

This document constitutes two base prospectuses for the purposes of article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended (the "**Prospectus Directive**"): (i) the base prospectus of HeidelbergCement AG in respect of non-equity securities within the meaning of Art. 22 No. 6(4) of the Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended ("**Non-Equity Securities**"), and (ii) the base prospectus of HeidelbergCement Finance Luxembourg S.A. in respect of Non-Equity Securities (together, the "**Medium Term Note Programme Prospectus**" or the "**Prospectus**").

# HEIDELBERGCEMENT

## HEIDELBERGCEMENT AG

(incorporated in Germany)

and

## HEIDELBERGCEMENT FINANCE LUXEMBOURG S.A.

(a public limited liability company (société anonyme) incorporated in the Grand Duchy of Luxembourg with registered office at 43, Avenue J.F. Kennedy, 1855 Luxembourg, Luxembourg and registered with the Luxembourg Register of Trade and Companies under number B 40.962)

(Notes (as defined below) issued by HeidelbergCement Finance Luxembourg S.A. are guaranteed by HeidelbergCement AG on the terms described in this document)

## € 10,000,000,000 Euro Medium Term Note Programme

(the "**Programme**")

HeidelbergCement AG and HeidelbergCement Finance Luxembourg S.A. will issue from time to time notes under the Programme (the "**Notes**"). The payments of all amounts due in respect of Notes issued by HeidelbergCement Finance Luxembourg S.A. will be unconditionally and irrevocably guaranteed by a guarantee of HeidelbergCement AG dated November 18, 2016 (the "**Guarantee**"). HeidelbergCement AG is herein referred to as the "**Guarantor**".

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), in its capacity as competent authority under the Luxembourg law relating to prospectuses for securities, as amended (*Loi relative aux prospectus pour valeurs mobilières*), which implements the Prospectus Directive (the "**Luxembourg Law**"), for approval of this Prospectus. Pursuant to Article 7(7) of the Luxembourg Law, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the issuer by approving a prospectus. Application has been made to list the Notes on the official list of the Luxembourg Stock Exchange and to trade Notes on the Regulated Market "*Bourse de Luxembourg*" or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of the Market in Financial Instruments Directive 2014/65/EU (the "**Regulated Market**"). Notes issued under the Programme may also be listed on further stock exchanges or may not be listed at all. Each Issuer has requested the CSSF to provide the competent authorities in the Federal Republic of Germany ("**Germany**"), the Republic of Austria, the Republic of Ireland, the United Kingdom of Great Britain and Northern Ireland and the Netherlands with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Law ("**Notification**"). Each Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

Prospective purchasers of the Notes should refer to the Risk Factors disclosed on pages 36 to 55 of this Prospectus.

*Arranger*

**Deutsche Bank**

*Dealers*

**Banca IMI  
BNP PARIBAS  
Commerzbank  
Deutsche Bank**

**Barclays  
BofA Merrill Lynch  
Crédit Agricole CIB  
Handelsbanken Capital Markets**

**BayernLB  
Citigroup  
Danske Bank  
Helaba**

**ING**

**J.P. Morgan**

**Landesbank Baden-  
Württemberg**

**Mediobanca**

**Morgan Stanley**

**Raiffeisen Bank  
International AG**

**Skandinaviska Enskilda Banken AB (publ)**

**Standard Chartered Bank AG**

This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). This Prospectus is valid for a period of 12 months after its approval.

## RESPONSIBILITY STATEMENT

HeidelbergCement AG, with its registered office in Heidelberg, Germany ("**HeidelbergCement**" or "**HC**" or "**HC AG**", an "**Issuer**" or the "**Guarantor**", together with its consolidated group companies, the "**HeidelbergCement Group**" or the "**HC Group**" or the "**Group**"), and HeidelbergCement Finance Luxembourg S.A., with its registered office in Luxembourg ("**HC Finance Lux**" or "**HC Finance S.A.**" or an "**Issuer**" and together with HeidelbergCement the "**Issuers**") are solely responsible for the information given in this Prospectus.

Each of the Issuers hereby declares that (i) this Prospectus contains all information with respect to HeidelbergCement AG and its subsidiaries taken as a whole and to the Notes and the Guarantee (as defined below) which is material in the context of the issue and offering of the Notes and the Guarantee, including all information which, according to the particular nature of the Issuers and the Guarantor (as defined below) and of the Notes and the Guarantee is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the relevant Issuer, the Guarantor and HC Group and of the rights attached to the Notes and the Guarantee; (ii) the statements contained in this Prospectus relating to the Issuers, the Guarantor, HC Group, the Notes and the Guarantee are in every material particular true and accurate and not misleading; (iii) there are no other facts in relation to the Issuers, the Guarantor, HC Group, the Notes or the Guarantee the omission of which would, in the context of the issue and offering of the Notes, make any statement in the Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuers to ascertain such facts and to verify the accuracy of all such information and statements.

## NOTICE

This Prospectus should be read and understood in conjunction with any supplement hereto and with any other document incorporated herein by reference. Full information on the Issuers and any tranche of Notes is only available on the basis of the combination of this Prospectus and the relevant final terms (the "**Final Terms**").

Each of the Issuers accepts responsibility for the information contained in this Prospectus and has confirmed to the dealers set forth on the cover page and any new dealer appointed from time to time under the Programme (each a "**Dealer**" and together the "**Dealers**") that this Prospectus contains all information with regard to HeidelbergCement and HC Finance Lux and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuers and the rights attaching to the Notes which is material in the context of the Programme, that the information contained in this Prospectus with respect to HeidelbergCement and HC Finance Lux and the Notes is accurate and complete in all material respects and is not misleading, that the opinions and intentions expressed herein with respect to HeidelbergCement and HC Finance Lux and the Notes are honestly held, that there are no other facts with respect to HeidelbergCement and HC Finance Lux or the Notes the omission of which would make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect and that the Issuers have made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

Each of the Issuers has undertaken with the Dealers to publish a supplement to this Prospectus or to publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete or in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and, where approval by the CSSF of any such document is required, upon such approval having been given.

No person has been authorized to give any information which is not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorized by or on behalf of any Issuer or any of the Dealers.

The offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial condition of the Issuers and the Guarantor since such date or that any other information supplied in connection with the Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any person mentioned in this document other than the Issuers accepts any responsibility for the accuracy and

completeness of the information contained in this Prospectus or any supplement hereof, or any other document incorporated by reference nor for the information contained in any Final Terms.

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms comes are required to inform themselves about and observe any such restrictions. For a description of the restrictions applicable in the United States of America, the European Economic Area in general, the United Kingdom, the Netherlands, Japan and Italy, see "*Selling Restrictions*". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

If the Final Terms in respect of any Notes include a legend entitled "**Prohibition of Sales to EEA Retail Investors**", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The language of the Prospectus is English. Any part of the Prospectus in the German language constitutes a translation. In respect of the issue of any Tranche (as defined below) of Notes under the Programme, the German text of the Terms and Conditions may be controlling and binding if so specified in the relevant Final Terms. In respect of the Guarantee the German language version of the Guarantee is controlling and binding as to form and content, and all rights and obligations of the Holders and the Guarantor thereunder.

**This Prospectus may be used for subsequent offers by the Dealers and/or further financial intermediaries only for the period so specified in the Final Terms for the relevant Tranche of Notes.**

**Neither this Prospectus nor any Final Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.**

**Neither this Prospectus nor any Final Terms constitute an offer or invitation by or on behalf of the relevant Issuer or the Dealers to any person to subscribe for or to purchase any Notes.**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilizing manager(s) (or persons acting on behalf of any stabilizing manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be**

**conducted by the relevant stabilizing manager(s) (or person(s) acting on behalf of any stabilizing manager(s)) in accordance with all applicable laws and rules.**

Any websites included in the Prospectus, except for the website [www.bourse.lu](http://www.bourse.lu) in the context of the documents incorporated by reference, are for information purposes only and do not form part of the Prospectus.

Amounts payable under Floating Rate Notes are calculated by reference to (i) EURIBOR (Euro Interbank Offered Rate) which is provided by the European Money Markets Institute (EMMI) or (ii) LIBOR (London Interbank Offered Rate) which is provided by the ICE Benchmark Association (IBA). As at the date of this Prospectus, EMMI does not appear whereas IBA appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) ("**BMR**"). As far as the Issuers are aware, the transitional provisions in Article 51 of the BMR apply, such that EMMI is not currently required to obtain authorization or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

### **Forward-Looking Statements**

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding HeidelbergCement Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuers make to the best of their present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including HeidelbergCement Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. HeidelbergCement Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*", "*HeidelbergCement AG*" and "*HeidelbergCement Finance Luxembourg S.A.*". These sections include more detailed descriptions of factors that might have an impact on HeidelbergCement Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuers nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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## SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of Notes and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of Notes and Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of "not applicable".

[The Summary contains options, characterized by square brackets or typesetting in italics (other than the respective translations of specific legal terms), and placeholders regarding the Notes to be issued under the Programme. The summary of the individual issue of Notes will include the options relevant to this issue of Notes as determined by the applicable Final Terms and will contain the information, which had been left blank, as completed by the applicable Final Terms.]<sup>1</sup>

Element	Section A – Introduction and warnings	
A.1	Warnings	<p style="text-align: center;"><b>Warning that:</b></p> <ul style="list-style-type: none"> <li>▪ this Summary should be read as an introduction to the Prospectus;</li> <li>▪ any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor;</li> <li>▪ where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated; and</li> <li>▪ civil liability attaches only to the Issuers who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Notes.</li> </ul>
A.2	Consent to the use of the Prospectus	<p>[Each Dealer and/or each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus for the subsequent resale or final placement of the Notes during the offer period for the subsequent resale or final placement of the Notes from [●] to [●], provided however, that the Prospectus is still valid in accordance with Article 11 (2) of the Luxembourg Act relating to prospectuses for securities (<i>Loi relative aux prospectus pour valeurs mobilières</i>), as amended, which implements Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended).</p> <p>The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (<a href="http://www.bourse.lu">www.bourse.lu</a>) and on the website of HeidelbergCement Group (<a href="http://www.heidelbergcement.com">www.heidelbergcement.com</a>).</p>

<sup>1</sup> To be deleted for the summary of an individual issue of Notes.

		<p>When using the Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.</p> <p><b>In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.] [Not applicable. No consent has been given.]</b></p>
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Element	Section B – [Issuer] [Guarantor]	
<b>B.1</b>	<b>Legal and commercial name</b>	HeidelbergCement AG ("HeidelbergCement" or "HC AG" together with its fully consolidated subsidiaries "HeidelbergCement Group" or "HC Group" or the "Group").
<b>B.2</b>	<b>Domicile / Legal form / Legislation / Country of incorporation / Legal Entity Identifier (LEI)</b>	HeidelbergCement AG is incorporated under the laws of Germany in Heidelberg as a stock corporation ( <i>Aktiengesellschaft</i> ) and operates under German law. HeidelbergCement AG has its registered seat and head office at Berliner Str. 6, 69120 Heidelberg, Germany. HeidelbergCement AG's Legal Entity Identifier (LEI) is LZ2C6E0W5W7LQMX5ZI37.
<b>B.4b</b>	<b>Known trends affecting the Issuer and the industries in which it operates</b>	Developments in the global economy generally affect HeidelbergCement Group's revenue and earnings. Cyclicalities of the markets may adversely affect operating margins of the HC Group. The risks in the development of the global economy include not only the consequences of the referendum result in the United Kingdom to leave the European Union (Brexit), which are difficult to estimate at present, but also the price trend for oil, the effects of monetary policy measures – particularly those of the U.S. Federal Reserve – on capital flows and exchange rates in the emerging countries, as well as geopolitical risks related to the crises and conflicts in the Middle East, eastern Ukraine and North Korea.
<b>B.5</b>	<b>Description of the Group and the Issuer's position within the Group</b>	HeidelbergCement AG is the ultimate parent company of the Group.
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable. No profit forecast or estimate has been included.
<b>B.10</b>	<b>Nature of any qualifications in the audit reports on historical financial information</b>	Not applicable. The independent auditor's reports with respect to the consolidated financial statements of HeidelbergCement AG as of and for the fiscal years ended December 31, 2017 and December 31, 2018 do not include any qualifications.
<b>B.12</b>	<p><b>Selected historical key financial information</b></p> <p>The following tables set out selected historical financial information related to HC Group for the fiscal years ended December 31, 2018 and 2017 derived from the audited consolidated financial statements of HC AG as of and for the fiscal year ended December 31, 2018 (including the restated comparative amounts as of and for the fiscal year ended December 31, 2017), prepared in accordance with the International Financial Reporting Standards of the International Accounting Standards Board (IASB) as adopted by the European Union ("IFRS") and the additional requirements of German commercial law pursuant to Section 315e(1) of the German Commercial Code (<i>Handelsgesetzbuch, HGB</i>).</p> <p>The restatements of the comparative amounts as of and for the fiscal year ended December 31, 2017 made by HC Group in its audited consolidated financial statements as of and for the fiscal year ended December 31, 2018 relate to (i) the retrospectively adjusted accounting for the change in the fair value of the participation in the Permanente Group recognized in equity through other comprehensive income instead of offset against liabilities of the Permanente</p>	

<p>Group, and (ii) the change in the accounting policy with respect to interest and penalties related to income taxes to be accounted for in accordance with IAS 37 and no longer shown in the tax items under IAS 12 according to <i>ASCG Interpretation 4 (IFRS) Accounting for Interest and Penalties Related to Income Taxes under IFRS</i> adopted by the Accounting Standards Committee of Germany (<i>Deutsches Rechnungslegungs Standards Committee e. V., "ASCG"</i>).</p> <p>Where financial information in the tables is labelled "audited", this means that it has been taken from the above mentioned audited consolidated financial statements of HC AG.</p>		
	Year ended December 31, 2018	Year ended December 31, 2017 restated
	(in € millions) audited	
Revenue	18,074.6	17,266.1
Result from current operations before depreciation and amortization (RCOBD)	3,074.1	3,297.3
Earnings before interest and taxes (EBIT)	2,131.2	2,106.7
Profit for the financial year	1,286.2	1,058.2
Cash flow from operating activities	1,968.3	2,037.9
	December 31, 2018	December 31, 2017 restated
	(in € millions) audited	
Balance sheet total	35,783.3	34,558.0
Total equity	16,821.7	15,987.4
Total non-current liabilities	12,696.7	12,274.8
Total current liabilities	6,253.7	6,282.9
Liabilities associated with assets held for sale	11.2	12.9
<b>No material adverse change in the prospects of the Issuer</b>	There has been no material adverse change in the prospects of HeidelbergCement AG since December 31, 2018. No developments are currently foreseen that are reasonably likely to have a material adverse effect on HeidelbergCement's prospects.	
<b>Significant change in the financial and trading position</b>	Not applicable. There has been no significant change in the financial or trading position of HeidelbergCement AG since December 31, 2018.	
<b>B.13</b>	<b>Recent events</b>	Not applicable. There are no recent events particular to HeidelbergCement AG which are to a material extent relevant to the evaluation of HeidelbergCement AG's solvency.
<b>B.14</b>	<b>Please see Element B.5.</b>	
	<b>Statement of dependency upon other entities within the group</b>	Not applicable. HeidelbergCement AG is not dependent upon other entities within the HeidelbergCement Group.
<b>B.15</b>	<b>Principal activities</b>	HeidelbergCement is a vertically integrated building materials company. The core activities include the production and distribution of cement and aggregates, the two essential raw materials for concrete production. The product range is substantially complemented by downstream ready-mixed concrete and asphalt activities. Furthermore, HeidelbergCement offers services such as worldwide trading in cement and coal by sea.



<b>B.16</b>	<b>Controlling Persons</b>	As of the date of this Prospectus HeidelbergCement received inter alia the following notification in accordance with the German Securities Trading Act ( <i>Wertpapierhandelsgesetz</i> , WpHG):  On November 9, 2018, PH Vermögensverwaltung GmbH, Zossen/Germany, a company controlled by Mr Ludwig Merckle, notified HeidelbergCement AG that the share of the voting rights attributed to PH Vermögensverwaltung GmbH, Zossen/Germany, amounted to 26.70% of the voting rights in HeidelbergCement AG.
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	Moody's Deutschland GmbH (" <b>Moody's</b> ") <sup>1,4</sup> has assigned the long-term credit rating Baa3 <sup>2</sup> (outlook positive), Fitch Italia S.p.A. (" <b>Fitch</b> ") <sup>3,4</sup> has assigned the long-term credit rating BBB <sup>-5</sup> (outlook stable) and S&P Global Ratings Europe Limited (" <b>S&amp;P</b> ") <sup>6,4</sup> has assigned the long-term credit rating BBB <sup>-7</sup> (outlook stable) to HeidelbergCement AG.  [The Notes have been assigned a rating of [●] by [●].]
<b>[B.18]</b>	<b>Nature and scope of the Guarantee</b>	The payments of all amounts due in respect of Notes issued by HeidelbergCement Finance Luxembourg S.A. will be unconditionally and irrevocably guaranteed by a guarantee of HeidelbergCement AG.]

<b>[Element]</b>	<b>Section B – Issuer</b>	
<b>B.1</b>	<b>Legal and commercial name</b>	HeidelbergCement Finance Luxembourg S.A. (" <b>HC Finance Lux</b> " or " <b>HC Finance S.A.</b> ").
<b>B.2</b>	<b>Domicile / Legal form / Legislation / Country of incorporation / Legal Entity Identifier (LEI)</b>	HeidelbergCement Finance Luxembourg S.A. is a public limited liability company ( <i>société anonyme</i> ) founded in accordance with the law of the Grand Duchy of Luxembourg and operates under such law. The statutory seat and place of business of HeidelbergCement Finance Luxembourg S.A. is 43, Avenue J.F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg. HeidelbergCement Finance Luxembourg S.A.'s Legal Entity Identifier (LEI) is 529900RYHTCF5X9DD509.
<b>B.4b</b>	<b>Known trends affecting the Issuer and the industries in which it operates</b>	HeidelbergCement Finance Luxembourg S.A. acts solely to facilitate the financing of HeidelbergCement Group. The business of HC Finance S.A. is directly related to the extent HeidelbergCement utilizes HC Finance S.A. for future funding needs. The extent to which future funding needs arise depends on the development of the operating business and investment projects of HeidelbergCement AG and its subsidiaries.

<sup>1</sup> Moody's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>2</sup> Obligations rated "Baa3" are judged to be medium grade with some speculative elements and moderate credit risk.

<sup>3</sup> Fitch is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>4</sup> The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that update list in the Official Journal of the European Union within 30 days following such update.

<sup>5</sup> A "BBB-" rating is considered investment grade with expectations of default risk currently low. However, the capacity for payment of financial commitments might be impaired by adverse business and economic conditions.

<sup>6</sup> S&P is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>7</sup> An S&P credit rating of BBB- is considered investment grade with adequate capacity to meet financial commitments, but more subject to adverse economic conditions.

<b>B.5</b>	<b>Description of the Group and the Issuer's position within the Group</b>	HeidelbergCement Finance Luxembourg S.A. is a wholly owned subsidiary of HeidelbergCement AG and has no subsidiaries of its own. HeidelbergCement AG is incorporated under the laws of Germany in Heidelberg as a stock corporation ( <i>Aktiengesellschaft</i> ). It is the ultimate parent company of the Group.	
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable. No profit forecast or estimate has been included.	
<b>B.10</b>	<b>Nature of any qualifications in the audit reports on historical financial information</b>	Not applicable. The independent auditor's reports with respect to the unconsolidated annual accounts of HC Finance S.A. as of and for the fiscal years ended December 31, 2018 and December 31, 2017 do not include any qualifications.	
<b>B.12</b>	<p><b>Selected historical key financial information</b></p> <p>The following tables set out selected historical financial information related to HC Finance S.A. for the fiscal years ended December 31, 2018 and December 31, 2017 derived from the audited unconsolidated annual accounts of HC Finance S.A. as of and for the fiscal year ended December 31, 2018 (including the comparative amounts as of and for the fiscal year ended 2017), prepared on the basis of Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts ("<b>Luxembourg GAAP</b>").</p> <p>Where financial information in the tables is labelled "audited", this means that it has been taken from the above-mentioned audited unconsolidated annual accounts of HC Finance S.A. The label "unaudited" is used in the tables to indicate financial information that has not been taken from the audited unconsolidated annual accounts mentioned above but has been calculated on the basis of financial information from the above-mentioned audited unconsolidated annual accounts.</p>		
		Year ended December 31, 2018	Year ended December 31, 2017
		(in € thousands) audited, unless otherwise indicated	
Net turnover, other operating income, income from participating interests and other interest receivable and similar income (unaudited)		395,810	434,935
Interest payable and similar expenses concerning affiliated undertakings		-57,912	-67,926
Interest payable and similar expenses - other interest and similar expenses		-218,437	-246,351
Other external expenses, staff costs and other taxes (unaudited)		-10,390	-12,201
Profit for the financial year		109,071	108,457
Net cash flows used in operating activities		-662,322	-107,209
Net cash flows from/used in investing activities		252,025	-939,037
Net cash flows from/used in financing activities		410,300	1,046,244
		December 31, 2018	December 31, 2017
		(in € thousands) audited, unless otherwise indicated	
<u>Fixed assets</u>			
Financial assets - Loans to shareholder* (unaudited)		700,430	663,366
Financial assets - Loans to group entities (unaudited)		7,377,494	7,927,114
<u>Current assets</u>			

	Amounts owed by affiliated undertakings	2,350,108	2,663,106
	Other debtors, cash at bank and in hand and prepayments (unaudited)	36,852	28,987
	<b>Total assets</b>	<b>10,464,884</b>	<b>11,282,573</b>
* The sole shareholder of HeidelbergCement Finance Luxembourg S.A. is HeidelbergCement Holding S.à r.l.			
	<b>No material adverse change in the prospects of the Issuer</b>	There has been no material adverse change in the prospects of HeidelbergCement Finance Luxembourg S.A. since December 31, 2018. No developments are currently foreseen that are reasonably likely to have a material adverse effect on HeidelbergCement Finance Luxembourg S.A.	
	<b>Significant change in the financial and trading position</b>	Not applicable. There has been no significant change in the financial or trading position of HeidelbergCement Finance Luxembourg S.A. since December 31, 2018.	
<b>B.13</b>	<b>Recent events</b>	Not applicable. There are no recent events particular to HeidelbergCement Finance Luxembourg S.A. which are to a material extent relevant to the evaluation of HeidelbergCement Finance Luxembourg S.A.'s solvency.	
<b>B.14</b>	<b>Please see Element B.5.</b>		
	<b>Statement of dependency upon other entities within the group</b>	HeidelbergCement Finance Luxembourg S.A. is a fully owned indirect subsidiary of HeidelbergCement AG.	
<b>B.15</b>	<b>Principal activities</b>	In accordance with article 3 of its Articles of Association, HeidelbergCement Finance Luxembourg S.A. acts to facilitate the financing of HeidelbergCement Group.	
<b>B.16</b>	<b>Controlling Persons</b>	HeidelbergCement Finance Luxembourg S.A. is a fully owned indirect subsidiary of HeidelbergCement AG.	
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	Not applicable. HeidelbergCement Finance Luxembourg S.A. has no separate credit rating.	
<b>B.19</b>	<b>Summary information about the Guarantor</b>	<b>Please see Guarantor (HeidelbergCement AG) - B.1 to B.18;</b> <i>In the case of an issue of Notes by HeidelbergCement Finance Luxembourg S.A., insert the information under Guarantor (HeidelbergCement AG) - B.1 to B.18 into the summary of the individual issue of Notes under this Element B.19 and number the Elements about HeidelbergCement AG as Guarantor as follows: B.19 B.1., etc.]</i>	

Element	Section C – Securities		
<b>C.1</b>	<b>Class and type of the Notes / Security Identification Number</b>	<b>Class</b>	Unsecured Notes.
		<b>[Fixed Rate Notes</b>	The Notes bear interest at a fixed rate throughout the entire term of the Notes].
		<b>[Floating Rate Notes</b>	The Notes will bear interest at a rate determined [(and as adjusted for the applicable margin)] on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.]
		<b>ISIN</b>	[•]

		<p><b>Common Code</b></p> <p>[•] WKN [•]</p>
C.2	Currency	The Notes are issued in [•].
C.5	Restrictions on free transferability	Not applicable. The Notes are freely transferable.
C.8	Rights attached to the Notes (including ranking of the Notes and limitations to those rights)	<p><b>Negative pledge</b></p> <p>The Terms and Conditions of the Notes contain a negative pledge provision of the Issuer.</p> <p><b>[Early redemption in the case of fixed rate Notes]</b></p> <p>The Notes can be redeemed prior to their stated maturity [at the option of the] [Issuer,] [and][or] [the holders of the Notes (the "Holders")] for taxation reasons[, for reasons of a change of control in respect of HeidelbergCement AG] or upon the occurrence of an event of default.]</p> <p><b>[Early redemption in the case of floating rate Notes]</b></p> <p>The Notes can be redeemed prior to their stated maturity [at the option of the Issuer,] for taxation reasons[, for reasons of a change of control in respect HeidelbergCement AG] or upon the occurrence of an event of default.]</p> <p><b>[Early Redemption at the option of the [Issuer] [and][or] [the Holders] at specified redemption amount(s) in the case of fixed rate Notes]</b></p> <p>The Notes can be redeemed at the option of the [Issuer] [and][or] [the Holders] upon giving notice within the specified notice period to [the Holders] [or] [the Issuer][, as the case may be.] on a date or dates specified prior to such stated maturity and at the specified redemption amount(s), together with accrued interest to, but excluding, the relevant redemption date.]</p> <p><b>[Early Redemption at the option of the Issuer at the early call redemption amount in the case of fixed rate Notes denominated in euro]</b></p> <p>The Notes can be redeemed at the option of the Issuer upon giving notice within the specified notice period to the Holders on a date specified prior to such stated maturity and at the early call redemption amount.]</p> <p><b>[Early redemption at the option of the Issuer at the principal amount of the respective Note in the case of floating rate Notes]</b></p> <p>The Notes can be redeemed in whole or in part at the option of the Issuer for the first time on [•] and on each interest payment date thereafter upon giving notice within the specified notice period to the Holders at the principal amount of the respective Note together with accrued interest to, but excluding, the relevant redemption date.]</p> <p><b>Early redemption for taxation reasons</b></p> <p>Early Redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations), of [<i>in the case of Notes issued by HeidelbergCement AG – the Federal Republic of Germany</i>] [<i>in case of Notes issued by HeidelbergCement Finance</i></p>

		<p><i>Luxembourg S.A. – the Grand Duchy of Luxembourg or the Federal Republic of Germany] or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer [or, in case of Notes issued by HeidelbergCement Finance Luxembourg S.A., the Guarantor,] will become obligated to pay additional amounts on the Notes.</i></p> <p><b>[Early redemption for reasons of a change of control in respect of HeidelbergCement AG]</b></p> <p>The Notes provide for the option of the Holders to demand redemption of Notes at 101% of their principal amount together with accrued interest to, but excluding, the relevant redemption date, in the event of a change of control in respect of HeidelbergCement AG.]</p> <p><b>Early redemption in an event of default (including the cross default)</b></p> <p>The Notes provide for events of default (including the cross default) entitling Holders to demand immediate redemption of Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date.</p> <p><b>Status of the Notes</b></p> <p>The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.</p> <p><b>Resolutions of Holders</b></p> <p>In accordance with the German Act on Debt Securities of 2009 (<i>Schuldverschreibungsgesetz – "SchVG"</i>) the Notes contain provisions pursuant to which Holders may agree by resolution to amend the Terms and Conditions (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of Holders properly adopted, either in a meeting of Holders or by vote taken without a meeting in accordance with the Terms and Conditions, are binding upon all Holders. Resolutions providing for material amendments to the Terms and Conditions require a majority of not less than 75% of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast.</p>
C.9	<p>Please see Element C.8.</p> <p><b>Interest rate</b></p>	<p><b>[[●]]% per annum in the case of fixed rate Notes.]</b></p> <p><i>[In the case of floating rate Notes [EURIBOR][LIBOR for the specified currency] [[plus][minus] the margin [of [●]]% per annum] for each interest period.]</i></p> <p><b>[Adjustment of Rate of Interest]</b></p> <p>The respective rate[s] of interest payable on the Notes for the respective interest period[s] [is] [are] subject to adjustment in the event of a step up rating change by an increase of [●] % per annum or, as the case may be, in the event of a subsequent step down rating change by a decrease of [●] % per annum as set out in detail in the Terms and Conditions of the Notes. A step up rating change occurs if a rating agency publicly announces a downgrade in the rating of the Issuer's long-term senior unsecured debt below the rating threshold. A step down rating change occurs if following a step up rating change a rating agency publicly announces an upgrade in the rating of the</p>

		Issuer's long-term senior unsecured debt to or above the rating threshold.]
	<b>Interest commencement date</b>	[The issue date of the Notes.]
	<b>Interest payment dates</b>	[•]
	<b>Underlying on which interest rate is based</b>	[Not applicable <i>in the case of fixed rate Notes</i> . The interest rate is not based on an underlying.]
		[EURIBOR][LIBOR for the specified currency]
	<b>Maturity date including repayment procedures</b>	[•] <i>in the case of fixed rate Notes</i>
		<i>In the case of floating rate Notes</i> the interest payment date falling in [the redemption month].
		Payment of principal in respect of Notes shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
	<b>Indication of yield</b>	[[•]% <i>per annum in the case of fixed rate Notes</i> .]
		[Not applicable <i>in the case of floating rate Notes</i> . No yield is calculated.]
	<b>Name of representative of the Holders</b>	[Not applicable. In accordance with the SchVG the Notes provide that the Holders may by majority resolution appoint a representative for all Holders (the " <b>Holders' Representative</b> "). The responsibilities and functions assigned to the Holders' Representative appointed by a resolution are determined by the SchVG and by majority resolutions of the Holders.]
		[[•] has been designated in the Terms and Conditions of the Notes as representative for all Holders (the " <b>Holders' Representative</b> "). The duties, rights and functions of the Holders' Representative are determined by the relevant provisions of the Terms and Conditions.]
<b>C.10</b>	<b>Please see Element C.9.</b>	
	<b>Explanation how the value of the investment is affected in the case the Notes have a derivative component in the interest payment</b>	Not applicable. The interest payment has no derivative component.
<b>C.11</b>	<b>Admission to trading on a regulated market or equivalent market</b>	[Regulated market] [ <i>or</i> The professional segment of the Regulated Market] of the Luxembourg Stock Exchange.] [ <i>or</i> Not applicable. The Notes will not be admitted to trading on a regulated market or equivalent market.]

