

CASE ME/7034/22
**ACQUISITION BY HANSON QUARRY PRODUCTS EUROPE LIMITED OF MICK
GEORGE LIMITED**

**Undertakings given by Hanson Quarry Products Europe Limited
and Mick George Limited to the Competition and Markets Authority
pursuant to section 73 of the Enterprise Act 2002**

Whereas:

- (a) Hanson Quarry Products Europe Limited (trading as Heidelberg Materials, **HM**) agreed to purchase Mick George Limited (**MGL**) on 10 December 2022 by way of an acquisition by HM of 100% of the issued share capital of MGL (the **Transaction**) such that HM and MGL will cease to be distinct for the purposes of the Enterprise Act 2002 (the **Act**);
- (b) Under section 22(1) of the Act the Competition and Markets Authority (**CMA**) has a duty to refer a relevant merger situation for a Phase 2 investigation where it believes that it is or may be the case that the creation of that merger situation has resulted or may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (c) Under section 73 of the Act the CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties concerned as it considers appropriate. In particular, the CMA shall have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (d) As set out in the CMA's decision of 23 November 2023 (the **Decision**), the CMA believes that, in the absence of appropriate undertakings, it would be under a duty to refer the Transaction for a Phase 2 investigation;
- (e) The CMA considers that the undertakings given below by HM are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any

adverse effect which has or may have resulted from the Transaction, or may be expected to result from it, as specified in the Decision; and

- (f) Prior to the acceptance of these undertakings by the CMA, HM entered into legally binding agreements of 4 April 2024 to divest the Divestment Businesses as a going concern to two Proposed Purchasers on terms approved by the CMA. With the exception of certain third-party property consents which were brought to the attention of the CMA, these agreements were conditional only on formal CMA approval of the Proposed Purchasers and acceptance by the CMA of these undertakings. These agreements each include a warranty that the Proposed Purchasers have the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Businesses as part of a viable and active business in competition with HM and other competitors in the local areas in which the Divestment Businesses are active.

NOW THEREFORE HM and MGL hereby give to the CMA the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which has or may have resulted from it or may be expected to result from it.

1 EFFECTIVE DATE OF THE UNDERTAKINGS

- 1.1 These undertakings shall take effect from the date that, having been signed by HM and MGL, they are accepted by the CMA.

2 DIVESTMENT OF THE DIVESTMENT BUSINESSES

- 2.1 HM and MGL shall ensure that the completion of the divestment of the Divestment Businesses to the Proposed Purchasers contemplated by the agreements referred to in recital (f) of these undertakings takes place within a period not exceeding one month from the date these undertakings take effect.
- 2.2 HM and MGL shall use all reasonable endeavours to ensure the transfer of Key Staff required by the Proposed Purchasers for the operation of the Divestment Businesses with the divestment of the Divestment Businesses.
- 2.3 Where HM or MGL divests a Divestment Business over which it holds, or MGL holds, a freehold interest by way of the grant of a long lease on normal commercial terms of not less than 25 years duration to the Proposed Purchasers, it shall in addition sell the freehold interest in the Divestment Business to a person independent of and unconnected to HM and the Group of Interconnected Bodies Corporate to which HM belongs and any Associated Person or Affiliate of HM or such Group of Interconnected Bodies Corporate,

within a period not exceeding three months from the date of the commencement of the lease.

- 2.4 In the event that HM or MGL fails to complete the divestment of the Divestment Businesses in accordance with paragraphs 2.1, 2.2 and 2.3 above, the CMA may, whether or not initiating the Trustee Functions as set out in paragraph 4 below, require HM or MGL to divest the Divestment Businesses as a going concern at no minimum price to a purchaser or purchasers approved by the CMA.

