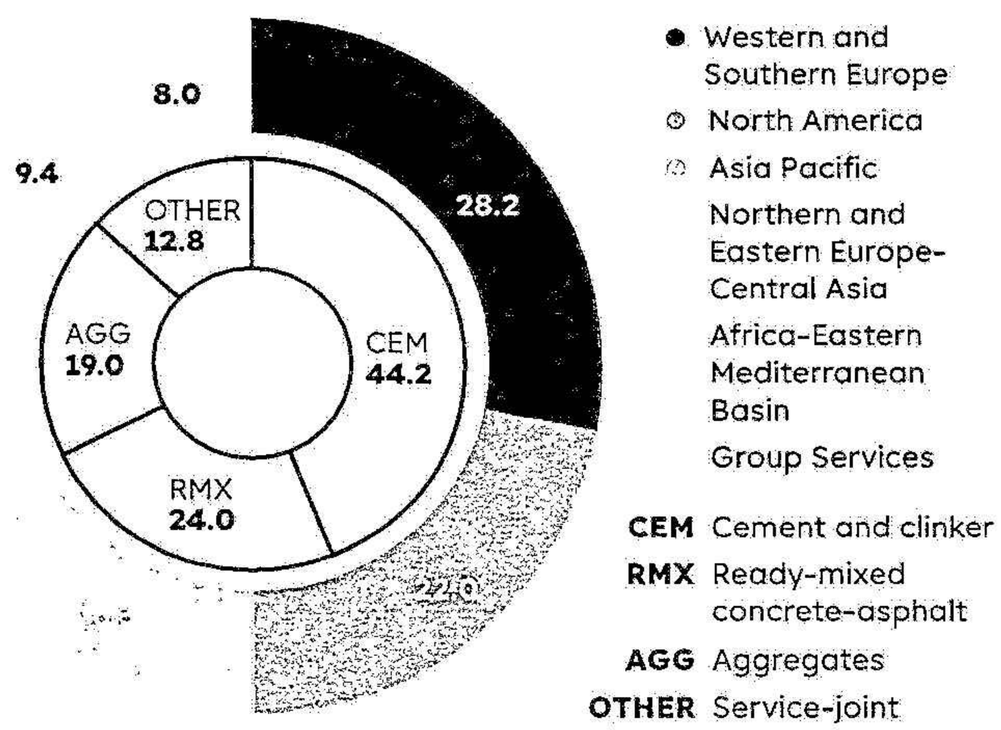
## Sales

Development of sales volumes




## Revenue by Group areas and business lines in %

Business trend in the Group areas




## $CO_2$ emissions -2.4%

Climate, energy, and emissions

551 kg specific net $CO_2$ emissions per tonne of cementitious material (scope 1)

## Carbon Capture, Utilisation, and Storage

Our CCUS project portfolio

**2024** Brevik CCS

Our carbon capture project in Norway will be the world's first industrial-scale CCUS project in a cement plant.

## Employees -429 FTE

Our employees

50,780 employees at around 3,000 locations in more than 50 countries.

## Revenue +12.7%

Earnings position

€21.1 bn

## RCO -5.3%

Earnings position

€2.5 bn

## Earnings per share

Us in the capital market

€8.45

## ROIC -0.2 percentage points

Consolidated balance sheet

9.1%

# Consolidated financial statements

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178 Group Notes

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## Consolidated income statement

| €m | Notes | 2021 | 2022 |
|---|---|---|---|
| **Revenue** | 7.1 | **18,719.9** | **21,095.1** |
| Change in finished goods and work in progress | | 66.8 | 274.4 |
| Own work capitalised | | 20.0 | 21.9 |
| **Operating revenue** | | **18,806.7** | **21,391.4** |
| Other operating income | 7.2 | 517.7 | 623.8 |
| Material costs | 7.3 | –7,305.4 | –8,961.3 |
| Personnel costs | 7.4 | –3,108.0 | –3,216.7 |
| Other operating expenses | 7.5 | –5,392.5 | –6,359.6 |
| Result from equity accounted investments (REI) | 7.6 | 356.1 | 261.8 |
| **Result from current operations before depreciation and amortisation (RCOBD)** | | **3,874.7** | **3,739.4** |
| Depreciation and amortisation | | –1,260.5 | –1,263.9 |
| **Result from current operations** | | **2,614.2** | **2,475.6** |
| Additional ordinary income | 7.7 | 775.1 | 124.9 |
| Additional ordinary expenses | 7.7 | –294.0 | –318.1 |
| **Additional ordinary result** | | **481.1** | **–193.2** |
| **Earnings before interest and taxes (EBIT)** | | **3,095.3** | **2,282.4** |
| Interest income | | 29.1 | 31.7 |
| Interest expenses | 7.8 | –220.8 | –151.2 |
| Foreign exchange gains and losses | | 9.8 | –98.7 |
| Result from other participations | | 28.9 | 12.6 |
| Other financial result | 7.9 | –48.3 | 140.3 |
| **Financial result** | | **–201.3** | **–65.3** |
| **Profit before tax from continuing operations** | | **2,893.9** | **2,217.1** |
| Income taxes | 7.10 | –946.7 | –485.0 |
| **Net income from continuing operations** | | **1,947.3** | **1,732.0** |
| Net loss from discontinued operations | 7.11 | –45.5 | –9.1 |
| **Profit for the financial year** | | **1,901.7** | **1,723.0** |
| Thereof attributable to non-controlling interests | | 142.8 | 126.4 |
| **Thereof attributable to HeidelbergCement AG shareholders** | | **1,759.0** | **1,596.6** |
| **Earnings per share – attributable to HeidelbergCement AG shareholders** | 7.12 | **8.91** | **8.45** |
| Earnings per share – continuing operations | | 9.15 | 8.49 |
| Loss per share – discontinued operations | | –0.23 | –0.05 |

## Consolidated statement of comprehensive income

| €m | 2021 | 2022 |
|---|---|---|
| **Profit for the financial year** | **1,901.7** | **1,723.0** |
| **Other comprehensive income** | | |
| **Items not being reclassified to profit or loss in subsequent periods** | | |
| Remeasurement of the defined benefit liability (asset) | 280.4 | 13.5 |
| Income taxes | –83.6 | –3.4 |
| **Defined benefit plans** | **196.8** | **10.0** |
| Net gains/losses arising from equity accounted investments | 6.1 | 9.8 |
| **Total** | **202.9** | **19.9** |
| **Items that maybe be reclassified subsequently to profit or loss** | | |
| Cash flow hedges – change in fair value | 33.8 | 162.7 |
| Reclassification adjustments for gains/losses included in profit or loss | –19.4 | –43.9 |
| Income taxes | –2.6 | –26.9 |
| **Cash flow hedges** | **11.8** | **92.0** |
| Currency translation | 1,070.9 | 127.1 |
| Reclassification adjustments for gains/losses included in profit or loss | –19.6 | 13.4 |
| **Currency translation** | **1,051.3** | **140.5** |
| Net gains/losses arising from equity accounted investments | 19.2 | –2.6 |
| **Total** | **1,082.3** | **229.8** |
| **Other comprehensive income** | **1,285.2** | **249.7** |
| **Total comprehensive income** | **3,187.0** | **1,972.7** |
| Thereof attributable to non-controlling interests | 197.3 | 99.6 |
| Thereof attributable to HeidelbergCement AG shareholders | 2,989.7 | 1,873.1 |

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## Consolidated statement of cash flows

| €m | Notes | 2021 | 2022 |
|---|---|---|---|
| Net income from continuing operations | | 1,947.3 | 1,732.0 |
| Income taxes | | 946.7 | 485.0 |
| Interest income/expenses | | 191.7 | 119.5 |
| Dividends received | 8.1 | 301.8 | 209.3 |
| Interest received | 8.2 | 75.0 | 272.5 |
| Interest paid | | –287.6 | –211.6 |
| Income taxes paid | | –747.3 | –359.9 |
| Depreciation, amortisation, and impairment | | 1,104.9 | 1,402.3 |
| Other eliminations | 8.3 | –607.4 | –168.0 |
| **Cash flow** | | **2,925.0** | **3,481.3** |
| Changes in operating assets | 8.4 | –650.5 | –900.0 |
| Changes in operating liabilities | 8.4 | 443.7 | 95.3 |
| **Changes in working capital** | | **–206.8** | **–804.7** |
| Decrease in provisions through cash payments | | –244.8 | –241.1 |
| **Cash flow from operating activities – continuing operations** | | **2,473.4** | **2,435.4** |
| Cash flow from operating activities – discontinued operations | | –77.4 | –15.2 |
| **Cash flow from operating activities** | | **2,396.0** | **2,420.2** |
| Intangible assets | | –27.2 | –35.1 |
| Property, plant and equipment | | –1,484.2 | –1,300.1 |
| Government grants | | 91.9 | 75.6 |
| Subsidiaries and other business units | | –144.8 | –63.5 |
| Other financial assets, associates, and joint ventures | | –35.0 | –487.8 |
| ***Investments (cash outflow)*** | 8.5 | **–1,599.3** | **–1,810.9** |
| Intangible assets | | 0.3 | 0.0 |
| Property, plant and equipment | | 183.8 | 144.8 |
| Subsidiaries and other business units | | 2,004.9 | 144.8 |
| Other financial assets, associates, and joint ventures | | 30.1 | 39.0 |
| **Divestments (cash inflow)** | 8.6 | **2,219.1** | **328.7** |
| **Cash flow from investing activities** | | **619.8** | **–1,482.2** |

## Consolidated statement of cash flows (Continued)

| €m | Notes | 2021 | 2022 |
|---|---|---|---|
| Capital repayment to non-controlling interests | | -0.5 | -1.7 |
| Dividend to HeidelbergCement AG shareholders | | -436.5 | -458.3 |
| Dividends to non-controlling interests | | -181.2 | -169.4 |
| Acquisition of treasury shares | 8.7 | -349.8 | -350.0 |
| Decrease in ownership interests in subsidiaries | 8.8 | 2.9 | 2.7 |
| Increase in ownership interests in subsidiaries | 8.8 | -102.5 | -78.4 |
| Proceeds from bond issuance and loans | | 1.7 | 1.9 |
| Repayment of bonds, loans and lease liabilities | 8.9 | -1,803.8 | -1,393.7 |
| Changes in short-term interest-bearing liabilities | 8.10 | 30.0 | -92.0 |
| **Cash flow from financing activities** | | **-2,839.7** | **-2,538.9** |
| Net change in cash and cash equivalents - continuing operations | | 253.4 | -1,585.7 |
| Net change in cash and cash equivalents – discontinued operations | | -77.4 | -15.2 |
| **Net change in cash and cash equivalents** | | **176.0** | **-1,600.9** |
| Effect of exchange rate changes | | 64.8 | -60.1 |
| Cash and cash equivalents at 1 January | | 2,874.3 | 3,115.1 |
| **Cash and cash equivalents at 31 December** | 8.12 | **3,115.1** | **1,454.1** |
| Reclassification of cash and cash equivalents according to IFRS 5 | | -0.0 | |
| Cash and cash equivalents presented in the balance sheet at 31 December | 8.12 | 3,115.1 | 1,454.1 |

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## Consolidated balance sheet – Assets

| €m | Notes | 31 Dec. 2021 | 31 Dec. 2022 |
|---|---|---|---|
| **Non-current assets** | | | |
| Goodwill | | 8,164.7 | 8,368.1 |
| Other intangible assets | | 206.9 | 209.3 |
| **Intangible assets** | 9.1 | **8,371.6** | **8,577.4** |
| Land and buildings | | 6,866.8 | 6,763.6 |
| Plant and machinery | | 4,511.6 | 4,354.0 |
| Other operating equipment | | 869.7 | 841.0 |
| Prepayments and assets under construction | | 1,382.7 | 1,701.9 |
| **Property, plant and equipment** | 9.2 | **13,630.8** | **13,660.4** |
| Investments in joint ventures | 7.6 | 1,281.1 | 1,743.2 |
| Investments in associates | 7.6 | 583.5 | 688.3 |
| Financial investments | 9.3 | 148.7 | 87.5 |
| Loans | | 92.9 | 156.2 |
| Derivative financial instruments | | 16.6 | 40.3 |
| Deferred taxes | 7.10 | 262.9 | 268.2 |
| Other non-current receivables and assets | 9.4 | 1,151.2 | 888.6 |
| Non-current income tax assets | | 29.0 | 26.7 |
| **Total non-current assets** | | **25,568.2** | **26,136.8** |
| **Current assets** | | | |
| Raw materials and consumables | | 1,112.1 | 1,330.9 |
| Work in progress | | 261.6 | 380.6 |
| Finished goods and goods for resale | | 819.7 | 931.4 |
| Prepayments | | 18.1 | 26.2 |
| **Inventories** | 9.5 | **2,211.4** | **2,669.2** |
| Current interest-bearing receivables | | 76.4 | 98.5 |
| Trade receivables | 9.6 | 1,837.3 | 2,040.0 |
| Other current receivables and assets | 9.4 | 534.5 | 602.1 |
| Current income tax assets | | 147.5 | 121.9 |
| Current derivative financial instruments | | 95.2 | 83.3 |
| Cash and cash equivalents | 8.12 | 3,115.1 | 1,454.1 |
| **Total current assets** | | **8,017.3** | **7,069.2** |
| Assets held for sale | 7.11 | 125.4 | 49.6 |
| **Balance sheet total** | | **33,710.9** | **33,255.6** |

## Consolidated balance sheet – Equity and liabilities

| €m | Notes | 31 Dec. 2021 | 31 Dec. 2022 |
|---|---|---|---|
| **Equity** | | | |
| Subscribed share capital | 9.7 | 595.2 | 579.3 |
| Share premium | 9.8 | 6,225.4 | 6,241.4 |
| Retained earnings | 9.9 | 10,015.7 | 10,809.1 |
| Other components of equity | 9.10 | –1,049.4 | –741.9 |
| Treasury shares | 9.7 | –349.8 | –350.0 |
| **Total shareholders' equity of HeidelbergCement AG** | | **15,437.2** | **16,537.9** |
| Non-controlling interests | 9.11 | 1,222.3 | 1,086.3 |
| **Total equity** | | **16,659.4** | **17,624.2** |
| **Non-current liabilities** | | | |
| Bonds payable | | 5,363.6 | 5,269.4 |
| Bank loans | | 262.4 | 62.6 |
| Other non-current financial liabilities | 9.14 | 906.8 | 1,001.0 |
| Pension provisions | 9.12 | 908.1 | 639.1 |
| Deferred taxes | 7.10 | 832.1 | 886.3 |
| Other non-current provisions | 9.13 | 1,503.0 | 1,364.5 |
| Other non-current operating liabilities | 9.14 | 50.6 | 53.6 |
| Non-current income tax liabilities | | 178.6 | 208.8 |
| **Total non-current liabilities** | | **10,005.2** | **9,485.2** |
| **Current liabilities** | | | |
| Bonds payable (current portion) | | 806.3 | 52.5 |
| Bank loans (current portion) | | 474.0 | 258.6 |
| Other current financial liabilities | 9.14 | 413.2 | 465.8 |
| Pension provisions (current portion) | 9.12 | 90.5 | 95.5 |
| Other current provisions | 9.13 | 322.3 | 276.2 |
| Trade payables | 9.14 | 3,180.4 | 3,343.1 |
| Other current operating liabilities | 9.14 | 1,541.9 | 1,429.0 |
| Current income tax liabilities | | 192.8 | 225.1 |
| **Total current liabilities** | | **7,021.4** | **6,145.8** |
| Liabilities associated with assets held for sale | 7.11 | 24.9 | 0.3 |
| **Total liabilities** | | **17,051.5** | **15,631.3** |
| ***Balance sheet total*** | | **33,710.9** | **33,255.6** |

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## Consolidated statement of changes in equity

| €m | | | | Other components of equity | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Subscribed share capital | Share premium | Retained earnings | Cash flow hedge reserve | Asset revaluation reserve | Currency translation | Total other components of equity | Treasury shares | Equity attributable to HeidelbergCement AG shareholders | Non-controlling interests[1] | Total |
| **1 January 2021** | **595.2** | **6,225.4** | **8,527.8** | **4.7** | **23.2** | **–2,105.6** | **–2,077.7** | | **13,270.8** | **1,277.6** | **14,548.4** |
| Profit for the financial year | | | 1,759.0 | | | | | | 1,759.0 | 142.8 | 1,901.7 |
| Other comprehensive income | | | 200.4 | 13.3 | | 1,017.0 | 1,030.3 | | 1,230.7 | 54.5 | 1,285.2 |
| **Total comprehensive income** | | | **1,959.3** | **13.3** | | **1,017.0** | **1,030.3** | | **2,989.7** | **197.3** | **3,187.0** |
| Change in consolidation scope | | | | | | | | | | –9.2 | –9.2 |
| Change in ownership interests in subsidiaries | | | –29.2 | | | | | | –29.2 | –70.4 | –99.7 |
| Change in non-controlling interests with put options | | | –7.3 | | | | | | –7.3 | 10.6 | 3.3 |
| Transfer asset revaluation reserve | | | 1.5 | | –1.5 | | –1.5 | | | | |
| Other changes | | | 0.1 | –0.6 | | | –0.6 | | –0.4 | –1.2 | –1.6 |
| Repayment of capital | | | | | | | | | | –0.5 | –0.5 |
| Acquisition of treasury shares | | | | | | | | –349.8 | –349.8 | | –349.8 |
| Dividends | | | –436.5 | | | | | | –436.5 | –181.9 | –618.4 |
| **31 December 2021** | **595.2** | **6,225.4** | **10,015.7** | **17.5** | **21.7** | **–1,088.6** | **–1,049.4** | **–349.8** | **15,437.2** | **1,222.3** | **16,659.4** |
| **1 January 2022** | 595.2 | 6,225.4 | 10,015.7 | 17.5 | 21.7 | –1,088.6 | –1,049.4 | –349.8 | 15,437.2 | 1,222.3 | 16,659.4 |
| First-time application IAS 29 Hyperinflation | | | | | | 50.9 | 50.9 | | 50.9 | | 50.9 |
| **1 January 2022 (adjusted)** | 595.2 | 6,225.4 | 10,015.7 | 17.5 | 21.7 | –1,037.7 | –998.6 | –349.8 | 15,488.1 | 1,222.3 | 16,710.3 |
| Profit for the financial year | | | 1,596.6 | | | | | | 1,596.6 | 126.4 | 1,723.0 |
| Other comprehensive income | | | 18.4 | 93.3 | | 164.7 | 258.1 | | 276.5 | –26.8 | 249.7 |
| **Total comprehensive income** | | | **1,615.0** | **93.3** | | **164.7** | **258.1** | | **1,873.1** | **99.6** | **1,972.7** |
| Change in consolidation scope | | | | | | | | | | 0.1 | 0.1 |
| Change in ownership interests in subsidiaries | | | –19.8 | | | | | | –19.8 | –56.0 | –75.8 |
| Change in non-controlling interests with put options | | | 4.0 | | | | | | 4.0 | –8.4 | –4.4 |
| Transfer asset revaluation reserve | | | 1.5 | | –1.5 | | –1.5 | | | | |
| Other changes | | | 0.8 | | | | | | 0.8 | | 0.8 |
| Repayment of capital | | | | | | | | | | –1.7 | –1.7 |
| Acquisition of treasury shares | | | | | | | | –350.0 | –350.0 | | –350.0 |
| Cancellation of treasury shares | –16.0 | 16.0 | –349.8 | | | | | 349.8 | | | |
| Dividends | | | –458.3 | | | | | | –458.3 | –169.5 | –627.8 |
| **31 December 2022** | **579.3** | **6,241.4** | **10,809.1** | **110.8** | **20.2** | **–873.0** | **–741.9** | **–350.0** | **16,537.9** | **1,086.3** | **17,624.2** |

1) The accumulated currency translation differences included in non-controlling interests changed in 2022 by €–26.7 million (previous year: 69.1) to €–238.7 million (previous year: –211.9). The total currency translation differences recognised in equity thus amount to €–1,111.7 million (previous year: –1,300.5).

## Segment reporting/Part of the Group Notes

| Group areas | Western and Southern Europe | | Northern and Eastern Europe-Central Asia | | North America | | Asia-Pacific | | Africa-Eastern Mediterranean Basin | | Group Services | | Reconciliation[1] | | Continuing operations | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| €m | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** |
| External revenue | 5,503 | 6,259 | 3,058 | 3,577 | 4,551 | 4,907 | 3,098 | 3,608 | 1,837 | 1,991 | 672 | 754 | | | 18,720 | 21,095 |
| Inter-Group areas revenue | 55 | 49 | 25 | 23 | 0 | | 28 | 25 | 73 | 118 | 749 | 1,029 | –930 | –1,245 | | |
| **Revenue** | **5,557** | **6,308** | **3,084** | **3,600** | **4,551** | **4,907** | **3,126** | **3,633** | **1,909** | **2,108** | **1,421** | **1,783** | **–930** | **–1,245** | **18,720** | **21,095** |
| Change to previous year in % | | 13.5% | | 16.7% | | 7.8% | | 16.2% | | 10.4% | | 25.4% | | | | 12.7% |
| Result from equity accounted investments (REI) | 41 | 22 | 79 | 35 | 50 | 43 | 163 | 123 | 19 | 35 | 4 | 4 | | | 356 | 262 |
| **Result from current operations before depreciation and amortisation (RCOBD)** | **937** | **908** | **737** | **730** | **1,042** | **1,028** | **670** | **598** | **490** | **464** | **30** | **35** | **–33** | **–22** | **3,875** | **3,739** |
| as % of revenue (operating margin) | 16.9% | 14.4% | 23.9% | 20.3% | 22.9% | 20.9% | 21.4% | 16.4% | 25.7% | 22.0% | 2.1% | 1.9% | | | 20.7% | 17.7% |
| Depreciation and amortisation | –377 | –358 | –193 | –196 | –321 | –327 | –234 | –248 | –106 | –109 | –1 | –1 | –29 | –25 | –1,261 | –1,264 |
| **Result from current operations** | **561** | **550** | **544** | **534** | **722** | **700** | **435** | **350** | **384** | **355** | **30** | **34** | **–61** | **–47** | **2,614** | **2,476** |
| as % of revenue | 10.1% | 8.7% | 17.6% | 14.8% | 15.9% | 14.3% | 13.9% | 9.6% | 20.1% | 16.8% | 2.1% | 1.9% | | | 14.0% | 11.7% |
| Additional ordinary result | | | | | | | | | | | | | 481 | –193 | 481 | –193 |
| **Earnings before interest and taxes (EBIT)** | | | | | | | | | | | | | **3,095** | **2,282** | **3,095** | **2,282** |
| **Capital expenditures[2]** | **426** | **342** | **172** | **190** | **499** | **464** | **208** | **161** | **109** | **96** | **6** | **7** | **180** | **551** | **1,599** | **1,811** |
| **Segment assets[3]** | **5,219** | **5,150** | **2,684** | **2,584** | **8,394** | **8,996** | **4,103** | **4,020** | **1,601** | **1,488** | **1** | **1** | | | **22,002** | **22,238** |
| RCOBD as % of segment assets | 18.0% | 17.6% | 27.5% | 28.2% | 12.4% | 11.4% | 16.3% | 14.9% | 30.6% | 31.2% | >100% | >100% | | | 17.6% | 16.8% |
| **Number of employees as at 31 December[4]** | **15,040** | **14,883** | **11,101** | **10,869** | **7,637** | **7,933** | **12,460** | **12,139** | **4,886** | **4,858** | **85** | **99** | | | **51,209** | **50,780** |
| **Average number of employees[4]** | **15,087** | **15,113** | **11,144** | **11,078** | **8,922** | **8,327** | **12,613** | **12,309** | **5,043** | **4,832** | **93** | **93** | | | **52,902** | **51,752** |

1) Reconciliation includes:
a) intra Group revenues = eliminations of intra-Group relationships between the segments
b) results from current operations before depreciation and amortisation / depreciation from corporate functions
c) additional ordinary result and earnings before interest and taxes
2) Capital expenditures = in the segment columns: cash effective investments in property, plant and equipment as well as intangible assets;
in the reconciliation column: cash effective investments in non-current financial assets and other business units
3) Segment assets = property, plant and equipment as well as intangible assets
4) Number based on full-time equivalents

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# Group Notes

## 1 General information

HeidelbergCement AG is a public limited company based in Germany. The company has its registered office in Heidelberg, Germany. Its address is: HeidelbergCement AG, Berliner Straße 6, 69120 Heidelberg. The company is registered at the Mannheim Local Court (HRB 330082). HeidelbergCement AG is the parent company of the Group operating under the brand name "Heidelberg Materials".

The core activities of Heidelberg Materials include the production and distribution of cement, aggregates, ready-mixed concrete, and asphalt.

## 2 Accounting and valuation principles

### 2.1 Accounting principles

The consolidated financial statements of HeidelbergCement AG (also referred to as "the Group" or "Heidelberg Materials") as at 31 December 2022 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the additional requirements of German Commercial Law pursuant to section 315e(1) of the German Commercial Code (Handelsgesetzbuch, HGB). All binding IFRSs for the 2022 financial year adopted into European law by the European Commission, including the interpretations of the IFRS Interpretations Committee (IFRS IC), were applied. The previous year's figures were determined according to the same principles.

The consolidated financial statements cover the period from 1 January 2022 to 31 December 2022 and are prepared in euro. Unless otherwise stated, all amounts are given in millions of euros (€m). The amounts have been rounded in accordance with standard commercial practise. The financial statements show a true and fair view of the assets, financial, and earnings position of the Heidelberg Materials Group.

In accordance with IAS 1 (Presentation of Financial Statements), the consolidated financial statements contain a balance sheet as at the reporting date, an income statement, a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows in accordance with the principles of IAS 7 (Statement of Cash Flows). The segment reporting is prepared in accordance with the regulations of IFRS 8 (Operating Segments).

For reasons of clarity, some individual items have been combined in the income statement and in the balance sheet. Explanations of these items are contained in the Notes. The income statement classifies expenses according to their nature. To improve the level of information, the additional ordinary result is shown separately in the income statement. This item shows income and expenses that, although occurring in the course of ordinary business activities, are not reported in result from current operations. This includes, in particular, impairment of goodwill, other intangible assets and property, plant and equipment, gains and losses from the disposal of subsidiaries and other business units, expenses from additions to or income from the reversal of provisions for litigation risks, restructuring expenses according to IAS 37, and transaction costs for business combinations and disposals.

### 2.2 Scope of consolidation

In addition to HeidelbergCement AG, the consolidated financial statements include subsidiaries, joint arrangements, and associates.

Subsidiaries are characterised by the fact that Heidelberg Materials can exercise control over these companies. Control exists when Heidelberg Materials has decision-making power, is exposed to variable returns, and is able to influence the level of the variable returns as a result of the decision-making power. Normally, this is the case when more than 50% of the shares are owned. If contracts or legal regulations stipulate that a company can be controlled despite a shareholding of less than 50%, this company is included in the consolidated financial statements as a subsidiary. If a company cannot be controlled with a shareholding of more than 50% as a result of contracts or legal regulations, this company is not included in the consolidated financial statements as a subsidiary.

In joint arrangements, Heidelberg Materials exercises joint control over a company with one or more parties through contractual agreements. Joint control exists if decisions about the relevant activities of the company must be made unanimously. Depending on the rights and obligations of the parties, joint arrangements may be joint operations or joint ventures. In joint operations, however, the controlling parties have direct rights to the assets and obligations for the liabilities of the jointly controlled operation. Joint ventures are characterised by the fact that the parties that have joint control participate in the net assets of the company by virtue of their position as shareholders.

In associates, Heidelberg Materials has a significant influence on the operating and financial policies of the company. This is normally the case if Heidelberg Materials holds between 20% and 50% of the voting rights in a company.

### 2.3 Consolidation principles

The capital consolidation of subsidiaries is performed using the acquisition method pursuant to IFRS 3 (Business Combinations). In this process, the acquirer measures the identifiable assets acquired and liabilities assumed at their fair values at the acquisition date. The acquiring entity's investment, measured at the fair value of the consideration transferred, is eliminated against the revalued equity of the newly consolidated subsidiary at acquisition date. The residual positive difference between the fair value of the consideration transferred and the fair value of acquired assets and liabilities is shown as goodwill. A residual negative difference is recognised in profit or loss after further review. Non-controlling interests can be recognised either at their proportionate share of the acquiree's net assets or at fair value. This option can be applied separately for every business combination.

Income and expenses as well as receivables and payables between consolidated companies are eliminated. Profits and losses from intra-Group sales of assets are eliminated. The consequences of consolidation on income tax are taken into account by recognising deferred taxes.

The share of equity and the share of profit or loss for the financial year attributable to non-controlling interests of consolidated subsidiaries are shown separately. In the case of put options held by non-controlling interests, the total comprehensive income attributable to the non-controlling interests as well as the dividend payments to non-controlling interests are shown over the course of the year as changes in equity. At the reporting date, non-controlling interests with a put option were reclassified as financial liabilities. The financial liability is measured at the present value of the redemption amount. Differences between the carrying amount of the non-controlling interests and the present value of the redemption amount are recognised directly in equity. In the case of non-controlling interests in German partnerships, changes in the value of the settlement obligation are recognised in profit or loss in the financial result. In the statement of changes in equity, this is reported in the line Change in non-controlling interests with put options.

In the event of business combinations achieved in stages, Heidelberg Materials achieves control of a company in which it held a non-controlling equity interest immediately before the acquisition date. In this scenario, differences between the carrying amount and the fair value of previously held shares are recognised in profit or loss. Changes in the ownership interest in a subsidiary that do not lead to a loss of control are recognised outside profit or loss as equity transactions. In the case of transactions that lead to a loss of control, any residual interests are revalued at fair value in profit or loss.

In joint operations, the assets, liabilities, income and expenses, as well as cash flows are included pro rata in the consolidated financial statements in accordance with the rights and obligations of Heidelberg Materials.

Joint ventures and associates are accounted for using the equity method. Initially, the acquired investments are recognised at cost. In subsequent years, the carrying amount of the investment is increased or decreased according to the share of Heidelberg Materials in the comprehensive income of the investee. Dividend payments received from investees reduce the carrying amount. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's participation in these companies. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. When the share of losses attributable to Heidelberg Materials in the company in which a participating interest is held equals or exceeds the carrying amount of the investment, no further shares of losses are recognised. If the investee subsequently reports profits, the investor resumes recognising its share of these profits only after the share in profit equals the share of losses not yet recognised.

Subsidiaries, joint operations, joint ventures, and associates that do not have a material impact on the assets, financial, and earnings position of the Group, either individually or collectively, are accounted for at cost less impairment and shown as financial investments.

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## 2.4 Currency translation

The separate financial statements of the Group's foreign subsidiaries are translated into euro pursuant to IAS 21 (The Effects of Changes in Foreign Exchange Rates) using the concept of functional currency. In general, for operating companies, the functional currency is the local currency of the country in which the subsidiary is based, since all foreign subsidiaries are financially, economically, and organisationally independent in the conduct of their business. Assets and liabilities are translated using the middle rates at the reporting date, with equity, in contrast, using the historical exchange rates. The translation differences resulting from this are recognised outside profit or loss in other components of equity through other comprehensive income until the subsidiary is disposed of. The proportionate equity of the foreign joint ventures and associates is translated in accordance with the procedure described for subsidiaries. Income and expenses are translated using average annual exchange rates. The differences arising from the translation at the closing rate are also recognised outside profit or loss in other components of equity through other comprehensive income.

Foreign currency transactions in the companies' separate financial statements are recorded at the spot exchange rate at the date of the transaction. Exchange gains or losses from the measurement of monetary items in foreign currency at the closing rate up to the reporting date are recognised in profit or loss. Exchange differences arising from foreign currency borrowings, to the extent that they are part of a net investment in a foreign operation, form an exception to recognition in profit or loss. They are part of a net investment in a foreign operation if settlement is neither planned nor likely to occur in the foreseeable future. These translation differences are recognised directly in equity via other comprehensive income and only reclassified to profit or loss on disposal of the business. Non-monetary items in foreign currency are recorded at historical exchange rates.

The following table shows the key exchange rates used in the translation of the separate financial statements denominated in foreign currencies into euro.

**Exchange rates**

| | | Exchange rates at reporting date | | Average exchange rates | |
|---|---|---|---|---|---|
| EUR | | 31 Dec. 2021 | **31 Dec. 2022** | 2021 | **2022** |
| USD | USA | 1.1370 | 1.0705 | 1.1830 | 1.0536 |
| AUD | Australia | 1.5647 | 1.5717 | 1.5751 | 1.5169 |
| CAD | Canada | 1.4373 | 1.4506 | 1.4829 | 1.3702 |
| GBP | Great Britain | 0.8413 | 0.8853 | 0.8600 | 0.8527 |
| INR | India | 84.2136 | 88.1544 | 87.4508 | 82.7297 |
| IDR | Indonesia | 16,224 | 16,840 | 16,970 | 15,717 |
| MAD | Morocco | 10.5061 | 11.1645 | 10.6329 | 10.6861 |

**First-time application IAS 29 Hyperinflation**
Turkey has fulfilled the definition of a hyperinflationary country since 30 June 2022. Therefore, IAS 29 (Financial Reporting in Hyperinflationary Economies) was applied retroactively to the activities of our joint venture Akçansa Çimento Sanayi ve Ticaret A.S. with retroactive effect from 1 January 2022, i.e. as if Turkey had always been hyperinflationary. Accordingly, the relevant non-monetary assets and liabilities, equity, and all items of the income statement as at 31 December 2022 have been adjusted using a general price index. The balance sheet items as well as the expenses and income are then translated into the reporting currency euro at the closing rate. The values determined in this way are then included in the consolidated financial statements using the equity method. The previous year's figures were not adjusted because of the initial application in the financial year. The initial retroactive application resulted in an adjustment of the investments in joint ventures and the currency translation reserve of €50.9 million, recognised directly in equity. The effect on the result from equity accounted investments (REI) is of minor importance.

## 2.5 Recognition and measurement principles

The consolidated financial statements are generally prepared using the historical cost principle. Exceptions to this are derivative financial instruments and certain non-derivative financial assets, which are measured at fair value. Furthermore, the carrying amounts of the assets and liabilities recognised in the balance sheet, which represent the hedged items in fair value hedges and are otherwise accounted at cost, are adjusted as a result of changes in the fair values assigned to the hedged risks. The fundamental recognition and measurement principles are outlined below.

**Intangible assets** are initially measured at cost. In subsequent periods, intangible assets with a finite useful life are measured at cost less accumulated amortisation and impairment, and intangible assets with an indefinite useful life are measured at cost less accumulated impairment. Intangible assets with a definite useful life are amortised using the straight-line method.

Pursuant to IFRS 3 (Business Combinations), **goodwill** arising from business combinations is not amortised. Instead, goodwill is tested for impairment according to IAS 36 (Impairment of Assets) at least once a year in the fourth quarter after completion of the current operational plan or upon the occurrence of significant events or changes in circumstances that indicate an impairment requirement. In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with

the recoverable amount of this group of CGUs. On the basis of the sales and management structure, a group of CGUs is defined generally as a country or Group area; exceptions are the cross-border Nordic Precast Group and the Mibau Group. As soon as the carrying amount of a group of CGUs to which goodwill is allocated exceeds its recoverable amount, an impairment loss of the allocated goodwill is recognised in profit or loss. The recoverable amount is the higher of fair value less costs of disposal and the value in use of a group of CGUs. The fair value is the amount obtainable from the sale in an arm's length transaction. The value in use is calculated by discounting estimated future cash flows after taxes with a post-tax risk-adjusted discount rate (weighted average cost of capital – WACC).

**Property, plant and equipment** are accounted for according to IAS 16 (Property, Plant and Equipment) at cost less accumulated depreciation and impairment. Cost includes all costs that can be attributed to the manufacturing process and appropriate amounts of production overheads. Costs for repair and maintenance of property, plant and equipment are generally expensed as incurred. Capitalisation takes place if the measures lead to an extension or significant improvement of the asset. Property, plant and equipment are depreciated on a straight-line basis unless there is another depreciation method more appropriate for the pattern of use. Scheduled depreciation of property, plant and equipment is determined on the basis of the following Group-wide useful lives.

**Useful lives**

| | Years |
|---|---|
| Buildings | 20 to 40 |
| Technical equipment and machinery | 10 to 30 |
| Plant and office equipment | 5 to 15 |

Exploitation land and mineral reserves are amortised using the unit of production method. Borrowing costs that can be allocated directly or indirectly to the construction of large facilities with a creation period of more than 12 months (qualifying assets) are capitalised as part of the cost in accordance with IAS 23 (Borrowing Costs).

**Government grants** for the acquisition or construction of property, plant and equipment reduce the cost of the respective assets. Investment grants are reported as soon as there is reasonable assurance that the conditions attached to them have been met and that the grants will be received in full. Grants received are reported separately in the cash flow from investing activities. Other expenditure-related grants or subsidies are recognised in profit or loss in the period in which the corresponding expenses to be compensated are recognised.

**Leases** are accounted for pursuant to IFRS 16 (Leases). According to IFRS 16, the lessee has a fundamental obligation to recognise rights and obligations arising under leases in the balance sheet. Lessees account for the right-of-use asset in the fixed assets as well as a corresponding lease liability.

The lease liability is measured at the present value of the lease payments to be made during the term of the lease. In addition, payments connected with purchase options are taken into account if their exercise is reasonably certain. The lease payments are discounted at the incremental borrowing rate. Lease liabilities are reported in the other financial liabilities. The costs of the right-of-use asset include the initially recognised amount of the lease liability as well as any additional costs connected with the lease. The lease liability is compounded in subsequent periods and reduced by the amount of the lease payments made. The right-of-use assets are depreciated over the term of the underlying lease. If the ownership of the leased asset is transferred to the Group at the end of the lease term or the exercise of a purchase option is included in the cost of the right-of-use asset, the depreciation takes place on the basis of the expected useful life of the underlying leased asset.

In the case of leases for vehicles and ships that contain lease and non-lease components, Heidelberg Materials separates the components so that only the lease components are accounted for in accordance with the regulations of IFRS 16. No right-of-use assets or lease liabilities are recognised for leases with a term of up to 12 months and contracts for low-value assets. The expenditure on these leases is recognised in the period in which it arises in the other operating expenses; the payments are shown under cash flow from operating activities in the statement of cash flows. The same applies to variable lease payments not linked to an index or (interest) rate. Leases for exploitation land do not

fall within the scope of IFRS 16. These leases are considered pending transactions and the expenses are recognised in the material costs in the period in which they arise.

**Inventories** are measured pursuant to IAS 2 (Inventories) at the lower of cost and net realisable value using the weighted average cost method. Adequate provisions are made for risks relating to quality and quantity. Besides direct expenses, the costs for finished goods and work in progress include production-related indirect materials and indirect labour costs, as well as production-related depreciation. The overhead rates are calculated on the basis of the average operating performance rate. Borrowing costs are not recognised as part of the costs because the production period is less than 12 months. Spare parts for equipment are generally reported under inventories. If they were acquired in connection with the acquisition of the equipment, or in a separate acquisition meet the definition of an asset, then they are reported under property, plant and equipment.

**Emission rights** are reported under raw materials and consumables. Emission rights granted free of charge are initially measured at a nominal value of zero. Emission rights acquired for consideration are accounted for at cost and are subject to write-down in the event of impairment. Provisions for the obligation to return emission rights are recognised if the actual $CO_2$ emissions up to the reporting date are not covered by emission rights granted free of charge. The amount of the provision for emission rights already acquired for consideration is measured at the carrying amount and, for emission rights yet to be acquired in order to fulfil the obligation, at the market value as at the reporting date.

**Treasury shares** acquired are recognised at the settlement date at the consideration paid, including any directly attributable additional costs, and are deducted from equity in a separate item until the shares are cancelled, re-issued, or resold. Both the purchase or sale and any subsequent issue or cancellation of treasury shares are recognised directly in equity.

**Pension provisions and similar obligations** are determined pursuant to IAS 19 (Employee Benefits). For numerous employees, the Group makes provisions for retirement either directly or indirectly through contributions to pension funds. Various post-employment benefit plans are in place, depending on the legal, economic, and tax framework in each country, which are generally based on employees' years of service and remuneration. The pension provisions include those from current pensions and from entitlements from pensions to be paid in the future.

At Heidelberg Materials, the company pension schemes include both defined contribution and defined benefit plans. In defined contribution plans, the Group pays contributions into external funds. After paying the contributions, the Group has no further benefit obligations. In defined benefit plans, the Group's obligation is to provide the agreed benefits to current and former employees. A distinction is made between benefit systems financed by provisions and those financed by funds.

The most significant post-employment benefit plans financed by funds exist in the United Kingdom, the USA, Belgium, Canada, Norway, Indonesia, and Australia. The retirement benefit system in Indonesia consists of a statutory defined benefit plan and a company-based defined contribution plan financed by funds, the benefits from the latter may be set off from the statutory benefits. In Germany, Sweden, and France, the retirement benefit plans are predominantly financed by means of provisions. Heidelberg Materials also has a number of post-retirement medical benefit plans financed by provisions to cover the health care costs of pensioners in the USA, France, Belgium, Morocco, Canada, the United Kingdom, Indonesia, the Democratic Republic of the Congo, Egypt, and Ghana. In addition, the Group grants its employees other long-term employee benefits, such as jubilee benefits, old age part-time arrangements, or early retirement commitments. The Group areas or countries North America, the United Kingdom, and Germany account for around 90% of the defined benefit obligations.

All material defined benefit pension plans in North America have been closed to new entrants, the majority of these have been frozen for future accruals. In North America, a retirement plans committee has been established by Heidelberg Materials to serve as oversight of the pension administration, the fiduciary responsibilities of Heidelberg Materials in relation to the retirement plans, and Heidelberg Materials' role as plan administrator. The regulatory framework for each of the qualified pension plans in the USA has a minimum funding requirement based on the statutory funding objective agreed with the plan administrator. In the USA, the Employee Retirement Income Security Act of 1974 (ERISA) provides the national legal framework. ERISA sets minimum standards for participation, vesting, the funding status of the pension plan, and the accountability of plan fiduciaries. In Canada, the pension plans fall under the jurisdiction of the province of Alberta.

In the United Kingdom, the main defined benefit pension plans operate under UK trust law and under the guidelines of the UK Pensions Regulator. These plans are run by groups of trustees, some of whom are appointed by the sponsoring employer and some of whom are nominated by the plan members. Under UK law, the trustees are obligated to meet the statutory funding objective of having sufficient assets to cover the schemes' technical provisions. Benefits are granted under a number of plans, many of which are final salary plans. All of the main defined benefit pension plans in the United Kingdom are closed to new entrants and to future accruals. As such, the liabilities are expected to trend downwards in the medium to long term as benefits are paid out gradually. Liability-driven investment (LDI) strategies are used extensively, and the pension plans are, in aggregate, overfunded as at the reporting date. As pension benefits in the United Kingdom receive inflationary increases after benefit commencement, these benefits are subject to inflation risk. This risk is mitigated in many cases through the use of LDI products and/or caps on the maximum pension indexation granted. Given the closed nature of main arrangements, the defined benefit obligation in the United Kingdom is only marginally impacted by the salary trend assumption.

In Germany, pension plans operate under the framework of the German Company Pension Law (Betriebsrentengesetz, BetrAVG) and general regulations based on German Labour Law. The main pension plans were closed to new entrants in 2005. Employees hired prior to 2006 continue to earn benefits under these arrangements which are final salary and/or years of service related. In addition, individual pension entitlements have been granted to the members of the Managing Board and to executives. The German pension benefits are largely unfunded.

The liabilities in respect of the benefits granted are subject to the following major risks:

- Discount rate risks in all cases where falling market interest rates could result in a higher present value of the remaining future obligations

- Inflation risks (in particular where benefits are linked to salary, or pension payments are subject to inflation adjustments)

- Asset performance risks in countries where pension plans are funded (such as the United Kingdom and the USA); these risks have been partially mitigated through the use of liability-driven investment strategies

- Longevity risks in cases where benefits would be paid for a longer period in the future than is currently anticipated in the mortality tables used

- Changes to national funding requirements may increase contributions, and changes in national law might also mandate rises in benefits beyond those presently agreed upon

The defined benefit obligations and plan assets are valued annually by independent experts for all major Group companies. The defined benefit obligation and the expenses required to cover these obligations are measured in accordance with the internationally accepted projected unit credit method.

For the purpose of financial reporting, the actuarial assumptions are dependent on the economic situation in each individual country. The interest rate is based on the interest yield achieved on the measurement date for high-quality corporate bonds (AA rating) in the relevant currency with a duration corresponding to the pension plans concerned. In countries or currency areas without a deep market for high-quality corporate bonds, the interest rate is determined on the basis of government bonds or using approximation methods.

Actuarial gains and losses may result from increases or decreases in the present value of the defined benefit obligations. These may be caused by, for example, changes in the calculation parameters or deviations between the actual and expected development of the pension obligations. These amounts, as well as the difference between the actual asset performance and the interest income recognised in profit or loss, and the effect of the asset ceiling are reported in other comprehensive income.