<b>Element</b>	<b>Section D – Risks</b>	
	<b>Risks specific to HeidelbergCement AG as [Issuer] [Guarantor]</b>	
<b>D.2</b>	<b>Key information on the key risks that are specific to the [Issuer] [Guarantor]</b>	<p><u>General markets and business related risks.</u></p> <p>HC Group is exposed to cyclical fluctuations in the global economy and construction industry.</p> <p>HC Group is exposed to the risk of seasonal and weather-related impacts on the construction industry.</p> <p>HC Group's business is partly based on government-funded building activities the reduction or different allocation of which could have a negative impact on HC Group's revenue and profit.</p>

		<p>HC Group is exposed to supply and price risks in the energy markets.</p> <p>HC Group's long-term success is dependent upon the licenses/permits to exploit raw material reserves in strategically important areas.</p> <p>HC Group is exposed to the cost and supply risk of raw materials.</p> <p>HC Group is exposed to the cost and availability of transportation.</p> <p>HC Group is exposed to currency markets fluctuation risks.</p> <p>HC Group is exposed to risks of fluctuation of the market interest rates.</p> <p>HC Group is exposed to liquidity risk with respect to obtaining funds to finance its operations and investments.</p> <p>HC Group is exposed to risks arising from its pension obligations.</p> <p>HC Group is exposed to the risk of the impairment of assets.</p> <p>HC Group is exposed to risks resulting from the substitution of products.</p> <p>HC Group is dependent on qualified personnel in key positions and employees having special technical knowledge.</p> <p>HC Group depends on sound and uninterrupted operations of its information and communication technology.</p> <p>Intense competition could adversely affect HC Group's revenue, profits and market shares.</p> <p>HC Group is exposed to compliance risks resulting from unethical, criminal or fraudulent behaviour and non-compliance with HC Group's integrity policy.</p> <p>HC Group is exposed to political and legal risks and exceptional incidents.</p> <p>HC Group's insurance coverage may not be sufficient.</p> <p>HC Group does not control the business of the investments in which it is not the controlling shareholder and is limited by the rights of minority investors in some of its subsidiaries.</p> <p>HC Group is subject to risks that future acquisitions and participations in joint ventures may not be successful.</p> <p><u>Compliance, Regulatory, other Legal and Tax-related Risks.</u></p> <p>HC Group is exposed to legal risks regarding anti-trust fines and related damage claims.</p> <p>HC Group is exposed to regulations regarding carbon dioxide emissions.</p> <p>HC Group is subject to European Union ("EU") carbon emission laws and related risks.</p> <p>HC Group is subject to carbon emission laws and related risks in jurisdictions other than the EU.</p> <p>HC Group is exposed to indirect costs of carbon emission laws.</p> <p>HC Group is subject to a large number of environmental and health and safety laws and regulations.</p> <p>HC Group is exposed to risks associated with the release of hazardous substances or other contamination of the environment, including risks arising under the United States ("U.S.") Comprehensive Environmental Response, Compensation and Liability Act.</p> <p>HC Group is exposed to risks associated with asbestos-related</p>
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		<p>claims arising out of former activities in the U.S.</p> <p>HC Group may not have insurance coverage for certain non-asbestos environmental claims and liabilities arising out of former activities in the U.S.</p> <p>HC Group is subject to significant reclamation, re-cultivation and quarry closure obligations which may not be sufficiently covered by provisions and HC Group is required to maintain financial assurances to meet these obligations.</p> <p>HC Group could be subject to claims for taxes for previous tax assessment periods.</p> <p>HC Group is exposed to tax-related risks in connection with past acquisitions and the future deduction of interest expenses and interest expenses that were not tax-deductible in the past and carried forward.</p> <p>Changes in tax laws or tax-related case law may have adverse effects on the business and HC Group's financial condition and results of operations.</p> <p>HC Group may be named as defendant in politically motivated court action from time to time.</p> <p>HC Group is subject to risks under other litigation which might lead to significant liabilities for HC Group.</p>
	<b>[Risks specific to HeidelbergCement Finance Luxembourg S.A.]</b>	
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer</b>	<p>HeidelbergCement Finance Luxembourg S.A.'s operations depend on the ability of HC AG and other members of the HC Group to meet their payment obligations under loans provided to them by HeidelbergCement Finance Luxembourg S.A. All debt securities of HeidelbergCement Finance Luxembourg S.A. are wholly and unconditionally guaranteed by HC AG in respect of principal and interest payments. For the risk factors regarding HC AG, as guarantor and debtor to HeidelbergCement Finance Luxembourg S.A., see section <b>Risks specific to HeidelbergCement AG – D.2.]</b></p>
	<b>Risks specific to the Securities</b>	
<b>D.3</b>	<b>Key information on the key risks that are specific to the securities</b>	<p><b>Notes may not be a suitable Investment for all Investors</b></p> <p>Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances.</p> <p><b>Liquidity Risk</b></p> <p>There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country-specific reasons.</p> <p><b>Market Price Risk</b></p> <p>The Holder of Notes is exposed to the risk of an unfavourable development of market prices of its Notes, which may materialize if the Holder sells the Notes prior to the final maturity of such Notes.</p> <p><b>Risk of Early Redemption</b></p> <p>A Holder of Notes is exposed to the risk that due to early redemption his investment will have a lower yield than expected. Also, the Holder may only be able to reinvest on less favourable conditions as compared to the original investment.</p>



		<p><b>[Currency Risk]</b></p> <p>A Holder of Notes denominated in a foreign currency is exposed to the risk, that changes in currency exchange rates may affect the yield of such Notes.]</p> <p><b>[Fixed Rate Notes]</b></p> <p>A Holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate.]</p> <p><b>[Floating Rate Notes]</b></p> <p>A Holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance.]</p> <p><b>[Specific risks linked to [EURIBOR] [LIBOR]</b></p> <p>Specific risks arise in connection with the [EURIBOR] [LIBOR] to which interest rates under the Floating Rate Notes are linked, which is deemed to be a "benchmark" (the "<b>Benchmark</b>") and which is the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the Benchmark (if affected by these reforms) to perform differently than in the past or to be eliminated entirely. [For example, on July 27, 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR Benchmark after 2021 (the "<b>FCA Announcement</b>"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.] The reforms could also have other consequences which cannot be predicted.</p> <p>Although it is uncertain whether or to what extent any change in the administration of or method for determining the [EURIBOR] [LIBOR] could have an effect on the value of the Notes, investors should be aware that they face the risk that any changes to the [EURIBOR] [LIBOR] may have a material adverse effect on the value of and the amount payable under the Notes.]</p> <p><b>Resolutions of Holders</b></p> <p>Since the Terms and Conditions of the Notes provide for resolutions of Holders to be passed either in a meeting of Holders or by vote taken without a meeting, a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. As resolutions properly adopted are binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.</p> <p><b>Holdings' Representative</b></p> <p>Since the Terms and Conditions of the Notes provide for the appointment of a Holdings' Representative, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Holdings' Representative who is then responsible to claim and enforce the rights of all Holders.</p>
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		<p><b>The Market Value of the Notes could decrease if the Creditworthiness of HC Group Worsens</b></p> <p>If any of the risks regarding HeidelbergCement AG materializes, putting the Issuer in an unlikely position to fully perform all obligations under the Notes when due, the market value of the Notes will suffer. In addition, even if the Issuer's position to fully perform all obligations under the Notes when due does not actually deteriorate, market participants could nevertheless have a different perception. Moreover, the market participants' estimation of the creditworthiness of corporate debtors in general or of debtors operating in the same business as HC Group could change adversely.</p> <p>If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialization of said risk. Under these circumstances, the market value of the Notes will decrease.</p> <p><b>Changes in Accounting Standards (IFRS and German Commercial Code (HGB))</b></p> <p>HeidelbergCement's consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e(1) of the German Commercial Code (<i>Handelsgesetzbuch, HGB</i>). New or changed accounting standards may lead to adjustments in the relevant HeidelbergCement accounting positions. This might lead to a different perception of the market regarding HeidelbergCement's creditworthiness. As a result, there is a risk that the market value of the Notes might decrease.</p> <p><b>No Restriction on the Amount of Debt which HeidelbergCement AG May Incur in the Future</b></p> <p>There is no restriction on the amount of debt which HeidelbergCement AG may issue which ranks equal to the Notes. Any issuance of further debt may reduce the amount recoverable by the Holders upon winding-up or insolvency of the Issuer.</p>
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Element	Section E – Offer of the Securities	
E.2b	<b>Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks</b>	[•]
E.3	<b>A description of the terms and conditions of the offer</b>	<p>[No public offer is being made or contemplated.]</p> <p>The total amount of the [issue] [offer] is [•].</p> <p>[The offer period commences on [•] and ends on [•].]</p> <p>[The minimum subscription amount is [•].]</p> <p>[The maximum subscription amount is [•].]</p> <p>[The expected price at which the Notes will be offered is [•].]</p> <p>[•]</p>
E.4	<b>Any interest that is material to the issue/offer including conflicting</b>	[•]

	<b>interests</b>	
<b>E.7</b>	<b>Estimated expenses charged to the investor by the issuer or the offeror</b>	<b>[•]</b>

## GERMAN TRANSLATION OF THE SUMMARY

### DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG

Zusammenfassungen sind zusammengesetzt aus Offenlegungspflichten, die als "Punkte" bekannt sind. Diese Punkte sind in die Abschnitte A – E (A.1 – E.7) nummeriert.

Diese Zusammenfassung (die "**Zusammenfassung**") enthält alle Punkte, die in eine Zusammenfassung für diese Art von Schuldverschreibungen und die Emittentin aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, kann die Nummerierung Lücken aufweisen.

Auch wenn ein Punkt wegen der Art der Schuldverschreibungen und der Emittenten in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punktes keine relevante Information gegeben werden kann. In einem solchen Fall ist in der Zusammenfassung eine kurze Beschreibung des Punktes unter Bezeichnung als "nicht anwendbar" enthalten.

[Die Zusammenfassung enthält durch eckige Klammern oder Kursivschreibung gekennzeichnete Optionen (ausgenommen die jeweiligen Übersetzungen bestimmter Rechtsbegriffe) und Leerstellen bezüglich der Schuldverschreibungen, die unter dem Programm begeben werden können. Die Zusammenfassung der einzelnen Emission der Schuldverschreibungen wird die nur für diese Emission von Schuldverschreibungen relevanten Optionen, wie durch die Endgültigen Bedingungen festgelegt, und die ausgelassenen, durch die Endgültigen Bedingungen vervollständigten Leerstellen beinhalten.]<sup>1</sup>

Punkt	Abschnitt A – Einleitung und Warnhinweise	
A.1	Warnhinweise	<p style="text-align: center;"><b><u>Warnhinweis, dass</u></b></p> <ul style="list-style-type: none"> <li>▪ die Zusammenfassung als Einleitung zum Prospekt verstanden werden sollte;</li> <li>▪ sich der Anleger bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzen stützen sollte;</li> <li>▪ ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und</li> <li>▪ zivilrechtlich nur die Emittentinnen haften, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.</li> </ul>
A.2	Zustimmung zur Verwendung des Prospektes	<p>[Jeder Platzeur und/oder jeder weitere Finanzintermediär, der die emittierten Schuldverschreibungen nachfolgend weiter verkauft oder endgültig platziert, ist berechtigt, den Prospekt für den späteren Weiterverkauf oder die endgültige Platzierung der Schuldverschreibungen während der Angebotsperiode für den späteren Weiterverkauf oder die endgültige Platzierung vom [●] bis [●] zu verwenden, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 Absatz 2 des geänderten Luxemburger Wertpapierprospektgesetzes (<i>Loi relative aux prospectus pour valeurs mobilières</i>), welches die geänderte Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 umsetzt, noch gültig ist.</p>

<sup>1</sup> Für die Zusammenfassung einer einzelnen Emission von Schuldverschreibungen zu löschen.

		<p>Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zur Übergabe veröffentlichten Nachträgen übergeben werden. Jeder Nachtrag zum Prospekt kann in elektronischer Form auf der Internetseite der Wertpapierbörse Luxemburg (<a href="http://www.bourse.lu">www.bourse.lu</a>) und der Internetseite des HeidelbergCement Konzerns (<a href="http://www.heidelbergcement.com">www.heidelbergcement.com</a>) eingesehen werden.</p> <p>Bei der Nutzung des Prospektes hat jeder Platzeur und/oder jeweiliger weiterer Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.</p> <p><b>Für den Fall, dass ein Platzeur und/oder weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weiterer Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen.]</b> [Nicht anwendbar. Die Zustimmung wurde nicht erteilt.]</p>
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Punkt	Abschnitt B – [Emittentin] [Garantin]	
B.1	<b>Gesetzliche und kommerzielle Bezeichnung</b>	HeidelbergCement AG (" <b>HeidelbergCement</b> " oder " <b>HC AG</b> ") und zusammen mit ihren vollkonsolidierten Tochtergesellschaften die " <b>HeidelbergCement Gruppe</b> " oder " <b>HC Gruppe</b> " oder die " <b>Gruppe</b> ").
B.2	<b>Sitz / Rechtsform / geltendes Recht / Land der Gründung / Rechtsträgerkennung (LEI)</b>	HeidelbergCement AG ist eine nach deutschem Recht errichtete Aktiengesellschaft und ist unter deutschem Recht operativ tätig. HeidelbergCement AG hat ihren eingetragenen Sitz und ihre Geschäftsadresse in der Berliner Str. 6, 69120 Heidelberg, Deutschland. HeidelbergCement AG's Rechtsträgerkennung (LEI) ist LZ2C6E0W5W7LQMX5ZI37.
B.4b	<b>Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken</b>	Die Entwicklung des globalen ökonomischen Umfelds beeinflusst grundsätzlich auch die Umsatzerlöse und das Ergebnis der HeidelbergCement Gruppe. Der zyklische Verlauf der Absatzmärkte kann die operativen Margen der HC Gruppe nachteilig beeinflussen. Die Risiken bezüglich der Entwicklung der globalen Wirtschaft beschränken sich nicht nur auf die Auswirkungen des Ausgangs des Referendums im Vereinigten Königreich, die Europäische Union zu verlassen (Brexit), welche im Moment schwierig einzuschätzen sind, sondern umfassen auch die Preisentwicklung für Öl, die Auswirkungen von geldpolitischen Maßnahmen - insbesondere jene der US-Notenbank - auf Kapitalströme und Wechselkurse in den Schwellenländern sowie auch geopolitische Risiken im Zusammenhang mit den Krisen und Konflikten im Nahen Osten, in der Ost-Ukraine und in Nordkorea.
B.5	<b>Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe</b>	HeidelbergCement AG ist die oberste Muttergesellschaft der HC Gruppe.
B.9	<b>Gewinnprognosen oder -schätzungen</b>	Nicht anwendbar. Es wurden keine Gewinnprognosen oder -schätzungen aufgenommen.
B.10	<b>Art etwaiger Einschränkungen in den Bestätigungsvermerken zu den historischen Finanzinformationen</b>	Nicht anwendbar. Die Bestätigungsvermerke des unabhängigen Abschlussprüfers in Bezug auf die Konzernabschlüsse der HeidelbergCement AG für die zum 31. Dezember 2018 und 31. Dezember 2017 endenden Geschäftsjahre enthalten keine Einschränkungen.

**B.12****Ausgewählte wesentliche historische Finanzinformationen**

Die folgenden Tabellen stellen ausgewählte historische Finanzinformationen der HC Gruppe für die zum 31. Dezember 2018 und 2017 endenden Geschäftsjahre dar, abgeleitet aus dem geprüften Konzernabschluss der HC AG für das zum 31. Dezember 2018 endende Geschäftsjahr (einschließlich der angepassten Vergleichswerte für das zum 31. Dezember 2017 endende Geschäftsjahr), erstellt nach den International Financial Reporting Standards des International Accounting Standards Board (IASB) wie sie in der EU anzuwenden sind ("**IFRS**") und den ergänzend nach § 315e Abs. 1 des Handelsgesetzbuches ("**HGB**") anzuwendenden handelsrechtlichen Vorschriften.

Die von der HC Gruppe in ihrem geprüften Konzernabschluss für das zum 31. Dezember 2018 endende Geschäftsjahr vorgenommenen Anpassungen der Vergleichswerte des zum 31. Dezember 2017 endenden Geschäftsjahres betreffen (i) die retrospektiv angepasste Bilanzierung der Veränderung des beizulegenden Zeitwerts der Beteiligung an der Permanente-Gruppe, die anstelle der Saldierung mit Verbindlichkeiten gegenüber der Permanente-Gruppe erfolgsneutral über das sonstige Ergebnis im Eigenkapital erfasst wurde, sowie (ii) den Methodenwechsel in der Bilanzierung von ertragsteuerlichen Nebenleistungen, die gemäß der vom Deutsche Rechnungslegungs Standards Committee e. V. ("**DRSC**") verabschiedeten *DRSC Interpretation 4 (IFRS) Bilanzierung von ertragsteuerlichen Nebenleistungen nach IFRS* nach IAS 37 zu bilanzieren sind und nicht mehr in den Steuerposten nach IAS 12 ausgewiesen werden.

Sofern Finanzinformationen in den Tabellen als "geprüft" gekennzeichnet sind, bedeutet dies, dass sie den oben angeführten geprüften Konzernabschlüssen der HC AG entnommen wurden.

	Geschäftsjahr endend zum 31. Dezember 2018	Geschäftsjahr endend zum 31. Dezember 2017 angepasst
	(in Millionen €) geprüft	
Umsatzerlöse	18.074,6	17.266,1
Ergebnis des laufenden Geschäftsbetriebs vor Abschreibungen	3.074,1	3.297,3
Betriebsergebnis	2.131,2	2.106,7
Jahresüberschuss	1.286,2	1.058,2
Mittelfluss aus operativer Geschäftstätigkeit	1.968,3	2.037,9

	31. Dezember 2018	31. Dezember 2017 angepasst
	(in Millionen €) geprüft	
Bilanzsumme	35.783,3	34.558,0
Summe Eigenkapital	16.821,7	15.987,4
Summe langfristiges Fremdkapital	12.696,7	12.274,8
Summe kurzfristiges Fremdkapital	6.253,7	6.282,9
Schulden im Zusammenhang mit zur Veräußerung gehaltenen Vermögenswerten	11,2	12,9

**Keine wesentliche Verschlechterung der Aussichten des Emittenten**

Seit dem 31. Dezember 2018 sind keine wesentlichen nachteiligen Veränderungen in den Aussichten von HeidelbergCement eingetreten. Aus heutiger Sicht sind keine Entwicklungen absehbar, die sich mit hinreichender Wahrscheinlichkeit maßgeblich auf die Zukunftsaussichten von HeidelbergCement nachteilig auswirken könnten.

**Signifikante Veränderungen in der Finanz- bzw.**

Nicht anwendbar. Seit dem 31. Dezember 2018 sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der HeidelbergCement AG eingetreten.

	<b>Handelsposition</b>	
<b>B.13</b>	<b>Jüngste Ereignisse</b>	Nicht anwendbar. Keines der jüngsten Ereignisse der Geschäftstätigkeit der HeidelbergCement AG ist für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant.
<b>B.14</b>	<b>Bitte siehe Element B.5.</b>	
	<b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b>	Nicht anwendbar. Die HeidelbergCement AG ist nicht von anderen Unternehmen innerhalb des HeidelbergCement Konzerns abhängig.
<b>B.15</b>	<b>Haupttätigkeiten</b>	HeidelbergCement ist ein vertikal integrierter Baustoffhersteller. Die Kernaktivitäten umfassen die Herstellung und den Vertrieb von Zement und Zuschlagsstoffen, den beiden Hauptbestandteilen von Beton. Die Produktpalette wird maßgeblich durch die nachgelagerten Aktivitäten Transportbeton und Asphalt ergänzt. Darüber hinaus bietet HeidelbergCement Dienstleistungen an, wie den weltweiten Handel mit Zement und Kohle über den Seeweg.
<b>B.16</b>	<b>Beherrschungsverhältnis</b>	Mit Datum dieses Prospektes lag HeidelbergCement unter anderem die folgende Mitteilung nach dem Wertpapierhandelsgesetz (WpHG) vor: Am 9. November 2018 hat die von Herrn Ludwig Merckle kontrollierte PH Vermögensverwaltung GmbH, Zossen/Deutschland, der HeidelbergCement AG mitgeteilt, dass der Anteil an stimmberechtigten HeidelbergCement-Aktien, welcher der PH Vermögensverwaltung GmbH, Zossen/Deutschland, zugerechnet wird, 26,70% beträgt.
<b>B.17</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Der HeidelbergCement AG wurde von Moody's Deutschland GmbH (" <b>Moody's</b> ") <sup>1,4</sup> das langfristige Kreditrating Baa3 <sup>2</sup> (Ausblick positiv), von Fitch Italia S.p.A. (" <b>Fitch</b> ") <sup>3,4</sup> das langfristige Kreditrating BBB <sup>-5</sup> (Ausblick stabil) und von S&P Global Ratings Europe Limited (" <b>S&amp;P</b> ") <sup>6,4</sup> das langfristige Kreditrating BBB <sup>-7</sup> (Ausblick stabil) erteilt. [Den Schuldverschreibungen wurde das Rating [●] von [●] erteilt.]

<sup>1</sup> Moody's hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "**Ratingagentur-Verordnung**") registriert.

<sup>2</sup> Unter ein "Baa3"-Rating von Moody's fallen Verbindlichkeiten mittlerer Güte mit gemäßigtem Kreditrisiko und spekulativen Bestandteilen.

<sup>3</sup> Fitch hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "**Ratingagentur-Verordnung**") registriert.

<sup>4</sup> Die Europäische Wertpapier und Marktaufsichtsbehörde veröffentlicht auf ihrer Webseite (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.

<sup>5</sup> Ein "BBB"-Rating fällt unter Investment Grade mit derzeit geringem Ausfallrisiko. Die Fähigkeit, Finanzverbindlichkeiten zu bedienen, kann jedoch durch eine Verschlechterung der betrieblichen Verhältnisse und des gesamtwirtschaftlichen Umfeldes negativ beeinträchtigt werden.

<sup>6</sup> S&P hat seinen Sitz in der Europäischen Gemeinschaft und ist gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "**Ratingagentur-Verordnung**") registriert.

<sup>7</sup> Ein "BBB"-Rating von S&P fällt unter Investment Grade mit hinreichender Fähigkeit, Finanzverbindlichkeiten zu bedienen. Diese ist jedoch anfällig bei einer Verschlechterung der gesamtwirtschaftlichen Lage.