3 APPROVAL OF PURCHASER AND TERMS OF DIVESTMENT

- 3.1 For the purposes of the CMA approving the Proposed Purchasers and the terms of the divestment of the relevant Divestment Businesses to the Proposed Purchasers in accordance with these undertakings, HM or MGL shall, save as required or permitted by the CMA, satisfy the CMA that:

- (a) the acquisition by the Proposed Purchasers of the Divestment Businesses, on the terms set out above, remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (b) each Proposed Purchaser is independent of and unconnected to HM and the Group of Interconnected Bodies Corporate to which HM belongs and any Associated Person or Affiliate of HM or such Group of Interconnected Bodies Corporate;
- (c) each Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business which it is proposing to purchase as a viable and active business in competition with HM and other competitors in the markets for the supply of: (i) non-specialist aggregates; and (ii) ready mix concrete (**RMX**) (as applicable) from the date of completion of the divestment of the Divestment Business;
- (d) each Proposed Purchaser is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority, including (where applicable) landlord's consent to the transfer of any leasehold interest; and

- (e) the acquisition by each Proposed Purchaser of the Divestment Business which it is proposing to purchase does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.

3.2 The CMA may require HM to provide it with such information and documentation as it may reasonably require to satisfy the CMA that the Proposed Purchasers will fulfil the requirements in paragraph 3.1 above.

4 APPOINTMENT OF A TRUSTEE

4.1 The provisions of paragraph 4.2 to paragraph 4.7 below shall apply only as long as HM and/or MGL has not satisfied, or where the CMA has reasonable grounds for believing that HM and/or MGL will not satisfy, all or any part of the obligation to divest the Divestment Businesses in accordance with paragraph 2 above.

4.2 Within 5 Working Days of the CMA notifying HM or MGL (as applicable) in writing that it must do so, HM or MGL (as applicable) shall propose to the CMA for approval:

- (a) the names of at least two individuals to exercise the Trustee Functions; and
- (b) the full terms of a mandate in accordance with which the Trustee shall carry out the Trustee Functions.

4.3 HM or MGL (as applicable) and/or any individuals nominated pursuant to paragraph 4.2 shall satisfy the CMA that, save as required or permitted by the CMA:

- (a) such nominated individuals have the necessary qualifications to carry out their mandates, and are employees or partners of an investment bank, retail bank, commercial property agent, building society or law firm or accountancy firm with an established reputation either nationwide or in a substantial part of the UK or in another EU member state;
- (b) such nominated individuals are each independent of HM and/or MGL (as applicable) and of the Group of Interconnected Bodies Corporate to which HM and/or MGL (as applicable) belongs and of any Associated Person or Affiliate of HM or of such Group of Interconnected Bodies Corporate and of any Proposed Purchaser (or proposed purchasers) of the Divestment Business to be sold pursuant to these undertakings, and, in the reasonable opinion of HM and/or MGL (as applicable), are appropriate to be appointed as Trustee; and

(c) such nominated individuals neither are, nor are likely to become, exposed, either directly or indirectly, to a conflict of interest that impairs or may be likely to impair their objectivity or independence in discharging the Trustee Functions.

4.4 Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by HM and/or MGL (as applicable) and their proposed mandates pursuant to paragraph 4.2 above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, HM shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph 4.2 above.

4.5 In the event that:

(a) HM or MGL (as applicable) fails to propose any person or persons in accordance with paragraph 4.2 above; or

(b) none of the persons proposed by HM or MGL (as applicable) pursuant to paragraph 4.2 is approved by the CMA; or

(c) HM or MGL (as applicable) is unable for any reason to appoint within the time limit stipulated in paragraph 4.4 above any such person following approval by the CMA,

HM or MGL (as applicable) shall use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions on the terms of a mandate approved by the CMA. HM shall use its best endeavours to make such appointment within 5 Working Days of receiving the nominations from the CMA.

4.6 The appointment of the Trustee pursuant to paragraph 4.4 or paragraph 4.5 above shall be irrevocable unless:

(a) a conflict of interest that impairs or may be likely to impair the objectivity or independence of the Trustee in discharging the Trustee Functions arises;

(b) the Trustee ceases to perform the Trustee Functions; or

(c) the CMA is otherwise satisfied that there is good cause for the appointment to be terminated in advance of the satisfactory fulfilment of the Trustee Functions.

4.7 In the event that the appointment of the Trustee is terminated in accordance with paragraph 4.6 above, HM and/or MGL (as applicable) shall, if requested

to do so in writing by the CMA, use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions in accordance with such mandate as is approved by the CMA. HM and/or MGL (as applicable) shall use its best endeavours to make such appointment within seven Working Days of receiving the nominations from the CMA. Where required by the CMA, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place.