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Defined contribution accounting has been applied for certain multi-employer pension plans for which sufficient information is available to apply defined benefit accounting.

**Other provisions** are recognised in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) if, as a result of past events, there are legal or constructive obligations towards third parties that are likely to lead to outflows of resources embodying economic benefits that can be reliably determined. The provisions are calculated on the basis of the best estimate, taking into account all identifiable risks.

The capital market components of the Group-wide virtual stock option plan are accounted for as cash-settled, share-based payment transactions pursuant to IFRS 2 (Share-based Payment). As at the reporting date, a provision is recognised pro rata temporis in the amount of the fair value of the payment obligation. Changes in the fair value are recognised in profit or loss. The fair value of the options is determined using a recognised option price model.

The **current tax expense** is determined according to the local tax regulations in which the respective Group company operates. Local tax liabilities not yet covered by prepayments are presented as non-current or current tax liabilities in the financial statements, depending on the expected cash outflow. Any overpayments are capitalised as current or non-current tax receivables.

**Deferred tax** assets and liabilities are recognised in accordance with the balance sheet liability method (IAS 12 Income Taxes). This means that deferred taxes are principally recognised for all temporary differences between the IFRS amount and the tax amount. No deferred taxes are recognised for temporary differences from goodwill, unless tax-deductible goodwill exists at the same time. Deferred tax assets are only recognised to the extent that it is probable that taxable income will be sufficiently available in the future. Furthermore, deferred tax assets are recognised on unused tax losses carried forward, to the extent that the probability of their recovery in subsequent years is sufficiently high. Deferred tax liabilities are considered in connection with undistributed profits from subsidiaries, joint ventures, and associates, unless Heidelberg Materials is able to control the dividend policy of the companies and no dividend distribution or disposal is anticipated in the foreseeable future. The deferred taxes are measured using the rates of taxation that, as at the reporting date, are applicable or have been announced as applicable in the individual countries for the period when the deferred taxes are realised. Deferred tax assets and liabilities are offset if there is an enforceable right to set off current tax assets and liabilities and if they relate to income taxes levied by the same taxing authority and the Group intends to settle its current tax assets and liabilities on a net basis. In principle, changes in the deferred taxes in the balance sheet lead to deferred tax expense or income. If circumstances that lead to a change in the deferred taxes are recognised outside profit or loss in other comprehensive income or directly in equity, the change in deferred taxes is also taken into account in other comprehensive income or directly in equity. If deferred taxes were recognised via other comprehensive income, they are also subsequently released via other comprehensive income.

**Financial instruments** are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments include non-derivative and derivative financial instruments.

The **non-derivative financial assets** include investments in equity instruments and debt instruments. These assets are divided into the amortised cost, fair value through other comprehensive income, and fair value through profit or loss measurement categories when initially recognised, pursuant to IFRS 9 (Financial Instruments).

Investments in equity instruments are in principle measured at fair value. The gains and losses resulting from the subsequent measurement are recognised either in profit or loss or directly in equity through other comprehensive income. For investments in equity instruments that are not held for trading, an individual decision can be made for each participation, when initially recognised, as to whether it is measured at fair value through profit or loss or through other comprehensive income. Investments are generally measured at fair value through profit or loss and are therefore allocated to the financial investment category fair value through profit or loss, provided that there is no significant influence on the investee. If a participation is irrevocably allocated to the category fair value through other comprehensive income, the gains and losses resulting from the subsequent measurement are recognised outside profit or loss in other comprehensive income. After the participation is derecognised, the gains and losses will not be subsequently reclassified from fair value through other comprehensive income to profit or loss. Dividends received from these participations are recognised in profit or loss.

For debt instruments, the initial recognition of a financial asset is at fair value plus transaction costs directly attributable to the acquisition, provided that the financial asset is not measured at fair value through profit or loss. For financial assets recognised at fair value through profit or loss, attributable transaction costs are recognised directly as an expense in profit or loss. The subsequent measurement is based on the cash flow characteristics and the business model in use. Accordingly, Heidelberg Materials divides its debt instruments into the following two measurement categories:

- At amortised cost (AC): Financial assets held for the collection of contractual cash flows that are solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is recognised in the financial result using the effective interest method. All gains or losses resulting from derecognition, impairment losses, or currency translation are recognised directly in profit or loss. Impairment losses represent probability-weighted estimates of credit losses. They are calculated on the basis of the best available information and the time value of money. Reversals are carried out if the reasons for the impairment losses no longer apply. Financial assets measured at amortised cost include non-current receivables, interest-bearing receivables, trade receivables, and other current operating receivables. In principle, the amortised cost in the case of current financial assets corresponds to the carrying amount.
- Fair value through profit or loss (FVTPL): Financial assets for which the cash flow condition is not met because there are not only payments of principal and interest on the nominal amount outstanding are measured at fair value through profit or loss. Financial assets held for the purpose of sale are also assigned to this measurement category. This category mainly includes trade receivables that are intended for sale in the context of factoring transactions. Changes in the fair value and income from these assets are recognised directly in profit or loss in the period in which they are incurred.

Financial assets are derecognised from the balance sheet at the point in time that the contractual rights to cash flows from the asset expire or the financial asset is transferred. Transferred financial assets are fully derecognised if all risks and rewards are substantially transferred to the acquirer. If the risks and rewards are only partially transferred (risk sharing), the assets continue to be recognised to the extent of the maximum risk retained due to the impossibility of resale.

Financial assets are also derecognised when there is no prospect of recovery, for example if enforcement measures have been unsuccessful, insolvency proceedings have been discontinued due to lack of assets, or the debt has since become statute barred. No further enforcement activities will subsequently be taken.

**Non-derivative financial liabilities** are initially recognised at the fair value of the consideration received or at the value of the cash received less transaction costs incurred, if applicable. These instruments are subsequently measured at amortised cost, using the effective interest method if applicable. In principle, the amortised cost in the case of current financial liabilities corresponds to the nominal value or the redemption amount. Non-derivative financial liabilities include trade payables, other operating liabilities, and financial liabilities. The Group has not yet made use of the possibility of designating non-derivative financial liabilities, when initially recognised, as financial instruments at fair value through profit or loss.

All non-derivative financial instruments at amortised cost are accounted for at the settlement date, whereas non-derivative financial instruments at fair value through profit or loss are accounted for at the trade date.

At Heidelberg Materials, **derivative financial instruments** are generally used to minimise financial risks and include stand-alone derivatives such as currency, interest rate, and commodity derivatives as well as embedded electricity derivatives.

In principle, embedded derivatives must be separated from the non-derivative host contract and recognised separately if the economic characteristics and risks of the embedded derivative are not closely linked to the economic characteristics and risks of the host contract. Separation is not required if the host contract is a financial asset or if the entire contract is measured at fair value through profit or loss.

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Derivative financial instruments are measured at fair value both on their initial accounting on the trade date and in subsequent periods. The valuations are derived from the market or determined using recognised valuation methods (discounted cash flow or option price models). In particular, currency exchange rates, interest rate curves, and raw material prices are used, which can be observed in the corresponding markets. If market prices are no longer available for long-term commodity futures, the prices available on the market are extrapolated for the valuation. Derivatives are recognised as assets if their fair value is positive and as liabilities if their fair value is negative.

Whether changes in fair value are recognised in profit or loss or directly in equity depends on whether the derivative financial instrument is designated as being in an effective hedging relationship (hedge accounting) pursuant to IFRS 9 and the type of the underlying transaction.

Derivative financial instruments held for trading are classified in the category fair value through profit or loss (FVTPL). The changes in fair values are recognised immediately in profit or loss. Within the context of the Group strategy, derivative financial instruments held for trading generally represent an effective hedge in an economic sense, because the changes in the fair values of these derivative financial instruments are principally offset by changes in the fair values of the hedged items.

In **hedge accounting**, in order to avoid volatility in the income statement, the accounting of the hedged item and the hedge of a hedging relationship is modified so that the results of measuring the hedged item or hedge are recognised in the period incurred directly in equity or in profit or loss. Heidelberg Materials uses cash flow hedges and fair value hedges. At the beginning of each hedge, the clear hedging relationship between the hedged item and the hedging instrument as well as the objectives and the risk management strategy are documented and the effectiveness of the hedge is demonstrated. The effectiveness of existing hedges is continuously monitored.

When hedging future cash flows (cash flow hedges), the effective portion of the changes in the fair value of the hedging instrument is recognised directly in equity through other comprehensive income. The ineffective portion of the hedging instrument is recognised immediately in profit or loss. When the hedged item is realised, the amounts recognised in equity are either reclassified directly to the acquisition costs of the hedged item, if this leads to the recognition of a non-financial asset or a non-financial liability, or reclassified to the income statement at the same time that the hedged item is recognised in profit or loss. Heidelberg Materials accounts for the hedging of the currency risk of off-balance sheet firm commitments as a cash flow hedge. In this case, only the spot component is designated as a hedging instrument. The change in the forward component of the currency derivative is recognised in profit or loss in the other financial result.

In the case of fair value hedges of balance sheet items, both the hedging instrument and the effective portion of the hedged portion of the risk of the underlying transaction are measured at fair value. The change in fair value of the hedging instrument and the hedged item are recognised simultaneously in the same item in profit or loss.

Contracts concluded for the purpose of receiving or supplying non-financial items pursuant to Heidelberg Materials' expected purchase, sale, or usage requirements and held as such (own use contracts) are accounted for as pending transactions rather than derivative financial instruments. Written options for the purchase or sale of non-financial items that can be cash-settled are not classified as own use contracts.

**Assets held for sale and discontinued operations** are shown separately in the balance sheet if they can be sold in their present condition and the sale is highly probable. Assets classified as held for sale are recognised at the lower of their carrying amount and fair value less costs to sell, unless another value is to be recognised under other standards. According to their classification, liabilities directly connected with these assets are shown in a separate line on the liability side of the balance sheet.

For discontinued operations, the net result is shown in a separate line in the income statement. In the statement of cash flows, the cash flows are broken down into continuing and discontinued operations. For discontinued operations, the previous year's figures in the income statement, the statement of cash flows, and the segment reporting are adjusted accordingly in the year of the reclassification. The Notes include additional details on the assets held for sale and discontinued operations.

**Contingent liabilities and assets** are, on the one hand, possible obligations or assets arising from past events and whose existence depends on the occurrence or non-occurrence of one or more uncertain future events that are not within the Group's control. On the other hand, contingent liabilities are current obligations arising from past events for which there is unlikely to be an outflow of resources embodying economic benefits or where the scope of the obligation cannot be reliably estimated. Contingent liabilities are not included in the balance sheet unless they are current obligations that have been taken on as part of a business combination. Contingent assets are only recognised in the balance sheet if they are virtually certain. Insofar as an outflow or inflow of economic benefits is possible, details of contingent liabilities and assets are provided in the Notes.

**Income** is recognised when control of a promised good or service is transferred to a customer. It is measured at the fair value of the consideration received or receivable, including variable consideration; sales tax and other duties collected on behalf of third parties are not taken into account.

Heidelberg Materials primarily generates **revenue** from simply structured sales of building materials, such as cement, aggregates, ready-mixed concrete, and asphalt, for which the control is transferred to the customer at a specific point in time. In the context of the sale of the products, separate performance obligations may arise from transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the transport services are performed after the control of the products has been transferred. In accordance with IFRS 15 (Revenue from Contracts with Customers), the revenue relating to these transport services is realised later than the corresponding product revenue. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual price reductions. The variable consideration is estimated on the basis of the most likely amount. However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved. As the period between the date on which Heidelberg Materials transfers the promised goods or services to the customer and the date on which the customer pays for these goods or services is generally one year or less, no financing components are taken into account. Contract assets and contract liabilities are recognised as soon as one of the contracting parties has commenced performance of the contract. If the right to consideration is unconditional, it is recognised as a trade receivable. Heidelberg Materials grants its customers country- and industry-specific payment terms, which normally include payment within 30 to 60 days after the date of invoicing. Contract assets and contract liabilities are not shown separately in the balance sheet but under other operating receivables and assets and other operating liabilities respectively. They are shown separately in the Notes. Costs directly attributable to obtaining or fulfilling the contract are recognised as an expense when they are incurred, as the amortisation period is generally no longer than one year.

**Interest income** is recognised pro rata temporis using the effective interest method.

**Dividend income** is realised when the legal entitlement to payment arises.

## 3 Application of new accounting standards and other changes

### 3.1 Initial application of accounting standards in the financial year

In the 2022 financial year, Heidelberg Materials applied the following standards and interpretations of the International Accounting Standards Board (IASB) for the first time.

The amendments to IFRS 3 Business Combinations update the references to the revised IFRS framework. In addition, they clarify that an acquirer shall apply the requirements of IAS 37 or IFRIC 21 instead of the framework when identifying obligations assumed that are within the scope of IAS 37 or IFRIC 21. At the same time, IFRS 3 is supplemented by an explicit prohibition on recognising acquired contingent assets. The amendments did not have any significant impact on the assets, financial, and earnings position of the Group.

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The amendments to IAS 16 Property, Plant and Equipment clarify that proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management are recognised in profit or loss. In addition, sale proceeds and the corresponding costs for items produced that do not fall within the entity's ordinary business activity shall be shown separately and the line items in the income statement and other comprehensive income in which they were recognised shall be disclosed. The amendments did not have any significant impact on the assets, financial, and earnings position of the Group.

The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets determine which costs an entity should consider as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments did not have any significant impact on the assets, financial, and earnings position of the Group.

As part of the Annual Improvements to IFRS Standards 2018–2020 Cycle, the IASB made minor amendments to a total of three standards. The amendments did not have any significant impact on the assets, financial, and earnings position of the Group.

### 3.2 Published, but not yet applicable accounting standards

The IASB and IFRS IC have adopted additional standards and interpretations that may impact the assets, financial, and earnings position of the Heidelberg Materials Group, but whose application was not yet mandatory for the 2022 financial year.

**Published, but not yet applicable accounting standards**

| Title | Date of initial application[1)] | Endorsement by the EU Commission |
|---|---|---|
| IFRS 17 Insurance Contracts | 1 January 2023 | yes |
| Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies | 1 January 2023 | yes |
| Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates | 1 January 2023 | yes |
| Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 | yes |
| Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current | 1 January 2024 | no |
| Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback | 1 January 2024 | no |

1) Fiscal years beginning on or after that date.

Heidelberg Materials will not apply these standards and interpretations until the date when their application first becomes mandatory and after endorsement by the European Commission.

IFRS 17 Insurance Contracts contains principles for the recognition, measurement, presentation, and disclosure of insurance contracts and is applicable to all types of insurance contracts as well as to certain guarantees and financial instruments with discretionary participation features. With regard to the scope of application, a few exceptions apply. The application of IFRS 17 will not have a significant impact on the assets, financial, and earnings position of the Group.

The amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies clarify that, in the future, only material rather than significant accounting policies should be disclosed in the Notes. Guidance and examples on the practical application of the concept of materiality to the disclosures on the accounting policies were also provided. The impact of these amendments on the disclosures of the accounting policies is currently being examined.

With the amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, the concept of "accounting estimate" is defined and clarification is provided on how changes in accounting estimates differ from changes in accounting policies. The amendments will not have a significant impact on the assets, financial, and earnings position of the Group.

The amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction restrict the "initial recognition exception" and require companies to recognise deferred taxes for transactions from which both deductible and taxable temporary differences of the same amount arise on initial recognition. Deferred tax is recognised for all temporary differences, in particular in the case of leases (recognition of a right-of-use asset and a lease liability) and in the case of asset retirement obligations (capitalisation as part of the asset and recognition of a liability), which exist at the beginning of the earliest comparative period presented. The amendments are to be applied to transactions taking place at or after the beginning of the earliest comparative period presented. The cumulative effect of initial application is recognised in retained earnings as an adjustment to the opening balance. The amendments will not have any impact on the assets, financial, and earnings position of the Group, as the previous presentation in the balance sheet already comply with the new regulations.

The amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current contain selective adjustments to the criteria for the classification of liabilities as current or non-current. The initial application is not expected to have a significant impact on the assets, financial, and earnings position of the Group.

The amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback explain how to account for the subsequent measurement of lease liabilities arising in the context of sale and leaseback transactions. Transactions in which some or all of the lease payments are variable and do not depend on an index or interest rate are affected. In the subsequent measurement of the lease liability, the seller/lessee is required to define "lease payments" and "modified lease payments" in such a way that no gain or loss is realised in relation to the retained right-of-use asset. The seller/lessee shall still recognise in the income statement any gain or loss relating to the partial or complete termination of a lease. The amendments do not prescribe a specific method of subsequent measurement. In addition, IFRS 16 has been updated to include one amended and one new illustrative example. The requirements are to be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16, i.e. after 1 January 2019. The initial application is not expected to have a significant impact on the assets, financial, and earnings position of the Group.

### 3.3 Introduction of a global minimum tax

The OECD is currently working on the introduction of a global minimum tax (OECD – Pillar 2) as a means of ensuring fair tax competition between states and preventing tax avoidance. The aim is to ensure that the earnings of multinational enterprises with revenues above €750 million are subject to a minimum tax rate of 15%. As a potentially affected company, Heidelberg Materials is closely following the developments surrounding the introduction of the global minimum tax, analysing the current draft regulations in terms of their impact on the Group, and working on the necessary adjustments to the tax reporting processes. Due to the complexity of the regulations and the fact that they have not yet been finally transposed into local law, analysis of their impact is not yet complete. No estimate of the financial impact has therefore been made.

## 4 Estimation uncertainty and assumptions

The presentation of the assets, financial, and earnings position in the consolidated financial statements is dependent on estimates and assumptions made by the management, which affect the amounts and presentation of the assets and liabilities, expenses and income, and contingent liabilities accounted for in the period.

Effects of the Russia-Ukraine war as well as the price development for energy and raw materials and the sharp increase in inflation expectations were also taken into account. Furthermore, Heidelberg Materials is subject to climate-related risks. Climate risks include both transition risks and physical risks. As part of the structural transition to a low-carbon economy, Heidelberg Materials anticipates a rise in prices for the acquisition of emission allowances. These cost increases are taken into account in the operational plans. Physical climate risks are the direct consequences of extreme weather scenarios (e.g. floods and droughts), which may lead to a reduction in the useful lives of property, plant and equipment. The useful lives are reviewed regularly and, if necessary, adjusted to the changed conditions.

The actual values may differ from these estimates. The assumptions and estimates relate particularly to the necessity and calculation of impairments of goodwill and property, plant and equipment, the recognition and measurement of deferred tax assets, and the measurement of pension provisions and other provisions as well as the measurement of specific financial instruments (e.g. put options of non-controlling interests).

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A cash flow-based method in accordance with IAS 36 (Impairment of Assets) is used to determine the recoverable amount of groups of cash-generating units as part of the impairment test for goodwill and property, plant and equipment. In particular, estimates are required in relation to future cash flows of the groups of cash-generating units as well as to the discount rates and growth rates used (discounted cash flow method). A change in the influencing factors may have a significant impact on the existence or amount of impairment losses. Explanations concerning the composition of the carrying amount of goodwill and the impairment test are provided in Note 9.1 Intangible assets. Explanations of impairments of property, plant and equipment are made in Note 9.2.

To assess the future probability that deferred tax assets can be utilised, various estimates must be adopted, for example operational plans and tax projections. If the actual results deviate from these estimates, this may impact the assets and earnings position. Further explanations on current and deferred taxes are provided in Note 7.10 Income taxes.

Owing to the international nature of its business activities, HeidelbergCement AG and its subsidiaries are subject to a large number of national tax laws and regulations. Changes in tax laws as well as the issuance of case law and the possible differing interpretation by local tax authorities due to the complexity of tax laws can have an influence on the amount of both current and deferred taxes. The potential uncertainties resulting from this are to be resolved by means of appropriate discretionary decisions. Recognition and measurement are based on the most probable realisation value of the uncertainty. Individual presentation or aggregation of several uncertainties depends on the individual case under consideration. Uncertainties in current taxes are taken into account with an appropriate estimate of potential tax payments. Uncertainties regarding the recoverability of deferred tax assets are countered by means of internal planning, also with regard to the future development of results of the Group company concerned. Ongoing monitoring of the aforementioned uncertainties is ensured by organisational measures.

The obligations arising from defined benefit plans are determined on the basis of actuarial methods, which are based on assumptions and estimates concerning the discount rate, pension increase rate, life expectancy, and other influencing factors. A change in the underlying parameters may lead to differences in the amounts recognised in the balance sheet. Further details are given on **page 182 f.** and in Note 9.12 Pension provisions.

Provisions for damages and environmental obligations are measured on the basis of an extrapolation of the claims and estimates of the development of costs. A change in the influencing parameters may have an impact on the income statement as well as the amounts recognised in the balance sheet. The recognition and measurement of the miscellaneous other provisions are based on estimates of the probabilities of future outflow of resources and on the basis of empirical values and the circumstances known at the reporting date. The actual outflow of resources may differ from the outflow of resources expected at the reporting date and may have an impact on the recognition and measurement. Further explanations on provisions can be found in Note 9.13 Other provisions.

The measurement of specific financial instruments such as put options of non-controlling interests, which are not traded on an active market, is based on best possible estimates using probability forecasts and recognised actuarial methods.

## 5 Changes in scope of consolidation

In addition to HeidelbergCement AG, the consolidated financial statements include 679 subsidiaries that have been fully consolidated, of which 19 are German and 660 are foreign companies. The changes in comparison with 31 December 2021 are shown in the following table.

**Number of fully consolidated companies**

| | Germany | Abroad | Total |
|---|---|---|---|
| **31 December 2021** | **20** | **673** | 693 |
| First-time consolidations | | 5 | 5 |
| Divestments | –3 | –2 | –5 |
| Other changes | 2 | –16 | –14 |
| **31 December 2022** | **19** | **660** | 679 |

A list of shareholdings of the Heidelberg Materials Group as at 31 December 2022 on the basis of the regulations of section 313(2) of the German Commercial Code (HGB) is provided on **page 249f.** It also contains an exhaustive list of all subsidiaries that make use of the exemption from disclosure obligations in accordance with sections 264(3) and 264b of the HGB.

## 5.1 Business combinations

**Business combinations in the reporting year**
On 7 February 2022, our subsidiary Hanson Quarry Products Europe Limited, United Kingdom, acquired 100% of the shares in Charterneed Limited, including the wholly owned subsidiaries A1 Services (Manchester) Limited and Green Earth Developments Limited, Manchester, United Kingdom. The companies are active in the removal of surface materials, urban recycling, and the processing of construction and utility arisings. The acquisition includes a 13-hectare site including a rail connected siding and track system, as well as licenses for waste transport and handling. The acquisition improves our strategic position for entry into the recycling market. The purchase price amounted to €21.5 million and was paid in cash. The purchase price allocation has been completed. The final goodwill of €4.8 million is not tax-deductible and represents synergy and growth potential.

On 4 April 2022, Heidelberg Materials acquired four ready-mixed concrete plants and a fleet of mixer trucks in the Atlanta metropolitan area from Meriwether Ready Mix, Inc., Griffin, USA, as part of an asset deal. The purchase price amounted to €13.3 million and was paid in cash. The purchase price allocation has been completed. The final goodwill of €1.0 million is tax-deductible and represents synergy and growth potential.

The following table shows the fair values of the assets and liabilities as at the acquisition date.

**Fair values recognised as at the acquisition date (reporting year)**

| €m | United Kingdom | North America | Total |
|---|---|---|---|
| Intangible assets | 3.7 | | 3.7 |
| Property, plant and equipment | 14.3 | 12.4 | 26.8 |
| Inventories | 0.9 | 0.1 | 0.9 |
| Trade receivables | 2.6 | 0.7 | 3.3 |
| Cash and cash equivalents | 1.7 | | 1.7 |
| Other assets | 0.2 | | 0.2 |
| **Total assets** | **23.5** | **13.2** | **36.7** |
| Deferred taxes | 2.3 | | 2.3 |
| Provisions | 0.2 | | 0.2 |
| Non-current liabilities | 1.8 | | 1.8 |
| Current liabilities | 2.6 | 0.9 | 3.5 |
| **Total liabilities** | **6.9** | **0.9** | **7.8** |
| **Net assets** | **16.7** | **12.3** | **29.0** |

The acquired property, plant and equipment relates to land and buildings (€12.9 million), plant and machinery (€11.7 million), and other operating equipment (€2.2 million).

As part of the business combinations, receivables with a fair value of €3.3 million were acquired. These are trade receivables. The gross value of the contractual receivables totals €3.4 million, of which €0.1 million is likely to be irrecoverable.

Since the acquisition took place, the companies have contributed €22.3 million to revenue and €1.1 million to the profit for the financial year. If the acquisitions had taken place on 1 January 2022, contributions to revenue and profit for the financial year would be €3.5 million and €1.5 million higher respectively. Transaction costs of €0.8 million arising in connection with the above-mentioned business combinations were recognised in the additional ordinary expenses.

Furthermore, Heidelberg Materials effected other business combinations during the reporting year that are of minor importance, both individually and collectively, for the presentation of the assets, financial, and earnings position of the Group.

**Acquisition of joint ventures in the reporting year**
To drive the digital transformation in the building materials industry, Heidelberg Materials acquired a 44.9% participation in Project Potter Parent, L.P., Cayman Islands, through its subsidiary HDigital GmbH, Heidelberg, on 29 April 2022. Project Potter Parent, L.P. indirectly holds all shares in Command Alkon, a globally active provider of comprehensive supply chain technology solutions for building materials. Partnering with Command Alkon means cloud-based solutions can be offered across the heavy building materials supply chain. The purchase price including transaction costs amounted to €325.8 million and was paid in cash. The

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carrying amount as at 31 December 2022 was €306.6 million and the result from equity accounted investments (REI) since the acquisition date was €-10.5 million.

In order to strengthen our market position in Ghana and significantly reduce $CO_2$ emissions in this region, Heidelberg Materials acquired 50% of the shares in CBI S.A., Buchs, Switzerland, ("CBI") on 6 May 2022. CBI controls the Ghanaian cement manufacturer CBI Ghana. The acquisition of the shares is also linked to an investment for the construction of the world's largest industrial-scale flash calciner to produce calcined clay cement with reduced clinker content. In addition, Heidelberg Materials will strengthen its presence in Ghana through CBI's cement grinding operations in Tema in the south of the country. The purchase price amounted to €32.5 million and was paid in cash.

**Business combinations in the previous year**

The wholly owned US subsidiaries Hanson Permanente Cement, Inc., Phoenix, and Kaiser Gypsum Company, Inc., Raleigh, filed a voluntary bankruptcy petition to a US bankruptcy court on 30 September 2016 in accordance with Chapter 11 of the US Bankruptcy Code. The objective was, among other things, to establish a trust to which all past and future asbestos personal injury claims would be channelled pursuant to section 524(g) of the US Bankruptcy Code. These companies were subject to insolvency proceedings as a result of the bankruptcy filing. The Heidelberg Materials Group therefore no longer had control pursuant to IFRS 10, and the companies were deconsolidated along with their subsidiaries – Hanson Micronesia Cement, Inc., Wilmington, Hanson Permanente Cement of Guam, Inc., Sacramento, Permanente Cement Company, Los Angeles, and Mediterranean Carriers, Inc., Panama City, ("Permanente Group") – on 30 September 2016. Following the successful establishment of the trust and completion of the insolvency proceedings, Heidelberg Materials regained control on 12 August 2021 and reconsolidated the Permanente Group.

Between the deconsolidation and reconsolidation, the participation in the Permanente Group was classified as a financial investment at fair value through other comprehensive income. At the time of the reconsolidation, the fair value amounted to €0.0 million. The Permanente Group owns real estate in Santa Clara County and operates two cement terminals on Guam and Saipan.

The reconsolidation resulted in the recoverability of deferred tax assets of €81.8 million, which were recognised accordingly. These deferred tax assets arise both from deductible temporary differences, which essentially result from recultivation provisions, and from unused losses carried forward. Therefore, the reconsolidation resulted in a gain of €20.8 million, which was shown in the additional ordinary income.

On 31 December 2021, Heidelberg Materials acquired 100% of the shares in Corliss Resources, LLC, Dover, USA, ("Corliss") including its 50% joint venture Sunset Quarry, LLC, Tacoma, USA. The takeover includes major aggregates operations and four ready-mixed concrete plants. The acquisition expands our market presence in the cement, aggregates, and ready-mixed concrete businesses in the USA's Pacific Northwest. The purchase price amounted to €134.1 million and was paid in cash. The purchase price allocation has been completed. This primarily resulted in an increase of €5.1 million in property, plant and equipment in comparison with 31 December 2021, which was offset by higher non-current liabilities of €2.3 million. The final goodwill of €79.5 million is tax-deductible and represents synergy and growth potential.

The following table shows the fair values of the assets and liabilities added or acquired as part of the above-mentioned transactions.

**Fair values recognised as at the acquisition date (previous year)**

| €m | Permanente Group | Corliss | **Total** |
|---|---|---|---|
| Property, plant and equipment | 220.4 | 86.7 | 307.2 |
| Financial fixed assets | | 0.2 | 0.2 |
| Deferred taxes | 81.8 | | 81.8 |
| Inventories | 0.0 | 2.5 | 2.5 |
| Trade receivables | 1.0 | 5.6 | 6.6 |
| Cash and cash equivalents | 3.9 | 3.8 | 7.7 |
| Other assets | 1.3 | 0.4 | 1.6 |
| **Total assets** | **308.4** | **99.2** | **407.6** |
| Provisions | 279.7 | 2.3 | 282.0 |
| Non-current liabilities | 6.8 | 24.0 | 30.9 |
| Current liabilities | 1.0 | 18.3 | 19.3 |
| **Total liabilities** | **287.6** | **44.6** | **332.2** |
| **Net assets** | **20.8** | **54.6** | **75.4** |

Furthermore, Heidelberg Materials effected other business combinations during the previous year that are of minor importance, both individually and collectively, for the presentation of the assets, financial, and earnings position of the Group.

**Business combinations in the 2023 financial year**
As part of the implementation of the circular economy strategy and in order to strengthen the Group's portfolio of recycled materials, Heidelberg Materials has announced the acquisition of the following recycling companies.

On 9 January 2023, our subsidiary Heidelberger Sand und Kies GmbH completed its acquisition of a 100% shareholding in RWG Holding GmbH and its subsidiaries. All conditions for the closing of the transaction have been fulfilled following the approval of the cartel authorities. RWG is an integrated provider in the field of demolition and building materials recycling in the Berlin metropolitan area with an annual revenue of around €50 million. The acquisition includes three modern recycling centres and a specialised demolition company. With this acquisition, Heidelberg Materials is strengthening its range of circular materials to meet the increasing demand for sustainable building materials. The initial accounting for the business combination was still incomplete when the consolidated financial statements were approved by the Managing Board. Assessments were not yet available for the preparation of the further information in accordance with paragraph B64 of IFRS 3.

On 12 December 2022, Heidelberg Materials announced the acquisition of the Mick George Group in the United Kingdom. Mick George is active in the recycling of construction and demolition waste in the east of the United Kingdom with an annual revenue of around £220 million and operates four recycling plants, eight waste handling stations, eleven mining sites for aggregates, and ten ready-mixed concrete plants. The transaction, which is still subject to the approval of the relevant competition authorities, is expected to close in the first half of 2023.

On 3 February 2023, Heidelberg Materials announced that its subsidiary Heidelberger Sand und Kies GmbH had entered into an agreement to acquire the Heilbronn-based SER Group, a leading integrated company in the demolition and building materials recycling businesses. With an annual revenue of around €50 million and three modern recycling locations, SER Group operates in the Heilbronn metropolitan area. The transaction is expected to close in the second quarter of 2023.

The provisional purchase prices for the transactions described above amount to approximately €350 million and are subject to the usual post-closing purchase price adjustments.

## 5.2 Divestments

**Divestments in the reporting year**
On 30 April 2021, Heidelberg Materials signed an agreement to sell its aggregates business and two ready-mixed concrete plants in Greece. In the future, Heidelberg Materials will focus on its core business in Greece and will continue cement production through its subsidiary Halyps Cement. The transaction was concluded on 3 January 2022. The sales price amounts to €34.6 million, of which a prepayment of €3.4 million was already received during the 2021 financial year.

The remaining amount was collected in the 2022 financial year. The divestment resulted in a gain of €18.7 million, which has been shown in the additional ordinary income.

On 2 August 2021, Heidelberg Materials signed an agreement to sell its aggregates and ready-mixed concrete business in the Spanish region of Catalonia. The sale was completed on 1 April 2022. The sales price amounted to €21.1 million and was paid in cash. The divestment resulted in a gain of €3.7 million, which has been shown in the result from current operations.

On 10 November 2021, Heidelberg Materials signed an agreement for the sale of its activities in southern Spain to Votorantim Cimentos. The sale comprises the integrated cement plant in Malaga as well as three aggregates and eleven ready-mixed concrete plants in Andalusia. The transaction was concluded on 1 November 2022. The sales price amounts to €93.3 million and was paid in cash. The divestment resulted in a gain of €24.1 million, which has been shown in the additional ordinary income.

The following table shows the assets and liabilities as at the date of divestiture.

**Assets and liabilities as at the date of divestiture (reporting year)**

| €m | Greece | Spain | Total |
|---|---|---|---|
| Other intangible assets | 0.2 | 0.1 | 0.3 |
| Property, plant and equipment | 14.5 | 78.2 | 92.7 |
| Other non-current assets | | 0.8 | 0.8 |
| Inventories | 2.6 | 12.4 | 15.0 |
| Cash and cash equivalents | | 1.1 | 1.1 |
| Other assets | | 19.5 | 19.5 |
| **Total assets** | **17.3** | **112.1** | **129.4** |
| Provisions | 1.2 | 5.0 | 6.2 |
| Non-current liabilities | 0.2 | 4.3 | 4.5 |
| Current liabilities | | 16.2 | 16.2 |
| **Total liabilities** | **1.4** | **25.5** | **26.9** |
| **Net assets** | **15.9** | **86.6** | **102.5** |

Incidental disposal costs of €1.1 million arose in connection with these divestments and were recognised in the additional ordinary expenses.

Furthermore, Heidelberg Materials effected other divestments in the reporting year that are of minor importance for the presentation of the assets, financial, and earnings position of the Group.

**Divestments in the previous year**

On 29 November 2020, Heidelberg Materials signed an agreement to sell the 51% participation in Hilal Cement Company KSCP and its subsidiaries Al Mahaliya Ready Mix Concrete W.L.L., Kuwait German Company for RMC W.L.L., and Gulf Ready Mix Concrete Company W.L.L., based in Safat, Kuwait ("Hilal Group"). The Hilal Group operates four ready-mixed concrete plants and two cement terminals on the local port site in Kuwait. The sale was completed on 24 January 2021. The sales price amounts to €8.2 million and was paid in cash. The divestment resulted in a gain of €0.9 million, which has been shown in the additional ordinary income.

On 29 April 2021, Heidelberg Materials sold 100% of the shares in Pioneer Concrete (Hong Kong) Limited, Kowloon, Hong Kong ("Pioneer Ltd"). The sales price amounts to €28.0 million and was paid in cash. The divestment resulted in a gain of €20.7 million, which has been shown in the additional ordinary income.

Heidelberg Materials signed an agreement on 23 May 2021 to sell its business activities in the West region of the USA to the US company Martin Marietta Materials, Inc. The sale was completed on 1 October 2021. The transaction includes the sale of Lehigh Hanson's cement, aggregates, ready-mixed concrete, and asphalt business activities in the West region of the USA (California, Arizona, Oregon, and Nevada), with the exception of the Permanente cement plant and quarry (collectively, the "USA Region West"). The sale comprises two cement production plants with related distribution terminals, 17 active aggregates sites, and several downstream operations in the ready-mixed concrete and asphalt sectors. The sales price of US$2.3 billion was received in cash and is subject to the usual purchase price adjustments. The divestment resulted in a gain of €481.9 million, which has been shown in the additional ordinary income.

On 29 November 2021, as part of the portfolio optimisation and margin improvement programme in connection with the "Beyond 2020" strategy, Heidelberg Materials signed an agreement to dispose of its shares in Sierra Leone Cement Corp Ltd., Freetown, Sierra Leone, ("Leocem") to the Diamond Cement Group. Heidelberg Materials holds an indirect 50% share in the company and has full management responsibility. The sale includes a grinding plant with two cement mills. Located in Sierra Leone's capital, Freetown, the plant has an annual capacity of around 500,000 tonnes of cement. The sales price amounts to €10.4 million and was paid in cash. The sales price is subject to the usual purchase price adjustments. The divestment resulted in a gain of €0.1 million, which has been shown in the additional ordinary income.

The following table shows the assets and liabilities as at the date of divestiture.

**Assets and liabilities as at the date of divestiture (previous year)**

| €m | Hilal Group | Pioneer Ltd | USA Region West | Leocem | **Total** |
|---|---|---|---|---|---|
| Goodwill | | 6.7 | 872.4 | 2.2 | 881.3 |
| Other intangible assets | 1.1 | | 3.5 | | 4.7 |
| Property, plant and equipment | 12.0 | 0.5 | 448.6 | 5.2 | 466.3 |
| Other non-current assets | 0.1 | | 1.8 | | 1.9 |
| Inventories | 3.0 | | 94.6 | 8.9 | 106.5 |
| Cash and cash equivalents | 17.9 | 0.0 | 0.2 | 1.5 | 19.6 |
| Other assets | 10.3 | 0.0 | 5.6 | 4.7 | 20.5 |
| **Total assets** | **44.5** | **7.2** | **1,426.7** | **22.5** | **1,500.9** |
| Provisions | 2.7 | | 19.1 | 0.2 | 21.9 |
| Non-current liabilities | 7.9 | | 16.9 | | 24.8 |
| Current liabilities | 17.5 | 0.0 | 17.2 | 3.5 | 38.2 |
| **Total liabilities** | **28.1** | **0.0** | **53.2** | **3.6** | **84.9** |
| **Net assets** | **16.4** | **7.2** | **1,373.5** | **18.9** | **1,415.9** |

Furthermore, Heidelberg Materials effected other divestments in the previous year that are of minor importance for the presentation of the assets, financial, and earnings position of the Group.

## 6 Notes to the segment reporting

Heidelberg Materials' segment reporting is based on the Group's internal division into geographical regions, corresponding to the management organisation. Heidelberg Materials is divided into six Group areas:

- Western and Southern Europe: Belgium, France, Germany, Italy, Netherlands, Spain, and the United Kingdom

- Northern and Eastern Europe-Central Asia: Denmark, Iceland, Norway, Sweden, and the Baltic States, as well as the cross-border Nordic Precast Group and Mibau Group, Bosnia-Herzegovina, Bulgaria, Croatia, Czechia, Georgia, Greece, Hungary, Kazakhstan, Poland, Romania, Russia, and Slovakia

- North America: Canada and USA

- Asia-Pacific: Australia, Bangladesh, Brunei, China, India, Indonesia, Malaysia, Singapore, and Thailand

- Africa-Eastern Mediterranean Basin: Benin, Burkina Faso, DR Congo, Egypt, the Gambia, Ghana, Israel, Liberia, Morocco, Mozambique, South Africa, Tanzania, Togo, and Turkey

- Group Services comprise the international trading activities

Heidelberg Materials evaluates the performance in the segments primarily on the basis of the result from current operations. As Group financing (including financing expenses and income) is managed centrally by the Group and income taxes are, in general, calculated across business lines, neither is allocated to segments. The IFRS used in these financial statements form the basis for the valuation principles of the segment reporting. The Inter-Group areas revenue represents the revenue between segments. In the reconciliation, intra-Group relationships between the segments are eliminated.

The revenue and non-current assets of the main countries are shown in the table below. Revenue is allocated to countries according to the supplying company's country of origin.

### Information by country

| | Revenue with external customers | | Non-current assets[1] | |
|---|---|---|---|---|
| €m | 2021 | **2022** | 2021 | **2022** |
| USA | 3,708 | 4,090 | 7,810 | 8,424 |
| Germany | 1,602 | 1,877 | 1,559 | 1,590 |
| United Kingdom | 1,498 | 1,814 | 1,221 | 1,175 |
| Australia | 1,244 | 1,403 | 2,006 | 1,982 |
| France | 1,313 | 1,349 | 1,120 | 1,149 |
| Indonesia | 857 | 1,022 | 1,016 | 1,001 |
| Canada | 852 | 990 | 582 | 569 |
| Italy | 656 | 838 | 566 | 492 |
| Other countries | 6,988 | 7,712 | 6,123 | 5,856 |
| **Total** | **18,720** | **21,095** | **22,002** | **22,238** |

1) Intangible assets and property, plant and equipment

# 7 Notes to the income statement

## 7.1 Revenue

The revenue shown in the consolidated income statement relates to revenue from contracts with customers in accordance with IFRS 15. In the following table, the revenue is broken down into two categories: type of products and services (business lines) and Group areas.

**Revenue development by Group areas and business lines**

| €m | Cement | | Aggregates | | Ready-mixed concrete-asphalt | | Service-other | | Intra-Group eliminations | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** |
| Western and Southern Europe | 2,881 | 3,385 | 1,278 | 1,383 | 2,131 | 2,376 | 367 | 406 | –1,100 | –1,241 | 5,557 | 6,308 |
| Northern and Eastern Europe-Central Asia | 1,631 | 1,933 | 564 | 644 | 614 | 715 | 485 | 554 | –211 | –245 | 3,084 | 3,600 |
| North America | 1,828 | 1,974 | 1,718 | 1,987 | 1,231 | 1,161 | 279 | 331 | –504 | –545 | 4,551 | 4,907 |
| Asia-Pacific | 1,678 | 1,961 | 563 | 665 | 1,141 | 1,298 | 45 | 59 | –302 | –349 | 3,126 | 3,633 |
| Africa-Eastern Mediterranean Basin | 1,585 | 1,755 | 78 | 92 | 352 | 409 | 42 | 49 | –147 | –196 | 1,909 | 2,108 |
| Group Services | | | | | | | 1,421 | 1,783 | | | 1,421 | 1,783 |
| Inter-Group area revenue within business lines | –27 | –2 | –38 | –43 | | | 7 | 6 | | | –58 | –38 |
| **Total** | **9,577** | **11,006** | **4,164** | **4,727** | **5,469** | **5,958** | **2,646** | **3,187** | **–2,265** | **–2,577** | **19,591** | **22,301** |
| Inter-Group area revenue between business lines | | | | | | | | | –871 | –1,206 | –871 | –1,206 |
| **Total** | | | | | | | | | **–3,136** | **–3,783** | **18,720** | **21,095** |

## 7.2 Other operating income

### Other operating income

| €m | 2021 | 2022 |
|---|---|---|
| Gains from sale of fixed assets | 113.5 | 131.0 |
| Foreign exchange gains | 28.7 | 118.5 |
| Income from ancillary business | 47.1 | 48.7 |
| Rental income | 35.7 | 35.2 |
| Reversal of provisions | 30.1 | 25.9 |
| Other income | 262.6 | 264.5 |
| | **517.7** | **623.8** |

The gains from sale of fixed assets include gains from the sale of quarries that were depleted and no longer in operational use to the amount of €41.5 million (previous year: 53.7). The foreign exchange gains concern trade receivables and payables. Foreign exchange gains from interest-bearing receivables and liabilities are shown in the financial result. The income from the reversal of provisions includes the reversal of provisions that cannot be assigned by cost type. The other income item includes proceeds of €15.2 million (previous year: 15.1) from the participation in energy efficiency projects, premium income of reinsurers of €23.0 million (previous year: 22.2), as well as numerous individual items.

Significant income that occurs in the course of ordinary business activities but is not reported in result from current operations is shown in the additional ordinary income and explained in Note 7.7.

## 7.3 Material costs

### Material costs

| €m | 2021 | 2022 |
|---|---|---|
| Raw materials | 2,608.3 | 2,988.7 |
| Supplies, repair materials, and packaging | 1,204.9 | 1,405.2 |
| Costs of energy | 1,943.6 | 2,975.1 |
| Goods purchased for resale | 1,180.3 | 1,153.3 |
| Miscellaneous | 368.2 | 439.1 |
| | **7,305.4** | **8,961.3** |

State subsidies for electricity and gas of €44.5 million received in the financial year were offset against energy costs. Material costs amounted to 42.5% of revenue (previous year: 39.0%).

## 7.4 Personnel costs and employees

### Personnel costs

| €m | 2021 | 2022 |
|---|---|---|
| Wages, salaries, social security costs | 2,908.8 | 3,011.1 |
| Costs of retirement benefits | 164.2 | 158.7 |
| Other personnel costs | 35.0 | 46.9 |
| | **3,108.0** | **3,216.7** |

Personnel costs equalled 15.2% of revenue (previous year: 16.6%). The development of expenses for retirement benefits is explained in Note 9.12 Pension provisions.