<b>[B.18]</b>	<b>Art und Umfang der Garantie</b>	Die Zahlung aller fälligen Beträge für die von HeidelbergCement Finance Luxembourg S.A. begebenen Schuldverschreibungen wird von HeidelbergCement AG unbeding und unwiderruflich garantiert.]
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<b>[Punkt]</b>	<b>Abschnitt B – Emittentin</b>	
<b>B.1</b>	<b>Gesetzliche und kommerzielle Bezeichnung</b>	HeidelbergCement Finance Luxembourg S.A. (" <b>HC Finance Lux</b> " oder " <b>HC Finance S.A.</b> ").
<b>B.2</b>	<b>Sitz / Rechtsform / geltendes Recht/ Land der Gründung / Rechtsträgerkennung (LEI)</b>	HeidelbergCement Finance Luxembourg S.A. ist eine Aktiengesellschaft gegründet gemäß dem Recht des Herzogtums Luxemburg und ist unter diesem Recht operativ tätig. HeidelbergCement Finance Luxembourg S.A. hat ihren eingetragenen Sitz und ihre Geschäftsadresse in 43, Avenue J.F. Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg. HeidelbergCement Finance Luxembourg S.A.'s Rechtsträgerkennung (LEI) ist 529900RYHTCF5X9DD509.
<b>B.4b</b>	<b>Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken</b>	HeidelbergCement Finance Luxembourg S.A. hat ausschließlich die Aufgabe die Finanzierung der HeidelbergCement Gruppe zu unterstützen. Das Geschäft von HC Finance S.A. steht in direktem Zusammenhang zu dem Umfang, in dem HeidelbergCement die HC Finance S.A. für den zukünftigen Finanzierungsbedarf einsetzt. Der Umfang, in dem zukünftiger Finanzierungsbedarf entsteht, hängt von der Entwicklung des operativen Geschäfts und den Investitionen der HeidelbergCement AG und ihrer Tochterunternehmen ab.
<b>B.5</b>	<b>Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe</b>	HeidelbergCement Finance Luxembourg S.A. ist eine 100% gehaltene Tochter der HeidelbergCement AG und hat keine eigenen Tochtergesellschaften. HeidelbergCement AG ist eine nach deutschem Recht errichtete Aktiengesellschaft. Sie ist die oberste Muttergesellschaft der HC Gruppe.
<b>B.9</b>	<b>Gewinnprognosen oder -schätzungen</b>	Nicht anwendbar. Es wurden keine Gewinnprognosen oder -schätzungen aufgenommen.
<b>B.10</b>	<b>Art etwaiger Einschränkungen in den Bestätigungsvermerken zu den historischen Finanzinformationen</b>	Nicht anwendbar. Die Bestätigungsvermerke in Bezug auf die unkonsolidierten Jahresabschlüsse der HC Finance S.A. für die zum 31. Dezember 2018 und 31. Dezember 2017 endenden Geschäftsjahre enthalten keine Einschränkungen.
<b>B.12</b>	<p><b>Ausgewählte wesentliche historische Finanzinformationen</b></p> <p>Die folgenden Tabellen stellen ausgewählte historische Finanzinformationen der HC Finance S.A. für die zum 31. Dezember 2018 und 31. Dezember 2017 endenden Geschäftsjahre dar, abgeleitet aus dem geprüften unkonsolidierten Jahresabschluss der HC Finance S.A. für das zum 31. Dezember 2018 endende Geschäftsjahr (einschließlich der Vergleichswerte für das zum 31. Dezember 2017 endende Geschäftsjahr), erstellt nach den in Luxemburg geltenden gesetzlichen Bestimmungen und Verordnungen zur Aufstellung des Jahresabschlusses ("<b>Luxemburg GAAP</b>").</p> <p>Sofern Finanzinformationen in den Tabellen als "geprüft" gekennzeichnet sind, bedeutet dies, dass sie dem oben angeführten geprüften unkonsolidierten Jahresabschluss der HC Finance S.A. entnommen wurden. Finanzinformationen, die nicht aus dem oben angeführten geprüften unkonsolidierten Jahresabschluss entnommen wurden, sondern auf Berechnungen von Finanzinformationen aus dem oben angeführten geprüften unkonsolidierten Jahresabschluss basieren, werden als "ungeprüft" bezeichnet.</p>	



	Geschäftsjahr endend zum 31. Dezember 2018	Geschäftsjahr endend zum 31. Dezember 2017
	(in Tausend €) geprüft, soweit nicht anders angegeben	
Nettoumsatzerlöse, sonstige betriebliche Erträge, Erträge aus Beteiligungen und sonstige Zinsen und ähnliche Erträge (ungeprüft)	395.810	434.935
Zinsen und ähnliche Aufwendungen an verbundene Unternehmen	-57.912	-67.926
Zinsen und ähnliche Aufwendungen - sonstige Zinsen und ähnliche Aufwendungen	-218.437	-246.351
Sonstige externe Aufwendungen, Personalaufwand und sonstige Steuern (ungeprüft)	-10.390	-12.201
Ergebnis des Geschäftsjahres	109.071	108.457
Netto Mittelabfluss aus operativer Geschäftstätigkeit	-662.322	-107.209
Netto Mittelzu-/abfluss aus Investitionstätigkeit	252.025	-939.037
Netto Mittelzu-/abfluss aus Finanzierungstätigkeit	410.300	1.046.244
	31. Dezember 2018	31. Dezember 2017
	(in Tausend €) geprüft, soweit nicht anders angegeben	
<u>Anlagevermögen</u>		
Finanzanlagen - Darlehen an Gesellschafter* (ungeprüft)	700.430	663.366
Finanzanlagen - Darlehen an Konzerngesellschaften (ungeprüft)	7.377.494	7.927.114
<u>Umlaufvermögen</u>		
Forderungen gegen verbundene Unternehmen	2.350.108	2.663.106
Sonstige Forderungen, Guthaben bei Kreditinstituten, Kassenbestand und Rechnungsabgrenzungsposten (ungeprüft)	36.852	28.987
<u>Summe Aktiva</u>	10.464.884	11.282.573
* HeidelbergCement Holding S.à r.l. ist der einzige Aktionär der HeidelbergCement Finance Luxembourg S.A.		
<b>Keine wesentliche Verschlechterung der Aussichten des Emittenten</b>	Seit dem 31. Dezember 2018 sind keine wesentlichen nachteiligen Veränderungen in den Aussichten der HeidelbergCement Finance Luxembourg S.A. eingetreten. Aus heutiger Sicht sind keine Entwicklungen absehbar, die sich mit hinreichender Wahrscheinlichkeit maßgeblich auf die Zukunftsaussichten von HeidelbergCement Finance Luxembourg S.A. nachteilig auswirken könnten.	
<b>Signifikante Veränderungen in der Finanz- bzw. Handelsposition</b>	Nicht anwendbar. Seit dem 31. Dezember 2018 sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der HeidelbergCement Finance Luxembourg S.A. eingetreten.	

<b>B.13</b>	<b>Jüngste Ereignisse</b>	Nicht anwendbar. Keines der jüngsten Ereignisse in der Geschäftstätigkeit der HeidelbergCement Finance Luxembourg S.A. ist für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant.
<b>B.14</b>	<b>Bitte siehe Element B.5.</b>	
	<b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b>	HeidelbergCement Finance Luxembourg S.A. ist eine 100%ige mittelbare Tochter der HeidelbergCement AG.
<b>B.15</b>	<b>Haupttätigkeiten</b>	Gemäß Artikel 3 des Gesellschaftervertrages handelt die HeidelbergCement Finance Luxembourg S.A. unterstützend bei der Finanzierung der HeidelbergCement Gruppe.
<b>B.16</b>	<b>Beherrschungsverhältnis</b>	HeidelbergCement Finance Luxembourg S.A. ist eine 100%ige mittelbare Tochter der HeidelbergCement AG.
<b>B.17</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Nicht anwendbar. HeidelbergCement Finance Luxembourg S.A. hat kein Einzelkreditrating.
<b>B.19</b>	<b>Zusammenfassende Informationen in Bezug auf die Garantin</b>	<b>Siehe Garantin (HeidelbergCement AG) - B.1 bis B.18;</b> <i>Im Fall einer Emission von Schuldverschreibungen durch die HeidelbergCement Finance Luxembourg S.A. die Informationen unter Garantin (HeidelbergCement AG) - B.1 bis B.18 in die emissionspezifische Zusammenfassung unter diesem Element B.19 einfügen und die Elemente in Bezug auf HeidelbergCement AG als Garantin wie folgt nummerieren: B.19 B.1, etc.]</i>

<b>Punkt</b>	<b>Abschnitt C – Wertpapiere</b>	
<b>C.1</b>	<b>Gattung und Art der Schuldverschreibungen / Wertpapierkennnummer</b>	<p><b>Gattung</b> Nicht besicherte Schuldverschreibungen.</p> <p><b>[Fest verzinsliche Schuldverschreibungen]</b> Die Schuldverschreibungen werden mit einem festen Zinssatz über die gesamte Laufzeit der Schuldverschreibungen verzinst.]</p> <p><b>[Variabel verzinsliche Schuldverschreibungen]</b> Die Schuldverschreibungen werden mit einem Zinssatz verzinst [(angepasst um die anwendbare Marge)], der auf der Basis eines Referenzzinssatzes bestimmt wird, der auf der vereinbarten Bildschirmseite eines Kursdienstes angezeigt wird.]</p> <p><b>ISIN</b> [•] <b>Common Code</b> [•] <b>WKN</b> [•]</p>
<b>C.2</b>	<b>Währung</b>	Die Schuldverschreibungen sind in [•] begeben.
<b>C.5</b>	<b>Beschränkungen der freien Übertragbarkeit</b>	Nicht anwendbar. Die Schuldverschreibungen sind frei übertragbar.
<b>C.8</b>	<b>Rechte, die mit den Schuldverschreibungen verbunden sind (einschließlich Rang der</b>	<b>Negativerklärung</b> Die Bedingungen der Schuldverschreibungen enthalten eine Negativverpflichtung der Emittentin.

	<p><b>Schuldverschreibungen und Beschränkungen dieser Rechte)</b></p>	<p><b>[Vorzeitige Rückzahlung im Fall von festverzinslichen Schuldverschreibungen]</b></p> <p>Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit [nach Wahl] [der Emittentin[,] [und][oder] [der Gläubiger,] aus steuerlichen Gründen[, bei Eintritt eines Kontrollwechsels bei der HeidelbergCement AG] oder eines Kündigungsereignisses rückzahlbar.]</p> <p><b>[Vorzeitige Rückzahlung im Fall von variabel verzinslichen Schuldverschreibungen]</b></p> <p>Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit [nach Wahl der Emittentin,] aus steuerlichen Gründen[, bei Eintritt eines Kontrollwechsels bei der HeidelbergCement AG] oder eines Kündigungsereignisses rückzahlbar.]</p> <p><b>[Vorzeitige Rückzahlung nach Wahl der [Emittentin] [und][oder] [der Gläubiger] zu dem(n) festgelegten Rückzahlungsbetrag(beträgen) im Fall von festverzinslichen Schuldverschreibungen]</b></p> <p>Die Schuldverschreibungen sind nach Wahl der [Emittentin] [und][oder] [der Gläubiger] unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber [den Gläubigern] [oder] [der Emittentin] rückzahlbar, und zwar zu dem(n) festgelegten Zeitpunkt(en) vor der angegebenen Fälligkeit und zu dem(n) festgelegten Rückzahlungsbetrag(beträgen) nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen.]</p> <p><b>[Vorzeitige Rückzahlung nach Wahl der Emittentin zu dem vorzeitigen Rückzahlungsbetrag (call) im Fall von festverzinslichen Schuldverschreibungen, die in Euro denominiert sind]</b></p> <p>Die Schuldverschreibungen sind nach Wahl der Emittentin jederzeit unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber den Gläubigern zu dem vorzeitigen Rückzahlungsbetrag (call) rückzahlbar.]</p> <p><b>[Vorzeitige Rückzahlung nach Wahl der Emittentin zum Nennbetrag der jeweiligen Schuldverschreibung im Fall von variabel verzinslichen Schuldverschreibungen]</b></p> <p>Die Schuldverschreibungen sind nach Wahl der Emittentin insgesamt oder teilweise erstmals am [●] und danach an jedem darauf folgenden Zinszahlungstag unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber den Gläubigern zum Nennbetrag der jeweiligen Schuldverschreibung nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen rückzahlbar.]</p> <p><b>Vorzeitige Rückzahlung aus Steuergründen</b></p> <p>Die vorzeitige Rückzahlung der Schuldverschreibungen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Gesetze oder Vorschriften (einschließlich einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) [im Fall von Schuldverschreibungen, die von der HeidelbergCement AG begeben werden – der Bundesrepublik Deutschland] [im Fall von Schuldverschreibungen, die von der HeidelbergCement Finance Luxembourg S.A. begeben werden – dem Großherzogtum Luxemburg oder der der Bundesrepublik Deutschland] oder deren politischen Untergliederungen oder Steuerbehörden, die Emittentin [oder, im Falle von Schuldverschreibungen, die von HeidelbergCement Finance</p>
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		<p><i>Luxembourg S.A. begeben werden, die Garantin] zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist.</i></p> <p><b>[Vorzeitige Rückzahlung bei Eintritt eines Kontrollwechsels bei der HeidelbergCement AG</b></p> <p>Die Schuldverschreibungen gewähren den Gläubigern das Recht, die Rückzahlung ihrer Schuldverschreibungen zu 101% des Nennbetrags nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zu verlangen, sofern ein Kontrollwechsel bei der HeidelbergCement AG eingetreten ist.]</p> <p><b>Vorzeitige Rückzahlung bei Eintritt eines Kündigungsereignisses (einschließlich Drittverzug)</b></p> <p>Die Schuldverschreibungen sehen Kündigungsgründe (einschließlich einer Kündigung im Fall eines Drittverzugs (<i>Cross-Default</i>)) vor, die die Gläubiger berechtigen, die unverzügliche Rückzahlung ihrer Schuldverschreibungen zum Nennbetrag nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zu verlangen.</p> <p><b>Status der Schuldverschreibungen</b></p> <p>Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind.</p> <p><b>Gläubigerbeschlüsse</b></p> <p>In Übereinstimmung mit dem Schuldverschreibungsgesetz 2009 ("<b>SchVG</b>") sehen die Schuldverschreibungen vor, dass die Gläubiger durch Beschluss (mit Zustimmung der Emittentin) Änderungen der Anleihebedingungen zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen beschließen. Beschlüsse der Gläubiger können nach Maßgabe der Anleihebedingungen entweder in einer Gläubigerversammlung oder im Wege der Abstimmung ohne Versammlung gefasst werden und sind für alle Gläubiger verbindlich. Beschlüsse der Gläubiger, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, bedürfen einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte. Sonstige Beschlüsse bedürfen der einfachen Mehrheit der teilnehmenden Stimmrechte.</p>
C.9	<p><b>Bitte siehe Element C.8.</b></p> <p><b>Zinssatz</b></p>	<p><i>[Im Fall von fest verzinslichen Schuldverschreibungen [●]% per annum].</i></p> <p><i>[Im Fall von variabel verzinslichen Schuldverschreibungen der [EURIBOR][LIBOR für die festgelegte Währung] [[zuzüglich][abzüglich] die Marge [in Höhe von [●]% per annum] für jede Zinsperiode.]</i></p> <p><b>[Anpassung des Zinsatzes</b></p> <p><i>[Der][Die] auf die Schuldverschreibungen für die jeweilige Zinsperiode[n] jeweils zu zahlende [Zinssatz][Zinssätze] wird im Fall einer Zinserhöhenden Ratingänderung um [●]% per annum erhöht bzw. im Fall einer nachfolgenden Zinssenkenden Ratingänderung um [●]% per annum gesenkt wie im Einzelnen in den Anleihebedingungen der Schuldverschreibungen</i></p>

		dargelegt. Eine Zinserhöhende Ratingänderung tritt ein, falls eine Ratingagentur die Herunterstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin unter die Ratingschwelle öffentlich bekannt macht. Eine Zinssenkende Ratingänderung tritt ein, falls nach einer Zinserhöhenden Ratingveränderung eine Ratingagentur die Heraufstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin auf die Ratingschwelle oder höher öffentlich bekannt macht.].
	<b>Verzinsungsbeginn</b>	[Begebungstag der Schuldverschreibungen.]
	<b>Zinszahlungstage</b>	[•]
	<b>Basiswert auf dem der Zinssatz basiert</b>	[Nicht anwendbar <i>im Fall von fest verzinslichen Schuldverschreibungen</i> . Der Zinssatz basiert nicht auf einem Basiswert.] [EURIBOR][LIBOR für die festgelegte Währung]
	<b>Fälligkeitstag einschließlich Rückzahlungsverfahren</b>	[•] <i>im Fall von fest verzinslichen Schuldverschreibungen</i> . <i>Im Fall von variabel verzinslichen Schuldverschreibungen</i> am in den [Rückzahlungsmonat] fallenden Zinszahlungstag. Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.
	<b>Rendite</b>	[[•]]% <i>per annum im Fall von fest verzinslichen Schuldverschreibungen</i> .] [Nicht anwendbar <i>im Fall von variabel verzinslichen Schuldverschreibungen</i> . Es wird keine Rendite berechnet.]
	<b>Name des Vertreters der Inhaber der Schuldverschreibungen</b>	[Nicht anwendbar. In Übereinstimmung mit dem SchVG sehen die Schuldverschreibungen vor, dass die Gläubiger durch Beschluss einen gemeinsamen Vertreter bestellen können. Die Aufgaben und Befugnisse des durch Beschluss bestellten gemeinsamen Vertreters bestimmen sich nach dem SchVG sowie den Mehrheitsbeschlüssen der Gläubiger.] [[•] ist in den Anleihebedingungen der Schuldverschreibungen als gemeinsamer Vertreter der Gläubiger bestellt. Die Aufgaben und Befugnisse des gemeinsamen Vertreters bestimmen sich nach den Anleihebedingungen.]
<b>C.10</b>	<b>Bitte siehe Element C.9.</b>	
	<b>Erläuterung wie der Wert der Anlage beeinflusst wird, falls die Schuldverschreibungen eine derivative Komponente bei der Zinszahlung aufweisen</b>	Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf.
<b>C.11</b>	<b>Einführung in einen regulierten Markt oder einen gleichwertigen Markt</b>	[Regulierter Markt] [oder Professionelles Segment des Regulierten Marktes] der Luxemburger Wertpapierbörse.] [oder Nicht anwendbar. Die Schuldverschreibungen werden nicht in einen regulierten Markt oder einen gleichwertigen Markt eingeführt.]

Punkt	Abschnitt D – Risiken	
	<b>Risiken, die der HeidelbergCement AG als [Emittentin] [Garantin] eigen sind</b>	
D.2	<b>Zentrale Angaben zu den zentralen Risiken, die [dem Emittenten] [der Garantin] eigen sind</b>	<p><u>Allgemeine Markt- und Geschäftsrisiken.</u></p> <p>Die HC Gruppe ist zyklischen Schwankungen in der Weltwirtschaft und im Baugewerbe ausgesetzt.</p> <p>Die HC Gruppe ist dem Risiko saisonaler und witterungsbedingter Einflüsse auf die Bauindustrie ausgesetzt.</p> <p>Die Geschäftstätigkeit der HC Gruppe basiert zum Teil auf staatlich finanzierten Bauprojekten, deren Verringerung oder andere Zuteilung eine negative Auswirkung auf die Umsatzerlöse oder das Ergebnis der HC Gruppe haben könnte.</p> <p>Die HC Gruppe ist Liefer- und Preisrisiken auf den Energiemärkten ausgesetzt.</p> <p>Der langfristige Erfolg der HC Gruppe hängt von den Abbaulizenzen/Konzessionen für die Rohstoffvorkommen an strategisch wichtigen Orten ab.</p> <p>Die HC Gruppe ist dem Kosten- und Versorgungsrisiko von Rohstoffen ausgesetzt.</p> <p>Die HC Gruppe ist den Kosten und der Verfügbarkeit des Transports ausgesetzt.</p> <p>Die HC Gruppe ist Risiken resultierend aus Schwankungen der Fremdwährungsmärkte ausgesetzt.</p> <p>Die HC Gruppe unterliegt Risiken resultierend aus Schwankungen der Zinsmärkte.</p> <p>Die HC Gruppe ist dem Liquiditätsrisiko in Bezug auf die Beschaffung finanzieller Mittel für die Finanzierung ihres Geschäfts und von Investitionen ausgesetzt.</p> <p>Die HC Gruppe ist Risiken aus Pensionsverpflichtungen ausgesetzt.</p> <p>Die HC Gruppe ist dem Risiko der Wertminderung von Vermögenswerten ausgesetzt.</p> <p>Die HC Gruppe ist Risiken aus der Substitution von Produkten ausgesetzt.</p> <p>Die HC Gruppe ist von qualifiziertem Personal in Schlüsselpositionen und Angestellten mit spezialisiertem Fachwissen abhängig.</p> <p>Die HC Gruppe ist von einem funktionierenden und unterbrechungsfreien Betrieb ihrer Informations- und Kommunikationstechnologie abhängig.</p> <p>Eine Verschärfung des Wettbewerbs könnte sich negativ auf die Umsatzerlöse, Ergebnisse und Marktanteile der HC Gruppe auswirken.</p> <p>Die HC Gruppe ist Compliance-Risiken ausgesetzt, die durch unethisches, kriminelles oder betrügerisches Verhalten und die Nichteinhaltung der Integritätsrichtlinien der HC Gruppe entstehen.</p> <p>Die HC Gruppe unterliegt politischen und rechtlichen Risiken und außergewöhnlichen Zwischenfällen.</p> <p>Der Versicherungsschutz der HC Gruppe könnte nicht ausreichend sein.</p> <p>Die HC Gruppe kontrolliert nicht die Geschäftstätigkeit von</p>

		<p>Beteiligungen, bei denen sie nicht der Mehrheitsgesellschafter ist, und ist durch die Rechte von Minderheitsgesellschaftern in einigen ihrer Tochtergesellschaften beschränkt.</p> <p>Die HC Gruppe unterliegt dem Risiko, dass zukünftige Akquisitionen oder Beteiligungen an Gemeinschaftsunternehmen keinen Erfolg haben könnten.</p> <p><u>Compliance-, aufsichtsrechtliche, steuerrechtliche und sonstige rechtliche Risiken.</u></p> <p>Die HC Gruppe unterliegt rechtlichen Risiken in Bezug auf Geldbußen bei Kartellrechtsverstößen und damit verbundenen Schadenersatzansprüchen.</p> <p>Die HC Gruppe unterliegt Vorgaben für Kohlendioxidemissionen.</p> <p>Die HC Gruppe unterliegt den Kohlendioxidemissionsgesetzen der Europäischen Union ("EU") und den damit verbundenen Risiken.</p> <p>Die HC Gruppe unterliegt den Kohlendioxidemissionsgesetzen von Ländern außerhalb der EU und den damit verbundenen Risiken.</p> <p>Die HC Gruppe unterliegt indirekten Kosten der Kohlendioxidemissionsgesetze.</p> <p>Die HC Gruppe unterliegt einer ganzen Reihe umwelt-, gesundheits- und sicherheitsbezogener Gesetze und Vorschriften.</p> <p>Die HC Gruppe ist Risiken im Zusammenhang mit der Freisetzung gefährlicher Substanzen oder anderer Art von Umweltverschmutzung ausgesetzt, inklusive der Risiken, die sich aus dem <i>United States ("U.S.") Comprehensive Environmental Response, Compensation and Liability Act</i> ergeben.</p> <p>Die HC Gruppe unterliegt Risiken in Verbindung mit Ansprüchen im Zusammenhang mit Asbest, die sich aus früheren Tätigkeiten in den USA ergeben.</p> <p>Die HC Gruppe verfügt möglicherweise nicht über Versicherungsschutz für bestimmte, nicht auf Asbest bezogene umweltrechtliche Ansprüche und Haftungsverbindlichkeiten, die sich im Zusammenhang mit früheren Tätigkeiten in den USA ergeben.</p> <p>Die HC Gruppe unterliegt hinsichtlich der Regenerierung, Rekultivierung und Schließung von Steinbrüchen strengen Pflichten, die nicht ausreichend durch Rücklagen gedeckt sein könnten. Die HC Gruppe muss diesen Pflichten entsprechende finanzielle Sicherheiten gegenüber stellen.</p> <p>Die HC Gruppe könnte Steuerforderungen aus vorangegangenen Veranlagungszeiträumen unterliegen.</p> <p>Die HC Gruppe ist im Zusammenhang mit früheren Akquisitionen und dem zukünftigen steuerlichen Abzug von Zinsaufwendungen sowie von Zinsaufwendungen, die in der Vergangenheit nicht mit steuerlicher Wirkung abgezogen werden konnten und vorgetragen wurden, steuerlichen Risiken ausgesetzt.</p> <p>Änderungen der Steuergesetze oder steuerlich relevante Gerichtsentscheidungen können sich nachteilig auf die Geschäfte und die Finanz- und Ertragslage der HC Gruppe auswirken.</p> <p>Die HC Gruppe kann unter Umständen als Beklagte in politisch motivierten Gerichtsverfahren beteiligt werden.</p> <p>Die HC Gruppe unterliegt Risiken aus anderen</p>
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		Gerichtsverfahren, welche für die HC Gruppe signifikante Verpflichtungen nach sich ziehen könnten.
	<b>[Risiken, die der HeidelbergCement Finance Luxembourg S.A. eigen sind</b>	
<b>D.2</b>	<b>Zentrale Angaben zu den zentralen Risiken, die dem Emittenten eigen sind</b>	Die Geschäftstätigkeit der HeidelbergCement Finance Luxembourg S.A. hängt von der Fähigkeit der HC AG und anderen Konzernunternehmen ab, ihre Zahlungsverpflichtungen aus Darlehen zu erfüllen, die ihnen von HeidelbergCement Finance Luxembourg S.A. gewährt wurden. Alle Schuldverschreibungen sind in vollem Umfang und unbedingt im Hinblick auf Darlehensbeträge und Zinszahlungen von der HC AG garantiert. Zu den Risikofaktoren der HC AG als Garantiegeber und Schuldner der HeidelbergCement Finance Luxembourg S.A. <b>siehe Abschnitt Risiken der HeidelbergCement AG – D.2.]</b>
	<b>Risiken, die den Wertpapieren eigen sind</b>	
<b>D.3</b>	<b>Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind</b>	<p><b>Schuldverschreibungen als nicht für alle Investoren geeignetes Investment</b></p> <p>Jeder potentielle Anleger in Schuldverschreibungen muss die Geeignetheit dieser Investition unter Berücksichtigung seiner eigenen Lebensverhältnisse einschätzen.</p> <p><b>Liquiditätsrisiko</b></p> <p>Es besteht keine Gewissheit, dass ein liquider Sekundärmarkt für Schuldverschreibungen entstehen wird, oder sofern er entsteht, dass er fortbestehen wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit, Schuldverschreibungen zu veräußern, kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.</p> <p><b>Marktpreisrisiko</b></p> <p>Der Gläubiger von Schuldverschreibungen ist dem Risiko nachteiliger Entwicklungen der Marktpreise seiner Schuldverschreibungen ausgesetzt, welches sich verwirklichen kann, wenn der Gläubiger seine Schuldverschreibungen vor Endfälligkeit veräußert.</p> <p><b>Risiko der vorzeitigen Rückzahlung</b></p> <p>Der Gläubiger von Schuldverschreibungen ist dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen wird. Außerdem besteht die Möglichkeit, dass der Gläubiger der Schuldverschreibungen eine Wiederanlage nur zu schlechteren als den Bedingungen des ursprünglichen Investments tätigen kann.</p> <p><b>[Währungsrisiko</b></p> <p>Der Gläubiger von Schuldverschreibungen, die auf eine fremde Währung lauten, ist dem Risiko ausgesetzt, dass Wechselkursschwankungen die Rendite solcher Schuldverschreibungen beeinflussen können.]</p> <p><b>[Festverzinsliche Schuldverschreibungen</b></p> <p>Der Gläubiger von festverzinslichen Schuldverschreibungen ist dem Risiko ausgesetzt, dass der Kurs einer solchen Schuldverschreibung infolge von Veränderungen des aktuellen Marktzinssatzes fällt.]</p>



