



Incident Reporting and Case Management

What to report?

- Every and any kind of infringement of applicable laws and Heidelberg Materials' policies
- The infringement should either be proven or if it is a suspected infringement then this suspicion should be reasonably strong
- The scope of infringements includes topics for which Heidelberg Materials has a legal obligation to offer a reporting channel such as e.g. for violation of EU regulations or for issues concerning human rights

How to report?

- It is important to provide basic information to enable an investigation:
 - o Who acted? - full names of suspected individuals and potential witnesses
 - o What happened? - brief but precise overview
 - o When did it happen?
 - o Where did it happen? - name and address of the site/plant where the incident has taken place
 - o Why did it happen? – reasons/factors that led to the incident (background information)
 - o How did it happen? - course of events
- Reporting channels
 - o Heidelberg Materials' employees shall first consider reporting to their direct superior. Thus, there might be cases where, for whatever reason, employees are not able to confide in their direct superior. In this case one of the following reporting channels should be used:
 - the next superior hierarchy level,
 - the Legal or Compliance department or other corporate functions such as Human Resources, Environment or Health & Safety or
 - the Compliance Reporting Line "SpeakUp".
 - In EU countries external reporting lines are made available by the government.
 - o Business partners or third parties may report to the Legal or Compliance department. And they have the option to report to the Compliance Reporting Line "SpeakUp". In EU countries external reporting lines are made available by the government.

What rights does a reporting party have when reporting an incident?

- Heidelberg Materials assures the reporting party that any report will be addressed effectively and that there is no risk of retaliation.

- The reporting party can request that the reported matter is investigated by competent personnel of the legal entity where the reporting party is employed if the reporting party is an employee of Heidelberg Materials. If the reporting party does not request this, then Heidelberg Materials ensures the best possible investigation process and protection of rights of the reporting party.
- When using the SpeakUp system the reporting party can choose between reporting via internet or via phone. Further, the reporting party can disclose his or her name or decide to remain fully anonymous.
- The reporting party can request a physical meeting with the competent case management staff to report a compliance incident.

How does the investigation process work?

- Unless the reporting party requests an investigation by the legal entity, he/she is employed at (for Heidelberg Materials employees), the case managers of the department Group Legal & Compliance are the initial point of contact and decide to whom the incident is assigned for investigation.
- In their roles as case managers, they are independent, not bound to instructions and obliged to confidentiality. The case managers are qualified and trained professionals. The case managers make sure that investigations are conducted free of conflict of interest.
- The person a case is assigned to for investigation (hereinafter “the investigator”) makes sure that information about the case is provided to the supervisors of investigated persons unless this may negatively affect the investigation. For serious cases (according to damage, involvement of top managers or due to the character of the case) the responsible members of the managing board of HeidelbergCement AG are informed.
- The investigator is responsible for communication with the reporting party. Reports coming in via SpeakUp will receive an initial response within three days after the message effectively was received by the case management team. A message about the outcome of the investigation should be posted latest 60 days after effective receipt of the initial message. However, complex cases may require more time for investigation which may require additional communication with the reporting party.
- The investigator takes care of documenting the case, the investigation, the outcome of the investigation, the resulting preventive and disciplinary measures and the follow-up of implementation of these measures in the Case Management System of Heidelberg Materials.

What remedial action may result from an incident investigation?

- Disciplinary measures
- Civil claims
- Criminal prosecution
- Resolving detected shortcomings

What are the basic principles for all compliance investigations?

- No retaliation: All submitted incident reports, irrespective of the reporting channel, are to be handled in a way which avoids any retaliation towards the reporting employee.
- Confidentiality: All persons to whom incidents are reported are obliged to handle the cases confidentially.
- Anonymity: In case an incident was reported anonymously the investigator may offer through the available communication channels a personal meeting or telephone call, however, if the reporting party prefers not to disclose his/her own identity, this wish has to be respected.
- Protection of the investigated persons' rights: The investigated persons' rights of defence and protection of personal data shall be ensured.

What is a misuse of incident reporting?

- Raising untrue allegations in bad faith is a misuse of the compliance incident reporting system and may in itself be regarded as a compliance incident resulting in sanctions for the reporting party.
- In this respect it should be remembered that certain reports or complaints may be groundless and/or abusive and be intended to create problems for peers or superiors. Despite verifying such claims, it may sometimes be appropriate to avoid a costly and time-consuming, disproportionate investigation in such circumstances.