### Annual average number of employees

| Number based on full-time equivalents | 2021 | 2022 |
|---|---|---|
| Blue-collar employees | 33,718 | 32,424 |
| White-collar employees | 18,875 | 18,972 |
| **Total** | **52,593** | **51,396** |
| Apprentices | 309 | 356 |
| **Total** | **52,902** | **51,752** |

**Long-term bonus – capital market component**
As a long-term variable remuneration element, the members of the Managing Board of HeidelbergCement AG and certain managers within the Heidelberg Materials Group receive a long-term bonus made up of a management component and a capital market component. The capital market component with a term of four years considers the external added value as measured by total shareholder return (TSR) – adjusted for the reinvested dividend payments and for changes in capital – compared with the relevant capital market indices, using performance share units (PSUs). The PSUs are virtual shares used for the calculation of the capital market component.

For the capital market component, the number of PSUs granted is determined in a first step: the number of PSUs is calculated from a set percentage of the fixed annual salary divided by the reference price of the HeidelbergCement share as at the time of issue. The reference price in each case is the average of the daily closing prices (trading days) of the HeidelbergCement share on the Frankfurt Stock Exchange Xetra trading system in the three months before the start or expiration of the performance period.

After expiry of the four-year performance period, the PSUs definitively earned are to be calculated in a second step according to the attainment of the target (0%–200%) and paid in cash at the reference price of the HeidelbergCement share valid at that time, adjusted for the reinvested dividend payments and for changes in capital.

The following table shows the key parameters of the plans.

**Key parameters of the long-term bonus plans**

| | Plan 2019 | Plan 2020 | Plan 2021 | Plan 2022 |
|---|---|---|---|---|
| Date of issuance | 1 January 2019 | 1 January 2020 | 1 January 2021 | 1 January 2022 |
| Term | 4 years | 4 years | 4 years | 4 years |
| Reference price at issuance | €58.78 | €65.84 | €57.00 | €62.56 |
| Maximum payment amount per PSU | €146.95 | €164.60 | €142.50 | €156.40 |

The reconciliation of the number of PSUs granted from 1 January 2019 to 31 December 2022 is shown in the following table.

**Number of PSUs**

| | Plan 2019 | Plan 2020 | Plan 2021 | Plan 2022 |
|---|---|---|---|---|
| Granted as of 1 January 2019 | | | | |
| Additions | 178,084 | | | |
| Disposals | –8,426 | | | |
| Granted as of 31 December 2019/as of 1 January 2020 | 169,658 | | | |
| Additions | | 149,384 | | |
| Disposals | –3,319 | –3,173 | | |
| Granted as of 31 December 2020/as of 1 January 2021 | 166,339 | 146,211 | | |
| Additions | | | 185,400 | |
| Disposals | –3,534 | –4,014 | –9,273 | |
| Granted as of 31 December 2021/as of 1 January 2022 | 162,806 | 142,197 | 176,127 | |
| Additions | | | | 158,790 |
| Disposals | –9,423 | –9,821 | –11,879 | –4,512 |
| **Granted as of 31 December 2022** | **153,382** | **132,376** | **164,249** | **154,278** |

In the reporting year, all of the 101,550 PSUs from the 2018 plan granted as at 31 December 2021 were exercised and either settled via cash payment or lapsed due to the departure of employees.

For accounting in accordance with IFRS 2 (Share-based Payment), the fair value of the PSUs is calculated using a recognised option price model. A large number of different development paths for the HeidelbergCement share – taking into account the effects of reinvested dividends – and the benchmark indices are simulated (Monte Carlo simulation). As at the reporting date, the benchmark index DAX 40 had 13,924 points (previous year: 15,885) and the benchmark index MSCI World Construction Materials 218.3 points (previous year: 277.5).

The fair value and additional measurement parameters are shown in the tables below.

## Fair value

| in € | Plan 2019 | Plan 2020 | Plan 2021 | Plan 2022 |
|---|---|---|---|---|
| Fair value as of 31 December 2019 | 21.13 | | | |
| Fair value as of 31 December 2020 | 19.92 | 39.15 | | |
| Fair value as of 31 December 2021 | 0.04 | 2.00 | 13.86 | |
| Fair value as of 31 December 2022 | | 1.18 | 22.26 | 51.20 |

## Measurement parameters

| | 31 Dec. 2019 | 31 Dec. 2020 | 31 Dec. 2021 | 31 Dec. 2022 |
|---|---|---|---|---|
| | Plans 2017/18/19 | Plans 2018/19/20 [2] | Plans 2019/20/21 [2] | Plans 2020/21/22 [2] |
| Expected dividend yield | 6.0% | –0.8% | –0.7% | 2.0% |
| Share price at 31 December | €64.96 | €61.22 | €59.52 | €53.28 |
| Volatility of HeidelbergCement share[1] | 19% | 32% | 32% | 25% |
| Volatility of MSCI World Construction Materials Index[1] | 13% | 25% | 26% | 19% |
| Volatility of DAX 40 Index[1] | 13% | 22% | 22% | 16% |
| Correlation HeidelbergCement share/ MSCI World Construction Materials Index[1] | 87% | 67% | 92% | 87% |
| Correlation HeidelbergCement share / DAX 40 Index[1] | 69% | 51% | 89% | 79% |
| Correlation DAX 40 Index/ MSCI World Construction Materials Index[1] | 90% | 92% | 97% | 94% |

[1] Average over the last two years
[2] The plans expiring in the financial year were revalued each on the base of the current value (31 Dec. 2020: Plan 2017/31 Dec. 2021: Plan 2018/31 Dec. 2022: Plan 2019).

The total expenditure on the capital market component of the long-term bonus plan amounted to €3.4 million (previous year: –2.7). As at the reporting date, the provisions for the capital market component totalled €4.1 million (previous year: 0.7). The capital market component of the long-term bonus plan 2019–2021/22 is paid after the Annual General Meeting 2023. The same applies to the additional current long-term bonus plans, i.e. payment takes place in the year following the four-year performance period.

## 7.5 Other operating expenses

### Other operating expenses

| €m | 2021 | 2022 |
|---|---|---|
| Freight | 2,032.8 | 2,328.4 |
| Expenses for third party repairs and services | 1,927.6 | 2,277.1 |
| Selling and administrative expenses | 1,117.3 | 1,274.6 |
| Other taxes | 126.6 | 152.9 |
| Lease expenses | 113.9 | 131.1 |
| Foreign exchange losses | 32.6 | 125.1 |
| Impairment losses on operating receivables and contract assets | 2.2 | 26.8 |
| Losses from derecognition of operating receivables | 4.2 | 1.8 |
| Other expenses | 35.3 | 41.7 |
| | **5,392.5** | **6,359.6** |

The lease expenses include expenses for short-term leases of €125.0 million (previous year: 106.8) and expenses for leases of low-value assets of €6.2 million (previous year: 7.1). The expenses for variable lease payments not included in the measurement of lease liabilities amounted to €104.3 million (previous year: 88.9) and were incurred primarily in connection with freight and third-party services. The foreign exchange losses concern trade receivables and payables. Foreign exchange losses from interest-bearing receivables and liabilities are shown in the financial result. Other expenses include expenses from the transfer of receivables outstanding as at the reporting date amounting to €8.4 million (previous year: 6.3).

Significant expenses that occur in the course of ordinary business activities but are not reported in result from current operations are shown in the additional ordinary expenses and explained in Note 7.7.

## 7.6 Result from equity accounted investments (REI)

The result from equity accounted investments (REI) is made up of the results from joint ventures and associates engaged in the Group's core activities. Results from associates that are not engaged in the Group's core activities are reported in the result from other participations.

### Result from joint ventures

With its joint venture partners, Heidelberg Materials operates numerous joint ventures worldwide. Cement Australia makes an important contribution to the result from current operations of the Heidelberg Materials Group.

The joint venture Cement Australia comprises Cement Australia Holdings Pty Ltd, Cement Australia Pty Limited, and Cement Australia Partnership, all based in Darra, Australia. Cement Australia is a joint venture between Heidelberg Materials and Holcim. Each partner holds 50% of the capital shares in the companies. Cement Australia is the largest Australian cement manufacturer and operates two cement plants and two grinding plants in eastern and southeastern Australia as well as in Tasmania. Heidelberg Materials procures its entire Australian cement requirement from Cement Australia.

The following table shows the statement of comprehensive income (100% values).

### Statement of comprehensive income Cement Australia

| €m | 2021 | 2022 |
|---|---|---|
| Revenue | 731.5 | 830.2 |
| Depreciation and amortisation | –41.6 | –43.3 |
| **Result from current operations** | **185.8** | **161.6** |
| Additional ordinary result | –0.0 | |
| **Earnings before interest and taxes (EBIT)** | **185.7** | **161.6** |
| Interest expenses | –11.4 | –15.7 |
| Other financial income and expenses | –1.2 | –1.1 |
| **Profit before tax** | **173.1** | **144.8** |
| Income taxes | –8.3 | 7.6 |
| **Profit for the financial year** | **164.8** | **152.4** |
| Other comprehensive income | 1.0 | –3.7 |
| **Total comprehensive income** | **165.8** | **148.7** |

The assets and liabilities (100% values), the reconciliation to the total carrying amount of the interest, and the dividend received are shown in the following table.

### Additional financial information Cement Australia

| €m | 2021 | 2022 |
|---|---|---|
| Intangible assets | 22.4 | 21.6 |
| Property, plant and equipment | 478.6 | 487.1 |
| Financial fixed assets | 38.0 | 37.1 |
| Other non-current assets | 2.1 | 1.9 |
| **Total non-current assets** | **541.1** | **547.7** |
| Cash and cash equivalents | 17.2 | 4.4 |
| Other current assets | 140.7 | 166.8 |
| **Total current assets** | **157.9** | **171.2** |
| **Total assets** | **699.0** | **718.9** |
| Non-current financial liabilities | 249.2 | 338.2 |
| Non-current provisions | 7.2 | 6.5 |
| Other non-current liabilities | 14.3 | 7.2 |
| **Total non-current liabilities** | **270.7** | **351.9** |
| Current financial liabilities | 96.5 | 36.8 |
| Current provisions | 10.8 | 9.3 |
| Trade payables | 105.8 | 108.8 |
| Other current liabilities | 65.3 | 70.5 |
| **Total current liabilities** | **278.4** | **225.4** |
| **Total liabilities** | **549.1** | **577.3** |
| **Net assets** | **149.9** | **141.6** |
| Group share in % | 50.0 | 50.0 |
| Group share of net assets | 74.9 | 70.8 |
| Goodwill | 350.7 | 349.1 |
| **Total carrying amount of the interest** | **425.6** | **419.9** |
| Dividends received | 90.1 | 80.8 |

Heidelberg Materials also holds investments in individually immaterial joint ventures. These now include the joint venture Texas Lehigh Cement Company LP, based in Austin, USA, which was still classified as a material joint venture in the previous year. The summarised financial information for these companies is shown in the following table (Heidelberg Materials shareholding). The previous year's values have been adjusted accordingly.

### Summarised financial information for immaterial joint ventures

| €m | 2021 | 2022 |
|---|---|---|
| **Investments in immaterial joint ventures** | **855.5** | **1,323.3** |
| Result from immaterial joint ventures | 199.7 | 133.5 |
| Other comprehensive income | 16.7 | 20.7 |
| **Total comprehensive income** | **216.4** | **154.2** |
| Unrecognised share of losses of the period | –1.5 | –2.8 |
| Unrecognised share of losses cumulated | –2.6 | –5.5 |

In view of the economic situation and the highly inflationary environment in Turkey, Heidelberg Materials conducted an impairment review for the joint venture Akçansa Çimento Sanayi ve Ticaret A.S. This resulted in impairments of €25.9 million due to the retrospective adjustment of the company's equity in connection with the initial application of IAS 29 (Financial Reporting in Hyperinflationary Economies) and the increased cost of capital. The carrying amount of €195.9 million was impaired to a value in use of €170.0 million. A cost of capital of 38.5% was used. The impairment loss is shown in the additional ordinary expenses. In the reporting year, the result from equity accounted investments (REI) amounted to €24.7 million.

### Result from associates

The following table shows the summarised financial information concerning the associates.

### Summarised financial information for associates

| €m | 2021 | 2022 |
|---|---|---|
| **Investments in associates** | **583.5** | **688.3** |
| Result from associates – reported in result from equity accounted investments (REI) | 74.0 | 52.1 |
| Result from associates – reported in result from other participations | | 11.1 |
| Other comprehensive income | 6.1 | –11.1 |
| **Total comprehensive income** | **80.1** | **52.1** |
| Unrecognised share of losses of the period | –5.5 | –1.3 |
| Unrecognised share of losses cumulated | –7.4 | –7.5 |

## 7.7 Additional ordinary result

The additional ordinary result includes income and expenses that, although occurring in the course of ordinary business activities, are not reported in result from current operations.

### Additional ordinary result

| €m | 2021 | 2022 |
|---|---|---|
| **Additional ordinary income** | | |
| Gains from the disposal of subsidiaries and other business units | 512.1 | 43.2 |
| Gains from the disposal of other non-current assets | 40.2 | 0.0 |
| Reversal of impairment losses | 201.3 | 56.3 |
| Other additional income | 21.6 | 25.4 |
| | **775.1** | **124.9** |
| **Additional ordinary expenses** | | |
| Losses from the disposal of subsidiaries and other business units | –9.2 | –13.9 |
| Impairment of other intangible assets and property, plant and equipment | –73.1 | –196.3 |
| Restructuring expenses | –30.3 | –26.5 |
| Other additional expenses | –181.4 | –81.5 |
| | **–294.0** | **–318.1** |
| | **481.1** | **–193.2** |

**Additional ordinary income**
In 2022, the gains from the disposal of subsidiaries and other business units were essentially attributable to the sale of the business activities in southern Spain in the amount of €24.1 million and from the sale of the business activities in Greece in the amount of €18.7 million. In the previous year, the item included, in particular, gains from the sale of the business activities in the USA Region West in the amount of €481.9 million and from the disposal of Pioneer Concrete (Hong Kong) Ltd. in the amount of €20.7 million. The reversal of impairment losses is explained in Note 9.2. Other additional income mainly includes income from the reversal of provisions in connection with divested business activities. In the 2021 financial year, income from the reconsolidation of the Permanente Group amounting to €20.8 million was recognised in this item.

**Additional ordinary expenses**
The losses from the disposal of subsidiaries and other business units in the 2022 financial year are essentially attributable to currency-related losses in connection with the liquidation of a subsidiary. In the previous year, this item included losses from the liquidation of several participations.

An explanation of the impairment of other intangible assets and property, plant and equipment is given in Note 9.2.

The restructuring expenses in the 2022 financial year mainly included personnel costs and were primarily incurred in the Group areas of Western and Southern Europe with €23.1 million, Asia-Pacific with €2.5 million, and Africa-Eastern Mediterranean Basin with €1.7 million. In the previous year, the restructuring expenses related to the Group areas of Western and Southern Europe with €15.9 million, Africa-Eastern Mediterranean Basin with €8.5 million, Group functions with €3.7 million, and Asia-Pacific with €2.0 million.

Other additional expenses include expenses of €36.7 million connected with the closure of locations, expenses resulting from the impairment of a joint venture in the amount of €25.9 million, additions to provisions amounting to €7.8 million for litigation and other risks, incidental disposal costs of €5.6 million in connection with the disposal of subsidiaries, transaction costs of €3.4 million in connection with business combinations, and other expenses not reported in results from current operations. In the previous year, this item included expenses of €66.1 million connected with the closure of locations, additions to provisions amounting to €57.9 million for litigation and other risks, incidental disposal costs of €49.9 million in connection with the disposal of subsidiaries, transaction costs of €7.1 million in connection with business combinations, and other expenses not reported in results from current operations.

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### 7.8 Interest expenses

In the 2022 financial year, the interest expenses for lease liabilities amounted to €32.2 million (previous year: 32.3).

### 7.9 Other financial result

**Other financial result**

| €m | 2021 | 2022 |
|---|---|---|
| Interest balance from defined benefit pension plans | –8.4 | 0.0 |
| Interest effect from the valuation of other provisions | 5.7 | 111.8 |
| Valuation result of derivative financial instruments | –8.2 | 49.9 |
| Impairment losses on interest-bearing receivables | –7.4 | 4.0 |
| Miscellaneous other financial result | –29.9 | –25.4 |
| | **–48.3** | **140.3** |

Interest effects from the valuation of other provisions are explained in Note 9.13. The valuation result of derivative financial instruments essentially stems from the interest component of the foreign currency derivatives. The miscellaneous other financial result includes expenses from the continuing involvement to the amount of €19.7 million (previous year: 6.6).

### 7.10 Income taxes

**Income tax expense**

| €m | 2021 | 2022 |
|---|---|---|
| **Current taxes** | | |
| Current taxes current year | –663.4 | –447.9 |
| Current taxes previous years | 28.9 | 14.0 |
| | **–634.4** | **–433.8** |
| **Deferred taxes** | | |
| Deferred taxes resulting from the recognition and reversal of temporary differences | –68.6 | –74.2 |
| Deferred taxes resulting from carryforwards of unused tax losses and interest, tax credits | –202.9 | 24.1 |
| Deferred taxes resulting from changes in tax rate | –40.8 | –1.1 |
| | **–312.2** | **–51.2** |
| **Income taxes from continuing operations** | **–946.7** | **–485.0** |

Adjusted for tax income for previous years, which amounted to €14.0 million (previous year: 28.9), the current tax expense decreased by €215.5 million. This decrease is mainly attributable to the sale of business activities in the USA Region West, which in the previous year led to a current tax expense of €259.2 million. The deferred tax expense includes expenses of €74.2 million (previous year: 68.6) due to the recognition and reversal of temporary differences. Deferred tax assets created in previous years for carryforwards of unused tax losses and interest as well as tax credits were offset and reduced by €9.6 million (previous year: 45.0) during the reporting year. The reduction in the current and deferred tax expense for carryforwards of unused tax losses and interest not recognised in previous years as well as tax credits amounted to €90.7 million (previous year: 61.1) in the financial year. In the reporting year, deferred tax assets of €7.2 million (previous year: 11.4) not covered by deferred tax liabilities were recognised from companies that had made a loss in the current or previous period. This mainly concerns companies in Spain and Indonesia and corresponds to the assessment of recoverability based on positive business development and corporate planning.

Carryforwards of unused tax losses as well as tax credits for which no deferred tax assets are recognised amount to €2,745.9 million (previous year: 2,646.3). They have essentially vested both in Germany and abroad. However, they are not determined separately in all countries by official notice and are therefore partly subject to review by the financial authorities prior to utilisation. In addition, no deferred tax assets were recognised for carryforwards of interest amounting to €374.3 million (previous year: 508.8) and deductible temporary differences of €88.0 million (previous year: 109.6). Overall, unrecognised deferred tax assets amounted to €771.8 million (previous year: 813.6) in the reporting year.

In the financial year, €5.4 million (previous year: 86.2) in deferred taxes was recognised directly in equity. These amounts result primarily from the measurement of pension provisions in accordance with IAS 19. In addition, €26.9 million (previous year: 2.6) of current taxes, in connection with the measurement of financial instruments according to IFRS 9, was recognised directly in equity. Changes to the scope of consolidation led to a net increase in deferred tax liabilities of €3.1 million (previous year: increase in deferred tax assets of 82.5), recognised directly in equity. The change in comparison with the previous year is largely due to the reconsolidation of the Permanente Group in 2021.

As laid down in IAS 12, deferred taxes must be recognised on the difference between the share of equity of a subsidiary captured in the consolidated balance sheet and the carrying amount for this subsidiary in the parent company's tax accounts, if realisation is ex-

pected (outside basis differences). On the basis of the regulations for the application of IAS 12.39, deferred taxes of €43.1 million (previous year: 52.1) were recognised on planned future dividends. No deferred tax liabilities were recognised for additional temporary taxable outside basis differences from subsidiaries, associates, and other participations of HeidelbergCement AG amounting to €119.0 million (previous year: 91.9), as no reversal is likely within the foreseeable future. In accordance with the regulations of IAS 12.87, the amount of unrecognised deferred tax liabilities was not computed.

To measure deferred taxes, a combined income tax rate of 29.7% is applied for the domestic companies. This consists of the statutory corporation tax rate of 15.0% plus the solidarity surcharge of 5.5% levied on the corporation tax to be paid, as well as an average trade tax burden of 13.9%. For 2021, the combined income tax rate was also 29.7%. The calculation of the expected income tax expense at the domestic tax rate is carried out using the same combined income tax rate that is used in the calculation of deferred taxes for domestic companies.

The profit before tax of the Group companies based abroad is taxed at the applicable rate in the respective country of residence. The local income tax rates in the individual countries vary, thus resulting in corresponding tax rate differentials. These are shown in the line "Effect of different tax rates in countries in which the Group operates".

A weighted average tax rate is established by taking the tax rate differentials of foreign Group companies into account. The reduction in this rate in comparison with the earlier period is due to the change in the relative weighting of the companies' results.

## Tax reconciliation

| €m | 2021 | 2022 |
|---|---|---|
| **Profit before tax from continuing operations** | **2,893.9** | **2,217.1** |
| Expected tax expense at national tax rate of 29.7% (2021: 29.7%) | –859.5 | –658.6 |
| Effect of different tax rates in countries in which the Group operates | 179.7 | 148.6 |
| **Expected tax expense at weighted average tax rate of 23.0% (2021: 23.5%)** | **–679.8** | **–510.0** |
| Tax-free earnings (+) and non-deductible expenses (–) | –235.2 | –41.7 |
| Effects from carryforward of unused tax losses and interest, tax credits | 16.1 | 81.1 |
| Not recognised deferred tax assets | –25.4 | –11.1 |
| Tax increase (–), reduction (+) for prior years | 34.3 | 13.5 |
| Changes in tax rate | –40.8 | –1.1 |
| Others | –15.9 | –15.7 |
| **Income taxes** | **–946.7** | **–485.0** |
| **Effective tax rate** | **32.7%** | **21.9%** |

## Deferred taxes

| €m | 2021 | 2022 |
|---|---|---|
| **Deferred tax assets** | | |
| Fixed assets | 50.0 | 52.4 |
| Other assets | 89.7 | 90.9 |
| Provisions and liabilities | 737.4 | 692.9 |
| Carryforward of unused tax losses and interest, tax credits | 242.9 | 267.1 |
| Gross amount | 1,119.9 | 1,103.1 |
| Netting | –857.1 | –834.9 |
| | **262.9** | **268.2** |
| **Deferred tax liabilities** | | |
| Fixed assets | 1,288.7 | 1,386.0 |
| Other assets | 71.5 | 76.5 |
| Provisions and liabilities | 329.0 | 258.6 |
| Gross amount | 1,689.1 | 1,721.2 |
| Netting | –857.1 | –834.9 |
| | **832.1** | **886.3** |

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## 7.11 Discontinued operations and disposal groups

### Discontinued operations

The following table shows the composition of the result.

**Net loss from discontinued operations**

| €m | 2021 | 2022 |
|---|---|---|
| *Income* | | 1.4 |
| Expenses | –60.8 | –13.4 |
| **Result before tax** | **–60.8** | **–12.0** |
| Attributable income taxes | 15.3 | 2.9 |
| **Result after tax** | **–45.5** | **–9.1** |

The result includes income and expenses incurred in connection with discontinued operations of the Hanson Group in previous years and that result from provisions for damages and environmental obligations. Further details on the obligations are provided in Note 9.13 Other provisions.

### Disposal groups

As part of the portfolio optimisation and margin improvement programme in connection with the "Beyond 2020" strategy, Heidelberg Materials signed an agreement on 30 September 2021 to sell its aggregates and ready-mixed concrete business in the Madrid region. The transaction is subject to a number of conditions precedent before the final closing. Final closing is expected to take place in the second half of 2023.

The disposal groups also include non-current assets of the Western and Southern Europe Group area whose sale within the next 12 months is regarded as highly probable. These assets are measured at their fair value less costs to sell.

In the previous year, the disposal groups included assets and liabilities of planned divestments in Greece and Spain. Further explanations are given in Note 5.2.

The following overview shows the main groups of assets and liabilities of the disposal groups.

**Assets and liabilities classified as held for sale**

| €m | 2021 | 2022 |
|---|---|---|
| Intangible assets | 0.2 | |
| Property, plant and equipment | 103.1 | 48.7 |
| Other non-current assets | 0.8 | |
| *Inventories* | 12.0 | 0.9 |
| Cash and cash equivalents | 0.0 | |
| Other current assets | 9.3 | |
| **Assets classified as held for sale** | **125.4** | **49.6** |
| Pension provisions | 0.3 | |
| Other non-current provisions | 5.7 | |
| Non-current liabilities | 6.5 | 0.3 |
| Current provisions | 0.2 | |
| Current liabilities | 12.2 | |
| **Liabilities classified as held for sale** | **24.9** | **0.3** |
| **Net assets** | **100.5** | **49.3** |

### 7.12 Earnings per share

**Earnings per share**

| €m | 2021 | 2022 |
|---|---|---|
| Profit for the financial year | 1,901.7 | 1,723.0 |
| Thereof attributable to non-controlling interests | 142.8 | 126.4 |
| Thereof attributable to HeidelbergCement AG shareholders | 1,759.0 | 1,596.6 |
| Number of shares in '000s (weighted average) | 197,308 | 189,028 |
| **Earnings per share in €** | **8.91** | **8.45** |
| Net income from continuing operations – attributable to HeidelbergCement AG shareholders | 1,804.5 | 1,605.7 |
| Earnings per share in € – continuing operations | 9.15 | 8.49 |
| Net loss from discontinued operations – attributable to HeidelbergCement AG shareholders | –45.5 | –9.1 |
| Loss per share in € – discontinued operations | –0.23 | –0.05 |

## 8 Notes to the statement of cash flows

The consolidated statement of cash flows shows how the Group's cash and cash equivalents changed through inflows and outflows during the reporting year. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating, investing, and financing activities. The changes in the relevant balance sheet items cannot be directly derived from the consolidated balance sheet, as they are adjusted for non-cash transactions, such as effects arising from currency translation and changes to the scope of consolidation.

The cash flow is calculated as net income from continuing operations adjusted for income taxes, net interest, depreciation, amortisation, impairment, and other eliminations. Cash flows from dividends received from non-consolidated companies, from interest received and paid, and from income taxes paid are also recognised. Changes in working capital and utilisation of provisions are taken into account when determining the cash flow from operating activities.

Cash flows from the acquisition or sale of intangible assets as well as property, plant and equipment and financial fixed assets are recognised in the cash flow from investing activities. If these relate to the acquisition or disposal of subsidiaries or other business units (gain or loss of control), the effects on the statement of cash flows are shown in separate items.

The cash flow from financing activities mainly results from changes in capital and dividend payments as well as proceeds from and repayments of bonds and loans and repayments of lease liabilities. In addition, cash flows from changes in ownership interests in subsidiaries that do not result in a loss of control are classified as financing activities.

The cash flows from foreign Group companies shown in the statement are generally translated into euro using the average annual exchange rates. In contrast, cash and cash equivalents are translated using the exchange rate at year end, as in the consolidated balance sheet. The effects of exchange rate changes on cash and cash equivalents are shown separately.

The significant individual items in the statement of cash flows are explained below.

### 8.1 Dividends received

Of the cash inflow from dividends received, €177.8 million (previous year: 271.0) relates to joint ventures, €30.0 million (previous year: 29.0) to associates, and €1.5 million (previous year: 1.8) to other participations.

### 8.2 Interest received

The cash inflow from interest received increased, primarily as a result of the rise in payments received from interest rate and cross-currency interest rate swaps.

### 8.3 Other eliminations

The other eliminations include non-cash expenses and income, such as results from equity accounted investments (REI) (before impairment or reversal of impairments), additions to and reversal of provisions, and impairment and reversal of impairments of working capital. Furthermore, the results from divestments are adjusted because the total amount earned from divestments is shown in the cash flow from investing activities. The following table shows the composition of the other eliminations:

**Other eliminations**

| €m | 2021 | 2022 |
|---|---|---|
| Result from equity accounted investments | –355.7 | –271.7 |
| Addition/reversal of pension provisions | 50.1 | 46.4 |
| Addition/reversal of other provisions | 231.5 | –7.5 |
| Impairment/reversal of impairments of working capital | 86.5 | 76.2 |
| Result from divestments | –631.5 | –115.8 |
| Other non-cash expenses and income | 11.8 | 104.4 |
| | **–607.4** | **–168.0** |

### 8.4 Changes in operating assets/liabilities

Operating assets consist of inventories, trade receivables, and other assets used in operating activities. Operating liabilities include trade payables and other liabilities from operating activities.

### 8.5 Investments (cash outflow)

The payments for investments differ from additions in the fixed asset movement schedule, which shows, for instance, non-cash transactions as additions, such as additions in connection with leasing transactions.

Of the total cash-relevant investments of €1,810.9 million (previous year: 1,599.3), €1,288.7 million (previous year: 1,083.5) related to investments to maintain and optimise capacity and €522.2 million (previous year: 515.8) to capacity expansions.

Investments in intangible assets and property, plant and equipment less subsidies received amounted to €1,259.6 million (previous year: 1,419.5) and concerned maintenance, optimisation, and environmental protection measures at our production sites, as well as expansion projects in growth markets.

Payments for the acquisition of subsidiaries and other business units amounted to €63.5 million (previous year: 144.8); this figure was primarily attributable to business combinations in the United Kingdom and North America. In the previous year, the payments resulted mainly from the acquisition of Corliss Resources, LLC in North America. Further details of the acquisitions are provided in Note 5.1.

Investments in financial assets, associates, and joint ventures amounted to €487.8 million (previous year: 35.0) and relate to the acquisition of 44.9% of the shares in Command Alkon for €325.8 million, the indirect acquisition of 50% of the shares in CBI Ghana for €32.5 million, and the acquisition and granting of loans totalling €94.8 million.

### 8.6 Divestments (cash inflow)

The cash inflow from the disposal of subsidiaries and other business units amounted to €144.8 million (previous year: 2,004.9) and primarily relates to the sale of the business activities in southern Spain as well as the sale of the aggregates business and two ready-mixed concrete plants in Greece. Proceeds in the previous year mainly related to the sale of the business activities in the USA Region West and our subsidiaries in Hong Kong, Kuwait, and Sierra Leone. Detailed explanations on the divestments are provided in Note 5.2.

Proceeds from the disposal of intangible assets and property, plant and equipment amounted to €144.9 million in the financial year (previous year: 184.1). The disposal of financial assets, associates, and joint ventures as well as the repayment of loans resulted in payments received of €39.0 million (previous year: 30.1).

### 8.7 Acquisition of treasury shares

The second tranche of the share buyback programme was completed in the financial year, with the acquisition of 6,906,281 shares for a total of €350.0 million (including incidental acquisition costs). In the previous year, 5,324,577 shares were acquired for a total of €349.8 million under the first tranche.

### 8.8 Decrease/increase in ownership interests in subsidiaries

This item shows cash flows from the decrease or increase in ownership interests in subsidiaries that do not lead to a loss of control. The payments made to increase ownership interests in subsidiaries totalled €78.4 million (previous year: 102.5) in the financial year, of which €77.2 million (previous year: 97.9) was connected with the 1.8% (previous year: 1.9%) increase in our share in PT Indocement Tunggal Prakarsa Tbk., Indonesia, through the acquisition of treasury shares.

### 8.9 Repayment of bonds, loans, and lease liabilities

This item includes the scheduled repayments of financial liabilities. In 2022, the debt certificate of €360.5 million and a bond with a nominal volume of €750.0 million were repaid. In addition, lease liabilities of €236.7 million (previous year: 252.7) were repaid. In the previous year, this item included the repayment of two bonds totalling €1,500.0 million.

### 8.10 Changes in short-term financial liabilities

This line shows the balance of proceeds from and payments for items with a high turnover rate, large amounts, and short terms from financing activities.

### 8.11 Changes in liabilities arising from financing activities

The following table shows the changes in liabilities arising from financing activities, broken down into cash-relevant and non-cash changes.

**Changes in liabilities arising from financing activities**

| €m | Bonds payable | Bank loans | Miscellaneous other financial liabilities | Lease liabilities | Non-controlling interests with put options | Derivative financial instruments (net position) | **Total** |
|---|---|---|---|---|---|---|---|
| **1 January 2022** | **6,169.9** | **736.4** | **91.2** | **1,059.1** | **79.9** | **–27.1** | 8,109.4 |
| Cash flow from financing activities | –750.0 | –406.0 | –9.1 | –236.7 | | –82.1 | –1,483.9 |
| Change in consolidation scope | | | 6.4 | 4.7 | | | 11.1 |
| Currency translation | | –8.0 | –1.9 | –8.6 | | | –18.4 |
| Changes in fair value | | | | | | 146.3 | 146.3 |
| Other changes | –98.0 | –1.2 | 5.3 | 232.6 | 7.5 | | 146.2 |
| **31 December 2022** | **5,321.9** | **321.2** | **92.0** | **1,051.1** | **87.3** | **37.0** | 6,910.7 |
| **1 January 2021** | **7,708.5** | **842.1** | **92.5** | **1,124.7** | **76.1** | **–44.6** | 9,799.4 |
| Cash flow from financing activities | –1,500.0 | –113.3 | –17.1 | –252.7 | | 111.0 | –1,772.1 |
| Change in consolidation scope | | 0.1 | 9.9 | 29.2 | | | 39.2 |
| Currency translation | | 7.0 | 2.5 | 36.4 | | | 45.9 |
| Changes in fair value | | | | | | –93.5 | –93.5 |
| Other changes | –38.6 | 0.5 | 3.5 | 121.5 | 3.7 | | 90.6 |
| **31 December 2021** | **6,169.9** | **736.4** | **91.2** | **1,059.1** | **79.9** | **–27.1** | 8,109.4 |

The cash-relevant change in liabilities arising from financing activities includes cash flows resulting from the proceeds from and repayments of loans, bonds, and short-term financial liabilities and repayments of lease liabilities, as well as cash flows from rolling currency derivatives, insofar as they serve to hedge financial liabilities.

The net position of the derivative financial instruments includes currency derivatives with both positive and negative fair values. This results in a negative net carrying amount of €37.0 million (previous year: positive carrying amount of €27.1 million) as at 31 December 2022. The total change in interest liabilities is shown in other changes, as interest-related payment flows in the statement of cash flows are allocated to cash flow from operating activities.

### 8.12 Cash and cash equivalents

Cash and cash equivalents with a remaining term of up to three months are included. The cash equivalents in this item are short-term, highly liquid financial investments that are readily convertible to a known amount of cash and subject to only insignificant changes in value. Of this item, €54.8 million (previous year: 16.6) is not available for use by Heidelberg Materials. This includes €21.1 million in short-term cash deposits at banks that were placed as security for various business transactions, for example outstanding recultivation payments and guarantees provided. The figure also takes into account bank balances of €33.7 million that cannot be freely transferred within the Group because of foreign exchange restrictions.

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# 9 Notes to the balance sheet

## 9.1 Intangible assets

### Intangible assets (31 December 2022)

| €m | Goodwill | Other intangible assets | Total |
|---|---|---|---|
| **Cost** | | | |
| 1 January 2022 | 12,326.7 | 616.3 | 12,943.0 |
| Currency translation | 96.3 | 1.3 | 97.7 |
| Business combinations | 20.6 | 3.9 | 24.5 |
| Divestments | –1.5 | –0.2 | –1.7 |
| Additions | | 35.1 | 35.1 |
| Disposals | | –16.5 | –16.5 |
| Reclassifications | | 9.0 | 9.0 |
| Reclassifications to current assets | | –0.1 | –0.1 |
| 31 December 2022 | 12,442.1 | 648.8 | 13,090.9 |
| **Amortisation** | | | |
| 1 January 2022 | 4,162.0 | 409.5 | 4,571.5 |
| Currency translation | –88.0 | 1.1 | –86.9 |
| Divestments | –0.0 | –0.2 | –0.2 |
| Additions | | 40.2 | 40.2 |
| Impairment | | 3.5 | 3.5 |
| Reversal of impairment | | –0.2 | –0.2 |
| Disposals | | –16.4 | –16.4 |
| Reclassifications | | 2.0 | 2.0 |
| 31 December 2022 | 4,074.0 | 439.5 | 4,513.5 |
| **Carrying amount at 31 December 2022** | **8,368.1** | **209.3** | **8,577.4** |

## Intangible assets (31 December 2021)

| €m | Goodwill | Other intangible assets | **Total** |
|---|---|---|---|
| **Cost** | | | |
| 1 January 2021 | 12,607.2 | 810.5 | 13,417.7 |
| Currency translation | 519.8 | 15.9 | 535.6 |
| Business combinations | 85.4 | | 85.4 |
| Divestments | –10.2 | –0.1 | –10.3 |
| Additions | | 27.2 | 27.2 |
| Disposals | | –22.5 | –22.5 |
| Reclassifications | | –198.0 | –198.0 |
| Reclassifications to current assets | –875.5 | –16.8 | –892.2 |
| 31 December 2021 | 12,326.7 | 616.3 | 12,943.0 |
| **Amortisation** | | | |
| 1 January 2021 | 4,018.4 | 449.3 | 4,467.8 |
| Currency translation | 148.4 | 9.2 | 157.6 |
| Divestments | –1.2 | –0.1 | –1.3 |
| Additions | | 45.1 | 45.1 |
| Impairment | | 0.1 | 0.1 |
| Disposals | | –18.3 | –18.3 |
| Reclassifications | | –62.8 | –62.8 |
| Reclassifications to current assets | –3.6 | –13.1 | –16.7 |
| 31 December 2021 | 4,162.0 | 409.5 | 4,571.5 |
| **Carrying amount at 31 December 2021** | **8,164.7** | **206.9** | **8,371.6** |

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**Goodwill**
An impairment test on goodwill in accordance with IAS 36 (Impairment of Assets) is generally performed annually within the Heidelberg Materials Group, in the fourth quarter once the operational three-year plan has been prepared or if there are indications for impairment.

In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs.

Cash flow estimates extend over a five-year planning period, after which a terminal value is applied. A three-year detailed bottom-up operational plan approved by the Managing Board and Supervisory Board forms the basis for these estimates. This is generally complemented by a top-down plan for an additional two years, which incorporates medium-term expectations of the management based on estimates of market volume, market shares, as well as cost and price development. As a general rule, the top-down plan is derived by applying growth rates to the detailed three-year operational plan. A detailed plan is created for all CGUs operating in unstable markets. This applies especially to those markets in which demand for building materials and building products, as well as the price level, have decreased substantially due to economic uncertainties. It is generally assumed that demand and prices in these markets will recover.

The sales volumes derived from the demand are generally based on the assumption of constant market shares. The underlying development of the price level varies by CGU.

Variable costs are assumed to evolve in line with the projected development of sales volumes and prices. As a rule, it is expected that the contribution margin as a percentage of revenue will increase slightly. With increasing sales volumes, this leads to a significant improvement in the operating margin in some cases. In view of the high volatility in the energy markets, we expect rising energy costs in the year ahead, particularly in Europe, which will ease again over the course of the planning horizon.

Furthermore, it was assumed that the savings achieved through the efficiency improvement measures, particularly business excellence initiatives and digital transformation, as well as the initiatives to increase prices, would have a positive influence on the CGUs' operating margins. Under our Sustainability Commitments 2030, we will further reduce our emissions through conventional levers and carbon capture, utilisation, and storage (CCUS), circular economy, responsible land use, and water conservation. The projections for the estimated growth rates of the terminal value are based on country-specific long-term inflation rates.

The WACC rates for the Group were calculated using a two-phase approach, whereby a phase-one WACC rate was used to discount the payment surpluses for the first five years and a phase-two WACC discount rate was applied for the determination of the terminal value. The difference between the two WACC rates merely results from the downward adjustment for the perpetual growth rate as well as a long-term inflation differential adjustment in phase two. The credit spread as premium to the risk-free rate was derived from the rating of the homogenous peer group. The peer group is subjected to an annual review and adjusted if necessary.

The following key assumptions were applied in the determination of the recoverable amount based on the value in use for the CGU.

## Goodwill impairment test assumptions

| Group area/CGU[1] | Carrying amount of goodwill in €m | | Weighted average cost of capital before taxes[2] | | Weighted average cost of capital after taxes[2] | | Perpetual growth rate | |
|---|---|---|---|---|---|---|---|---|
| | 31 Dec. 2021 | **31 Dec. 2022** | 31 Dec. 2021 | **31 Dec. 2022** | 31 Dec. 2021 | **31 Dec. 2022** | 31 Dec. 2021 | **31 Dec. 2022** |
| **Western and Southern Europe** | **918.6** | 926.3 | **7.9%–10.2%** | 9.7%–13.6% | **6.2%–8.0%** | 7.5%–10.3% | **1.3%–2.0%** | 1.6%–2.0% |
| Benelux | **222.3** | 222.3 | **8.3%** | 9.7% | **6.8%** | 7.6% | **1.9%** | 1.9% |
| Germany | **370.7** | 379.0 | **7.9%** | 9.9% | **6.2%** | 7.5% | **2.0%** | 2.0% |
| France | **190.9** | 190.9 | **8.0%** | 9.7% | **6.4%** | 7.5% | **1.3%** | 1.6% |
| **Northern and Eastern Europe-Central Asia** | **781.8** | 763.4 | **7.6%–10.9%** | 8.6%–14.4% | **6.5%–9.7%** | 7.0%–12.6% | **1.9%–2.5%** | 2.0%–2.5% |
| Czechia | **141.1** | 144.0 | **8.6%** | 10.4% | **7.4%** | 8.8% | **2.0%** | 2.0% |
| Poland | **148.1** | 147.1 | **9.5%** | 12.8% | **8.3%** | 11.1% | **2.5%** | 2.5% |
| **North America** | **4,598.6** | 4,852.7 | **9.4%** | 9.1% | **7.7%** | 7.0% | **2.2%** | 2.0% |
| **Asia-Pacific** | **1,421.4** | 1,407.1 | **6.8%–15.7%** | 8.8%–19.4% | **6.7%–13.2%** | 7.2%–16.5% | **1.0%–5.4%** | 1.0%–5.5% |
| Australia | **1,066.7** | 1,062.6 | **9.7%** | 9.9% | **7.7%** | 7.5% | **2.4%** | 2.5% |
| Bangladesh | **8.5** | 8.2 | **15.7%** | 19.4% | **13.2%** | 16.5% | **5.4%** | 5.5% |
| India | **221.6** | 211.8 | **13.2%** | 15.5% | **10.3%** | 11.6% | **4.0%** | 4.0% |
| **Africa-Eastern Mediterranean Basin** | **444.2** | 418.7 | **8.4%–23.1%** | 10.1%–44.2% | **7.0%–17.8%** | 8.0%–34.7% | **1.6%–6.0%** | 1.9%–6.5% |
| Israel | **76.9** | 72.1 | **8.4%** | 10.1% | **7.0%** | 8.0% | **1.6%** | 1.9% |
| Morocco | **291.2** | 274.0 | **11.3%** | 14.8% | **8.4%** | 10.5% | **2.0%** | 2.0% |
| **Total** | **8,164.7** | **8,368.1** | | | | | | |

1) CGU = Cash-generating unit
2) Stated figure is the phase one WACC, before adjustment for growth. The second phase WACC, used to calculate the terminal value, is equal to the phase one WACC after adjustment for growth and long-term inflation differential.

As in the previous year, the goodwill impairment test did not lead to any impairment.

For the CGUs Bangladesh, Benelux, and France, marginal changes in the sustainable growth rate or in the operational plan as the basis for cash flow estimates or the weighted average cost of capital could cause the carrying amount to exceed the recoverable amount. Management does not rule out such a development. With a reduction of the growth rate of around 1.4 percentage points for the CGU Benelux, around 1.5 percentage points for the CGU Bangladesh, and around 1.6 percentage points for the CGU France, the recoverable amount corresponds to the respective carrying amount. With a decline in the planned results (EBIT) for each year of planning as well as in the terminal value of around 9.5% for the CGU Bangladesh, around 15.6% for the CGU Benelux, and around 15.9% for the CGU France, the recoverable amount and carrying amount are equal. With an increase in the weighted average cost of capital of around 1.3 percentage points for the CGU Bangladesh, around 1.5 percentage points for the CGU Benelux, and around 1.6 percentage points for the CGU France, the recoverable amount corresponds to the respective carrying amount. For the CGU Morocco, we assumed the fair value less costs of disposal on the basis of the stock market price.

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Without the aforementioned changes, the recoverable amount exceeds the carrying amount of the CGU Bangladesh by €6.0 million, of the CGU Benelux by €119.4 million, and of the CGU France by €243.9 million as at the reporting date.

With a reduction of 2.6 percentage points in the growth rate, a WACC increase of 2.2 percentage points, or a decline of 17.1% in the planned result (EBIT) for each year of planning as well as in the terminal value, the recoverable amount for all other CGU continues to lie above the carrying amount.

**Other intangible assets**

Other intangible assets mainly include concessions and software. Spending on research and development of €121.8 million (previous year: 122.8) was recorded as an expense as it did not fulfil the recognition criteria for intangible assets.

