

Registered number: 06296528

HEIDELBERG MATERIALS UK HOLDING II LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

HEIDELBERG MATERIALS UK HOLDING II LIMITED

COMPANY INFORMATION

Directors	R S Aldach E A Gretton A Quilez Somolinos N Benning-Prince R C Dowley B Zinn S L Willis C J Ward
Company secretary	W F Rogers
Registered number	06296528
Registered office	Second Floor Arena Court Crown Lane Maidenhead Berkshire SL6 8QZ
Independent auditors	PricewaterhouseCoopers LLP 2 Glass Wharf Bristol BS2 0FR

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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HEIDELBERG MATERIALS UK HOLDING II LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Business review

The Company is a group investment holding company.

At the year end, the Company partially released the impairment against its investment in Heidelberg Materials Euro II Limited by \$62,115,000 to bring the carrying value in line with the underlying net assets due to the strengthening of the Euro against the US dollar. This has been treated as an exceptional item.

Also at the year end the Company partially released the impairment against its investment in Heidelberg Materials NAM B.V. (formerly Lehigh B.V.) by \$1,125,271,000 to bring the carrying value in line with the present value of the estimated future cashflows of the Company's indirect North American and Polish subsidiaries, due to improved forecast cashflows of the Company's indirect North American subsidiaries. This 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 investments in Heidelberg Materials NAM B.V. and Heidelberg Materials Euro II Limited.

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, cement, ready-mixed concrete, and asphalt. The product portfolio varies across regions, with operations across Europe and North America.

The business of the Company's subsidiaries encompasses the entire value chain, from the extraction of raw materials, their processing and recycling through to the sale and distribution of the end products to customers. The products are used, for infrastructure, traffic routes (road & rail), commercial and industrial facilities and the construction of houses.

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

Climate-related Financial Disclosures (continued)

Overview of products:

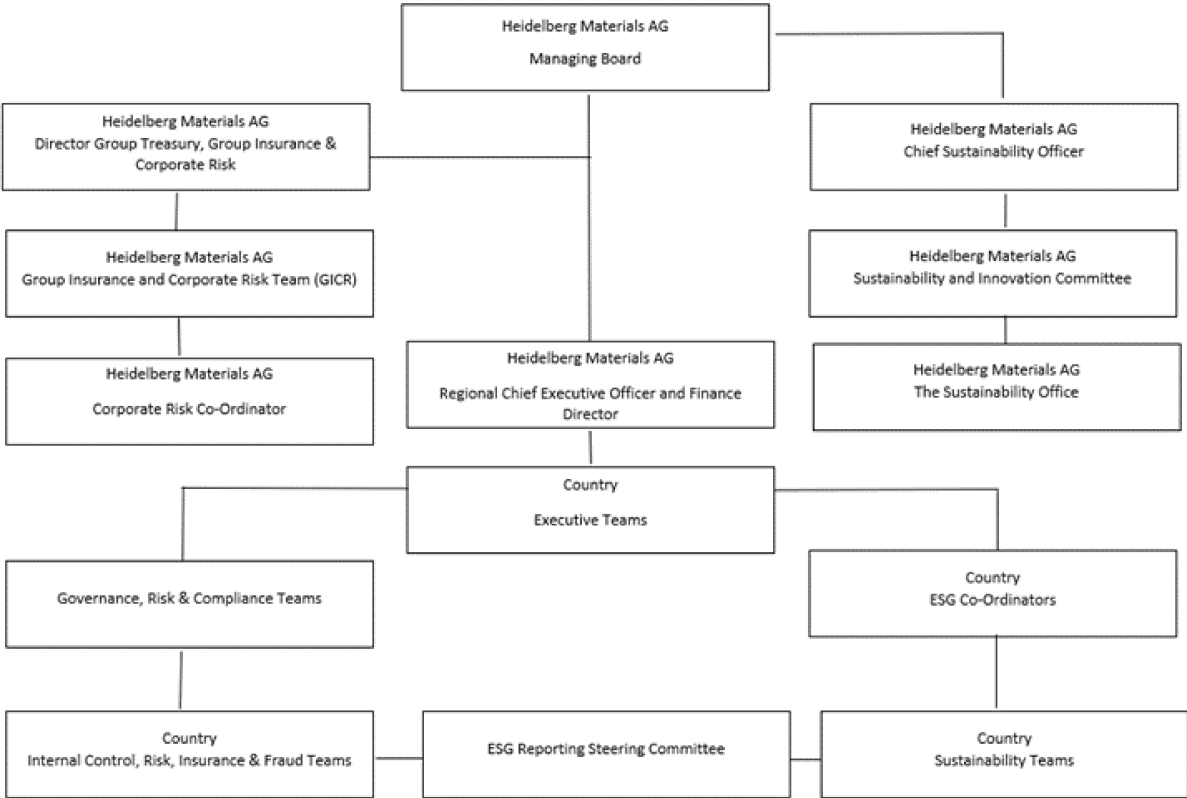
- Aggregates (sand, gravel, and crushed rock) are the main component in the production of concrete and asphalt and are also used as base courses in the construction of infrastructure, such as roads and rail. To some extent, aggregates are also obtained from recycled products.
- Cement typically consists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

