Heidelberg Materials Antitrust Compliance Policy (United States)

Introduction

The Code of Business Conduct for the Heidelberg Materials Group requires each Group company and its employees to comply with all applicable laws, including antitrust and competition laws.

In furtherance of that Code of Business Conduct, Heidelberg Materials North America has adopted this Antitrust Compliance Policy (U.S.) (the "Policy"). The Policy applies to the activities of all companies of the Heidelberg Materials Group in the United States (referred to collectively for convenience as the "Company"). This Policy implements in the United States the more general Group Competition Law Policy (February 2023) and forms the primary source of guidance to Company employees in the United States on acceptable conduct in antitrust related matters.

1. Commitment to Compliance

The Company's policy is to compete vigorously and fairly and in compliance with applicable antitrust laws. All Company employees are expected to comply with the antitrust and competition laws and this Policy. No supervisor or management employee has the authority to direct or approve any action by a Company employee in violation of these laws or this Policy.

The consequences of antitrust violations under United States laws are serious and far reaching. Moreover, the defense of an antitrust investigation or litigation, even if ultimately successful, is nevertheless expensive and disruptive to the Company and its business. The Company's policy, therefore, is not only to comply with such laws but also to avoid conduct likely to lead to illegal conduct or that creates an appearance of illegal conduct and thereby attract an antitrust investigation or claim. **Accordingly, violations of this Policy may subject an employee to disciplinary action (including discharge), whether or not an actual violation of antitrust law is determined to have occurred.**

2. Responsibilities

2.1 Employees Generally

Each employee is responsible for compliance with antitrust laws and this Policy in the course of such employee's activities as a Company employee.

2.2 Key Compliance Employees

Employees engaged in the following activities are most likely to encounter competition law issues in the normal course of their employment ("Key Compliance Employees"):

- Sales and purchasing,
- Pricing or bidding decisions and policies at any level, including customer credit decisions and policies, and

- Regular or frequent communication or contact with competitors, including, for example, participation in trade associations, strategy and corporate development projects and investigations, and joint ventures involving competitors.

Without diminishing the compliance responsibility of Company employees generally, each Key Compliance Employee has a particular responsibility to:

- Become familiar with this Policy,
- Participate in the antitrust compliance training provided by Heidelberg Materials North America or through Group resources,
- Avoid conduct that violates the antitrust laws or this Policy,
- Seek guidance from a Company attorney if uncertain whether any particular conduct would violate antitrust laws or this Policy, and
- Report any incidents or questionable conduct in accordance with this Policy.

2.3 Supervisors and Managers

Supervisors of Key Compliance Employees are responsible for monitoring the conduct of such employees to assure compliance. This includes assuring that each Key Compliance Employee is provided with this Policy, understands its application to the employee's particular job, participates in the compliance training provided by the Heidelberg Materials North America Legal Department (the "Legal Department") from time to time, and acknowledges his or her commitment to comply with the Policy as such acknowledgments may be requested by the Company from time to time in accordance with this Policy.

2.4 General Compliance Responsibility

Overall responsibility for compliance lies with the President of Heidelberg Materials North America, with the support and assistance from the Legal Department.

3. Rules on Conduct

This Policy provides some basic guidance to govern employee conduct and will help employees identify areas where potential antitrust compliance issues may arise. In addition, compliance training and other supplemental materials will be provided to further help employees understand the principal aspects of antitrust laws. However, antitrust laws are complex and evolving and employees should seek the advice from a Company attorney whenever a possible antitrust problem arises, as this Policy requires strict compliance with these laws.

3.1 Relations with Competitors

(a) *No Price Related Communication*. An employee or Company agent may not have any discussion or communication with any representative of a competitor concerning:

- prices, pricing policies, contract bids, components of price, discounts, rebates, terms and conditions of sale,

- dealings with particular customers or plans to do so in the future,
- the territories in which the Company plans to sell products, or what product lines it intends to sell in the future, or
- costs, profits or production levels.

Any form of collusion in bidding or pricing is absolutely forbidden. An employee, directly or through an intermediary, may not discuss with any competitor a decision to bid, not to bid, or the price at which the Company will bid. Complementary, phony, or "cover" bids are prohibited.

Do not through an agreement, threat or promise attempt to influence upwards, or discourage the reduction of, the price at which any competitor supplies or offers to supply or advertises a product.

An exception to these prohibitions exists where the only parties to the communication or agreement are affiliates of one another.

If an employee receives an improper communication from a competitor, e.g., an invitation to exchange price information, allocate customers or territories, or participate in a price fixing scheme, in addition to clearly declining the invitation, the employee must immediately contact a Company attorney so that the Company may take any additional measures necessary to disassociate the Company from the suggested activity.

(b) *Independent Price Decisions*. Company prices must be determined independently, in light of Company costs, market conditions and competitive prices. Competitive prices may be considered in determining our own prices, but a competitor's prices must be obtained from public sources, published lists, or from customers, and not from competitors. Company employees may not exchange price lists with a competitor and should discourage competitors from sending price information to the Company. Where the Company is in possession of a competitor's price information, such as its price lists or price announcements, the source of that information should be documented.