5 THE MANDATE

5.1 The terms of the mandate proposed by HM and/or MGL (as applicable) pursuant to paragraph 4.2 above shall, as a minimum, contain all provisions necessary to enable the Trustee to carry out the Trustee Functions including, without limitation to the generality of this paragraph:

- (a) an exclusive, irrevocable mandate to sell the Divestment Businesses as required by paragraph 6.1 below to a purchaser as directed or approved in writing in advance by the CMA at no minimum price and on such reasonable terms and conditions as the Trustee considers appropriate to effect an expedient divestment;
- (b) a mandate to take any other steps necessary for, or incidental to, the Trustee's mandate under sub-paragraph (a) above;
- (c) a comprehensive power of attorney to the Trustee (including the authority to grant sub-powers of attorney to the Trustee's officers, employees and agents) to enable it to take all steps necessary or appropriate to effect the divestment of the Divestment Businesses;
- (d) a mandate to comply with any orders and/or directions given by the CMA; and
- (e) a mandate to appoint at HM and/or MGL (as applicable)'s expense such advisers as the CMA and/or the Trustee reasonably considers necessary or appropriate in connection with the performance of the Trustee Functions.

6 FUNCTIONS OF TRUSTEE

6.1 The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the divestment of the Divestment

Businesses at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph 6.3 below.

- 6.2 Without prejudice to the generality of paragraph 6.1 above, the Trustee shall take the following measures in relation to the Divestment Businesses to the extent to which such measures may be necessary to effect the divestment of the Divestment Businesses in accordance with the provisions of these undertakings:
- (a) the transfer or vesting of property, assets, rights, personnel, liabilities or obligations (including without prejudice any contracts, licences, authorisations, permits or consents);
 - (b) any other transfer of interests that will take effect with the divestment;
 - (c) the adjustment of contracts, whether by discharge or reduction or assignment of any liability or obligation or otherwise;
 - (d) the creation, allotment, transfer, surrender or cancellation of any shares, stock or securities; and
 - (e) the formation or winding up of a company.
- 6.3 The Trustee shall not sell or permit the divestment of the Divestment Businesses to a Proposed Purchaser (or purchasers) unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser (or purchasers). The Trustee shall notify the CMA of the identity of a Proposed Purchaser (or purchasers) as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed divestment agreement in question.
- 6.4 Pending the divestment of the Divestment Businesses pursuant to paragraph 6.1 above, the Trustee shall monitor HM and/or MGL (as applicable)'s compliance with its obligations under paragraph 7.1 and paragraph 7.2 below and shall promptly take such measures as it considers necessary to ensure such compliance, as well as reporting in writing to the CMA, if the Trustee concludes on reasonable grounds that HM and/or MGL (as applicable) is failing or will fail to comply with such obligations.
- 6.5 The Trustee may give written directions to HM and/or MGL (as applicable) to take such steps as may be specified or described in the directions for the purpose of securing HM's compliance with its obligations under these

undertakings or enabling the Trustee to carry out the Trustee Functions. The Trustee may not require HM and/or MGL (as applicable) to:

- (a) offer any reverse premium or similar inducement to a purchaser; or
- (b) accept any actual or contingent liability towards a purchaser or otherwise in connection with the divestment of the Divestment Business which would be unusual in scope, duration or financially, having regard to the price and usual market practice in relation to similar disposals.

6.6 The Trustee shall, as soon as reasonably practicable, comply at all times with any reasonable instructions or written directions made by the CMA for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the CMA such information and reports in relation to the carrying out of the Trustee Functions as the CMA may require. The Trustee shall promptly report in writing to the CMA if the Trustee concludes on reasonable grounds that HM and/or MGL (as applicable) is failing or will fail to comply with any of its obligations under these undertakings.

6.7 For the purpose of fulfilling the Trustee Functions, the Trustee shall not be bound by instructions of HM and/or MGL (as applicable) nor shall the Trustee Functions be extended or varied in any way by HM and/or MGL (as applicable) save with the prior express written consent of the CMA.

