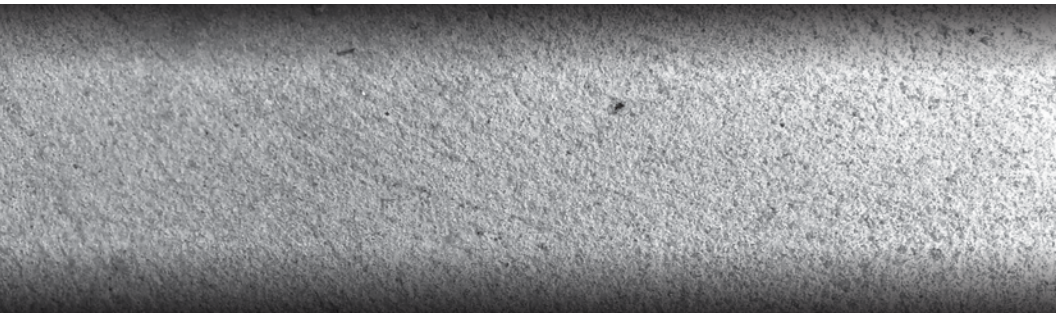


*Code of Business Conduct*



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## ***Dear employees,***

Employees of Lehigh Hanson and its affiliates in North America (collectively, the “Company”) are required to comply with the “Code of Business Conduct” and the “Group Anticorruption Guideline” adopted by HeidelbergCement AG (“Group Policies”). The following Company policies supplement those Group Policies to adapt them to the legal environment in North America and in certain instances to provide more specific compliance direction. These supplemental policies apply to all employees in North America.

The following policies supplement, but do not replace the Group Policies. Company employees are expected to understand and comply with the Group Policies as well as these supplemental policies. Any employee with questions about the interpretation or application of the Group Policies or any of these supplemental policies may contact the Company’s General Counsel for guidance.

For purposes of these supplemental policies, “responsible Company officer” refers to the President or any Vice President of Lehigh Hanson, Inc., which includes regional presidents.

## ***General Duty to Company***

Each employee owes a duty of loyalty to the Company and an obligation of good faith in the performance of his or her employment responsibilities. This includes reasonable and good faith efforts to act in accordance with Company policies and procedures, to preserve and protect Company assets and to act in the best interests of the Company, independent of personal considerations or relationships, in fact and appearance. This also includes a duty to cooperate in reviews, audits and investigations the Company may undertake from time to time.

## ***Business Gifts and Entertainment***

The Group Policies prohibit employees from accepting gifts or payments from suppliers or other third parties and prohibit employees from offering gifts or payments to employees of customers or other third parties to influence their decisions. These matters are covered generally in parts 2 and 3 of the Group Anticorruption Policy and part 4 of the Code of Business Conduct.

In addition to compliance with the Group Policies, Company employees are required to comply with the following “bright line” standards, which are consistent with past Company policies.

### ***Acceptance of Gifts or Payments by Employees***

Except as indicated below, employees shall strictly avoid any payments, loans (including forgiveness of debt), favors, services or gifts from third parties in connection with any business dealings on behalf of the Company. This prohibition does not apply to personal loans from a recognized lending institution made in the ordinary course of business on usual and customary terms.

In clarification of the foregoing, employees shall inform all persons doing or seeking to do business with the Company that the Company is opposed to any such person making a gift to an employee or any member of the employee's family. If a gift is made, it shall be returned at once. This rule applies without exception to a gift of cash or equivalents. Gift cards that may be used as cash for any purpose (e.g., Visa, MasterCard or other bank gift cards) are considered a cash equivalent for purpose of these policies. Gift cards for use at specific stores or venues are considered non cash gifts. In the case of any non cash gift, the following rules apply:

- 1) If the gift has a value of \$50.00 or less, and is the only gift made to the employee during the calendar year by the same person or firm, it may be retained by the employee.
- 2) In the case of any gift or gifts received during any calendar year from the same person or firm with a value exceeding \$50.00, the employee shall report the gift to the responsible Company officer, and with reference to this policy return it if the receiver is uncertain of the value of the gift, the employee shall report the gift to the responsible Company officer for a decision.
- 3) Entertainment such as dinners, functions or tickets to athletic events or shows may be accepted if there is a business purpose to the activity and the employee is accompanied by the business relationship contact person. Exceptions to the limitation on value as stated in subsection (1) above can be made if the entertainment is not inappropriate, unreasonable or extravagant. Participation must also be cleared with the responsible Company officer in cases where the value of the entertainment exceeds \$400.00. This approval should be documented and obtained prior to the event.

