

**HANSON HOLDINGS (3) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

## **HANSON HOLDINGS (3) LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	N Benning-Prince R C Dowley E A Gretton A Quilez Somolinos
<b>Company secretary</b>	W F Rogers
<b>Registered number</b>	05486638
<b>Registered office</b>	Second Floor Arena Court Crown Lane Maidenhead Berkshire SL6 8QZ
<b>Independent auditors</b>	PricewaterhouseCoopers LLP 2 Glass Wharf Bristol BS2 0FR

# **HANSON HOLDINGS (3) LIMITED**

## **CONTENTS**

	Page(s)
<b>Strategic Report</b>	1 - 9
<b>Directors' Report</b>	10 - 13
<b>Directors' Responsibilities Statement</b>	14
<b>Independent Auditors' Report</b>	15 - 18
<b>Statement of Comprehensive Income</b>	19
<b>Balance Sheet</b>	20
<b>Statement of Changes in Equity</b>	21
<b>Notes to the Financial Statements</b>	22 - 27
<b>Appendix I - Listing of indirect subsidiaries and investments</b>	28 - 30

## **HANSON HOLDINGS (3) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Business review**

The Company is a group investment holding company.

During the year the Company released £42,490,000 of the impairment against its investment in UDS (No 10) to bring the carrying value in line with the recoverable amount. This impairment release is a result of an increase in the estimated future cashflows of the Company's operating subsidiaries and has been treated as an exceptional item.

#### **Section 172(1) Statement**

The primary purpose of the Company is that of a group investment holding company. The overall objective of the Directors is to maximise shareholder and stakeholder value whilst working to a sustainable long-term business model. The Directors work to ensure the business strategy and objectives of the Company are aligned with that of the Group. As a group investment holding company, the Company has limited stakeholders having no customers, suppliers or employees.

The Directors have not made any strategic decisions during 2023 and the Company continues to hold its investment in UDS (No 10).

#### **Climate-related Financial Disclosures**

The Company recognises the global importance and potential impact of climate-related issues. This disclosure includes information on how climate change is being addressed by corporate governance, its impact on strategy, how climate-related risks and opportunities are being managed, and the relevant performance metrics and targets applied.

The Company monitors climate-related risks, physical and transition, and the opportunities this presents that could reasonably be expected to impact the Company.

The Company is a group investment holding company.

The business of the Company's subsidiaries primarily involves the production and distribution of aggregates, ready-mixed concrete, and asphalt. The Company's business model encompasses the entire value chain, from the extraction of raw materials, processing, and recycling through to the sales and distribution of the end products to customers. The products are used, for infrastructure, traffic routes (roads and rail), commercial and industrial facilities and the construction of houses.

Overview of products:

- Aggregates (sand, gravel, and crushed rock) are the main component in the production of concrete and asphalt and are also used as base courses in the construction of infrastructure, such as roads and rail. To some extent, aggregates are also obtained from recycled products
- Concrete is a mixture of aggregates (about 80%), cement (about 12%), and water. Cement typically consists of almost 100% clinker, composite cements, in which a portion of the clinker is replaced by alternative materials, such as fly ash and ground granulated blast furnace Slag (GGBS), can enhance cement properties and reduce CO2 emissions associated with concrete product, such as EcoCrete.
- Asphalt is a mixture of aggregates (about 95%) and bitumen and is generally used as a top layer in road construction.

**HANSON HOLDINGS (3) LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

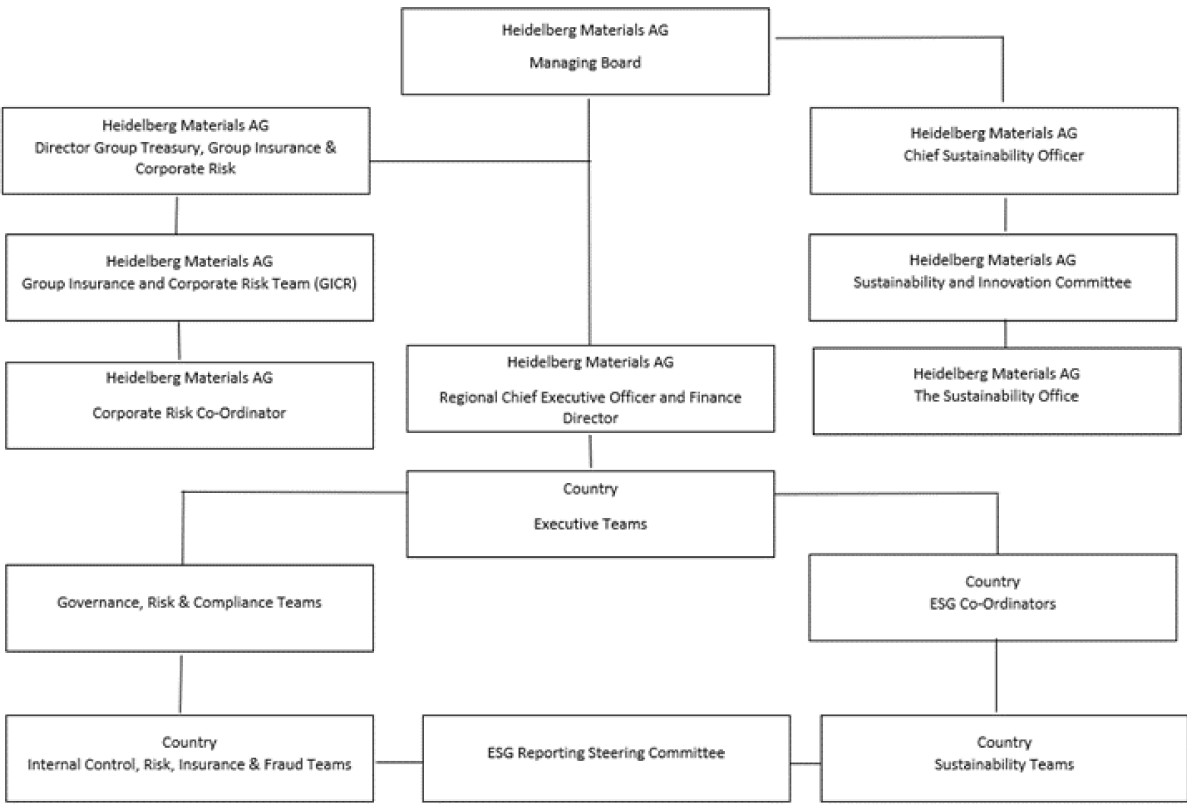
**Climate-related Financial Disclosures (continued)**