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



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

Climate-related Financial Disclosures (continued)

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.

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.

Country Executive Teams set up and supervise 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.

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

Climate-related Financial Disclosures (continued)

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

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.

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 an 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.

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

Climate-related Financial Disclosures (continued)

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.

Climate-related risks - Transition

		Definition	Potential Impact	Strategic response and mitigation
Transition	Type Policy & Legal Risk GHG emissions pricing Time Horizon 2050 Scenario 1.5°C	Increased GHG emissions pricing through taxation and emissions trading schemes as governments seek to incentivise decarbonisation in a 1.5°C scenario.	This could present a “high” risk as GHG emissions pricing is anticipated to increase overtime. GHG emissions pricing could lead to an increase in operational costs for the Company’s operating subsidiaries due to the high reliance on carbon-intensive cement production. This could lead to an impairment of investments.	The Company’s operating subsidiaries are actively exploring various options to decarbonise cement production through carbon capture, utilisation and storage (CCUS), switching to alternative fuels and increasing electrification. The transition to low carbon cement production supports the 2030 commitments to reduce the carbon footprint of cementitious products to an average of 400 kg per tonne.
	Type Market Risk Increased cost of raw materials Time Horizon 2050 Scenario 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 costs for the Company’s operating subsidiaries. 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 costs of raw material extraction and transportation. This could lead to an impairment of investments.	The Company’s operating subsidiaries are taking diversifying measures to decarbonise products and investing in R&D to develop innovative new low carbon building materials. Replacement materials, such as ground granulated blast furnace slag (GGBS) or fly ash, are being used instead of cement. In addition, measures are being taken to promote the circular economy, by closing the loop in the material cycle of sand, aggregates, and hardened cement paste. This could reduce reliance on raw materials produced via carbon intensive processes thereby reducing embodied carbon.
	Type Reputation Risk Shift in consumer preferences Time Horizon 2050 Scenario 1.5°C	Customers may shift preferences away from traditional building materials 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, which currently constitute a significant proportion of revenue. This could lead to an impairment of investments.	The Company’s operating subsidiaries have recognised this opportunity through their 2023 commitment to generate 50% of their revenue from low carbon and circular products. Several high-profile CCS projects are underway and are due to become operational by 2030. In addition, the development of and advancement of low carbon products, through the use of alternative materials such as GGBS or fly ash, to replace Portland cement is ongoing. As part of their sustainability strategy the Company’s operating subsidiaries are continuing to invest in the circularity of their products.

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	Type Acute Risk Exposure to physical hazards Time Horizon 2050 Scenario 4°C (RCP 8.5)	Increased severity of extreme weather events such as cyclones and floods.	This could present a “very high” risk to the Company’s operating subsidiaries, as hazard data suggests that certain sites in the USA & Canada could potentially have significant exposure to acute hazards which could lead to disruption of business activities or cause site damage. This could 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.
	Type Chronic Risk Exposure to physical hazards Time Horizon 2050 Scenario 4°C (RCP 8.5)	Changing weather patterns and rising mean temperature and sea levels.	This could present a “very high” risk to the Company’s operating subsidiaries, as hazard data suggests that certain sites mainly in Canada could have potentially significant exposure to chronic hazards which could lead to disruption of business activities or cause direct site damage. This could 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.