## ***Business Gifts to Others***

Employees of the Company may make gifts at Company expense to individuals representing entities with which the Company has a business relationship, but only when such items meet the following requirements:

- 1) Gifts in the form of cash or its equivalent shall not be given regardless of the amount. Gift cards may not be given without prior documented approval by the responsible Company officer and then only for the amounts, purposes and individuals approved by such officer.
- 2) Gifts must be legal and in accordance with generally accepted local business practices.
- 3) Specific prior approval of the responsible Company officer shall be obtained when any gift is to be given with a value in excess of \$200.00 and in no event may the value of any gift exceed \$1,000.00, provided these limitations do not apply to gifts made openly and in public presentations, the nature of which indicates that the gift is being made to an individual acting on behalf of an entity;
- 4) Specific prior approval of the responsible Company president and General Counsel shall be obtained when any gift or award is proposed to be given to any employee of a government agency or any other public official (including legislative staff members). In addition, there is a separate policy set out below governing political contributions and payments to government officials.
- 5) The following gifts are not prohibited: (i) candy, beverages and fruit of nominal value given for personal consumption, (ii) flowers of nominal value given on traditional occasions, (iii) souvenirs of nominal value given at Company functions, and (iv) gifts of a value that is usual under the circumstances given to Company employees upon promotion, transfer, length of service or retirement.



## ***Bribery, Kickbacks and Related Corrupt Practices***

Governments worldwide are expanding their anti-corruption laws and the enforcement of such laws. This includes corrupt payments involving private parties as well as public officials, and governments are increasingly less tolerant of so-called “facilitation” payments. Consistent with the Group Policies, Company policy strictly prohibits any bribery or similar corrupt practice in connection with the Company’s business.

Bribery, kickbacks and related corrupt practices are punishable offenses in the United States and Canada. While the particular elements of the offense vary with the applicable federal, state and provincial laws, the crucial common factor is the offering or granting, or the requesting or accepting, of a personal payment or other benefit in the expectation of an unfair preference or improper advantage in favor of the person giving the bribe or the company on whose behalf this person is acting. Both the party offering the bribe and the person receiving it may be liable for the offense. Bribes between private parties, as well as bribes involving government officials, can constitute violations of these laws. Violations of these anticorruption laws can result in civil liability on the part of the violator or his or her employer and, particularly if a government official is involved, could lead to criminal liability, including fines and imprisonment. In addition to general laws against bribes and similar payments, a United States federal statute, known as the Foreign Corrupt Practices Act (FCPA), specifically prohibits any payments of money or anything of value (including any offer of payment) by any company officer, employee, or agent to a foreign official to induce that official to affect any government act or decision in a manner that will assist the Company or any of its subsidiaries or divisions to obtain or retain business. As the FCPA also prohibits corrupt payments through intermediaries, it is unlawful to make a payment to a third party, while knowing that all or a portion of the payment will go directly or indirectly to a foreign official. The term “knowing” includes conscious disregard and deliberate ignorance. In suspect areas or circumstances, compliance with the FCPA, as a practical matter, requires due diligence by the Company to confirm that any payments will comply with the act, regardless of where the Company officer, employee or agent is located. The FCPA is enforced by the United States Department of Justice and the Company and individuals may be subject to





In Canada, the Corruption of Foreign Public Official Act (CFPOA) also imposes liability on individuals and corporations involved in the bribing of foreign public officials, including possible fines and imprisonment and the CFPOA is enforced by the Royal Canadian Mounted Police (RCMP).

Other countries, such as the United Kingdom, are also strengthening their anti-corruption laws and, in certain circumstances, may seek to enforce them against conduct occurring outside their territorial boundaries. Accordingly, with the increasingly global nature of our business, strict avoidance of bribery and other corrupt practices in all instances is important to avoid the potential for prosecution under laws of such other countries as well as those in North America.

Company policy requires strict compliance with the Group Anticorruption Guideline. In addition, Company employees must contact a Company attorney if (i) they have any reason to believe an official of a foreign government may receive or benefit from, directly or indirectly, any payment by the Company and (ii) prior to retaining any consultant, agent, distributor, contractor or joint venture party for any transaction or business in a country outside the United States and Canada. The Company Attorney will advise whether additional due diligence or agreements may be required to assure compliance with the FCPA and the CFPOA.

