Heidelberg Materials UK

2026 Performance and sustainability report



Heidelberg Materials



Contents

Introduction	3
Net zero	8
Circular and resilient	11
Safe and inclusive	14
Nature positive	19



Introduction

Introduction by Simon Willis, CEO, Heidelberg Materials UK

2025 has been a landmark year for us as work started to build the UK's first carbon capture facility at a cement works at our Padeswood site in north Wales.

The carbon capture and storage (CCS) project has been more than four years in the making and our constructive partnership with the UK Government enabled us to reach a FID (Final Investment Decision) in September, allowing construction to begin.

The carbon capture facility is expected to enable production of evoZero near-zero cement in 2029, which will help the UK construction industry reach its decarbonisation goals and us to meet our ambition to be a leading sustainable business.

Our 2026 performance and sustainability report covers the progress we have made towards achieving our 2030 sustainability commitments in the 2025 calendar year. It highlights our continuing success in reducing Scope 1 emissions as well as a number of key initiatives that have taken place to help decarbonise our business. They include a UK-first trial to use hydrogen as a fuel to decarbonise asphalt production at our Criggion site and the first trials in England using CarbonCure technology in ready-mixed concrete at our Greenwich plant.

These are just some of the innovative projects we are working on in our aim to reach net zero by 2050, but reducing our carbon impact is just one of four sustainability pillars at the heart of our commitments.

We are also making big strides in our ambition to conserve natural resources and build a more circular and resilient business. In 2025 we processed almost one million tonnes of recycled aggregate and increased our capacity to recycle excavated waste at scale by investing in the UK's largest wash plant at our Bristol-based B&A Group site.

In addition, our focus remains on developing a workplace where everyone feels included and respected and we continue to invest in our people and communities. We have strengthened our commitment to ensuring that the way we operate creates a positive, lasting impact well beyond the vital building materials we supply. This includes everything from investing in skills programmes, volunteering and supporting good causes, to enhancing biodiversity around our sites.

Our continuing success towards achieving our 2030 commitments is a team effort and I thank our employees for the energy and expertise they continue to bring as we work together to deliver our sustainability ambitions.

Simon Willis

Simon Willis
CEO, Heidelberg Materials UK



Sustainability highlights 2025



Construction began to build the UK's first carbon capture plant at a cement works at our Padeswood site.



Scope 1 emissions down 12.3% from the 2016 baseline.



966,000 tonnes of recycled aggregate processed, excluding Mick George Limited and B&A Group.



First 3,500 tonnes of evoZero carbon captured near-zero cement arrived in the UK from our Brevik plant in Norway.



£276 million of social value impact generated in the UK.



UK-first hydrogen fuel-switching project continued at our Criggion asphalt plant.



First calcined clay and CarbonCure trials completed at Greenwich.



All active quarries on target to provide at least 15% space for nature by 2030.