Climate-related Opportunities

		Definition	Potential Impact	Strategic response and mitigation
Transition	Type Technology Risk Opportunity for lower emissions technology and products Time Horizon 2050 Scenario 1.5°C	Increased use of lower emission technology and products may result in new revenue streams (such as low emission concrete).	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.	The Company’s operating subsidiaries have recognised this opportunity through their 2023 commitment to generate 50% of their revenue from low carbon and circular products. Several high-profile CCS projects are underway and are due to become operational by 2030. In addition, the development of and advancement of low carbon products, through the use of alternative materials such as GGBS or fly ash to replace Portland cement is ongoing. As part of their sustainability strategy the Company’s operating subsidiaries are continuing to invest in the circularity of their products

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"> • The cement plant in Edmonton, Canada is developing the first industrial scale carbon capture, utilisation and storage (CCUS) plant in the Canadian cement industry. A detailed Front End Engineering Design ("FEED") study is being carried out before the final investment decision is made. • The cement plant in Mitchell, Indiana US, plans to capture 95% of the CO₂ emissions from its recently modernised production facility and store them in a nearby onshore reservoir in the Illinois Basin. A feasibility study funded by the US Department of Energy is underway.
<p>Reduce scope 1 CO₂ emissions associated with cementitious products to 400 kg/tonne by 2030.</p>	<ul style="list-style-type: none"> • Average CO₂ emissions associated with cementitious products across the group headed by Heidelberg Materials AG was 534 kg/tonne, down 3% from 551 kg/tonne in 2022 and down 5.5 % from 565 kg/tonne in 2021. • In North America, the acquisition of The SEFA Group Inc in 2023, the largest recycler of fly ash sold for use in concrete products in the US, provides a solid platform to reduce CO₂ emissions associated in cementitious products.
<p>Offer 50% circular alternatives for concrete products.</p>	<ul style="list-style-type: none"> • In North America, the opening of Redwood Recycling site and acquisition of Woodinville in 2022 expanded the range of circular materials made from 100% recycling products. • In Poland, ReConcrete-360^o (recycled concrete) is starting to be used as an alternative concrete product.

Net Zero by 2050

The Group plans to be Net Zero by 2050.

HEIDELBERG MATERIALS UK HOLDING II 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.

Foreign exchange risk

The Company's investment values are supported by future operating cash flows that are a mixture of Euros, Polish zloty, US dollars and Canadian dollars. Therefore the Company is exposed to movements in the exchange rate with these currencies.

Discount rate risk

The carrying value of the Company's investment in Heidelberg Materials NAM B.V. 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

HEIDELBERG MATERIALS UK HOLDING II 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 \$1,187,387,000 (2022 - loss \$1,420,237,000).

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.

On the basis of their assessment of the Company's financial position and relevant enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. 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.

Directors

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

R S Aldach
E A Gretton
A Quilez Somolinos
N Benning-Prince
R C Dowley
B Zinn
S L Willis
C J Ward

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. 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.

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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

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

HEIDELBERG MATERIALS UK HOLDING II 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 101 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, Heidelberg Materials UK Holding II 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 101 "Reduced Disclosure Framework", 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 and 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, comprising material accounting policy information and other explanatory information.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEIDELBERG MATERIALS UK HOLDING II LIMITED

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEIDELBERG MATERIALS UK HOLDING II LIMITED

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.

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. 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.

HEIDELBERG MATERIALS UK HOLDING II LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEIDELBERG MATERIALS UK HOLDING II 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

HEIDELBERG MATERIALS UK HOLDING II LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$000	2022 \$000
Administrative expenses		(7)	(7)
Exceptional items - release of impairment /(impairment) of fixed asset investments	5	1,187,386	(1,420,233)
Operating profit/(loss)		<u>1,187,379</u>	<u>(1,420,240)</u>
Interest receivable and similar income	6	8	3
Profit/(loss) before tax		<u>1,187,387</u>	<u>(1,420,237)</u>
Tax on profit/(loss)	7	-	-
Profit/(loss) for the financial year		<u>1,187,387</u>	<u>(1,420,237)</u>
Total comprehensive income/(expense) for the year		<u>1,187,387</u>	<u>(1,420,237)</u>

All amounts relate to continuing operations.

The notes on pages 19 to 26 and Appendix I form part of these financial statements.