	<p><b>[Variabel verzinsliche Schuldverschreibungen]</b></p> <p>Der Gläubiger von variabel verzinslichen Schuldverschreibungen ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Schuldverschreibungen im Voraus zu bestimmen.]</p> <p><b>[Bestimmte Risiken in Bezug auf den [EURIBOR] [LIBOR]]</b></p> <p>Bestimmte Risiken ergeben sich im Zusammenhang mit dem [EURIBOR] [LIBOR], an den die Zinssätze der variabel verzinslichen Schuldverschreibungen geknüpft sind, der als "Benchmark" gilt (die "<b>Benchmark</b>") und der Gegenstand aktueller aufsichtsrechtlicher Vorgaben und Reformvorschläge auf nationaler und internationaler Ebene ist. Einige dieser Reformen sind bereits in Kraft getreten, während andere noch umgesetzt werden müssen. Diese Reformen können dazu führen, dass sich die Benchmark (sofern davon betroffen) anders als in der Vergangenheit entwickelt oder ganz abgeschafft wird. [Zum Beispiel hat die britische Financial Conduct Authority am 27. Juli 2017 angekündigt (die "<b>FCA Ankündigung</b>"), dass sie nach 2021 Banken nicht mehr dazu bewegen oder verpflichten will, Daten für die LIBOR Benchmark zu übermitteln. Die FCA Ankündigung deutet darauf hin, dass die Beibehaltung des LIBOR auf der bestehenden Basis nach 2021 nicht garantiert werden kann.] Die Reformen können auch zu anderen Auswirkungen führen, die nicht vorhersehbar sind.</p> <p>Obgleich es ungewiss ist, ob oder inwieweit eine Änderung betreffend die Verwaltung oder das Verfahren zur Ermittlung des [EURIBOR] [LIBOR] Auswirkungen auf den Wert der Schuldverschreibungen haben könnten, sollten Anleger beachten, dass sie dem Risiko ausgesetzt sind, dass Änderungen des [EURIBOR] [LIBOR] sich wesentlich nachteilig auf den Wert und die Zahlungen unter den Schuldverschreibungen auswirken könnten.]</p> <p><b>Beschlüsse der Gläubiger</b></p> <p>Da die Anleihebedingungen der Schuldverschreibungen Beschlüsse der Gläubiger im Rahmen einer Gläubigerversammlung oder durch Abstimmung ohne Versammlung vorsehen, ist ein Gläubiger dem Risiko ausgesetzt, durch einen Mehrheitsbeschluss der Gläubiger überstimmt zu werden. Da ein solcher Mehrheitsbeschluss für alle Gläubiger verbindlich ist, können bestimmte Rechte des Gläubigers gegen die Emittentin aus den Anleihebedingungen geändert, eingeschränkt oder sogar aufgehoben werden.</p> <p><b>Gemeinsamer Vertreter</b></p> <p>Da die Anleihebedingungen der Schuldverschreibungen die Bestellung eines gemeinsamen Vertreters vorsehen, ist es für einen Gläubiger möglich, dass sein persönliches Recht zur Geltendmachung und Durchsetzung seiner Rechte aus den Anleihebedingungen gegenüber der Emittentin auf den gemeinsamen Vertreter übergeht, der sodann allein verantwortlich ist, die Rechte sämtlicher Gläubiger geltend zu machen und durchzusetzen.</p> <p><b>Der Marktwert der Anleihen könnte fallen, wenn sich die Kreditwürdigkeit der HC Gruppe verschlechtert</b></p> <p>Wenn, bedingt durch das Eintreten eines der Risiken die HeidelbergCement AG betreffend, die Wahrscheinlichkeit sinkt,</p>
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		<p>dass die Emittentin allen Verpflichtungen aus den Anleihen bei Fälligkeit vollumfänglich nachkommen wird, wird der Marktwert der Anleihen sinken. Weiterhin kann es sein, dass Marktteilnehmer anderer Auffassung sind, obwohl die Wahrscheinlichkeit für eine Erfüllung aller Verpflichtungen aus den Anleihen bei Fälligkeit eigentlich nicht zurückgegangen ist. Zusätzlich kann sich die Einschätzung der Marktteilnehmer bezüglich der Kreditwürdigkeit von Unternehmensanleihen im Allgemeinen oder von Schuldnern im gleichen Sektor wie die HC Gruppe verschlechtern.</p> <p>Falls eines dieser Risiken eintritt, wären Drittparteien nur noch bereit, die Anleihen zu einem niedrigeren Preis als vor Eintritt der erwähnten Risiken zu erwerben. Unter diesen Umständen wird der Marktwert der Anleihen sinken.</p> <p><b>Änderungen der Rechnungslegungsvorschriften (IFRS und Handelsgesetzbuch (HGB))</b></p> <p>Die Konzernabschlüsse von HeidelbergCement werden in Übereinstimmung mit den International Financial Reporting Standards, wie sie in der EU anzuwenden sind, und den ergänzend nach § 315e Abs. 1 HGB anzuwendenden handelsrechtlichen Vorschriften erstellt. Neue oder geänderte Rechnungslegungsvorschriften können zu Anpassungen in den entsprechenden Abschlussposten von HeidelbergCement führen. Dies kann zur Folge haben, dass die Kreditwürdigkeit von HeidelbergCement durch die Marktteilnehmer anders eingeschätzt wird. Daher besteht das Risiko, dass der Marktwert der Anleihen dann sinken könnte.</p> <p><b>Keine Beschränkung des Betrags von Schulden, die die HeidelbergCement AG in Zukunft aufnehmen kann</b></p> <p>Es gibt keine Beschränkung, wie viele Schulden die HeidelbergCement AG aufnehmen kann, die den gleichen Rang wie die Anleihen haben. Jede Aufnahme weiterer Schulden kann den Betrag verringern, der von den Anleihegläubigern im Falle einer Auflösung oder Insolvenz der Emittentin wiedererlangt werden kann.</p>
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Punkt	Abschnitt E – Angebot von Wertpapieren	
E.2b	<b>Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen.</b>	[•]
E.3	<b>Beschreibung der Angebotskonditionen</b>	<p>[Ein öffentliches Angebot findet nicht statt und wird nicht in Betracht gezogen.]</p> <p>Die Gesamtsumme [der Emission] [des Angebots] beträgt [•].</p> <p>[Die Angebotsfrist beginnt am [•] und endet am [•].]</p> <p>[Der Mindestzeichnungsbetrag beträgt [•].]</p> <p>[Der Höchstzeichnungsbetrag beträgt [•].]</p> <p>[Der Preis, zu dem die Schuldverschreibungen voraussichtlich angeboten werden, ist [•].]</p> <p>[•]</p>

<b>E.4</b>	<b>Beschreibung aller für die Emission/das Angebot wesentlichen, auch kollidierenden Interessen.</b>	<b>[•]</b>
<b>E.7</b>	<b>Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.</b>	<b>[•]</b>

## RISK FACTORS

*The following is a disclosure of the principal risk factors which are material to the Notes issued under the Programme in order to assess the market risk associated with the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.*

*An investment in the Notes involves certain risks associated with the characteristics, specification and type of Notes which could lead to substantial losses that Holders (as defined in the Terms and Conditions below) would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Prospective investors should consider all information provided in this Prospectus and consult with their own professional advisers (including their financial, accounting, legal and tax advisers) if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.*

### RISKS RELATING TO HEIDELBERGCEMENT AG AS ISSUER AND GUARANTOR

#### **Risk Policy**

HeidelbergCement's risk policy is based on the business strategy, which focuses on safeguarding the Group's existence and sustainably increasing its value. Entrepreneurial activity is always forward-looking and therefore subject to certain risks. Identifying risks, understanding them, as well as assessing and reducing them systematically are the responsibility of the Managing Board and a key task for all managers. HeidelbergCement is subject to various risks that are not fundamentally avoided, but instead accepted, provided they are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present. Opportunity and risk management at HC Group is closely linked by Group-wide planning and monitoring systems. Opportunities are recorded in the annual operational plan and followed up as part of monthly financial reporting. Operational management in each country and the central Group departments are directly responsible for identifying and observing opportunities at an early stage. References to HC Group includes by default HeidelbergCement AG as ultimate parent of the HC Group.

#### **Risk Management**

The Managing Board of HeidelbergCement AG is obliged to set up and supervise an internal control and risk management system. The Managing Board also has overall responsibility for the scope and organization of the established systems. The Supervisory Board and its Audit Committee also review the effectiveness of the risk management system on a regular basis. HeidelbergCement has installed transparent regulations to govern competences and responsibilities for risk management that are based on the Group's structure. A code of conduct, guidelines, and principles apply across the Group for the implementation of systematic and effective risk management. The standardized internal control and risk management system at HeidelbergCement is based on financial resources, operational planning, and the risk management strategy established by the Managing Board. It comprises several components that are carefully coordinated and systematically incorporated into the structure and workflow organization. The essential elements of the risk management system are:

- documentation of the general conditions for a methodical, efficient risk management in a Group guideline. In addition to this Risk Management Policy, the Group's Code of Business Conduct is concerned with the code of conduct and compliance standards to be observed,
- coordination of risk management in the Group Insurance & Corporate Risk department,
- managers responsible for corporate risk at country level,
- direct information and open communication of quantified risks between the Managing Board and country management,
- standardized and regular reporting at Group and country level.

#### **Markets and Business related Risks**

##### **General markets and business related risks.**

In its forecast from January 2019, the International Monetary Fund ("IMF") expects a continuation of global economic growth on a broad scale. The growth rate is expected to weaken slightly, from 3.7% in 2018 to 3.5% in 2019. This is due to trade disputes between the USA and China as well as the recent drop in momentum in

Europe. The risks that could continue to jeopardize growth include a further escalation of the trade disputes, high public and private debt, a disorderly Brexit, and a stronger than expected economic slowdown in China.

In Asia, China will continue to be the determining factor in economic development. The IMF projects a decline in growth for China, from 6.6% in 2018 to 6.2% in 2019. For Indonesia, growth of 5.1% is anticipated. The growth rates in the African countries south of the Sahara are expected to increase further, reaching 3.5% in 2019 compared with 2.9% in 2018. In North Africa, the gross domestic product is expected to rise to around 5.5% in Egypt and remain stable at 3.2% in Morocco.

In the mature markets, economic growth is expected to decline from 2.3% to 2.0%. According to IMF forecasts, the important markets for HeidelbergCement – USA, United Kingdom, Germany, France, Italy, and Canada – should continue to develop positively in 2019. However, growth rates are declining in all countries except France, where stable development is anticipated. The reduction in fiscal stimulus measures and rising interest rates are expected to slow growth in the USA. Nevertheless, the USA is set to record the highest increase in economic output at 2.5%, followed by Canada at 1.9%, France at 1.5%, Germany at 1.3%, the United Kingdom at 1.2% – according to the Bank of England's latest forecast – and finally Italy at 0.6%. In Australia, growth is expected to cool slightly to 2.8%.

Further growth is predicted for all countries in Northern and Eastern Europe and Central Asia in 2019. However, the development in the individual countries will vary. In Northern Europe, economic growth ranging from 1.9% in Denmark to 3.2% in Estonia is expected. While the growth rate will remain stable in Norway compared with 2018, it will be somewhat lower in Sweden, Denmark, Iceland, and Estonia. In Eastern and Southeastern Europe, increases ranging from 1.8% in Russia to 4.8% in Georgia are anticipated. While a slight increase in growth is expected in Russia, Slovakia, Greece, and Bosnia-Herzegovina, a slight slowdown is forecast in the other countries.

Regarding consumer goods price inflation, the IMF expects a slight rise in mature markets and a moderate increase in emerging countries. The oil price reached an interim high in 2018 following a significant rise, and is expected to fall significantly in 2019.

The development of economic output is also reflected in the estimated demand for building materials. As the production and marketing of building materials is very localized and global trade in building materials only represents a small percentage of the total volume, HC Group focuses on the regions and countries relevant to its business instead of considering a global view of the demand trend.

For the USA, a further increase of 2.3% in cement demand is anticipated for 2019, putting it slightly above the level of 2018 (+2.2%). This growth will be equally well supported by all sectors. In its Spring Forecast for 2019, the American cement association PCA projects an increase of 2.7% in cement consumption in residential construction. Cement demand in non-residential construction is expected to rise by 2.4%, primarily as a result of investment in industrial facilities and office buildings. Infrastructure will continue to be supported by the five-year federal programme (FAST – Fixing America's Surface Transportation Act) adopted by the US Congress in December 2015. In addition, individual states such as California, New York, and Texas have launched infrastructure programmes that should lead to increased construction activity in the area of infrastructure. The PCA anticipates growth of 2.3% in cement demand for public construction in 2019.

In its forecast from November 2018, Euroconstruct expects an increase in cement consumption in all European countries in which HC Group is active. In the United Kingdom, construction activity is set to recover slightly again following a decline in 2018, driven by new infrastructure projects and a recovery in residential construction. A slight increase in cement demand is anticipated in Norway and Sweden, based on further infrastructure investments. Growth in construction activity in all areas should lead to a slight increase in cement demand in Belgium and a moderate rise in the Netherlands and Italy. For France, a slight increase in cement demand is anticipated as infrastructure measures will more than offset the decline in private residential construction projects following the discontinuation of funding programmes. For Hungary and Poland, a further significant rise in cement consumption is forecast, which will primarily be driven by the boom in private residential construction and investments in infrastructure. The German Cement Works Association ("VDZ") predicts a stabilization of Germany's cement market at the previous year's high level. However, the growth will be restricted -because the construction industry is now stretched to capacity.

Just as the general economic forecasts are subject to uncertainties, so is the development of demand for building materials during 2019. Although demand should develop positively in many markets, the actual extent of growth is uncertain. Crucial factors include local economic development, the amount of public investment, and the development of credit costs for property financing. In the growth markets of the emerging countries, the

continuation of solid economic growth plays an important role, as does income available for private residential construction, which in turn depends on changes in the minimum wage and local food prices, and thus inflation. Political and military conflicts can also influence the development of sales volumes.

HC Group expects competition in the cement business to stabilize in 2019, especially in the emerging countries of Asia and Africa. The capacity build-up in recent years has eased off as a result of prices falling – significantly in some cases – in markets with excess capacities, with the first consolidation steps being taken in countries such as Indonesia.

At the start of 2018, the European Commission approved the reorganization of the EU Emissions Trading System, for the fourth trading period from 2021 to 2030. Consequently, HC Group anticipates a further tightening of the allocation of CO<sub>2</sub> emission rights in this period. Prices for emission rights already increased significantly in 2018, which will lead to additional costs for covering the required emission rights in the fourth trading period. For the current trading period, which ends in 2020, HeidelbergCement has a sufficient number of emission rights also due to the free allocation policy.

***HC Group is exposed to cyclical fluctuations in the global economy and construction industry.***

HC Group is exposed to the economic environment and cyclical trends in the global economy and construction industry. HC Group would be adversely affected by any prolonged contraction in economic activity in local, regional or global economies. Such contractions due to cyclical economic fluctuations, market disruption through instability or crises interrupt normal trade flows and, consequently, economic downturns and periods of prolonged instability often coincide with a decline in business activity. They could negatively impact HC Group's business and results of operations.

***HC Group is exposed to the risk of seasonal and weather related impacts on the construction industry.***

A major industry-specific risk is the weather-related impact on sales for building materials, which is mainly due to the seasonal nature of demand. Harsh winters with extremely low temperatures or high precipitation impact construction activity and have a negative effect on the demand for building materials. The same is true for monsoons in some Group countries, such as India for example.

Accordingly, a single result of a financial quarter might therefore not present a reliable basis for the expectations of a full fiscal year of HC Group. Moreover, adverse weather conditions can materially and adversely affect the business, financial condition and results of operations of HC Group if they occur with unusual intensity, during abnormal periods, or last longer than usual in HC Group's major markets, especially during the normal peak construction periods.

***HC Group's business is partly based on government-funded building activities the reduction or different allocation of which could have a negative impact on HC Group's revenue and profit.***

Investments in infrastructure such as roads, railways, airports, and waterways fall under public construction. This sector depends largely on national budgets and the implementation of special infrastructure programmes. Relevant risks are connected with fluctuating income, e.g. in countries that export raw materials, or budgetary consolidation, which can lead to cuts in infrastructure investments. On the one hand, noticeable increases due to public projects have a somewhat delayed effect. On the other hand, the scope of the cutbacks and their impact on the demand for building materials cannot be predicted with certainty.

***HC Group is exposed to supply and price risks in the energy markets.***

HC Group is a significant purchaser of power and fuels for the production and distribution of cement and other related products. For the production of cement, HC Group's most energy intensive production process, the kilns consume fuels such as coal, petroleum coke, natural gas, heating oil, or alternative fuels. HC Group's grinding mills also consume large amounts of electricity. Infrastructural bottlenecks with regard to electricity supply are another common risk for HC Group, especially in Africa. The yellow machines in HC Group's quarries across all businesses as well as the on-road transportation of the final product are affected by diesel price movements.

Supply and pricing of these resources are subject to market forces beyond HC Group's control. In addition, regulations relating to power grid costs or to the emissions of carbon dioxide by HC Group's power suppliers could result in increased electricity costs for operations. In some developing countries in which HC Group operates there is the risk that the infrastructure to supply energy is not sufficiently robust to guarantee uninterrupted supply.

Mitigations can be achieved through the use of longer-term supply contracts and hedging instruments for a part of its energy needs, or by switching some of its cement plants to cheaper fuels such as for instance alternative fuel sources, as well as the implementation of more fuel efficient production processes. For power HC Group continuously checks to use production flexibility in order to avoid price peaks.

The aforementioned effects, as well as a significant increase in energy prices not mitigated by long-term supply or hedging agreements could have adverse effects on HC Group's business, financial condition and results of operations.

***HC Group's long-term success is dependent upon the licenses/permits to exploit raw material reserves in strategically important areas.***

HC Group requires a considerable amount of raw materials for cement and aggregates production, which is ensured by its own high deposits. In order to emphasise the key role of raw materials in the company and facilitate the transfer of knowledge and synergy effects beyond national borders, HC Group has combined its geology activities in the cement business across the HC Group at HeidelbergCement Technical Centre ("**HTC**") Global and for the aggregates business at Competence Centre Materials ("**CCM**"). There is, however, potential for certain risks in particular locations with regard to obtaining mining and operating concessions. Expansions in urbanization of cities across the footprint of HC Group's operations can result in the necessary permits not being renewed which may cause significant problems in the production process including increased transportation costs. Ecological factors and environmental regulations for access to raw material deposits also create a degree of uncertainty. In some regions of the world, for example in West Africa south of the Sahara, raw materials for cement production are so scarce that cement or clinker needs to be imported by sea.

***HC Group is exposed to the cost and supply risk of raw materials.***

Raw materials and other inputs which HC Group cannot exploit or produce itself are purchased in the market. These include slag, fly ash and other materials for its cement production, cement for use in its ready-mixed concrete and concrete product operations, steel for use in its concrete product and pipe operations and bitumen for use in its asphalt activities. The prices for raw materials are subject to significant cyclical fluctuations and have continuously and at times substantially increased in the recent past. Increases in materials costs, shorter terms of payment and requests for transaction security, such as bank guarantees or surety bonds, have led to increasing procurement costs and may do so in the future. With regard to slag, the concentration of steel producers and excess steel capacities in Europe could reduce the availability of slag in the long term.

In the process of setting prices for its products, HC Group aims to pass on increases in the costs of raw materials to the customers. As most of the products are standardised bulk goods whose price is essentially determined by supply and demand, there is a risk that price increases cannot be passed on or will cause a decline in sales volumes, particularly in markets with excess capacities.

This could negatively affect HC Group's profitability. HC Group would also be materially impaired by disruptions in the availability of such raw materials. All of the aforementioned risks could have material adverse effects on HC Group's business, financial condition and results of operations.

***HC Group is exposed to the cost and availability of transportation.***

Transportation plays an important part in HC Group's supply chain, with HC Group's products being distributed by road to local markets or by rail, sea or river to more remote markets. Also, some raw materials need to be transported to HC Group's production facilities. Any material disruption in or lack of availability of transportation or significant increase in energy prices leading to higher transportation costs as well as changes in regulations governing the size and loading volumes of trucks (currently being discussed in Indonesia) and additional investments, either by HC Group or by third party transportation companies, relating to emissions control requirements that have been or may be imposed in the future due to climate change-related legislation could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is exposed to currency markets fluctuation risks.***

HC Group operates in a variety of countries worldwide and therefore is exposed to fluctuations of many currencies, thus giving rise to currency risks. Although the products of the HC Group are usually produced and

sold locally, Foreign Exchange ("FX") risks arise through currency translation effects and transactions which cannot be contracted in the respective local currency.

Currency risks arising as a result of transactions with third parties in FX (transaction risks) are hedged in certain cases using derivative financial instruments with a hedging horizon of up to twelve months. HC Group primarily uses currency swaps and forward exchange contracts for this purpose, as well as currency options in some individual cases.

It might, however, not be possible to enter into effective hedging in the future. In particular, this may be the case because HC Group might not have sufficient credit lines or liquidity available to proceed with such hedging activities. Certain currencies cannot or may not be hedged in the quantities and on the terms deemed appropriate due to currency controls by the local central banks, a lack of availability of foreign currency or other regulatory restrictions or changes.

Currency Translation risk refers to the risk of a change in value in the currency in which the accounts are maintained, resulting from the translation of positions in the balance sheet and income statement originally expressed in a foreign currency during the course of consolidation (balance sheet risk).

In general, HC Group does not hedge currency risks arising from converting the financial statements of foreign individual companies or subgroups (translation risks). The associated effects are monitored on a continuous basis.

Regular reporting of FX positions for the HC Group ensures that the FX risks are monitored and managed according to HC Group policies. Still, it cannot be ruled out that any of the above risks will have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is exposed to risks of fluctuation of the market interest rates.***

HC Group is subject to interest rate risks in the ordinary course of its business and resulting from its financial structure. Interest rate risks result from potential changes in prevailing market interest rates and therefore increase the financing costs. Also, a change in the present value of fixed-rate instruments and fluctuations in the interest payments for floating rate instruments, which would positively or negatively affect earnings, is likely. To hedge these risks, interest rate swaps and combined interest rate and currency derivatives are used in individual cases. Deterioration in HeidelbergCement AG's business results and financial condition could have a negative effect on its credit ratings and thereby lead to higher financing costs. Any of the above risks could have material adverse effects on HC Group's business, financial condition and results of operations.

***HC Group is exposed to liquidity risk with respect to obtaining funds to finance its operations and investments.***

HeidelbergCement has been assigned investment grade ratings from S&P, Moody's and Fitch. Deterioration in HeidelbergCement AG's business results and financial condition could have a negative effect on its credit ratings and thereby lead to higher financing costs and difficulties to obtain sufficient funding for its operations. Higher financing costs could have material adverse effects on HC Group's business, financial condition and results of operations.

HC Group issues bonds and commercial papers to fund its operations and investments. In addition, it makes use of bank credit facilities and trade finance programs in various currencies. The syndicated facility agreement ("SFA") over € 3 billion which matures in January 2024 (not considering one option to extend the maturity by one more year) and certain other financing agreements of HC Group provide for certain restrictions with respect to HC Group's operational flexibility. In particular, HC Group has to adhere to certain financial ratios (covenants) and general undertakings, allowing the lenders to claim immediate repayment of the outstanding loans if such covenants or undertakings are not satisfied. There is a potential risk that the requirements in connection with the financial covenants in particular will not be met in the future. For its operations, HC Group has to provide guarantees in the form of bank guarantees or surety bonds. In case the guarantors or surety providers withdraw their commitment, this could lead to a worsening in the financial position and could have impacts on HC Group's operations. A breach of financial covenants or a restricted access to financial markets could have a material adverse effect on HC Group's business, financial condition and results of operations.



***HC Group is exposed to risks arising from its pension obligations.***

HC Group has obligations to current and former employees relating to pensions and other post-employment benefits. HC Group predominantly finances company pension obligations externally through separate plan assets. The plan assets required to cover future pension obligations are actuarially determined using, among other things, assumptions concerning the expected development of the pension obligations as well as return on plan assets. The plan assets comprise equity and other investments, and the value and returns of these assets may rise or fall with changing market conditions. Declining or even negative returns on these investments and correlations between different asset classes may adversely affect the future fair value of plan assets and could trigger additional contribution requirements to cover future pension obligations. Additional contributions to pension plans may also be triggered by declining interest rates leading to higher present values of future pension liabilities or by changes to local minimum funding requirements prescribed by local statutes or regulations.

***HC Group is exposed to the risk of the impairment of assets.***

The risk of asset impairment occurs if the assumed interest rate in an impairment test increases or the predicted cash flows decline. Impairment risk for individual assets such as fixed assets, customer relationships, technologies and brands, as well as goodwill can be material in an economic downturn with an associated reduction in projected cash flows or an increase in interest rates.

Due to the important role that economic factors play in testing goodwill for impairment, a downturn in the global economy or a potential increase in global interest rates or credit spreads could necessitate new impairment tests and a possible readjustment of HC Group's goodwill. Such impairment charges could have material adverse effects on the financial condition and results of operations of HC Group.

***HC Group is exposed to risks resulting from the substitution of products.***

Cement, sand, gravel, and hard rock are the basic raw materials for the construction of houses, industrial facilities, and infrastructure throughout the world. The use of cement-like binders can be traced back to Roman times. Because cement is highly energy- and CO<sub>2</sub>-intensive, research projects are being undertaken to develop alternative binders with a more favourable energy and climate footprint.

Employees of the HTC are closely monitoring the development of alternative binders and are actively exploring this area. However, when comparing the current state of knowledge regarding alternative binders with the stringent requirements relating to the processability, durability, and cost-effective production of the binders, HC Group generally does not anticipate that the alternative binders currently being developed will replace traditional cement types on a large scale in the next few years. If the production costs for traditional binders increase dramatically, particularly in mature markets, e.g. as a result of further shortages of government-issued CO<sub>2</sub> emission certificates or significant increases in energy prices, alternative binders could replace traditional binders provided that they fulfil all the aforementioned requirements. However, since this is currently not foreseeable, the risk is not included in HeidelbergCement's risk reporting.

***HC Group is dependent on qualified personnel in key positions and employees having special technical knowledge.***

Qualified and motivated personnel is one of the key factors for the further development of HC Group's business, in particular its further technological development and geographic expansion. Competition for such personnel has increased in recent years and in certain cases in the past HC Group was facing challenges in obtaining or retaining the desired personnel. Personnel shortages as well as the loss of important employees could negatively influence HC Group's further business development. In addition, there are risks related to HC Group's dependence on individual persons in key positions, particularly at the level of the Managing Board as well as in the areas of development, distribution, service, production, finance and marketing. The loss of management personnel or employees in key positions would lead to a loss of know-how, or under certain circumstances to the passing on of this know-how to competitors.

If one of the above mentioned risks is realized, this could materially adversely affect HC Group's business, financial condition and results of operations.

***HC Group depends on sound and uninterrupted operations of its information and communication technology.***

IT systems support HC Group's global business processes, communication, and also to an increasing extent sales, logistics, and production. The increasing convergence of information technology and operational technology opens up the risk of security breaches due to the integration of areas that were previously kept separate. In the case of existing applications, HC Group is particularly concerned with business-critical resources (e.g. ERP and logistics applications or net infrastructure). Risks could primarily arise from the unavailability of IT systems and the loss or manipulation of information.

The realization of one or more of these risks could materially adversely affect HC Group's business, financial condition, reputation and results of operations.

***Intense competition could adversely affect HC Group's revenue, profits and market shares.***

HC Group operates in many markets around the world, and many factors affect the competitive environment HC Group faces in any particular market. The cement, aggregates, ready-mixed concrete and asphalt markets are regional markets that are mainly characterized by regional and local competitive factors, including in particular the number of competitors in a given market, such as competitors' degree of vertical integration and pricing policies, the development of regional demand and capacity, the availability and cost of raw materials, other cost impacts, the possible entry of additional competitors in markets, or changes to competitive conditions through increases in imports or first-time imports in markets by competitors. As a consequence, HC Group may face price, margin or volume declines in the future. Any significant volume, margin or price declines could have material adverse effects on HC Group's results of operations.

***HC Group is exposed to compliance risks resulting from unethical, criminal or fraudulent behaviour and non-compliance with HC Group's integrity policy.***

HC Group has in place comprehensive business integrity and sanctions compliance policies that are regularly reviewed and updated to comply with current United States of America ("U.S."), European Union ("EU") and United Nations ("UN") standards. However, unethical, criminal or fraudulent behaviour and non-compliance with HC Group's integrity policy due to intentional and or negligent behaviour of employees and or agents retained by and acting on behalf of HC Group could materially harm HC Group's business, financial position, results of operations, and reputation. Unethical, criminal or negligent behaviour and misconduct attributable to HC Group could lead to criminal charges, fines, claims by injured parties, financial loss, and severe reputational damage. This could have a material adverse effect on HC Group's business, financial position and results of operations.