**Governance**

The Chief Sustainability Officer at Heidelberg Materials AG, the ultimate parent undertaking, has oversight of Environmental, Social and Governance (“ESG”) matters across the Group, including climate-related financial risks.

The following organogram provides an overview of the responsibilities of the various climate-related bodies across the Group.

Governance Organogram



The Managing Board of Heidelberg Materials AG (“the Managing Board”) has oversight of strategy, guiding the development of transition plans, setting of targets, agreeing climate-related employee incentives, integrating climate-related issues into strategy and coordinating climate-related risk and opportunities. The Managing Board is advised by the Chief Sustainability Officer who is highest individual with responsibility of ESG related issues. The Chief Sustainability Officer is assisted by the Sustainability and Innovation Committee, which reports on all aspects of sustainability, including the decarbonisation roadmap, reduction of carbon footprints and innovation and growth opportunities. The Sustainability Office advises on sustainability across the Group to ensure that sustainability criteria are incorporated into every decision and is led by the Chief Sustainability Officer.

The Managing Board are also advised by the Director Group Treasury, Group Insurance & Corporate Risk on climate related risk. Country Risk and Insurance Managers are responsible for the assessment and management of a given risk (avoid, minimize, transfer of risk to a third party). Country ESG Coordinators attend ESG Coordinator meetings facilitated by Heidelberg Materials AG, to discuss ESG strategy and actions.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Climate-related Financial Disclosures (continued)**

At a country level, ESG strategy and actions are overseen by ESG Coordinators, who report material risks and opportunities; integrate climate related risk and opportunities into strategy; and consider metrics and targets from a country perspective. The ESG Reporting Steering Committees meet periodically to assess and review internal gap assessments, new ESG regulations, data collection processes and remediation steps and additional information to be reported at a country level. Executive Teams meets regularly and discuss the CO2 roadmap, sustainability risks and opportunities, and business specific climate-related impacts, including energy KPIs, carbon trackers and key projects and initiatives.

**Risk Management**

The risk management process is managed at both Heidelberg Materials AG and country level combining a bottom-up reporting of risks and a top-down global analysis of climate-related physical and transition risk exposure.

Risks are assessed qualitatively and, wherever possible, supplemented with quantitative appraisals. As part of the regular risk management process, identified risks are monitored and possible risk avoidance and reduction measures are evaluated.

Climate-related financial risks are identified at a country level and reported to Heidelberg Materials AG, in line with the enterprise risk management framework. The Group Insurance and Corporate Risk team (GICR) identifies risk at a global level and feeds into the broader global risk map.

The GICR presents a Risk Report on a quarterly basis to the Managing Board at a risk management team meeting.

The Executive Teams sets up and supervises internal controls and risk management systems. They have overall responsibility for the scope and organisation of the established systems. The process of identification within the regular risk management process are supplemented by ad-hoc risk reports in the event of a sudden occurrence of serious risk.

Climate risk assessments are also performed on a project-by-project basis and fed into the formal capital approval process.

Time periods by reference to which those risks and opportunities are assessed are as follow:

Time	Definition	Rationale
Short	Current to 2025	Short term relates to regular business and financial planning routines as well as existing and readily foreseeable regulatory requirements.
Medium	Current to 2030	The medium term is defined as the time horizon that goes beyond that of regular strategic planning, but for which a strategic roadmap exists.
Long	2030 onwards	Long term refers to the time horizons that extend beyond the next ten years. In the climate scenarios, this is the 2030 and 2050 time horizon.

Climate scenario analysis has been considered and can be found in the Heidelberg Materials 2023 Annual and Sustainability Report. For this reporting cycle, assessments to help inform a shortlist of risks that could have a material impact on the business to be assessed further. More details on the scenarios used to assess climate-related risks and opportunities, as well as potential mitigations can be found in the Strategy section of these disclosures.

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### Climate-related Financial Disclosures (continued)

Climate risks and opportunities are typically divided into two categories:

- Transition risks (or opportunities) are viewed as those associated with transitioning to a low carbon economy that may result from regulation, technology, reputational and market responses.
- Physical risks are the exposure of assets or value chain to physical hazards caused by the effects of climate change (e.g. flooding or heat stress).