7 OBLIGATIONS OF HM AND MGL FOLLOWING APPOINTMENT OF TRUSTEE

7.1 HM and/or MGL (as applicable) shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions.

7.2 HM and/or MGL (as applicable) shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to:

- (a) complying with such written directions as the Trustee may from time to time give pursuant to paragraph 6.6 above; and
- (b) providing the Trustee with all such assistance and information as it may reasonably require in carrying out the Trustee Functions.

8 REMUNERATION OF TRUSTEE

8.1 HM and/or MGL (as applicable) shall pay the Trustee a reasonable remuneration for the services it provides in carrying out the Trustee Functions, and shall pay the Trustee in a way that does not impede the independent and

effective fulfilment of the Trustee Functions, which shall be set out in the Trustee's mandate referred to in paragraph 5 above.

9 INTERIM ACTION

9.1 Pending the completion of the divestment of the Divestment Businesses to the satisfaction of the CMA in accordance with the provisions of these undertakings, save as otherwise agreed in advance in writing by the CMA, HM and/or MGL (as applicable) shall minimise as far as possible any risk of loss of competitive potential of the Divestment Businesses and in particular ensure that:

- (a) HM does not complete the Transaction;
- (b) to the extent that they are carried on separately up to the date of acceptance of these undertakings, the Divestment Businesses are continued to be carried on separately from the HM Business or the MGL Business (as applicable) and the Divestment Businesses' separate sales or brand identity continues to be maintained;
- (c) the Divestment Businesses are maintained as a going concern and sufficient resources are made available for the development of the Divestment Businesses on the basis of their respective pre-Transaction business plans;
- (d) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Divestment Businesses;
- (e) the nature, description, range and quality of the non-specialist aggregates and RMX supplied in the UK by each of the Divestment Businesses are maintained and preserved;
- (f) except in the ordinary course of business for the separate operation of the Divestment Businesses and the HM Business or the MGL Business (as applicable):
 - (i) all of the assets of the Divestment Businesses are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Divestment Businesses are disposed of; and
 - (iii) no interest in the assets of the Divestment Businesses is created or disposed of;

- (g) there is no integration of the information technology of the Divestment Businesses and the HM Businesses or the MGL Business (as applicable), or to the extent that the information technology is already integrated, no further integration shall take place, and the software and hardware platforms of the Divestment Businesses shall remain essentially unchanged, except for routine changes and maintenance;
- (h) to the extent the customer and supplier lists of the Divestment Businesses and the HM Business or the MGL Business (as applicable) are operated and updated separately, these customer and supplier lists shall continue to be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Divestment Businesses will continue to be carried out by the Divestment Businesses alone (to the extent not already carried out together) and for the avoidance of doubt the HM Business or the MGL Business (as applicable) will not negotiate on behalf of the Divestment Businesses (and vice versa) or enter into any joint agreements with the Divestment Businesses (and vice versa), to the extent they are not currently negotiating on behalf of the Divestment Businesses or entering into joint arrangements with the Divestment Businesses;
- (i) all existing contracts of the Divestment Businesses and the HM Business or the MGL Business (as applicable) continue to be serviced by the business to which they were awarded;
- (j) no changes are made to Key Staff of the Divestment Businesses;
- (k) no Key Staff are transferred between the Divestment Businesses and the HM Business or the MGL Business;
- (l) all reasonable steps are taken to encourage all Key Staff to remain with the Divestment Businesses; and
- (m) no Confidential Information relating to either of the Divestment Businesses, the HM Business or the MGL Business shall pass, directly or indirectly, from the Divestment Businesses (or any of its employees, directors, agents or affiliates) to the HM Business or the MGL Business (as applicable) (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary to maintain and run the Divestment Businesses in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) or any steps necessary in order for HM or MGL to comply with these undertakings, including the transfer of information necessary for the divestment process, provided that, upon divestment of

the Divestment Businesses, any records or copies (electronic or otherwise) of Confidential Information held by HM or MGL in relation to the Divestment Businesses (or vice versa) shall be returned to the relevant business and any copies destroyed (except as may be necessary for the purposes of compliance with the obligations above).