***HC Group is exposed to political and legal risks and exceptional incidents.***

For all companies, potential turmoil in a political, legal, or social context poses fundamental risks. HeidelbergCement operates in around 60 countries around the world and is therefore also exposed to political risks, such as nationalization, prohibition of capital transfer, terrorism, war, and unrest. At a number of locations, HC Group cannot rule out certain security risks because of internal political circumstances. As a result of the conflict in eastern Ukraine, HC Group has lost control of one of its cement plants. HC Group has written off the cement plant in the consolidated balance sheet. Furthermore, HC Group has reached an agreement to dispose its business in the Ukraine and will deconsolidate the respective assets after the expected closing of the transaction in the first half of 2019.

In certain countries, such as Togo, cement prices are regulated by the government. There may also be government intervention in production control, such as the temporary decommissioning orders in China. With regard to Egypt, there is a risk that the new cement capacities introduced by the army will further increase competition and disrupt the market.

Exceptional external incidents, such as natural disasters or pandemics, could also negatively impact HC Group's business performance. Liberia and Sierra Leone experienced an Ebola outbreak in 2014, which was only declared officially over at the end of 2015. Should another outbreak occur, there exists the risk that an adequate amount of raw materials necessary for cement production cannot be imported to these countries.

The aforementioned risks may have material adverse effects on HC Group's business, financial condition and results of operations.

***HC Group's insurance coverage may not be sufficient.***

HC Group decides on the type and scope of its insurance coverage on the basis of a commercial cost-benefit analysis. As a result of such analysis, HC Group has taken out insurance coverage for risks related to its business operations which is low compared to general industry standards. Some business-related risks are not covered by insurance at all and, in line with standard market practice, most insurance agreements in connection with HC Group's business activities are subject to various exclusions of liability and deductibles. There can be no assurance that HC Group will not incur losses or that no claims will be raised which exceed the type or scope of existing insurance coverage. HC Group operates in locations with increased risks of earthquakes and other natural disasters for which HC Group has not acquired full insurance coverage. In countries other than the U.S., HC Group has not obtained full insurance cover for potential asbestos related claims. If HC Group incurs damage for which there is insufficient insurance coverage or if it cannot obtain insurance coverage for future risks, this could have material adverse effects on HC Group's business, financial condition and results of operations.

***HC Group does not control the business of the investments in which it is not the controlling shareholder and is limited by the rights of minority investors in some of its subsidiaries.***

HC Group has important operations where it is not the controlling shareholder. Other minority or majority shareholders in these operations might have different business interests than HeidelbergCement. With regard to these companies there might be situations where decisions are taken against HeidelbergCement's business interests or where decisions in the business interest of HeidelbergCement cannot be taken or can be taken only with a delay. This could have material adverse effects on HeidelbergCement's business, financial condition and results of operations.

***HC Group is subject to risks that future acquisitions and participations in joint ventures may not be successful.***

HC Group considers part of its strategy to be the acquisition of companies and entering into joint ventures or acquiring other strategic shareholdings in order to expand or complement its product or technology portfolio, or to realize synergies. The acquisition and integration of acquired enterprises and joint ventures involves considerable investments, uncertainties and risks and requires, among other factors, the ability to integrate the newly acquired businesses or joint ventures into the existing operational units and to retain or quickly replace a sufficient number of qualified management personnel, other key employees and persons with the necessary know-how. HC Group may not be able to successfully carry out such integrations or realize planned savings, synergies and/or opportunities for growth originally planned in the context of the acquisition or the joint venture. The purchase price for the acquisition of businesses, joint ventures or other strategic shareholdings may turn out to be excessive, or unforeseen restructuring expenses may be necessary. Therefore, the success of future acquisitions of or shareholdings in companies cannot be guaranteed. Furthermore, HC Group may not be able to identify appropriate candidates for acquisitions or joint ventures or to acquire them or participate in them on attractive terms. This could lead to HC Group falling behind, particularly in terms of regional competition. Anti-trust law could also prove an obstacle to mergers or acquisitions.

The realization of one or more of the aforementioned risks may have material adverse effects on HC Group's business, financial condition and results of operations.

**Compliance, Regulatory, other Legal and Tax-related Risks**

***HC Group is exposed to legal risks regarding anti-trust fines and related damage claims.***

On November 18, 2015, the Italian Competition Authority ("ICA") commenced an investigation against Buzzi Unicem S.p.A., Cementir Holding S.p.A., LafargeHolcim and Cementi Rossi S.p.A., whilst only an inspection by ICA of the premises of Italcementi S.p.A. ("**Italcementi**") and Colacem S.p.A. took place. On August 4, 2016, the ICA extended the investigation to Italcementi and other companies (in addition to those involved since the commencement of the investigation) also enlarging its scope by covering alleged concerted price increases in the Italian grey cement market from 2013 until 2015 and alleged market sharing agreements facilitated by timely statistics of the Italian cement association AITEC. On August 7, 2017, ICA imposed a fine of € 84 million on Italcementi (out of an overall fine of more than € 184 million against all involved entities) for alleged infringements from June 2011 until January 2016, which is to be paid by Italcementi in instalments. Italcementi and all other defendants lodged a timely appeal against the decision. The appeal of Italcementi was dismissed on June 12, 2018. Italcementi's further appeal to the Supreme Administrative Court lead to a reduction of the

fine to about € 28 million, which was already overpaid by the meanwhile paid instalments. The court's decision is final.

In Poland the Polish Competition Authority imposed a fine, in early December 2009, against *inter alia* Górażdże Cement S.A. in the amount of approximately € 15 million, which represents 5% of its revenue in 2008 taking into account a leniency application of the company. Górażdże Cement S.A. has filed an appeal to the competent court to claim a reduction of the fine, which reduced the fine to approximately PLN 51.3 million (as of December 31, 2017 approximately € 11.8 million). Górażdże Cement S.A. launched a further appeal, but on March 27, 2018 the Appeal Court confirmed the fine imposed in 2009, which became due and was paid meanwhile. Górażdże Cement S.A. launched a cassation procedure to the Polish Supreme Court, but cannot guarantee it will be successful.

In addition, certain subsidiaries of HeidelbergCement are subject to investigations and proceedings by anti-trust and competition authorities in various countries, including Germany, India, Italy, Hungary, Romania and Spain, which are at different stages including court proceedings.

HeidelbergCement cannot predict the outcome of pending anti-trust proceedings or investigations, including, but not limited to, the amount of any fine. With respect to these proceedings in Germany and Romania, new fine orders might be issued in the future while the pending proceedings in Hungary, India and Spain are at the appeal stage and the cases in India do not involve any payment obligations. Based on current knowledge and on the current legal provisions applicable to the calculation of fines in all cases a new fine or a fine increase of more than € 20 million per case, is either not possible (due to legal restrictions) or highly unlikely.

In respect of competition law related damages Cartel Damage Claims SA ("**CDC**"), a Belgian company which is asserting potential claims on behalf of potentially damaged customers, has filed a lawsuit against the six alleged main participants of the cement cartel, including HeidelbergCement. This lawsuit was meanwhile finally dismissed on legal grounds by the upper regional court (*Oberlandesgericht*) Düsseldorf. However, CDC filed a new lawsuit to the regional court (*Landgericht*) Mannheim (received by HC on October 2, 2015) based on slightly differently reasoned claims of 23 cement customers allegedly again assigned in 2014 and 2015. CDC claims (only) from HeidelbergCement AG as a jointly and severally liable debtor ("*Gesamtschuldner*") damages with respect to alleged price effects of the German cement cartel between 1993 and 2002 in Southern and Eastern Germany. CDC claims for a minimum of € 82 million damages plus € 57 million interest. HeidelbergCement AG has the burden and risk to claim recourse from other cartel participants. HeidelbergCement believes to have strong counter-arguments against these claims and these were even dismissed by a first instance decision of Landgericht Mannheim on January 24, 2017. However, as an appeal is ongoing HeidelbergCement cannot provide assurance at this time that this matter will not result in a significant liability.

In Belgium ORCEM (Orcem B.V. and its shareholder Ecocem Materials Limited (together "**ORCEM**")) claims provisionally € 134 million civil damages (plus interest) from the 5 addressees of the decision of the Belgian Competition Authority ("**BCA**") dated August 30, 2013 including HeidelbergCement's Belgian subsidiary S.A. Cimenteries CBR ("**CBR**") and Italcementi's former subsidiary Compagnie des Ciments Belges SA ("**CCB**"), which has meanwhile been sold to a third party that is however indemnified by HeidelbergCement in respect of this claim. BCA found that the cement industry had colluded in a way which was contrary to competition law with regard to the adoption of the new standard for concrete allowing for a partial substitution of cement by GGBS (Ground Granulated Blast-Furnace Slag) in the production of concrete and imposed fines to that effect. Although the BCA decision did not contest the legality of the new standard for concrete and limited the infringement period to October 2003, ORCEM claims that it has not been able to effectively sell its GGBS on the market since 2003 and has incurred additional expenses to defend its interests in this regard. ORCEM requests joint and several condemnations of the defendants, i.e., if successful, ORCEM could request one of them to pay the full amount, who has then the burden and risk to claim appropriate recourse from the other defendants. The procedure regarding the civil claim was suspended pending the appeal procedure regarding the decision of the BCA. On June 30, 2016, the Brussels Court of Appeal annulled the BCA decision; the Belgian Supreme Court confirmed the annulment of the BCA decision on June 22, 2018. The definitive annulment of the BCA decision implies that ORCEM has no competition law infringement decision to rely on and will have to adduce new evidence in support of its claim. It is therefore unlikely that ORCEM will pursue its damages claim. At present, ORCEM has however not yet withdrawn its claim. Since it cannot be finally excluded that the claim might be successful it could have material adverse effects on HC Group's business activities, financial condition or results of operations.

More generally, HeidelbergCement could also face further civil lawsuits for damages suffered by customers due to alleged excessive cement prices as a result of (the above-mentioned or other) anti-trust infringements.

The geographic and product markets in which HeidelbergCement or certain of its subsidiaries and affiliates are active vary significantly in terms of the competitive market structure and the nature and extent of their participation in such markets. In certain markets (i) the concentration of cement, concrete and aggregate markets among a few competitors, (ii) the homogeneity of cement, concrete and aggregates and their sensitivity to transportation costs, (iii) the frequent use of restrictive provisions in supply, distribution and license agreements and/or (iv) the practice of supplying competitors and entering into joint venture and/or distribution agreements with competitors and/or their affiliates (potentially giving rise to the allegation of unlawfully coordinating competitors' behaviour in the course of such relationships), may induce anti-trust authorities in those areas to initiate other anti-trust investigations or third parties to file anti-trust complaints against HeidelbergCement or certain of its subsidiaries and affiliates. HeidelbergCement has clear policies requiring compliance with applicable competition laws. However, as also the above-mentioned investigations and damage claims demonstrate there can be no final assurance that HeidelbergCement is not a party to agreements that might be found to infringe applicable anti-trust laws in certain jurisdictions.

A successful anti-trust law challenge could adversely affect HC Group in a variety of ways. For example, it could result in: (i) the imposition of significant fines by one or more authorities (in the case of the EU Commission, up to a maximum of 10% of an undertaking's worldwide annual group revenue) and (ii) third parties (such as competitors and customers) initiating substantial civil litigation claiming damages caused by anti-competitive practices. In addition, involvement in illegal anti-competitive conduct may give rise to a reputational risk for HC Group and a requirement for HC Group to share assets, business secrets or know-how. Apart from the consequences that may result from any potential involvement in illegal conduct, HC Group may be restricted in its ability to carry out acquisitions due to merger regulations in a certain jurisdiction. Furthermore, compliance with competition laws and regulations may involve significant costs or require changes in business practices that may result in reduced revenue and, accordingly, have a material adverse effect on the business, the results of operations and financial condition of HC Group.

Finally, third parties have on occasion asserted, and may in the future assert, damage claims in significant amounts against HC Group based on alleged violations of numerous laws, including anti-trust laws, unrelated to any actual specific investigation or proceedings. HC Group defends vigorously against any claims that it considers as being without merit or even made arbitrarily. Depending on whether a claimant actually goes to court, HC Group's defence against such claims may involve significant legal costs. Should HC Group not be able to recoup such costs from the claimant, this may materially adversely affect its business, results of operations and financial condition.

***HC Group is exposed to regulations regarding carbon dioxide emissions.***

HC Group operates cement plants and other industrial facilities worldwide. Substantial quantities of carbon dioxide (CO<sub>2</sub>) are released by HC Group, in particular during cement clinker production. Compliance with existing, new or proposed regulations governing such emissions might lead to a need to reduce such greenhouse gas emissions, to purchase rights to emit from third parties, or to make other changes to HC Group's business, all of which could result in significant additional costs or could reduce demand for HC Group's products, as regulations and the enforcement of those regulations tend to become more stringent over time. An unfavourable allocation of rights to emit carbon dioxide or other air emission related issues could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is subject to European Union ("EU") carbon emission laws and related risks.***

Beginning in 2005, the EU implemented a system which set out the legal framework relating to placing limits on carbon dioxide emissions for certain energy-intensive plants, including cement plants, and set forth rules on trading those rights to emit. Under this EU legislation, companies currently receive from the relevant Member States allowances that set limitations (caps) on the levels of carbon dioxide emissions from their industrial facilities ("**Emission Rights**"). These Emission Rights are tradable; companies that reduce their emissions may sell their excess Emission Rights to companies that are exceeding their emissions limitations. Failure to meet emissions limitations can lead to significant penalties.

Under this system, the Community-wide quantity of Emission Rights issued each year will be reduced annually by a linear factor. Further, in general, manufacturing companies will have to purchase a significant (and steadily increasing) share of Emission Rights in auctions whereas the share of Emission Rights allocated free of charge for manufacturing plants will generally be reduced. However, the cement industry as well as some other energy-intensive industries have been recognized by the EU as sectors with a significant risk of carbon leakage, *i.e.*, as sectors in which a risk of relocation of plants to countries with less strict climate protection laws

exists. As long as an industry is recognized as a sector with a significant risk of carbon leakage, this industry is in general exempted from auctioning and is granted Emission Rights for free. Should the exemption from auctioning not be granted for the years from 2020 onwards, which HC Group considers unlikely, HC Group would have to purchase a significant (and steadily increasing) amount of Emission Rights in auctions to cover its carbon dioxide emissions, which would result in substantial additional costs for HC Group. Even as long as and to the extent such an exemption is granted and Emission Rights in general are allocated free of charge to the cement industry, new benchmarks in combination with the annually increasing cross-sectoral-correction-factor that was implemented by EU Commission's Decision 2013/448/EU and 2017/126/EU apply which will result in stricter caps for many of HC Group's plants in the EU. These stricter caps will probably require HC Group to purchase a steadily increasing share of additional Emission Rights to cover its carbon dioxide emissions in excess of those covered by the Emission Rights allocated for free. Therefore, even as long as and to the extent such an exemption from auctioning applies, significant additional costs may arise for HC Group in the third trading period. Therefore, HC Group could suffer a substantial loss in market share to competitors outside the EU should the exemption from auctioning not also be granted from 2020 onwards, which could have a material adverse effect on HC Group's business, financial condition and results of operations.

Based on the final national lists about expected allocation volumes per plant for the current third emission trading period (2013 to 2020), and HC Group's current calculation of its carbon dioxide emissions in this period, HC Group estimates that its overall position for its cement and asphalt plants within the European Union which are subject to the EU Emissions Trading Scheme shows an overall surplus of Emission Rights in the entire third trading period, although some plants did not receive sufficient Emission Rights to cover their full carbon dioxide emissions arising from their production.

In addition, the implementation of the Paris Agreement, adopted under the United Nations Framework Convention on Climate Change in December 2015, could also tighten the climate change laws in the EU, especially by a revision of the EU emissions trading system for the period after 2020. The modifications that have been negotiated for the fourth trading emission period (2021-2030) since 2017, might result in significant additional costs for HC Group due to stricter caps and any reduction of the share of Emission Rights allocated for free to the cement industry, which would require HC Group to purchase additional Emission Rights. Therefore, HC Group could suffer a substantial loss in market share to competitors outside the EU as a result of legislative developments from 2019 onwards especially the revised emission trading scheme for Emission Rights in the EU, which could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is subject to carbon emission laws and related risks in jurisdictions other than the EU.***

Considerable and increasing government attention in the U.S. (both on federal and state level) and Canada (both on federal and province level) is being paid to carbon dioxide and other greenhouse gas emissions. Legislators are considering the adoption of significant new laws and regulators are considering using existing laws to limit greenhouse gas emissions, including carbon dioxide (see also "*HeidelbergCement AG — Regulatory Environment — Climate change law — North American carbon emission laws*"). Any federal or state or provincial legislation, administrative regulation or executive action on climate change could have a material adverse effect on HC Group's business, financial condition and results of operations.

Also in other jurisdictions (for example in Australia, China, Kazakhstan and India), measures to reduce carbon dioxide and other greenhouse gas emissions that could affect HC Group have been introduced recently, are currently being developed or may be developed in the future, in particular, in connection with international negotiations including the Paris Agreement (see also "*HeidelbergCement AG — Regulatory Environment — Climate change law — Climate change laws in other countries*").

These existing and possible new regulations regarding carbon dioxide and other greenhouse gas emissions, especially any future federal actions in the U.S. and Canada, as well as emission trading systems in China, Australia and Kazakhstan or energy saving targets in connection with market based mechanisms in India or any comparable measures in other countries with HC operations could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is exposed to indirect costs of carbon emission laws.***

In addition, HC Group is a significant purchaser of energy. Existing, new and proposed regulations relating to the emission of carbon dioxide by HC Group's energy suppliers could result in materially increased energy costs for its operations and HC Group may be unable to pass along these increased energy costs to its

customers, which could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is subject to a large number of environmental and health and safety laws and regulations.***

HC Group's operations are subject to various supranational, national, regional and local laws and regulations relating to the protection of the environment, health and safety. These laws and regulations govern, among other things, the generation, storage, handling, use and transportation of hazardous and non-hazardous materials and wastes (including settlement ponds and other waste impoundments); the emission and discharge of hazardous materials into the ground, air or water; and the health and safety of employees. HC Group is also required to obtain and maintain permits from governmental authorities for many of its operations. These laws, regulations and permits are complex, change frequently, are often subject to public review and comment and have tended to become more stringent over time.

Especially in the U.S., HC Group is subject to significant requirements with respect to emissions of substances into the air pursuant to the Clean Air Act in the U.S. In February 2013, the U.S. Environmental Protection Agency (the "EPA") issued a new final rule, the National Emission Standards for Hazardous Air Pollutants ("NESHAP"), which called for an 81% reduction in mercury emissions from cement operations by September 2015. Emissions of particulate matter, total hydrocarbons and hydrochloric acid are also affected by the new rule. Compliance with this new rule began on September 9, 2015 and required the installation of additional pollution control equipment at certain of HC Group's U.S. cement plants or requires HC Group to find alternative raw materials or fuels. This has been completed at the Lehigh Hanson Inc cement plants. Environmental due diligence was conducted immediately following the acquisition of Italcementi's U.S. subsidiary Essroc Corp ("**Essroc**"). Environmental non-compliance regarding the NESHAP rule was discovered at all five Essroc plants in the United States and Puerto Rico. On August 15, 2016 Lehigh Cement Company wrote to EPA and voluntarily disclosed these NESHAP non-compliance issues pursuant to EPA's policy on "Incentives for Self-Policing: Discovery, Disclosure, Correction and Prevention of Violations" ("**Audit Policy**") and "Interim Approach to Applying the Audit Policy to New Owners" ("**New Owner Audit Policy**"). As a "new owner" under the New Owner Audit Policy, Lehigh submitted this disclosure in order to address the environmental non-compliance for NESHAP-related issues at these five facilities that began prior to its acquisition. Lehigh seeks the EPA's penalty mitigation discretion for a reduced or zero penalty. Lehigh has since come into compliance at all five plants for NESHAPs. Although two facilities (Martinsburg, West Virginia, and San Juan, Puerto Rico) were sold to Argos cement, Lehigh maintains the liability for all five facilities. There have been several written communications with EPA since the disclosure submittal but no final outcome to date.

Even though HC Group has in the past incurred and will in the future incur significant ordinary course costs to comply with these laws, regulations and permits, there can be no assurance that HC Group's operations will at all times be in compliance with them. A failure to comply could result in governmental fines and other sanctions, the temporary or permanent shutdown of production facilities, third party claims and/or negative publicity.

Under HC Group's estimates, aggregate costs needed to address non-compliance with environmental and health and safety requirements now in effect or expected to be in effect in the next three years add up to an undiscounted three-digit million € amount in the next five years (which does not include ordinary course costs to comply with environmental and health and safety laws, costs of re-cultivation and costs in connection with soil and groundwater contamination). The capital expenditure plans for environmental/legal issues and for replacement and improvement – both of which include but do not only address environmental regulatory non-compliance issues – add up to a small one-digit billion € amount for 2019 to 2021.

Further, in a number of areas in which HC Group operates, it is increasingly difficult to obtain permits for new sites and to expand existing sites due to community resistance, and any such resistance can also lead to a delay in obtaining or amending permits that could adversely affect HC Group's on-going operations or any expansion of its operations.

HC Group has in the past incurred and will in the future incur significant costs for capital and operating expenditures to obtain and maintain permits, to comply with these laws and regulations and to address non-compliance issues. Given all of the foregoing there can be no assurance that future costs and liabilities relating to compliance with environmental and health and safety laws, regulations and permits will not materially adversely affect HC Group's business, financial condition and results of operations.

***HC Group is exposed to risks associated with the release of hazardous substances or other contamination of the environment, including risks arising under the U.S. Comprehensive Environmental Response, Compensation and Liability Act.***

Environmental laws can provide for environmental liability in case of the release of hazardous substances (including hazardous waste) which contaminate the environment or which affect human health and safety. These environmental laws, including, but not limited to, the U.S. Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**"), commonly known as Superfund, impose liability on the generators of hazardous substances, as well as current or previous owners or operators of real property for the cost of investigation, removal and remediation of hazardous substances. These laws often impose liability even if the owner or operator did not know of, or was not responsible for, the release of such hazardous substances. These environmental laws can also result in liability for persons who arrange for hazardous substances to be sent to disposal or treatment facilities when such facilities are found to be contaminated. Such persons can be responsible for clean-up costs even if they never owned or operated the contaminated facility. Liability may be imposed without regard to fault and may be strict, joint and several, so that an HC Group member company may be held responsible for more than its fair share of contamination or other damages, or even for the entire amount. In addition to actions brought by governmental agencies, private plaintiffs may also bring clean-up property damage and personal injury claims arising from the presence, emission or release of hazardous substances.

Many of HC Group's current and historical operations are located on sites with long histories of industrial operations, some of which were of a different nature than HC Group's current operations. In addition, HC Group has responsibility for a large number of sites relating to companies HC Group acquired, owned or operated in the past that had businesses and operations unrelated to those presently carried on by HC Group member companies, especially Beazer East, Inc. (formerly known as Koppers Company, Inc. and acquired by Hanson PLC prior to HC Group's acquisition of Hanson PLC), or for some share of third party sites to which those "legacy" companies sent waste. Many of these sites now or in the past have stored or released waste materials and used hazardous substances. Such wastes or substances have in the past been, and may present a risk in the future of being released into the air, surface water, groundwater, sediments or the ground. These releases can contaminate the property and natural resources, such as groundwater, surface water and wildlife, and can result in related governmental fines or other sanctions, claims, including claims for property damages or personal injury, and a requirement to investigate, clean up or monitor soil, surface water, groundwater, sediments and other media under laws such as CERCLA, the U.S. Resource Conservation and Recovery Act ("**RCRA**") or similar laws.

HC Group's cement operations manage significant quantities of cement kiln dust ("**CKD**"). In the U.S., for example, the EPA has been evaluating the regulatory status of CKD under RCRA for a number of years. Any obligation to manage CKD as a hazardous waste under RCRA would result in the need to incur substantial costs. Currently, HC Group is evaluating compliance status of CKD at certain cement plants of Italcementi's U.S. subsidiary (Essroc), including its locations in Frederick, Maryland, and San Juan, Puerto Rico (although San Juan, Puerto Rico, was sold to Argos cement, Lehigh maintains the liability for this facility). If the CKD piles have to be removed and disposed of completely, HC Group could incur significant remediation costs, but the company is exploring alternative methods for addressing this material in compliance with local regulations (e.g. installation of a cap system). After an initial meeting with the Maryland Department of the Environment on January 17, 2017 HC Group received approval to assess the two CKD piles in Frederick, to provide a report and to conduct a Net Benefit Environmental Assessment under the federal regulations to determine the proper closure plan without further harming the environment. While the report is completed the work on the closure plan is on-going and the report was submitted in early summer 2018. HC Group is currently evaluating groundwater and surface water data and submitted its report in March 2019. However, HC Group cannot predict what environmental laws in the U.S. (federal and state level) but also in many other countries relating to CKD will be enacted or adopted in the future or how such future environmental laws or regulations will be administered or interpreted.

In January 2017, a complaint was filed by the City of Emeryville, California, against "Hanson, a British Corporation" (intended for Hanson Building Materials Limited ("**HBML**")) and others outside the HC Group in the U.S. District Court of the Northern District of California. The complaint alleges historic land and groundwater contamination and seeks injunctions, clean-up costs of an estimated US\$ 35-65 million and unspecified damages under CERCLA and RCRA. The contamination is alleged to have been caused by industrial activities at a property in Emeryville in the early and mid-1900s, the liabilities for which were owned by Marchant Calculating Machine Company. Through a series of historic corporate transactions, the liabilities are alleged to have been transferred to a Hanson UK company in the late 1980s and the claimant asserts that HBML should now be deemed liable for such liabilities. Research to date indicates that no Hanson UK



company or subsidiary owned or operated at the relevant land at any stage and that no Hanson UK legal entity holds any liabilities. HBML has filed a response to the complaint, defending the claim on the basis that there are no legitimate grounds for asserting any personal or specific jurisdiction over HBML. On January 30, 2019, after the parties had conducted limited discovery on jurisdictional issues, the judge issued an order denying HBML's motion to dismiss the complaint for lack of personal jurisdiction. Additional discovery is expected.

In connection with on-going operations, several cases of soil and groundwater contamination are known to HC Group. HC Group estimates costs in connection with such soil and groundwater contamination in a range up to approximately a two-digit million € amount (undiscounted costs).

HC Group makes provisions for environmental liabilities and environmental claims worldwide related to both ongoing and historical operations, including legal and other costs on an undiscounted basis. There is a risk that these provisions are not sufficient with respect to the above-mentioned issues. Actual costs could differ materially from HC Group's current estimates due to a range of factors, including: (i) identification of additional sites requiring environmental investigation and/or remediation; (ii) new releases or the discovery of unknown adverse conditions at sites; (iii) development of additional facts at sites, particularly relating to the extent of contamination (including the materialization of remote risks) and any potential or alleged adverse effects on neighbouring properties; (iv) third party claims in excess of estimates; (v) changes to regulatory requirements or investigatory or clean-up standards; (vi) changes in remediation techniques or the length of any on-going monitoring; (vii) the failure of other responsible parties to pay their share of costs; and (viii) any other significant variations to assumptions made in support of these cost estimates. Any increased costs or any of the developments mentioned above could result in the need to increase the provisions by material amounts and could have a material adverse effect on HC Group's business, financial condition and results of operations.

In addition, at a significant number of HC Group's sites related to on-going operation, asbestos containing materials exist which will have to be demolished and disposed of in the future. According to HC Group's estimates, there is a risk of future (long-term) liability in connection with demolition and disposal of asbestos containing material at these sites which add up to an undiscounted two-digit million € amount (excluding costs in connection with asbestos-related claims from third parties). In case demolition and disposal should be required at a site, the costs to be incurred in this respect will be, in part, incurred over several years. There can be no assurance that actual costs for demolition and disposal do not exceed the costs estimated by HC Group. If such costs are incurred this could significantly affect HC Group's business, financial condition and results of operations.