Transition and physical risks can manifest over different time horizons. The potential impact under various temperature scenarios and transition pathways can be assessed through climate scenario analysis. In the future further climate scenario analysis to consider risks and opportunities and sensitivities to these risks and opportunities.

#### Strategy

The climate-related risks and opportunities are assessed as material for the current year and plans to fully analyse the potential impact of the climate-related risks and opportunities on strategy and business model in future periods are in progress.

#### Scenario overview

Scenario analysis allows for the identification and analysis of the potential implications of a range of plausible future states. Scenarios are not designed to deliver precise outcomes or forecasts. They are intended to illustrate a potential range of impacts of certain risks or assumptions and have been applied qualitatively for this assessment.

The Scenario analysis referenced in the Heidelberg Materials 2023 Annual and Sustainability Report. makes qualitative assessments at regional levels.

#### Scenario selection

When selecting scenarios, UK-CFD recommends considering both 1.5°C and 4°C scenarios as options to assess a “well below 2°C” Paris-aligned transition scenario, as well as a scenario consistent with increased physical risk. Conducting scenario analysis across the 1.5°C and 4°C range allows businesses to assess both the high transition and high physical risk potentials (1.5°C and 4°C scenarios respectively).

Potential exposure to transition risks and opportunities are reviewed in qualitative terms across a 1.5°C transition scenario. Potential physical risk exposure is reviewed in qualitative terms across a 4°C high physical risk scenario, with the underlying hazard dataset assessed by a third party. The risk rating assigned to each shortlisted risk or opportunity is based on the potential qualitative magnitude of the risk or opportunity.

#### Scenario assumptions, limitations and frequency

Scenario analysis risk and opportunity ratings were determined at regional levels and aggregated proportionally.

It is expected that assessments in future periods are updated in light of developments in either climate science or business strategy. The risks and opportunities disclosed were prioritised for further analysis following workshops with stakeholders from across the Group and are not exhaustive. In future reporting cycles, additional disclosures or different risks and opportunities may be chosen.

STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Climate-related Financial Disclosures (continued)

Climate-related Risks - Transition

		Definition	Potential Impact	Strategic response and mitigation
Transition	<b>Type</b> Market <b>Risk</b> Increased cost of raw materials <b>Time Horizon</b> 2050 <b>Scenario</b> 1.5°C	The price of raw materials may increase due to the impact of rising GHG emissions pricing and the widespread shift towards cleaner technologies affecting demand across sectors, including the supply chain.	This could present a “high” risk as raw materials constitute a large proportion of total costs, specifically for concrete and. An uplift in demand to support low carbon transition potentially exacerbating price fluctuations. Further, increasing raw material pricing across the supply chain could potentially be passed on from suppliers in the form of increased cost of raw material extraction and transportation. This could lead to an impairment of the Company’s investments.	The Company’s operating subsidiaries are taking diversifying measures to decarbonise their products and investing in R&D to develop innovative new low carbon building materials. The Company’s operating subsidiaries are actively taking measures to promote circular economy in the value chain through closing the loop in the material cycle of sand, aggregates, and concrete. This could reduce reliance on raw materials produced via carbon intensive processes and reduce embodied carbon.
	<b>Type</b> Reputation <b>Risk</b> Shift in consumer preferences <b>Time Horizon</b> 2050 <b>Scenario</b> 1.5°C	Customers may shift preferences away from traditional concrete products containing cement in response to the end client’s increased focus on environmental impacts.	This could present a “high” risk to the Company’s operating subsidiaries, as this may potentially reduce demand for carbon-intensive building materials, such as concrete and asphalt, which currently constitute a significant proportion of revenue. This could also lead to an impairment of the Company’s investments.	The development of, and investment into low carbon products by the Company’s operating subsidiaries and their commitment to offer circular alternatives for 50% of concrete products by 2030 is ongoing.



STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Climate-related Financial Disclosures (continued)

Climate-related Risks - Physical

		Definition	Potential Impact	Strategic response and mitigation
Physical	<b>Type</b> Acute <b>Risk</b> Exposure to physical hazards <b>Time Horizon</b> 2050 <b>Scenario</b> 4°C (RCP 8.5)	Increased severity of extreme weather events such as cyclones and floods.	This could present a “high” risk to the Company’s operating subsidiaries, as hazard data suggests that at least one UK site has potentially significant exposure to river flooding. This could lead to disruption of business activities or cause direct site damage. This could also lead to an impairment of investments.	The Company’s operating subsidiaries have detailed site-level assessments for potentially material sites to review adaptation and mitigation measures locally.
	<b>Type</b> Chronic <b>Risk</b> Exposure to physical hazards <b>Time Horizon</b> 2050 <b>Scenario</b> 4°C (RCP 8.5)	Changing weather patterns and rising mean temperature and sea levels.	This could present a “medium” risk based on the hazard data provided in a 4°C scenario. This could also lead to an impairment of investments.	The Company’s operating subsidiaries have detailed site-level assessments for potentially material sites to review adaptation and mitigation measures locally.

STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Climate-related Financial Disclosures (continued)

Climate-related Opportunities

		Definition	Potential Impact	Strategic response and mitigation
Transition	<p><b>Type</b> Technology</p> <p><b>Risk</b> Opportunity for lower emissions technology and products</p> <p><b>Time Horizon</b> 2050</p> <p><b>Scenario</b> 1.5°C</p>	<p>Increased use of lower emission technology and products may result in new revenue streams (such as low emission concrete).</p>	<p>This could present a “high” opportunity, resulting in new revenue streams for the Company’s operating subsidiaries. Given the wide range of innovative new products that can be manufactured with alternative low carbon fuels and electrification. There is potential opportunity to expand market share if the Company’s operating subsidiaries adopt these new technologies at a faster rate than peers.</p>	<p>The Company’s operating subsidiaries have recognised this opportunity through their 2023 commitments to generate 50% of revenue from low carbon and circular products.</p>

STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Climate-related Financial Disclosures (continued)

Metrics & Targets

The progress of the Company's operating subsidiaries in meeting the 2030 commitments is monitored together with measurable KPIs.

2030 commitments	Contribution as at 31 December 2023
<p>Reduce the carbon impact of products with a science-based 1.5% pathway targets of 15% reduction from a 2016 baseline.</p>	<ul style="list-style-type: none"> <li>• The Company's operating subsidiaries are working with customers to develop performance specified low CO2 concretes. Implementing mix optimisation to reduce cement consumption per m3 and exploiting cementitious technologies to reduce CO2 per m3.</li> <li>• The Company's operating subsidiaries are making progress to change all burners from gas oil to lower emission fuels, as the burner is the single largest CO2 emissions source in the asphalt production process.</li> <li>• Trials to use hydrogen in asphalt plants are also being planned.</li> <li>• The Company's operating subsidiaries are improving its network of rail- connected depots to reduce vehicle movements and associated CO2 emissions</li> </ul>
<p>Generate 50% of our revenue from sustainable concrete and asphalt products by 2030 and reduce CO2 emissions associated with cementitious products to 400kg CO2/tonne CEM by 2030.</p>	<ul style="list-style-type: none"> <li>• High specification watertight concrete containing 70% Regen GGBS, minimising production of heat and reducing the risk of thermal cracking, whilst also reducing CO2 emissions is being sold to customers.</li> <li>• The Company's operating subsidiaries are engaging in early trials of anti-aging and biogenic bitumen to extend the life cycle of asphalt, which will cut carbon emissions, as replacements are required less frequently.</li> </ul>
<p>Offer 50% circular alternatives for products.</p>	<ul style="list-style-type: none"> <li>• The Company's operating subsidiaries are continuing to reduce waste and increase recycling.                             <ul style="list-style-type: none"> <li>• Zero non-production waste to landfill.</li> <li>• 9 million tonnes of recycled aggregates processed.</li> <li>• Recycled asphalt plannings (RAPs) are being maximised in new asphalt mixes.</li> </ul> </li> <li>• The Company's operating subsidiaries are becoming more active in the recycled aggregates market. The acquisition of A1 Services (Manchester) Limited in 2021 strengthened the circular materials offering and brings a recycling platform and the opportunity to expand expertise in construction soil and aggregate recycling.</li> </ul>
<p>Operational sites in the UK to have full IMS (Integrated Management System) certification to ISO 9001 (Customer needs), ISO 14001 (Environmental), ISO 50001 (Energy), and BES 6001 (Responsible sourcing).</p>	<ul style="list-style-type: none"> <li>• 100% of UK sites fully comply with the internal IMS and all hold, or are working towards, ISO 9001, ISO 14001, ISO 50001, ISO 45001, and BES 6001 certification.</li> </ul>

Net Zero by 2050

The Company's operating subsidiaries plan to be NetZero by 2050.

## HANSON HOLDINGS (3) LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### Principal risks and uncertainties

The Company's results arise from transactions with fellow group undertakings in the group headed by Heidelberg Materials AG. The Directors are therefore of the opinion that, the Company is not directly exposed to significant risks and uncertainties, however, by the very nature of its activities the Company is indirectly exposed to similar risks and uncertainties to those faced by other group undertakings. Details of the principal risks and uncertainties facing the group headed by Heidelberg Materials AG are disclosed in the financial statements of that Company.

#### Discount rate risk

The carrying value of the Company's investment is supported in part by the present value of future cashflows of the Company's operating subsidiaries. The present value is calculated by applying an appropriate discount rate to future cashflow. Discount rates are subject to changes in macro-economic conditions, particularly interest rates. Changes in interest rates could lead to changes in the discount rate used to calculate the present value and may result in future impairment charges.

This report was approved by the board on 26 September 2024 and signed on its behalf.



**W F Rogers**  
Secretary

## **HANSON HOLDINGS (3) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

The Directors present their report and the audited financial statements for the year ended 31 December 2023.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £42,490,000 (2022 - £55,277,000).

The Directors do not recommend payment of a final dividend (2022 - £nil).

#### **Future developments**

The Directors anticipate that the Company will continue as a group investment holding company for the foreseeable future.

#### **Going concern**

The Company has limited activity outside of the Heidelberg Materials AG group and therefore its on-going activity is dependent on the operational activity of the Heidelberg Materials AG group.

The financial statements have been prepared on a going concern basis as the Company's ultimate parent undertaking, Heidelberg Materials AG which indirectly owns the Company's entire share capital, has committed to continue to support the Company for a period of no less than 12 months from the date of approval of these financial statements, in order that it can meet its liabilities as they fall due. The Company's liabilities are typically with Heidelberg Materials AG group companies.