9.2 At all times, HM and/or MGL (as applicable) will actively keep the CMA informed of any material developments relating to the Divestment Businesses, which includes, but is not limited to:

- (a) details of Key Staff who leave the Divestment Businesses;
- (b) any interruption of the Divestment Businesses (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
- (c) all substantial customer volumes lost by the Divestment Businesses; and
- (d) substantial changes in the Divestment Businesses' contractual arrangements or relationships with key suppliers.

10 CONTINUED SEPARATION

10.1 Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Businesses pursuant to these undertakings, HM and MGL, or any member of the Group of Interconnected bodies Corporate to which HM and MGL belong:

- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
 - (i) an Interest in the Divestment Businesses other than (a) any freehold interest in the property associated with the Divestment Business pending divestment of that freehold proprietary interest pursuant to paragraph 2.3 above; or
 - (ii) any Interest in any company carrying on or having Control of the Divestment Businesses (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of HM and/or MGL (as applicable) or of any members of the Group of Interconnected Bodies Corporate to which HM and/or MGL (as applicable) belongs of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three

per cent of the voting rights exercisable at meetings of such company); or

- (iii) other than in the normal course of business, any of the assets of the Divestment Businesses;
- (b) shall procure that no employee or director of HM and/or MGL (as applicable) or any member of the Group of Interconnected Bodies Corporate to which HM and/or MGL (as applicable) belongs for as long as they are an employee or director of HM and/or MGL (as applicable) or any member of the Group of Interconnected Bodies Corporate to which HM belongs holds or is nominated to any directorship or managerial position in the Divestment Businesses or directorship or managerial position in any company or other undertaking carrying on or having control of the Divestment Businesses without the CMA's prior written consent;
- (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the policy of the Divestment Businesses or any company or other undertaking carrying on or having control of that Divestment Businesses; and
- (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of HM or of any member of the Group of Interconnected Bodies Corporate to which HM and/or MGL (as applicable) belongs directly or indirectly acquiring the Divestment Businesses or doing any of the things listed in subparagraphs 10.1(a), 10.1(b) and 10.1(c) above.

10.2 Where HM and/or MGL (as applicable) (or any member of the Group of Interconnected Bodies Corporate to which HM and/or MGL (as applicable) belongs) divests a Divestment Business by way of granting a sub-lease or a mineral licence and remains the landlord or the mineral licensor of the purchaser of the Divestment Business, then for the duration of the sub-lease or licence, HM and/or MGL (as applicable) shall within 10 Working Days of being requested to do so (unless agreed otherwise by the CMA):

- (a) consent to any matter requiring landlord's or licensor's approval (as the case may be) under the terms of the lease or licence between HM or MGL (as applicable) and the purchaser of the Divestment Business (except where HM or MGL (as applicable) is required to obtain such consent from another person); and/or

- (b) pass on any request for consent to the freehold owner of the property or relevant third party, as appropriate.

11 NEW DIVESTMENT IF HM OR MGL OBTAINS POSSESSION OF A DIVESTMENT BUSINESS PROPERTY

- 11.1 In the event that, following divestment of a Divestment Business in a manner that has involved HM and/or MGL (as applicable) assigning an existing lease or granting a sub-lease to the purchaser of the relevant Divestment Business, HM and/or MGL (as applicable) benefits from or becomes subject to an Occupation Interest (so long as HM so benefits or becomes so subject during the term of the lease assigned or sub-lease granted by HM and/or MGL (as applicable) as part of such divestment), HM and/or MGL (as applicable) shall:
 - (a) within 10 Working Days of becoming aware that it is so benefitting or is so subject inform the CMA in writing of that fact; and
 - (b) using its best endeavours and acting in good faith comply with such written directions as the CMA may give to HM and/or MGL (as applicable) to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, provided always that such written directions must be of a similar nature to those contained in these undertakings with regard to the original divestment of the Divestment Business.
- 11.2 In determining, for the purposes of sub-paragraph 11.1(b) above, whether to require HM and/or MGL (as applicable) to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, the CMA may have regard to any change of circumstances since the Decision.
- 11.3 In the event that HM and/or MGL (as applicable) fails to divest the Occupation Interest in accordance with paragraph 11.1 above, the CMA may, whether or not initiating the Trustee Functions set out in these undertakings, require HM and/or MGL (as applicable) to divest the Occupation Interest at no minimum price to a purchaser approved by the CMA.
- 11.4 HM and/or MGL (as applicable) shall notify the CMA in writing of the identity of each proposed purchaser that makes an offer for the Occupation Interest together with the value and terms of such offers as soon as reasonably practicable following the receipt of such offers and in any event within 10 Working Days of receipt of such offers.
- 11.5 In the event that the CMA gives written directions under paragraph 11.1 above for HM and/ or MGL (as applicable) to effect a new divestment of the