HEIDELBERG MATERIALS UK HOLDING II LIMITED
REGISTERED NUMBER: 06296528

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 \$000	2022 \$000
Fixed assets			
Investments	8	19,915,690	18,728,304
Current assets			
Debtors	9	150	149
Net assets		<u>19,915,840</u>	<u>18,728,453</u>
Capital and reserves			
Called up share capital	11	2,934	2,934
Share premium account		16,974,236	16,974,236
Profit and loss account		2,938,670	1,751,283
Total equity		<u>19,915,840</u>	<u>18,728,453</u>

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



N Benning-Prince
Director

The notes on pages 19 to 26 and Appendix I form part of these financial statements.

HEIDELBERG MATERIALS UK HOLDING II LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital \$000	Share premium account \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2022	2,934	16,974,236	3,171,520	20,148,690
Comprehensive expense for the year				
Loss for the year	-	-	(1,420,237)	(1,420,237)
At 1 January 2023	2,934	16,974,236	1,751,283	18,728,453
Comprehensive income for the year				
Profit for the year	-	-	1,187,387	1,187,387
At 31 December 2023	2,934	16,974,236	2,938,670	19,915,840

The notes on pages 19 to 26 and Appendix I form part of these financial statements.

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

1. Accounting policies

1.1 General information

Heidelberg Materials UK Holding II 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.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company's financial statements are presented in US dollars, which is also the Company's functional currency, and all values are rounded to the nearest thousand dollars (\$'000).

The material 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.

1.3 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

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.

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

1. Accounting policies (continued)

1.4 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.

On the basis of their assessment of the Company's financial position and relevant enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. 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.

1.5 Investments

Investments in subsidiaries and associates are held at historical cost less provision for impairment.

1.6 Financial instruments

Financial assets

Financial assets are initially measured at fair value plus, in the case of a financial asset not subsequently measured at fair value through profit or loss, transaction costs.

The Company's financial assets comprise amounts owed by group undertakings.

Financial assets are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL required for other debt instruments is determined using a three stage model.

- At the initial recognition of the financial asset an expected credit loss provision is recorded for the twelve month period following the reporting date. Any interest revenue is calculated on the gross carrying amount of the financial asset.

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

1. Accounting policies (continued)

1.6 Financial instruments (continued)

Impairment of financial assets (continued)

- If the credit risk of that financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recorded. Any interest revenue is calculated on the gross carrying amount of the financial asset. Should the significant increase in credit risk reverse within subsequent reporting periods then the expected credit losses on the financial instrument revert to being measured based on an amount equal to the twelve month expected credit losses.
- If objective evidence of impairment exists, a loss allowance for full lifetime expected credit losses is recognised. Any interest revenue is calculated on the net carrying amount of the financial asset.

1.7 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.

1.8 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.

1.9 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest rate method.

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

2. 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.

Recoverability of amounts owed by group undertakings

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

3. 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.

4. 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 \$2,409,000 (2022 - \$2,171,000) 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.

The above amount does not include remuneration in respect of three (2022 - three) directors who do not receive remuneration from the Company or any of the group's fellow UK subsidiaries.

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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

5. Exceptional items

	2023	2022
	\$000	\$000
Impairment of fixed asset investments	-	(1,420,233)
Release of impairment in value of fixed asset investments	1,187,386	-
	<u>1,187,386</u>	<u>-</u>

At the year end, the Company partially released the impairment against its investment in Heidelberg Materials Euro II Limited by \$62,115,000 to bring the carrying value in line with the underlying net assets.

Also at the year end the Company partially released the impairment against its investment in Heidelberg Materials NAM B.V. by \$1,125,271,000 to bring the carrying value in line with the present value of the estimated future cashflows of the Company's indirect North American and Polish subsidiaries.

In the prior year, the Company partially impaired its investment in Heidelberg Materials Euro II Limited by \$43,046,000 to bring the carrying value in line with the underlying net assets.

In the prior year the Company also partially impaired its investment in Heidelberg Materials NAM B.V. by \$1,377,187,000 to bring the carrying value in line with the present value of the estimated future cashflows of the Company's indirect North American and Polish subsidiaries.