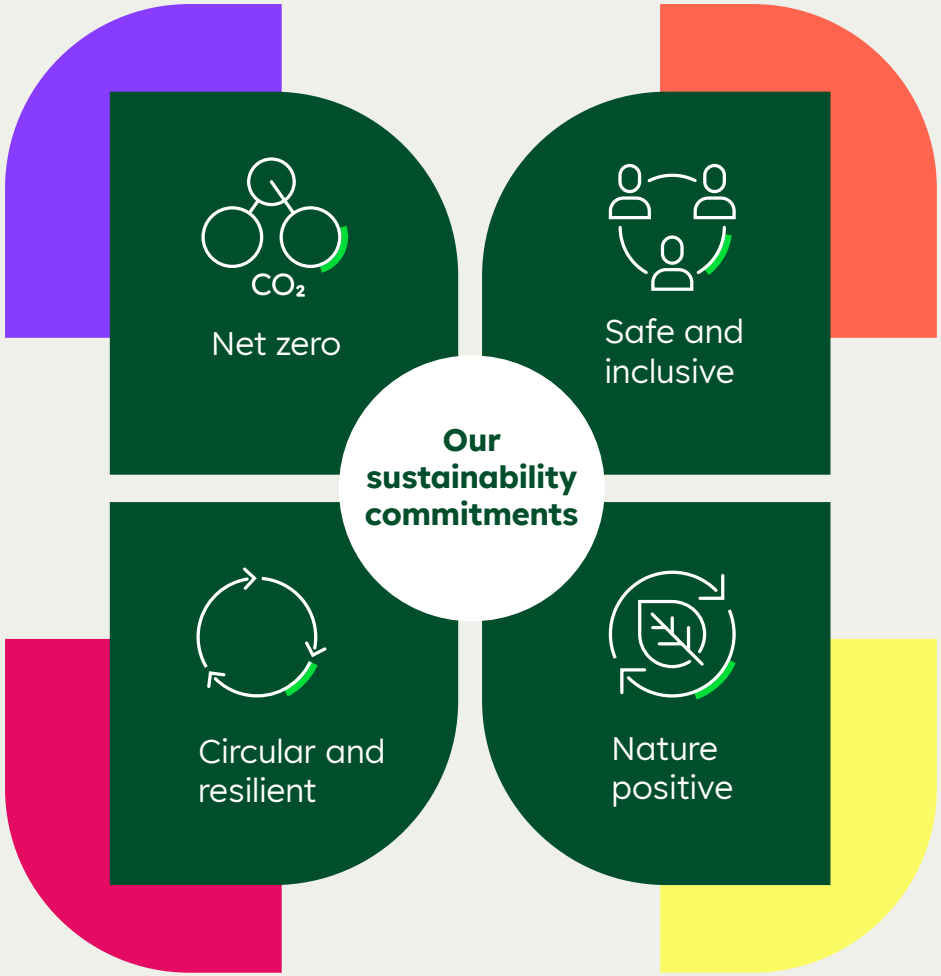
Heidelberg Materials Group

Heidelberg Materials places sustainability at the core of its activities and, through its products, is playing a leading role in helping the construction sector reach net zero.

Its strategy and sustainability commitments are shaped by the United Nations Sustainable Development Goals and support its vision to build a more sustainable future that is net zero, circular and resilient, safe and inclusive and nature positive.

The Science Based Targets initiative (SBTi) has validated Heidelberg Materials' 2030 carbon reduction targets under its 1.5°C framework.

The company has committed to individual scope 1, 2 and 3 targets for 2030, in relation to the baseline year 2020.



Heidelberg Materials UK 2030 commitments

We have developed UK commitments for 2030 and beyond which reflect the Heidelberg Materials Group sustainability strategy but take key drivers within the UK construction industry into account.

We have also linked the United Nations Sustainable Development Goals to the strategy's key areas to demonstrate we are in line with global action.

At the heart of our UK commitments are the four Heidelberg Materials Group sustainability pillars:

1. Net zero
2. Circular and resilient
3. Safe and inclusive
4. Nature positive

Around 60 indicators have been created to reflect the interests of each sustainability topic; some with specific targets to be achieved by 2030 with the remainder being monitored and reported on an ongoing basis.

Sustainability policy

We have a single sustainability policy, which is regularly reviewed and communicated to employees, contractors, visitors, key stakeholders and our supply chain to inform and promote wider adoption of responsible sustainability practices.

Note: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.



Net zero



Our net zero policy

We drive decarbonisation and provide low carbon products



Our commitments	Our progress
Annual review of the cement carbon roadmap	The cement carbon roadmap was reviewed in 2025. Specific net CO_2 emissions were 429kg CO_2/tonne of cementitious material, against our 2030 target of below 400 kg CO_2 per tonne.
Padeswood CCS project to be operational by 2029	In 2025, the Padeswood carbon capture and storage (CCS) project reached several major milestones, including being granted planning permission and agreeing funding with UK Government. These milestones enabled the Final Investment Decision and transition into the execution phase, with construction beginning on site.
Reduce Scope 1 CO_2 emissions by 15% from the 2016 baseline	Scope 1 emissions intensity reduced from 46.2kg CO_2/tonne in 2016 to 40.5kg CO_2/tonne in 2025 - a 12.3% reduction over the period.
Achieve 50% of gross revenue from sustainable products that are either low carbon or circular	The percentage of gross revenue from sustainable products in 2025 was: cement: 22% (low carbon); concrete: 78% (low carbon); aggregate: 0.8% (circular). Calcined clay was trialled as a supplementary cementitious material in ready-mixed concrete supplied from our Greenwich plant and incorporated into selected structural concrete pours, partially replacing Portland cement to reduce embodied carbon.
Embed a Scope 3 emissions measurement framework by 2025 and propose category-specific Scope 3 targets for 2030	In 2025, we built on the foundations established in the previous year by consistently applying the same Scope 3 calculation methodology. This allowed us to identify and assess emissions across each Scope 3 category and further embed the measurement framework to inform future category-specific target setting.
10% reduction in operational electrical energy consumption (kWh/t) from the 2016 baseline	Electrical energy consumption was 10.4kWh/t, down 11% from the 2016 baseline.
Every business line to develop an energy and carbon reduction plan using the 2016 baseline and aligned with a 15% reduction in Scope 1 emissions	Energy and carbon management is embedded across all business lines through ISO 50001-certified energy management systems, digital monitoring tools and lean improvement programmes. Targeted initiatives, including alternative fuels, fleet and equipment electrification, and process optimisation, are supporting energy and carbon reduction roadmaps aligned with the 2016 baseline and Scope 1 reduction targets.
100% of company cars to be hybrid or electric and 50% of vans to be electric, by the end of 2030	As at 31 December 2025, 98% of company cars were either fully electric or hybrid: 47% electric and 51% hybrid. The remaining diesel vehicles are due to be phased out by March 2027. As at 31 December 2025, 12% of van fleet were either fully electric or hybrid: 11% electric and 1% hybrid.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Net zero in action