Occupation Interest, paragraphs 3, 4, 5, 6, 7, 8 and 9 shall apply to the new divestment in the same way that they applied to the original divestment obligation save that references to 'Divestment Business' in those paragraphs shall be construed as references to 'Occupation Interest'.

- 11.6 In the event that, following divestment of a Divestment Business in a manner that has involved HM and/or MGL (as applicable) granting a licence to extract, process and store minerals to the purchaser of the relevant Divestment Business, the rights granted under the licence revert to HM and/or MGL (as applicable), the provisions of paragraphs 11.1 to 11.6 shall apply to that licence with references to 'Occupation Interest' being construed as a reference to that licence.

12 COMPLIANCE

- 12.1 HM and MGL shall comply promptly with such written directions as the CMA may from time to time give:
- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or
 - (b) to do or refrain from doing anything so specified or described which it might be required by these undertakings to do or to refrain from doing.
- 12.2 HM and MGL shall co-operate fully with the CMA when the CMA is:
- (a) monitoring compliance with the provisions of these undertakings; and
 - (b) investigating potential breaches of the provisions of these undertakings.
- 12.3 HM and MGL shall procure that any member of the same Group of Interconnected Bodies Corporate as HM and/or MGL (as applicable) complies with these undertakings as if it had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate as HM and/or MGL (as applicable) shall be attributed to HM and/or MGL (as applicable) for the purposes of these undertakings.
- 12.4 Where any Affiliate of HM and/or MGL (as applicable) is not a member of the same Group of Interconnected Bodies Corporate as HM and/or MGL (as applicable), HM and/or MGL (as applicable) shall use its best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them.

13 PROVISION OF INFORMATION

- 13.1 HM and MGL (as applicable) shall furnish promptly to the CMA such information as the CMA considers necessary in relation to or in connection with the implementation and/or enforcement of and/or the compliance with these undertakings, including for the avoidance of doubt, any Confidential Information.

14 EXTENSION OF TIME LIMITS

- 14.1 The CMA may, in response to a written request from HM and/or MGL (as applicable), or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

15 SERVICE ON HM

- 15.1 HM hereby authorises Pinsent Masons LLP, whose address for service is 55 Colmore Row, Birmingham, B3 2FG (addressed for the attention of Giles Warrington (Partner) and Rachel Cannon (Associate)), to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to HM, or any of its Subsidiaries in connection with any proceedings in Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).
- 15.2 Unless HM inform the CMA in writing that Pinsent Masons LLP has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on HM if it is served on Pinsent Masons LLP; and service shall be deemed to have been acknowledged by HM if it is acknowledged by Pinsent Masons LLP or such other nominee.
- 15.3 Paragraph 15.2 above has effect irrespective of whether, as between HM and Pinsent Masons LLP or other nominees, Pinsent Masons LLP or other nominees has or continues to have any authority to accept and acknowledge service on Pinsent Masons LLP's or any of its respective Subsidiaries' behalf.
- 15.4 No failure or mistake by Pinsent Masons LLP or other nominees (including a failure to notify HM of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 15.5 Any communication from HM to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring,

Competition and Markets Authority, The Cabot, 25 Cabot Square, London, E14 4QZ or such other person or address as the CMA may direct in writing.