The Directors have considered and satisfied themselves that Heidelberg Materials AG is able to make the commitments it has made to the Company. In doing this, the Directors have noted that the ultimate parent undertaking, Heidelberg Materials AG, has made an assessment of identifiable risks on their global business activities, including the on-going impact of the Ukraine and Middle East crises, political uncertainties, the volatility in energy and raw materials markets, continuing inflationary pressures, high interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Engagement with employees**

The Company has no employees. This report therefore summarises the engagement with employees of the Company's UK subsidiaries.

The Company's UK subsidiaries take a number of measures to ensure proactive and meaningful engagement with its workforce - this applies to all employees and all companies within Heidelberg Materials UK.

Heidelberg Materials UK values engagement with its workforce, as a key stakeholder. The engagement takes place on many different levels, using a variety of formal and informal measures, which facilitates two-way dialogue to ensure employees have a direct voice to the executive team.

An employee forum has been established, with 8 active employee representatives representing the various business lines and staff functions. The forum meets fortnightly and is chaired by the Head of Human Resources or Senior HR Business Partner.

Four members of the forum also sit on the ultimate parent company's European Works Council, which the Directors believe represents a positive opportunity for the UK workforce to make its voice heard directly at the level of the ultimate parent company.

## **HANSON HOLDINGS (3) LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Engagement with employees (continued)**

The employee forum acts as a key information and discussion channel between employees and executive management. At the September 2023 meeting, Heidelberg Materials UK's chief executive officer (CEO), together with business line managing directors, provided detailed updates on business line specific activities, business performance and markets, health and safety progress and social value topics including our 2030 sustainability commitments as well as on the core objectives of our strategy.

Employee representatives raised numerous points of discussion during the meeting, with employees invited to anonymously submit questions in advance. These processes lead to a combination of management commitments, reviews and explanations on a wide range of safety, environmental, operational and commercial matters. Minutes are taken which are published on the Heidelberg Materials UK intranet, together with the questions and answers. The Directors believe that the employee forum provides a positive and transparent means of engaging with the workforce as a key stakeholder, in the interests of the long-term sustainability of the Company and its operations.

In addition to the employee forum, the CEO delivers a national leadership communication roadshow each year. These take the form of informal town hall talks, with the CEO providing detailed updates to staff regarding business performance, strategy and the priorities for the year ahead, as well as giving the workforce the opportunity to put questions directly to the senior management in attendance. In addition, core business areas have a stall with representatives from across the business discussing their achievements from 2023, providing a forward look to 2024 and engaging on any challenges, issues or other matters employees would like to get feedback on.

Other measures to facilitate effective engagement with employees include the use of regular business update videos by executive management, as well as the quarterly publication of Heidelberg Materials UK's Team magazine, which is sent to every employee's home address, and includes regular updates through the year on business performance and strategy. Heidelberg Materials UK's Team magazine also communicates to employees the many positive measures Heidelberg Materials UK takes to support our local communities as key stakeholders in the context of the long-term sustainability of our operations.

Heidelberg Materials UK email accounts have now been rolled out to all blue-collar operational staff which has now given them access to all our digital communications, thereby improving our communication channels and allowing engagement with the wider workforce. In addition to this we have started to add a digital device to our vehicles, called TrackIt. This works like an iPad and gives our drivers access to our online and digital platforms.

We have made progress this year on our Digital journey and have improved how we communicate. We regularly provide updates on Viva Engage and have increased our presence on Social Media which has meant we are reaching a wider and more diverse audience with our communications and business activities, contributing to the enhancement of our employer brand. The Directors value the consultations undertaken with trade unions, setting out detailed business performance updates when meeting with them.

Driver forums continue to be a focus and regular listening sessions take place across our business led by executive members and senior management teams. Heidelberg Materials UK values the importance of visible leadership and these sessions and attendance at site demonstrate this engaged leadership. The Head of Human Resources works with the HR Business Partnering Team and attends management meetings to provide insight on feedback regularly received from employees at various forums which often influences the direction of the business's People Strategy. Through the work and engagement carried out within the business the HR team are ensuring the Company's values and culture are embedded within the workforce. Employee surveys are carried out periodically as a further means of monitoring the culture and values within our workforce, leading to the development of plans for managers to address feedback received. Our next wider survey will be launched in September 2024. Until then communication channels are used to ensure employees are aware of the feedback received and subsequent actions taken from our last survey in 2022. These communications are done using a 'You Said, We Did' format.

## **HANSON HOLDINGS (3) LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Engagement with employees (continued)**

The health and wellbeing of employees remains a priority as this impacts the success of the business. We continue to train mental health first aiders with about two hundred trained to date. In addition, a wellbeing survey took place in January 2024 to measure the current state of employees' mental health and its completion allowed for an assessment of how effective the business's wellbeing strategies have been and helped to identify areas for improvement.

A further component of engagement with employees is the annual Heidelberg Materials UK return to work carried out on the first working day of the New Year, with the usual Health and Safety stand down held. However this year additional topics were also covered and included Social Value, Wellbeing and Diversity and Inclusion.

