

## Biodiversity Policy

**The Heidelberg Materials Biodiversity Policy refers to our commitment to address the biodiversity crisis and is part of our policy framework. Our policies are binding for Heidelberg Materials AG and all companies that Heidelberg Materials AG directly or indirectly controls.**

### **1. Committing to Nature Positive**

In line with the UN Sustainable Development Goals and the Kunming-Montreal Global Biodiversity Framework adopted at COP15 of the UN Convention on Biological Biodiversity, Heidelberg Materials commits to ensuring that all its quarries have integrated biodiversity into their site management. As part of our commitment to contributing to Nature-Positive, we maintain a minimum of 15% space for nature within our active quarries, we are taking measures to become biodiversity net positive by 2030 and contribute to global restoration targets.

### **2. Understanding our impact and reporting**

At Heidelberg Materials, we understand that as temporary custodians of land on which we operate, we have a responsibility to provide stewardship towards the biological diversity that inhabits it. The impact of operations on biodiversity is therefore a material topic for Heidelberg Materials. Throughout the Group, we actively accommodate a large variety of local flora and fauna in more than 800 quarries worldwide and strive to maintain a leadership position in the enhancement of biodiversity. Heidelberg Materials recognises that during our era, biodiversity loss is at an unprecedented level worldwide. Preserving biodiversity is a critical global challenge in which the private sector must play a key role in order to halt and reverse the decline and work towards nature-positive outcomes.

We report on our biodiversity in accordance with the reporting guidelines of the Global Cement and Concrete Association (GCCA) and the Global Reporting Initiative (GRI). As a supporter of the Task Force on Nature-related Financial Disclosures (TNFD) process, we are integrating transparent disclosure on nature-related risks and opportunities into our corporate annual reporting formats.

### **3. Embedding our biodiversity ambitions in our corporate strategy and governance**

Nature Positive forms a key chapter of our sustainability strategy. To support the achievement of our targets, we have put in place a robust process that assists in establishing baseline and reclamation objectives to aid in the protection and recovery of biodiversity. Working together with national operations, the Environmental Social Governance (ESG) team responsible for the respective areas ensure the highest level of management is engaged in the process with the target roadmap being presented to the Managing Board for approval. Progress is reviewed regularly to ensure that the

targets are met. We have also established robust governance structures assigning responsibility and accountability for our nature targets to our Chief Sustainability Officer, who is a member of the Managing Board. We are committed to a long-standing partnership with the conservation NGO, BirdLife International, that provides both guidance and governance support in achieving our nature positive objectives.

#### **4. Embedding biodiversity into all stages of a quarry**

Over the past two decades, it has become increasingly evident that both active and former quarries can be of high ecological value, providing important habitats for protected and endangered plant and animal species. During the active phase, quarries provide pioneer conditions rarely found in the wider landscape, supporting many notable species. Meanwhile, non-operational land provides opportunities for habitat restoration projects. Post-extraction, quarries can offer a long-term land use change in favour of biodiversity as sites are reclaimed for a nature conservation end-use. Building on this knowledge, Heidelberg Materials is committed to conserving nature before, during (through temporary habitats) and after extraction by making a positive contribution to biodiversity through the creation, enhancement and management of habitats.

#### **5. Managing biodiversity**

**We adhere to the mitigation hierarchy.** Before we can consider our actions as contributing to Nature Positive, we first deal with our negative impacts on the environment. When planning and implementing business activities, we manage our impacts on biodiversity in line with the sequential steps of the mitigation hierarchy, i.e. avoiding, minimising and mitigating (through habitat creation and restoration), with offsetting when required.

**All sites close to areas with high biodiversity must have biodiversity management plans in place.** In order to understand and mitigate our impact, a proximity study is undertaken every three years. All sites within 1 km of high biodiversity value areas are committed to implementing a biodiversity management plan, with progress reported annually.

**All reclamation plans include biodiversity.** To support the global restoration agenda, and contribute to the UN Decade on Ecosystem Restoration, Heidelberg Materials incorporates biodiversity features into all reclamation plans, and annually report the amount of land and types of habitats reclaimed by the Group.

**We manage invasive alien species.** The raw nature of quarries can provide ideal conditions for invasive alien species (IAS). Aware of the significant impact these species can have on native flora and fauna, Heidelberg Materials continues to raise the awareness within its employees, to enable them to control and manage invasive species that may appear in its extraction sites.

**Supporting the prevention of deforestation and forest degradation.** All new or quarry expansions that occur within a forest biome are prioritised in terms of their impact assessment to ensure protection of any key forest ecosystems. We minimise impacts on forests of high conservation value, including forests that hold essential ecological functioning and/or connectivity within the landscape, and we engage in initiatives and/or conduct projects that support local native forest restoration.

**Biodiversity forms an integral part of training and induction.** We engage with our employees and those within our supply chain to raise awareness and explain the importance of biodiversity through internal initiatives and events. Heidelberg Materials provides procedure manuals and guidelines on key biodiversity objectives which form part of our Nature Readiness training programme. Participating in voluntary nature actions within local communities is encouraged.

## **6. Engaging with stakeholders and advocacy**

It is clear that expert knowledge is required to preserve the complexity and geographical uniqueness of natural landscapes. This is why Heidelberg Materials works closely with NGOs, especially BirdLife International and its national, regional, and local branches, to analyse and optimise our existing work and define new activities to promote the conservation of biodiversity more effectively in our extraction sites.

Heidelberg Materials also commits to engaging communities on the importance of biodiversity and habitat restoration through programmes like the Quarry Life Award, a scientific and education competition held both nationally and internationally every 3 years, while also supporting research into the ecology of quarries.

To support the engagement of business with the topic of biodiversity, Heidelberg Materials continues to actively participate in various business and biodiversity initiatives, to promote ambitious nature commitments, and advocate for effective policy that support sustainable business practices. Furthermore, we will continue to play an active role in industry associations, undertake joint actions for nature and to share best practices on quarry operations and site reclamation.

We also cooperate proactively with politicians, associations, communities, sectoral business partners, and other stakeholders to promote an effective response to protecting and restoring biodiversity based on sectoral and local action.