6. Interest receivable and similar income

	2023	2022
	\$000	\$000
Interest receivable from group companies	8	3
	<u>8</u>	<u>3</u>

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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

7. Tax

	2023 \$000	2022 \$000
Current tax		
Current tax on profit/(loss) for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

Reconciliation of the tax charge for the year

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

	2023 \$000	2022 \$000
Profit/(loss) before tax	1,187,387	(1,420,237)
Profit/(loss) before tax multiplied by standard rate of corporation tax in the UK of 23.5% (2022 - 19%)	279,036	(269,845)
Effects of:		
Non-taxable (reversal of impairment)/impairment	(279,036)	269,844
Group relief	-	1
Total tax charge for the year	<u>-</u>	<u>-</u>

Change in corporation tax rate

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

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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

8. Fixed asset investments

	Investments in subsidiary company \$000	Investments in associate \$000	Total \$000
Cost			
At 1 January 2023 and 31 December 2023	20,512,848	975,196	21,488,044
Impairment			
At 1 January 2023	2,675,850	83,890	2,759,740
Reversal of impairment losses	(1,125,271)	(62,115)	(1,187,386)
At 31 December 2023	1,550,579	21,775	1,572,354
Net book value			
At 31 December 2023	18,962,269	953,421	19,915,690
At 31 December 2022	17,836,998	891,306	18,728,304

At the year end, the Company partially released the impairment against its investment in Heidelberg Materials Euro II Limited by \$62,115,000 to bring the carrying value in line with the underlying net assets.

Also at the year end the Company partially released the impairment against its investment in Heidelberg Materials NAM B.V. by \$1,125,271,000 to bring the carrying value in line with the present value of the estimated future cashflows of the Company's indirect North American and Polish subsidiaries.

Direct subsidiary and associate undertakings

The investments in which the Company directly held any class of share capital are as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Heidelberg Materials NAM B.V.	The Netherlands	Ordinary	100%	Investment holding company
Heidelberg Materials Euro II Limited	England and Wales	Ordinary	25%	Group finance company

The registered office of Heidelberg Materials NAM B.V. is Pettelaarpark 30, 's-Hertogenbosch, 5216 PD, The Netherlands.

The registered office of Heidelberg Materials Euro II Limited is Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ.

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

HEIDELBERG MATERIALS UK HOLDING II LIMITED

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

9. Debtors

	2023 \$000	2022 \$000
Due within one year		
Amounts owed by group undertakings	150	149

Amounts owed by group undertakings are unsecured, have no fixed date of repayment, are repayable on demand and accrue interest at SOFR (2022 - overnight USD LIBOR).

Publication of overnight USD LIBOR ceased from 30 June 2023. SOFR (Secured Overnight Financing Rate) was selected by U.S. financial regulators as the replacement for USD LIBOR following the global financial crisis.

10. Deferred taxation

A potential deferred tax asset of \$834,000 (2022 - \$834,000) in respect of tax losses carried forward has not been recognised as it is uncertain whether relevant taxable profits to offset these losses would arise in future periods.

11. Share capital

	2023 \$000	2022 \$000
Allotted, called up and fully paid		
2,933,500 (2022 - 2,933,500) Ordinary shares of \$1 each	2,934	2,934

12. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 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 by ultimate parent undertaking	150	149

13. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Hanson 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.

HEIDELBERG MATERIALS UK HOLDING II LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
ABM Concrete Ltd.	Canada	50	360, Main Street, c/o Aikins MacAulay&Thorvaldson LLP, 30th Floor, R3C 4G1 Winnipeg, Canada
Able Concrete Holdings Ltd.	Canada	50	360, Main Street, c/o Aikins MacAulay&Thorvaldson LLP, 30th Floor, R3C 4G1 Winnipeg, Canada
Able Concrete Ltd.	Canada	50	360, Main Street, c/o Aikins MacAulay&Thorvaldson LLP, 30th Floor, R3C 4G1 Winnipeg, Canada
Agrowelt Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
All-Star Concrete (2011) Ltd.	Canada	50	360, Main Street, c/o Aikins MacAulay&Thorvaldson LLP, 30th Floor, R3C 4G1 Winnipeg, Canada
Amcord, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
American Stone Company	USA	50	160 Mine Lake Ct Ste 200, 27615 Raleigh, USA
Asian Carriers Inc.	Panama	41.67	PH ARIFA, 9th and 10th Floors, West Boulevard, Santa Maria Business District, Panama City, Panama
BP General Partner Ltd.	Canada	50	360, Main Street, c/o Aikins MacAulay&Thorvaldson LLP, 30th Floor, R3C 4G1 Winnipeg, Canada
BT Topbeton Sp. z o.o.	Poland	50	ul. Elżbiety Zawackiej 45, 66- 400 Gorzów Wielkopolski, Poland
Beazer East, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Building Products & Concrete Supply Limited Partnership	Canada	50	75, Cole Avenue, R2L 1J3 Winnipeg, Canada
Bulk Silos LLC	USA	50	2025 Centre Pointe Blvd #300, 55120 Mendota Heights, USA
CEMET S.A.	Poland	42.91	Przasnyska 6A, 01-756 Warszawa, Poland
CEMET Serwis Sp. z o.o.	Poland	42.91	ul. Warszawska 110, 28-366 Małogoszcz, Poland