## 9.2 Property, plant and equipment

**Property, plant and equipment (31 December 2022)**

| €m | Land and buildings | Plant and machinery | Other operating equipment | Prepayments and assets under construction | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| 1 January 2022 | 11,052.6 | 13,674.0 | 2,154.2 | 1,402.2 | 28,283.0 |
| Currency translation | 2.8 | –87.1 | –14.7 | –1.4 | –100.4 |
| Business combinations | 34.0 | 14.6 | 5.2 | –1.3 | 52.5 |
| Divestments | –4.2 | –7.2 | –0.3 | | –11.7 |
| Additions | 159.4 | 139.9 | 117.6 | 1,066.7 | 1,483.7 |
| Disposals | –202.2 | –322.4 | –90.4 | –3.6 | –618.6 |
| Reclassifications | 145.7 | 455.2 | 123.8 | –733.7 | –9.0 |
| Reclassifications to current assets | –41.9 | –11.2 | –0.6 | –0.2 | –54.0 |
| 31 December 2022 | 11,146.2 | 13,855.7 | 2,294.8 | 1,728.7 | 29,025.5 |
| **Depreciation** | | | | | |
| 1 January 2022 | 4,185.7 | 9,162.4 | 1,284.5 | 19.6 | 14,652.2 |
| Currency translation | –23.7 | –48.5 | –12.2 | –1.3 | –85.7 |
| Divestments | –1.1 | –5.5 | –0.8 | | –7.4 |
| Additions | 327.8 | 642.2 | 253.7 | | 1,223.7 |
| Impairment | 81.5 | 87.8 | 5.9 | 17.5 | 192.7 |
| Reversal of impairment | –30.3 | –25.1 | –0.7 | | –56.1 |
| Disposals | –154.7 | –300.8 | –80.7 | –3.2 | –539.4 |
| Reclassifications | 4.7 | –5.2 | 4.2 | –5.7 | –2.0 |
| Reclassifications to current assets | –7.2 | –5.7 | –0.2 | | –13.1 |
| 31 December 2022 | 4,382.6 | 9,501.6 | 1,453.8 | 26.9 | 15,364.9 |
| ***Carrying amount at 31 December 2022*** | **6,763.6** | **4,354.0** | **841.0** | **1,701.9** | **13,660.4** |

## Property, plant and equipment (31 December 2021)

| €m | Land and buildings | Plant and machinery | Other operating equipment | Prepayments and assets under construction | **Total** |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| 1 January 2021 | 10,458.1 | 13,532.9 | 2,020.7 | 850.0 | 26,861.7 |
| Currency translation | 392.4 | 491.0 | 59.3 | 49.6 | 992.2 |
| Business combinations | 265.5 | 46.4 | 8.1 | 2.6 | 322.6 |
| Divestments | –3.6 | –7.2 | –0.5 | –0.3 | –11.6 |
| Additions | 134.3 | 91.9 | 150.3 | 1,228.0 | 1,604.5 |
| Disposals | –105.6 | –224.1 | –103.6 | –1.6 | –434.9 |
| Reclassifications | 384.3 | 432.5 | 79.6 | –698.5 | 198.0 |
| Reclassifications to current assets | –472.8 | –689.4 | –59.7 | –27.6 | –1,249.6 |
| 31 December 2021 | 11,052.6 | 13,674.0 | 2,154.2 | 1,402.2 | 28,283.0 |
| **Depreciation** | | | | | |
| 1 January 2021 | 3,957.3 | 8,916.5 | 1,159.8 | 14.9 | 14,048.5 |
| Currency translation | 129.2 | 324.3 | 39.6 | 0.5 | 493.6 |
| Divestments | –0.8 | –3.5 | –0.5 | | –4.8 |
| Additions | 325.1 | 657.2 | 233.2 | | 1,215.4 |
| Impairment | 35.0 | 28.3 | 1.0 | 8.7 | 73.0 |
| Reversal of impairment | –73.7 | –111.7 | –13.2 | –2.7 | –201.3 |
| Disposals | –52.5 | –192.7 | –91.9 | | –337.1 |
| Reclassifications | 67.3 | 6.3 | –8.9 | –1.8 | 62.8 |
| Reclassifications to current assets | –201.2 | –462.4 | –34.5 | | –698.1 |
| 31 December 2021 | 4,185.7 | 9,162.4 | 1,284.5 | 19.6 | 14,652.2 |
| **Carrying amount at 31 December 2021** | **6,866.8** | **4,511.6** | **869.7** | **1,382.7** | **13,630.8** |

Exploitation land and mineral reserves are also recorded in land and buildings.

In the 2022 financial year, government grants of €75.6 million (previous year: 90.4) were deducted directly from the acquisition costs. The conditions attached to these grants have been met in full and there are no other uncertainties.

The carrying amount of property, plant and equipment pledged as security amounts to €5.9 million (previous year: 32.6). Borrowing costs of €9.9 million (previous year: 3.0) were recognised. The average capitalisation rate applied was 2% (previous year: 2%).

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### Right-of-use assets

The right-of-use assets reported under property, plant and equipment result from leases accounted for in accordance with IFRS 16. The following table shows the development of the right-of-use assets.

**Right-of-use assets (31 December 2022)**

| €m | Land and buildings | Plant and machinery | Other operating equipment | **Total** |
|---|---|---|---|---|
| **Cost** | | | | |
| 1 January 2022 | 794.0 | 174.7 | 803.8 | 1,772.5 |
| Currency translation | –12.8 | –2.6 | –6.3 | –21.6 |
| Business combinations | 1.7 | 0.3 | 2.0 | 3.9 |
| Divestments | –0.0 | –0.0 | –0.1 | –0.2 |
| Additions | 125.9 | 49.2 | 72.1 | 247.2 |
| Disposals | –14.8 | –1.8 | –28.3 | –45.0 |
| Reclassifications | 0.2 | –5.8 | –0.3 | –6.0 |
| Reclassifications to current assets | 0.3 | | 0.0 | 0.4 |
| 31 December 2022 | 894.4 | 214.0 | 842.8 | 1,951.2 |
| **Depreciation** | | | | |
| 1 January 2022 | 240.0 | 122.2 | 404.3 | 766.5 |
| Currency translation | –5.5 | –0.1 | –5.8 | –11.4 |
| Divestments | –0.0 | 0.0 | –0.1 | –0.2 |
| Additions | 86.8 | 13.2 | 137.6 | 237.5 |
| Impairment | 5.1 | | 0.3 | 5.3 |
| Reversal of impairment | –5.2 | | –0.2 | –5.4 |
| Disposals | –6.7 | 0.9 | –25.7 | –31.5 |
| Reclassifications | 0.0 | 8.2 | –10.2 | –1.9 |
| Reclassifications to current assets | 0.5 | 0.0 | 0.1 | 0.6 |
| 31 December 2022 | 315.0 | 144.4 | 500.4 | 959.8 |
| **Carrying amount at 31 December 2022** | **579.4** | **69.6** | **342.4** | **991.4** |

## Right-of-use assets (31 December 2021)

| €m | Land and buildings | Plant and machinery | Other operating equipment | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| 1 January 2021 | 709.0 | 180.5 | 743.2 | 1,632.8 |
| Currency translation | 31.8 | 3.8 | 20.7 | 56.4 |
| Business combinations | 23.5 | 12.6 | | 36.0 |
| Divestments | –1.4 | –0.0 | | –1.5 |
| Additions | 85.8 | 3.1 | 104.2 | 193.1 |
| Disposals | –20.6 | –22.2 | –43.2 | –86.0 |
| Reclassifications | | 0.7 | –1.2 | –0.4 |
| Reclassifications to current assets | –34.0 | –3.9 | –20.0 | –57.8 |
| 31 December 2021 | 794.0 | 174.7 | 803.8 | 1,772.5 |
| **Depreciation** | | | | |
| 1 January 2021 | 180.3 | 101.1 | 304.5 | 585.9 |
| Currency translation | 9.7 | 3.0 | 11.5 | 24.2 |
| Divestments | –0.6 | | | –0.6 |
| Additions | 79.7 | 29.2 | 134.4 | 243.3 |
| Impairment | 3.8 | | 0.3 | 4.0 |
| Reversal of impairment | –11.2 | | –1.7 | –12.8 |
| Disposals | –8.3 | –9.0 | –35.5 | –52.7 |
| Reclassifications | | –0.3 | | –0.3 |
| Reclassifications to current assets | –13.4 | –1.8 | –9.2 | –24.4 |
| 31 December 2021 | 240.0 | 122.2 | 404.3 | 766.5 |
| **Carrying amount at 31 December 2021** | **554.0** | **52.5** | **399.5** | **1,005.9** |

Information on lease liabilities is provided in Note 8.11 and Note 9.14 as well as on **page 243 f.** and **page 245**.

The following table contains all the cash outflows for leases.

## Cash outflow for leases

| €m | 2021 | 2022 |
|---|---|---|
| Principal payments for lease liabilities | 252.7 | 236.7 |
| Interest payments for lease liabilities | 32.3 | 32.2 |
| Short-term leases | 106.8 | 125.0 |
| Leases of low-value assets | 7.1 | 6.2 |
| Variable lease payments, that were not recognised in the lease liability | 88.9 | 104.3 |
| | **487.9** | **504.3** |

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**Impairment of other intangible assets and property, plant and equipment**

The impairments in the 2022 financial year are shown in the following table.

**Impairment of other intangible assets and property, plant and equipment (reporting year)**

| €m | Other intangible assets | Land and buildings | Plant and machinery | Other operating equipment | Prepayments and assets under construction | Total |
|---|---|---|---|---|---|---|
| **Western and Southern Europe** | –0.0 | –17.9 | –29.1 | –0.6 | –0.6 | –48.1 |
| United Kingdom | –0.0 | –8.9 | –29.1 | –0.6 | –0.6 | –39.1 |
| Other | | –9.0 | | –0.0 | –0.0 | –9.0 |
| **Northern and Eastern Europe-Central Asia** | –3.5 | –44.3 | –32.2 | –4.9 | –16.6 | –101.5 |
| Russia | –3.5 | –43.8 | –31.4 | –4.9 | –16.6 | –100.2 |
| Other | | –0.5 | –0.8 | –0.0 | | –1.3 |
| **North America** | –0.0 | –19.2 | –26.5 | –0.5 | –0.3 | –46.5 |
| **Asia-Pacific** | | –0.1 | –0.0 | –0.0 | | –0.1 |
| **Total** | **–3.5** | **–81.5** | **–87.8** | **–5.9** | **–17.5** | **–196.3** |

In view of the effects of the Russia–Ukraine war, Heidelberg Materials conducted an impairment review of intangible assets and property, plant and equipment in Russia. This resulted in total impairments of €100.2 million. This is due to significantly higher risk premiums and interest rates, which led to an increase in the cost of capital to 28.0%. The impairment mainly relates to the CGUs Cesla and HC RUS. Assets within the CGU Cesla were impaired by €55.4 million, with a carrying amount of €55.4 million and a value in use or fair value less costs of disposal totalling €0 million. Assets within the CGU HC RUS were impaired by €41.0 million, with a carrying amount of €183.3 million and a value in use or fair value less costs of disposal totalling €142.3 million.

Further impairments were recognised in North America and the United Kingdom.

In North America, the impairment of assets was tested on the basis of local cash-generating units (CGUs) and individual assets were impaired. The impairments relate in particular to the early commissioning of our new cement plant in Mitchell, Indiana. This resulted in total impairments of €46.5 million for the CGUs Glens Falls, Cementon, Mitchell, and Speed. Of this total, €30.7 million is attributable to Glens Falls, €3.2 million to Cementon, €5.8 million to Mitchell, and €6.8 million to Speed. The carrying amount was written off in full for all units. A cost of capital of 7.0% was used.

In the United Kingdom, the impairment of assets was tested on the basis of local cash-generating units (CGUs) or management areas. Impairment losses mainly related to individual CGUs within Hanson Quarry Products Europe and Cementitious, as well as impairments on closed sites. Assets with impairment losses within closed sites were impaired by €2.7 million, with a carrying amount of €297.4 million and a value in use or fair value less costs of disposal totalling €294.7 million. Assets of the CGUs within Hanson Quarry Products Europe were impaired by €31.3 million, with a carrying amount of €143.6 million and a value in use or fair value less costs of disposal of €112.3 million. The carrying amount of the CGU Cementitious of €23.3 million was impaired by €4.8 million to a value in use or fair value less costs of disposal of €18.5 million. The reasons for the impairment are increased capital and material costs, as well as a decline in demand due to the challenging economic situation. A cost of capital of 10.6% was used.

Impairment losses are shown in the additional ordinary expenses.

### Reversal of impairment on other intangible assets and property, plant and equipment

Reversals of impairment losses in the 2022 financial year are shown in the following table.

**Reversal of impairment on other intangible assets and property, plant and equipment (reporting year)**

| €m | Other intangible assets | Land and buildings | Plant and machinery | Other operating equipment | Total |
|---|---|---|---|---|---|
| **Western and Southern Europe** | 0.2 | 28.7 | 25.1 | 0.7 | 54.6 |
| United Kingdom | | 20.0 | 16.9 | 0.4 | 37.3 |
| Other | | 8.6 | 8.2 | 0.3 | 17.3 |
| **Northern and Eastern Europe-Central Asia** | | 0.2 | | | 0.2 |
| **North America** | | 1.4 | | | 1.4 |
| **Total** | **0.2** | **30.3** | **25.1** | **0.7** | **56.3** |

Reversals of impairment losses are shown in the additional ordinary income.

Significant reversals of impairment losses relate to individual CGUs within Hanson Quarry Products Europe in the United Kingdom. Following the renewal of a mining concession, reversals of impairment losses on assets totalling €35.7 million were recognised to a carrying amount of €45.5 million. A cost of capital of 10.6% was used.

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### Impairment of other intangible assets and property, plant and equipment in the previous year

The impairments in the 2021 financial year are shown in the following table.

**Impairment of other intangible assets and property, plant and equipment (previous year)**

| €m | Other intangible assets | Land and buildings | Plant and machinery | Other operating equipment | Prepayments and assets under construction | **Total** |
|---|---|---|---|---|---|---|
| **Western and Southern Europe** | –0.1 | –30.4 | –19.9 | –0.9 | –8.6 | –59.9 |
| United Kingdom | –0.1 | –24.7 | –15.5 | –0.4 | –8.4 | –49.0 |
| Other | | –5.7 | –4.4 | –0.5 | –0.2 | –10.9 |
| **Northern and Eastern Europe-Central Asia** | | | –1.6 | | | –1.6 |
| **Africa-Eastern Mediterranean Basin** | | –4.2 | –6.8 | –0.1 | –0.1 | –11.1 |
| Egypt | | –4.2 | –6.8 | –0.1 | –0.1 | –11.1 |
| **Asia-Pacific** | | –0.4 | –0.1 | –0.0 | | –0.5 |
| **Total** | **–0.1** | **–35.0** | **–28.3** | **–1.0** | **–8.7** | **–73.1** |

The main impairments related to the CGUs in the United Kingdom and Egypt.

In the case of the United Kingdom, the impairment of assets was tested on the basis of local cash-generating units (CGUs) or management areas. Impairment losses mainly related to individual CGUs within Hanson Quarry Products Europe and Cementitious, as well as impairments on closed sites. In total, assets of the CGUs with impairment losses within Hanson Quarry Products Europe were impaired by €31.4 million, with a carrying amount of €94.5 million and a value in use or fair value less costs of disposal totalling €62.4 million. Assets of the CGUs within Cementitious were impaired by €12.1 million, with a carrying amount of €18.9 million and a value in use or fair value less costs of disposal of €6.5 million. Assets with impairment losses within closed sites were impaired by €5.2 million, with a carrying amount of €11.6 million and a value in use or fair value less costs of disposal totalling €6.3 million. The reasons for the impairment are increased costs for energy, materials, and $CO_2$ allowances. A cost of capital of 8.6% was used.

In the case of Egypt, the impairment, due to the closure of a plant with a carrying amount of €32.3 million, was made to the fair value less costs of disposal of €20.7 million on the basis of an external expert opinion.

**Reversal of impairment on property, plant and equipment in the previous year**

Reversals of impairment losses in the 2021 financial year are shown in the following table.

**Reversal of impairment on property, plant and equipment (previous year)**

| €m | Land and buildings | Plant and machinery | Other operating equipment | Prepayments and assets under construction | **Total** |
|---|---|---|---|---|---|
| **Western and Southern Europe** | 32.2 | 27.8 | 2.5 | 2.7 | 65.3 |
| United Kingdom | 21.3 | 21.4 | 2.1 | 2.7 | 47.6 |
| Spain | 10.5 | 6.4 | 0.4 | | 17.3 |
| Other | 0.4 | | | | 0.4 |
| **North America** | 41.5 | 83.8 | 10.6 | | 135.9 |
| **Total** | **73.7** | **111.7** | **13.2** | **2.7** | **201.3** |

The main reversals of impairment losses related to the CGUs in North America, the United Kingdom, and Spain.

In North America, reversals of impairment losses were mainly applied to the assets of the West Region Cement management unit. The assets are part of the USA Region West disposal group, which was classified as held for sale on 23 May 2021 and sold on 1 October 2021.

Reversals of impairment losses on assets within Hanson Quarry Products Europe totalling €47.6 million were recognised in the United Kingdom to a carrying amount of €165.9 million as a result of expected increases in sales volumes and prices in individual CGUs. The recoverable amount is €184.2 million. A cost of capital of 8.6% was used.

In Spain, reversals of impairment losses were made on assets in southern Spain to the fair value less costs to sell. The assets were classified as held for sale on 10 November 2021 and sold on 1 November 2022.

### 9.3 Financial investments

This item includes investments in equity instruments. Firstly, participations in immaterial subsidiaries, joint ventures, and associates totalling €51.7 million (previous year: 49.2) are shown. These participations are still measured at cost. Secondly, this item contains financial investments, which are measured at fair value through profit or loss. These primarily include participations of €22.5 million (previous year: 84.6) on which Heidelberg Materials has no significant influence.

Additional information on the financial investments is provided in Note 10.1.

## 9.4 Other receivables and assets

The following table shows the composition of the financial and non-financial other receivables and assets.

**Other receivables and assets**

| | 31 December 2021 | | 31 December 2022 | |
|---|---|---|---|---|
| €m | Non-current | Current | Non-current | Current |
| Deposits paid | 36.6 | 11.3 | 31.4 | 11.4 |
| Miscellaneous operating receivables | 42.5 | 104.1 | 25.6 | 120.1 |
| **Other receivables and assets that qualify as financial instruments** | **79.1** | **115.4** | **57.0** | **131.5** |
| Overfunding of pension plans | 948.7 | | 702.6 | |
| Contract assets | 1.0 | 38.4 | 1.0 | 40.5 |
| Other non-financial assets | 57.6 | 20.4 | 61.8 | 14.7 |
| Non-income tax receivables | | 190.5 | | 199.7 |
| Prepaid expenses and payments made on account | 64.8 | 169.8 | 66.2 | 215.7 |
| **Other receivables and assets that do not qualify as financial instruments** | **1,072.1** | **419.1** | **831.6** | **470.6** |
| | **1,151.2** | **534.5** | **888.6** | **602.1** |

Other non-financial assets mainly include non-current claims for reimbursement against insurance companies for environmental and third-party liability damages amounting to €61.7 million (previous year: 57.2), as well as current claims for reimbursement against insurance companies for environmental and third-party liability damages amounting to €14.2 million (previous year: 19.7).

An explanation of the credit risks is provided in Note 10.3.

## 9.5 Inventories

In the reporting year, impairments of inventories of €54.6 million (previous year: 92.1) and reversals of impairment losses of €10.5 million (previous year: 14.9) were recognised.

## 9.6 Trade receivables

Trade receivables relate to contracts with customers within the scope of IFRS 15.

Information on valuation allowances and credit ratings as well as an explanation of credit risks is provided in Note 10.3.

Heidelberg Materials is party to several factoring agreements for the revolving sale of trade receivables. There are no repurchase obligations for these receivables. As at the reporting date, receivables of €911.7 million (previous year: 720.4) were sold under these agreements, of which €489.8 million (previous year: 720.4) were fully derecognised. The maximum exposure to loss from the continuing involvement amounts to €26.5 million (previous year: 57.3) and results from the partial coverage of credit and late payment risks, whereby the inherent risk from the continuing involvement is monitored as part of regular receivables management. The maximum exposure to loss substantially contains the carrying amount for the reserve account covering credit losses of pre-financed trade receivables as well as guarantees granted for this. The reserve account with a carrying amount of €11.4 million (previous year: 22.9) is reported in the cash and cash equivalents. Guarantees were granted in the amount of €10.8 million (previous year: 32.3). The management assumes that no significant risks or rewards remain because, as in the past, utilisation of the reserve accounts for the maximum exposure to loss is not anticipated. The fair value of the continuing involvement corresponds to the carrying amount. To ensure legal validity, trade receivables of €33.6 million (previous year: 30.9) were pledged as security.

A continuing involvement of €51.1 million was recognised for a factoring agreement, as the risks and rewards associated with the sold receivables amounting to €421.9 million were neither transferred nor retained, and the economic control remains with Heidelberg Materials since the buyer is unable to resell the receivables to third parties. The carrying amount of the continuing involvement in trade receivables sold is €51.1 million and results from the reserve account covering credit losses of pre-financed trade receivables amounting to €14.3 million, guarantees granted for this in the amount of €28.6 million, and the maximum late payment interest costs of €8.2 million. The corresponding liability of €51.9 million is reported in the other operating liabilities. At the time of the sale of the receivables, the fair value of the expected losses of €0.8 million is recognised in the financial result as an expense.

In connection with factoring transactions, the balance sheet items interest-bearing receivables with a gross carrying amount of €485.0 million (previous year: 372.7) and other current operating liabilities with a gross carrying amount of €1,815.5 million (previous year: 1,838.2) were netted; the netting amount totalled €386.5 million (previous year: 296.3). This results in a net carrying amount of €98.5 million (previous year: 76.4) and €1,429.0 million (previous year: 1,541.9) respectively.

### 9.7 Subscribed share capital

As at the reporting date of 31 December 2022, the subscribed share capital amounts to €579,275,700. It is divided into 193,091,900 shares; the shares are no-par value bearer shares. The pro rata amount of each share is €3.00, which corresponds to a proportionate amount of the subscribed share capital.

**Authorised Capital**
The Annual General Meeting held on 4 June 2020 authorised the Managing Board, with the consent of the Supervisory Board, to increase the company's subscribed share capital by a total amount of up to €178,500,000 by issuing new no-par value bearer shares in total in return for cash contributions and/or contributions in kind on one or more occasions in partial amounts until 3 June 2025 (Authorised Capital 2020). The shareholders must be granted subscription rights. However, the Managing Board is authorised by the Articles of Association, in certain cases described in more detail in the authorisation, to exclude the subscription rights of shareholders – i.e. in the event of a capital increase for cash in order to realise residual amounts, to service option or conversion rights, or to issue shares totalling up to 10% of the share capital at a near-market price; or in the event of a capital increase in return for contributions in kind for the purpose of acquiring companies or within the scope of implementing a dividend in kind/dividend option. As at 31 December 2022, the authorisation to issue new shares in return for cash contributions and/or contributions in kind forming the basis of the Authorised Capital 2020 had not been used.

**Conditional share capital**
In addition, the conditional share capital described below existed as at 31 December 2022: The Annual General Meeting of 9 May 2018 decided to conditionally increase the subscribed share capital by a further amount of up to €118,800,000, divided into up to 39,600,000 new no-par value bearer shares (Conditional Share Capital 2018). The conditional capital increase serves to back the issuance of option or conversion rights, or option or conversion obligations on HeidelbergCement AG shares. The conditional capital increase is only carried out insofar as the Managing Board issues warrant or convertible bonds under the authorisation until 8 May 2023 and the bearers of option or conversion rights make use of their rights. Warrant or convertible bonds may also be issued with option or conversion obligations. The shareholders generally have a subscription right to newly issued warrant or convertible bonds. The authorisation governs specific cases in which the Managing Board may exclude the subscription right of shareholders to warrant or convertible bonds. As at 31 December 2022, the authorisation to issue warrant or convertible bonds forming the basis of the Conditional Share Capital 2018 had not been used.

A corresponding volume limit as well as the deduction clauses ensure that the sum of all exclusions of subscription rights in the Authorised Capital 2020 and the Conditional Share Capital 2018 will not exceed a limit of 10% of the share capital existing at the time the authorisation to exclude the subscription right comes into force.

**Authorisation to acquire treasury shares**
Furthermore, the authorisation to acquire treasury shares described below existed as at 31 December 2022. On 6 May 2021, the Annual General Meeting authorised the company to acquire treasury shares up to 5 May 2026 once or several times, in whole or partial amounts, up to a total of 10% of the share capital at the time of the Annual General Meeting's resolution for any permissible purpose within the scope of the legal restrictions. The authorisation may not be used for the purpose of trading in treasury shares. 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. The shares may be acquired via the stock exchange or by way of a public purchase offer or by means of a public call for the submission of offers to sell or by issuing rights to sell shares to the shareholders. The treasury shares acquired on the basis of the authorisation will be used by selling them via

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the stock exchange or in another suitable manner while ensuring the equal treatment of the shareholders, or for any other purposes permitted by law. The Managing Board is authorised to cancel the acquired treasury shares without further resolution of the Annual General Meeting. The cancellation may also be effected without a capital decrease by adjusting the proportional amount of the remaining no-par value shares in the company's subscribed share capital. In both cases, the Managing Board is authorised to adjust the number of no-par value shares in the Articles of Association. Shareholders' subscription rights can be excluded in certain cases.

On 28 July 2021, the company announced that it would make use of this authorisation to launch a share buyback programme in August 2021 with a total volume of up to €1 billion (excluding incidental acquisition costs) and a maturity date of 30 September 2023. The share buyback will be carried out in various tranches via the stock exchange. The aim of the share buyback programme is to strengthen shareholder return. The company started the share buyback on 10 August 2021 with a first tranche in a planned volume of €300 to €350 million. A total of 5,324,577 shares were acquired by the completion of the first tranche on 2 December 2021. This corresponds to a nominal amount of €15,973,731 or 2.68% of the company's subscribed share capital. The average purchase price per share paid on the stock exchange was €65.68. The total price (including incidental acquisition costs) of the repurchased shares amounted to around €349.8 million. The share buyback was effected in the above-mentioned period on 83 trading days by a bank commissioned by the company exclusively via the Xetra trading of the Frankfurt Stock Exchange.

On 13 January 2022, the Managing Board resolved to cancel all 5,324,577 treasury shares purchased under the first tranche of the share buyback programme in the period from 10 August to 2 December 2021, with a reduction of €15,973,731 in the subscribed share capital. This corresponds to 2.68% of the company's subscribed share capital before cancellation and capital reduction. In doing so, the Managing Board has made use of the authorisation of the Annual General Meeting of 6 May 2021 to cancel acquired treasury shares without further resolution of the Annual General Meeting. Following the cancellation of the shares and the capital reduction, the subscribed share capital of HeidelbergCement AG amounts to €579,275,700 and is divided into 193,091,900 no-par value shares, each representing a notional amount of €3.00 of the subscribed share capital.

In addition, the company announced on 13 January 2022 that it would continue its share buyback programme earlier than originally planned. The second tranche with a planned volume of €300 to €350 million started on 7 March 2022 and was completed by 13 July 2022. A total of 6,906,281 shares were acquired. This corresponds to a nominal amount of €20,718,843 or 3.58% of the company's subscribed share capital. The average purchase price per share paid on the stock exchange was €50.16. The total price (including incidental acquisition costs) of the repurchased shares amounted to around €350.0 million. The share buyback was effected in the above-mentioned period on 83 trading days by an independent investment company commissioned by the company exclusively via the Xetra trading of the Frankfurt Stock Exchange.

The number of treasury shares as at 31 December 2022 is shown in the following overview:

**Treasury shares**

| Number | Shares |
|---|---|
| **1 January 2022** | **5,324,577** |
| Cancellation of treasury shares | –5,324,577 |
| Share buyback 2nd tranche | 6,906,281 |
| **31 December 2022** | **6,906,281** |

As at 31 December 2022, the company holds 6,906,281 treasury shares, corresponding to a nominal amount of €20,718,843 or 3.58% of the company's subscribed share capital.

### 9.8 Share premium

The share premium changed by €16.0 million to €6,241.4 million compared with the previous year as a result of the cancellation of treasury shares.

### 9.9 Retained earnings

The following table shows the change in ownership interests in subsidiaries that do not lead to a change in control.

**Changes in ownership interests in subsidiaries**

| €m | Change in share | Change in revenue reserves | Change in non-controlling interests | Change in equity |
|---|---|---|---|---|
| PT Indocement Tunggal Prakarsa, Indonesia | 1.8% | –19.3 | –57.9 | –77.2 |
| Other | | –0.5 | 1.9 | 1.3 |
| **Total** | | **–19.8** | **–56.0** | **–75.8** |

In the financial year, dividends of €458.3 million (previous year: 436.5), i.e. €2.40 per share (previous year: €2.20 per share), were paid to shareholders of HeidelbergCement AG.

The Managing Board and Supervisory Board propose the payment of a dividend of €2.60 on each of the participating 186,185,619 no-par value shares for the 2022 financial year. As at the reporting date of 31 December 2022, the number of no-par value shares entitled to dividends is calculated from 193,091,900 shares issued less the 6,906,281 treasury shares acquired in the 2022 financial year.

### 9.10 Other components of equity

The change of €164.7 million in the currency translation reserve is essentially attributable to the appreciation in the value of the US dollar against the euro.

### 9.11 Non-controlling interests

**Subsidiaries with material non-controlling interests**

PT Indocement Tunggal Prakarsa Tbk. ("Indocement"), Jakarta, Indonesia, is the material subsidiary with non-controlling interests in the Heidelberg Materials Group. Indocement is a leading Indonesian manufacturer of high-quality cement and special cement products that are sold under the brand name Tiga Roda. Indocement has several subsidiaries that produce ready-mixed concrete, aggregates, and trass. Non-controlling interests hold 45.3% (previous year: 47.1%) of the capital or voting rights in the Indocement Group, which is included in the Asia-Pacific Group area. The Indocement share is listed on the stock exchange in Jakarta, Indonesia.

Non-controlling interests in the equity of Indocement amount to €491.9 million (previous year: 568.8). The profit for the financial year attributable to non-controlling interests amounts to €48.1 million (previous year: 49.3). In the 2022 financial year, Indocement paid dividends of €53.9 million (previous year: 52.5) to non-controlling interests.

The following tables summarise the key financial information of the Indocement Group excluding goodwill allocated to the CGU.

**Statement of comprehensive income Indocement Group**

| €m | 2021 | 2022 |
|---|---|---|
| Revenue | 870.2 | 1,037.3 |
| Depreciation and amortisation | –79.9 | –91.5 |
| **Result from current operations** | **119.7** | **128.5** |
| Additional ordinary result | –0.8 | –2.5 |
| **Earnings before interest and taxes (EBIT)** | **118.8** | **126.0** |
| Interest income | 12.6 | 6.6 |
| Interest expenses | –1.6 | –2.7 |
| Other financial income and expenses | –1.5 | 3.7 |
| **Profit before tax** | **128.3** | **133.7** |
| Income taxes | –27.6 | –27.6 |
| **Profit for the financial year** | **100.7** | **106.1** |
| Other comprehensive income | 107.0 | –31.2 |
| **Total comprehensive income** | **207.7** | **74.9** |

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### Assets and liabilities Indocement Group

| €m | 2021 | 2022 |
|---|---|---|
| Intangible assets | 1.0 | 1.6 |
| Property, plant and equipment | 939.9 | 925.8 |
| Financial fixed assets | 8.3 | 10.5 |
| Other non-current assets | 10.6 | 9.3 |
| **Non-current assets** | **959.9** | **947.2** |
| Cash and cash equivalents | 378.5 | 268.7 |
| Other current assets | 307.2 | 329.5 |
| **Current assets** | **685.7** | **598.2** |
| **Total assets** | **1,645.6** | **1,545.4** |
| Non-current financial liabilities | 7.0 | 37.6 |
| Non-current provisions | 36.0 | 25.1 |
| Other non-current liabilities | 17.2 | 16.9 |
| **Non-current liabilities** | **60.3** | **79.7** |
| Current financial liabilities | 10.5 | 21.6 |
| Current provisions | 2.6 | 8.0 |
| Trade payables | 172.8 | 181.4 |
| Other current liabilities | 101.9 | 77.4 |
| **Current liabilities** | **287.9** | **288.3** |
| **Total liabilities** | **348.2** | **368.0** |

## 9.12 Pension provisions

**Defined contribution plans**
The sum of all pension expenses in connection with defined contribution plans amounted to €118.5 million (previous year: 115.2). In the 2022 financial year, the contributions to the social security programmes came to €73.7 million (previous year: 70.0).

**Actuarial assumptions**
The significant actuarial assumptions on which the calculations of the defined benefit obligation are based are summarised in the following table (weighted presentation).

### Actuarial assumptions

| | Discount rate | | Pension increase rate | | Mortality table |
|---|---|---|---|---|---|
| | 2021 | 2022 | 2021 | 2022 | |
| Group | 2.11% | 4.84% | 2.82% | 2.69% | - |
| North America | 2.63% | 5.30% | – | – | USA: PRI-2012; Canada: CPM 2014 |
| United Kingdom | 2.00% | 4.80% | 3.01% | 2.84% | Different tables based on "S3" series |
| Germany | 1.30% | 4.20% | 1.75% | 2.25% | Heubeck 2018 G |

The mortality tables in the United Kingdom, the USA, and Canada have been modified to consider future improvements in life expectancy and in many cases are additionally adjusted based on company-specific experience. With regard to the overfunded pension plans for which an asset ceiling has not been applied, Heidelberg Materials has the unconditional entitlement to the pension plan surplus if the plan is wound up.

### Development of defined benefit plans

In the 2022 financial year, defined benefit obligations amounting to €2,934.4 million (previous year: 4,287.5) existed in the Group, which were essentially covered by plan assets. In addition, there were direct agreements of €654.8 million (previous year: 911.2). Of this figure, €178.2 million (previous year: 243.5) related to obligations for health care benefits.

The following table shows the financing status of these plans and their presentation in the balance sheet.

### Development of defined benefit plans

| | Defined benefit obligation (DBO) (a) | | Fair value of plan assets (b) | | Effects of asset ceiling (c) | | Net defined benefit liability (a–b+c) | |
|---|---|---|---|---|---|---|---|---|
| €m | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **2022** |
| **Balance at 1 January** | **5,374.9** | **5,198.7** | **4,990.8** | **5,170.8** | **30.3** | **22.0** | **414.4** | **49.9** |
| Current service cost | 36.5 | 29.7 | | | | | 36.5 | 29.7 |
| Past service cost | –2.8 | –3.0 | | | | | –2.8 | –3.0 |
| Plan settlements | 0.7 | 0.5 | | | | | 0.7 | 0.5 |
| Interest cost | 82.9 | 106.9 | | | 0.4 | 0.4 | 83.3 | 107.3 |
| Interest income | | | 74.9 | 107.3 | | | –74.9 | –107.3 |
| Administrative expenses paid by the plan | | | –4.6 | –7.6 | | | 4.6 | 7.6 |
| **Defined benefit costs recognised in profit and loss** | **117.3** | **134.1** | **70.3** | **99.7** | **0.4** | **0.4** | **47.4** | **34.8** |
| **Remeasurements recognised in other comprehensive income** | **–248.3** | **–1,371.0** | **21.7** | **–1,376.7** | **–10.4** | **–19.2** | **–280.4** | **–13.5** |
| Employer contributions | | | 38.3 | 23.1 | | | –38.3 | –23.1 |
| Employee contributions | 1.3 | 1.5 | 1.3 | 1.5 | | | | |
| Benefits paid by the company | –66.9 | –61.5 | | | | | –66.9 | –61.5 |
| Benefits paid by the fund | –262.7 | –282.3 | –262.7 | –282.3 | | | | |
| **Cash flows in the period** | **–328.3** | **–342.3** | **–223.1** | **–257.7** | | | **–105.2** | **–84.6** |
| Change in consolidation scope | 2.2 | 0.3 | 1.8 | | | | 0.4 | 0.3 |
| Disposal groups | –0.3 | | | | | | –0.3 | |
| Exchange rate changes | 281.2 | –30.6 | 309.3 | –76.1 | 1.7 | –0.4 | –26.4 | 45.1 |
| **Other reconciling items** | **283.1** | **–30.3** | **311.1** | **–76.1** | **1.7** | **–0.4** | **–26.3** | **45.4** |
| **Balance at 31 December** | **5,198.7** | **3,589.2** | **5,170.8** | **3,560.0** | **22.0** | **2.8** | **49.9** | **32.0** |
| North America | 1,370.4 | 1,067.3 | 1,130.6 | 855.9 | | | 239.8 | 211.4 |
| United Kingdom | 2,813.6 | 1,775.5 | 3,760.9 | 2,464.8 | 21.9 | 2.7 | –925.4 | –686.6 |
| Germany | 512.5 | 365.8 | 108.7 | 91.4 | | | 403.8 | 274.4 |
| Other countries | 502.2 | 380.6 | 170.6 | 147.9 | 0.1 | 0.1 | 331.7 | 232.8 |
| **Total** | **5,198.7** | **3,589.2** | **5,170.8** | **3,560.0** | **22.0** | **2.8** | **49.9** | **32.0** |
| Thereof non-current provisions | | | | | | | 908.1 | 639.1 |
| Thereof current provisions | | | | | | | 90.5 | 95.5 |
| Thereof other long-term operating receivables (overfunding of pension schemes) | | | | | | | –948.7 | –702.6 |

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**Breakdown of defined benefit obligation**
The following tables show the defined benefit obligation divided into the underlying plan types and the different member groups.

**Defined benefit obligation by plan type**

| €m | 2021 | 2022 |
|---|---|---|
| Defined benefit pension plans | 4,955.2 | 3,411.0 |
| Plans for health care costs | 243.5 | 178.2 |
| **Total defined benefit obligation** | **5,198.7** | **3,589.2** |
| Thereof related to wholly or partly funded plans | 4,287.5 | 2,934.4 |
| Thereof related to wholly unfunded plans | 911.2 | 654.8 |

**Defined benefit obligation by member groups**

| €m | 2021 | 2022 |
|---|---|---|
| Active members | 751.0 | 502.2 |
| Deferred vested members | 1,342.3 | 812.0 |
| Pensioners | 3,105.4 | 2,275.0 |
| **Total defined benefit obligation** | **5,198.7** | **3,589.2** |

**Development in the income statement**
Of the total pension expenses of €34.8 million (previous year: 47.4), €34.8 million (previous year: 39.0) are shown in the personnel costs or in other operating expenses, and an amount of €0.0 million (previous year: 8.4) in other financial result.

**Remeasurements recognised in other comprehensive income**
In the 2022 financial year, the actuarial gains from the defined benefit obligation amounting to €1,371.0 million (previous year: 248.3) have arisen mainly from the increase in the discount rate on which the actuarial calculation is based, partially offset by the rise in inflation expectations.

The actuarial gains and losses can be broken down into effects from the adjustment of financial assumptions resulting in gains of €1,359.1 million (previous year: 271.5), effects from experience adjustments resulting in a loss of €29.1 million (previous year: 17.5), and effects from changes in demographic assumptions resulting in gains of €41.0 million (previous year: loss of 5.7), essentially attributable to the adjustment of assumptions relating to a reduction in future life expectancy in the United Kingdom.

**Sensitivity analysis of defined benefit obligation**
Changes in the discount rate, pension increase rate, and life expectancy affect the income statement of the following year and the defined benefit obligation of pension plans. The sensitivities to changes in assumptions as shown below are determined by changing one assumption as indicated and keeping all other assumptions constant. In reality, multiple assumptions may change at the same time, and changing one parameter may lead to a change in another parameter.

**Sensitivity analysis of defined benefit obligation (pension plans)**

| €m | | 2021 | 2022 |
|---|---|---|---|
| Defined benefit obligation | | 4,955.2 | 3,411.0 |
| Discount rate | +0.5% | 4,633.6 | 3,244.1 |
| | −0.5% | 5,317.1 | 3,593.1 |
| Pension increase rate | +0.25% | 5,063.3 | 3,464.1 |
| | −0.25% | 4,854.0 | 3,359.9 |
| Life expectancy | +1 year | 5,182.4 | 3,537.5 |
| | −1 year | 4,728.1 | 3,283.7 |

**Breakdown of plan assets**
The plan assets originate primarily from North America with 24% (previous year: 22%) and the United Kingdom with 69% (previous year: 73%). The plan assets can be divided into the following categories:

**Breakdown of plan assets**

| €m | 2021 | 2022 |
|---|---|---|
| Cash and cash equivalents | 322.6 | 126.6 |
| Equity instruments | 581.5 | 438.4 |
| Derivatives | 254.2 | 144.4 |
| Nominal government bonds | 986.4 | 753.3 |
| Nominal corporate bonds | 712.6 | 532.0 |
| Index linked bonds | 1,712.8 | 1,121.0 |
| Real estate | 164.1 | 137.0 |
| Insurance policies | 114.1 | 87.1 |
| Other | 322.5 | 220.2 |
| **Total** | **5,170.8** | **3,560.0** |

The actual return on plan assets amounted to €−1,269.3 million (previous year: 96.6). The negative return in 2022 is mainly due to the orientation of the asset allocation to the defined benefit obligations, especially in the United Kingdom and the USA. In both countries, plan assets have decreased in essentially the same proportion as the defined benefit obligations, but the combined effect on the financial position is very limited.

The majority of the Group's plan assets are based directly on quoted market prices for the invested assets or, in the case where investment funds are used, indirectly based on the quoted value of the underlying investments. Exceptions are that in the United Kingdom, a portion of the assets needs to be estimated as at the end of the year, as detailed asset information is not available or cannot be provided in time for the adop-

tion of the consolidated financial statements by the Managing Board. The assets without a quoted market price (totalling € 74.5 million) consist of insurance policies primarily in the United Kingdom. As a rule, the plan assets do not include any significant own financial instruments, property occupied by, or other assets used by Heidelberg Materials.

**Cash flows**

Heidelberg Materials paid €61.5 million (previous year: 66.9) directly to the pension recipients and €23.1 million (previous year: 38.3) as employer contributions to the plan assets. The decline in employer contributions compared with 2021 is primarily due to a non-recurring effect arising from a lower employer contribution in the USA in 2022. In 2023, Heidelberg Materials expects to make pension payments of €57.1 million and employer contributions to the plan assets of €42.4 million.

Over the next ten years, average annual benefits of €300.8 million are expected to be paid to the pension recipients either in the form of direct payments or in the form of payments from the plan assets. The average duration of the obligations is 10.4 years (previous year: 14.1). The decrease in duration is mainly due to higher discount rates, particularly in the United Kingdom.

**Multi-employer pension plans**

Heidelberg Materials participates in multi-employer pension plans (MEPPs), predominantly in North America, which award some unionised employees fixed benefits after their retirement. These MEPPs are accounted for as defined contribution plans because it is not possible to isolate the individual company components for these plans. The contributions are determined on the basis of collective bargaining. Contributions of €13.0 million (previous year: 14.6) were paid in 2022. The funding status of these pension plans could be affected by adverse developments in the capital markets, demographic changes, or increases in pension benefits. If one of the participating companies no longer pays contributions into the MEPP, all other parties concerned will be held liable for the obligations that have not been covered. For 2023, contributions of €8.1 million are expected in North America. The withdrawal liability of these plans as at 31 December 2022 would amount to €68.9 million (previous year: 69.8), should Heidelberg Materials decide to withdraw. Heidelberg Materials has provisions of €12.8 million (previous year: 15.4) for these liabilities, which are shown under miscellaneous other provisions.

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## 9.13 Other provisions

The following table explains the development of other provisions.

### Other provisions

| €m | Provisions for damages and environmental obligations | Other environmental provisions | Miscellaneous other provisions | Total |
|---|---|---|---|---|
| **1 January 2022** | **366.9** | **826.1** | **632.3** | **1,825.3** |
| Change in consolidation scope | | 2.6 | 0.0 | 2.6 |
| Currency translation | 22.9 | 27.9 | –1.4 | 49.5 |
| Reclassification | 2.2 | –6.0 | 11.0 | 7.2 |
| Utilisation | –18.6 | –46.5 | –112.3 | –177.4 |
| Release | –48.4 | –147.6 | –73.7 | –269.8 |
| Offset | –9.8 | –12.8 | –61.6 | –84.2 |
| Addition | 65.5 | 75.5 | 146.4 | 287.4 |
| **31 December 2022** | **380.7** | **719.2** | **540.8** | **1,640.7** |

The offsetting line includes the compensation of obligations against the corresponding claims for reimbursement and the offsetting of obligations in kind against other assets, particularly from emission rights.

The maturities of the other provisions can be broken down as follows:

### Maturities of other provisions

| €m | Provisions for damages and environmental obligations | Other environmental provisions | Miscellaneous other provisions | Total |
|---|---|---|---|---|
| Maturity ≤ 1 year | 39.9 | 41.7 | 194.6 | 276.2 |
| Maturity > 1 year ≤ 5 years | 220.7 | 226.3 | 281.0 | 727.9 |
| Maturity > 5 years | 120.1 | 451.2 | 65.2 | 636.5 |
| | **380.7** | **719.2** | **540.8** | **1,640.7** |

**Provisions for damages and environmental obligations**
Provisions for damages and environmental obligations result from discontinued operations that were transferred to the Heidelberg Materials Group as part of the takeover of the Hanson Group in 2007. The obligations are therefore not linked to the continuing operations of the Heidelberg Materials Group.