Construction to build UK's first carbon capture facility at a cement works begins at Padeswood

We reached a FID (Final Investment Decision) with UK Government to build the UK's first carbon capture facility at a cement works at our Padeswood site in September. The announcement followed planning permission being granted by Planning and Environment Decisions Wales earlier in the year. Subsequently an EPCM contract was signed to allow construction to move to the next phase.



Left: The UK's first carbon capture and storage (CCS) facility will be built at the existing Padeswood cement works site in north Wales.

→ First trials of CarbonCure in ready-mixed concrete

The first trials in England using CarbonCure technology in ready-mixed concrete were carried out at our Greenwich plant. The process involves injecting pure manufactured CO_2 into fresh concrete, where it becomes permanently mineralised. It has the potential to reduce the CO_2 associated with concrete while maintaining performance.

Our Greenwich plant also completed its first calcined clay trials, which demonstrated the supplementary cementitious material can be used alongside evoBuild low-carbon GGBS and limestone powder to provide customers with lower carbon concrete options.

UK-first hydrogen fuel-switching asphalt trial continues

We continued our UK-first trial to use hydrogen as a fuel to decarbonise asphalt production at our Criggion plant in mid-Wales. It aims to demonstrate that hydrogen is a viable alternative to fossil fuels in reducing the carbon footprint of asphalt.

→ evoZero arrives in the UK

The first shipment of evoZero carbon captured near-zero cement arrived in the UK from our Brevik plant in Norway for use in construction projects across the country.

evoZero was also named Product of the Year at the 2025 Highways Awards.



Above: The UK's first tanker of evoZero cement is collected from the Port of Goole in East Riding, Yorkshire.

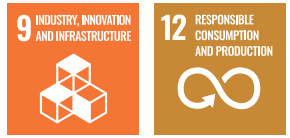
→ = click the headline to find out more.



Circular and resilient

Our circular and resilient policy

We drive circularity to reduce and reuse materials and natural resources



Our commitments	Our progress
Offer 50% circular alternatives for our concrete products	78% of concrete supplied by Heidelberg Materials UK exceeded our sustainable revenue criteria. Overall, use of GGBS in our ready-mixed concrete in 2025 was 39%.
Achieve 50% of our gross revenue from sustainable products that are either circular or low carbon	The percentage of gross revenue from sustainable products in 2025 was: cement: 22% (low carbon); concrete: 78% (low carbon); aggregate: 0.8% (circular). Overall incorporation of RAP in asphalt was 19%.
Zero non-production waste sent to landfill	The level of non-production waste sent to landfill was 2.9% in 2025.
Process 9 million tonnes of recycled aggregate	We processed 966,000 tonnes of recycled aggregate (excluding Mick George and B&A Group), up from 725,000 tonnes in 2024.
Develop a circular economy strategy with key milestones and detailed levers for achieving circular products and business models	We progressed key circularity initiatives across our operations, including fully commissioning and operating our wash plant at B&A Group and constructing and commissioning a second in Manchester. Development of our SRF (solid recovered fuel) project continued, with Original Equipment Manufacturer (OEM) designs completed and the business case assessed. We also carried out technical assessments to evaluate the use of recycled aggregates in internal concrete applications at scale. In addition, we assessed potential outlets for filter cake generated by our wash plants, supporting our aim to maximise resource efficiency and reduce waste across the value chain.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Circular and resilient in action

→ M5 Junction 26 concrete road replacement

We completed a major road improvement project at Junction 26 of the M5 and the A38 Chelston Link Road in Wellington for Somerset Council. B&A Group used an innovative technique called rubbilisation to break up the existing concrete road surface, allowing it to be recycled into sub-base for the new asphalt. We also supplied 17,000 tonnes of asphalt from our Whatley quarry, which used lower carbon options where possible to minimise its environmental impact.