(c) *Dual Relationship*. Sometimes a competitor may also be a customer, supplier or subcontractor. In such cases employees must be careful not to discuss with a customer or supplier matters affecting other areas of competition with that customer or supplier. Price discussions should be limited to existing prices for the product to be purchased or sold. Any contact with a subcontractor who is also a competitor must not affect the way competitive bids are submitted.

(d) *Discrimination and Refusals to Deal*. Do not have any communication with any competitor, customer or supplier to boycott, limit or refrain from doing business with a particular customer or supplier, and do not refuse to sell products to any customer or perspective customer or discriminate against customers competing with each other without first consulting a Company attorney.

(e) *Misleading Representations*. Do not make any representations to the public that are false, misleading or deceptive for the purpose of promoting the Company's business interests.

(f) *Joint Ventures, Strategic Alliances and Benchmarking*. A Company attorney must be consulted in advance of any discussion outside the Company about the formation of any joint venture or strategic alliance or engaging in benchmarking.

3.2. Relations with Customers and Suppliers

(a) *Exclusive Contracts*. Do not require a customer to buy products only from the Company except after consultation with, or pursuant to an agreement approved by, a Company attorney. While often lawful, exclusive or requirements contracts in certain circumstances raise antitrust concerns, especially where the Company has a large market share.

(b) *Tying Arrangements*. Do not condition a customer's ability to purchase one product from the Company on a requirement that it also purchase another product from the Company without first consulting with a Company attorney. Although "package deals" are not necessarily unlawful and may in fact be pro-competitive, in some circumstances they can constitute illegal "tying" arrangements, especially where the Company has a large market share in the "tying" product.

(c) *Market Restrictions*. Do not as a condition of supplying any product to a customer require or induce that customer to supply, resell, or use any product only in a defined market without first consulting with a Company attorney.

(d) *Verification of Competing Quotes*. If a customer asks the Company to meet a price quotation from a competitor, the Company may or may not decide to meet the competing price quotation, but in no event may any Company employee contact the competitor to verify the competing quotation.

(e) *Predatory Pricing*. Do not sell at a reduced price for the purpose of injuring competition. Sales below average cost may be presumed to be for that purpose, especially where the Company has a large market share.

3.3. Trade Associations

Because they involve meetings of competitors, many indictments for antitrust crimes arise from activities related to trade associations. Do not join or participate in a trade association without prior approval of your supervisor and a Company attorney. Company employees must be wary of any improper suggestions or discussions at trade association meetings relating to competition. The Company and its employees could become entangled in expensive litigation involving the improper activity of others merely by an employee being present when improper matters (e.g., prices, bids, customer allocations, territorial divisions) are discussed. As a general rule, any information that would be improper to exchange directly with a competitor would be improper to exchange with a trade association.

3.4. Documents and Presentations

Careful language will not avoid antitrust liability when the conduct involved is illegal, but it is possible that lawful conduct could become suspect or the subject of antitrust litigation or a government investigation because of a poor choice of words or a misleading manner of expression. Care should be taken in Company communications and presentations to avoid careless or inappropriate language which could be misunderstood in an antitrust context. Keep communications factual and avoid provocative or judgmental language. In particular, avoid wording that, while the intended meaning may seem clear to you, could be misunderstood by someone else as suggesting an illegal agreement or cooperation among competitors on process or related matters.

3.5 Preservation of Evidence and Documents

Records or other Company property pertaining to any matter which is the subject of ongoing or threatened antitrust litigation or government investigation must not be destroyed or altered without the prior approval of a Company attorney. This includes email and other information stored electronically. Such "spoliation" of evidence can subject the Company to onerous sanctions and undermine its ability to defend or assert its position in such litigation or investigation. It is common for prosecutors in antitrust cases to include allegations of obstruction of justice and similar charges relating the destruction of documents after the investigation had commenced.

4. Legal Consequences

4.1 Criminal Penalties

The legal consequences of violating United States antitrust laws are onerous. Criminal violations are subject to penalties of $100,000,000 or double the loss or gain from the offense for corporations, and $1,000,000 or double the loss or gain from the offense and 10 years imprisonment for individuals. In a criminal prosecution, it is the practice of the United States Department of Justice to seek fines and jail sentences of corporate officers and employees engaging in such illegal conduct. Sentencing guidelines further allow the monetary penalties to be enhanced by an amount equal to twice the gain to the offending company or loss to consumers due to the illegal conduct.

4.2 Immunity and Leniency Programs

The United States Department of Justice has a formal leniency policy. In general, to qualify for leniency the company must report the illegal conduct, including the identity of the other participants in any conspiracy, and agree to cooperate in the investigation before the department is aware of the matter or has commenced an investigation. Generally, leniency is only available to the first conspirator to report and cooperate; it is not available to co-conspirators who may later report. Consequently, this leniency policy has crated powerful incentive for a party engaged in illegal collusive conduct to be the first to report once it becomes aware of the illegal conduct and has led to numerous investigations and convictions.