***HC Group is exposed to risks associated with asbestos-related claims arising out of former activities in the U.S.***

U.S. subsidiaries of HC Group are defendants in a number of lawsuits alleging bodily injury due to exposure to asbestos-containing products (for details see "*HeidelbergCement AG — Litigation/Administrative and Governmental Proceedings*"). The number of pending claims does not necessarily indicate the probable cost as many claims are ultimately dismissed without payment or are non-malignancy matters that present minimal risk. HC Group accounts for the asbestos claims against its U.S. subsidiaries by providing for those costs of resolution that are both probable and reasonably estimable. HC Group estimates such aggregate, undiscounted and prior-to-insurance costs, to be US\$ 543.4 million (which includes US\$ 344.6 million for legacy of Hanson Permanente Cement, Inc. ("**Hanson Cement**"), and Kaiser Gypsum Company, Inc. ("**Kaiser Gypsum**") asbestos claims estimated over the next eight years and US\$ 198.8 million for all other legacy asbestos claims over the next fifteen years) and has made corresponding provisions (starting at end of 2016, the U.S. subsidiaries with asbestos liabilities adopted a longer fifteen year estimation period for provisioning purposes; however, due to the automatic stay on new claims that came with the prior filing of a bankruptcy proceeding for Hanson Cement and Kaiser Gypsum (for details see "*HeidelbergCement AG — Litigation/Administrative and Governmental Proceedings — Asbestos litigation in the U.S.*"), the Hanson Cement/Kaiser Gypsum provision was not updated or changed from its value as of the date of bankruptcy filing on September 30, 2016 and thus still reflects the prior eight year estimation period). Although future claims are likely to be resolved beyond the fifteen-year provisioning period, HC Group cannot reliably estimate the associated costs of resolution of such future claims. Therefore, no provision has been made to cover these possible liabilities. Several factors could cause actual results to differ from current estimates and expectations, including: (i) adverse trends in the ultimate number of asbestos claims filed against HC Group's U.S. subsidiaries; (ii) increases in the cost of resolving current and future asbestos claims as a result of adverse trends relating to settlement and/or defence costs, dismissal rates and/or judgment amounts, including as a result of an increased percentage of claims being filed in jurisdictions that have historically produced higher jury verdicts; (iii) decreases in the amount of insurance available to cover asbestos claims as a result of adverse changes in the interpretation of insurance policies or the insolvency of insurers; (iv) the timing of

insurance recoveries; (v) the emergence of new trends or legal theories that enlarge the scope of potential claimants; (vi) the impact of bankruptcies of other defendants whose share of the liability may be imposed on HC Group's U.S. subsidiaries under certain state liability laws; (vii) the unpredictable aspects of the U.S. litigation process; (viii) adverse changes in the mix of asbestos-related diseases with respect to which asbestos claims are made against HC Group's U.S. subsidiaries; and (ix) potential legislative changes. Therefore, the liability of HC Group's U.S. subsidiaries for resolving asbestos claims may be materially different from current estimates.

In addition, HC Group's U.S. subsidiaries are subject to the risk of awards of punitive damages in asbestos litigation. One HC Group U.S. subsidiary has been involved in two litigations claiming for punitive damages (for details see "*HeidelbergCement AG — Litigation/Administrative and Governmental Proceedings*"). It is not possible to determine whether these two cases are anomalies in the subsidiary's historic experience of no punitive damage liabilities or represent a trend of increased risk of punitive damages verdicts. Punitive damages are excluded from coverage under the insurance policies of these U.S. subsidiaries and no punitive damages liabilities are assumed in the provision for asbestos liabilities. Such claims might have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group may not have insurance coverage for certain non-asbestos environmental claims and liabilities arising out of former activities in the U.S.***

Not all of HC Group's liabilities arising out of historical businesses and activities will be covered by indemnity or insurance. Further, with respect to the liabilities that are covered by insurance there are significant limitations on some of that insurance coverage, including (i) self-insured retention amounts, (ii) retrospective premiums, (iii) exclusion of coverage for punitive damages if any were to be awarded and (iv) other defences that have been or may be raised by insurance carriers. Insufficiency in HC Group's current insurance cover to meet all the future costs of its liabilities related to historical businesses and activities could have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group is subject to significant reclamation, re-cultivation and quarry closure obligations which may not be sufficiently covered by provisions and HC Group is required to maintain financial assurances to meet these obligations.***

HC Group is obligated to reclaim, re-cultivate and occasionally re-nature certain of its quarries at closure. Based on HC Group's estimates at the time, HC Group makes provisions for obligations relating to re-cultivation. There is a risk that estimated liability resulting from reclamation, re-cultivation and rehabilitation could change and the amount of costs not covered by provisions could increase if the assumptions underlying the estimates are inaccurate, if actual costs vary from assumptions, if the underlying facts change or if governmental requirements change. This could require HC Group to expend greater amounts than anticipated and could have a material adverse effect on HC Group's business, financial condition and results of operations.

The estimated liability resulting from reclamation, re-cultivation and rehabilitation could further change and the amount of costs not covered by provisions could further increase if the assumptions underlying the estimates are inaccurate, if actual costs vary from assumptions, if the underlying facts change or if governmental requirements change. This could require HC Group to expend greater amounts than anticipated and could have a material adverse effect on HC Group's business, financial condition and results of operations.

In addition, HC Group is required in many jurisdictions to secure certain of its reclamation and closure obligations for its quarries. HC Group primarily uses reclamation financial assurances (such as bonds, bank guarantees, letters of credit, etc.) to meet these obligations. In the event of a material adverse change in HC Group's financial condition, or in response to economic downturn and volatility and disruption in the credit markets, financial assurance providers may have the right and could decide not to issue or renew the financial assurances, to demand additional collateral upon renewal, or to require HC Group to obtain a discharge of the financial assurance provider's liability under the financial assurances or to provide cash or letters of credit equal to 100% of the amount of the outstanding financial assurances. A failure to maintain or renew, or the inability to acquire or provide a suitable alternative for, reclamation financial assurances and any exercise of rights the financial assurance providers have to require HC Group to discharge the related liability or to provide additional collateral would have a material adverse effect on HC Group's business, financial condition and results of operations.

***HC Group could be subject to claims for taxes for previous tax assessment periods.***

Additional tax expenses could accrue at the level of HeidelbergCement or the relevant Group entity in relation to past fiscal years which have not been subject to a tax audit yet. In future tax audits, provisions under tax law and sets of facts could be evaluated differently by the tax authorities than by HeidelbergCement or the relevant Group entity. Thus, on the basis of a tax audit, the tax authorities could revise their tax assessments and increase the tax payment obligations of the affected Group entities. This also includes the risk of interest or penalty payments in a substantial amount in addition to the risk of supplemental payments of taxes. This could have material adverse effects on HC Group's business, financial condition and results of operations.

***HC Group is exposed to tax-related risks in connection with past acquisitions and the future deduction of interest expenses and interest expenses that were not tax-deductible in the past and carried forward.***

Past acquisitions could probably raise several tax issues related to the financing of these acquisitions. Therefore, it cannot be ruled out that, in connection with these acquisitions, tax risks might materialize in the future. In this case, HC Group's tax burden could materially increase, which may have material adverse effects on HC Group's business, financial condition and results of operations.

Since the tax losses carried forward and interest carried forward partially have been capitalized as deferred tax assets, a forfeiture or restricted utilization of such carry forwards or a reduction of tax rates might also have a negative (non-cash) effect on HC Group's financial condition and results of operations.

***Changes in tax laws or tax-related case law may have adverse effects on the business and HC Group's financial condition and results of operations.***

Changes in fiscal regulations or the interpretation of tax laws by the courts in all jurisdictions in which HC Group is doing business may have adverse effects on HC Group's business, for example, because certain tax exemptions no longer apply. Changes in tax laws may also lead to higher tax liabilities for HC Group and might have materially adverse consequences for its business, financial condition and results of operations.

***HC-Group may be named as defendant in politically motivated court action from time to time.***

As a company operating globally, including in areas with unstable political environments and sometimes civil unrest, HeidelbergCement AG and other HC Group companies are at risk to be accused of collaborating with one or several of the adverse political groups through its activities and to be drawn into politically motivated litigation alongside other persons and companies being in similar positions. In the past, no material adverse effect on HC Group's business, financial position and results of operations has ever resulted from any such litigation. However, there is no certainty that such material adverse effect will not occur in the future.

***HC Group is subject to risks under other litigation which might lead to significant liabilities for HC Group.***

Finally in the regular course of business and relating to acquisitions and divestitures, HC Group was and is involved, and may in the future become involved, in lawsuits, claims and proceedings, including product liability, ownership, corporate, commercial, environmental health and safety matters and social security claims, not mentioned so far. Such proceedings may have a material adverse effect on the reputation of the Group. In addition, there can be no assurance that such proceedings will not have a material adverse effect on the asset position, financial condition and results of operations of the Group (see also "*HeidelbergCement AG - Litigation/Administrative and Governmental Proceedings*").

**RISKS RELATING TO HEIDELBERGCEMENT FINANCE LUXEMBOURG S.A.**

HeidelbergCement Finance Luxembourg S.A.'s operations depend on the ability of HeidelbergCement AG and other members of HC Group to meet their payment obligations under loans provided to them by HeidelbergCement Finance Luxembourg S.A. All debt securities of HeidelbergCement Finance Luxembourg S.A. are wholly and unconditionally guaranteed by HeidelbergCement AG in respect of principal and interest payments. This guarantee is enforceable under the laws of Germany. For the risk factors regarding HeidelbergCement AG, as guarantor and debtor to HeidelbergCement Finance Luxembourg S.A., see the respective separate HeidelbergCement AG Risk section above.

## **RISKS RELATING TO THE NOTES**

### **Notes may not be a suitable Investment for all Investors**

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

### **Liquidity Risk**

Application has been made to list Notes on the official list of the Luxembourg Stock exchange and to trade Notes on the Regulated Market "*Bourse de Luxembourg*" or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may be listed on other or further stock exchanges or may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

### **Market Price Risk**

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The holder of a Note is therefore exposed to the risk of an unfavorable development of market prices of its Note which materializes if the holder sells the Notes prior to the final maturity of such Notes. If the holder decides to hold the Notes until final maturity the Notes will be redeemed at the amount set out in the Final Terms.

### **Risk of Early Redemption**

The applicable Final Terms will indicate whether an Issuer may have the right to call the Notes prior to maturity (optional call right) on one or several dates determined beforehand or whether the Notes will be subject to early redemption upon the occurrence of an event specified in the applicable Final Terms (early redemption event). In addition, each Issuer will always have the right to redeem the Notes if the relevant Issuer is required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions. If the relevant Issuer redeems the Notes prior to maturity or the Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that due to such early redemption his investment will have a lower than expected yield. The Issuer can be expected to exercise his optional call right if the yield on comparable Notes in the capital market has fallen which means that the investor may only be able to reinvest the redemption proceeds in comparable Notes with a lower yield. On the other hand, the Issuer can be expected not to exercise his optional call right if the yield on comparable Notes in

the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable Notes with a higher yield. It should be noted, however, that the relevant Issuer may exercise any optional call right irrespective of market interest rates on a call date. In the case of an event of default specified in § 9(1)(d), § 9(1)(f) and/or § 9(1)(i) of the Terms and Conditions any notice by a Holder declaring Notes due will, unless at the time such notice is received any of the other events specified in § 9(1) of the Terms and Conditions entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such notices from the Holders of at least 10% of the aggregate principal amount of Notes then outstanding. If in relation to any of the events specified in § 9(1)(d), § 9(1)(f) and/or § 9(1)(i) of the Terms and Conditions only Holders representing less than 10% of the outstanding aggregate principal amount of the Notes declare their Notes due, their Notes will not be due and payable and will remain outstanding.

### **Currency Risk**

A holder of a Note denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks.

A change in the value of any foreign currency against the euro, for example, will result in a corresponding change in the euro value of a Note denominated in a currency other than euro and a corresponding change in the euro value of interest and principal payments made in a currency other than in euro in accordance with the terms of such Note. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Note and the value of interest and principal payments made thereunder, expressed in euro, falls.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

### **Fixed Rate Notes**

A holder of Fixed Rate Notes is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. While the nominal interest rate of a Fixed Rate Note as specified in the Final Terms is fixed during the life of such Note, the current interest rate on the capital market ("**Market Interest Rate**") typically changes on a daily basis. As the Market Interest Rate changes, the price of a Fixed Rate Note also changes, but in the opposite direction. If the Market Interest Rate increases, the price of a Fixed Rate Note typically falls, until the yield of such Note is approximately equal to the Market Interest Rate of comparable issues. If the Market Interest Rate falls, the price of a Fixed Rate Note typically increases, until the yield of such Note is approximately equal to the Market Interest Rate of comparable issues. If the holder of a Fixed Rate Note holds such Note until maturity, changes in the Market Interest Rate are without relevance to such holder as the Note will be redeemed at a specified redemption amount, usually the principal amount of such Note.

### **Floating Rate Notes**

Floating Rate Notes tend to be volatile investments. A holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. Floating Rate Notes may be structured to include caps or floors, or any combination of those features. In such case, their market value may be more volatile than the market value for Floating Rate Notes that do not include these features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the holder will not be able to benefit from any actual favorable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap.

Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

### **Specific risks linked to EURIBOR or LIBOR**

The interest rates of Floating Rate Notes are linked to reference rates such as the Euro Interbank Offered Rate ("**EURIBOR**") or the London Interbank Offered Rate ("**LIBOR**") which are deemed to be "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") and which are the subject of recent national, international and other regulatory guidance and proposals for reform.

Key international proposals for reform of Benchmarks include (i) IOSCO's Principles for Oil Price Reporting Agencies (October 2012) and Principles for Financial Benchmarks (July 2013), (ii) ESMA-EBA's Principles for the benchmark-setting process (June 2013), and (iii) the Benchmark Regulation EU 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"). In addition to the aforementioned reforms, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of such potential reforms, the manner of administration of Benchmarks may change, with the result that they perform differently than in the past, or Benchmarks could be eliminated entirely or become otherwise unavailable, or there could be consequences which cannot be predicted. Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives could have a material adverse effect on the costs of obtaining exposure to a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. For example, on July 27, 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR Benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. If a Benchmark were to be discontinued or otherwise unavailable, the rate of interest for Floating Rate Notes which is linked to such Benchmark might be determined for the relevant interest period by fall-back provisions as set out in the Terms and Conditions of such Notes, which ultimately could result in the same reference rate of that Benchmark being applied for the determination of the relevant rates of interest until maturity of the Floating Rate Notes, effectively turning the floating rate of interest into a fixed rate of interest. In that case, a Holder would no longer participate in any favourable movements of market interest rates, including central banks' key interest rates, that would have been reflected in the relevant reference rate if the Benchmark would not have been discontinued or otherwise been unavailable, and payments of interest under the Floating Rate Notes would be lower than they would have been had the Benchmark not been discontinued or otherwise been unavailable.

Although it is uncertain whether or to what extent any of the above-mentioned changes and/or any further changes in the administration or method for determining a Benchmark could have an effect on the value of any Notes whose interest is linked to the relevant Benchmark, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value or the liquidity of, and the amounts payable under Notes whose rate of interest is linked to a Benchmark.

### **Resolutions of Holders**

Since the Notes provide for meetings of Holders or the taking of votes without a meeting, a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. As such majority resolution is binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

### **Holdings' Representative**

Since the Notes provide for the appointment of a Holdings' Representative, either in the Terms and Conditions or by a majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Holdings' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

### **The Market Value of the Notes could decrease if the Creditworthiness of HC Group Worsens**

If, for example, because of the materialization of any of the risks regarding HeidelbergCement AG, the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as HC Group could adversely change.

If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialization of said risk. Under these circumstances, the market value of the Notes will decrease.

**Changes in Accounting Standards (IFRS and German Commercial Code (HGB))**

HeidelbergCement's consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) of the German Commercial Code (*Handelsgesetzbuch, HGB*). New or changed accounting standards may lead to adjustments in the relevant HeidelbergCement accounting positions. This might lead to a different perception of the market regarding HeidelbergCement's creditworthiness. As a result, there is a risk that the market value of the Notes might decrease.

**No Restriction on the Amount of Debt which HeidelbergCement AG May Incur in the Future**

There is no restriction on the amount of debt which HeidelbergCement AG may issue which ranks equal to the Notes. Any issuance of further debt – to the extent permitted under the Terms and Conditions of the Notes – may reduce the amount recoverable by the Holders upon winding-up or insolvency of the Issuer.

## CONSENT TO THE USE OF THE PROSPECTUS

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Notes issued under the Programme is entitled to use the Prospectus in the Grand Duchy of Luxembourg, in Germany, the Republic of Austria, the Republic of Ireland, the United Kingdom of Great Britain and Northern Ireland and the Netherlands for the subsequent resale or final placement of the relevant Notes during the respective offer period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant Notes can be made, provided however, that the Prospectus is still valid in accordance with Article 11 (2) of the Luxembourg Law. The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the relevant Notes.

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of HeidelbergCement Group ([www.heidelbergcement.com](http://www.heidelbergcement.com)).

When using the Prospectus, each Dealer and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions, including with the restrictions specified in the "*PROHIBITION OF SALES TO EEA RETAIL INVESTORS*" legend set out on the cover page of the applicable Final Terms, if any.

**In the event of an offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.**

**Any Dealer and/or a further financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached to this consent.**



## GENERAL DESCRIPTION OF THE PROGRAMME AND ISSUE PROCEDURES

### I. General Description of the Programme

Under this € 10,000,000,000 Euro Medium Term Note Programme, HeidelbergCement AG and HC Finance Lux may from time to time issue notes (the "**Notes**") to one or more of the following Dealers: Banca IMI S.p.A., Barclays Bank PLC, Barclays Bank Ireland PLC, Bayerische Landesbank, BNP Paribas, [BofA Securities Europe SA](#), Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Danske Bank A/S, Deutsche Bank Aktiengesellschaft, ING Bank N. V., J.P. Morgan Securities plc, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale, Mediobanca - Banca di Credito Finanziario S.p.A., Merrill Lynch International, Morgan Stanley & Co. International plc, Raiffeisen Bank International AG, Skandinaviska Enskilda Banken AB (publ), Standard Chartered Bank AG, Svenska Handelsbanken AB (publ) and any additional Dealer appointed under the Programme from time to time by the Issuer(s), which appointment may be for a specific issue or on an ongoing basis (together, the "**Dealers**").

Deutsche Bank Aktiengesellschaft acts as arranger in respect of the Programme (the "**Arranger**").

The maximum aggregate principal amount of the Notes outstanding at any one time under the Programme will not exceed € 10,000,000,000 (or its equivalent in any other currency). The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement from time to time.

The Notes issued by HC Finance Lux will have the benefit of the guarantee given by HeidelbergCement AG (the "**Guarantee**"). The Guarantee dated November 18, 2016 constitutes an unconditional, unsecured and unsubordinated obligation of HeidelbergCement AG and ranks *pari passu* with all other unsecured and unsubordinated obligations of HeidelbergCement AG.

Notes may be issued on a continuing basis to one or more of the Dealers. Notes may be distributed by way of public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each tranche ("**Tranche**") will be stated in the relevant final terms (the "**Final Terms**"). Notes may be offered to qualified and non-qualified investors, unless the applicable Final Terms include a legend entitled "**PROHIBITION OF SALES TO EEA RETAIL INVESTORS**".

Notes will be issued in Tranches, each Tranche in itself consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and forming a single series and identical in all respects, but having different issue dates, interest commencement dates, issue prices and dates for first interest payments may form a series ("**Series**") of Notes. Further Notes may be issued as part of existing Series. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions) will be set forth in the applicable Final Terms.

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Notes will be, if in euro, € 1,000, and, if in any currency other than euro, an amount in such other currency nearly equivalent to € 1,000 at the time of the issue of the Notes. Subject to any applicable legal or regulatory restrictions, and requirements of relevant central banks, Notes may be issued in euro or any other currency. The Notes will be issued with a maturity of twelve months or more. The Notes will be freely transferable.

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par, as stated in the relevant Final Terms. The issue price for Notes to be issued will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield. The resulting yield will be used to determine an issue price, all to correspond to the yield.

The yield for Notes with fixed interest rates will be calculated by the use of the ICMA method, which determines the effective interest rate of notes taking into account accrued interest on a daily basis.

Application has been made to the CSSF, which is the Luxembourg competent authority for the purpose of the Prospectus Directive for its approval of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Prospectus to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market or on the professional segment of the Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange. The Programme provides that Notes may be listed on further stock exchanges, as may be agreed between the relevant Issuer

and the relevant Dealer(s) in relation to each issue. Notes may further be issued under the Programme which will not be listed on any stock exchange.

Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These systems will comprise those operated by Clearstream Banking AG, Frankfurt am Main, Clearstream Banking S.A., Luxembourg and Euroclear Bank SA/NV. Notes denominated in euro or, as the case may be, such other currency recognized from time to time for the purposes of eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, are intended to be held in a manner, which would allow Eurosystem eligibility. Therefore, these Notes will initially be deposited upon issue with in the case of (i) a new global note either Clearstream Banking S.A., Luxembourg or Euroclear Bank SA/NV as common safekeeper or, (ii) a classical global note Clearstream Banking AG, Frankfurt am Main. It does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Deutsche Bank Luxembourg S.A. will act as Luxembourg Listing Agent and Deutsche Bank Aktiengesellschaft will act as fiscal agent and paying agent (the "**Fiscal Agent**").

## II. Issue Procedures

### General

The relevant Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Notes (the "**Conditions**"). The Conditions will be constituted by the relevant set of Terms and Conditions of the Notes set forth below (the "**Terms and Conditions**") as further specified by the Final Terms (the "**Final Terms**") as described below.

### *Options for sets of Terms and Conditions*

A separate set of Terms and Conditions applies to each type of Notes, as set forth below. The Final Terms provide for the relevant Issuer to choose between the following Options:

- Option I – Terms and Conditions for Notes with fixed interest rates;
- Option II – Terms and Conditions for Notes with floating interest rates.

### *Documentation of the Conditions*

The relevant Issuer may document the Conditions of an individual issue of Notes in either of the following ways:

- The Final Terms shall be completed as set out therein. The Final Terms shall determine which of the Option I or Option II, including certain further options contained therein, respectively, shall be applicable to the individual issue of Notes by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Tranche. This type of documentation of the Conditions will be required where the Notes are publicly offered, in whole or in part, or are to be initially distributed, in whole or in part, to non-qualified investors.
- Alternatively, the Final Terms shall determine which of Option I or Option II and of the respective further options contained in each of Option I and Option II are applicable to the individual issue by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Tranche of Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

### *Determination of Options / Completion of Placeholders*

The Final Terms shall determine which of the Option I or Option II shall be applicable to the individual issue of Notes. Each of the sets of Terms and Conditions of Option I or Option II contains also certain further options (characterized by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the text of the relevant set of Terms and Conditions as set out

in the Prospectus) as well as placeholders (characterized by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

#### *Determination of Options*

The relevant Issuer will determine which options will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

#### *Completion of Placeholders*

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In the case the provisions of the Final Terms and the relevant set of Terms and Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.

All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

#### **Controlling Language**

As to the controlling language of the respective Conditions, the following applies:

- In the case of Notes (i) offered to the public, in whole or in part, in the Federal Republic of Germany, or (ii) initially distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such offers to the public or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal offices of the Fiscal Agent and the Issuers, as specified on the back cover of this Prospectus.
- In other cases the relevant Issuer will elect either German or English to be the controlling language.

## TERMS AND CONDITIONS OF THE NOTES (ENGLISH LANGUAGE VERSION)

### Introduction

*The Terms and Conditions of the Notes (the "Terms and Conditions") are set forth below for two options:*

*Option I comprises the set of Terms and Conditions that apply to Tranches of Notes with fixed interest rates.*

*Option II comprises the set of Terms and Conditions that apply to Tranches of Notes with floating interest rates.*

*The set of Terms and Conditions for each of these Options contains certain further options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the set of Terms and Conditions.*

*In the Final Terms the Issuer will determine, which of the Option I or Option II including certain further options contained therein, respectively, shall apply with respect to an individual issue of Notes, either by replicating the relevant provisions or by referring to the relevant options.*

*To the extent that upon the approval of the Prospectus neither the Issuer nor the Guarantor had knowledge of certain items which are applicable to an individual issue of Notes, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.*

**In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for Option I or Option II the following applies**

[The provisions of these Terms and Conditions apply to the Notes as completed by the terms of the Final Terms which is attached hereto (the "Final Terms"). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and texts set out in square brackets) shall be deemed to be deleted from these Terms and Conditions as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified offices of any further Paying Agent(s), if any; provided that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.]

### OPTION I – Terms and Conditions that apply to Notes with fixed interest rates

#### Terms and Conditions of the Notes

#### (English Language Version)

#### § 1

#### CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS

(1) *Currency and Denomination.* This Series of Notes of [HeidelbergCement AG] [HeidelbergCement Finance Luxembourg S.A.] (the "Issuer") is issued in [Specified Currency] (the "Specified Currency") in the aggregate principal amount of [In the case of the global Note is an NGN the following applies: (subject to § 1(4))] [aggregate principal amount] (in words: [aggregate principal amount in words]) on [issue date] (the "Issue Date") in the denomination of [Specified Denomination] (the "Specified Denomination").

(2) *Form.* The Notes are in bearer form.

(3) *Temporary Global Note – Exchange.*

(a) The Notes are initially represented by a temporary global note (the "Temporary

**Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorized signatories of the Issuer and shall each be authenticated by the Fiscal Agent with a control signature. Definitive Notes and coupons will not be issued.

- (b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made to the extent that certifications have been delivered to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 6).

(4) *Clearing System.* Each global note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means **[If more than one Clearing System the following applies: each of]** the following: [Clearstream Banking AG, Neue Börsenstr. 1, 60487 Frankfurt am Main, Federal Republic of Germany ("**CBF**") [Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**") and Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**") and any successor in such capacity.

In the case of Notes kept in custody on behalf of the ICSDs and

the global note is an NGN the following applies

[The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the global note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the global note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.]

**[In the case the Temporary Global Note is an NGN the following applies:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.]

In the case of Notes kept in custody on behalf of the ICSDs and

[The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depository on behalf of both ICSDs.]

the global note is a CGN the following applies

(5) Holder of Notes. "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Referenced Conditions*. The Terms and Conditions fully refer to the provisions set out in Schedule 5 of the amended and restated agency agreement dated April 3, 2019 between HeidelbergCement AG, HeidelbergCement Finance Luxembourg S.A. and Deutsche Bank Aktiengesellschaft (on display under www.bourse.lu) containing primarily the procedural provisions regarding resolutions of Holders.

## § 2

### STATUS, NEGATIVE PLEDGE AND GUARANTEE

(1) *Status*. The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

In the case of Notes issued by HeidelbergCement AG the following applies

[(2) *Negative Pledge*. The Issuer undertakes and procures that with regard to its subsidiaries, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, and to procure that none of its subsidiaries will create or permit to subsist, any mortgage, lien, pledge, charge or other security interest *in rem* (each such right a "**Security Interest**") over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by the Issuer or any of its subsidiaries in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to]

In the case of Notes issued by HC Finance Lux the following applies

[(2) *Negative Pledge*. The Issuer undertakes, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, any mortgage, lien, pledge, charge or other security interest *in rem* (each such right a "**Security Interest**") over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by the Issuer in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to]

[(a)] any Security Interest existing on assets at the time of the acquisition thereof by the Issuer, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased subsequently to the acquisition of the relevant assets[;].]