→ Circular economy in action at Cheddar Gorge

We completed a night-time resurfacing project in Cheddar Gorge, the deepest natural canyon in the UK (pictured below). Around 1,300 tonnes of worn road surface was removed and recycled, where possible, back into the new asphalt, which was produced at Whatley quarry.



→ New wash plant capacity for recycled aggregates

We extended our capabilities to recycle excavated waste at scale by investing in the UK's largest wash plant at our Bristol-based B&A Group site. The new wash plant separates, washes and processes up to 400,000 tonnes of waste a year, diverting more material from landfill.

A second wash plant was commissioned at our Agecroft site in Manchester and is expected to be operational in 2026.





Left and above: The UK's largest wash plant and the team at our B&A Group site.

→ = click the headline to find out more.



Safe and inclusive

Our safe and inclusive policy

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



Our commitments	Our progress
Annual People Strategy developed and reviewed quarterly by the business lines	Heidelberg Materials UK strengthened delivery of its 2030 commitment by realigning the UK People Plan pillars in late 2025 with the Group HR Director's People Strategy 2030. This focuses on the right people and skills, future-ready leaders and organisation, seamless employee journeys, and efficient, fit-for-purpose HR. In 2025, employees received an average of 31.5 hours of training per full-time equivalent (FTE).
25% of women in senior roles	Women represented 14% of senior roles, the same as the previous year.
Implement divisional risk-reduction plans by 2025 and embed a risk-based H&S management system by 2030	All business lines successfully met their 2025 Safety, Health and Environment (SHE) plan objectives, and each division continues to maintain ongoing, tracked SHE Improvement Plans. All health and safety plans remain firmly focused on reducing the Fatal 6 risks and strengthening management controls on site.
Annual health and wellbeing improvement plan developed and reviewed quarterly	The business achieved an annual average score of 95% against its safety, health and wellbeing plans.
80% of spend on critical suppliers with an approved ESG rating	Our critical suppliers are assessed through Heidelberg Materials Group's responsible procurement programme, including independent ESG assessments by IntegrityNext. In 2025, 70% of UK suppliers achieved a green ESG rating.
100% of higher-risk (Level 3) sites to have community engagement plans by 2025 and all sites by 2030	All Level 3 Community Engagement Plans are up to date. We are now working through the Level 2 sites, which we expect to complete by the end of 2026.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Our safe and inclusive policy, continued



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

Our commitments	Our progress
Offer one day of paid leave per employee for volunteering, with a 10% year-on-year improvement in take-up from the 2024 baseline	All employees are encouraged to take one day of paid leave each year to participate in volunteering activities, in line with our policy. In 2025, a total of 186 volunteering days were recorded across the business.
Produce a social value monitoring report using 2025 data and monitor annually until 2030	In 2025, our total social value impact, calculated using the Thrive platform, was £276 million. Full details are published in our Social Impact Report 2025.
Establish a charitable foundation by 2030	We have continued to review and align our approach to charitable giving and community engagement in support of our ambition to establish a charitable foundation by 2030.
Reach Level 2 of the Social Value Management Certificate accredited by Social Value UK by 2030	Our social value strategy is now embedded across the business and supported by a central tracker for monitoring and delivering annual actions. We have achieved Level 1 (Commit) accreditation with Social Value UK and are focusing on embedding and strengthening our approach across the organisation.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Safe and inclusive in action

→ Social value impact

In 2025 we generated £276 million of social value impact for people, communities and the environment through our operations, partnerships and long-term commitments.

Safety First across our business

A Safety First approach was introduced and reinforced through business-wide back-to-work sessions, leadership messages and site briefings. Colleagues across all operations received targeted guidance on risk perception, critical controls, safe driving and wellbeing.

Supporting the Armed Forces community

We continue to be a forces-friendly employer and were delighted to receive the top gold award in the Defence Employer Recognition Scheme. Company-owned cement and concrete trucks displayed the poppy in recognition of those who serve, while colleagues also marked the 80th anniversary of VE Day through remembrance activities.



We teamed up with Ketton Green Spaces to plant 16 trees, including 12 giant redwoods and 1,600 spring bulbs in the village near our cement works.

Volunteering for stronger communities

During the year employees recorded a total of 186 volunteering days spent supporting community projects and initiatives. Colleagues took part in canal and community-farm clean-ups, prepared and served food for people in need, supported literacy projects and contributed to local environmental improvements.



Left: Heidelberg Materials employees undertake renovation work with Oakham Canal Green Corridor Project, including painting, fence repairs and improving footpaths.

→ = click the headline to find out more.