HEIDELBERG MATERIALS UK HOLDING II LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
Cambridge Aggregates Inc.	Canada	60	1182 Alps Road RR#2, ON N1R 5S5 Cambridge, Canada
Cavenham Forest Industries LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Cemstone Concrete Materials, LLC	USA	35.32	1343 HWY 105 W, PO Box 153, 50459 Northwood, USA
Cemstone Products Company	USA	35.32	2025 Centre Pointe Blvd #300, 55120 Mendota Heights, USA
Cemstone Ready-Mix, Inc.	USA	33.01	2025 Centre Pointe Blvd #300, 55120 Mendota Heights, USA
Centrum Technologiczne Betotech Sp. z o.o.	Poland	100	Rożdżeńskiego 14, 41-306 Dąbrowa Górnicza, Poland
Charleston Koppers FTA Park LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Cindercrete Mining Supplies Ltd.	Canada	50	Highway #1 East, SK S4N 7L8 Regina, Canada
Cindercrete Products Limited	Canada	100	700-1914 HAMILTON ST., S4P3N6 Regina, Canada
Commercial Aggregates Transportation and Sales, LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Conservation Resources Company, Inc.	USA	100	Adlai Stevenson Drive 801, 62703 Springfield, USA
Constar LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Corliss Resources, LLC	USA	100	800 North State Street, Suite 403, 19901 Dover, USA
Essex NA Holdings LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Essroc Holdings LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Essroc Netherlands Coöperatief U.A.	The Netherlands	100	Pettelaarpark 30, 5216 PD, 's-Hertogenbosch, The Netherlands
Geo Nieruchomości Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
Gypsum Carrier, Inc.	Panama	41.67	PH ARIFA, 9th and 10th Floors, West Boulevard, Santa Maria Business District, Panama City, Panama
Górażdże Beton Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland

HEIDELBERG MATERIALS UK HOLDING II LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
Góraźdze Cement S.A.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
Góraźdze Kruszywa Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
HBMA Holdings LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HM Góraźdze Prefabrykacja Sp.z.o.o.	Poland	100	ul. Domaniewska 47, 02-672 Warszawa, Poland
HM Northwest Cement Company	USA	100	300 Deschutes Way SW Suite 304, 98501 Tumwater, USA
HM Northwest Marine LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HM Pacific Northwest, Inc.	USA	100	300 Deschutes Way SW Suite 304, 98501 Tumwater, USA
HM Poland B.V. (formerly HeidelbergCement Holding Coöperatief U.A.)	The Netherlands	100	Pettelaarpark 30, 5216 PD, 's-Hertogenbosch, The Netherlands
HM South Texas Concrete LLC	USA	100	211 E 7th St Suite 620, 78701 Austin, USA
HM South Texas Concrete Transport LLC	USA	100	211 E 7th St Suite 620, 78701 Austin, USA
HM South Texas Stabilized Sand LLC	USA	100	211 E 7th St Suite 620, 78701 Austin, USA
HM Southeast Cement LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HM Southeast Concrete LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HM US Receivables LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HM US Services LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
HNA Investments	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Hanson Aggregates WRP, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Hanson Building Materials America LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Hanson Devon Designated Activity Company	Ireland	100	Universal House, Co. Clare, Shannon, Ireland
Hanson Micronesia Cement, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Hanson Permanente Cement of Guam, Inc.	USA	100	2710 Gateway Oaks Drive, Suite 150N, 95833-3505 Sacramento, USA