In the case of Notes issued by HeidelbergCement AG the following applies

[(b)] any Security Interest which is provided by any subsidiary of the Issuer with respect to any receivables of such subsidiary against the Issuer which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness in the form of convertible bonds, provided that any such security serves to secure obligations under such Capital Market Indebtedness of the relevant subsidiary.]

In the case of

[(3) *Guarantee*. HeidelbergCement AG (the "**Guarantor**") has given its unconditional

Notes issued by  
HC Finance Lux  
the following  
applies

and irrevocable guarantee (the "**Guarantee**") for the punctual payment of principal of, and interest on, and any other amounts payable under any Note. In this Guarantee, HeidelbergCement AG has further undertaken (the "**Undertaking**"), so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, and to procure that none of its subsidiaries will create or permit to subsist, any Security Interest over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by HeidelbergCement AG or any of its subsidiaries in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to

- (i) any Security Interest existing on assets at the time of the acquisition thereof by HeidelbergCement AG, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased subsequently to the acquisition of the relevant assets;
- (ii) any Security Interest which is provided by any subsidiary of HeidelbergCement AG with respect to any receivables of such subsidiary against HeidelbergCement AG which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness in the form of convertible bonds, provided that any such security serves to secure obligations under such Capital Market Indebtedness of the relevant subsidiary.

The Guarantee including the Undertaking constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 of the German Civil Code, giving rise to the right of each Holder to require performance of the Guarantee directly from HeidelbergCement AG and to enforce the Guarantee directly against HeidelbergCement AG. Copies of the Guarantee may be obtained free of charge at the principal office of HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany and at the specified office of the Fiscal Agent set forth in § 7.]

[(4)] *Additional Guarantees.* HeidelbergCement AG has undertaken, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, to procure that in the event that any Relevant Subsidiary (other than a Finance Subsidiary) incurs Capital Market Indebtedness or issues any guarantees with respect to, or otherwise guarantees, any Capital Market Indebtedness of HeidelbergCement AG or any Relevant Subsidiary, such Relevant Subsidiary shall simultaneously provide a direct and unconditional guarantee equally and rateably in favour of the Holders (an "**Additional Guarantee**") for all amounts payable under the Notes. This shall not be applicable with respect to the incurrence of Capital Markets Indebtedness by Relevant Subsidiaries (i) which are joint venture entities having their seat and primary operations outside the United States of America or any member state of the European Union and (ii) who do not collectively have Capital Market Indebtedness outstanding in excess of an aggregate principal amount of € 500,000,000. The terms of each Additional Guarantee shall be documented in accordance with market standards provided that the terms of the Additional Guarantee may provide that such guarantee will cease to exist if and when the Capital Market Indebtedness guaranteed or the Capital Market Indebtedness incurred by such Relevant Subsidiary is fully discharged. HeidelbergCement AG shall inform the Holders of such Additional Guarantee in accordance with § 14 and will publish such Additional Guarantee on its internet website. A certified copy of the Additional Guarantee will be made available to the Fiscal Agent.

[(5)] *Definitions.* For the purposes of these Terms and Conditions, "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, either (i) a certificate of indebtedness

governed by German law or by (ii) bonds, loan stock, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

**"Relevant Subsidiary"** means any fully consolidated subsidiary of HeidelbergCement AG and for purposes only of this § 2 does not include any subsidiary which has one or more classes of equity securities (other than, or in addition to any convertible bonds or similar equity linked securities) which are listed or traded on a regulated stock exchange.

**"Finance Subsidiary"** in this § 2 means each direct or indirect subsidiary of HeidelbergCement AG whose sole purpose is to raise financing for HeidelbergCement AG's consolidated group, and which neither owns any material assets (other than receivables arising from loans to other members of the group and bank deposits) nor has any equity interests in any person.

### § 3 INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their aggregate principal amount at the rate of **[Rate of Interest]** % *per annum* from (and including) **[Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 4). Interest shall be payable in arrear on **[Fixed Interest Date(s)]** in each year (each such date, an **"Interest Payment Date"**). The first payment of interest in respect of the period from (and including) **[Interest Commencement Date]** to (but excluding) the first interest payment date shall be made on **[First Interest Payment Date]** **[If the First Interest Payment Date is not first anniversary of Interest Commencement Date the following applies:** and will amount to **[Initial Broken Amount per Specified Denomination]** per Specified Denomination.] **[If Maturity Date is not a Fixed Interest Date the following applies:** Interest in respect of the period from (and including) **[Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[Final Broken Amounts per Specified Denomination]** per Specified Denomination.]

(2) *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes from (and including) the due date until the actual redemption of the Notes at the default rate of interest established by law<sup>(1)</sup>.

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Day Count Fraction.* **"Day Count Fraction"** means, in respect of the calculation of an amount of interest on any Note for any period of time (the **"Calculation Period"**):

In the case of Actual/Actual (ICMA Rule 251) with annual interest payments (excluding the case of short or long coupons) the following applies

[the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period.]

In the case of Actual/Actual (ICMA Rule 251) with annual interest payments

[the actual number of days in the Calculation Period divided by the number of days in the Reference Period in which the Calculation Period falls.]

<sup>(1)</sup> The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 paragraph 1 German Civil Code.



(including the case of short coupons) the following applies

In the case of Actual/Actual (ICMA Rule 251) with two or more constant interest periods within an interest year (including the case of short coupons) the following applies

[the actual number of days in the Calculation Period divided by the product of (a) the number of days in the Reference Period in which the Calculation Period falls and (b) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.]

In the case Actual/Actual (ICMA Rule 251) is applicable and if the Calculation Period is longer than one Reference Period (long coupon) the following applies

[the sum of:

- a) the number of days in such Calculation Period falling in the Reference Period in which the Calculation Period begins divided by **[In the case of Reference Periods of less than one year the following applies: the product of (x)]** the number of days in such Reference Period **[In the case of Reference Periods of less than one year the following applies: and (y)]** the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year]; and
- (b) the number of days in such Calculation Period falling in the next Reference Period divided by **[In the case of Reference Periods of less than one year the following applies: the product of (x)]** the number of days in such Reference Period **[In the case of Reference Periods of less than one year the following applies: and (y)]** the number of Reference Periods that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year].]

The following applies for all options of Actual/Actual (ICMA Rule 251) except for option Actual/Actual (ICMA Rule 251) with annual interest payments (excluding the case of short or long first or last coupon)

**["Reference Period"** means the period from (and including) the Interest Commencement Date to, but excluding, the first Interest Payment Date or from (and including) each Interest Payment Date to (but excluding) the next Interest Payment Date. **[In the case of a short first or last Calculation Period the following applies: For the purposes of determining the relevant Reference Period only, [deemed Interest Payment Date] shall be deemed to be an Interest Payment Date.] [In the case of a long first or last Calculation Period the following applies: For the purposes of determining the relevant Reference Period only, [deemed Interest Payment Dates] shall each be deemed to be an Interest Payment Date].]**

In the case of 30/360, 360/360 or Bond Basis the following applies

[the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).]

In the case of 30E/360 or Eurobond Basis the following applies

[the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).]

In the case of  
an Adjustment of  
Rate of Interest the  
following applies

[(5) *Adjustment of Rate of Interest.*

- (a) The Rate of Interest payable on the Notes is subject to adjustment from time to time in the event of a Step Up Rating Change or a Step Down Rating Change (each as defined below) as follows:
- (i) subject to subparagraphs (b) and (c) below, if a Rating Agency publicly announces a downgrade in the rating of the Issuer's long-term senior unsecured debt to below BBB- (S&P and Fitch) and/or Baa3 (Moody's), or an equivalent in the case of a respective successor or any other appointed rating agency, as the case may be (a "**Step Up Rating Change**") the Rate of Interest shall be increased by [●] % *per annum* with effect from (and including) the first Interest Payment Date on or after the date of such Step Up Rating Change to (but excluding) the Maturity Date (as defined in below) (subject to the provisions of subparagraph (ii) below).
  - (ii) subject to subparagraphs (b) and (c) below, if following a Step Up Rating Change, a Rating Agency publicly announces an upgrade in the rating of the Issuer's long-term senior unsecured debt equal to or higher than BBB- (S&P and Fitch) and/or Baa3 (Moody's), or an equivalent in the case of a respective successor or any other appointed rating agency, as the case may be (a "**Step Down Rating Change**"), the previously adjusted Rate of Interest shall be decreased by [●] % *per annum* with effect from (and including) the first Interest Payment Date on or after the date of such Step Down Rating Change to (but excluding) the Maturity Date (as defined below);

if there is more than one Rating Agency from time to time appointed by or on behalf of the Issuer, the lowest rating shall be decisive for the purposes of (i) and (ii) above.

"**Rating Agency / Rating Agencies**" means any of the rating agencies of S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Services Limited ("**Moody's**") and Fitch Rating, Inc. ("**Fitch**") or any of their respective successors or any other rating agency of equivalent international standing from time to time appointed by or on behalf of the Issuer.

- (b) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same interest period, the Rate of Interest payable on the Notes shall neither be increased nor decreased as a result of either such event.
- (c) Only the first occurrence of a Step Up Rating Change (if any) and the first occurrence of Step Down Rating Change (if any) shall give rise to an adjustment of the Rate of Interest.
- (d) The Issuer shall use its best endeavours to maintain a long-term senior unsecured debt rating by a Rating Agency. In the event that no such rating is obtained from a Rating Agency, this shall constitute a Step Up Rating Change in consequence of which the Rate of Interest shall be increased by [●] % *per annum* with effect from (and including) the first Interest Payment Date on or after the date of such Step Up Rating Change to (but excluding) the Maturity Date (as defined below).
- (e) The Issuer shall promptly notify each Step Up Rating Change or Step Down Rating Change to the Fiscal Agent and will cause notice thereof to be published in accordance with §14 promptly upon becoming aware of the occurrence of the Step Up Rating Change or Step Down Rating Change but in no event later than the seventh day thereafter.]

**§ 4  
FINAL REDEMPTION**

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on **[Maturity Date]** (the "**Maturity Date**"). The Final Redemption Amount in respect of each Note (the "**Final Redemption Amount**") shall be its principal amount.

**§ 5  
EARLY REDEMPTION**

(1) *Exercise of Call Rights.* Insofar as each of the Issuer and the Holder have an early redemption right in these Terms and Conditions, the relevant party may not exercise such option in respect of any Note which is the subject of the prior exercise by the respective other party thereof of its option to require the early redemption of such Note.

[(2) *Redemption for Tax Reasons.* The Notes will be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with § 14, the Holders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 8 as a result of any change in, or amendment to, the laws or regulations of the relevant tax jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this § 5(2), the Issuer shall deliver to the Fiscal Agent a certificate signed by two members of the Managing Board of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this § 5(2) will be redeemed at their Final Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

**"relevant tax jurisdiction"** means Germany.]

In the case of  
Notes issued by  
HeidelbergCement  
AG the following  
applies

In the case of  
Notes issued by  
HC Finance Lux  
the following  
applies

[(2) *Redemption for Tax Reasons.* The Notes will be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with § 14, the Holders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts as a result of any change in, or amendment to, the laws or regulations of the relevant tax jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and

(b) such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this § 5(2), the Issuer shall deliver to the Fiscal Agent a certificate signed by two members of the Managing Board of the Issuer or two members of the Managing Board of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer or the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this § 5(2) will be redeemed at their Final Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

"**relevant tax jurisdiction**" means Germany and the Grand Duchy of Luxembourg.]

In the case of Notes denominated in euro and subject to Early Redemption at the Option of the Issuer at Early Call Redemption Amount the following is applies

[(3) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may at any time upon not less than [**Minimum Notice Period**] days' nor more than [**Maximum Notice Period**] days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 14 to the Holders redeem, at its option, the remaining Notes in whole or in part, on a date specified in the call notice (the "**Call Redemption Date**") at their Early Call Redemption Amount.

The "**Early Call Redemption Amount**" (to be notified to the Holders in accordance with § 14 and to the Fiscal Agent) of a Note shall be an amount equal to the sum of:

- (i) the principal amount of the relevant Note to be redeemed; and
- (ii) the Applicable Premium (as defined below); and
- (iii) accrued but unpaid interest, if any, to, the redemption date.

The Early Call Redemption Amount shall be calculated by the Calculation Agent.

"**Applicable Premium**" means the excess, if any, of

- (i) the present value on such redemption date of
  - (A) the principal amount of the relevant Note, plus
  - (B) all remaining scheduled interest payments on such Note to (but excluding) the Maturity Date
 discounted with the Benchmark Yield plus [●]% over
- (ii) the principal amount of such Note on the redemption date.

The "**Benchmark Yield**" shall be the yield to maturity at the Redemption Calculation Date of a *Bundesanleihe* (senior unsecured bond) of the Federal Republic of Germany with a constant maturity (as officially compiled and published in the most recent financial statistics of the Federal Republic of Germany that have then become publicly available on the Redemption Calculation Date (or if such financial statistics are not so published or available, as apparent from any publicly available source of similar market data selected by the Issuer in good faith)), most nearly equal to the period from the redemption date to the Maturity Date of the relevant Note *provided, however*, that if the period from the redemption date to the Maturity Date is not equal to the constant maturity of the *Bundesanleihe* of the Federal Republic of Germany for which a weekly average yield is given, the Benchmark Yield shall be obtained by

linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of *Bundesanleihen* of the Federal Republic of Germany for which such yields are given, except that if the period from such redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded *Bundesanleihen* of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

**"Redemption Calculation Date"** means the sixth Payment Business Day prior to the date on which the Notes are redeemed as a result of any event specified in this § 5(3).

- (b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 14 and shall be delivered to the Fiscal Agent not less than 15 days before and shall at least specify:
- (i) the Series of Notes subject to redemption;
  - (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of;
  - (iii) the Call Redemption Date[.]; and
  - (iv) name and address of the institution appointed by the Issuer as Calculation Agent .]
- (c) Notes represented by a global note shall be selected in accordance with the rules of the relevant Clearing System and a possible partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.]

**If the Notes are subject to Early Redemption at the Option of the Issuer at specified Call Redemption Amounts the following applies**

[[4)] *Early Redemption at the Option of the Issuer.*

- (a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes on the Call Redemption Date(s) or at any time thereafter until the respective subsequent Call Redemption Date (excluding) at the respective Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the respective redemption date.

Call Redemption Date(s)	Call Redemption Amount(s)
<b>[Call Redemption Date(s)]</b>	<b>[Call Redemption Amount(s)]</b>
[•]	[•]
[•]	[•]

**[If Notes are subject to Early Redemption at the Option of the Holder the following applies:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under subparagraph [(6)] of this § 5.]

- (b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 14. Such notice shall specify:
- (i) the Series of Notes subject to redemption;
  - (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed; and
  - (iii) the redemption date, which shall be not less than **[Minimum Notice to Issuer]** days nor more than **[Maximum Notice to Issuer]** days after the date on which notice is given by the Issuer to the Holders.
- (c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules and procedures of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as

either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.]]

In the case of Notes subject to Early Redemption at the option of the Holders upon a Change of Control is applicable, the following applies

[[5]] *Early Redemption at the Option of the Holders upon a Change of Control.*

- (a) If a Change of Control occurs, each Holder shall have the right, but not the obligation, to require the Issuer to redeem in whole or in part his Notes at the Early Put Redemption Amount (the "**Put Option**"). Such Put Option shall operate as set out in the provisions below.

"**Change of Control**" means the occurrence of any of the following events:

- (i) HeidelbergCement AG becomes aware that any person or group of persons acting in concert within the meaning of § 2(5) of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*) (each an "**Acquirer**") has become the legal or beneficial owner of more than 30% of the voting rights of HeidelbergCement AG; or
- (ii) the merger of HeidelbergCement AG with or into a third person (as defined below) or the merger of a third person with or into HeidelbergCement AG, or the sale of all or substantially all of the assets (determined on a consolidated basis) of HeidelbergCement AG to a third person other than in a transaction following which (A) in the case of a merger holders that represented 100% of the voting rights of HeidelbergCement AG own directly or indirectly at least a majority of the voting rights of the surviving person immediately after such merger and (B) in the case of a sale of all or substantially all of the assets, each transferee becomes a guarantor in respect of the Notes and is or becomes a subsidiary of HeidelbergCement AG;

"**third person**" shall for the purpose of this § 5(3) (a) (ii) mean any person other than a subsidiary of HeidelbergCement AG.

"**Early Put Redemption Amount**" means for each Note 101% of the principal amount of such Note, plus accrued and unpaid interest up to (but excluding) the Put Date (as defined below).

- (b) If a Change of Control occurs, then the Issuer shall, without undue delay, after becoming aware thereof, give notice of the Change of Control (a "**Put Event Notice**") to the Holders in accordance with § 14 specifying the nature of the Change of Control and the procedure for exercising the Put Option contained in this § 5(3).
- (c) To exercise the Put Option, the Holder must send within 30 days, after a Put Event Notice has been published (the "**Put Period**"), to the specified office of the Fiscal Agent an early redemption notice in text format (*Textform*, e.g. email or fax) or in written form ("**Put Notice**"). In the event that the Put Notice is received after 5:00 p.m. Frankfurt time on the 30<sup>th</sup> day after the Put Event Notice by the Issuer has been published, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, [and] (ii) the securities identification numbers of such Notes, if any [**In the case the Global Note is kept in custody by CBF, insert:** and (iii) contact details as well as a bank account]. The Put Notice may be in the form available from the specified office of the Fiscal Agent in the German and English language and includes further information. No option so exercised may be revoked or withdrawn. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order.]

In the case of Notes subject to Early Redemption at the Option of a Holder at specified

[[6]] *Early Redemption at the Option of the Holders.*

The Issuer shall, upon the exercise of the relevant option by the Holder of any Note, redeem such Note on the relevant Put Redemption Date at the relevant Put

Put Redemption Amount(s) the following applies

Redemption Amount set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

Put Redemption Date(s)	Put Redemption Amount(s)
[Put Redemption Dates(s)]	[Put Redemption Amount(s)]
[•]	[•]
[•]	[•]

In order to exercise such option, the Holder must, not less than **[Minimum Notice to Issuer]** nor more than **[Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), send to the specified office of the Fiscal Agent an early redemption notice in text format (*Textform*, e.g. email or fax) or in written form ("**Put Notice**"). In the event that the Put Notice is received after 5:00 p.m. Frankfurt time on the **[Minimum Notice to Issuer]** day before the Put Redemption Date, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, **[and]** (ii) the securities identification numbers of such Notes, if any **[In the case the Global Note is kept in custody by CBF, the following applies:** and (iii) contact details as well as a bank account]. The Put Notice may be in the form available from the specified office of the Fiscal Agent in the German and English language and includes further information. No option so exercised may be revoked or withdrawn. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order.]

## § 6 PAYMENTS

(1) (a) *Payment of Principal.* Payment of principal in respect of Notes represented by a global note shall be made, subject to paragraph (3) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the global note at the specified office of any Paying Agent outside the United States.

(b) *Payment of Interest.* Payment of interest on the Notes shall be made, subject to paragraph (3), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System upon due certification as provided in § 1(3)(b).

(2) *Manner of Payment.* Subject to (i) applicable fiscal and other laws and regulations and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *United States.* "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(4) *Discharge.* The Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor] shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Business Day**" means a day (other than a Saturday or a Sunday)

In the case of Notes not denominated in

[on which commercial banks and foreign exchange markets settle payments in **[relevant financial centre(s)]**].[and]

euro the following applies

In the case the Clearing System and TARGET shall be open the following applies

[on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("TARGET") are open to effect payments.]

(6) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; all amounts mentioned in § 5 with regard to redemption and any premium and any other amounts (other than interest) which may be payable under or in respect of the Notes.

Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 7 AGENTS

(1) *Appointment; Specified Offices.* The initial agents and their respective specified offices are:

Fiscal Agent and Paying Agent:	Deutsche Bank Aktiengesellschaft Trust & Agency Services Taunusanlage 12 60325 Frankfurt am Main Germany
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In the case of Notes denominated in euro and subject to Early Redemption at the Option of the Issuer at Early Call Redemption Amount where the Calculation Agent is to be appointed upon issue of the Notes the following applies

[Calculation Agent: **[name and specified office]]**

In the case of Notes denominated in euro and subject to Early Redemption at the Option of the Issuer at Early Call Redemption Amount where the Calculation Agent is to be appointed upon calculation of the Early Call Redemption Amount the

[Calculation Agent: a reputable institution of good standing in the financial markets appointed by the Issuer for the purpose of calculating the Early Call Redemption Amount in accordance with § 5[(3)] only.]



following applies

Each agent reserves the right at any time to change its specified office to some other specified office in the same country.

(2) *Termination or Appointment.* The Issuer reserves the right at any time to terminate the appointment of each agent and to appoint another or additional agents. Any termination of appointment, recall appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 14.

(3) [(a)] *Maintaining of a Fiscal Agent and Paying Agent.* The Issuer shall at all times maintain a Fiscal Agent and in addition to the Fiscal Agent as long as the Notes are listed on the regulated market of a stock exchange, a Paying Agent (which may be the Fiscal Agent) with a specified office in a place required by the relevant stock exchange or the relevant regulatory authority.

[(b)] *Maintaining of a Calculation Agent.* The Issuer shall at all times maintain a Calculation Agent if a Calculation Agent has been initially appointed.]

In the case of Notes denominated in euro and subject to Early Redemption at the Option of the Issuer at Early Call Redemption Amount where the Calculation Agent is to be appointed upon issue of the Notes the following applies

In the case of payments in US\$ the following applies

[[c)] *Payments in US\$.* If payments at or through the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, the Issuer shall maintain a Paying Agent with a specified office in New York City.]

(4) *Agents of the Issuer.* Each agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8 TAXATION

All payments of principal and interest in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by or on behalf of the relevant tax jurisdiction (as defined in § 5(2) above) or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with the relevant tax jurisdiction and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the relevant tax jurisdiction; or

- (c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the relevant tax jurisdiction or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 14, whichever occurs later.

### § 9

#### EVENTS OF DEFAULT

(1) *Events of default.* If any one or more of the following events (each an "**Event of Default**") shall occur or be continuing:

- [(a) *Non-Payment of Principal or Interest.* the Issuer fails to pay any amount due under the Notes within 30 days from the relevant due date; or
- (b) *Breach of other Obligation.* the Issuer fails duly to perform, or is otherwise in breach of, any covenant or undertaking or other agreement of the Issuer in respect of the Notes (other than any obligation for the payment of any amount due in respect of any of the Notes) and such failure or breach continues for a period of 30 days after notice thereof has been given to the Issuer; or
- (c) *Cross Default.* any Capital Market Indebtedness (as defined in § 2) of HeidelbergCement AG or any of its Principal Subsidiaries in each case in excess of € 100,000,000 or the equivalent thereof becomes prematurely repayable as a result of a default in respect of the terms thereof, or HeidelbergCement AG or any of its Principal Subsidiaries fails to fulfil payment obligations in excess of € 100,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless HeidelbergCement AG or the relevant Principal Subsidiary shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto; or
- (d) *Liquidation.* an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG, except (i) for the purposes of or pursuant to a consolidation, amalgamation, merger or other form of combination with another company and such other or new company assumes all obligations of HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG, as the case may be, in connection with the Notes; or (ii) for the purposes of a voluntary solvent winding-up or dissolution in connection with the transfer of all or the major part of the assets or shares of a Principal Subsidiary to HeidelbergCement AG or another Subsidiary of HeidelbergCement AG; or
- (e) *Cessation of Payment.* (i) HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG stops payment (within the meaning of any applicable insolvency law) or (ii) (otherwise than for the purposes of such a consolidation, amalgamation, merger or other form of combination as is referred to in paragraph (d)) ceases or through an official action of its competent management body threatens to cease to carry on business or is unable to pay its debts as and when they fall due; or
- (f) *Insolvency etc.* HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG or any third party files an application under any applicable bankruptcy, reorganization, composition or insolvency law against

In the case of Notes issued by HeidelbergCement AG the following applies

HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG and, in the case of an application by a third party the application is not dismissed within 30 days or HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG makes a conveyance or assignment for the benefit of its creditors; or

- (g) *Breach of obligations vis-à-vis the Holders in the case of a Change of Control.* the Issuer fails to duly perform its obligations under § 5(3) in case of a Change of Control.]

In the case of Notes issued by HC Finance Lux the following applies

- [(a) *Non-Payment of Principal or Interest.* the Issuer fails to pay any amount due under the Notes, or the Guarantor fails to pay any amount due under the Guarantee (as defined in § 2), within 30 days from the relevant due date; or

- (b) *Breach of other Obligation.* the Issuer fails duly to perform, or is otherwise in breach of, any covenant or undertaking or other agreement of the Issuer in respect of the Notes or the Guarantor fails to perform, or is otherwise in breach of, any other obligation arising from the Guarantee (other than any obligation for the payment of any amount due in respect of any of the Notes) and such failure or breach continues for a period of 30 days after notice thereof has been given to the Issuer or the Guarantor; or

- (c) *Cross Default.* any Capital Market Indebtedness (as defined in § 2) of the Issuer or HeidelbergCement AG or any of its Principal Subsidiaries in each case in excess of € 100,000,000 or the equivalent thereof becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer or HeidelbergCement AG or any of its Principal Subsidiaries fails to fulfil payment obligations in excess of € 100,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer or HeidelbergCement AG or the relevant Principal Subsidiary shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto; or

- (d) *Liquidation.* an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer, the Guarantor or any of the Principal Subsidiaries of HeidelbergCement AG, except (i) for the purposes of or pursuant to a consolidation, amalgamation, merger or other form of combination with another company and such other or new company assumes all obligations of HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG, as the case may be, in connection with the Notes; or (ii) for the purposes of a voluntary solvent winding-up or dissolution in connection with the transfer of all or the major part of the assets or shares of a Principal Subsidiary to HeidelbergCement AG, the Issuer or another Subsidiary of HeidelbergCement AG; or

- (e) *Cessation of Payment.* (i) HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG stops payment (within the meaning of any applicable insolvency law) or (ii) (otherwise than for the purposes of such a consolidation, amalgamation, merger or other form of combination as is referred to in paragraph (d)) ceases or through an official action of its competent management body threatens to cease to carry on business or is unable to pay its debts as and when they fall due; or

- (f) *Insolvency etc.* HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG or any third party files an application under any applicable bankruptcy, reorganization, composition or insolvency law against HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG and, in the case of an application by a third party the application is not dismissed within 30 days or HeidelbergCement AG, the Issuer

or any of the Principal Subsidiaries of HeidelbergCement AG makes a conveyance or assignment for the benefit of its creditors; or

- (g) *Breach of obligations vis-à-vis the Holders in the case of a Change of Control.* the Issuer fails to duly perform its obligations under § 5(3) in case of a Change of Control; or
- (h) *Proceedings, Moratorium.* The Issuer enters into controlled management proceedings (*gestion contrôlée*) or composition proceedings (*concordat préventif de faillite*) or a moratorium (*sursis de paiement*) are applied for in respect of the Issuer; or
- (i) *Wholly-owned subsidiary.* the Issuer ceases to be a subsidiary wholly owned and controlled directly or indirectly, by HeidelbergCement AG; or
- (j) *Guarantee.* the Guarantee ceases to be valid and legally binding for any reason whatsoever;]

then any Holder may, by notice in text format (*Textform*, e.g. email or fax) or in written form to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare his Notes to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Final Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

**"Principal Subsidiary"** means any fully consolidated subsidiary of HeidelbergCement AG (i) whose net sales as shown by the audited non-consolidated financial statements (or, where the consolidated subsidiary in question itself prepares consolidated financial statements, whose consolidated net sales as shown by the audited consolidated financial statements) (adjusted by intra-group sales within the HeidelbergCement AG) of such consolidated subsidiary used for the purposes of the latest audited consolidated financial statements of HeidelbergCement AG to have been made up, amount to at least 5% of the total net sales of HeidelbergCement AG and its consolidated subsidiaries as shown by such audited consolidated financial statements of HeidelbergCement AG or (ii) whose total assets as shown by the audited non-consolidated financial statements (or, where the consolidated subsidiary in question itself prepares consolidated financial statements, whose consolidated total assets as shown by the audited consolidated financial statements) of such consolidated subsidiary used for the purposes of the latest audited consolidated financial statements to have been made up, amount, adjusted by intra-group sales within the HeidelbergCement group, to at least 5% of the total assets of HeidelbergCement AG and its consolidated subsidiaries as shown by such audited consolidated financial statements of HeidelbergCement AG. A report by the auditors of HeidelbergCement AG that in their opinion a consolidated subsidiary is or is not or was or was not at a specified date a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

(2) *Notice.* Any notice, including any notice declaring Notes due in accordance with subparagraph (1) ("**Default Notice**"), shall be either be made (a) by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form in the German or English language to be delivered to the specified office of the Fiscal Agent together with a proof that such notifying Holder at the time of such notice is a holder of the relevant Notes by means of a statement of his Custodian (as defined in § 15[(3)]) or any other appropriate manner or (b) with its Custodian for the notice to be delivered to the Clearing System for communication by the Clearing System to the Issuer.