The provisions for damages concern legal proceedings before US courts. The claims relate to health problems allegedly caused by the sale of products containing asbestos. The provisions to be formed are measured at the present value of the expected expenses, using reliable estimates of the development of costs for the next 15 years. The environmental liability claims pertain to remediation obligations in connection with the sale of chemical products by a former Hanson participation.

The provisions are offset by claims for reimbursement against environmental and third-party liability insurers. As at 31 December 2022, the claims amount to €75.9 million (previous year: 76.9), of which €61.7 million (previous year: 57.2) is recorded under other non-current receivables and assets and €14.2 million (previous year: 19.7) under other current receivables and assets.

**Other environmental provisions**
The other environmental provisions include recultivation, environmental, and asset retirement obligations.

Recultivation obligations relate to legal and constructive obligations to backfill and restore raw material quarrying sites. The provisions recognised for these obligations are measured in accordance with the extraction progress on the basis of the best cost estimate for fulfilling the obligation. As at the reporting date, these provisions amounted to €500.3 million (previous year: 579.6).

Provisions for environmental obligations are recognised on the basis of contractual or official regulations and essentially include expenses connected with the cleaning up of contaminated areas and the remediation of extraction damages. The provisions are measured at the present value of the expected expenses. These provisions amount to a total of €73.6 million (previous year: 85.0).

The provisions for asset retirement obligations pertain to obligations arising in connection with the removal of installations (e.g. conveying systems at rented locations), so that a location can be restored to its contractually agreed or legally defined state after the end of its useful life. As at the reporting date, provisions for asset retirement obligations of €145.2 million (previous year: 161.5) had been recognised.

**Miscellaneous other provisions**
Miscellaneous other provisions exist in particular for restructuring obligations, other litigation risks, compensation obligations, the obligation to return emission rights, and obligations to personnel.

The provisions for restructuring obligations concern expenses for various optimisation programmes, such as the closure of plants. Provisions of €46.2 million (previous year: 73.2) had been recognised for this purpose as at the reporting date.

Because of pending legal action against the Group, provisions for litigation risks, including those relating to pending antitrust proceedings, amounting to €113.8 million (previous year: 121.1) were recognised in the balance sheet. These obligations are assessed as most likely, provided that other estimates do not lead to a fairer evaluation as a result of specific probability distributions.

Provisions for compensation obligations relate to the Group's obligations arising from occupational accidents. As at the reporting date, provisions of €63.3 million (previous year: 71.7) had been formed for this purpose.

As at the reporting date, provisions for emission rights of €35.7 million (previous year: 64.3) had been recognised.

Obligations to personnel include the provision for the long-term bonus plan (management and capital market component) of €27.6 million (previous year: 35.6), as well as provisions for multi-employer pension plans amounting to €12.8 million (previous year: 15.4).

Additionally, there are provisions for a variety of minor issues.

**Impact of interest effects**
Provisions are measured at their present value, which is determined using a pre-tax interest rate. For this purpose, Heidelberg Materials uses the risk-free interest rate of government bonds from the respective countries, taking into account the relevant term. The risks specific to the liability are taken into account in the estimate of future cash outflows.

Changes in the interest rate led to a decrease of €126.7 million in other environmental provisions and miscellaneous other provisions. Compounding effects of €14.9 million led to an increase in other environmental provisions and miscellaneous other provisions. Positive effects from the change in interest rate of €37.8 million and negative compounding effects of €11.1 million for provisions for damages and environmental obligations are included in the expenses from discontinued operations.

### 9.14 Liabilities

Trade payables at year end include liabilities of €398.8 million (previous year: 377.6) settled by external payment service providers (reverse factoring). The use of payment service providers does not change the disclosure of the trade payables concerned because this does not result in any significant changes to the contractual terms of the liabilities. The aggregation of liabilities with individual payment service providers has not resulted in an increased liquidity risk.

The following table shows the composition of other financial liabilities and operating liabilities, broken down into financial and non-financial.

## Other financial liabilities and operating liabilities

| | 31 December 2021 | | 31 December 2022 | |
|---|---|---|---|---|
| €m | Non-current | Current | Non-current | Current |
| Lease liabilities | 856.0 | 203.1 | 854.2 | 196.9 |
| Non-controlling interests with put options | | 79.9 | | 87.3 |
| Derivative financial instruments | 5.4 | 84.4 | 113.9 | 122.4 |
| Miscellaneous other financial liabilities | 45.4 | 45.8 | 32.9 | 59.1 |
| Miscellaneous other operating liabilities | 27.3 | 759.1 | 28.4 | 695.6 |
| **Other liabilities that qualify as financial instruments** | **934.1** | **1,172.3** | **1,029.4** | **1,161.3** |
| Employee liabilities | | 447.4 | | 404.9 |
| Contract liabilities | 1.3 | 127.8 | 1.6 | 134.7 |
| Prepaid expenses and other non-financial liabilities | 22.0 | 207.6 | 23.6 | 193.9 |
| **Other liabilities that do not qualify as financial instruments** | **23.3** | **782.8** | **25.2** | **733.5** |

The contract liabilities relate to prepayments received by customers for performance obligations not yet fulfilled as at the reporting date. Current contract liabilities of €127.8 million as at 31 December 2021 were fully recognised in revenue in the 2022 financial year.

Explanations on the derivative financial instruments are provided in Note 10.2.

# 10 Additional disclosures on financial instruments

## 10.1 Financial instruments by class

The following table assigns the individual balance sheet items for the financial instruments to classes and measurement categories of IFRS 9. In addition, the aggregate carrying amounts for each measurement category and the fair values for each class are depicted.

**Carrying amounts and fair values of financial instruments**

| | | 31 December 2021 | | 31 December 2022 | |
|---|---|---|---|---|---|
| €m | Category of IFRS 9[1)] | Carrying amount | Fair value | Carrying amount | Fair value |
| **Assets** | | | | | |
| Financial investments | FVTPL | 99.4 | 99.4 | 35.8 | 35.8 |
| Loans and other interest-bearing receivables | AC | 169.3 | 179.9 | 254.7 | 259.5 |
| Trade receivables and other receivables | AC | 1,644.0 | 1,644.0 | 1,911.9 | 1,911.9 |
| Trade receivables and other receivables | FVTPL | 387.7 | 387.7 | 316.6 | 316.6 |
| Cash and cash equivalents | AC | 2,667.2 | 2,667.2 | 1,412.4 | 1,412.4 |
| Cash and cash equivalents | FVTPL | 447.9 | 447.9 | 41.7 | 41.7 |
| Derivatives – hedge accounting | Hedge | 29.7 | 29.7 | 52.6 | 52.6 |
| Derivatives – held for trading | FVTPL | 82.1 | 82.1 | 71.0 | 71.0 |
| **Liabilities** | | | | | |
| Bonds payable, bank loans, and miscellaneous other financial liabilities | AC | 6,997.5 | 7,318.3 | 5,735.2 | 5,528.0 |
| Trade payables and miscellaneous operating liabilities | AC | 3,966.8 | 3,966.8 | 4,067.0 | 4,067.0 |
| Derivatives – hedge accounting | Hedge | 5.3 | 5.3 | 152.1 | 152.1 |
| Derivatives – held for trading | FVTPL | 84.5 | 84.5 | 84.2 | 84.2 |
| Non-controlling interests with put options | AC | 79.9 | 79.9 | 87.3 | 87.3 |

1) AC: Amortised cost, FVTPL: Fair value through profit or loss, Hedge: Hedge accounting

**Fair value disclosures**

For level 1, the fair value is determined using prices quoted on an active market (unadjusted) for identical assets or liabilities to which Heidelberg Materials has access on the reporting date. For level 2, the fair value is determined using a discounted cash flow model on the basis of input data that does not involve quoted prices classified in level 1, and which is directly or indirectly observable. The fair values of level 3 are calculated using measurement models that include factors that cannot be observed on the active market.

The following table shows the fair value hierarchies for the assets and liabilities that are measured at fair value in the balance sheet.

**Fair value hierarchy of financial assets and liabilities measured at fair value in the balance sheet**

| | 31 December 2021 | | | 31 December 2022 | | |
|---|---|---|---|---|---|---|
| €m | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | | | |
| Financial investments | 14.8 | | 84.6 | 13.3 | | 22.5 |
| Trade receivables and other receivables | | 387.7 | | | 316.6 | |
| Cash and cash equivalents | 447.9 | | | 41.7 | | |
| Derivatives – hedge accounting | | 14.6 | 15.1 | | 14.5 | 38.1 |
| Derivatives – held for trading | | 82.1 | | | 71.0 | |
| **Liabilities** | | | | | | |
| Derivatives – hedge accounting | | 4.7 | 0.6 | | 106.7 | 45.4 |
| Derivatives – held for trading | | 84.5 | | | 84.2 | |

For financial investments in level 1, the fair value is determined using the published price quotations as at the reporting date.

The financial investments in level 3 include participations on which Heidelberg Materials has no significant influence. The decrease in the financial year mainly results from a participation holding shares in early-stage investments being reclassified into investments in associates. The fair value measurement is mainly carried out using the multiplier method, which determines the proportionate enterprise value based on company-specific variables using EBITDA or revenue multipliers. The revaluation through profit or loss is reported in the result from other participations. Uncertainties relating to the determination of the fair value of these investments mainly result from the change in the multipliers used, as no quoted price on an active market exists. If the multipliers used were increased or decreased by 10.0 percentage points, the fair value of these investments would increase or decrease by €0.2 million.

The receivables are receivables that are intended for sale in the scope of factoring transactions. The fair values were primarily determined using the prices of recent transactions.

Cash and cash equivalents include highly liquid money market funds whose fair value was determined by multiplying the shares by the price quotation as at the reporting date.

Derivative financial instruments in level 2, both those designated as hedges and those held for trading, are measured using recognised actuarial models based on observable input parameters. The derivative financial instruments designated as hedges in level 3 are embedded derivatives from long-term power purchase agreements (PPA) for solar and wind power plants in Poland. The changes in value during the financial year result exclusively from the remeasurement at fair value and were recognised directly in equity through other comprehensive income. The fair value is determined by discounting the expected future cash flows. Uncertainties relating to the determination of the fair value mainly result from the market price for electricity. Any changes to the market situation could have a positive or negative impact on this figure. If the electricity prices used were increased or decreased by 10.0 percentage points, the fair value would increase or decrease by €15.0 million (previous year: 4.1). For these items, the fair value always corresponds to the carrying amount.

The following table shows the fair value hierarchies for the assets and liabilities that are not measured at fair value in the balance sheet, but whose fair value is reported.

**Fair value hierarchy of financial assets and liabilities not measured at fair value in the balance sheet**

| | 31 December 2021 | | | **31 December 2022** | | |
|---|---|---|---|---|---|---|
| €m | Level 1 | Level 2 | Level 3 | **Level 1** | **Level 2** | **Level 3** |
| **Assets** | | | | | | |
| Loans and other interest-bearing receivables | | 179.9 | | | 259.5 | |
| Trade receivables and other operating receivables – amortised cost | | 1,644.0 | | | 1,911.9 | |
| Cash and cash equivalents – amortised cost | 2,667.2 | | | 1,412.4 | | |
| **Liabilities** | | | | | | |
| Bonds payable, bank loans, and miscellaneous other financial liabilities | 6,431.9 | 886.4 | | 5,065.9 | 462.1 | |
| Trade payables and miscellaneous operating liabilities | | 3,966.8 | | | 4,067.0 | |
| Non-controlling interests with put options | | | 79.9 | | | 87.3 |

The fair values of the non-current loans, other non-current operating receivables, bank loans, and other non-current financial and operating liabilities correspond to the present values of the future payments, taking into account the current interest parameters.

The fair values of the listed bonds correspond to the nominal values multiplied by the price quotations at the reporting date. For the financial instruments with short-term maturities, the carrying amounts on the reporting date represent appropriate estimates of the fair values.

Non-controlling interests with put options in level 3 are liabilities that relate to put options resulting from tender rights of non-controlling interests. The calculation of the fair value is based on the respective contractual agreements for paying off the non-controlling interests in the event of a tender. These usually provide an approximation of the proportionate enterprise value based on company-specific variables and multipliers. If the tender is only possible at a later point in time, the payoff amount is discounted using an appropriate market interest rate. For the German partnerships, the fair value is calculated using a discounted cash flow model. In this respect, the cash flows based on the companies' underlying plans were discounted with a risk-adjusted discount rate (WACC).

The assessment as to whether financial assets and liabilities that are accounted for at fair value are to be transferred between the levels of the fair value hierarchy will take place at the end of each reporting period. No reclassifications were carried out in the reporting period.

The following table shows the net gains or losses from the financial instruments by measurement category.

**Net gains or losses**

| €m | Measurement category | 2021 | **2022** |
|---|---|---|---|
| Financial assets | FVTPL | 17.4 | –21.2 |
| Financial assets | AC | –95.3 | 38.8 |
| Derivatives – held for trading | FVTPL | 80.5 | –24.0 |
| Financial liabilities | AC | –1.0 | –96.2 |
| | | **1.6** | **–102.6** |

The net result of financial assets at fair value through profit or loss is essentially derived from the measurement affecting profit or loss. The net result of financial assets at amortised cost is made up of impairment losses of €22.8 million (previous year: 8.8), losses of €1.8 million (previous year: 5.0) from the derecognition of operating and interest-bearing receivables, and currency gains of €63.4 million (previous year: currency losses of 81.5). The net result of derivative financial instruments held for trading comprises currency and interest rate effects. For financial liabilities at amortised costs, the net result primarily includes effects from currency translation.

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*The following table shows the total interest income and* expenses for the financial instruments. All interest results from financial receivables and financial liabilities measured at amortised cost.

### Total interest income and expense

| €m | 2021 | 2022 |
|---|---|---|
| Total interest income | 29.1 | 31.7 |
| Total interest expense | -198.1 | -122.9 |
| | **-169.0** | **-91.2** |

## 10.2 Derivative financial instruments and hedging relationships

The following table shows the nominal values and fair values of the derivative financial instruments.

### *Derivative financial instruments*

| | 31 December 2021 | | 31 December 2022 | |
|---|---|---|---|---|
| €m | Nominal value | Fair value | Nominal value | Fair value |
| **Assets** | | | | |
| **Cash flow hedges** | | | | |
| Currency forwards | | | 3.3 | 0.1 |
| Interest rate swaps | | | 500.0 | 9.3 |
| Commodity derivatives | 32.5 | 20.1 | 33.9 | 43.2 |
| **Fair value hedges** | | | | |
| Interest rate swaps[2)] | 750.0 | 9.6 | | |
| **Derivatives held for trading** | | | | |
| Currency forwards | 37.4 | 1.0 | 11.2 | 0.1 |
| Foreign exchange swaps | 4,847.3 | 51.8 | 2,851.3 | 40.6 |
| Cross-currency interest rate swaps[1)] | 34.8 | 10.7 | 821.3 | 29.9 |
| Commodity derivatives[3)] | 459.4 | 18.6 | 0.7 | 0.4 |
| | **6,161.5** | **111.8** | **4,221.7** | **123.6** |
| **Liabilities** | | | | |
| **Cash flow hedges** | | | | |
| Currency forwards | | | 24.3 | 1.0 |
| Commodity derivatives | 3.5 | 0.8 | 93.2 | 46.2 |
| **Fair value hedges** | | | | |
| Interest rate swaps[2)] | 750.0 | 4.5 | 750.0 | 104.9 |
| **Derivatives held for trading** | | | | |
| Currency forwards | 35.5 | 1.2 | 21.4 | 0.9 |
| Foreign exchange swaps | 2,957.8 | 24.6 | 5,024.0 | 76.9 |
| Cross-currency interest rate swaps[1)] | 1,358.3 | 38.3 | 638.3 | 6.4 |
| Commodity derivatives[3)] | 464.6 | 20.4 | | |
| | **5,569.8** | **89.8** | **6,551.2** | **236.3** |

1) Nominal values of €821.3 million (previous year: 34.8) relate to cross-currency interest rate swaps with positive fair values of €29.9 million (previous year: 4.4). Nominal values of €638.3 million (previous year: 1,358.3) relate to cross-currency interest rate swaps with negative fair values of €-6.4 million (previous year: -32.0), which are shown on the assets side in the amount of €0.0 million (previous year: 6.3) and on the liabilities side in the amount of €-6.4 million (previous year: -38.3) because of the separation into long-term and short-term components of the swaps.
2) Nominal values of €0.0 million (previous year: 750.0) relate to interest rate swaps with positive fair values of €0.0 million (previous year: 5.4). Nominal values of €750.0 (previous year: 750.0) million relate to interest rate swaps with negative fair values of €-104.9 million (previous year: -0.3), which are shown on the assets side in the amount of €0.0 million (previous year: 4.2) and on the liabilities side in the amount of €-104.9 million (previous year: -4.5) because of the separation into long-term and short-term components of the swaps.
3) In the previous year, the commodity derivatives contained mainly $CO_2$ forwards.

The derivatives contracted by Heidelberg Materials are partly subject to legally enforceable netting agreements (ISDA Agreement or German Master Agreement for Financial Derivatives Transactions), which, however, do not permit netting of receivables and liabilities in the balance sheet in accordance with IAS 32.42. The right to offset only exists in the case of delayed payment or if a contracting party becomes insolvent. The presentation in the balance sheet is therefore shown on a gross basis.

As at the reporting date, derivatives with a positive carrying amount of €123.6 million (previous year: 111.8) and corresponding derivatives with a negative carrying amount of €–236.3 million (previous year: –89.8) were subject to netting agreements. Taking these agreements into consideration, a calculated netting amount of €44.7 million (previous year: 59.8) would result at the reporting date. Accordingly, the derivatives would have positive net carrying amounts of €78.9 million (previous year: 52.0) and negative net carrying amounts of €–191.6 million (previous year: –30.0).

At Heidelberg Materials, derivative financial instruments are generally used for economic hedging purposes arising from operational business or refinancing activities. In order to correct the accounting mismatch between the hedging instrument and the hedged item, hedges are designated in individual cases (hedge accounting).

**Cash flow hedges**

The hedging of currency risks arising from long-term investment projects, which were hedged by appropriate cash holdings in foreign currencies, expired in the current financial year.

Our Group trading companies hedge significant short-term purchase contracts in foreign currencies through currency forwards. The features of the hedging instruments match those of the hedged items. The hedge ratio is 100%.

The new bond issues planned for the 2023 financial year are hedged by several rolling interest rate swaps. The gains on the expired interest rate swaps were recognised in the cash flow hedge reserve and will be reclassified to the income statement continuously over the term of the bond from the date of the new bond issue. The weighted average hedge rate of the interest rate swaps is 1.4%. The hedge ratio is 100%.

As an energy-intensive company, Heidelberg Materials is exposed to the energy price risk in its fuel and electricity procurement activities. In Northern Europe, a small proportion of the future electricity and gas oil deliveries are hedged using electricity and gas oil forward contracts with terms of up to three years. In Poland, electricity prices are secured until 2032 through two long-term power purchase agreements (PPA). In principle, the main contract features of the hedging instruments correspond to the features of the hedged items. In the electricity hedges in Northern Europe, 10% (previous year: 38%) of the short-term and 5% (previous year: 6%) of the long-term planned electricity purchases are hedged. In the case of the Polish electricity hedge, the hedge ratio is 27% (previous year: 10%). The hedge ratio for the short-term gas oil hedges is 46% (previous year: 47%). There is no significant ineffectiveness in the cash flow hedges. The hedging instruments and hedged items designated as hedges have the following impact on the balance sheet.

**Cash flow hedges by risk category**

| | 2021 | | 2022 | | |
|---|---|---|---|---|---|
| €m | Currency risk | Electricity price risk | Currency risk | Interest risk | Electricity price risk |
| **Hedging instruments** | | | | | |
| Balance sheet items and carrying amounts | | | | | |
| Derivative financial instruments (assets) | | 10.3 | 0.1 | 9.3 | 33.6 |
| Current derivative financial instruments (assets) | | 9.6 | | | 9.6 |
| Cash and cash equivalents (assets) | 11.8 | | | | |
| Other non-current financial liabilities | | –0.6 | | | –31.2 |
| Other current financial liabilities | | | –1.0 | | –15.0 |
| Change in fair value to measure the ineffectiveness in the reporting period | –0.3 | 34.1 | –1.3 | 141.6 | 22.4 |
| **Hedged items** | | | | | |
| Change to measure the ineffectiveness | 0.3 | –34.2 | 1.3 | –141.6 | –22.4 |
| Cash flow hedge reserve | 1.6 | 19.5 | –0.3 | 141.6 | –1.4 |

The reconciliation of the cash flow hedge reserve including the non-controlling interests is shown in the following table.

## Reconciliation of cash flow hedge reserve

| €m | Risk | 2021 | 2022 |
|---|---|---|---|
| **Balance as at 1 January** | | **5.7** | **17.8** |
| Changes in fair values | Currency risk | –0.3 | –1.3 |
| Changes in fair values | Interest risk | | 141.6 |
| Changes in fair values | Electricity price risk | 34.1 | 22.4 |
| **Gains or losses recognised in other comprehensive income** | | **33.8** | **162.7** |
| Reclassification to profit or loss (material costs) | Currency risk | | –0.6 |
| Reclassification to profit or loss (material costs) | Electricity price risk | –19.4 | –43.3 |
| Reclassification to cost of property, plant and equipment | Currency risk | –1.3 | |
| Income taxes | | –2.6 | –26.9 |
| Gains/losses arising from equity accounted investments | | 1.6 | 1.1 |
| **Balance as at 31 December** | | **17.8** | **110.8** |

**Fair value hedges**
The interest rate swaps open at the reporting date hedge the interest rate risk of a fixed interest-bearing Eurobond with a value of €750.0 million that matures in 2027. The weighted average hedge rate of the outstanding interest rate swaps is the 6-month EURIBOR plus a margin of 1.06%. The interest rate swaps have similar terms to the hedged items as regards the benchmark interest rate, payment dates, terms, and notional amount. The changes in the value of the hedged items arising from the change in the EURIBOR are offset to the greatest extent possible by the change in the value of the swaps. The hedge ratio is 100%. Additionally, a Eurobond of €750.0 million hedged by interest rate swaps was repaid during the financial year.

The hedging instruments and hedged items designated as fair value hedges have the following impact on the balance sheet and income statement.

## Fair value hedge – hedging interest risk

| | 2021 | 2022 |
|---|---|---|
| **Hedging instrument** | | |
| Balance sheet items and carrying amount | | |
| Current derivative financial instruments (assets) | 9.6 | |
| Other non-current financial liabilities | –4.5 | –82.6 |
| Other current financial liabilities | | –22.3 |
| Change in fair value to measure the ineffectiveness in the reporting period | –28.9 | –106.1 |
| **Hedged item** | | |
| Balance sheet items and carrying amount | | |
| Bonds payable (liabilities) | –1,500.5 | –644.6 |
| thereof cumulated changes in fair value | 28.5 | 102.5 |
| Change in fair value to measure the ineffectiveness in the reporting period | 28.5 | 105.9 |
| **Profit or loss item and value of ineffectiveness** | | |
| Other financial result | –0.4 | –0.2 |

The ineffectiveness of the fair value hedges results essentially from the influence of the credit risk of the counterparty and the Group on the fair value of the interest rate swaps and on the change in the fair value of the bonds. The accrued interest of €3.9 million (previous year: 0.4) included in the fair value was recognised in profit or loss in the interest result.

The effectiveness of the cash flow hedges and fair value hedges is verified prospectively on the basis of the main contract features at inception and at every reporting date.

## 10.3 Risks from financial instruments

With regard to its assets, liabilities, firm commitments, and planned transactions, Heidelberg Materials is particularly exposed to risks arising from changes in exchange rates, interest rates, and market and stock market prices. These market price risks might have a negative impact on the assets, financial, and earnings position of the Group. The Group manages these risks primarily as part of its ongoing business and financing activities and, when required, by using derivative financial instruments. The main aspects of the financial policy are determined by the Managing Board and implemented by the Group Treasury department on the basis of existing guidelines.

**Credit risk**
Heidelberg Materials is exposed to credit risk through its operating activities and certain financial transactions. The credit risk stands for the risk that a contracting party unexpectedly does not fulfil, or only partially fulfils, the obligations agreed when signing a financial instruments contract. The Group limits its credit risk by essentially only concluding contracts for financial assets and derivative financial instruments with partners that meet our credit rating requirements (investment grade range).

**Credit rating**
The rating agencies Moody's and Standard & Poor's assess the Group's creditworthiness as Baa2/P-2 (stable outlook) and BBB/A-2 (stable outlook) as at the end of 2022. Any potential downgrading of the ratings awarded by the rating agencies could have a negative impact on the Group's cost of capital and refinancing options.

**Cash and cash equivalents**
This item essentially comprises cash and cash equivalents. The Group is exposed to losses arising from credit risk in connection with the investment of cash and cash equivalents if contracting parties do not fulfil their obligations. Heidelberg Materials manages the resulting risk position by diversification of contracting parties. Currently, no cash or cash equivalents are overdue or impaired as a result of actual defaults. The maximum credit risk of cash and cash equivalents corresponds to the carrying amount.

**Trade receivables and contract assets**
Trade receivables result mainly from the sale of cement, concrete, and aggregates. In operating activities, the outstanding debts are monitored on an ongoing basis. The maximum risk position from trade receivables corresponds to the carrying amount. The concentration of risk with regard to trade receivables and contract assets is classified as low because of Heidelberg Materials' global activity and the dispersion across a large number of customers.

To calculate the expected credit losses for trade receivables carried at amortised cost and contract assets, Heidelberg Materials uses the simplified approach of IFRS 9. This provides for a loss allowance at every reporting date in the amount of the expected credit losses over the term.

Initially, receivables are tested for impairment individually. The decision as to when an individual loss allowance is required is made at the individual company level, taking local conditions into account. If there are objective indications that a receivable is not or only partially realisable, an individual loss allowance is recorded, e.g. for customers in financial difficulties or if insolvency proceedings have been opened. Available external and internal information on the financial situation of customers, such as an assessment of creditworthiness or past experience with these customers, is used to assess the need for impairment. The impaired receivables are classified as "credit-impaired".

For receivables whose expected credit losses are not determined individually ("not credit-impaired"), the loss allowance is determined on the basis of the sector-specific default probability and country-specific default probabilities. The calculated default rate is then adjusted by a factor in order to reflect forward-looking macroeconomic information that could have an impact on customers' ability to settle the receivables. The expected real growth of the gross domestic product of the countries in which the customers are domiciled is used for this purpose. In addition, the expected credit loss is determined by taking into account the turnover period of the receivables of the respective individual companies, i.e. the average number of days from invoicing to receipt of payment.

In each country's domestic business, trade receivables may be secured by various types of collateral, such as guarantees, letters of credit, and other types of credit insurance. These securities are considered an integral part of the trade receivables and are taken into account when calculating impairment. The securities received as at 31 December 2022 amount to €358.6 million (previous year: 256.3).

The contract assets relate to performance obligations already fulfilled for which no unconditional right to payment exists as at the reporting date. The contract assets essentially have the same risk characteristics as the trade receivables. The expected default rates for trade receivables in each country are therefore regarded as a reasonable approximation of the default rates for the contract assets and used to calculate the expected credit losses.

Information about the credit risk position and the expected credit losses for the trade receivables accounted for at amortised cost is shown in the following table. The calculated loss allowance in % is derived from the ratio of all loss allowances posted per individual company to the gross carrying amount.

**Trade receivables by risk class**

| €m | Loss allowance in % | Gross carrying amount | Loss allowance | Total |
|---|---|---|---|---|
| **31 December 2022** | | | | |
| Not credit-impaired | 0.4% | 1,640.0 | –6.8 | 1,633.2 |
| Credit-impaired | 54.4% | 197.9 | –107.7 | 90.2 |
| | | **1,837.9** | **–114.5** | **1,723.4** |
| **31 December 2021** | | | | |
| Not credit-impaired | 0.3% | 1,358.3 | –3.6 | 1,354.6 |
| Credit-impaired | 50.5% | 191.9 | –97.0 | 94.9 |
| | | **1,550.2** | **–100.6** | **1,449.6** |

The loss allowances on trade receivables have developed as follows:

**Loss allowances on trade receivables**

| €m | 2021 | 2022 |
|---|---|---|
| **Balance as at 1 January** | **103.9** | **100.6** |
| Addition | 23.3 | 40.8 |
| Reversal | –20.1 | –12.7 |
| Utilisation | –9.6 | –12.6 |
| Currency translation and other adjustments | 3.0 | –1.7 |
| **Balance as at 31 December** | **100.6** | **114.5** |

**Other receivables and financial assets**

This item essentially includes non-current receivables, interest-bearing receivables, and other operating receivables. The credit risk position from other receivables and financial assets corresponds to the carrying amount of these instruments. Heidelberg Materials regards this credit risk as insignificant.

Heidelberg Materials already takes into account the default risk when a financial asset is initially recognised by setting up loss allowances for expected credit losses. The general approach in accordance with IFRS 9 is used for the calculation of impairments. At every reporting date, an assessment is made as to whether the credit risk has increased significantly. If the credit risk has not increased significantly since initial recognition, the default probability is calculated on the basis of a 12-month period; otherwise, the total remaining term is used.

In order to assess whether the credit risk has increased significantly, the risk of a default on the financial asset at the reporting date is compared with the default risk at the time of initial recognition. A significant increase in credit risk is assumed if there is information about a deterioration in the debtor's financial situation or if agreed payments have been overdue for more than 30 days. In addition to the local conditions, which vary from country to country, and customers' payment behaviour, this assessment also takes into account credit ratings according to internal assessments of Heidelberg Materials or external rating agencies.

External and internal credit assessments taking into account both quantitative and qualitative information are used to calculate the expected credit losses. The internal classifications are then reconciled with the rating classes of external rating agencies and the resulting default probabilities. The default probability, which is then determined by considering probability-weighted scenarios, is adjusted to take into account the expected real growth of the gross domestic product of the country in which the debtor is domiciled. Both the financial situation and earnings position of the debtor and securities received are taken into consideration when calculating the risk provision to be set up.

If there are objective indications of impairment, individual loss allowances are made to the corresponding receivables in the amount that is likely to be no longer recoverable, taking into account any securities received. Objective indications are, inter alia, payment arrears of more than 90 days, information about significant financial difficulties of the debtor, non-compliance with a payment plan, or a high probability of insolvency proceedings against the debtor.

The securities available as at the reporting date amount to €128.6 million (previous year: 55.1) and mainly comprise liens and guarantees.

The following table explains the development of the loss allowances for the other financial receivables that are accounted for at amortised cost.

**Other financial receivables – amortised cost**

| €m | Loans and other interest-bearing receivables | Other operating receivables | Total |
|---|---|---|---|
| **Gross carrying amount as at 31 December 2022** | **289.1** | **192.7** | **481.8** |
| Loss allowances as at 1 January 2022 | –37.6 | –6.5 | –44.1 |
| Changes | 3.1 | 1.8 | 4.9 |
| Currency translation | 0.1 | 0.5 | 0.6 |
| **Loss allowances as at 31 December 2022** | **–34.4** | **–4.2** | **–38.6** |
| **Carrying amount as at 31 December 2022** | **254.7** | **188.5** | **443.2** |
| **Gross carrying amount as at 31 December 2021** | **206.8** | **201.0** | **407.8** |
| Loss allowances as at 1 January 2021 | –30.6 | –6.6 | –37.2 |
| Changes | –6.6 | 0.4 | –6.2 |
| Currency translation | –0.4 | –0.2 | –0.6 |
| Change in consolidation scope | 0.0 | 0.0 | 0.0 |
| **Loss allowances as at 31 December 2021** | **–37.6** | **–6.5** | **–44.0** |
| **Carrying amount as at 31 December 2021** | **169.3** | **194.5** | **363.8** |

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The credit risk position and expected credit losses for the other financial receivables accounted for at amortised cost can be broken down by risk class as follows.

**Other financial receivables by risk class**

| €m | Loss allowance in % | Gross carrying amount | Loss allowance | Total |
|---|---|---|---|---|
| **31 December 2022** | | | | |
| Low risk | 0.0% | 436.1 | –0.2 | 435.9 |
| Default event | 84.1% | 45.7 | –38.4 | 7.3 |
| | | **481.8** | **–38.6** | **443.2** |
| **31 December 2021** | | | | |
| Low risk | 0.1% | 355.2 | –0.2 | 355.0 |
| Default event | 83.3% | 52.6 | –43.8 | 8.8 |
| | | **407.8** | **–44.0** | **363.8** |

There was no allocation to the doubtful risk class as the credit risk for the above receivables has not increased significantly since initial recognition.

The cash and cash equivalents are also subject to the impairment requirements of IFRS 9. The identified impairment loss was immaterial.

**Derivative financial instruments**

Derivative financial instruments are generally used to reduce risks. In the course of its business activity, Heidelberg Materials is exposed to interest rate, currency, and energy price risks. For accounting purposes, a significant portion of the derivatives are not accounted for as hedges in accordance with IFRS 9, but as instruments in the held-for-trading category. However, from a commercial perspective, the changes in the fair values of these instruments represent an economically effective hedge within the context of the Group strategy. The maximum credit risk of this item corresponds to the fair value of the derivative financial instruments that have a positive fair value and are shown as financial assets at the reporting date. To reduce default risks, care is taken to ensure that, as far as possible, hedging transactions are concluded only with financial institutions with a good credit rating (investment grade). There are currently no past-due derivative financial instruments in the portfolio.

**Liquidity risk**

The liquidity risk describes the risk of a company not being able to fulfil its financial obligations to a sufficient degree. To manage Heidelberg Materials' liquidity, the Group maintains cash and cash equivalents as well as credit lines with banks, besides the cash inflow from operating activities. The operating liquidity management includes a daily reconciliation of cash and cash equivalents. The Group Treasury department acts as an in-house bank. This allows liquidity surpluses and requirements to be managed in accordance with the needs of the entire Group and of individual Group companies. In addition, factoring programmes are used to optimise working capital.

As at the end of the year, the Group still has as yet undrawn, confirmed credit lines of €2.4 billion available in order to secure liquidity, in addition to available cash and cash equivalents. HeidelbergCement AG has an open-ended framework agreement for the issue of short-term bearer bonds (commercial papers) of €2 billion to cover short-term liquidity peaks. Within the context of the programme, individual tranches with different terms will be issued at different times depending on the market situation. As at the end of 2022, none of the commercial papers issued by HeidelbergCement AG were outstanding.

As the financial contracts of Heidelberg Materials do not contain any clauses that trigger a repayment obligation in the event of the credit rating being downgraded, the maturity structure will remain unaffected even if the credit assessments change. Margin calls that could lead to an outflow of liquidity are not agreed in any of the main financial instruments. All derivative financial instruments are contracted on the basis of existing framework agreements that contain netting agreements for the purpose of reducing credit and liquidity risks.

The maturity overviews below show the future cash flows of financial liabilities and derivative financial instruments. Payments include the undiscounted repayments and interest payments for bonds payable, bank loans, and other financial liabilities. The cash flows of the lease liabilities are presented on a gross basis – i.e. before deducting financing costs. The undiscounted contractually agreed payments for derivative financial instruments as a total for the year did not take into account the inflow of liquidity amounting to €1,696.5 million (previous year: 1,517.1) from cross-currency interest rate swaps and €7,886.9 million (previous year: 8,444.6) arising from current foreign exchange transactions and other derivatives. The trade payables are assigned to short-term maturities (within a year). For variable interest payments, the current interest rate is taken as a basis. Payments in foreign currency are translated using the exchange rate at year end.

## Cash flows of financial liabilities and derivative financial instruments

| €m | Carrying amount 31 Dec. 2022 | Cash flows 2023 | Cash flows 2024 | Cash flows 2025 | Cash flows 2026 | Cash flows ≥ 2027 |
|---|---|---|---|---|---|---|
| Bonds payable | 5,321.9 | 93.4 | 1,493.4 | 1,060.3 | 1,045.3 | 2,042.2 |
| Bank loans | 321.2 | 255.2 | 23.0 | 13.1 | 11.0 | 23.0 |
| Lease liabilities | 1,051.1 | 228.7 | 177.9 | 138.7 | 106.8 | 669.4 |
| Miscellaneous other financial liabilities | 92.0 | 65.8 | 23.0 | 10.0 | 2.6 | 2.3 |
| Derivatives with positive fair value | | | | | | |
| Cash flow hedges | 52.6 | 11.0 | 2.3 | 3.4 | 2.3 | 10.3 |
| Derivatives held for trading | 71.0 | 2,909.5 | 58.3 | 57.8 | 58.0 | 854.6 |
| Derivatives with negative fair value | | | | | | |
| Cash flow hedges | 47.2 | 18.0 | 14.4 | 8.6 | 8.2 | 36.9 |
| Fair value hedges | 104.9 | 26.6 | 26.8 | 26.6 | 26.6 | 26.6 |
| Derivatives held for trading | 84.2 | 5,102.9 | | | | |

## Cash flows of financial liabilities and derivative financial instruments

| €m | Carrying amount 31 Dec. 2021 | Cash flows 2022 | Cash flows 2023 | Cash flows 2024 | Cash flows 2025 | Cash flows ≥ 2026 |
|---|---|---|---|---|---|---|
| Bonds payable | 6,169.9 | 847.2 | 93.4 | 1,493.4 | 1,060.3 | 3,087.5 |
| Bank loans | 736.4 | 477.6 | 207.6 | 26.3 | 11.5 | 34.0 |
| Lease liabilities | 1,059.1 | 232.2 | 176.2 | 130.6 | 103.8 | 696.8 |
| Miscellaneous other financial liabilities | 91.2 | 49.8 | 28.9 | 9.8 | 10.5 | 5.1 |
| Derivatives with positive fair value | | | | | | |
| Cash flow hedges | 20.1 | 16.0 | 2.4 | 2.4 | 2.4 | 9.4 |
| Fair value hedges | 9.6 | | | | | |
| Derivatives held for trading | 82.1 | 5,267.6 | | | | |
| Derivatives with negative fair value | | | | | | |
| Cash flow hedges | 0.8 | | | | | 3.5 |
| Fair value hedges | 4.5 | 4.0 | 4.0 | 4.0 | 4.0 | 8.0 |
| Derivatives held for trading | 84.5 | 3,211.8 | 672.4 | 17.0 | 16.8 | 783.8 |

### Interest rate risk

Interest rate risks exist as a result of potential changes in the market interest rate and may lead to a change in fair value in the case of fixed interest-bearing financial instruments and to fluctuations in interest payments in the case of variable interest-bearing financial instruments. Interest rate risks are maintained within the parameters set by the Group's Chief Financial Officer. For financial instruments with fixed interest that are measured at amortised cost, interest rate risks have no impact on result and equity.

If the market interest rate level across all currencies had been 100 basis points higher or lower on 31 December 2022, the net interest cost of the Heidelberg Materials Group taking into account the variable interest-bearing assets and liabilities would have risen by €4.1 million (previous year: 2.0) or fallen by €2.9 million (previous year: 3.0).

### Currency risk

Heidelberg Materials' currency risk results from its investing, financing, and operating activities. Risks from foreign currencies are generally hedged, insofar as they affect the Group's cash flow. Currency forwards and foreign exchange swaps are used in the elimination of existing currency risks.

Through the in-house banking activities of HeidelbergCement AG, the borrowing and investment of liquidity of the subsidiaries leads to currency positions that are generally hedged by means of external foreign exchange swap transactions, which are appropriate in terms of maturities and amounts. Consequently, currency fluctuations in connection with the in-house banking activities usually have no impact on result or equity. Unhedged items exist only in isolated cases, such as where currencies are not convertible.

The following table shows the hypothetical impact on the financial result assuming a 10% increase or decrease in the value of the foreign currency against the respective functional currency, whereby the positive values represent income and the negative values an expense in the income statement.

### Sensitivity analysis of currency risk

| | Increase in the value of the foreign currency by 10% | | Decrease in the value of the foreign currency by 10% | |
|---|---|---|---|---|
| €m | 31 Dec. 2021 | **31 Dec. 2022** | 31 Dec. 2021 | **31 Dec. 2022** |
| USD/EGP | | –15.9 | | 15.9 |
| USD/GHS | | 0.9 | | –0.9 |
| USD/LRD | 0.9 | 0.7 | –0.9 | –0.7 |
| USD/TZS | 3.0 | 3.5 | –3.0 | –3.5 |
| EUR/XOF | | –9.9 | | 9.9 |

By contrast, foreign currency risks that do not affect the Group's cash flows (i.e. the risks resulting from the translation of the assets and liabilities of foreign subsidiaries into the Group reporting currency) generally remain unhedged.

# 11 Other disclosures

## 11.1 Capital management

The objective of capital management is to ensure sufficient liquidity for the Group at all times. Therefore, the Group makes use of external and internal financing opportunities. The net debt and the leverage ratio, which corresponds to the ratio of net debt to the result from current operations before depreciation and amortisation, are of fundamental importance to the monitoring of the Group's capital.

**Leverage ratio**

| €m | 31 Dec. 2021 | 31 Dec. 2022 |
|---|---|---|
| Cash, derivative financial instruments, and short-term financial investments | 3,226.9 | 1,577.7 |
| Financial liabilities | 8,226.3 | 7,109.9 |
| **Net debt** | **4,999.4** | **5,532.2** |
| Result from current operations before depreciation and amortisation (RCOBD) | 3,874.7 | 3,739.4 |
| **Leverage ratio** | **1.29** | **1.48** |

A loan agreement to be finally repaid on 4 January 2023 still contains a financial covenant regarding the leverage ratio. During the financial year, this financial covenant was complied with in accordance with the loan agreement.

## 11.2 Contingent liabilities

As at the reporting date, contingent liabilities amounted to €199.1 million (previous year: 176.8) and essentially concern risks related to taxes on income. The timing of the possible cash outflows for the contingent liabilities is uncertain because they depend on various external factors that remain outside Heidelberg Materials' control. The application of taxation regulations might not yet be determined at the time that tax refund claims and liabilities are calculated. The calculation of tax items is based on the regulations most likely to be applied in each case. Nevertheless, the fiscal authorities may be of a different opinion, which could give rise to additional tax liabilities.

## 11.3 Other financial commitments

As at the reporting date, there were contractual obligations for the acquisition of property, plant and equipment amounting to €418.7 million (previous year: 715.7), of which €127.2 million relates to the new kiln line in Airvault, France. Future cash outflows of €68.5 million (previous year: 56.3) result from leases that had been entered into as at the reporting date but have not yet commenced.

## 11.4 Related party disclosures

IAS 24 requires a statement concerning the most important relationships with related companies and persons that may exert a significant influence on HeidelbergCement AG; the former are accounted for as joint ventures or associates, the latter hold key positions as members of the management.

As at 31 December 2022, Mr. Ludwig Merckle, Ulm, holds via Spohn Cement Beteiligungen GmbH, Schönefeld, a company under his control, 27.67% of the voting rights in HeidelbergCement AG. In the 2022 financial year, HeidelbergCement AG provided services with a net amount of €235.0 thousand (previous year: 322.0) to PHOENIX Pharmahandel GmbH & Co KG, Mannheim, a related company of Mr. Ludwig Merckle. In addition, net expenses of €2.0 thousand (previous year: 113.2) for purchased services were incurred.

Revenue and other sales with joint ventures in the Heidelberg Materials Group amounted to €90.5 million (previous year: 62.0). Raw materials, goods, and other services with a value of €490.0 million (previous year: 349.0) were procured from these joint ventures. A total of €13.3 million (previous year: 10.3) was generated in financial and other services. Receivables of €100.5 million (previous year: 97.9) and liabilities of €44.9 million (previous year: 42.9) exist in connection with these activities and financial transactions. In addition, capital increases of €0.1 million (previous year: 1.0) were carried out for joint ventures. Repayment of capital from joint ventures to the parent company amounted to €1.5 million (previous year: 0). In the 2022 financial year, guarantees of €0.5 million (previous year: 0.2) were outstanding to joint ventures.

Business transactions with associates include revenue and other sales amounting to €113.1 million (previous year: 96.6), the procurement of goods and services amounting to €26.2 million (previous year: 20.7), and services provided amounting to €1.0 million (previous year: 1.1). Receivables of €38.0 million (previous year: 39.0) and liabilities of €9.7 million (previous year: 12.5) exist in connection with these activities and financial transactions. Capital increases and contributions in kind made to associates amounted to €19.6 million (previous year: 0.2). As at 31 December 2022, obligations from capital commitments amount to €44.3 million. Repayment of capital from associates to the parent company in the 2022 financial year amounted to

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€2.8 million (previous year: 0). As in the previous year, there are no guarantees outstanding to associates in the 2022 financial year.

Receivables of €11.5 million (previous year: 8.7) and liabilities of €20.4 million (previous year: 16.3) existed in connection with transactions with non-consolidated subsidiaries. Guarantees of €1.4 million (previous year: 0.6) were outstanding to non-consolidated subsidiaries in the 2022 financial year. For an immaterial associate, there is a loss absorption guarantee of up to €1.5 million (previous year: 0).