## ***Insider Trading***

In the normal course of business, some employees may have access to non-public information that would have a material affect the value of the stock or other securities of HeidelbergCement AG or the value of the stock or other securities of another publicly traded company. The Securities and Exchange Act of 1934 and similar laws in Canada prohibit the buying and selling of securities—such as stocks and bonds—based on confidential information that has not been disclosed to the investing public. Violation of this law is a serious crime.

The offense may occur when, for example, a person trades stock while in possession of material, non-public information about the company involved or passes that information on to another person, i.e., “tipping.” Information is “material” if it would affect the average person’s decision whether to buy, sell or hold the stock. It is “non-public” if it has not been released to and absorbed by the investing public,

Consequently, Company policy forbids insider trading by all employees. Do not trade on the basis of confidential information—whether the information relates to HeidelbergCement AG or some other entity. You may not disclose such information to anyone else who does not need to know, including relatives, friends, co-workers or stockbrokers, until the information has been released publicly and public has had time to react to it.

HeidelbergCement AG has standard procedures for the release of material information. No disclosure should be made without the prior approval of the Company’s General Counsel.

## ***Political Participation***

### ***Personal Political Participation***

The Company encourages employees to participate in the political process. Employees may make personal political contributions or communicate their personal views to elected officials. It is important, however, to distinguish between personal and corporate political activities. Company policy does not restrict an employee's right as an individual to make political contributions, including contributions to political action committees sponsored by trade associations or other groups, or otherwise participate in the electoral process, but an employee may not be reimbursed by the Company (directly or indirectly) for such personal contributions and in making a personal contribution the employee may not hold himself or herself out as making that contribution on behalf of or at the direction of the Company.

The Company may from time to time take a public position on issues of importance to the Company. Senior management is responsible for developing the Company's position on relevant legislation and regulatory issues and for directing the communication of those views to governmental officials. A Company employee may not publicly state the Company's position on political issues without prior approval by a responsible Company officer.

### ***Company Political Participation***

The Company's relationship and reputation with public officials and governmental bodies is important and the Company endeavors to be a good corporate citizen in the jurisdictions where it conducts business. All Company employees must comply with all laws relating to its relationship with public officials and governments, including laws governing political contributions and payments to officials. Violation of such laws may be a felony or other serious offense and result in imprisonment and the imposition of a substantial fine on the Company. In particular, employees must follow the following guidelines:

#### ***(i) No Contributions to Federal Campaigns***

No contribution or expenditure may be made by the Company in connection with the nomination or election (including any caucus, convention or primary) of any person running for any federal political office in the United States. In Canada, certain contributions and expenditures may be permitted under Canadian Federal laws, subject to limits which may be revised from time to time. Accordingly, the Company may not make any contribution or expenditure to any Canadian Federal election candidate or in connection with any Canadian Federal election without the prior approval of a Company Attorney. For purposes of this policy, the terms "contribution" and "expenditure" include any direct or indirect payment, loan or gift of money, services or anything else of value for the purpose of supporting or opposing any candidate, campaign committee or organization in connection with an election for a federal office in the United States or Canada, including any contribution to a political action committee sponsored by a candidate for federal office.



For example, the purchase of seats for a fundraising dinner for a US federal candidate or expenditures to cater or sponsor a fundraiser on behalf of a US federal candidate usually constitute a political contribution which the Company is prohibited from making, including the reimbursement of employees or others who have made such contributions individually.

#### (ii) State, Province and Local Contributions

Laws in the various states, provinces and localities in the United States and Canada differ as to whether it is legal to use corporate funds for political contributions for state, provincial or local campaigns. In this regard, the Company and its employees must act in strict compliance with state, provincial and local laws. The Company may not make any contribution or expenditure in connection with any state, provincial or local primary, election, referendum or ballot without the prior approval of a Company Attorney.

#### (iii) Foreign Contributions

United States federal law prohibits a foreign national (an individual who is not a citizen of the United States or who is not lawfully admitted for permanent residence) or foreign corporation from making a contribution, directly or through any other person, or an expenditure in connection with an election to any political office, including federal, state and local campaigns and elections.