4.3 Debarment

Violation of antitrust laws may also result in debarment of the Company from certain government contracts.

4.4 Private Actions

In addition to enforcement by government agencies, United States antitrust laws may be enforced by private civil actions in which successful plaintiffs are entitled to recover treble damages as well as attorney fees. These include class actions brought on behalf of large groups of affected plaintiffs seeking tens or hundreds of millions of dollars in damages.

As a successful civil action requires a lower burden of proof than a criminal prosecution, a civil antitrust action may be brought even though government prosecutors do not pursue criminal action and, if a criminal prosecution is brought, may be brought in addition to the criminal prosecution.

4.5 Employee Discipline

A violation of this policy, including engaging in prohibited conduct, may be the basis for disciplinary action (including discharge), whether or not any liability to a government agency or a third party is incurred.

5. Information and Training

5.1 Publication of Policy

This Policy will be placed on the Company intranet and available to all Company employees.

5.2 Key Compliance Employees

(a) *New Employees*. At the time a Key Compliance Employee is hired, the employee must be given a copy of this Policy and trained in its application. The employee's supervisor is responsible for assuring that the employee receives and is familiar with this Policy.

(b) *Acknowledgments*. Each Key Compliance Employee must acknowledge and certify that he or she has reviewed and is familiar with this Policy. This acknowledgment shall be made at the periodic request of the Legal Department, which shall be no less frequently than every two years.

The acknowledgement shall be in a form prepared or approved by the Legal Department and may consist of a reply email acknowledging receipt and review of this Policy or distribution and acknowledgement of this Policy through the Company's compliance training system.

(c) *Training*. The Legal Department is responsible for developing and presenting compliance training in antitrust and this Policy. Key Compliance Employees should receive such training at least once every two years. Supervisors are responsible for assuring that their Key Compliance Employees take part in such training.

6. Reporting

6.1 Suspected Violations and Investigations

If an employee becomes aware of any conduct by the Company or persons outside the Company which may involve a violation of antitrust laws or this Policy or that the Company may be subject to an antitrust investigation or claim, the employee must promptly advise a Company attorney. This communication may be subject to the attorney-client or other privilege and the Company attorney will advise the employee on the steps to be taken to avoid an inadvertent waiver of that privilege.

The contact information for Company attorneys is included at the bottom of this Policy. It is very important that proper Company officials know as soon as possible of any potentially illegal behavior involving the Company in any way.

If anonymity is desired, an employee may report the matter to the Heidelberg Materials ethics and compliance hotline reporting system called SpeakUp (see Ethics & Compliance - About Heidelberg Materials).

6.2 Group Reporting

The Legal Department is responsible for coordinating the review of such reports with appropriate managers and ensuring reports are made in accordance with the Group Competition Law Policy.

7. Investigations and Information Requests

7.1 Agency Contact and Information Requests

Competition investigations are often commenced with a formal or informal request for information. If a Company employee is contacted by any person, including any law enforcement official or a private attorney or investigator, in connection with any antitrust investigation, such employee must promptly notify a Company attorney. This includes any requests, formal or informal, by the United States Department of Justice, Antitrust Division (including a civil investigative demand or contacts by or requests through the Federal Bureau of Investigation), the Federal Trade Commission (including a subpoena or requests for information) or any state attorney general's office.

Before responding to any such information request or answering any questions, the employee should note the name, title and agency of the person contacting the Company and provide such information to a Company attorney. The Company attorney is responsible for confirming the purpose of the request and advising the employee on whether and to what extent the Company is obligated to respond.

The Company cooperates with reasonable information requests from government agencies. However, the Company is entitled to all the safeguards provided by law for the benefit of persons under investigation, including representation by counsel.

7.2 Search Warrants

A search warrant is an order by a court, or in some cases an administrative agency, authorizing government agents to search certain premises. An employee must notify his or her supervisor and a Company attorney immediately of any search warrant served at any Company site and provide the Company attorney with a copy of the warrant.

If served with a search warrant, the senior Company official at the location should inform the law enforcement official serving the warrant that the Company will cooperate, but ask the official to delay the search a few minutes while the employee contacts a Company attorney. If the agents refuse to wait, the Company must allow them to proceed. A Company employee should ask to see the search warrant and the officer's identification cards and note the names, titles and agencies of those law enforcement officials participating in the search and should accompany them throughout the search.

The officials named in the warrant are only allowed to search those premises or files identified in the search warrant. The Company official should not allow them to search areas beyond those described in the warrant. Company employees are not required to answer questions or submit to an interview, and should not do so if asked. Company employees are not required to consent to the search and should not do so if asked. Company employees should not consent to a search broader than the search described in the warrant.

A Company employee should ask for a detailed inventory and, for business operational purposes, copies of all documents or other items seized.

8. Contact Information

For more information or questions concerning this Policy or competition laws, contact a company attorney. A current list of company attorneys is at:

Legal Policies & Documents (sharepoint.com)