Safe and inclusive in action

Still setting the standard for work-based learning

We retained Platinum membership of The 5% Club for the third consecutive year. The recognition reflects our continued commitment to earn and learn opportunities, including apprenticeships, graduate programmes and supported learning. Over the past three years, more than 10% of our workforce has been supported through these programmes.



→ Connecting communities in the Mendips

Batts Combe quarry supported The Strawberry Line Society by donating more than 1,000 tonnes of mixed aggregates for a new section of the traffic-free route linking communities near the Mendip Hills in Somerset. The project follows the route of the former Cheddar Valley Railway line and aims to encourage active travel.

Supporting young readers

Our partnership with Chapter One, which provides one-to-one reading support for young readers, continued during 2025. We launched a 500-word story-writing competition and celebrated the winning entry, written by our SHE Business Partner Emily Stevenson. The professionally edited and illustrated book tells the story of a child's visit to the quarry where his mother works and touches on important topics such as health and safety, diversity and inclusion, teamwork, recycling and biodiversity. We also made a £10,000 donation to the charity towards the cost of noise-cancelling headphones to improve the reading sessions for young learners.



Above: Emily Stevenson reads her winning entry in our Chapter One story-writing competition to pupils at Leighton Primary School in Peterborough.

→ = click the headline to find out more.


Nature
positive

Our nature positive policy



We contribute to a nature positive world through our biodiversity programmes and sustainable water management

Our commitments	Our progress
Each active quarry to designate 15% of its space for nature by 2030	A space for nature assessment has been carried out at all our active quarries. All are on target to have at least 15% of their space designated for nature by 2030.
Each active quarry to have a biodiversity management plan (BMP) by 2025	All our active quarries have a BMP.
Reclamation plans in all quarries that comply with Heidelberg Materials guidelines	All our active quarries have reclamation plans that comply with UK permitting requirements and are working towards compliance with Heidelberg Materials Group guidelines at the earliest opportunity.
Net impact assessments for all active quarries by 2025	Net impact assessments have been completed at all our active quarries.
All operational sites within 1 km of a protected area to have a BMP	All active quarries have a BMP. Of our non-extractive production and processing sites within 1 km of a protected area, 16 have BMPs; four of which were completed in 2025. We are on target to complete the outstanding BMPs at non-extractive sites by 2030.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Our nature positive policy, continued



We contribute to a nature positive world through our biodiversity programmes and sustainable water management

Our commitments	Our progress
Proximity study undertaken by Heidelberg Materials Group every three years	The next proximity study will be carried out by Heidelberg Materials Group in 2026.
100% of operational sites in water-risk areas to have water management plans	62 of our sites have water management plans, an increase of 19 compared with 2024.
100% of operational sites in water-risk areas to implement rainwater harvesting and/or water recycling systems	129 of our sites have water recycling systems.
Accurate monthly water data submitted	We continued to focus on improving the quality and consistency of monthly water data reporting across the business. Enhanced processes and increased engagement with sites are supporting more reliable submissions and improving data quality.
10% reduction in freshwater consumption from a 2018 baseline	Mains water consumption was 19 litres per tonne in 2025. We are working with Waterscan, a specialist in water efficiency, to improve data accuracy, detect leaks and strengthen reporting for future years.

Footnote: Data contained within this report includes A1 Services (now Heidelberg Materials Agecroft) but excludes Mick George Limited and B&A Group.

Nature positive in action

→ UK Quarry Life Award winners announced

The 2025 UK winners of the Quarry Life Award demonstrated how research and community action can support biodiversity at quarry sites. Dr Carly Stevens from Lancaster University won the research category for work at Horton quarry exploring how different grazing seasons affect rare limestone pavement habitats.

The community category was won by Axe Valley Men's Shed, working with the Somerset Earth Science Centre, for building a bug hotel from recycled materials to create an insect habitat at Batts Combe quarry in Cheddar. Both projects progressed to the international stage of the competition.

Recognising restoration and biodiversity work

Our land and mineral resources team received awards at the Mineral Products Association's Restoration and Biodiversity Awards, including the Planned Restoration and Landscape Scale Biodiversity Award titles (pictured right).

Principal Landscape Architect David Southgate also received the Butterfield Trophy for his contribution to biodiversity over more than 38 years.

→ Supporting dormice conservation

Batts Combe quarry is working with Somerset Wildlife Trust and local partners to improve woodland and landscape management in the Mendip Hills. Targeted tree coppicing and habitat management are creating better nesting and foraging conditions for dormice and other wildlife, supporting a more resilient landscape.



→ = click the headline to find out more.

Heidelberg Materials UK
Arena Court
Second Floor
Crown Lane
Maidenhead
SL6 8QZ
heidelbergmaterials.co.uk