However, with respect to state and local elections, a US corporation which is a subsidiary of a foreign corporation (such as the Company or any of its US subsidiaries) may make political contributions where otherwise allowed by state and local laws under certain conditions. The prior approval of a Company Attorney must be obtained for any such contribution and any questions in this regard should be directed to the General Counsel.

#### (iv) Lobbying Activities

Federal laws in the United States and Canada and, in many instances, state, provincial and local laws in the United States and Canada regulate lobbying activities or other efforts to influence on behalf of the Company the decisions and actions of public officials, including members of Congress, Parliament, elected legislators and senior officials of the executive branch. These laws include registration and disclosure requirements for certain types of lobbying activities. These laws define lobbying activities broadly, but also provide important exceptions. No employee should engage in any significant lobbying on behalf of the Company, including any direct contact with elected officials or senior members of the executive branch or engage any person to lobby on behalf of the Company, without prior approval from a Company Attorney.



## ***Payments to Officials/Anti-Corruption***

The Company's relations with government officials must be beyond reproach. No officer, employee or agent of any Company may offer, promise, authorize or make any payment of money or anything else of value to any domestic or foreign government official or employee for the purpose of influencing any official act or decision. This prohibition covers officials and employees of any department, agency or instrumentality of any government, including any government-owned business enterprise.

Legislation in the United States imposes additional prohibitions on the receipt of gifts and other benefits by members of Congress and extended many of those restrictions to congressional staff. Before hosting any event for a member of Congress or staff (including a plant tour) you must contact a Company Attorney to get assistance in confirming compliance with these rules. Legislation in Canada, including the CFPOA and the Canadian Criminal Code, also impose prohibitions on the receipt of gifts and other benefits by domestic and foreign public officials. This legislation prohibits "bribery" of public officials, including the receipt of gifts and other benefits. Liability pursuant to such legislation extends to legal entities, such as corporations.

## ***False Statements and Fraudulent Conduct***

The Company conducts its business dealings in an honest and non-fraudulent manner. Fraudulent conduct can result in significant legal liability for the Company. US federal law and laws in most states provide for enhanced liability for payments to or by a governmental agency based on fraudulent statements or intentional misrepresentations.

All entries on logs, reports and other documents, including those that may be used by a regulatory agency to determine compliance with applicable laws, and all Company information provided to another party or government agency must be accurate and free of intentional misrepresentations. Billings to others for services performed or products provided by the Company must be accurate and honest and may not be based on any misrepresentation about the products or services actually provided. Similarly, payments by the Company to other parties for goods or services received or lease rentals, royalties or other sums owed, must be accurate and honest and not based on any misrepresentation. Any errors in billings or payments must be promptly corrected upon discovery.



## ***Record Retention, Destruction***

Employees should become familiar with and comply with the Company's Record Retention Policy and should contact their supervisor or a Company Attorney with any questions about compliance with this policy. All records produced by Company employees as part of their employment with the Company and all work and records produced on Company computers and other Company-provided technical resources are the property of the Company. In addition, all records, including emails, stored on Company computers and other Company-provided technical resources are subject to review by the Company without prior notice to the employee, subject to applicable privacy laws and Company policies.

Records (including email and other documents stored electronically) or other Company property pertaining to any matter which is the subject of on-going or threatened litigation or a government investigation must not be destroyed or altered without the prior approval of a Company Attorney. 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. Employees must comply with instructions from a Company Attorney regarding the handling of any records relating to a matter subject to pending or threatened litigation or investigation.

## ***Antitrust Policy***

The Company requires strict compliance with antitrust laws by all employees. The Company has adopted specific anti-trust policies for Canada and the United States. Employees are required to understand and comply with those policies.

## ***Reporting Procedures***

Each employee should report what he or she believes in good faith to be a violation of the law, the Group Policies, including these supplemental policies, or other Company policies, whether accidental or deliberate, to his or her immediate supervisor, to another member of management of the Company when the matter involves someone in the employee's direct line of supervision, or to a Company Attorney, including the Company's General Counsel.

If an employee prefers an alternative means of reporting a violation, the report may be made in confidence through MySafeWorkplace at [www.mysafeworkplace.com](http://www.mysafeworkplace.com) or by calling 1-800-461-9330.

No employee may intimidate or impose any form of retribution on any other employee who utilizes the above reporting procedures for the purposes for which they are intended.