16 SERVICE ON MGL

- 16.1 MGL hereby authorises Fieldfisher LLP, whose address for service is Riverbank House 2 Swan Lane, London EC4R 3TT (addressed for the attention of Nick Pimlott (Partner) and Asfand Gulzar (Associate)), to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to MGL, or any of its Subsidiaries in connection with any proceedings in Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).
- 16.2 Unless MGL inform the CMA in writing that Fieldfisher LLP has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on MGL if it is served on Fieldfisher LLP; and service shall be deemed to have been acknowledged by MGL if it is acknowledged by Fieldfisher LLP or such other nominee.
- 16.3 Paragraph 15.2 above has effect irrespective of whether, as between MGL and Fieldfisher LLP or other nominees, Fieldfisher LLP or other nominees has or continues to have any authority to accept and acknowledge service on Fieldfisher LLP's or any of its respective Subsidiaries' behalf.
- 16.4 No failure or mistake by Fieldfisher LLP or other nominees (including a failure to notify MGL of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 16.5 Any communication from MGL to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring, Competition and Markets Authority, The Cabot, 25 Cabot Square, London, E14 4QZ or such other person or address as the CMA may direct in writing.

17 EFFECT OF INVALIDITY

- 17.1 Should any provision of these undertakings be contrary to law or invalid for any reason, HM and MGL undertake to continue to observe the remaining provisions.

18 GOVERNING LAW

- 18.1 HM and MGL recognise and acknowledge that these undertakings shall be governed and construed in all respects in accordance with English law.
- 18.2 In the event that a dispute arises concerning these undertakings, HM and MGL undertake to submit to the courts of England and Wales.

19 TERMINATION

- 19.1 HM and MGL recognise and acknowledge that these undertakings shall be in force until such time as they are varied, released or superseded under the Act.
- 19.2 HM and MGL recognise and acknowledge that the variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

20 INTERPRETATION

- 20.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 20.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 20.3 In these undertakings the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word "include" and its derivatives shall be construed accordingly.
- 20.4 For the purposes of these undertakings:

“**the Act**” means the Enterprise Act 2002;

“Affiliate” a person is an affiliate of another person if they or their respective enterprises would be regarded as being under common control for the purposes of section 26 of the Act;

“Aggregates and RMX Divestment Package” means the Ringstead and Watlington Divestment Business, the Earls Barton Divestment Business and the RMX Divestment Business;

“Associated Person” means a person or persons associated with HM within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

“Brice Aggregates” means Pomona Quarries Limited, company number 15516834 a wholly-owned subsidiary of Brice Aggregates Limited, company number 08443424;

“Business” has the meaning given by section 129(1) and (3) of the Act;

“CMA” means the Competition and Markets Authority or any successor body;

“Confidential Information” means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

“Control” shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

“Decision” means the CMA’s decision under section 22 of the Act dated 23 November 2023 in connection with the Transaction;

“Divestment Businesses” means the Needingworth Divestment Business and the Aggregates and RMX Divestment Package;

“Divestment Business Property” means the relevant property associated with the Divestment Business as at the date of these undertakings;

“Earls Barton Divestment Business” means:

- a mineral licence from HM to extract all remaining consented aggregates reserves, together with all remaining aggregates stockpiles (as at the completion of sale of the Aggregates and RMX Divestment Businesses to the Proposed Purchaser, which is estimated to be around [X]); and

- an option to acquire any supplementary merchantable aggregates which can be effectively exploited on HM's remediation activities at the Earls Barton non-specialist aggregates site (further particulars of which are given at Part 3 of **Appendix 1**).

“enterprise” has the meaning given in section 129(1) of the Act;

“Group of Interconnected Bodies Corporate” has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

“HM” means Hanson Quarry Products Europe Limited, company number 00300002, trading as Heidelberg Materials;

“HM Business” means the business of HM and its Group of Interconnected Bodies Corporate carried on as at 10 December 2022;

“Interest” includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders' meetings but does not include a contract to acquire shares in the future; and for this purpose "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

“Key Staff” means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

“MGL” means Mick George Limited, Company number 02417831;

“MGL Business” means the business of MGL and its Group of Interconnected Bodies Corporate carried on as at 10 December 2022;