Receivables of €11.1 million (previous year: 13.2) and liabilities of €6.0 million (previous year: 10.8) existed in connection with transactions with immaterial associates and joint ventures.

The stated transactions were carried out under conditions that would also apply to third parties.

### 11.5 Managing Board and Supervisory Board

The fixed remuneration of the Managing Board increased in comparison with the previous year due to the first full year of two functional Managing Board responsibilities created in 2021 to €7.4 million (previous year: 6.8). The sum of short-term variable remuneration elements amounted to €9.9 million (previous year: 10.5). In 2022, it consisted exclusively of the annual bonus in the amount of €9.9 million (previous year: 10.6), of which, in the previous year, €0.1 million was offset against other remuneration elements. The annual bonus is a variable remuneration element, which relates to the financial year. Two thirds of the overall target achievement for the annual bonus is measured by corporate targets (profit for the financial year attributable to the shareholders of HeidelbergCement AG and $CO_2$ component) and one third by individual targets. The achievement of the corporate targets results from the multiplication of the target achievement of the performance criterion profit for the financial year attributable to the shareholders of HeidelbergCement AG with the multiplier of the $CO_2$ component.

Other remuneration elements totalled €1.7 million (previous year: 4.7). In 2022, they consisted of a contribution of private pension benefits (cash allowance) and taxable fringe benefits. These included, in particular, bearing the costs of flights home, school fees, and company-related relocations, assignment-related benefits, the provision of company cars and driving services, mobile phones and communication tools, the reimbursement of expenses, as well as insurance benefits.

The members of the Managing Board are participating in the long-term bonus plan 2022–2024/25, granted in 2022. The target values for the plan, rounded to the nearest €'000, are €9,631,000.

The plan comprises two equally weighted components: the management component and the capital market component. The management component, with a term of three years, considers the internal added value as measured by earnings before interest and taxes (EBIT) and return on invested capital (ROIC), and is arranged in the form of a bonus with cash settlement. The capital market component, with a term of four years, considers the external added value as measured by total shareholder return (TSR) – adjusted for the reinvested dividend payments and for changes in capital – compared with the relevant capital market indices, using performance share units (PSUs). The PSUs are virtual shares used for the calculation of the capital market component. The target value, rounded to the nearest €'000, amounts to €4,813,000 for the management component and €4,818,000 for the capital market component. The different amounts result from the pro-rata calculation for the incoming and outgoing members of the Managing Board during the year. The reference price for the capital market component amounts to €62.56. This equates to 77,008 performance share units (PSUs) in total.

Pursuant to section 314(1)(6a) sentence 4 of the German Commercial Code (HGB), the fair value at the grant date must be indicated for the capital market component. For the members of the Managing Board, the amount, rounded to the nearest €'000, is in total €4,584,000.

The total remuneration pursuant to HGB amounted to €30.4 million (previous year: 30.4).

The retirement agreements of the members of the Managing Board appointed prior to 2019 contain the promise of an annual retirement pension, in the form of either an absolute amount or a percentage of the pensionable income. In 2019, a defined contribution pension commitment was introduced for the newly and reappointed members of the Managing Board. The design and expected pension benefits are based on the customary characteristics of such schemes, and existing contractual obligations are taken into account. In the financial year, allocations to provisions for pensions (service cost) for active members of the Managing Board amounted to €3.7 million (previous year: 4.2). The present values of the defined benefit obligation decreased with the change in the discount rate relevant to the provisions and the leave of Dr Näger to €20.6 million (previous year: 40.7).

Expenses relating to the long-term capital market components of the last four issued and outstanding long-term bonus plans in accordance with IFRS 2.51a amounted to €1,738,000 for the Members of the Managing Board (previous year: -1,316,000).

In accordance with IAS 24, recognized expenses relating to the long-term capital market components for the

service as members of the Managing Board amounted to €1.7 million (previous year: -1.3). The expenses recognized relating to the long-term management components came to €–3.0 million (previous year: 12.7). Provisions for capital market components amounted to €2.1 million (previous year: 0.3), and for management components they amounted to €19.6 million (previous year: 22.4).

For the members of the Managing Board appointed as of 2016 and 2019, the existing contractual entitlements from long-term bonus and pension plans from prior positions within the Heidelberg Materials Group were continued. These entitlements are serviced according to the original plan conditions. The corresponding expenses in the financial year are included in the following table, in addition to the expenses for the service as member of the Managing Board.

Total remuneration of the Managing Board in accordance with IAS 24 came to €21.4 million in 2022 (previous year: 37.1) as represented in the following table.

**Total remuneration of the Managing Board in accordance with IAS 24**

| €m | 2021 | **2022** |
|---|---|---|
| Short-term employee benefits (fixed remuneration, short-term variable remuneration elements, other remuneration elements) | 18.5 | 19.0 |
| Post-employment benefits (allocations to provisions for pensions – service cost including prior positions) | 4.2 | 3.7 |
| Redundancy payments for members of the Managing Board who stepped down in the reporting year | 3.0 | 0,0 |
| Other long-term benefits (expenses related to the LTIP management components including prior positions) | 12.7 | –3.0 |
| Share-based payment (expenses related to the LTIP capital market components including prior positions) | –1.3 | 1.7 |
| **Total** | **37.1** | **21.4** |

Payments to former members of the Managing Board and their surviving dependents amounted to €5.4 million in the financial year (previous year: 8.7). Provisions for pension obligations to former members of the Managing Board amounted to €56.1 million (previous year: 78.7).

The total Supervisory Board remuneration (excluding value added tax), which is short-term only, for the 2022 financial year amounted to €1,738,000 (previous year: 1,813,000). Employee representatives of the Supervisory Board who are employees of the Heidelberg Materials Group also received remuneration in accordance with their contracts of employment, the level of which corresponded to an equitable remuneration for their relevant functions and tasks within the Group.

### 11.6 Declaration of compliance with the German Corporate Governance Code

The declaration of compliance with the German Corporate Governance Code as required by section 161 of the German Stock Corporation Act (Aktiengesetz, AktG) was submitted by the Managing Board and the Supervisory Board of HeidelbergCement AG and made available on the internet at **https://www.heidelbergmaterials.com/en/corporate-governance**.

### 11.7 Auditor's fees

The auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft received fees of €4.5 million (previous year: 3.8) in the financial year.

**Auditor's fees**

| €m | 2021 | **2022** |
|---|---|---|
| Audit services[1)] | 3.6 | 4.2 |
| Other assurance services | 0.2 | 0.3 |
| Tax services | 0.0 | 0.0 |
| | **3.8** | **4.5** |

1) Thereof for the previous year: 2022: €0.0 million, 2021: €0.1 million

The auditor's services mainly comprised services for the audit of the financial statements and, to a lesser extent, other assurance services. The fee for the other assurance services essentially includes the fee for the audit to obtain limited assurance on the non-financial statement and for the issuance of a comfort letter in connection with the €10 billion Euro Medium Term Note (EMTN) programme.

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### 11.8 Events occurring after the close of the 2022 financial year

On 20 January 2023, Heidelberg Materials issued its first sustainability-linked bond (ISIN XS2577874782) with an issue volume of €750.0 million and a term ending in 2032 via HeidelbergCement AG under the €10 billion EMTN programme. The interest rate on the bond is linked to the development of the specific $CO_2$ emissions per tonne of cementitious material until 2026 and 2030, which are defined in the Sustainability-linked Financing Framework as key performance indicators (KPIs).

On 24 February 2023, as part of the portfolio optimisation programme, Heidelberg Materials signed a contract for the sale of its 45% participation in Caucasus-Cement Holding B.V., 's-Hertogenbosch, Netherlands ("CCH"). CCH is the parent company of HeidelbergCement Georgia Ltd. and Terjola Quarry Ltd., Tbilisi. The sale is expected to close in the first half of 2023. The transaction has no significant impact on the presentation of the assets, financial, and earnings position of the Group.

### 11.9 Approval by the Supervisory Board

The consolidated financial statements were prepared by the Managing Board and adopted on 22 March 2023. They were then submitted to the Supervisory Board for approval.

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| **Subsidiaries** | | | | | | |
| ***Western and Southern Europe*** | | | | | | |
| A.R.C. (Western) Limited | Maidenhead, GB | | 100.00 | 2021 | 7.2 | 0.0 |
| A1 Services (Manchester) Limited | Maidenhead, GB | | 100.00 | 2021 | 7.9 | 1.6 |
| Amey Group Limited (The) | Maidenhead, GB | | 100.00 | 2021 | 15.2 | 0.0 |
| Amey Roadstone International Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Appleby Group Limited | Maidenhead, GB | | 100.00 | 2021 | 32.0 | 0.0 |
| ARC Aggregates Limited | Maidenhead, GB | | 100.00 | 2021 | 3.9 | 0.0 |
| ARC Building Limited | Maidenhead, GB | | 100.00 | 2021 | -21.4 | 0.0 |
| ARC Concrete (Anglia) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC Concrete Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| ARC Land Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.3 | 0.0 |
| ARC Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC Property Investments Limited | Maidenhead, GB | | 100.00 | 2021 | 46.5 | 0.0 |
| ARC Slimline Limited | Maidenhead, GB | | 100.00 | 2021 | -3.8 | 0.0 |
| ARC South Wales Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC South Wales Mortar Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC South Wales Quarries Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| ARC South Wales Surfacing Limited | Maidenhead, GB | | 100.00 | 2021 | 0.4 | 0.0 |
| Attendflower Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| B.V. Betonmortelcentrale 'BEMA' | Alkmaar, NL | | 66.67 | 2021 | -1.2 | 0.2 |
| Banbury Alton Limited | Maidenhead, GB | | 100.00 | 2021 | -0.3 | 0.0 |
| Beazer Limited | Maidenhead, GB | | 100.00 | 2021 | 12.0 | 0.0 |
| Beforebeam Limited | Maidenhead, GB | | 100.00 | 2021 | 475.4 | 0.0 |
| Beforeblend Limited | Maidenhead, GB | | 100.00 | 2021 | 772.2 | 518.6 |
| Berec Holdings B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 59.1 | -0.0 |
| Béton Contrôle de l'Adour S.a.s.[5] | Bayonne, FR | | 35.99 | 2021 | 2.1 | 0.1 |
| Béton Contrôle du Pays Basque S.a.s. | Bayonne, FR | | 59.98 | 2021 | 2.6 | 0.1 |
| Betontir S.p.A. | Bergamo, IT | | 100.00 | 2021 | 0.9 | -0.2 |
| Birchwood Concrete Products Limited | Maidenhead, GB | | 100.00 | 2021 | 189.4 | 0.0 |
| Birchwood Omnia Limited | Maidenhead, GB | | 100.00 | 2021 | 935.2 | -229.0 |
| BravoEnergy S.r.l. | Bergamo, IT | | 100.00 | 2021 | 0.1 | -0.2 |
| British Agricultural Services Limited | Maidenhead, GB | | 100.00 | 2021 | 432.7 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| British Ever Ready Limited | Maidenhead, GB | | 100.00 | 2021 | 31.7 | 0.0 |
| Bulldog Company Limited | St. Peter Port, GG | | 100.00 | 2021 | 44.7 | –0.0 |
| C.T.G. S.R.L. | Bergamo, IT | | 100.00 | 2021 | 0.4 | 0.1 |
| Calcestruzzi S.p.A. | Bergamo, IT | | 100.00 | 2021 | 16.6 | –13.6 |
| Calumite Limited | Maidenhead, GB | | 51.00 | 2021 | 3.0 | 1.0 |
| Castle Building Products Limited | Maidenhead, GB | | 100.00 | 2021 | –0.5 | 0.0 |
| Castle Cement (Chatburn) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.2 | 0.0 |
| Castle Cement (Clyde) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Castle Cement (Ketton) Limited | Maidenhead, GB | | 100.00 | 2021 | 26.8 | 0.0 |
| Castle Cement (Padeswood) Limited | Maidenhead, GB | | 100.00 | 2021 | 7.1 | 0.0 |
| Castle Cement (Pitstone) Limited | Maidenhead, GB | | 100.00 | 2021 | 11.6 | 0.0 |
| Castle Cement (Ribblesdale) Limited | Maidenhead, GB | | 100.00 | 2021 | 27.9 | 0.0 |
| Castle Cement Limited | Maidenhead, GB | | 100.00 | 2021 | 296.8 | 23.0 |
| Castle Lime Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Castle Pension Scheme Trustees Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| CBR Baltic B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 208.7 | 26.8 |
| Cementrum I B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 182.5 | 13.0 |
| Cemitaly S.p.A. | Bergamo, IT | | 100.00 | 2021 | 12.4 | –7.0 |
| Centro Administrativo y de Servicios de Malaga S.A. | Málaga, ES | | 99.93 | 2021 | –0.9 | –0.0 |
| Cetramaris S.a.s | Saint-Herblain, FR | | 70.00 | 2021 | 0.9 | 0.1 |
| CGF Capital B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 0.1 | –0.0 |
| Charterneed Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| CHB Group Limited | Maidenhead, GB | | 100.00 | 2021 | 798.5 | 0.0 |
| CHB P H R Limited | Maidenhead, GB | | 100.00 | 2021 | 24.1 | –1.4 |
| CHB Products Limited | Maidenhead, GB | | 100.00 | 2021 | 2,376.7 | 0.0 |
| Chemical Manufacture and Refining Limited | Maidenhead, GB | | 100.00 | 2021 | 6.5 | 0.0 |
| Ciment du Littoral S.a.s. | Bassens, FR | | 100.00 | 2021 | –6.3 | –1.3 |
| Ciments Calcia S.a.s. | Courbevoie, FR | | 100.00 | 2021 | 1,044.7 | 28.3 |
| Ciminter S.A. | Strassen, LU | | 100.00 | 2021 | 59.9 | 11.3 |
| City of London Heliport Limited | Maidenhead, GB | | 55.56 | 2021 | –2.1 | 0.0 |
| Civil and Marine (Holdings) Limited | Maidenhead, GB | | 100.00 | 2021 | 32.8 | 0.0 |
| Civil and Marine Limited | Maidenhead, GB | | 100.00 | 2021 | 651.8 | 23.6 |
| Civil and Marine Slag Cement Limited | Maidenhead, GB | | 100.00 | 2021 | 72.5 | 0.0 |
| Claughton Manor Brick Limited (The) | Maidenhead, GB | | 100.00 | 2021 | 0.2 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Codesib S.a.s. | Guerville, FR | | 100.00 | 2021 | 33.0 | 14.6 |
| Compagnie Financière et de Participations S.a.s. | Guerville, FR | | 100.00 | 2021 | 29.0 | 1.6 |
| Compagnie pour l'Investissement Financier en Inde S.a.s. | Guerville, FR | | 100.00 | 2021 | 10.4 | –0.4 |
| Conbloc Limited | Maidenhead, GB | | 100.00 | 2021 | –0.1 | 0.0 |
| Concrete Italia S.r.l. | Brescia, IT | | 51.00 | 2021 | –0.0 | 0.1 |
| Creative Land Developers Limited[5] | Maidenhead, GB | | 50.00 | 2021 | –0.4 | 0.0 |
| Cromhall Quarries, Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Cumbrian Industrials Limited | Maidenhead, GB | | 100.00 | 2021 | 9.0 | 0.0 |
| Delmorgal Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Desimpel Brick Limited | Maidenhead, GB | | 100.00 | 2021 | 3.1 | 0.0 |
| Devon Concrete Works, Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Dragages du Pont de St Leger S.a.s. | St Léger, FR | | 60.00 | 2021 | 5.4 | 0.7 |
| Dragages Transports & Travaux Maritimes S.a.s. | La Rochelle, FR | | 100.00 | 2021 | 21.4 | 3.0 |
| DUPAMIJ Holding GmbH i.L.[4] | Kalkar, DE | | 100.00 | 2021 | 0.0 | –0.0 |
| E & S Retail Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| E Sub Limited | Maidenhead, GB | | 100.00 | 2021 | 7.2 | 0.0 |
| Effectengage Limited | Maidenhead, GB | | 100.00 | 2021 | 315.1 | 0.0 |
| Emerging Markets Industrial Corporation S.à r.l.[9] | Strassen, LU | | 100.00 | - | - | - |
| ENCI B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 89.4 | 13.8 |
| ENCI Holding N.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 316.0 | 10.3 |
| Ensign Park Limited[5] | Maidenhead, GB | | 50.00 | 2021 | –1.9 | 0.0 |
| Essroc Netherlands Coöperatief U.A. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 231.2 | –0.0 |
| Eurarco France S.A. | Le Crotoy, FR | | 64.98 | 2021 | 8.1 | 1.2 |
| F.C. Precast Concrete Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Ferrersand Aggregates Limited | Maidenhead, GB | | 100.00 | 2021 | 1.7 | 0.0 |
| Fruitbat Company | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Fulber Limited | St. Peter Port, GG | | 100.00 | 2021 | 129.8 | –0.0 |
| Granulats de la Drôme S.a.s. | Saint-Jean-de-Védas, FR | | 100.00 | 2021 | 3.8 | 0.9 |
| Granulats de Lahontan | Guerville, FR | | 51.00 | 2021 | 2.2 | 0.0 |
| Granulats Ouest – GO S.a.s. | Saint-Herblain, FR | | 100.00 | 2021 | 3.7 | 0.3 |
| Greenwoods (St. Ives) Limited | Maidenhead, GB | | 100.00 | 2021 | 2.1 | 0.0 |
| GSM S.a.s. | Courbevoie, FR | | 100.00 | 2021 | 190.4 | 26.5 |
| Guidelink | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Habfield Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |

**Consolidated financial statements**
Group Notes – List of shareholdings of Heidelberg Materials Group and HeidelbergCement AG
as at 31 December 2022 (section 313(2), resp. section 285(11) of the German Commercial Code (HGB))

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Hanson (BB) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.6 | 0.0 |
| Hanson (BBIN02) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson (CGF) (No.1) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson (CGF) (No2) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson (CGF) Finance Limited | Maidenhead, GB | | 100.00 | 2021 | 160.6 | 0.0 |
| Hanson (CGF) Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson (ER - No 10) Limited | Maidenhead, GB | | 100.00 | 2021 | 302.3 | 0.0 |
| Hanson (ER - No 5) Limited | Maidenhead, GB | | 100.00 | 2021 | 472.1 | 0.0 |
| Hanson (F) Limited | Maidenhead, GB | | 100.00 | 2021 | 5.9 | 0.0 |
| Hanson (FH) Limited | Maidenhead, GB | | 100.00 | 2021 | 4.0 | 0.0 |
| Hanson (FP) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson (LBC) Limited | Maidenhead, GB | | 100.00 | 2021 | 26.1 | 0.0 |
| Hanson (MR) Limited | Maidenhead, GB | | 100.00 | 2021 | 2,609.4 | 0.0 |
| Hanson (NAIL) Limited | Maidenhead, GB | | 100.00 | 2021 | 6.4 | 0.0 |
| Hanson (RBMC) Limited | Maidenhead, GB | | 100.00 | 2021 | 7.1 | 0.0 |
| Hanson (SH) Limited | Maidenhead, GB | | 100.00 | 2021 | 69.0 | 0.0 |
| Hanson Aggregates (North) Limited | Maidenhead, GB | | 100.00 | 2021 | 47.9 | 0.0 |
| Hanson Aggregates Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson Aggregates Marine Limited | Maidenhead, GB | | 100.00 | 2021 | 164.3 | 5.1 |
| Hanson Aggregates South Wales Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 8.1 | 0.0 |
| Hanson Aggregates South Wales Limited | Maidenhead, GB | | 100.00 | 2021 | 46.1 | 0.0 |
| Hanson Aggregates UK Limited | Maidenhead, GB | | 100.00 | 2021 | 2,375.0 | –2.6 |
| Hanson America Holdings (1) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson America Holdings (2) Limited | Maidenhead, GB | | 100.00 | 2021 | 36.6 | 0.0 |
| Hanson America Holdings (3) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 329.8 |
| Hanson America Holdings (4) Limited | Maidenhead, GB | | 100.00 | 2021 | 140.2 | 0.0 |
| Hanson Aruba Limited | St. Peter Port, GG | | 100.00 | 2021 | 1,856.5 | –0.0 |
| Hanson Bath and Portland Stone Limited | Maidenhead, GB | | 100.00 | 2021 | –2.6 | 0.0 |
| Hanson Batteries Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson Blocks North Limited | Maidenhead, GB | | 100.00 | 2021 | 15.7 | 0.0 |
| Hanson Brick Ltd | Maidenhead, GB | | 100.00 | 2021 | 0.2 | 0.0 |
| Hanson Building Materials Europe Limited | Maidenhead, GB | | 100.00 | 2021 | 671.2 | 0.0 |
| Hanson Building Materials Limited | Maidenhead, GB | | 100.00 | 2021 | 3,767.3 | –4.9 |
| Hanson Building Products (2003) Limited | Maidenhead, GB | | 100.00 | 2021 | 224.9 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Hanson Building Products Limited | St. Helier, JE | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Canada Limited | Maidenhead, GB | | 100.00 | 2021 | 1.1 | –0.0 |
| Hanson Clay Products Limited | Maidenhead, GB | | 100.00 | 2021 | 18.0 | 0.0 |
| Hanson Concrete Products Limited | Maidenhead, GB | | 100.00 | 2021 | 62.4 | 0.0 |
| Hanson Crewing Services Limited | Maidenhead, GB | | 100.00 | 2021 | –0.0 | 0.0 |
| Hanson Devon Designated Activity Company | Shannon, IE | | 100.00 | 2021 | 4,561.5 | –0.1 |
| Hanson Facing Bricks Limited | Maidenhead, GB | | 100.00 | 2021 | 294.8 | 0.0 |
| Hanson Finance (2003) Limited | Maidenhead, GB | | 100.00 | 2021 | 520.4 | –11.5 |
| Hanson Finance Limited | Maidenhead, GB | | 100.00 | 2021 | 720.1 | –0.0 |
| Hanson Financial Services Limited | Maidenhead, GB | | 100.00 | 2021 | 238.9 | 0.0 |
| Hanson FP Holdings B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 406.8 | –0.0 |
| Hanson Funding (G) Limited | Maidenhead, GB | | 100.00 | 2021 | 206.5 | 0.0 |
| Hanson H4 Limited | Maidenhead, GB | | 100.00 | 2021 | 10.4 | 0.0 |
| Hanson H5 | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Hedging (Dollars) (1) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.3 | 0.0 |
| Hanson Hispania Hormigones SL | Málaga, ES | | 99.99 | 2021 | 1.8 | 2.2 |
| Hanson Hispania, S.A.U. | Madrid, ES | | 100.00 | 2021 | 75.2 | 7.9 |
| Hanson Holdings (1) Limited | Maidenhead, GB | | 100.00 | 2021 | 5,967.2 | 0.0 |
| Hanson Holdings (2) Limited | Maidenhead, GB | | 100.00 | 2021 | 1,227.2 | 0.0 |
| Hanson Holdings (3) Limited | Maidenhead, GB | | 100.00 | 2021 | 808.3 | –35.3 |
| Hanson Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 4,107.0 | 0.0 |
| Hanson Industrial (Engineering Holdings) Limited | Maidenhead, GB | | 100.00 | 2021 | 6.4 | 0.0 |
| Hanson Industrial Limited | Maidenhead, GB | | 100.00 | 2021 | 189.3 | 0.0 |
| Hanson International Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 2,795.0 | –10.2 |
| Hanson Island Management Limited | St. Peter Port, GG | | 100.00 | 2021 | –1.1 | –0.1 |
| Hanson Land Development Limited | Maidenhead, GB | | 100.00 | 2021 | –35.1 | 0.0 |
| Hanson Limited | Maidenhead, GB | | 100.00 | 2021 | 12,395.9 | –5.9 |
| Hanson Marine Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 1.5 | 0.0 |
| Hanson Marine Limited | Maidenhead, GB | | 100.00 | 2021 | 38.6 | 1.2 |
| Hanson Overseas Corporation Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson Overseas Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 5,244.8 | –172.6 |
| Hanson Packed Products Limited | Maidenhead, GB | | 100.00 | 2021 | 312.5 | 6.3 |
| Hanson Peabody Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson Pioneer España, S.L.U. | Madrid, ES | | 100.00 | 2021 | 356.8 | 18.7 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Hanson Quarry Products Europe Limited | Maidenhead, GB | | 100.00 | 2021 | 1,960.1 | 140.9 |
| Hanson Quarry Products Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 49.9 | 0.0 |
| Hanson Quarry Products Trade Finance Limited | Maidenhead, GB | | 100.00 | 2021 | 3.5 | 0.0 |
| Hanson Quarry Products Transport Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Quarry Products Ventures Limited | Maidenhead, GB | | 100.00 | 2021 | 56.5 | –0.2 |
| Hanson Retail Limited | Maidenhead, GB | | 100.00 | 2021 | 465.2 | 0.0 |
| Hanson Ship Management Ltd | St. Peter Port, GG | | 100.00 | 2021 | –1.0 | –0.2 |
| Hanson Thermalite Limited | Maidenhead, GB | | 100.00 | 2021 | 49.5 | 0.0 |
| Hanson TIS Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson TIS Limited | Maidenhead, GB | | 100.00 | 2021 | –3.0 | 0.0 |
| Hanson Trust Limited | Maidenhead, GB | | 100.00 | 2021 | 115.7 | 0.0 |
| Hanson Trustees Limited | Maidenhead, GB | | 100.00 | 2021 | –1.7 | 0.0 |
| Harrisons Limeworks Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Hartsholme Property Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| HB Hotels Limited | Maidenhead, GB | | 100.00 | 2021 | –0.7 | 0.0 |
| HC Asia Holding GmbH | Heidelberg, DE | 100.00 | 100.00 | 2021 | 84.4 | 0.4 |
| HC Fuels Limited | Maidenhead, GB | | 100.00 | 2021 | 10.8 | 0.0 |
| HC Green Trading Limited | Żebbuġ, MT | | 100.00 | 2021 | 0.0 | 1.6 |
| HC Hanson Holding B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 424.9 | 49.0 |
| HC Trading B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 0.0 | 2.9 |
| HC Trading GmbH[7] | Heidelberg, DE | | 100.00 | 2021 | 7.3 | 0.0 |
| HC Trading Malta Limited | Żebbuġ, MT | | 100.00 | 2021 | 0.0 | 12.6 |
| HCT Holding Malta Limited | Żebbuġ, MT | 100.00 | 100.00 | 2021 | 60.2 | 20.7 |
| HDigital GmbH[7] | Heidelberg, DE | | 100.00 | 2021 | 0.0 | 0.0 |
| Heidelberg Materials UK Limited | Maidenhead, GB | 100.00 | 100.00 | 2021 | 2.3 | 0.0 |
| HeidelbergCement BP Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| HeidelbergCement Canada Holding Limited | Maidenhead, GB | | 100.00 | 2021 | 3,207.1 | 83.6 |
| HeidelbergCement Central Europe East Holding B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 1,203.5 | 4.0 |
| HeidelbergCement Euro I Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| HeidelbergCement Euro II Limited | Maidenhead, GB | | 100.00 | 2021 | 3,287.1 | 35.6 |
| HeidelbergCement Euro III Limited | Maidenhead, GB | | 100.00 | 2021 | 874.6 | 6.6 |
| HeidelbergCement Finance Luxembourg S.A. | Strassen, LU | | 100.00 | 2021 | 33.2 | 42.5 |
| HeidelbergCement France S.A.S. | Courbevoie, FR | | 100.00 | 2021 | 2,439.9 | –34.5 |
| HeidelbergCement Grundstücksgesellschaft mbH & Co. KG[7] | Heidelberg, DE | 100.00 | 100.00 | 2021 | 4.9 | 1.3 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| HeidelbergCement Holding Coöperatief U.A. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 1,127.9 | –0.0 |
| HeidelbergCement Holding GmbH | Heidelberg, DE | | 100.00 | 2021 | 0.0 | –0.0 |
| HeidelbergCement Holding S.à r.l. | Strassen, LU | | 100.00 | 2021 | 24,128.7 | 613.8 |
| HeidelbergCement International Holding GmbH | Heidelberg, DE | 100.00 | 100.00 | 2021 | 20,635.7 | 0.0 |
| HeidelbergCement Logistik GmbH[7] | Polch, DE | | 100.00 | 2021 | 5.3 | 0.0 |
| HeidelbergCement Mediterranean Basin Holdings S.L.U. | Madrid, ES | | 100.00 | 2021 | 58.7 | 2.2 |
| HeidelbergCement Netherlands Holding B.V. | 's-Hertogenbosch, NL | 14.54 | 100.00 | 2021 | 811.9 | 0.4 |
| HeidelbergCement Reinsurance Luxembourg S.A. | Strassen, LU | | 100.00 | 2021 | 19.0 | 15.1 |
| HeidelbergCement UK Holding II Limited | Maidenhead, GB | | 100.00 | 2021 | 17,720.9 | –34.5 |
| HeidelbergCement UK Holding Limited | Maidenhead, GB | | 100.00 | 2021 | 11,893.0 | –126.0 |
| HeidelbergCement UK Limited | Maidenhead, GB | | 100.00 | 2021 | 95.2 | 0.0 |
| HeidelbergCement, Funk & Kapphan Grundstücksgesellschaft GmbH & Co. KG[7] | Heidelberg, DE | 79.91 | 79.91 | 2021 | 11.7 | 0.2 |
| Heidelberger Beton Donau-Naab GmbH & Co. KG[7] | Burglengenfeld, DE | | 77.70 | 2021 | 3.6 | 2.2 |
| Heidelberger Beton GmbH[7] | Heidelberg, DE | 100.00 | 100.00 | 2021 | 579.8 | 128.5 |
| Heidelberger Betonelemente GmbH & Co. KG[7] | Chemnitz, DE | | 83.00 | 2021 | 10.6 | 3.1 |
| Heidelberger Sand und Kies GmbH[7] | Heidelberg, DE | 6.00 | 100.00 | 2021 | 108.8 | 0.0 |
| HIPS (Trustees) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| HK Holdings (No.1) Limited | Maidenhead, GB | | 100.00 | 2021 | 50.2 | 0.0 |
| HK Holdings (No.2) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Holms Sand & Gravel Company (1985) (The) | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Holms Sand & Gravel Company Limited (The) | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Homes (East Anglia) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.2 | 0.0 |
| Hormigones y Minas S.A. | Málaga, ES | | 99.94 | 2021 | 25.0 | 1.3 |
| Housemotor Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Houseprice Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Houserate Limited | Maidenhead, GB | | 100.00 | 2021 | 8,526.1 | –468.0 |
| HPL Albany House Developments Limited[5] | Maidenhead, GB | | 50.00 | 2021 | –0.6 | 0.0 |
| HPL Estates Limited | Maidenhead, GB | | 100.00 | 2021 | 4.2 | 0.0 |
| HPL Investments Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| HPL Properties Limited | Maidenhead, GB | | 100.00 | 2021 | 47.2 | 0.0 |
| HPL Property Limited | Maidenhead, GB | | 100.00 | 2021 | 47.6 | 0.0 |
| HPL West London Developments Limited[5] | Maidenhead, GB | | 50.00 | 2021 | –0.2 | 0.0 |
| Hurst and Sandler Limited | Maidenhead, GB | | 100.00 | 2021 | 5.6 | 0.0 |
| Immobilière des Technodes S.a.s. | Guerville, FR | | 100.00 | 2021 | 13.3 | 0.9 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Imperial Foods Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.7 | 0.0 |
| Imperial Group Limited | Maidenhead, GB | | 100.00 | 2021 | 293.0 | 0.0 |
| Imperial Seafoods Limited | Maidenhead, GB | | 100.00 | 2021 | 1.4 | 0.0 |
| Ing. Sala S.p.A. | Bergamo, IT | | 100.00 | 2021 | 0.5 | –0.5 |
| Interbulk Trading (IBT) S.A. | Lugano, CH | | 100.00 | 2021 | 55.4 | 0.9 |
| Intercom S.r.l. | Bergamo, IT | | 100.00 | 2021 | 7.0 | 0.0 |
| Investcim S.a.s. | Guerville, FR | | 100.00 | 2021 | 112.0 | –0.0 |
| Irvine - Whitlock Limited | Maidenhead, GB | | 100.00 | 2021 | –24.0 | –4.1 |
| Ital Real Estate S.r.l. | Bergamo, IT | | 100.00 | 2021 | 46.6 | 8.7 |
| Italcementi Finance S.A. | Guerville, FR | | 100.00 | 2021 | 26.7 | 2.4 |
| Italcementi S.p.A. | Bergamo, IT | | 100.00 | 2021 | 3,152.9 | 456.2 |
| Italsacci S.p.A. | Bergamo, IT | | 100.00 | 2021 | 120.8 | 1.9 |
| James Grant & Company (West) Limited | Edinburgh, GB | | 100.00 | 2021 | 2.6 | 0.0 |
| Judkins Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| K.M. Property Development Company Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Kazakhstan Cement Holding B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 85.1 | –0.0 |
| Ketton Cement Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Kingston Minerals Limited | Maidenhead, GB | | 100.00 | 2021 | 0.2 | 0.0 |
| L.B. (Stewartby) Limited | Maidenhead, GB | | 100.00 | 2021 | 62.3 | 0.0 |
| Lehigh B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 12,402.7 | 213.3 |
| Lehigh UK Limited | Maidenhead, GB | | 100.00 | 2021 | 15,812.1 | 2.9 |
| Les Sabliers de l'Odet S.a.s. | La Rochelle, FR | | 100.00 | 2021 | 4.4 | –0.0 |
| Lindustries Limited | Edinburgh, GB | | 100.00 | 2021 | 52.9 | 0.0 |
| Lithonplus GmbH & Co. KG[7] | Lingenfeld, DE | | 60.00 | 2021 | 70.5 | 16.9 |
| Localdouble Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| M E Sub Limited | Maidenhead, GB | | 100.00 | 2021 | 20.9 | 0.0 |
| Manchester Waste Recycling Limited | Maidenhead, GB | | 100.00 | 2021 | 6.4 | 0.1 |
| Mantle & Llay Limited | Maidenhead, GB | | 100.00 | 2021 | –0.0 | 0.0 |
| Marnee Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Marples Ridgway Limited | Maidenhead, GB | | 100.00 | 2021 | –4.7 | 0.0 |
| Mebin B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 63.0 | –5.0 |
| Mebin Leeuwarden B.V. | Leeuwarden, NL | | 79.79 | 2021 | 0.1 | –0.3 |
| Menaf S.a.s. | Guerville, FR | | 100.00 | 2021 | –1.9 | –2.4 |
| Meppeler Betoncentrale B.V. | Meppel, NL | | 66.67 | 2021 | –0.6 | –0.3 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Mibau Deutschland GmbH | Cadenberge, DE | | 60.00 | 2021 | 1.4 | 0.0 |
| Mibau Holding GmbH | Cadenberge, DE | | 60.00 | 2021 | 73.5 | 31.1 |
| Mibau Nederland B.V. | Venlo, NL | | 60.00 | 2021 | 1.9 | 0.5 |
| Midland Quarry Products Limited | Maidenhead, GB | | 100.00 | 2021 | 108.3 | 17.4 |
| Milton Hall (Southend) Brick Company Limited (The) | Maidenhead, GB | | 100.00 | 2021 | 1.6 | 0.0 |
| Minster Quarries Limited | Maidenhead, GB | | 100.00 | 2021 | –1.5 | 0.0 |
| Mixconcrete Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 4.6 | 0.0 |
| Mixconcrete Limited | Maidenhead, GB | | 100.00 | 2021 | –2.1 | 0.0 |
| Morebeat Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Motioneager Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| National Brick Company Limited | Maidenhead, GB | | 100.00 | 2021 | 3.0 | 0.0 |
| National Star Brick and Tile Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 2.5 | 0.0 |
| National Star Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Nuova Sacelit S.r.l. | Bergamo, IT | | 100.00 | 2021 | 1.7 | –0.9 |
| Paperbefore Limited | Maidenhead, GB | | 100.00 | 2021 | 1,064.5 | 691.5 |
| Pencrete Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Picon Overseas Limited | St. Peter Port, GG | | 100.00 | 2021 | 209.5 | 21.0 |
| PILC Limited | St. Peter Port, GG | | 100.00 | 2021 | 22.5 | 0.0 |
| Pimco 2945 Limited | Maidenhead, GB | | 100.00 | 2021 | 4.8 | 0.0 |
| Pinden Plant & Processing Co. Limited (The) | Maidenhead, GB | | 100.00 | 2021 | 6.7 | 0.0 |
| Pioneer Aggregates (UK) Limited | Maidenhead, GB | | 100.00 | 2021 | 5.4 | 0.0 |
| Pioneer Asphalts (U.K.) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Pioneer Concrete (U.K.) Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Pioneer Concrete Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 138.4 | 0.0 |
| Pioneer International Group Holdings Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Pioneer Investments UK Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Pioneer Overseas Investments Limited | St. Peter Port, GG | | 100.00 | 2021 | 126.1 | –0.0 |
| Premix Concrete Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Purfleet Aggregates Limited | Maidenhead, GB | | 100.00 | 2021 | –0.2 | –0.0 |
| Redshow Limited | Maidenhead, GB | | 100.00 | 2021 | 130.7 | 0.0 |
| Rezincote (1995) Limited | Maidenhead, GB | | 100.00 | 2021 | –0.5 | 0.0 |
| Roads Reconstruction Limited | Maidenhead, GB | | 100.00 | 2021 | 10.2 | 0.0 |
| Rostocker Zementumschlagsgesellschaft mbH | Rostock, DE | | 60.00 | 2021 | 0.1 | 0.0 |
| Rouennaise de Transformation S.a.s. | Grand-Couronne, FR | | 100.00 | 2021 | 1.1 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| S Sub Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| S Z G - Saarländische Zementgesellschaft mit beschränkter Haftung[4] | Saarbrücken, DE | | 100.00 | 2021 | 1.4 | 0.2 |
| S.A. Cimenteries CBR | Braine-l'Alleud, BE | 0.00 | 100.00 | 2021 | 1,065.5 | 66.2 |
| Sabine Limited | St. Peter Port, GG | | 100.00 | 2021 | 129.8 | –0.0 |
| Sablimaris S.a.s. | Saint-Herblain, FR | | 100.00 | 2021 | 14.9 | 1.8 |
| Sagrex B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 7.3 | 0.1 |
| Sagrex France S.A.S. | Thourotte, FR | | 100.00 | 2021 | 7.8 | 1.7 |
| Sagrex Holding B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 28.0 | 0.5 |
| Sagrex Productie B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 6.8 | 0.4 |
| Sailtown Limited | Maidenhead, GB | | 100.00 | 2021 | 1,099.8 | 18.4 |
| Saint Hubert Investments S.à r.l. | Strassen, LU | | 100.00 | 2021 | 428.5 | –0.0 |
| SAMA S.r.l. - in liquidazione[4] | Bergamo, IT | | 100.00 | 2021 | –0.2 | –0.0 |
| Samuel Wilkinson & Sons Limited | Maidenhead, GB | | 100.00 | 2021 | –0.0 | 0.0 |
| Sax S.a.s. | Guerville, FR | | 100.00 | 2021 | 2.4 | 0.7 |
| Scancem Energy and Recovery Limited | Maidenhead, GB | | 100.00 | 2021 | 20.2 | 0.0 |
| Scancem International Limited | Maidenhead, GB | | 100.00 | 2021 | 21.2 | 0.0 |
| Scancem Recovery Limited | Maidenhead, GB | | 100.00 | 2021 | 20.7 | 0.0 |
| Scancem Supply Limited | Maidenhead, GB | | 100.00 | 2021 | –2.2 | 0.0 |
| Seagoe Concrete Products Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Second City Properties Limited | Maidenhead, GB | | 100.00 | 2021 | 13.7 | 0.0 |
| Shapedirect Limited | Maidenhead, GB | | 100.00 | 2021 | 2,058.2 | 14.4 |
| SJP 1 Limited | Maidenhead, GB | | 100.00 | 2021 | –0.1 | 0.0 |
| Slotcount Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Small Lots (Mix-It) Limited | Maidenhead, GB | | 100.00 | 2021 | 12.8 | 0.0 |
| Sociedad Financiera y Minera, S.A. | Málaga, ES | | 99.94 | 2021 | 416.7 | 150.7 |
| Socli S.a.s. | Izaourt, FR | | 100.00 | 2021 | 11.0 | 1.9 |
| Sodramaris S.N.C. | Saint-Herblain, FR | | 100.00 | 2021 | 14.2 | 0.1 |
| Solrec Limited | Maidenhead, GB | | 100.00 | 2021 | 9.9 | 0.0 |
| SQ Corporation Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| SQ Finance No 2 Limited | Maidenhead, GB | | 100.00 | 2021 | 49.3 | –2.4 |
| St Edouard S.à r.l. | Strassen, LU | | 100.00 | 2021 | 2,890.8 | –0.0 |
| ST JUDE S.à r.l. | Strassen, LU | | 100.00 | 2021 | 2,376.6 | –0.1 |
| ST NICOLAS S.à r.l. | Strassen, LU | | 100.00 | 2021 | 1,327.2 | –240.0 |
| Stema Shipping (UK) Limited | Grays, GB | | 60.00 | 2021 | 8.2 | 4.7 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Stema Shipping France S.a.s. | Le Mesnil Esnard, FR | | 60.00 | 2021 | 0.3 | –0.2 |
| Stephen Toulson & Sons Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Stewartby Housing Association Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Supamix Limited | Maidenhead, GB | | 100.00 | 2021 | 6.7 | 0.0 |
| Technodes S.a.s. | Guerville, FR | | 100.00 | 2021 | –12.2 | –1.1 |
| Tercim S.a.s. | Guerville, FR | | 100.00 | 2021 | 3.8 | –0.7 |
| The Purfleet Ship to Shore Conveyor Company Limited | Maidenhead, GB | | 100.00 | 2021 | 0.1 | 0.0 |
| Thistleton Quarries Limited | Maidenhead, GB | | 100.00 | 2021 | –1.7 | 0.0 |
| Tillotson Commercial Motors Limited | Maidenhead, GB | | 100.00 | 2021 | –22.2 | 0.0 |
| Tillotson Commercial Vehicles Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Tilmanstone Brick Limited | Maidenhead, GB | | 100.00 | 2021 | 8.4 | 0.0 |
| Timesound | Maidenhead, GB | | 100.00 | 2021 | 0.7 | 0.0 |
| TLQ Limited | Edinburgh, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| TMC Pioneer Aggregates Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Tratel Affrètement S.a.s. | Courbevoie, FR | | 100.00 | 2021 | 17.9 | 1.8 |
| Tratel S.a.s. | Courbevoie, FR | | 100.00 | 2021 | 24.7 | 1.7 |
| Tunnel Cement Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| U.D.S. Holdings B.V. | 's-Hertogenbosch, NL | | 100.00 | 2021 | 47.4 | –0.0 |
| UDS (No 10) | Maidenhead, GB | | 100.00 | 2021 | 2,159.7 | 149.6 |
| UDS (No 3) Limited | Maidenhead, GB | | 100.00 | 2021 | 6.7 | 0.0 |
| UDS Corporation Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| UDS Finance Limited | Maidenhead, GB | | 100.00 | 2021 | 48.5 | 0.0 |
| UDS Group Limited | Maidenhead, GB | | 100.00 | 2021 | 135.5 | 0.0 |
| UDS Holdings (1) Limited | Maidenhead, GB | | 100.00 | 2021 | 241.4 | 0.0 |
| UGI Group Limited | Maidenhead, GB | | 100.00 | 2021 | 114.5 | 0.0 |
| Unibéton Centre Ouest S.a.s. | Saint Jean le Blanc, FR | | 100.00 | 2021 | 7.6 | 0.7 |
| Unibéton S.a.s. | Courbevoie, FR | | 100.00 | 2021 | 50.5 | –19.3 |
| United Gas Industries Limited | Maidenhead, GB | | 100.00 | 2021 | 13.8 | 0.0 |
| Uniwerbéton S.a.s. | Heillecourt, FR | | 70.00 | 2021 | 0.4 | 0.0 |
| V.E.A. Limited | St. Peter Port, GG | | 100.00 | 2021 | 191.0 | 0.3 |
| Ventore S.L. | Málaga, ES | | 99.94 | 2021 | –0.1 | 0.1 |
| Viewgrove Investments Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Visionfocus Limited | Maidenhead, GB | | 100.00 | 2021 | 789.1 | 0.0 |
| Visionrefine Limited | Maidenhead, GB | | 100.00 | 2021 | –0.4 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Volt RMC Solutions GmbH[7] [9] | Heidelberg, DE | | 100.00 | - | - | - |
| Welbecson Group Limited | Maidenhead, GB | | 100.00 | 2021 | -0.1 | 0.0 |
| Wineholm Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| **Subsidiaries** | | | | | | |
| **Northern and Eastern Europe-Central Asia** | | | | | | |
| Abetong AB | Växjö, SE | | 100.00 | 2021 | 6.7 | 0.1 |
| Abetong AS | Oslo, NO | | 100.00 | 2021 | 0.6 | -0.0 |
| AS Kunda Nordic Tsement | Kunda, EE | | 75.00 | 2021 | 40.6 | -2.7 |
| Betong Sør AS | Kristiansand, NO | | 100.00 | 2021 | 2.5 | 0.7 |
| Betongindustri AB | Stockholm, SE | | 100.00 | 2021 | 4.4 | 0.2 |
| BETOTECH, s.r.o. | Beroun, CZ | | 91.50 | 2021 | 0.9 | 0.2 |
| Björgun ehf | Reykjavík, IS | | 52.98 | 2021 | 6.1 | -1.8 |
| BM Valla ehf | Reykjavík, IS | | 52.98 | 2021 | 23.6 | 4.3 |
| Bukhtarma Cement Company LLP | Oktyabrskiy village, KZ | | 100.00 | 2021 | 30.1 | 6.8 |
| Calumite s.r.o. | Ostrava-Kunčičky, CZ | | 51.00 | 2021 | 4.1 | 0.4 |
| CaspiCement Limited Liability Partnership | Shetpe, KZ | | 100.00 | 2021 | 55.1 | 4.1 |
| Caspinerud Limited Liability Partnership | Shetpe, KZ | | 100.00 | 2021 | 7.9 | -0.2 |
| Cementa AB | Stockholm, SE | | 100.00 | 2021 | 48.3 | 0.5 |
| Cementa Fastighets AB | Stockholm, SE | | 100.00 | 2021 | 0.1 | 0.0 |
| Českomoravský beton, a.s. | Beroun, CZ | | 100.00 | 2021 | 27.5 | 4.1 |
| Českomoravský cement, a.s. | Mokrá-Horákov, CZ | | 100.00 | 2021 | 117.0 | 56.8 |
| Českomoravský štěrk, a.s. | Mokrá-Horákov, CZ | | 100.00 | 2021 | 66.4 | 16.2 |
| Contiga A/S | Tinglev, DK | | 100.00 | 2021 | 6.7 | 1.3 |
| Contiga AB | Norrtälje, SE | | 100.00 | 2021 | 1.0 | 0.1 |
| Contiga AS | Moss, NO | | 100.00 | 2021 | 48.2 | -0.2 |
| Contiga Holding AS | Oslo, NO | | 100.00 | 2021 | 67.8 | 6.1 |
| Devnya Cement AD | Devnya, BG | | 99.94 | 2021 | 173.8 | 58.0 |
| DK Beton A/S | Ringsted, DK | | 100.00 | 2021 | 36.2 | 4.7 |
| DK Cement A/S | Ringsted, DK | | 100.00 | 2021 | 9.9 | 0.2 |
| DOBET, spol. s r.o.[8] | Ostrožská Nová Ves, CZ | | 100.00 | - | - | - |
| Eignarhaldsfélagið Hornsteinn ehf. | Reykjavík, IS | | 52.98 | 2021 | 36.1 | 3.8 |
| Fastighets AB Limhamns Kalkbrott | Stockholm, SE | | 100.00 | 2021 | 2.2 | 0.0 |
| Fastighets AB Lövholmen | Stockholm, SE | | 100.00 | 2021 | 0.5 | 0.0 |
| Garkalnes Grants SIA | Riga, LV | | 100.00 | 2021 | 8.9 | 0.5 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Global IT Center EAD | Devnya, BG | | 99.94 | 2021 | 1.1 | 0.1 |
| Górażdże Beton Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 18.9 | -6.1 |
| Górażdże Cement S.A. | Chorula, PL | | 100.00 | 2021 | 544.6 | 88.6 |
| Górażdże Kruszywa Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 47.3 | 2.8 |
| Halyps Building Materials S.A. | Aspropyrgos, GR | | 99.90 | 2021 | 79.0 | 4.8 |
| Hanson Iceland EHF | Reykjavik, IS | | 100.00 | 2021 | 2,376.0 | -0.0 |
| HC Betons SIA | Riga, LV | | 100.00 | 2021 | 1.1 | -1.1 |
| HC Betoon AS, Estonia | Tallinn, EE | | 100.00 | 2021 | 6.1 | 0.5 |
| HC SSC Latvia, SIA | Riga, LV | | 100.00 | 2021 | 0.0 | -0.0 |
| Heidelberg Materials Denmark A/S | Ringsted, DK | | 100.00 | 2021 | 47.4 | 4.9 |
| Heidelberg Materials Iceland ehf. | Reykjavik, IS | | 100.00 | 2021 | 22.2 | 2.0 |
| Heidelberg Materials Northern Europe AB | Stockholm, SE | | 100.00 | 2021 | 1,367.9 | 131.1 |
| Heidelberg Materials Norway AS | Oslo, NO | | 100.00 | 2021 | 725.0 | 159.5 |
| Heidelberg Materials Sweden AB | Stockholm, SE | | 100.00 | 2021 | 235.6 | 14.3 |
| HeidelbergCement Africa Holding Kommanditbolag | Stockholm, SE | | 100.00 | 2021 | 23.3 | 0.0 |
| HeidelbergCement Miljö AB | Örebro, SE | | 100.00 | 2021 | 1.8 | 0.0 |
| HeidelbergCement Pozzolanic Materials (HPM) ehf.[5] | Reykjavik, IS | | 100.00 | - | - | - |
| HeidelbergCement România S.A. | Bucharest, RO | | 100.00 | 2021 | 240.2 | 43.5 |
| HeidelbergCement Services - LLP | Almaty, KZ | | 100.00 | 2021 | -0.9 | 0.0 |
| Italmed Cement Company Ltd. | Limassol, CY | | 99.90 | 2021 | 24.6 | 2.7 |
| Kamenivo Slovakia a.s. | Bratislava, SK | | 100.00 | 2021 | 1.7 | -0.2 |
| LLC "Norcem Kola" | Murmansk, RU | | 100.00 | 2021 | 0.2 | -0.0 |
| LLC 'HeidelbergCement Rus' | Podolsk, RU | | 100.00 | 2021 | 161.4 | 34.2 |
| LLC KaliningradCement | Kaliningrad, RU | | 100.00 | 2021 | 1.2 | -0.1 |
| Lyulyaka Materials EAD | Devnya, BG | | 99.94 | 2021 | 1.3 | 0.1 |
| Magnatool AB | Stockholm, SE | | 75.00 | 2021 | 0.0 | 0.0 |
| Mibau Polska Sp. z o.o. | Gdansk, PL | | 60.00 | 2021 | 1.8 | 0.2 |
| Norbetong AS | Oslo, NO | | 100.00 | 2021 | 102.4 | 10.5 |
| Norcem AS | Oslo, NO | | 100.00 | 2021 | 46.9 | 15.3 |
| Nordic Precast Group AB | Stockholm, SE | | 100.00 | 2021 | 134.8 | 0.9 |
| Nordic Precast Kasen Fastighets AB | Uddevalla, SE | | 100.00 | 2021 | 1.9 | 0.9 |
| Norsk Stein AS | Jelsa, NO | | 60.00 | 2021 | 92.7 | 3.8 |
| NorStone AS | Sandnes, NO | | 100.00 | 2021 | 4.3 | 0.5 |
| OJSC "Cesla" | Slantsy, RU | | 99.98 | 2021 | 6.0 | -1.6 |