To continue to support our commitment to Social Value, Diversity and Inclusion, in 2023 a Social Value co-ordinator position was introduced. This job compliments our Wellbeing Specialist role introduced in 2022. It is a pivotal role working with our Bids and Tenders team to understand what our customers are looking for when tendering for work. The role also works with customers within our supply chain and networks outside of the organisation to understand the types of activities we should be working on. This is then fed into our wider Diversity and Inclusion Strategy. The role is also pivotal in supporting our 2023 commitments so works closely with the business on co-ordinating and supporting our community engagement plans.

Heidelberg Materials UK is committed to being a fair, inclusive, and respectful business, whilst raising awareness of key challenges both internally and across the industry. To implement this commitment, we have a Fairness, Awareness, Inclusion and Respect (FAIR) committee. Led by a member of the executive board and made up from a range of diverse backgrounds, the committee shape our strategy and promote the business as a place where anyone, regardless of gender, background, age, ethnicity, disability or sexual orientation feels welcome and able to have a successful career.

In addition to the FAIR committee, there are now three employee networks: Network of Women (NOW), LGBT+ network and the newly set-up Armed Force Network.

Investing in FAIR continues to be a paramount priority for us, and it plays a pivotal role in our staff retention strategy. It fosters a positive work environment that entices and motivates them to remain part of our team.

We participate in the Disability Confident scheme, providing an inclusive and accessible work environment that values diversity and equal opportunities. In 2023 we became silver accredited with the Armed Forces Covenant which recognises the support we have put in place for employee armed forces personnel, veterans, and their families.

A Sabbatical Policy was introduced recognising the importance of employees' work-life balance and personal development, whether that be via life-long learning, charity work, leisure activities, travel or other interests. This sits alongside our agile working policy allowing people to work from home or more flexibly to give a better work-life balance.

In addition to this there have been enhancements to the business's family policies including the introduction of two weeks paid Paternity Leave, and the establishment of a Neonatal Leave policy, a Fertility policy and a Menopause policy.

Employees are provided with an occupational health program that includes annual and biennial medicals depending on job profile. An Employee Assistance Programme (EAP) provides employees with immediate access to confidential 24-hour telephone counselling and support. The helpline is available to support all Heidelberg Materials UK employees and provides support through work and life issues and problems arising, ranging from legal to medical, stress and general health, fitness and wellbeing advice. The EAP is completely confidential, with high level statistical information relating to usage level being passed to management for periodic review.

## **HANSON HOLDINGS (3) LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Engagement with employees (continued)**

Heidelberg Materials UK's values are also underpinned by a broad range of policies ranging from management responsibilities and matters of legal compliance, to dignity at work and ensuring fairness, inclusion and respect in the workplace at all times. Where employees do not feel able to express concerns within the structure of reporting lines, an online reporting platform has been established to provide employees with an opportunity to address any compliance related concerns and matters of potential policy transgression, within a safe and protected process; issues raised are reviewed and investigated, with reporting back to the Heidelberg Materials UK executive team.

The various measures described in this report are reviewed annually by the Heidelberg Materials UK executive team and the Company believes that collectively they allow for a strong level of communication and engagement with employees.

#### **Directors**

The Directors who served during the year and up to the date of signing the financial statements were:

N Benning-Prince  
R C Dowley  
E A Gretton  
A Quilez Somolinos

#### **Directors' indemnity**

Heidelberg Materials AG has indemnified, by means of directors' and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

The articles of association also provide for the Directors to be indemnified by the Company subject to the provisions of the Companies Act.

#### **Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Independent auditors**

PricewaterhouseCoopers LLP having indicated their willingness to act will continue in office, as auditors of the Company, in accordance with section 487 of the Companies Act 2006.

This report was approved by the board on 26 September 2024 and signed on its behalf.



**W F Rogers**  
Secretary



## HANSON HOLDINGS (3) LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The Responsibilities Statement was approved by the board on 26 September 2024 and signed on its behalf.



**W F Rogers**  
Secretary

# Report on the audit of the financial statements

## Opinion

In our opinion, Hanson Holdings (3) Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the Directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS (3) LIMITED**

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence;
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations;
- Inquiries of management in respect of any known or suspected instances of non compliance with laws and regulations and fraud;
- Challenging management on key accounting estimates and auditing the assumptions to supporting third party documentation where applicable.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

**HANSON HOLDINGS (3) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS (3) LIMITED**

We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "Stuart Couch". The signature is written in a cursive, slightly slanted style.

Stuart Couch (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
27 September 2024

## HANSON HOLDINGS (3) LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £000	2022 £000
Exceptional items - Release of impairment in value of fixed asset investment	6	42,490	55,277
<b>Profit before tax</b>		<u>42,490</u>	<u>55,277</u>
Tax on profit	7	-	-
<b>Profit for the financial year</b>		<u>42,490</u>	<u>55,277</u>
<b>Total comprehensive income for the year</b>		<u><u>42,490</u></u>	<u><u>55,277</u></u>

All amounts relate to continuing operations.

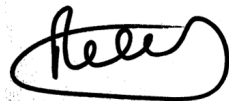
The notes on pages 22 to 27 and Appendix I form part of these financial statements.

**HANSON HOLDINGS (3) LIMITED**  
**REGISTERED NUMBER: 05486638**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Investments	8	1,914,802	1,872,312
<b>Creditors: amounts falling due within one year</b>	9	(2)	(2)
<b>Net current liabilities</b>		(2)	(2)
<b>Net assets</b>		<u>1,914,800</u>	<u>1,872,310</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		<u>1,914,800</u>	<u>1,872,310</u>
<b>Total equity</b>		<u>1,914,800</u>	<u>1,872,310</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2024.