“Needingworth Divestment Business” means the non-specialist aggregates site, with associated assets, at Needingworth, Cambridgeshire, further particulars of which are given at Part I of **Appendix 1**;

“Occupation Interest” means an interest related to the extraction and processing of non-specialist aggregates and/or the production of RMX in the Divestment Business Property by virtue of which HM enjoys an unconditional right or is under an unconditional obligation to occupy the Divestment Business Property in respect of provided always that: (i) the original purchaser (or its successor) is not in occupation of the Divestment Business Property; and/or (ii) before such interest in the Divestment Business Property arose, the most recent use to which the Divestment Business Property had been put was

that of carrying on the production and supply of non-specialist aggregates and/or RMX;

“PJ Thory” means P.J. Thory Holdings Limited, company number 09311042;

“Proposed Purchaser” means:

- In respect of the Needingworth Divestment Business, Brice Aggregates; and
- In respect of the Aggregates and RMX Divestment Package, PJ Thory

(together the **“Proposed Purchasers”**);

“Ringstead and Watlington Divestment Business” means the aggregates extraction and processing businesses of MGL at the Ringstead Quarry (through a minerals lease over any non-specialist aggregates at the site) and the Watlington Quarry (through a lease of the site, together with an option to require HM to undertake remediation activities), further particulars of which sites are given at Part 2 of **Appendix 1**;

“RMX Divestment Business” means the HM RMX sites, with associated assets and a transitional supply of cementitious materials and aggregates from HM to the Proposed Purchaser, at Northampton, Market Harborough, Wellingborough, St Ives and Ely, further particulars of which are given at Part 4 of **Appendix 1**;

“Subsidiary” shall be construed in accordance with section 1159 of the Companies Act 2006 (as amended), unless otherwise stated;

“the Transaction” means the acquisition by HM of 100% of the issued share capital of MGL;

“Trustee” means the person appointed pursuant to paragraph 4.4, paragraph 4.5 or paragraph 4.7 to carry out the Trustee Functions;

“Trustee Functions” means the functions set out in paragraph 6;

“UK” means the United Kingdom of Great Britain and Northern Ireland; and

“Working Day” means any day of the week other than a Saturday or a Sunday or any day that is a public holiday in England and Wales;

unless the context requires otherwise, the singular shall include the plural and vice versa.

FOR AND ON BEHALF OF HM

Signature

Name

Title

Date

FOR AND ON BEHALF OF HM

Signature

Name

Title

Date

FOR AND ON BEHALF OF MGL

Signature

Name

Title

Date

FOR AND ON BEHALF OF MGL

Signature

Name

Title

Date

DATE ACCEPTED BY THE CMA:

APPENDIX 1 – DIVESTMENT SITES

Site name	Address	Products Supplied	Interest being transferred/granted
Part 1 (the Needingworth Divestment Business)			
HM Needingworth	Needingworth Quarry Bluntisham Road Needingworth Huntingdon Cambridgeshire PE27 4TA	Aggregates	Freehold and Leasehold
Part 2 (Ringstead and Watlington Divestment Business)			
MGL Ringstead	Ringstead Grange Quarry Raunds Road Kettering NN14 4DT	Aggregates	Mineral Extraction Lease
MGL Watlington	Watlington Road Oakwood Corner Tottenhill PE33 ORG	Aggregates	Leasehold.
Part 3 (Earls Barton Divestment Business)			
HM Earls Barton	Grendon Road Earls Barton Northampton NN6 0PE	Aggregates	Mineral Extraction Licence
Part 4 (RMX Divestment Business)			
Northampton	Weedon Road Ind. Est. Weedon Road Northampton NN5 5AL	RMX	Freehold
Market Harborough	Rockingham Road Market Harborough Leicestershire LE16 7QE	RMX	Freehold
Wellingborough	Wellingborough Sanders Road Finedon Road Industrial Estate Wellingborough Northamptonshire NN8 4NL	RMX	Leasehold
St Ives	Meadow Lane St. Ives Cambridgeshire PE27 4LG	RMX	Freehold
Ely	Angel Drove Ely Cambridgeshire CB7 4DT	RMX	Freehold