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| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| OJSC Gurovo-Beton | Novogurovsky, RU | | 100.00 | 2021 | 3.1 | 1.1 |
| Precon Polska Sp.z.o.o. | Warszawa, PL | | 100.00 | 2021 | 5.1 | 0.3 |
| Protenna AB | Stockholm, SE | | 75.00 | 2021 | 25.3 | 0.0 |
| Renor AS | Aurskog, NO | | 100.00 | 2021 | 4.7 | 0.4 |
| Sand- och grusaktiebolaget Jehander | Stockholm, SE | | 100.00 | 2021 | 10.7 | –0.0 |
| Scancem Central Africa Holding 1 AB | Stockholm, SE | | 100.00 | 2021 | 5.2 | –12.5 |
| Scancem Central Africa Holding 2 AB | Stockholm, SE | | 100.00 | 2021 | 0.2 | –12.5 |
| Scancem Central Africa Holding 3 AB | Stockholm, SE | | 100.00 | 2021 | 0.3 | –12.5 |
| Scancem Central Africa Holding 4 AB | Stockholm, SE | | 100.00 | 2021 | 0.1 | –12.5 |
| Scancem Holding AS | Oslo, NO | | 100.00 | 2021 | 20.8 | 1.4 |
| Scancem International DA | Oslo, NO | | 100.00 | 2021 | 97.2 | 105.2 |
| Sementsverksmidjan ehf | Akranes, IS | | 52.98 | 2021 | 6.2 | 1.3 |
| ShymkentCement LLP | Shymkent, KZ | | 100.00 | 2021 | 29.2 | 14.1 |
| SIA BALTIC SAULE | Riga, LV | | 100.00 | 2021 | 2.4 | –0.1 |
| SIA SBC | Marupe, LV | | 100.00 | 2021 | 1.8 | –0.6 |
| SIA SBC Finance | Marupe, LV | | 100.00 | 2021 | 0.1 | –0.0 |
| SIA SBC Property[5] | Marupe, LV | | 49.00 | 2021 | 3.9 | 0.2 |
| Sola Betong AS | Tananger, NO | | 66.67 | 2021 | 1.0 | 0.5 |
| Splitt Chartering Aps | Aabenraa, DK | | 60.00 | 2021 | 16.1 | 6.9 |
| SSC Lithuania UAB | Kaunas, LT | | 100.00 | 2021 | 0.0 | 0.0 |
| Stema Shipping A/S | Aabenraa, DK | | 60.00 | 2021 | 88.7 | 20.5 |
| TBG BETONMIX a. s. | Brno, CZ | | 66.00 | 2021 | 9.6 | 2.3 |
| TBG BETONPUMPY MORAVA s.r.o. | Brno, CZ | | 84.90 | 2021 | 0.8 | 0.3 |
| TBG SEVEROZÁPADNÍ ČECHY s.r.o. | Chomutov, CZ | | 66.00 | 2021 | 2.0 | 0.4 |
| TBG Slovensko, a. s. | Bratislava, SK | | 100.00 | 2021 | 4.3 | 1.7 |
| TBG Východní Čechy s.r.o. | Mladé Buky, CZ | | 70.04 | 2021 | 1.9 | 0.6 |
| TBG VYSOČINA s.r.o. | Kožichovice, CZ | | 59.40 | 2021 | 2.1 | 0.3 |
| UAB HC Betonas | Kaunas, LT | | 100.00 | 2021 | 0.1 | –0.0 |
| UAB HeidelbergCement Klaipeda | Klaipėda, LT | | 100.00 | 2021 | 3.7 | –0.2 |
| Vulkan Cement AD | Dimitrovgrad, BG | | 98.60 | 2021 | 7.2 | 0.7 |
| **Subsidiaries** | | | | | | |
| ***North America*** | | | | | | |
| Amangani SA | Panama City, PA | | 100.00 | 2022 | –0.5 | –0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Amcord, Inc. | Wilmington, US | | 100.00 | 2021 | –5.0 | –4.7 |
| Anche Holdings Inc. | Panama City, PA | | 100.00 | 2021 | 0.0 | 0.0 |
| Asian Carriers Inc. | Panama City, PA | | 100.00 | 2021 | 33.8 | 0.0 |
| Astravance Corp. | Panama City, PA | | 100.00 | 2021 | 5.1 | 0.0 |
| Beazer East, Inc. | Wilmington, US | | 100.00 | 2021 | –267.7 | –51.8 |
| Cadman Materials, Inc. | Tumwater, US | | 100.00 | 2021 | 187.3 | 34.1 |
| Cambridge Aggregates Inc. | Cambridge, CA | | 60.00 | 2021 | 12.1 | 2.4 |
| Campbell Concrete & Materials LLC | Austin, US | | 100.00 | 2021 | 3.5 | –6.8 |
| Campbell Transportation Services LLC[6] | Austin, US | | 100.00 | - | - | - |
| Cavenham Forest Industries LLC | Wilmington, US | | 100.00 | 2021 | –91.7 | –4.2 |
| Cindercrete Mining Supplies Ltd.[5] | Regina, CA | | 50.00 | 2021 | 5.3 | 0.2 |
| Cindercrete Products Limited | Regina, CA | | 100.00 | 2021 | 10.4 | 1.1 |
| Commercial Aggregates Transportation and Sales, LLC | Wilmington, US | | 100.00 | 2021 | 2.5 | 0.0 |
| Constar LLC | Wilmington, US | | 100.00 | 2021 | 207.0 | 98.0 |
| Corliss Resources, LLC | Dover, US | | 100.00 | 2021 | 11.4 | 11.4 |
| Cowichan Corporation | Panama City, PA | | 100.00 | 2021 | 0.6 | –0.0 |
| Essex NA Holdings LLC | Wilmington, US | | 100.00 | 2021 | 46.3 | 0.0 |
| Essroc Holdings LLC | Wilmington, US | | 100.00 | 2021 | 789.6 | 0.0 |
| Fairburn Ready-Mix, Inc. | Norcross, US | | 100.00 | 2021 | 16.6 | 1.1 |
| Greyrock, LLC | Wilmington, US | | 100.00 | 2021 | 61.7 | 2.1 |
| Gulf Coast Stabilized Materials LLC | Austin, US | | 100.00 | 2021 | 12.6 | 0.9 |
| Gypsum Carrier, Inc. | Panama City, PA | | 100.00 | 2021 | 63.8 | –39.5 |
| Hanson Aggregates Midwest, Inc. | Frankfort, US | | 100.00 | 2021 | 978.8 | 106.4 |
| Hanson Aggregates Pennsylvania LLC | Wilmington, US | | 100.00 | 2021 | 676.2 | 23.0 |
| Hanson Aggregates Southeast LLC | Wilmington, US | | 100.00 | 2021 | 776.7 | 70.7 |
| Hanson Aggregates WRP, Inc. | Wilmington, US | | 100.00 | 2021 | 0.0 | 0.0 |
| Hanson Building Materials America LLC | Wilmington, US | | 100.00 | 2021 | –402.3 | –49.6 |
| Hanson Green Limited | Hamilton, BM | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Micronesia Cement, Inc. | Wilmington, US | | 100.00 | 2021 | 5.2 | 0.1 |
| Hanson Permanente Cement of Guam, Inc. | Sacramento, US | | 100.00 | 2021 | 52.0 | 2.2 |
| Hanson Permanente Cement, Inc. | Phoenix, US | | 100.00 | 2021 | 14.1 | –9.3 |
| Harrell Aggregate Hauling, Inc. | Norcross, US | | 100.00 | 2021 | 0.0 | –0.0 |
| HBMA Holdings LLC | Wilmington, US | | 100.00 | 2021 | 3,667.8 | –557.8 |
| HC Trading Americas, LLC | Coral Gables, US | | 100.00 | 2021 | 0.7 | 0.6 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Heidelberg Materials Northeast-NY LLC | Albany, US | | 100.00 | 2021 | 660.9 | 35.4 |
| HNA Investments | Wilmington, US | | 100.00 | 2021 | 1,625.3 | 0.0 |
| Kaiser Gypsum Company, Inc. | Raleigh, US | | 100.00 | 2021 | –74.0 | 1.7 |
| KH 1 Inc. | Wilmington, US | | 100.00 | 2021 | 13.8 | 0.0 |
| Lehigh Cement Company LLC | Wilmington, US | | 100.00 | 2021 | 1,411.1 | 191.9 |
| Lehigh Hanson Cement South LLC | Wilmington, US | | 100.00 | 2021 | 365.0 | 55.1 |
| Lehigh Hanson Materials Limited | Calgary, CA | | 100.00 | 2021 | 1,375.5 | 19.2 |
| Lehigh Hanson Materials South LLC | Austin, US | | 100.00 | 2021 | 726.0 | 43.7 |
| Lehigh Hanson Receivables LLC | Wilmington, US | | 100.00 | 2021 | 78.7 | 10.7 |
| Lehigh Hanson Services LLC | Wilmington, US | | 100.00 | 2021 | –129.8 | 30.0 |
| Lehigh Hanson, Inc. | Wilmington, US | | 100.00 | 2021 | 11,635.8 | 562.9 |
| Lehigh Northwest Cement Company | Tumwater, US | | 100.00 | 2021 | 154.1 | 6.5 |
| Lehigh Northwest Marine, LLC | Wilmington, US | | 100.00 | 2021 | 4.7 | 0.0 |
| Lehigh Southwest Cement Company | Sacramento, US | | 100.00 | 2021 | 51.5 | –84.0 |
| LHI Duomo Holdings LLC | Wilmington, US | | 100.00 | 2021 | 0.0 | 0.0 |
| Mediterranean Carriers, Inc. | Panama City, PA | | 100.00 | 2021 | –2.6 | 0.0 |
| Permanente Cement Company[8] | Los Angeles, US | | 100.00 | - | - | - |
| Pioneer International Overseas Corporation | Road Town, VG | | 100.00 | 2021 | 164.5 | 0.2 |
| Rimarcal Corporation | Panama City, PA | | 100.00 | 2021 | 0.0 | 0.0 |
| Sherman Industries LLC | Wilmington, US | | 100.00 | 2021 | 23.3 | –3.1 |
| Sinclair General Corporation | Panama City, PA | | 100.00 | 2021 | 953.4 | 258.6 |
| Standard Concrete Products, Inc. | Sacramento, US | | 100.00 | 2021 | 0.0 | 0.0 |
| Three Rivers Management, Inc. | Wilmington, US | | 100.00 | 2021 | –9.8 | 0.4 |
| Vestur Insurance (Bermuda) Ltd | Hamilton, BM | | 100.00 | 2021 | 0.1 | –0.0 |
| **Subsidiaries** | | | | | | |
| **Asia-Pacific** | | | | | | |
| Alex Fraser Asphalt Holdings Pty Ltd | Sydney, AU | | 100.00 | 2021 | 1.1 | –0.0 |
| Alex Fraser Asphalt Pty Ltd | Sydney, AU | | 100.00 | 2021 | 5.1 | 10.0 |
| Alex Fraser Holdings Pty Ltd | Sydney, AU | | 100.00 | 2021 | 4.2 | 0.0 |
| Alex Fraser Pty Ltd | Sydney, AU | | 100.00 | 2021 | 7.2 | –1.5 |
| Asia Cement Energy Conservation Co., Ltd.[5] | Bangkok, TH | | 39.53 | 2021 | 40.6 | 6.5 |
| Asia Cement Products Co., Ltd.[5] | Bangkok, TH | | 39.53 | 2021 | –0.5 | –3.7 |
| Asia Cement Public Company Limited[5] | Bangkok, TH | | 39.53 | 2021 | 251.9 | 11.3 |
| Bitumix Granite Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 1.2 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Butra HeidelbergCement Sdn Bhd | Muara, BN | | 70.00 | 2021 | 9.2 | 1.6 |
| Calga Sands Pty Ltd | Sydney, AU | | 100.00 | 2021 | 9.9 | –0.1 |
| CBR Cement (Guangzhou) Company Limited | Guangzhou, CN | | 100.00 | 2021 | 1.9 | 0.2 |
| Cemix Concrete (M) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.8 | –0.2 |
| CGF Pty Limited | Sydney, AU | | 100.00 | 2021 | 160.6 | 0.0 |
| Christies Stone Quarries Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.0 | 0.0 |
| Concrete Materials Laboratory Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.5 | 0.0 |
| Construction Materials Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.0 | 0.0 |
| Excel Quarries Pty Limited | Sydney, AU | | 100.00 | 2021 | 0.1 | 0.0 |
| Galli Quarries Pty Limited | Sydney, AU | | 100.00 | 2021 | 22.8 | –0.0 |
| Gerak Harapan Sdn Bhd | Kuala Lumpur, MY | | 70.00 | 2021 | –0.2 | –0.1 |
| Gulbarga Cement Limited | Bangalore, IN | | 100.00 | 2022 | 38.9 | –1.1 |
| Hanson Australia (Holdings) Proprietary Limited | Sydney, AU | | 100.00 | 2021 | 799.8 | 99.9 |
| Hanson Australia Cement (2) Pty Ltd | Sydney, AU | | 100.00 | 2021 | 24.8 | 23.9 |
| Hanson Australia Cement Pty Limited | Sydney, AU | | 100.00 | 2021 | 26.5 | 23.9 |
| Hanson Australia Funding Limited | Sydney, AU | | 100.00 | 2021 | 45.1 | 7.6 |
| Hanson Australia Investments Pty Limited | Sydney, AU | | 100.00 | 2021 | 9.7 | 7.4 |
| Hanson Australia Pty Limited | Sydney, AU | | 100.00 | 2021 | 856.0 | 132.3 |
| Hanson Building Materials Cartage Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.8 | 0.2 |
| Hanson Building Materials Malaysia Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 18.8 | –2.1 |
| Hanson Building Materials Manufacturing Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 1.8 | 1.1 |
| Hanson Building Materials Production Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 12.5 | 0.2 |
| Hanson Building Materials Transport Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.5 | 0.1 |
| Hanson Building Materials-KTPC-PBPM Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.0 | –0.0 |
| Hanson Building Materials-PBPM Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.1 | 0.5 |
| Hanson Cement Holdings Pty Ltd | Sydney, AU | | 100.00 | 2021 | 3.7 | 7.3 |
| Hanson Concrete (M) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.5 | –0.0 |
| Hanson Construction Materials Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.4 | 54.5 |
| Hanson Finance Australia Ltd | Sydney, AU | | 100.00 | 2021 | 67.4 | 4.2 |
| Hanson Holdings (M) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 12.1 | 1.3 |
| Hanson Holdings Australia Pty Ltd | Sydney, AU | | 100.00 | 2021 | 32.1 | 32.4 |
| Hanson Landfill Services Pty Ltd | Sydney, AU | | 100.00 | 2021 | 1.8 | 8.2 |
| Hanson Pacific (S) Pte Limited | Singapore, SG | | 100.00 | 2021 | 11.0 | 17.6 |
| Hanson Pty Limited | Sydney, AU | | 100.00 | 2021 | 2,579.5 | 142.8 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Hanson Quarries Victoria Pty Limited | Sydney, AU | | 100.00 | 2021 | 0.5 | 0.0 |
| Hanson Quarry Products (Batu Pahat) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.1 | –0.0 |
| Hanson Quarry Products (EA) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Quarry Products (Holdings) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 62.3 | 18.3 |
| Hanson Quarry Products (Kuantan) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.2 | –0.0 |
| Hanson Quarry Products (Kulai) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 8.9 | –0.0 |
| Hanson Quarry Products (Land) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.5 | –0.7 |
| Hanson Quarry Products (Masai) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.9 | 1.0 |
| Hanson Quarry Products (Pengerang) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.1 | 0.0 |
| Hanson Quarry Products (Rawang) Sdn Bhd[4] | Kuala Lumpur, MY | | 100.00 | 2021 | 0.3 | 0.1 |
| Hanson Quarry Products (Segamat) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.7 | 0.1 |
| Hanson Quarry Products (Tempoyak) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | –1.9 | 0.0 |
| Hanson Quarry Products (Terengganu) Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.7 | 0.0 |
| Hanson Quarry Products Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 23.4 | 1.6 |
| HC Trading (India) Private Limited | Hyderabad, IN | | 100.00 | 2021 | 0.2 | 0.0 |
| HC Trading Asia and Pacific Pte. Ltd. | Singapore, SG | | 100.00 | 2021 | 1.7 | 0.3 |
| HeidelbergCement (Hong Kong) Company Limited | Hong Kong S.A.R., CN | | 100.00 | 2021 | 0.2 | 0.0 |
| HeidelbergCement Asia Pte Ltd | Singapore, SG | | 100.00 | 2021 | 9.0 | –1.2 |
| HeidelbergCement Bangladesh Limited | Narayanganj, BD | | 60.66 | 2021 | 32.8 | 4.0 |
| HeidelbergCement Holding HK Limited | Hong Kong S.A.R., CN | | 100.00 | 2021 | 58.8 | 38.3 |
| HeidelbergCement India Limited | Gurgaon (State-Haryana), IN | | 69.39 | 2022 | 185.9 | 29.9 |
| HeidelbergCement Myanmar Company Limited | Yangon, MM | | 100.00 | 2021 | 0.3 | 0.0 |
| Hymix Australia Pty Ltd | Sydney, AU | | 100.00 | 2021 | 63.5 | 19.6 |
| Jalaprathan Cement Public Company Limited[5] | Bangkok, TH | | 35.12 | 2021 | 88.4 | 1.1 |
| Jalaprathan Concrete Co., Ltd.[5] | Bangkok, TH | | 35.12 | 2021 | 17.4 | –0.1 |
| Melbourne Concrete Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.4 | 0.1 |
| Naga Property Co., Ltd.[5] | Bangkok, TH | | 35.12 | 2021 | 0.2 | –0.0 |
| Pioneer Concrete (Tasmania) Proprietary Limited | Sydney, AU | | 100.00 | 2021 | 5.3 | 0.0 |
| Pioneer Concrete Services (Malaysia) S/B[4] | Petaling Jaya, MY | | 100.00 | - | - | - |
| Pioneer International Holdings Pty Ltd | Sydney, AU | | 100.00 | 2021 | 135.4 | 1.4 |
| Pioneer North Queensland Pty Ltd | Sydney, AU | | 100.00 | 2021 | 9.1 | 1.7 |
| Placecrete Australia Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.6 | 0.4 |
| PT Bahana Indonor | Jakarta, ID | | 54.70 | 2021 | 18.7 | 0.9 |
| PT Bhakti Sari Perkasa Abadi | Bogor Regency, ID | | 54.70 | 2021 | 1.0 | 0.2 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| PT Cipta Armada Bersama | Batam, ID | | 54.70 | 2021 | 0.1 | –0.0 |
| PT Dian Abadi Perkasa | Jakarta, ID | | 54.70 | 2021 | 112.5 | 8.0 |
| PT Indocement Tunggal Prakarsa Tbk. | Jakarta, ID | | 54.72 | 2021 | 1,171.8 | 97.1 |
| PT Indomix Perkasa | Jakarta, ID | | 54.72 | 2021 | 32.0 | 0.0 |
| PT Kencana Terang Sejahtera | Jakarta, ID | | 54.70 | 2021 | 0.1 | –0.0 |
| PT Lentera Abadi Sejahtera | Jakarta, ID | | 54.72 | 2021 | 0.0 | –0.0 |
| PT Lintas Bahana Abadi | Jakarta, ID | | 54.70 | 2021 | 6.2 | 0.3 |
| PT Makmur Abadi Perkasa Mandiri | Jakarta, ID | | 54.72 | 2021 | 0.0 | –0.0 |
| PT Makmur Lestari Abadi | Jakarta, ID | | 54.70 | 2021 | 0.2 | –0.0 |
| PT Makmur Lestari Indonesia | Jakarta, ID | | 54.70 | 2021 | 0.4 | –0.0 |
| PT Makmur Lestari Sentosa | Jakarta, ID | | 54.70 | 2021 | 11.6 | –0.0 |
| PT Mandiri Sejahtera Sentra | Purwakarta, ID | | 54.70 | 2021 | 41.5 | –0.1 |
| PT Mineral Industri Sukabumi | Jakarta, ID | | 54.70 | 2021 | 4.9 | 0.0 |
| PT Multi Bangun Galaxy | Lombok, ID | | 54.70 | 2021 | 12.6 | –0.0 |
| PT Pionirbeton Industri | Jakarta, ID | | 54.72 | 2021 | 2.3 | –2.5 |
| PT Sahabat Muliasakti | Pati, ID | | 54.70 | 2021 | –0.1 | –0.0 |
| PT Sari Bhakti Sejati | Jakarta, ID | | 54.72 | 2021 | 3.4 | 0.1 |
| PT Semesta Perkasa Cipta | Bogor Regency, ID | | 54.70 | 2021 | 2.0 | 0.0 |
| PT Sinar Sakti Agung | Jakarta, ID | | 54.70 | 2021 | 0.0 | –0.0 |
| PT Tarabatuh Manunggal | Bogor, ID | | 54.70 | 2021 | 26.1 | 0.7 |
| PT Terang Prakarsa Cipta | Medan, ID | | 54.72 | 2021 | 0.2 | 0.0 |
| PT Tigaroda Rumah Sejahtera | Jakarta, ID | | 54.72 | 2021 | 1.7 | –0.1 |
| PT Tiro Abadi Perkasa | Jakarta, ID | | 54.70 | 2021 | 0.0 | –0.0 |
| Queensland Recycling Holdings Pty Ltd | Sydney, AU | | 100.00 | 2021 | 2.6 | 0.0 |
| Queensland Recycling Pty Ltd | Sydney, AU | | 100.00 | 2021 | 0.7 | 0.3 |
| Rajang Perkasa Sdn Bhd | Kuala Lumpur, MY | | 60.00 | 2021 | 0.4 | 0.3 |
| Realistic Sensation Sdn Bhd | Kuala Lumpur, MY | | 69.98 | 2021 | 1.6 | 0.1 |
| Recycling Industries Pty Ltd | Sydney, AU | | 100.00 | 2021 | 8.3 | 4.1 |
| Sofinaz Holdings Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | 0.3 | 0.0 |
| South Coast Basalt Pty Ltd | Sydney, AU | | 100.00 | 2021 | 3.1 | 1.5 |
| Suncoast Asphalt Pty Ltd | Sydney, AU | | 100.00 | 2021 | –1.1 | –1.2 |
| Tanah Merah Quarry Sdn Bhd | Kuala Lumpur, MY | | 100.00 | 2021 | –2.1 | 0.1 |
| Traino Group Australia Pty Ltd | Sydney, AU | | 70.00 | 2021 | 4.7 | –0.5 |
| Valscot Pty Limited | Sydney, AU | | 100.00 | 2021 | 0.0 | 66.7 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Vaniyuth Co., Ltd.[5] | Bangkok Metropolis, TH | | 48.80 | 2021 | 21.9 | 2.6 |
| Waterfall Quarries Pty Limited | Sydney, AU | | 100.00 | 2021 | 0.0 | 0.0 |
| West Coast Premix Pty Ltd | Sydney, AU | | 100.00 | 2021 | –0.2 | –0.0 |
| Western Suburbs Concrete Partnership[5] | Parramatta, AU | | 50.00 | 2021 | 3.8 | 4.3 |
| XL Premix Pty Ltd | Sydney, AU | | 51.00 | 2021 | 0.0 | 0.0 |
| Zuari Cement Ltd. | Bangalore, IN | | 100.00 | 2022 | 187.8 | 9.0 |
| **Subsidiaries** | | | | | | |
| **Africa-Eastern Mediterranean Basin** | | | | | | |
| ACH Investments Limited | Ebene, MU | | 100.00 | 2021 | 20.4 | 3.8 |
| Africim S.A. | Casablanca, MA | | 51.00 | 2021 | 1.6 | 0.0 |
| ATLANTIC CIMENT | Casablanca, MA | | 51.00 | 2021 | 28.7 | –0.0 |
| Austral Cimentos Sofala, SA | Dondo, MZ | | 100.00 | 2021 | 11.3 | 3.3 |
| BETOSAHA SA[5] | Laâyoune, MA | | 26.01 | 2021 | 1.1 | 0.3 |
| Calcim S.A. | Cotonou, BJ | | 89.00 | 2021 | 1.6 | 0.6 |
| Cimbenin S.A. | Cotonou, BJ | | 87.95 | 2021 | 14.6 | –0.5 |
| CimBurkina S.A. | Ouagadougou, BF | | 80.00 | 2021 | 36.5 | 10.7 |
| Cimenterie de Lukala S.A. | Kinshasa, CD | | 91.02 | 2021 | 41.7 | 7.5 |
| Ciments du Maroc S.A. | Casablanca, MA | | 51.00 | 2021 | 434.6 | 96.1 |
| Ciments du Togo SA | Lomé, TG | | 99.63 | 2021 | 43.1 | 8.0 |
| DECOM Egyptian Co for Development of Building Materials S.A.E.[5] | Cairo, EG | | 36.03 | 2021 | 12.7 | 2.4 |
| Gacem Company Limited | Serrekunda, GM | | 100.00 | 2021 | 0.7 | 1.7 |
| Ghacem Ltd. | Tema, GH | | 93.10 | 2021 | 66.2 | 68.2 |
| GRANUBENIN SA avec CA[4] | Cotonou, BJ | | 89.90 | 2021 | –0.7 | 0.0 |
| Hanson (Israel) Ltd | Ramat Gan, IL | | 99.98 | 2021 | 211.4 | 22.1 |
| Hanson Quarry Products (Israel) Ltd | Ramat Gan, IL | | 99.98 | 2021 | 172.5 | 7.6 |
| Hanson Yam Limited Partnership | Ramat Gan, IL | | 99.98 | 2021 | 7.3 | 0.7 |
| HC Trading FZE | Dubai, AE | | 100.00 | 2021 | 0.9 | 0.3 |
| HeidelbergCement Afrique Service | Lomé, TG | | 94.43 | 2021 | –0.0 | –0.0 |
| Helwan Cement Company S.A.E. | Helwan/Greater Cairo, EG | | 68.98 | 2021 | 41.5 | –10.6 |
| Industrie Sakia El Hamra "Indusaha" S.A.[5] | Laâyoune, MA | | 46.41 | 2021 | 46.3 | 22.7 |
| Interbulk Egypt for Export S.A.E. | Cairo, EG | | 100.00 | 2021 | –0.2 | –0.1 |
| La Societe GRANUTOGO SA | Lomé, TG | | 89.90 | 2021 | 2.3 | 0.2 |
| Liberia Cement Corporation Ltd. | Monrovia, LR | | 81.67 | 2021 | 30.0 | 12.8 |
| Pioneer Beton Muva Umachzavot Ltd | Ramat Gan, IL | | 99.98 | 2021 | 0.2 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Procimar S.A. | Casablanca, MA | | 100.00 | 2021 | 182.3 | 14.9 |
| Scantogo Mines SA | Lomé, TG | | 90.00 | 2021 | 33.3 | 10.2 |
| Suez Cement Company S.A.E. | Cairo, EG | | 69.29 | 2021 | 153.0 | -2.8 |
| Suez for Transportation & Trade S.A.E. | Cairo, EG | | 68.71 | 2021 | 0.8 | 0.0 |
| Tadir Readymix Concrete (1965) Ltd | Ramat Gan, IL | | 100.00 | 2021 | 0.5 | 0.2 |
| Tanzania Portland Cement Public Limited Company | Dar es Salaam, TZ | | 69.25 | 2021 | 103.1 | 32.1 |
| Teracem Limited | Accra, GH | | 100.00 | 2021 | 0.7 | -0.6 |
| Tourah Portland Cement Company S.A.E. | Cairo, EG | | 65.25 | 2021 | -90.3 | -28.7 |
| Universal Company for Ready Mix Concrete Production S.A.E.[5] | Cairo, EG | | 36.03 | 2021 | 24.8 | 1.3 |
| West Africa Quarries Limited | Tema, GH | | 83.79 | 2021 | 1.0 | -0.3 |
| **Joint Operations** | | | | | | |
| **Western and Southern Europe** | | | | | | |
| Atlantica de Graneles y Moliendas S.A. | Zierbena-Vizcaya, ES | | 49.97 | 2021 | -21.2 | -0.0 |
| **Joint Operations** | | | | | | |
| **North America** | | | | | | |
| Terrell Materials LLC | Frisco, US | | 50.00 | 2021 | 13.1 | 4.3 |
| **Joint Operations** | | | | | | |
| **Asia-Pacific** | | | | | | |
| Lytton Unincorporated Joint Venture | Toowong, AU | | 50.00 | 2021 | 0.0 | 0.0 |
| **Joint Ventures** | | | | | | |
| **Western and Southern Europe** | | | | | | |
| ABE Deponie GmbH | Damsdorf, DE | | 50.00 | 2021 | 3.4 | 1.2 |
| Carrières Bresse Bourgogne S.A. | Épervans, FR | | 33.26 | 2021 | 6.4 | 0.4 |
| CaucasusCement Holding B.V. | 's-Hertogenbosch, NL | | 45.00 | 2021 | 169.0 | -0.1 |
| Continental Blue Investment SA | Buchs, CH | | 50.00 | 2021 | 4.0 | 0.3 |
| Cugla B.V. | Breda, NL | | 50.00 | 2021 | 10.4 | 4.4 |
| Donau Kies GmbH & Co. KG | Fürstenzell, DE | | 75.00 | 2021 | 6.3 | 0.4 |
| DONAU MÖRTEL - GmbH & Co. KG | Neuburg a. Inn, DE | | 50.00 | 2021 | 0.3 | 0.1 |
| Dragages et Carrières S.A. | Épervans, FR | | 50.00 | 2021 | 3.9 | 0.6 |
| Drew Group Holdings Limited[8] | New Milton, GB | | 49.00 | - | - | - |
| Fraimbois Granulats S.à r.l. | Fraimbois, FR | | 50.00 | 2021 | -0.1 | 0.1 |
| GENAMO Gesellschaft zur Entwicklung des Naherholungsgebietes Misburg-Ost mbH | Hannover, DE | 50.00 | 50.00 | 2021 | 2.4 | 0.7 |
| Hafenbetriebsgesellschaft mbH & Co KG Stade | Stade, DE | | 50.00 | 2021 | 0.5 | 0.1 |
| Harri Green Recycling, S.L.[9] | Abanto y Ciérvana, ES | | 50.00 | - | - | - |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Heidelberger Beton Donau-Iller GmbH & Co. KG | Elchingen, DE | | 80.48 | 2021 | 0.8 | –0.0 |
| Heidelberger Betonpumpen Simonis GmbH & Co. KG | Ubstadt-Weiher, DE | | 65.29 | 2021 | 2.5 | 0.6 |
| Humber Sand and Gravel Limited | Rugby, GB | | 50.00 | 2021 | –0.9 | 0.0 |
| KANN Beton GmbH & Co KG | Bendorf, DE | | 50.00 | 2021 | 0.9 | 0.5 |
| Kieswerk Langsdorf GmbH | Jarmen, DE | | 62.45 | 2021 | 1.0 | 0.0 |
| Kieswerke Flemmingen GmbH | Penig, DE | | 54.00 | 2021 | 3.5 | 0.5 |
| Les Graves de l'Estuaire S.a.s. | Le Havre, FR | | 50.00 | 2021 | –0.8 | –1.0 |
| North Tyne Roadstone Limited | Birmingham, GB | | 50.00 | 2021 | –1.8 | –0.3 |
| Raunheimer Quarzsand GmbH & Co. KG | Raunheim, DE | | 50.00 | 2021 | 1.5 | 0.8 |
| Rewinn B.V. | Amsterdam, NL | | 50.00 | 2021 | 0.6 | –0.2 |
| Sandkorn GmbH & Co. KG | Trappenkamp, DE | | 25.00 | 2021 | 0.6 | 0.8 |
| SCL S.A. | Heillecourt, FR | | 50.00 | 2021 | –0.8 | 0.0 |
| Smiths Concrete Limited | Oxford, GB | | 49.00 | 2021 | 9.6 | –0.4 |
| SPS S.a.s. | Pont de l'Arche, FR | | 50.00 | 2021 | 4.8 | 0.1 |
| TBG Bayerwald Transportbeton GmbH & Co. KG | Fürstenzell, DE | | 50.00 | 2021 | 0.6 | 0.0 |
| TBG Ilm-Beton GmbH & Co. KG | Arnstadt, DE | | 55.00 | 2021 | 0.6 | 0.2 |
| TBG Rott Kies und Transportbeton GmbH | Kelheim, DE | | 38.85 | 2021 | 0.6 | 0.3 |
| TBG Transportbeton GmbH & Co. KG Naabbeton | Nabburg, DE | | 50.00 | 2021 | 4.2 | 1.6 |
| TBG Transportbeton Oder-Spree GmbH & Co. KG | Wriezen, DE | | 50.00 | 2021 | 1.5 | 0.7 |
| TBG Transportbeton Reichenbach GmbH & Co. KG | Reichenbach, DE | | 70.00 | 2021 | 0.6 | –0.1 |
| TBG Transportbeton Werner GmbH & Co. KG | Dietfurt a.d. Altmühl, DE | | 38.85 | 2021 | 0.1 | 0.4 |
| Transportbeton Johann Braun GmbH & Co. KG | Tröstau, DE | | 50.00 | 2021 | 0.6 | 0.5 |
| Trapobet Transportbeton GmbH Kaiserslautern Kommanditgesellschaft | Kaiserslautern, DE | | 50.00 | 2021 | 1.0 | 1.2 |
| **Joint Ventures** | | | | | | |
| **Northern and Eastern Europe-Central Asia** | | | | | | |
| AS Betongpumping | Våler i Østfold, NO | | 50.00 | 2021 | 0.8 | 0.1 |
| Betong Øst AS | Kongsvinger, NO | | 50.00 | 2021 | 11.7 | 12.4 |
| Betong Vest AS | Blomsterdalen, NO | | 40.00 | 2021 | 3.3 | 0.1 |
| BT Topbeton Sp. z o.o. | Gorzów Wielkopolski, PL | | 50.00 | 2021 | 6.4 | 1.3 |
| CEMET S.A. | Warszawa, PL | | 42.91 | 2021 | 21.7 | 4.5 |
| Devnya Limestone AD, Chernevo | Chernevo Village, BG | | 49.97 | 2021 | 13.1 | 0.4 |
| Duna-Dráva Cement Kft. | Vác, HU | | 50.00 | 2021 | 251.7 | 108.6 |
| JSC "Mineral Resources Company" | Ishimbay, RU | | 50.00 | 2021 | 11.2 | 0.8 |
| LOMY MOŘINA spol. s r.o. | Mořina, CZ | | 48.95 | 2021 | 11.4 | 0.1 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| PÍSKOVNY MORAVA spol. s r.o. | Němčičky, CZ | | 50.00 | 2021 | 2.6 | 0.7 |
| Pražské betonpumpy a doprava s.r.o. | Praha, CZ | | 50.00 | 2021 | 2.8 | 0.2 |
| Tangen Eiendom AS | Brevik, NO | | 50.00 | 2021 | 3.5 | 0.2 |
| TBG METROSTAV s.r.o. | Praha, CZ | | 50.00 | 2021 | 14.2 | 2.0 |
| TBG Plzeň Transportbeton s.r.o. | Beroun, CZ | | 50.10 | 2021 | 2.5 | 0.7 |
| TBG SWIETELSKY s.r.o. | České Budějovice, CZ | | 51.00 | 2021 | 1.4 | 0.3 |
| Vltavské štěrkopísky, s.r.o. | Chlumín, CZ | | 50.00 | 2021 | 4.2 | 1.3 |
| **Joint Ventures** | | | | | | |
| **North America** | | | | | | |
| American Stone Company | Raleigh, US | | 50.00 | 2021 | 2.6 | 0.8 |
| BP General Partner Ltd. [5] | Winnipeg, CA | | 50.00 | - | - | - |
| Building Products & Concrete Supply Limited Partnership | Winnipeg, CA | | 50.00 | 2021 | 11.5 | 6.3 |
| Bulk Silos LLC | Mendota Heights, US | | 50.00 | 2021 | 0.0 | –0.1 |
| China Century Cement Ltd. | Hamilton, BM | | 50.00 | 2021 | 171.2 | 24.3 |
| Jack Cewe Construction Ltd. | Coquitlam, CA | | 50.00 | 2021 | 11.4 | 1.2 |
| Project Potter Parent, L.P. | Grand Cayman, KY | | 44.90 | 2022 | 160.4 | –266.5 |
| Red Bluff Sand & Gravel, L.L.C. | Birmingham, US | | 50.00 | 2021 | 6.1 | 0.8 |
| Sunset Quarry, L.L.C. | Tacoma, US | | 50.00 | 2021 | 0.4 | –0.2 |
| Texas Lehigh Cement Company LP | Austin, US | | 50.00 | 2021 | 137.3 | 55.6 |
| **Joint Ventures** | | | | | | |
| **Asia-Pacific** | | | | | | |
| Alliance Construction Materials Limited | Hong Kong S.A.R., CN | | 50.00 | 2021 | 24.7 | 2.1 |
| Cement Australia Holdings Pty Ltd | Darra, AU | | 50.00 | 2021 | 188.1 | 28.2 |
| Cement Australia Partnership | Darra, AU | | 50.00 | 2021 | 94.7 | 137.0 |
| Cement Australia Pty Limited | Darra, AU | | 50.00 | 2021 | 0.0 | 0.0 |
| Easy Point Industrial Ltd. | Hong Kong S.A.R., CN | | 50.00 | 2021 | 0.6 | 0.0 |
| Jidong Heidelberg (Fufeng) Cement Company Limited | Baoji City, CN | | 48.11 | 2021 | 117.7 | 45.2 |
| Jidong Heidelberg (Jingyang) Cement Company Limited | Xianyang City, CN | | 50.00 | 2021 | 115.6 | 48.3 |
| M&H Quarries Partnership | Doncaster, AU | | 50.00 | 2021 | –2.8 | –0.3 |
| Metromix Pty Limited | Parramatta, AU | | 50.00 | 2021 | 14.0 | 0.4 |
| Penrith Lakes Development Corporation Limited | Castlereagh, AU | | 20.00 | 2021 | –111.9 | –0.7 |
| Squareal Cement Ltd | Hong Kong S.A.R., CN | | 50.00 | 2021 | 122.4 | 34.2 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| **Joint Ventures** | | | | | | |
| **Africa-Eastern Mediterranean Basin** | | | | | | |
| Akçansa Çimento Sanayi ve Ticaret A.S. | Ataşehir/Istanbul, TR | 39.72 | 39.72 | 2021 | 102.5 | 15.6 |
| **Associates** | | | | | | |
| **Western and Southern Europe** | | | | | | |
| Béton Contrôle des Abers S.a.s. | Lannilis, FR | | 34.00 | 2021 | 6.7 | 0.8 |
| Betuwe Beton Holding B.V. | Tiel, NL | | 50.00 | 2021 | 8.3 | 0.8 |
| bihek GmbH | Freiburg im Breisgau, DE | | 24.00 | 2021 | 0.0 | –0.1 |
| C.V. Projectbureau Grensmaas | Born, NL | | 8.24 | 2021 | 11.7 | 1.4 |
| Dijon Béton S.A. | Saint-Apollinaire, FR | | 15.00 | 2021 | 8.4 | –0.1 |
| Ernst Marschall GmbH & Co. KG Kies- und Schotterwerke | Kressbronn, DE | | 19.96 | 2021 | 4.0 | 0.7 |
| Fertigbeton (FBU) GmbH & Co Kommanditgesellschaft Unterwittbach[4] | Kreuzwertheim, DE | | 57.14 | 2021 | 0.3 | –0.7 |
| Foundamental GmbH & Co. KG[4] | Berlin, DE | | 100.00 | 2021 | 36.4 | –0.5 |
| Foundamental Revolution Fund GmbH & Co. KG[4] | Berlin, DE | | 59.71 | 2021 | 0.0 | –0.0 |
| Heidelberger Beton Grenzland GmbH & Co. KG | Marktredwitz, DE | | 50.00 | 2021 | 0.4 | 1.5 |
| Heidelberger Beton Inntal GmbH & Co. KG[4] | Altötting, DE | | 68.39 | 2021 | 0.6 | 1.8 |
| ISAR-DONAU MÖRTEL-GmbH & Co. KG | Passau, DE | | 33.33 | 2021 | 0.8 | 0.1 |
| Kronimus Aktiengesellschaft | Iffezheim, DE | 24.90 | 24.90 | 2021 | 39.8 | 6.8 |
| Kronimus SAS | Maizières-lès-Metz, FR | | 43.60 | 2021 | 6.0 | 1.1 |
| Maasgrind B.V. | Maasbracht, NL | | 16.48 | 2021 | 1.0 | 0.4 |
| Maasgrind Ontwikkeling B.V. | Maasbracht, NL | | 16.48 | 2021 | 0.1 | 0.0 |
| Materiaux Traites du Hainaut S.A. | Antoing, BE | | 50.00 | 2021 | 0.6 | 0.0 |
| MERMANS BETON N.V. | Arendonk, BE | | 50.00 | 2021 | 0.2 | –0.3 |
| Misburger Hafengesellschaft mit beschränkter Haftung | Hannover, DE | 39.66 | 39.66 | 2021 | 1.6 | 0.2 |
| Münchner Mörtel GmbH & Co. KG | München, DE | | 20.00 | 2021 | 0.1 | –0.0 |
| Nederlands Cement Transport Cetra B.V. | Uithoorn, NL | | 50.00 | 2021 | 2.5 | 0.4 |
| Panheel (Maatschappij tot Exploitatie van het Ontgrondingsproject Panheel) B.V. | Maasbracht, NL | | 16.48 | 2021 | 0.3 | –0.0 |
| Peene Kies GmbH | Jarmen, DE | | 24.90 | 2021 | 3.2 | 0.2 |
| Raunheimer Sand- und Kiesgewinnung Blasberg GmbH & Co. KG | Raunheim, DE | | 23.53 | 2021 | 0.5 | 0.5 |
| Recybel S.A. | Flémalle, BE | | 25.50 | 2021 | 0.6 | 0.3 |
| Recyfuel S.A. | Braine-l'Alleud, BE | | 50.00 | 2021 | 14.3 | 1.9 |
| Stinkal S.a.s. | Ferques, FR | | 35.00 | 2021 | –6.0 | –2.8 |
| Südbayerisches Portland-Zementwerk Gebr. Wiesböck & Co. GmbH | Rohrdorf, DE | 23.90 | 23.90 | 2021 | 693.3 | 70.1 |
| TBG Deggendorfer Transportbeton GmbH | Deggendorf, DE | | 33.33 | 2021 | 1.2 | 0.8 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| TBG Singen GmbH & Co. KG | Singen, DE | | 36.90 | 2021 | 0.0 | –0.1 |
| TBG Transportbeton Caprano GmbH & Co. KG | Heidelberg, DE | | 50.00 | 2021 | 0.3 | 0.3 |
| TBG Transportbeton Gesellschaft mit beschränkter Haftung & Co. KG. Hohenlohe | Schwäbisch Hall, DE | | 25.00 | 2021 | 0.3 | –0.2 |
| TBG Transportbeton GmbH & Co. KG Betonpumpendienst[6] | Nabburg, DE | | 55.54 | 2021 | 0.5 | 0.9 |
| TBG Transportbeton GmbH & Co.KG Lohr-Beton | Lohr am Main, DE | | 50.00 | 2021 | 0.2 | 0.3 |
| Transbeton Gesellschaft mit beschränkter Haftung & Co Kommanditgesellschaft | Löhne, DE | | 27.34 | 2021 | 2.7 | 1.6 |
| Van Zanten Holding B.V. | Leek, NL | | 25.00 | 2021 | 6.5 | 1.7 |
| Zement- und Kalkwerke Otterbein GmbH & Co. KG | Großenlüder-Müs, DE | 38.10 | 38.10 | 2021 | 3.5 | 0.8 |
| **Associates** | | | | | | |
| **Northern and Eastern Europe-Central Asia** | | | | | | |
| Ribe Betong AS | Kristiansand, NO | | 40.00 | 2021 | 3.3 | 1.9 |
| SP Bohemia, k.s.[6] | Králův Dvůr, CZ | | 75.00 | 2021 | 10.5 | 0.6 |
| Sylteosen Betong AS | Elnesvågen, NO | | 39.94 | 2021 | 2.8 | 0.8 |
| TBG Louny s.r.o. | Louny, CZ | | 33.33 | 2021 | 1.0 | 0.4 |
| TBG PKS a.s. | Žďár nad Sázavou, CZ | | 29.70 | 2021 | 3.7 | 0.3 |
| TBG PODIVÍN s.r.o. | Brno, CZ | | 33.00 | 2021 | 0.9 | 0.2 |
| Vassiliko Cement Works Ltd. | Nicosia, CY | | 25.96 | 2021 | 246.8 | 17.4 |
| **Associates** | | | | | | |
| **North America** | | | | | | |
| Cemstone Products Company | Mendota Heights, US | | 35.32 | 2021 | 74.5 | 14.4 |
| Cemstone Ready-Mix, Inc. | Mendota Heights, US | | 33.01 | 2021 | 11.1 | 0.9 |
| Chaney Enterprises 2, LLC | Lothian, US | | 25.00 | 2021 | 33.6 | 8.6 |
| Chaney Enterprises Limited Partnership | Lothian, US | | 25.00 | 2021 | 101.3 | 27.4 |
| Giatec Scientific, Inc. | Ottawa, CA | | 15.19 | 2021 | 6.2 | –0.2 |
| Innocon Inc. | Richmond Hill, CA | | 45.00 | 2021 | 39.7 | 3.9 |
| Innocon Partnership | Richmond Hill, CA | | 45.00 | 2021 | –8.1 | 4.8 |
| RF Properties East, LLC | Lothian, US | | 25.00 | 2021 | –0.9 | 0.0 |
| RF Properties, LLC | Lothian, US | | 25.00 | 2021 | 2.8 | 0.6 |
| Southstar Limited Partnership | Lothian, US | | 25.00 | 2021 | 84.6 | –3.1 |
| Sustainable Land Use, LLC | Lothian, US | | 25.00 | 2021 | 40.4 | 20.2 |
| **Associates** | | | | | | |
| **Asia-Pacific** | | | | | | |
| PT Bhakti Sari Perkasa Bersama | Bogor Regency, ID | | 16.41 | 2021 | 1.2 | 0.3 |
| PT Cibinong Center Industrial Estate | Bogor Regency, ID | | 27.36 | 2021 | 6.3 | 1.1 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| PT Jaya Berdikari Cipta | Bogor, ID | | 27.35 | 2021 | 3.0 | 0.5 |
| PT Pama Indo Mining | Jakarta, ID | | 21.88 | 2021 | 4.3 | 1.1 |
| PT Tripa Semen Aceh | Jakarta, ID | | 20.34 | 2021 | –0.5 | 0.0 |
| **Associates** | | | | | | |
| **Africa-Eastern Mediterranean Basin** | | | | | | |
| Asment Temara S.A. | Témara, MA | | 37.01 | 2021 | 80.1 | 27.9 |
| CEMZA (PTY) LTD | Midrand, ZA | | 40.00 | 2022 | 10.6 | 4.8 |
| Fortia Cement S.A. | Lomé, TG | | 50.00 | 2021 | 8.1 | 0.6 |
| Tecno Gravel Egypt S.A.E. | Cairo, EG | | 31.18 | 2021 | 2.9 | 0.4 |
| **The following subsidiaries are reflected in the consolidated financial statements at cost due to their immateriality.** | | | | | | |
| **Immaterial subsidiaries** | | | | | | |
| **Western and Southern Europe** | | | | | | |
| 3G JONICA S.C.A.R.L. | Bergamo, IT | | 55.00 | 2021 | 0.1 | 0.0 |
| Azienda Agricola Lodoletta S.r.l. | Bergamo, IT | | 75.00 | 2021 | 1.3 | 0.3 |
| Betotech Baustofflabor GmbH | Heidelberg, DE | 100.00 | 100.00 | 2021 | 0.3 | 0.1 |
| Betotech GmbH, Baustofftechnisches Labor | Nabburg, DE | | 72.08 | 2021 | 0.2 | 0.0 |
| Cava delle Capannelle S.r.l. | Almenno San Bartolomeo, IT | | 76.00 | 2021 | 0.2 | 0.1 |
| CSPS Trustees Limited | Maidenhead, GB | | 100.00 | 2021 | 0.0 | 0.0 |
| Entreprise Lorraine d'Agriculture - ELDA S.à r.l. | Heillecourt, FR | | 100.00 | 2021 | 0.1 | 0.0 |
| Etablissement F.S. Bivois SARL | Strasbourg, FR | | 60.00 | 2021 | 0.3 | 0.0 |
| Garonne Labo S.à r.l.[5] | St Léger, FR | | 40.05 | 2021 | 0.0 | 0.0 |
| GIE GM | Guerville, FR | | 63.00 | 2021 | –0.0 | –0.0 |
| Hanson (ER-No 3) Limited[8] | London, GB | | 100.00 | - | - | - |
| HConnect 2 GmbH | Heidelberg, DE | | 100.00 | 2021 | 0.0 | –0.0 |
| HConnect GmbH | Heidelberg, DE | | 100.00 | 2021 | 0.0 | –0.0 |
| HeidelbergCement Grundstücksverwaltungsgesellschaft mbH | Heidelberg, DE | 100.00 | 100.00 | 2021 | 0.1 | 0.0 |
| HeidelbergCement Shared Services GmbH | Leimen, DE | 100.00 | 100.00 | 2021 | 2.1 | 0.2 |
| HeidelbergCement, Funk & Kapphan Grundstücksverwaltungsgesellschaft mbH | Heidelberg, DE | 80.00 | 80.00 | 2021 | 0.0 | 0.0 |
| Heidelberger Beton Donau-Naab Verwaltungsgesellschaft mbH | Burglengenfeld, DE | | 77.70 | 2021 | 0.0 | 0.0 |
| Heidelberger Beton Gersdorf GmbH & Co. KG | Gersdorf, DE | | 65.00 | 2021 | 0.1 | 0.0 |
| Heidelberger Beton Gersdorf Verwaltungs- und Beteiligungs-GmbH | Gersdorf, DE | | 65.00 | 2021 | 0.0 | 0.0 |
| Heidelberger Beton Personal-Service GmbH | Heidelberg, DE | | 100.00 | 2021 | 0.1 | 0.0 |
| Heidelberger Betonelemente Verwaltungs-GmbH | Chemnitz, DE | | 83.00 | 2021 | 0.1 | 0.0 |