**R C Dowley**  
Director

The notes on pages 22 to 27 and Appendix I form part of these financial statements.

## HANSON HOLDINGS (3) LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Called up share capital £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2022</b>	-	1,817,033	1,817,033
<b>Comprehensive income for the year</b>			
Profit for the year	-	55,277	55,277
<b>At 1 January 2023</b>	-	1,872,310	1,872,310
<b>Comprehensive income for the year</b>			
Profit for the year	-	42,490	42,490
<b>At 31 December 2023</b>	-	1,914,800	1,914,800

The notes on pages 22 to 27 and Appendix I form part of these financial statements.



## HANSON HOLDINGS (3) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. General information

Hanson Holdings (3) Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have, unless otherwise stated, been consistently applied to all periods presented.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Heidelberg Materials AG as at 31 December 2023 and these financial statements may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

##### 2.3 Going concern

The Company has limited activity outside of the Heidelberg Materials AG group and therefore its on-going activity is dependent on the operational activity of the Heidelberg Materials AG group.

The financial statements have been prepared on a going concern basis as the Company's ultimate parent undertaking, Heidelberg Materials AG which indirectly owns the Company's entire share capital, has committed to continue to support the Company for a period of no less than 12 months from the date of approval of these financial statements, in order that it can meet its liabilities as they fall due. The Company's liabilities are typically with Heidelberg Materials AG group companies.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. Accounting policies (continued)**

**2.3 Going Concern (continued)**

The Directors have considered and satisfied themselves that Heidelberg Materials AG is able to make the commitments it has made to the Company. In doing this, the Directors have noted that the ultimate parent undertaking, Heidelberg Materials AG, has made an assessment of identifiable risks on their global business activities, including the on-going impact of the Ukraine and Middle East crises, political uncertainties, the volatility in energy and raw materials markets, continuing inflationary pressures, high interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.4 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**2.5 Financial Instruments**

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**Financial liabilities**

Basic financial liabilities, including amounts owed to group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**2.6 Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the Balance Sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

**2.7 Exceptional items**

The Company presents as exceptional items those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

## HANSON HOLDINGS (3) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

##### Impairment of investments

The Company reviews investments in subsidiaries and other investments for impairment if there are any indications that the carrying values may not be recoverable. The carrying value of the investment is compared to the recoverable amount and where a deficiency exists, an impairment charge is considered by management.

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment. A suitable discount rate is applied to the future cash flows in order to calculate the present value.

Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

#### 4. Auditors' remuneration

Fees for audit services have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the Company.

#### 5. Staff costs

The average monthly number of employees, including the Directors, during the year was nil (2022 - nil).

The Directors of the Company are also directors of a number of the group's fellow subsidiaries. The Directors received total remuneration of £1,116,000 (2022 - £924,000), which was paid by various fellow subsidiaries. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as directors of fellow subsidiary companies.

#### 6. Exceptional items

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Release of impairment in value of fixed asset investment	42,490	55,277

During the current and prior year the Company partially released the impairment against the Company's investment in UDS (No 10) to bring the carrying value in line with the recoverable amount. These impairment releases are a result of an increase in the estimated future cashflows of the Company's operating subsidiaries.

## HANSON HOLDINGS (3) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 7. Tax

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
<b>Current tax</b>		
Current UK corporation tax on profit for the year	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

#### **Reconciliation of tax charge for the year**

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 23.5% (2022 - 19%). The differences are explained below:

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Profit before tax	42,490	55,277
Profit before tax multiplied by standard rate of corporation tax in the UK of 23.5% (2022 - 19%)	9,985	10,503
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	(9,985)	(10,503)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

#### **Changes in corporation tax rate**

The main rate of corporation tax increased from 19% to 25% on 1 April 2023.

## HANSON HOLDINGS (3) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 8. Fixed asset investments

	<b>Investments in subsidiary company £000</b>
<b>Cost</b>	
At 1 January 2023 and 31 December 2023	41,855,689
<b>Impairment</b>	
At 1 January 2023	39,983,377
Reversal of impairment losses	(42,490)
At 31 December 2023	39,940,887
<b>Net book value</b>	
At 31 December 2023	1,914,802
At 31 December 2022	1,872,312

During the year the Company partially released the impairment against its investment in UDS (No 10) to bring the carrying value in line with the recoverable amount. This impairment release is as a result of an increase in the estimated future cashflows of the Company's operating subsidiaries.

#### Subsidiary undertaking

The investment in which the Company directly held any class of share capital is as follows:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
UDS (No 10)	England and Wales	Ordinary	100%	Investment holding company

The registered office of UDS (No 10) is Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ.

A full listing of indirectly held investments is presented with Appendix I.