HEIDELBERG MATERIALS UK HOLDING II LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
Hanson Permanente Cement, Inc.	USA	100	8825 N 23rd Ave Suite 100, 85021 Phoenix, USA
Heidelberg Materials Canada Holding Limited	England and Wales	100	Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ, United Kingdom
Heidelberg Materials Canada Limited	Canada	100	885 42 Ave SE, 222, AB T2G 1Y8 Calgary, Canada
Heidelberg Materials Holding GmbH	Germany	100	Berliner Str. 6, 69120 Heidelberg, Germany
Heidelberg Materials Midwest Agg, Inc.	USA	100	West Main Street 421, 40601 Frankfort, USA
Heidelberg Materials Northeast LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Heidelberg Materials Northeast-NY LLC	USA	100	80 State St, 12207-2543 Albany, USA
Heidelberg Materials Polska B.V.	The Netherlands	100	Pettelaarpark 30, 5216 PD, 's-Hertogenbosch, The Netherlands
Heidelberg Materials Southeast Agg LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Heidelberg Materials Southwest Agg 1 LLC	USA	100	211 E 7th St Suite 620, 78701 Austin, USA
Heidelberg Materials Southwest Agg LLC	USA	100	211 E 7th St Suite 620, 78701 Austin, USA
Heidelberg Materials US Cement LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Heidelberg Materials US, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Heidelberg Materials Y GmbH	Germany	100	Berliner Str. 6, 69120, Heidelberg, Germany
Innocon Inc.	Canada	45	55 Newkirk Road, L4C 3G3 Richmond Hill, Canada
Innocon Partnership	Canada	45	50 Newkirk Road, ON L4C 3G3 Richmond Hill, Canada
Jack Cewe Construction Ltd.	Canada	50	1850 Hillside Ave, BC V3K 1K5 Coquitlam, Canada
KH 1 Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
KHB Venture LLC	USA	33.33	135 Beaver St, 2452 Waltham, USA
Kaiser Gypsum Company, Inc.	USA	100	2626 Glenwood Ave Suite 550, 27608 Raleigh, USA
LHI Duomo Holdings LLC	USA	100	251 Little Falls Drive, 19808 Wilmington, USA

HEIDELBERG MATERIALS UK HOLDING II LIMITED

APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2023

Name	Country of incorporation	Group ownership %	Registered office
Lehigh Southwest Cement Company	USA	100	2710 Gateway Oaks Drive, Suite 150N, 95833-3505 Sacramento, USA
MIXT Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
Mediterranean Carriers, Inc.	Panama	41.67	50th Street, Plaza 2000 Building, 16th Floor, Panama City, Panama
Newbury Development Associates, LP	USA	35	1263 Newbury Highland, 15017 Bridgeville, USA
Newbury Development Management, LLC	USA	35	1263 Newbury Highland, 15017 Bridgeville, USA
Permanente Cement Company	USA	100	West Seventh Street 818, Suite 930, 90017 Los Angeles, USA
Polgrunt Sp. z o.o.	Poland	100	ul. Cementowa 1, 47-316 Chorula, Poland
Red Bluff Sand & Gravel, L.L.C.	USA	50	1200 10th St W, 35204 Birmingham, USA
SEFA Transportation, LLC	USA	100	217 Cedar Road, 29073, Lexington, United States
Sunset Quarry, L.L.C.	USA	50	909 A St Ste 600, 98402-5114 Tacoma, USA
Terrell Materials LLC	USA	50	10950 Research Rd., 75033 Frisco, USA
Texas Lehigh Cement Company LP	USA	50	211 E 7th St Suite 620, 78701 Austin, USA
The SEFA Group, LLC	USA	100	217 Cedar Road, 29073, Lexington, United States
Three Rivers Management, Inc.	USA	100	251 Little Falls Drive, 19808 Wilmington, USA
Vestur Insurance (Bermuda) Ltd	Bermuda	100	International Centre, Room 504, 26 Bermudiana Road, HM 11 Hamilton, Bermuda
Woodbury Investors, LLC	USA	50	2859 Paces Ferry Road SE, Suite 1140, 30339 Atlanta, USA

HM South Texas Concrete Transport LLC was merged into HM South Texas Concrete LLC with effect from 2 January 2024.

Hanson Aggregates WRP, Inc. was dissolved on 30 April 2024.