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|---|---|---|---|---|---|---|
| HPL 3 Limited[6] | London, GB | | 100.00 | - | - | - |
| Lindustries (D) Limited[6] | London, GB | | 100.00 | - | - | - |
| Lithonplus Verwaltungs-GmbH | Lingenfeld, DE | | 60.00 | 2021 | 0.0 | 0.0 |
| Matériaux de Boran S.A. | Tourcoing, FR | | 99.76 | 2021 | 0.0 | -0.0 |
| MM MAIN-MÖRTEL GmbH & Co.KG | Kleinostheim, DE | | 84.19 | 2021 | 0.1 | 0.1 |
| MM MAIN-MÖRTEL Verwaltungsgesellschaft mbH | Aschaffenburg, DE | | 84.19 | 2021 | 0.0 | 0.0 |
| MS "Wesertrans" Verwaltungsgesellschaft mbH | Elsfleth, DE | | 75.00 | 2021 | 0.0 | 0.0 |
| MTE Mineralstoff Terminal Emden GmbH | Emden, DE | | 60.00 | 2021 | 0.3 | 0.1 |
| NOHA Norddeutsche Hafenumschlagsgesellschaft mbH | Cadenberge, DE | | 60.00 | 2021 | 0.1 | 0.0 |
| Rederij Cement-Tankvaart B.V. | Terneuzen, NL | | 66.64 | 2021 | 6.2 | 1.7 |
| SBIC Limited[6] | Gibraltar, GI | | 100.00 | - | - | - |
| SCI de Balloy | Avon, FR | | 100.00 | 2021 | -0.0 | -0.0 |
| SCI du Colombier | Rungis, FR | | 63.00 | 2021 | 0.0 | 0.0 |
| Société Civile Bachant le Grand Bonval | Guerville, FR | | 80.00 | 2021 | 0.0 | 0.0 |
| Société Civile d'Exploitation Agricole de l'Avesnois | Guerville, FR | | 80.00 | 2021 | 0.0 | 0.0 |
| Société d'Extraction et d'Aménagement de la Plaine de Marolles SEAPM S.a.s. | Avon, FR | | 56.40 | 2021 | 0.4 | -0.4 |
| SPRL Ferme de Wisempierre | Antoing, BE | | 100.00 | 2021 | 1.7 | -0.0 |
| TBM Transportbeton-Gesellschaft mbH Marienfeld & Co. KG | Harsewinkel, DE | | 87.50 | 2021 | 0.1 | 0.0 |
| TBM Transportbeton-Gesellschaft mit beschränkter Haftung Marienfeld | Harsewinkel, DE | | 87.50 | 2021 | 0.0 | 0.0 |
| Transportbeton Meschede Gesellschaft mit beschränkter Haftung | Meschede, DE | | 58.06 | 2021 | 0.0 | 0.0 |
| Transportbeton Meschede GmbH & Co. KG | Meschede, DE | | 58.06 | 2021 | 0.1 | 0.2 |
| WIKING Baustoff- und Transport Gesellschaft mit beschränkter Haftung[6] | Geseke, DE | | 100.00 | - | - | - |
| WIKING Baustoff- und Transport GmbH & Co. Kommanditgesellschaft[6] | Geseke, DE | | 100.00 | - | - | - |
| **Immaterial subsidiaries** | | | | | | |
| **Northern and Eastern Europe-Central Asia** | | | | | | |
| 8 Vershin LLP | Almaty, KZ | | 100.00 | 2021 | 0.1 | 0.0 |
| Agromir Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | -0.0 | -0.0 |
| Agrowelt Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 0.7 | 0.0 |
| Azer-E.S. Limited Liability Company | Baku, AZ | 100.00 | 100.00 | 2021 | -4.1 | 0.2 |
| Center Cement Plus Limited Liability Partnership | Astana, KZ | | 100.00 | 2021 | 0.7 | 0.0 |
| Centrum Technologiczne Betotech Sp. z o.o. | Dąbrowa Górnicza, PL | | 100.00 | 2021 | 0.2 | -0.0 |
| Donau Kies Bohemia Verwaltungs, s.r.o. | Pilsen, CZ | | 75.00 | 2021 | 0.0 | 0.0 |
| Eurotech Cement S.h.p.k. | Durrës, AL | | 92.41 | 2021 | -1.1 | 0.1 |
| Fastighets AB Lövholmen 1 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Fastighets AB Lövholmen 2 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 3 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 4 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 5 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 6 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 7 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 8 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 9 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 10 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Fastighets AB Lövholmen 11 | Stockholm, SE | | 100.00 | 2021 | 0.0 | 0.0 |
| Geo Nieruchomości Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 0.1 | 0.0 |
| Global IT Center, s.r.o. | Brno, CZ | | 100.00 | 2021 | 4.1 | 0.5 |
| LLC HC Yug | Podolsk, RU | | 100.00 | 2021 | –0.2 | –0.1 |
| MIXT Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 0.7 | –0.1 |
| Podgrodzie Sp. z o.o. | Raciborowice Górne, PL | | 100.00 | 2021 | 0.7 | –0.4 |
| Polgrunt Sp. z o.o. | Chorula, PL | | 100.00 | 2021 | 2.3 | 0.2 |
| Shqiperia Cement Company Shpk | Tirana, AL | | 100.00 | 2021 | 0.6 | –0.0 |
| TRANS-SERVIS,spol. s r.o. | Praha, CZ | | 100.00 | 2021 | 1.3 | 0.0 |
| **Immaterial subsidiaries** | | | | | | |
| **North America** | | | | | | |
| Charleston Koppers FTA Park LLC[8] | Wilmington, US | | 100.00 | - | - | - |
| Conservation Resources Company, Inc.[9] | Springfield, US | | 100.00 | - | - | - |
| Hanson (ER-No 16) Inc.[8] | Wilmington, US | | 100.00 | - | - | - |
| Industrial Del Fresno SA[8] | San Miguel de Allende, MX | | 76.00 | - | - | - |
| Kidde Industries, Inc.[8] | Wilmington, US | | 100.00 | - | - | - |
| PUSH NA Holdings, Inc.[8] | Wilmington, US | | 100.00 | - | - | - |
| Total Limited[8] | Wilmington, US | | 100.00 | - | - | - |
| Volt RMC Solutions Canada Ltd.[9] | Montreal, CA | | 100.00 | - | - | - |
| VOLT RMC Solutions, Inc.[9] | Wilmington, US | | 100.00 | - | - | - |
| **Immaterial subsidiaries** | | | | | | |
| **Asia-Pacific** | | | | | | |
| Vesprapat Holding Co., Ltd.[4] [5] | Bangkok, TH | | 49.00 | - | - | - |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| **Immaterial subsidiaries** | | | | | | |
| **Africa-Eastern Mediterranean Basin** | | | | | | |
| C.N.A. - Cimentos Nacionais de Angola S.A.[8] | Luanda, AO | | 56.00 | - | - | - |
| FOUNDATION HEIDELBERGCEMENT TOGO | Lomé, TG | | 93.21 | 2021 | 0.0 | 0.0 |
| Granuburkina SA[9] | Ouagadougou, BF | | 100.00 | - | - | - |
| Intercom Libya F.Z.C.[8] | Misrata, LY | | 100.00 | - | - | - |
| Suez for Import & Export Co S.A.E. | Cairo, EG | | 68.71 | 2021 | –0.0 | –0.0 |
| Terra Cimentos LDA[8] | Dondo, MZ | | 100.00 | - | - | - |
| **The following joint arrangements and associates are accounted for at cost due to their immateriality.** | | | | | | |
| **Immaterial joint arrangements and associates** | | | | | | |
| **Western and Southern Europe** | | | | | | |
| Alzagri NV | Brugge, BE | | 50.00 | 2021 | 1.2 | 0.3 |
| Asto Holding B.V. | Raamsdonksveer, NL | | 33.32 | 2021 | 1.5 | 0.5 |
| Asto Investment B.V. | Raamsdonksveer, NL | | 33.32 | 2021 | 0.7 | 0.2 |
| Auxerre Béton S.à r.l. | Guerville, FR | | 50.00 | 2021 | 0.3 | 0.2 |
| Baustoff- und Umschlags-GmbH | Mosbach, DE | | 33.33 | 2021 | 0.4 | 0.0 |
| Calcaires de la Rive Gauche I SPRL | Nivelles, BE | | 35.00 | 2021 | 3.6 | –0.3 |
| Canteras Aldoyar, S.L.[8] | Olazagutia, ES | | 19.99 | - | - | - |
| Cap2U GmbH[9] | Triefenstein-Lengfurt, DE | 30.00 | 30.00 | - | - | - |
| Cementi della Lucania S.r.l. | Potenza, IT | | 30.00 | 2021 | –0.5 | –0.0 |
| CI4C GmbH & Co. KG | Heidenheim an der Brenz, DE | 25.00 | 25.00 | 2021 | 3.5 | 0.0 |
| CI4C Verwaltungs GmbH | Heidenheim an der Brenz, DE | | 25.00 | 2021 | 0.0 | 0.0 |
| Consorzio Stabile San Francesco S.C.A.R.L. | Foligno, IT | | 42.00 | 2021 | 0.1 | 0.0 |
| Deltapav S.r.l. | Samarate, IT | | 45.01 | 2021 | 0.9 | 0.1 |
| Donau Kies Verwaltungs GmbH[6] | Fürstenzell, DE | | 75.00 | 2021 | 0.0 | 0.0 |
| DONAU MÖRTEL-Verwaltungs und-GmbH | Passau, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| Eurocalizas S.L.[8] | Meruelo, ES | | 33.31 | - | - | - |
| Fertigbeton (FBU) Gesellschaft mit beschränkter Haftung[6] | Kreuzwertheim, DE | | 57.14 | 2021 | 0.0 | 0.4 |
| GAM Greifswalder Asphaltmischwerke VerwaltungsGmbH[4] | Greifswald, DE | | 30.00 | 2021 | 0.1 | –0.0 |
| Generalcave S.r.l. - in liquidazione[4] | Fiumicino, IT | | 50.00 | 2021 | –0.0 | 0.0 |
| GIE des Terres de Mayocq | Le Crotoy, FR | | 32.49 | 2021 | –0.0 | –0.0 |
| GIE Loire Grand Large | Saint-Herblain, FR | | 26.00 | 2021 | –0.0 | –0.0 |

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| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| GIE Manche Est | Rouxmesnil-Bouteilles, FR | | 20.00 | 2021 | -0.0 | 0.0 |
| GIE Sud Atlantique | La Rochelle, FR | | 50.00 | 2021 | -0.1 | -0.0 |
| Granulats Marins de Normandie GIE | Le Havre, FR | | 32.50 | 2021 | 0.0 | 0.0 |
| Hafen- und Lagergesellschaft Greifswald mbH | Greifswald, DE | | 30.00 | 2021 | 0.2 | 0.1 |
| Hafenbetriebs- und Beteiligungs-GmbH, Stade[8] | Stade, DE | | 50.00 | - | - | - |
| Heidelberger Beton Donau-Iller Verwaltungs-GmbH[6] | Elchingen, DE | | 80.65 | 2021 | 0.1 | 0.0 |
| Heidelberger Beton Grenzland Verwaltungs-GmbH | Marktredwitz, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| Heidelberger Beton Inntal Verwaltungs-GmbH[6] | Altötting, DE | | 68.39 | 2021 | 0.0 | 0.0 |
| Heidelberger Beton Karlsruhe GmbH & Co. KG[4] [6] | Karlsruhe, DE | | 50.30 | - | - | - |
| Heidelberger Beton Karlsruhe Verwaltungs-GmbH[4] [6] | Karlsruhe, DE | | 50.30 | - | - | - |
| Heidelberger Beton Kurpfalz GmbH & Co. KG[4] [6] | Eppelheim, DE | | 64.73 | 2021 | 1.0 | -0.0 |
| Heidelberger Beton Kurpfalz Verwaltungs-GmbH[4] [6] | Eppelheim, DE | | 64.73 | - | - | - |
| Heidelberger Betonpumpen Simonis Verwaltungs-GmbH[6] | Ubstadt-Weiher, DE | | 65.25 | 2021 | 0.0 | 0.0 |
| Hormigones Olazti S.A[8] | Olazagutia, ES | | 24.99 | - | - | - |
| Hormigones Txingudi S.A. | San Sebastián, ES | | 33.31 | 2021 | 0.1 | -0.0 |
| ISAR-DONAU MÖRTEL-Verwaltungs-GmbH | Plattling, DE | | 33.33 | 2021 | 0.0 | 0.0 |
| ISIS Management Company Limited | Scarborough, GB | | 30.87 | 2021 | -0.0 | 0.0 |
| KANN Beton Verwaltungsgesellschaft mbH | Bendorf, DE | | 50.00 | 2021 | 0.1 | 0.0 |
| KVB Verwaltungs- und Beteiligungs-GmbH[4] | Karlsdorf-Neuthard, DE | | 24.41 | - | - | - |
| Les Quatre Termes S.a.s. | Salon-de-Provence, FR | | 50.00 | 2021 | 0.1 | -0.0 |
| Les Sables de Mezieres S.a.s. | Saint-Pierre-des-Corps, FR | | 50.00 | 2021 | 0.3 | -0.0 |
| Lippe-Kies GmbH & Co. KG | Delbrück, DE | | 50.00 | 2021 | 0.2 | 0.1 |
| Lippe-Kies Verwaltungs GmbH | Delbrück, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| Mantovana Inerti S.r.l. | Castiglione delle Stiviere, IT | | 50.00 | 2021 | 2.2 | 0.1 |
| Mendip Rail Limited | Markfield, GB | | 50.00 | 2021 | -2.0 | -0.0 |
| MS "Wesertrans" Binnenschiffsreederei GmbH & Co. KG[6] [8] | Elsfleth, DE | | 68.75 | - | - | - |
| Münchner Mörtel Verwaltungsges. mbH | München, DE | | 20.00 | 2021 | 0.0 | 0.0 |
| Neuciclaje S.A. | Bilbao, ES | | 49.97 | 2021 | -0.1 | -0.0 |
| Nordhafen Stade-Bützfleth Verwaltungsgesellschaft mbH | Stade, DE | | 20.00 | 2021 | 0.0 | -0.0 |
| Otterbein Gesellschaft mit beschränkter Haftung | Großenlüder-Müs, DE | 20.00 | 20.00 | 2021 | 0.0 | 0.0 |
| Padyear Limited | Maidenhead, GB | | 50.00 | 2021 | -0.2 | 0.0 |
| Peters Cement Overslagbedrijf B.V. | Raamsdonksveer, NL | | 33.32 | 2021 | 2.0 | 0.8 |
| Raunheimer Quarzsand Verwaltungsgesellschaft mbH | Raunheim, DE | | 50.00 | 2021 | 0.0 | 0.0 |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| S.A.F.R.A. S.r.l. - in liquidazione[4] | Bologna, IT | | 33.33 | - | - | - |
| San Francesco S.c.a.r.l. in liquidazione[4] | Foligno, IT | | 45.71 | - | - | - |
| Sandkorn Verwaltungs GmbH | Nortorf, DE | | 25.00 | 2021 | 0.1 | 0.0 |
| SCI de Barbeau | Bray-sur-Seine, FR | | 49.00 | 2021 | 0.0 | 0.0 |
| SCI des Granets | Cayeux-sur-Mer, FR | | 33.33 | 2021 | –0.0 | –0.0 |
| SCI La Motte au Bois | Harnes, FR | | 50.00 | 2021 | 0.0 | 0.0 |
| Société Foncière de la Petite Seine S.a.s. | Saint-Sauveur-lès-Bray, FR | | 42.25 | 2021 | –0.1 | –0.2 |
| TBG Bayerwald Verwaltungs-GmbH | Fürstenzell, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| TBG Ilm-Beton Verwaltungs-GmbH[6] | Arnstadt, DE | | 55.00 | 2021 | 0.0 | 0.0 |
| TBG Singen Verwaltungs-GmbH | Singen, DE | | 36.90 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Caprano Verwaltungs-GmbH | Heidelberg, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Gesellschaft mit beschränkter Haftung | Schwäbisch Hall, DE | | 25.00 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Lohr Verwaltungsgesellschaft mbH | Lohr am Main, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Oder-Spree Verwaltungs-GmbH | Wriezen, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Reichenbach Verwaltungs-GmbH[6] | Reichenbach, DE | | 70.00 | 2021 | 0.1 | 0.0 |
| TBG Transportbeton Verwaltungsgesellschaft mbH | Nabburg, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| TBG Transportbeton Werner Verwaltungsgesellschaft mbH | Dietfurt a.d. Altmühl, DE | | 38.85 | 2021 | 0.0 | 0.0 |
| terravas GmbH[8] | Königs Wusterhausen, DE | | 50.00 | - | - | - |
| Transbeton Gesellschaft mit beschränkter Haftung | Löhne, DE | | 27.34 | 2021 | 0.0 | 0.0 |
| Transportbeton Johann Braun Geschäftsführungs GmbH | Tröstau, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| Urzeit Weide GbR | Schelklingen, DE | 50.00 | 50.00 | 2021 | 0.1 | 0.0 |
| Verwaltungsgesellschaft mit beschränkter Haftung TRAPOBET Transportbeton Kaiserslautern | Kaiserslautern, DE | | 50.00 | 2021 | 0.0 | 0.0 |
| **Immaterial joint arrangements and associates** | | | | | | |
| **Northern and Eastern Europe-Central Asia** | | | | | | |
| Björgun - Bygg ehf. | Reykjavík, IS | | 26.49 | 2021 | 0.0 | –0.0 |
| Kalkkaia AS | Verdal, NO | | 50.00 | 2021 | 2.6 | –0.6 |
| Velkolom Čertovy schody, akciová společnost | Tmaň, CZ | | 50.00 | 2021 | 7.3 | 0.2 |
| **Immaterial joint arrangements and associates** | | | | | | |
| **North America** | | | | | | |
| KHB Venture LLC[8] | Waltham, US | | 33.33 | - | - | - |
| Newbury Development Associates, LP[8] | Bridgeville, US | | 35.00 | - | - | - |

| Company name | Registered office | HC AG direct ownership % | Group ownership % | Year[1] | Equity in € million[2] | Net income in € million[3] |
|---|---|---|---|---|---|---|
| Newbury Development Management, LLC[8] | Bridgeville, US | | 35.00 | - | - | - |
| Project Potter Parent GP, LLC[8] | Grand Cayman, KY | | 49.00 | - | - | - |
| Woodbury Investors, LLC[8] | Atlanta, US | | 50.00 | - | - | - |
| **Immaterial joint arrangements and associates** | | | | | | |
| **Asia-Pacific** | | | | | | |
| Diversified Function Sdn Bhd | Kuala Lumpur, MY | | 50.00 | 2021 | –0.1 | –0.0 |
| Pornphen Prathan Company Limited[4] | Bangkok, TH | | 49.70 | - | - | - |
| Sanggul Suria Sdn Bhd | Kuala Lumpur, MY | | 45.00 | 2021 | –0.0 | –0.0 |
| **Immaterial joint arrangements and associates** | | | | | | |
| **Africa-Eastern Mediterranean Basin** | | | | | | |
| Ceval GIE | Casablanca, MA | | 29.34 | 2021 | 0.0 | 0.0 |
| Italcementi for Cement Manufacturing - Libyan J.S.C.[8] | Tripoli, LY | | 50.00 | - | - | - |
| Suez Lime S.A.E.[4] | Cairo, EG | | 34.60 | - | - | - |

1) Last fiscal year for which financial statements are available.
2) Translated with the closing rate of the fiscal year for which financial statements are available.
3) Translated with the average rate of the fiscal year for which financial statements are available.
4) In liquidation
5) Controlling influence through contractual arrangements and/or legal regulations.
6) Absence of controlling influence through contractual arrangements and/or legal regulations
7) The company makes use of the exemption from disclosure obligations in accordance with section 264(3) or with section 264b of the German Commercial Code (HGB).
8) Information on equity and earnings is omitted pursuant to section 313(3) or to section 286(3), sentence 1, no. 1 of the German Commercial Code (HGB) if such information is of minor relevance for a fair presentation of the assets, financial, and earnings position of HeidelbergCement AG.
9) Company founded last year. Therefore, no annual financial statement available yet.

Heidelberg, 22 March 2023

HeidelbergCement AG

The Managing Board

# Independent auditor's report

To HeidelbergCement AG, Heidelberg

## Report on the audit of the consolidated financial statements and of the combined management report

### Audit Opinions

We have audited the consolidated financial statements of HeidelbergCement AG, Heidelberg, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the financial year from 1 January to 31 December 2022, and group notes, including a summary of significant accounting policies. In addition, we have audited the combined management report of HeidelbergCement AG, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of those parts of the combined management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2022, and of its financial performance for the financial year from 1 January to 31 December 2022, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report listed in the "Other Information" section of our auditor's report.

Pursuant to §322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

### Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with §317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

### Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

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In our view, the matters of most significance in our audit were as follows:

**1 Recoverability of goodwill**

**2 Accounting treatment of deferred taxes**

**3 Obligations arising from tax matters**

Our presentation of these key audit matters has been structured in each case as follows:

a) Matter and issue

b) Audit approach and findings

c) Reference to further information

Hereinafter we present the key audit matters:

**1 Recoverability of goodwill**

a) In the Company's consolidated financial statements goodwill amounting in total to EUR 8,368.1 million (25.2% of total assets or 47.5% of equity) is reported under the "Intangible assets" balance sheet item. Goodwill is tested for impairment by the Company once a year or when there are indications of impairment to determine any possible need for write-downs. The impairment test is carried out at the level of the groups of cash-generating units to which the relevant goodwill is allocated. The carrying amount of the relevant cash-generating units, including goodwill, is compared with the corresponding recoverable amount in the context of the impairment test. The recoverable amount is generally determined using the value in use. The present value of the future cash flows from the respective group of cash-generating units normally serves as the basis of valuation. Present values are calculated using discounted cash flow models. For this purpose, the adopted medium-term business plan of the Group forms the starting point which is extrapolated based on assumptions about long-term rates of growth. Expectations relating to future market developments and assumptions about the development of macroeconomic factors as well as the expected effects on the Group's business activities of the geopolitical and economic distortions and the corporate strategy geared towards carbon neutrality are also taken into account. The discount rate used is the weighted average cost of capital for the respective group of cash-generating units. The impairment test determined that no write-downs were necessary.

The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors with respect to the future cash flows from the respective group of cash-generating units, the discount rate used, the rate of growth and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

b) As part of our audit, we assessed the methodology used for the purposes of performing the impairment test, among other things. After matching the future cash flows used for the calculation against the adopted medium-term business plan of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations. In this context, we also evaluated the assessment of the executive directors regarding the effects of the geopolitical and economic distortions and the corporate strategy geared towards carbon neutrality on the Group's business activities, and examined how this was taken into consideration in determining the future cash flows. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we also assessed the parameters used to determine the discount rate applied, and evaluated the measurement model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company and carried out our own sensitivity analyses for those groups of cash-generating units with low headroom (recoverable amount compared with the carrying amount) in order to estimate any potential impairment risk related to key assumptions of the measurement. We verified that the necessary disclosures were made in the group notes relating to groups of cash-generating units for which a reasonably possible change in an assumption would result in the recoverable amount falling below the carrying amount of the cash-generating units including the allocated goodwill.

Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

c) The Company's disclosures on the "goodwill" balance sheet item are contained in section "9.1 Intangible assets" of the group notes.

### 2 Accounting treatment of deferred taxes

a) In the consolidated financial statements of the Company deferred tax assets amounting to EUR 268.2 million after netting are reported. Deferred tax assets amounting to EUR 1,103.1 million are recognized before netting with matching deferred tax liabilities. The deferred tax assets were recognized to the extent that the executive directors consider it probable that taxable profit will be available in the foreseeable future which will enable the deductible temporary differences and unused tax losses as well as interest carryforwards to be utilized. For this purpose, insofar as sufficient deferred tax liabilities are not available, future taxable profits are projected on the basis of the adopted business plan. No deferred tax assets were recognized in respect of deductible temporary differences (EUR 88.0 million), tax loss carryforwards (EUR 2,745.9 million) or interest carryforwards (EUR 374.3 million), since it is not probable that they will be utilized for tax purposes by means of offset against taxable profits.

From our point of view, the accounting treatment of deferred taxes was of particular significance in the context of our audit, as it depends to a large extent on the estimates and assumptions made by the executive directors and is therefore subject to uncertainties.

b) As part of our audit, we assessed, among other things, the internal processes and controls for recording tax matters as well as the methodology used for the determination, accounting treatment and measurement of deferred taxes. We also assessed the recoverability of the deferred tax assets relating to deductible temporary differences and unused tax losses and interest carryforwards on the basis of the Company's internal forecasts of its future earnings situation, and the appropriateness of the underlying estimates and assumptions.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented.

c) The Company's disclosures relating to deferred taxes are contained in section "7.10 Income taxes" of the group notes.

### 3 Obligations arising from tax matters

a) As an international building materials group, HeidelbergCement AG is subject to various local tax regulations and the requirements of the competent tax authorities in the respective countries in which it operates due to its extensive portfolio of equity investments and cross-border service relationships with affiliated companies. The recognition and measurement of current and non-current income tax obligations as well as the determination and disclosure of contingent liabilities are based to a large extent on estimates and assumptions made by the executive directors. Against this background and due to the amount of these material items, these matters were of particular significance in the context of our audit.

b) As part of our audit, we assessed, among other things, the internal processes and controls for recording and assessing tax matters and the presentation of obligations arising from tax matters in the financial statements. In the knowledge that estimated values result in an increased risk of accounting misstatements and that the estimates and assumptions made by the executive directors have a direct and significant impact on consolidated net profit/loss for the year, we assessed the appropriateness of the determination of the obligations and the presentation of tax matters in the financial statements. We also involved our internal specialists from the Tax department in the audit team. With regard to the recognition and measurement of obligations, we in particular inspected the Company's correspondence with the respective tax authorities, critically examined the Company's risk assessments of ongoing tax audits and individual tax matters, and assessed expert opinions obtained from third parties. Furthermore, we also held meetings with the Company's tax department in order to receive updates on current developments with regard to the material tax matters and the reasons for the corresponding estimates. As of the balance sheet date, we also obtained confirmations from external tax advisors that support the executive directors' estimates. Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented.

c) The Company's disclosures relating to current and non-current income tax liabilities are contained in section "7.10 Income taxes" of the group notes and the disclosures on contingent liabilities in section 11.2 of the group notes, as well as in the paragraph on "Tax risks" in the "Risk and opportunity report" section of the combined management report.

**Other Information**

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the combined management report:

- the statement on corporate governance pursuant to §289f HGB and §315d HGB included in section "corporate governance" of the combined management report
- the non-financial statement to comply with §§289b to 289e HGB and with §§315b to 315c HGB included in section "Non-Financial Statement" of the combined management report

The other information comprises further

- the remuneration report pursuant to §162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited combined management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

**Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to §315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with §317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to §315e Abs. 1 HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

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- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other legal and regulatory requirements

### Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with §317 Abs. 3a HGB

#### Assurance Opinion

We have performed assurance work in accordance with §317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file HeidelbergCement_AG_KA_ZLB_ESEF-2022-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of §328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of §328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

#### Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the electronic file identified above in accordance with §317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with §317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

**Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents**

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the combined management report in accordance with §328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with §328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of §328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

**Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of §328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of §328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

**Further Information pursuant to Article 10 of the EU Audit Regulation**

We were elected as group auditor by the annual general meeting on 12 May 2022. We were engaged by the supervisory board on 1 July 2022. We have been the group auditor of the HeidelbergCement AG, Heidelberg, without interruption since the financial year 2020.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

**Reference to an other matter – use of the auditor's report**

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the assured ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with §317 Abs.3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

**German public auditor responsible for the engagement**

The German Public Auditor responsible for the engagement is Thomas Tilgner.

Frankfurt am Main, March 22, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| (sgd. Dr. Ulrich Störk) | (sgd. Thomas Tilgner) |
| Wirtschaftsprüfer | Wirtschaftsprüfer |
| (German Public Auditor) | (German Public Auditor) |

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# Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group management report, which has been combined with the management report of HeidelbergCement AG, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Heidelberg, 22 March 2023

HeidelbergCement AG

The Managing Board

Dr Dominik von Achten René Aldach Kevin Gluskie

Hakan Gurdal Ernest Jelito Dr Nicola Kimm

Dennis Lentz Jon Morrish Chris Ward

# 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.

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## 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) |

## Glossary

**Aggregates**
Aggregates in the form of sand, gravel and crushed rock are used principally for concrete manufacturing or for road construction and maintenance.

**Alternative fuel rate**
Proportion of alternative fuels in the fuel mix.

**Alternative fuels**
Combustible substances and materials used in place of fossil fuels in the clinker-burning process, such as used tyres, biomass or household waste.

**Alternative raw materials**
By-products or waste from other industries, whose chemical components make them suitable substitutes for natural raw materials. Alternative raw materials are used both in the production of clinker, the most important intermediate product in cement production, and as additives in cement grinding, in order to conserve natural raw material resources and reduce the proportion of energy-intensive clinker in cement, the end product.

**Asphalt**
Asphalt is manufactured from a mixture of graded aggregates, sand, filler and bitumen. It is used primarily for road construction and maintenance.

**Biodiversity**
Biodiversity or biological diversity is the genetic diversity within species, diversity between species, and diversity of ecosystems.

**Blast furnace slag**
Finely ground, glassy by-product from steel production. Additive for cement.

**Cement**
Cement is a hydraulic binder, i.e. a finely ground inorganic material that sets and hardens by chemical interaction with water and that is capable of doing so also under water. Cement is mainly used to produce concrete. It binds the sand and gravel into a solid mass.

**Cementitious materials**
Heidelberg Materials reports specific net $CO_2$ emissions in kg per tonne of cementitious material. In addition to cement, this includes materials with cement-like properties. Heidelberg Materials uses predominantly ground granulated blast furnace slag (by-product of the steel industry) as alternative raw material to replace clinker as far as possible.

**Cement mill**
Cement grinding is the final stage of the cement manufacturing process. In cement mills, the clinker is ground into cement, with the addition of gypsum and anhydrite, as well as other additives, such as limestone, blast furnace slag or fly ash, depending on the type of cement.

**Circular economy**
A circular economy is a model of production and consumption designed to preserve and regenerate. It is based on three principles: Prevention of waste and pollution, recycling of products and materials (at the level of their highest value) and regeneration of natural resources.

**Circularity**
Circularity is the compatibility of a material flow (e.g. materials or products) with the principle of circular economy.

**Clinker (cement clinker)**
Intermediate product in the cement production process that is made by heating a finely-ground raw material mixture to around 1,450° C in the cement kiln. For the manufacture of cement, the greyish-black clinker nodules are extremely finely ground. Clinker is the main ingredient in most cement types.

**Clinker ratio**
Proportion of clinker in cement.

**Commercial Paper**
Bearer notes issued by companies within the framework of a Commercial Paper Programme (CP Programme) to meet short-term financing needs.

**Composite cement**
In composite cements, a proportion of the clinker is replaced with alternative raw materials, usually by-products from other industries, such as blast furnace slag or fly ash. Decreasing the proportion of energy-intensive clinker in cement is of critical importance for reducing energy consumption and $CO_2$ emissions as well as for preserving natural raw materials.

**Concrete**
Building material that is manufactured by mixing cement, aggregates (gravel, sand or crushed stone) and water.

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**CCUS**
CCUS stands for the capture, utilisation, and storage of $CO_2$.

**EMTN programme**
An EMTN (Euro Medium Term Note) programme represents a framework agreement made between the company and the banks appointed to be dealers. Heidelberg Materials has the option of issuing debenture bonds up to a total volume of €10 billion under its EMTN programme.

**European Union Emissions Trading Scheme (EU ETS)**
The European Union Emissions Trading Scheme (EU ETS) obliges companies or operators of emission-intensive industrial facilities to participate in European emissions trading. These companies must purchase certificates for their $CO_2$ emissions.

**Fly ash**
Solid, particulate combustion residue from coal-fired power plants. Additive for cement.

**Full-time equivalents (FTE)**
Proportion of alternative fuels in the fuel mix.

**Grinding plant**
A grinding plant is a cement production facility without clinker-burning process. Delivered clinker and selected additives, depending on the type of cement, are ground into cement. Grinding plants are particularly operated at locations where suitable raw material deposits for cement production are not available.

**Leverage ratio**
Ratio of net debt to result from current operations before depreciation and amortisation (RCOBD).

**Net debt**
The sum of all non-current and current financial liabilities minus cash and cash equivalents and short-term derivatives.

**Net zero emissions**
Reduction of our $CO_2$ emissions across the value chain in line with SBTi's 1.5 °C pathway, while neutralising residual emissions.

**Ready-mixed concrete**
Concrete that is manufactured in a ready-mixed concrete facility and transported to the building site using ready-mix trucks.

**RCOBD/RCO**
Result from current operations before depreciation and amortisation/result from current operations.

**RCOBD margin**
Ratio of result from current operations before depreciation and amortisation (RCOBD) to revenue.

**ROIC**
Return on Invested Capital.