#### 9. Creditors: Amounts falling due within one year

	<b>2023 £000</b>	<b>2022 £000</b>
Amounts owed to group undertakings	2	2

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## HANSON HOLDINGS (3) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 10. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
1 (2022 - 1) ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

#### 11. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries in the group headed by Heidelberg Materials AG. Balances outstanding at 31 December with related parties, are as follows:

	2023 £000	2022 £000
Amounts owed to fellow group subsidiary undertakings	2	2
	<u>2</u>	<u>2</u>

#### 12. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Hanson Holdings Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is Heidelberg Materials AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by Heidelberg Materials AG. Copies of the consolidated financial statements of Heidelberg Materials AG may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

## HANSON HOLDINGS (3) LIMITED

### APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND ASSOCIATED UNDERTAKINGS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
A.R.C. (Western) Limited	England and Wales	100	*
A1 Services (Manchester) Limited	England and Wales	100	*
ARC Concrete (Anglia) Limited	England and Wales	100	*
ARC South Wales Limited	England and Wales	100	*
ARC South Wales Mortar Limited	England and Wales	100	*
ARC South Wales Quarries Limited	England and Wales	100	*
ARC South Wales Surfacing Limited	England and Wales	100	*
Charterneed Limited	England and Wales	100	*
Cloughton Manor Brick Limited (The)	England and Wales	100	*
Cumbrian Industrials Limited	England and Wales	100	*
Drew Group Holdings Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
F.C. Precast Concrete Limited	England and Wales	100	*
Habfield Limited	England and Wales	100	*
Hanson Aggregates Marine Limited	England and Wales	100	*
Hanson Aggregates South Wales Holdings Limited	England and Wales	100	*
Hanson Aggregates South Wales Limited	England and Wales	100	*
Hanson Bath and Portland Stone Limited	England and Wales	100	*
Hanson Blocks North Limited	England and Wales	100	*
Hanson Building Materials Europe Limited	England and Wales	100	*
Hanson Building Products (2003) Limited	England and Wales	100	*
Hanson Concrete Products Limited	England and Wales	100	*
Hanson Crewing Services Limited	England and Wales	100	*

## HANSON HOLDINGS (3) LIMITED

### APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND ASSOCIATED UNDERTAKINGS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
Hanson Facing Bricks Limited	England and Wales	100	*
Hanson Marine Holdings Limited	England and Wales	100	*
Hanson Marine Limited	England and Wales	100	*
Hanson Quarry Products Europe Limited	England and Wales	100	*
Hanson Quarry Products Holdings Limited	England and Wales	100	*
Hanson Quarry Products Trade Finance Limited	England and Wales	100	*
Hanson Quarry Products Ventures Limited	England and Wales	100	*
Holme Sand & Ballast LLP	England and Wales	24.5	Caird Avenue, BH25 5PX New Milton, United Kingdom
Humber Sand and Gravel Limited	England and Wales	50	CEMEX House, Binley Business Park, Harry Weston Road, Coventry, CV3 2TY, United Kingdom
ISIS Management Company Limited	England and Wales	31.08	5th Floor Minerva House, 29 East Parade, LS1 5PS, Leeds, United Kingdom
Kingston Minerals Limited	England and Wales	100	*
Manchester Waste Recycling Limited	England and Wales	100	*
Marples Ridgway Limited	England and Wales	100	*
Mendip Rail Limited	England and Wales	50	Bardon Hall, Copt Oak Road, LE67 9PJ Markfield, United Kingdom
Midland Quarry Products Limited	England and Wales	100	*
Milton Hall (Southend) Brick Company Limited (The)	England and Wales	100	*
National Brick Company Limited	England and Wales	100	*
National Star Limited	England and Wales	100	*
New Milton Concrete Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
New Milton Sand and Ballast Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom



## HANSON HOLDINGS (3) LIMITED

### APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND ASSOCIATED UNDERTAKINGS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
North Tyne Roadstone Limited	England and Wales	50	Ground Floor T3 Trinity Park, Bickenhill Lane, B37 7ES Birmingham, United Kingdom
Pencrete Limited	England and Wales	100	*
Purfleet Aggregates Limited	England and Wales	100	*
Samuel Wilkinson & Sons Limited	England and Wales	100	*
Seagoe Concrete Products Limited	England and Wales	100	*
Small Lots (Mix-It) Limited	England and Wales	100	*
Smiths Concrete Limited	England and Wales	49	Enslow, Kidlington, OX5 3AY Oxford, United Kingdom
Solent Industrial Estates Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
The Purfleet Ship to Shore Conveyor Company Limited	England and Wales	50	*
W.G. Hibbs & Co. Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom

\* The registered office of the investments is Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ, United Kingdom.

The registered office of Mendip Rail Limited was changed after the year end to Bardon Hill, Bardon Road, Coalville, Leicestershire, LE67 1TL.

Mick George Limited (now an indirect subsidiary) and its subsidiaries, Mick George Earthworks Limited, Mick George Recycling Limited, Mick George Contracting Limited, Mick George Concrete Limited, Mick George EBT Trustee Limited, Mick George Environmental Limited, Mick George Demolition Limited, Mick George Mepal Limited, DRBS East Limited and Frimstone Limited were acquired on 3 May 2024.

Bristol & Avon Group Limited (now an indirect subsidiary) and its subsidiaries, Balla Homes Ltd, Bristol & Avon Stone Supplies Limited, Bristol & Avon Transport & Recycling Ltd and Terrain Plant (Holdings) Limited were acquired on 17 May 2024.

After the year end, the Company's indirect subsidiary, Hanson Quarry Products Ventures Limited, acquired the remaining 51% of the issued share capital in its joint venture, Smiths Concrete Limited, to become sole shareholder, and the registered office of Smiths Concrete Limited was moved to Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ, United Kingdom.