(3) *Quorum.* In the events specified in subparagraph (1) (a), (b), (c), (e), (g) [(h), (i) and/or (j)], any Default Notice shall, unless at the time such notice is received any of the events specified in subparagraph (1) (d) and (f) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such Default Notices from the Holders representing at least 10% of the aggregate principal amount of Notes then outstanding.

**§ 10**  
**AMENDMENT OF THE TERMS AND CONDITIONS, HOLDERS'**  
**REPRESENTATIVE, AMENDMENT OF THE GUARANTEE**

(1) *Amendment of the Terms and Conditions.* In accordance with the Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz aus Gesamtemissionen – "SchVG"*) the Holders may agree with the Issuer on amendments of the Terms and Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Majority.* Resolutions shall be passed by a majority of not less than 75% of the votes cast. Resolutions relating to amendments of the Terms and Conditions which are not material and which do not relate to the matters listed in § 5 (3) Nos 1 to 8 of the SchVG require a simple majority of the votes cast.

(3) *Resolution of Holders.* Resolutions of Holders shall be passed at the election of the Issuer by vote taken without a meeting in accordance with § 18 SchVG or in a Holder's meeting in accordance with § 9 SchVG.

(4) *Chair of the vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative (as defined below) has convened the vote, by the Holders' Representative.

(5) *Voting rights.* Each Holder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes.

(6) *Holdings' Representative.*

If no Holders' Representative is designated in the Terms and Conditions, the following applies

[The Holders may by majority resolution appoint a common representative (the "**Holdings' Representative**") to exercise the Holders' rights on behalf of each Holder.]

If the Holders' Representative is appointed in the Terms and Conditions, the following applies

[The common representative (the "**Holdings' Representative**") shall be [**Holdings' Representative**]. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence.]

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorized to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

In the case of Notes issued by HC Finance Lux the following applies:

[(7) *Amendment of the Guarantee.* The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee].

**§ 11**  
**SUBSTITUTION**

In the case of Notes issued by HeidelbergCement AG the following applies

[(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal or interest on any of the Notes is in default, at any time substitute any Affiliate (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:]

**In the case of Notes issued by HeidelbergCement Finance Lux the following applies**

[(1) *Substitution*. The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute either HeidelbergCement AG or any Affiliate (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:]

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) HeidelbergCement AG irrevocably and unconditionally guarantees in favor of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on market standard terms, provided that HeidelbergCement AG is not itself the Substitute Debtor (whereby to this guarantee the provisions set out above in § 10 applicable to the Notes shall apply *mutatis mutandis*) (the "**Substitute Guarantee**");
- (c) the Substitute Debtor, the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** and the Guarantor (provided that the Guarantor is not the Substitute Debtor)] have obtained all necessary governmental and regulatory approvals and consents for such substitution and, where relevant, for the issue by the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or, as the case may be, the Guarantor] of a Substitute Guarantee, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Notes and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Notes and the obligations assumed by the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or, as the case may be, the Guarantor] under the Substitute Guarantee are, in each case, valid and binding in accordance with their respective terms and enforceable by each Holder;
- (d) the Substitute Debtor may transfer to the Fiscal Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor, the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor (provided that the Guarantor is not the Substitute Debtor)] has its domicile or tax residence, all amounts required for the fulfillment of the payment obligations arising under the Notes;
- (e) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution; and
- (f) the Issuer shall have made available at an agent appointed for that purpose one opinion for each jurisdiction affected of lawyers of recognized standing to the effect that subparagraphs (a), (b), (c), (d) and (e) above have been satisfied.

For the purposes of this § 11, "**Affiliate**" means any affiliated company (verbundenes Unternehmen) within the meaning of § 15 of the German Stock Corporation Act (*Aktiengesetz*) **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:**, including the Guarantor].

(2) *Change of References*. In the event of such substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor, and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:

- [(a) in § 8 and § 5(2) an alternative reference to Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;

**In the case of Notes issued by HeidelbergCement AG the following applies**

(b) in § 9(1)(a) to (f) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor and each of the following events shall constitute an additional Event of Default:

- (i) the Issuer ceases to be a subsidiary wholly owned and controlled directly or indirectly, by HeidelbergCement AG; or
- (ii) the Guarantee ceases to be valid and legally binding for any reason whatsoever.]

**In the case of Notes issued by HC Finance Lux the following applies**

[In § 8 and § 5(2) an alternative reference to the Grand Duchy of Luxembourg shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

§ 9(1) shall be deemed to be amended to the effect that if the Substitute Guarantee ceases to be valid or binding on or enforceable against the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** and the Guarantor (provided that the Guarantor is not itself the Substitute Debtor)] each Holder shall be entitled to declare his Notes due and demand the immediate redemption thereof at their principal amount plus accrued interest thereon (if any) to the date of repayment.

(3) *Further Substitution.* At any time after a substitution pursuant to paragraph (1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution provided that all the provisions specified in paragraphs (1) and (2) above shall apply, *mutatis mutandis*, and, without limitation, references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute Debtor.

## § 12 PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 German Civil Code (*BGB*) is reduced to ten years for the Notes.

## § 13 FURTHER ISSUES AND PURCHASES

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

## § 14 NOTICES

**In the case of Notes which are listed on the Luxembourg Stock Exchange the following applies**

[(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System.* The Issuer shall deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

So long as any Notes are listed on the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer

may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

In case of Notes which are unlisted the following applies

[[**(1) Notification to Clearing System.** The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

**(3) Form of Notice.** Notices to be given by any Holder shall be made by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form to be send together with an evidence of the Holder's entitlement in accordance with § 15(3) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

## § 15 FINAL PROVISIONS

**(1) Applicable Law.** The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of Germany.

In the case of Notes issued by HC Finance Lux the following applies

[Articles 86 to 94-8 of the Luxembourg law on commercial companies dated August 10, 1915 (*Loi du 10 aout 1915 concernant les sociétés commerciales*), as amended, are expressly excluded with respect to the Notes to be issued by HeidelbergCement Finance Luxembourg S.A.]

**(2) Submission to Jurisdiction.** Non-exclusive place of jurisdiction for all proceedings arising out of or in connection with the Notes shall be Heidelberg.

**(3) Enforcement.** Any Holder of Notes may in any proceedings against the Issuer [**in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor], or to which such Holder and the Issuer [**in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor] are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the global Note certified by a duly authorized officer of the Clearing System or a depository of the Clearing System as being a true copy, without the need for production in such proceedings of the actual records or the global Note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the proceedings.

In the case of Notes issued by HC Finance Lux the following applies

**(4) Appointment of Authorized Agent.** For any legal disputes or other proceedings before German courts, the Issuer has appointed HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany, as its authorized agent for service of process in Germany.]

## § 16 LANGUAGE

If the Terms and Conditions are to be in the English language only the following applies

[The Terms and Conditions are written in the English language only.]



**If the Terms and Conditions are to be in the German language with an English language translation the following applies**

[The Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.]

**If the Terms and Conditions are to be in the English language with a German language translation the following applies**

[These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

**In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed, in whole or in part, to non-qualified investors in Germany with English language Terms and Conditions the following applies**

*[Eine deutsche Übersetzung der Anleihebedingungen wird bei der HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg zur kostenlosen Ausgabe bereitgehalten.]*

**OPTION II – Terms and Conditions that apply to Notes with floating interest rates**

**Terms and Conditions  
of the Notes  
(English Language Version)**

**§ 1**

**CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS**

(1) *Currency and Denomination.* This Series of Notes of [HeidelbergCement AG] [HeidelbergCement Finance Luxembourg S.A.] (the "**Issuer**") is issued in [**Specified Currency**] (the "**Specified Currency**") in the aggregate principal amount of [**In the case of the global Note is an NGN the following applies: (subject to § 1(4)) [aggregate principal amount]**] (in words: [**aggregate principal amount in words**]) on [**issue date**] (the "**Issue Date**") in the denomination of [**Specified Denomination**] (the "**Specified Denomination**").

(2) *Form.* The Notes are in bearer form.

(3) *Temporary Global Note – Exchange.*

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorized signatories of the Issuer and shall each be authenticated by the Fiscal Agent with a control signature. Definitive Notes and coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made to the extent that certifications have been delivered to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 6).

(4) *Clearing System.* Each global note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means [**If more than one Clearing System the following applies: each of**] the following: [Clearstream Banking AG, Neue Börsenstr. 1, 60487 Frankfurt am Main, Federal Republic of Germany ("**CBF**")] [Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**") and Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**")] and any successor in such capacity.

[The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

In the case of Notes kept in custody on behalf of the ICSDs and

the global note is an NGN, the following applies

The aggregate principal amount of Notes represented by the global note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for

its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the global note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.]

**[In the case the Temporary Global Note is an NGN the following applies:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.]

In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN, the following applies

[The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depository on behalf of both ICSDs.]

(5) Holder of Notes. "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Referenced Conditions*. The Terms and Conditions fully refer to the provisions set out in Schedule 5 of the amended and restated agency agreement dated April 3, 2019 between HeidelbergCement AG, HeidelbergCement Finance Luxembourg S.A. and Deutsche Bank Aktiengesellschaft (on display under [www.bourse.lu](http://www.bourse.lu)) containing primarily the procedural provisions regarding resolutions of Holders.

## § 2

### STATUS, NEGATIVE PLEDGE AND GUARANTEE

(1) *Status*. The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

In the case of Notes issued by HeidelbergCement AG, the following applies

[(2) *Negative Pledge*. The Issuer undertakes and procures that with regard to its subsidiaries, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, and to procure that none of its subsidiaries will create or permit to subsist, any mortgage, lien, pledge, charge or other security interest *in rem* (each such right a "**Security Interest**") over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by the Issuer or any of its subsidiaries in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to]

In the case of Notes issued by HC Finance Lux, the following applies

[(2) *Negative Pledge*. The Issuer undertakes, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, any mortgage, lien, pledge, charge or other security interest *in rem* (each such right a "**Security Interest**") over the whole or any part of its undertakings, assets or

revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by the Issuer in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to]

[(a)] any Security Interest existing on assets at the time of the acquisition thereof by the Issuer, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased subsequently to the acquisition of the relevant assets[;].]

In the case of Notes issued by HeidelbergCement AG, the following applies

[(b)] any Security Interest which is provided by any subsidiary of the Issuer with respect to any receivables of such subsidiary against the Issuer which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness in the form of convertible bonds, provided that any such security serves to secure obligations under such Capital Market Indebtedness of the relevant subsidiary.]

In the case of Notes issued by HC Finance Lux, the following applies

[(3)] *Guarantee.* HeidelbergCement AG (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the punctual payment of principal of, and interest on, and any other amounts payable under any Note. In this Guarantee, HeidelbergCement AG has further undertaken (the "**Undertaking**"), so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, and to procure that none of its subsidiaries will create or permit to subsist, any Security Interest over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by HeidelbergCement AG or any of its subsidiaries in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to

- (i) any Security Interest existing on assets at the time of the acquisition thereof by HeidelbergCement AG, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased subsequently to the acquisition of the relevant assets;
- (ii) any Security Interest which is provided by any subsidiary of HeidelbergCement AG with respect to any receivables of such subsidiary against HeidelbergCement AG which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness in the form of convertible bonds, provided that any such security serves to secure obligations under such Capital Market Indebtedness of the relevant subsidiary.

The Guarantee including the Undertaking constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 of the German Civil Code, giving rise to the right of each Holder to require performance of the Guarantee directly from HeidelbergCement AG and to enforce the Guarantee directly against HeidelbergCement AG. Copies of the Guarantee may be obtained free of charge at the principal office of HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany and at the specified office of the Fiscal Agent set forth in § 7.]

[(4)] *Additional Guarantees.* HeidelbergCement AG has undertaken, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, to procure that in the

event that any Relevant Subsidiary (other than a Finance Subsidiary) incurs Capital Market Indebtedness or issues any guarantees with respect to, or otherwise guarantees, any Capital Market Indebtedness of HeidelbergCement AG or any Relevant Subsidiary, such Relevant Subsidiary shall simultaneously provide a direct and unconditional guarantee equally and rateably in favour of the Holders (an "**Additional Guarantee**") for all amounts payable under the Notes. This shall not be applicable with respect to the incurrence of Capital Markets Indebtedness by Relevant Subsidiaries (i) which are joint venture entities having their seat and primary operations outside the United States of America or any member state of the European Union and (ii) who do not collectively have Capital Market Indebtedness outstanding in excess of an aggregate principal amount of € 500,000,000. The terms of each Additional Guarantee shall be documented in accordance with market standards provided that the terms of the Additional Guarantee may provide that such guarantee will cease to exist if and when the Capital Market Indebtedness guaranteed or the Capital Market Indebtedness incurred by such Relevant Subsidiary is fully discharged. HeidelbergCement AG shall inform the Holders of such Additional Guarantee in accordance with § 14 and will publish such Additional Guarantee on its internet website. A certified copy of the Additional Guarantee will be made available to the Fiscal Agent.

[(5)] *Definitions.* For the purposes of these Terms and Conditions, "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, either (i) a certificate of indebtedness governed by German law or by (ii) bonds, loan stock, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

"**Relevant Subsidiary**" means any fully consolidated subsidiary of HeidelbergCement AG and for purposes only of this § 2 does not include any subsidiary which has one or more classes of equity securities (other than, or in addition to any convertible bonds or similar equity linked securities) which are listed or traded on a regulated stock exchange.

"**Finance Subsidiary**" in this § 2 means each direct or indirect subsidiary of HeidelbergCement AG whose sole purpose is to raise financing for HeidelbergCement AG's consolidated group, and which neither owns any material assets (other than receivables arising from loans to other members of the group and bank deposits) nor has any equity interests in any person.

### § 3 INTEREST

(1) *Interest Payment Dates.* The Notes shall bear interest on their aggregate principal amount from (and including) [**Interest Commencement Date**] (the "**Interest Commencement Date**") to (but excluding) the Maturity Date (as defined in § 4). Interest on the Notes shall be payable on each Interest Payment Date.

"**Interest Payment Date**" means

In the case of Specified Interest Payment Dates, insert

[each [**Specified Interest Payment Dates**]]

In the case of Specified Interest Periods, insert

[each date which (except as otherwise provided in these Terms and Conditions) falls [**number**] [**weeks**] [**months**] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]

If (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), such Interest Payment Date shall be:

In the case of the Modified Following Business Day Convention, the

[postponed to the next day which is a Business Day, unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.]

following applies

In the case of the Floating Rate Notes (FRN) Convention, the following applies

[(i) in the case of (x) above, the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, it shall be postponed to the next day which is a Business Day, unless it would thereby fall into the next calendar month, in which event (A) the Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[[insert number] months] [insert other specified period(s)]** after the preceding applicable Interest Payment Date.]

In the case of the Following Business Day Convention, the following applies

[postponed to the next day which is a Business Day.]

In the case the Specified Currency is not EUR, the following applies

In these Terms and Conditions "**Business Day**" means a day

[(other than a Saturday or a Sunday) on which commercial banks are generally open for business in, and foreign exchange markets settle payments in **[relevant financial centre(s)]**].][and]

In the case the Clearing System and TARGET shall be open, the following applies

[on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open to effect payments.]

In the case the reference rate is the offered quotation for deposits in the Specified Currency is EURIBOR, the following applies

[(2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be determined by the Calculation Agent and is the Reference Rate (as defined below) **[[plus] [minus] the Margin** (as defined below)]. The applicable Reference Rate shall be the rate which appears on the Screen Page as of 11.00 a.m. (Brussels time) on the Interest Determination Date (as defined below).

The "**Reference Rate**" is the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period (EURIBOR).

"**Interest Period**" means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date. "**Interest Determination Date**" means the second TARGET Business Day prior to the commencement of the relevant Interest Period. "**TARGET Business Day**" means a day on which all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open to effect payments.

"**Margin**" means [ ] % *per annum*.]

"**Screen Page**" means Reuters screen page EURIBOR01 or any successor page.

If, as at such time, the Screen Page is not available or if no quotation for the Reference Rate appears and provided that no Rate Replacement Event pursuant to §3(9) has occurred, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period and in a representative amount to prime banks in the Euro-Zone interbank market at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such

offered quotations  $[[plus] [minus] \text{ the Margin}]$ , all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates, as communicated to, and at the request of, the Calculation Agent by major banks in the interbank market in the Euro-Zone, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks  $[[plus] [minus] \text{ the Margin}]$ .

**"Euro-Zone"** means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) the Amsterdam Treaty of October 2, 1997 and the Treaty of Lisbon of December 13, 2007, as further amended from time to time.

**"representative amount"** means an amount that is representative for a single transaction in the relevant market at the relevant time.

As used herein, **"Reference Banks"** means four major banks in the interbank market in the Euro-Zone.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this subparagraph (2), the Rate of Interest for such Interest Period shall be the offered quotation on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such offered quotation was displayed  $[[plus] [minus] \text{ the Margin (as defined above)}]$ , all as determined by the Calculation Agent.]

In the case the reference rate is the offered quotation for deposits in the Specified Currency is LIBOR the following applies

[(2) *Rate of Interest.* The rate of interest (the **"Rate of Interest"**) for each Interest Period (as defined below) will, except as provided below, be determined by the Calculation Agent and is the Reference Rate (as defined below)  $[[plus] [minus] \text{ the Margin (as defined below)}]$ . The applicable Reference Rate shall be the rate which appears on the Screen Page as of 11.00 a.m. (London time) on the Interest Determination Date (as defined below).

**"The Reference Rate"** is the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period (LIBOR).

**"Interest Period"** means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date. **"Interest Determination Date"** means the [first] [second] **[relevant financial centre(s)] Business Day [prior to the commencement]** of the relevant Interest Period. **"[relevant financial centre(s)] Business Day"** means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[relevant financial centre(s)]**.

**"Margin"** means [ ] % *per annum*.]

**"Screen Page"** means Reuters screen page [LIBOR01][LIBOR02] or any successor page.

If, as at such time, the Screen Page is not available or if no quotation for the Reference Rate appears and provided that no Rate Replacement Event pursuant to §3(9) has occurred, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency

for the relevant Interest Period and in a representative amount to prime banks in the London interbank market at approximately 11.00 a.m. (London time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations  $[[plus] [minus] \text{ the Margin}]$ , all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates, as communicated to, and at the request of, the Calculation Agent by major banks in the London interbank market, selected by the Calculation Agent acting in good faith, at which such banks offer, as at 11.00 a.m. (London time) on the relevant Interest Determination Date, loans in the Specified Currency for the relevant Interest Period and in a representative amount to leading European banks  $[[plus] [minus] \text{ the Margin}]$ .

**"representative amount"** means an amount that is representative for a single transaction in the relevant market at the relevant time.

As used herein, **"Reference Banks"** means four major banks in the London interbank market.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this subparagraph (2), the Rate of Interest for such Interest Period shall be the offered quotation on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such offered quotation was displayed  $[[plus] [minus] \text{ the Margin (as defined above)}]$ , all as determined by the Calculation Agent.]

(3) *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the **"Interest Amount"**) payable on the Notes in respect of the Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the Specified Denomination and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

(4) *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause notification of the Rate of Interest and each Interest Amount for each Interest Period and of the relevant Interest Payment Date to the Issuer[, the Guarantor,] the Fiscal Agent and each additional Paying Agent and to the Holders in accordance with § 14 as soon as possible after their determination, but in no event later than the fourth [TARGET] [London] [relevant financial centre(s)] Business Day (as defined in § 3(2)) thereafter and, if required by the rules of such stock exchange, to any stock exchange on which the Notes are listed from time to time, as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements may be made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are listed for the time being and the rules of which so require, as well as to the persons listed above in accordance with § 14.

(5) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Paying Agent and the Holders.

(6) *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of the



day preceding the day on which they are due for redemption. If the Issuer fails to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes from (and including) the due date to (but excluding) such date as principal and interest on or in connection with the Notes has been placed at the disposal of the Clearing System at the default rate of interest established by law<sup>(1)</sup>.

(7) *Day Count Fraction*. "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

In the case of Actual/365 (Fixed), the following applies

[the actual number of days in the Calculation Period divided by 365.]

In the case of Actual/365 (Sterling), the following applies

[the actual number of days in the Interest Period divided by 365, or, in the case of an Interest Payment Date falling in a leap year, 366.]

If Actual/360, the following applies

[the actual number of days in the Calculation Period divided by 360.]

In the case of an Adjustment of Rate of Interest the following applies

[(8) *Adjustment of Rate of Interest*.

(a) The respective Rates of Interest payable on the Notes for the respective Interest Periods are subject to adjustment from time to time in the event of a Step Up Rating Change or a Step Down Rating Change (each as defined below) as follows:

- (i) subject to subparagraphs (b) and (c) below, if a Rating Agency publicly announces a downgrade in the rating of the Issuer's long-term senior unsecured debt to below BBB- (S&P and Fitch) and/or Baa3 (Moody's), or an equivalent in the case of a respective successor or any other appointed rating agency, as the case may be (a "**Step Up Rating Change**") the respective Rates of Interest payable for the respective Interest Periods shall be increased by [●] % *per annum*, respectively, with effect from (and including) the first Interest Payment Date on or after the date of such Step Up Rating Change to (but excluding) the Maturity Date (as defined below) (subject to the provisions of subparagraph (ii) below).
- (ii) subject to subparagraphs (b) and (c) below, if following a Step Up Rating Change, a Rating Agency publicly announces an upgrade in the rating of the Issuer's long-term senior unsecured debt equal to or higher than BBB- (S&P and Fitch) and/or Baa3 (Moody's), or an equivalent in the case of a respective successor or any other appointed rating agency, as the case may be (a "**Step Down Rating Change**"), the respective Rates of Interest payable for the respective Interest Periods shall no longer be increased in accordance with subparagraph (i) by [●] % *per annum*, respectively, with effect from (and including) the first Interest Payment Date on or after the date of such Step Down Rating Change to (but excluding) the Maturity Date (as defined below);

if there is more than one Rating Agency from time to time appointed by or on behalf of the Issuer, the lowest rating shall be decisive for the purposes of (i) and (ii) above.

"**Rating Agency / Rating Agencies**" means any of the rating agencies of S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Services Limited ("**Moody's**") and Fitch Rating, Inc. ("**Fitch**") or any of their respective successors or any other rating agency of equivalent international standing from

<sup>(1)</sup> The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 paragraph 1 German Civil Code.

time to time appointed by or on behalf of the Issuer.

- (b) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same interest period, the respective Rate of Interest payable on the Notes for the respective Interest Period shall neither be increased nor decreased as a result of either such event.
  - (c) Only the first occurrence of a Step Up Rating Change (if any) and the first occurrence of Step Down Rating Change (if any) shall give rise to an adjustment of the respective Rates of Interest.
  - (d) The Issuer shall use its best endeavours to maintain a long-term senior unsecured debt rating by a Rating Agency. In the event that no such rating is obtained from a Rating Agency, this shall constitute a Step Up Rating Change in consequence of which the respective Rates of Interest payable for the respective Interest Periods shall be increased by **[●]** % *per annum*, respectively, with effect from (and including) the first Interest Payment Date on or after the date of such Step Up Rating Change to (but excluding) the Maturity Date (as defined below).
  - (e) The Issuer shall promptly notify each Step Up Rating Change or Step Down Rating Change to the Fiscal Agent and will cause notice thereof to be published in accordance with §14 promptly upon becoming aware of the occurrence of the Step Up Rating Change or Step Down Rating Change but in no event later than the seventh day thereafter.]
- (9)(a) *Rate Replacement.* If the Issuer determines (in consultation with the Calculation Agent) that a Rate Replacement Event has occurred on or prior to an Interest Determination Date, the Relevant Determining Party shall determine and inform the Issuer, if relevant, and the Calculation Agent of (i) the Replacement Rate, (ii) the Adjustment Spread, if any, and (iii) the Replacement Rate Adjustments (each as defined below in §3(9)(b)(aa) to (cc)) for purposes of determining the Rate of Interest for the Interest Period related to that Interest Determination Date and each Interest Period thereafter (subject to the subsequent occurrence of any further Rate Replacement Event). The Terms and Conditions shall be deemed to have been amended by the Replacement Rate Adjustments (as defined in §3(9)(b)(hh)) with effect from (and including) the relevant Interest Determination Date (including any amendment of such Interest Determination Date if so provided by the Replacement Rate Adjustments). The Rate of Interest shall then be the Replacement Rate (as defined below) adjusted by the Adjustment Spread, if any, **[[plus] [minus]** the Margin (as defined above)].

The Issuer shall notify the Holders pursuant to § 14 as soon as practicable (*unverzüglich*) after such determination of the Replacement Rate, the Adjustment Spread, if any, and the Replacement Rate Adjustments. In addition, the Issuer shall request the **[Clearing System] [common depository on behalf of both ICSDs]** to supplement or amend the Terms and Conditions to reflect the Replacement Rate Adjustments by attaching the documents submitted to the Global Note in an appropriate manner.

(b) *Definitions.*

- (aa) "**Rate Replacement Event**" means, with respect to the Reference Rate:
- (i) the Reference Rate not having been published on the Screen Page for the last ten Business Days prior to and including the relevant Interest Determination Date; or
  - (ii) the occurrence of the date, as publicly announced by or, as the case may be, determineable based upon the public announcement of the administrator of the Reference Rate on which (x) the administrator will cease to publish the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Reference Rate), or (y) the Reference Rate will permanently or indefinitely be discontinued; or

- (iii) the occurrence of the date, as publicly announced by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the Specified Currency, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court (unappealable final decision) or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, on which the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Reference Rate); or
  - (iv) the occurrence of the date, as publicly announced by or, as the case may be, determineable based upon the public announcement of the supervisor of the administrator of the Reference Rate, from which the Reference Rate will be prohibited from being used; or
  - (v) the occurrence of the date, as publicly announced by or, as the case may be, determineable based upon the public announcement of the administrator of the Reference Rate, of a material change in the methodology of determining the Reference Rate; or
  - (vi) the publication of a notice by the Issuer pursuant to § 14(1) that it has become unlawful for the Issuer, the Calculation Agent or any Paying Agent to calculate any Rate of Interest using the Reference Rate; or
- (bb) "**Replacement Rate**" means a publicly available substitute, successor, alternative or other rate designed to be referenced by financial instruments or contracts, including the Notes, to determine an amount payable under such financial instruments or contracts, including, but not limited to, an amount of interest. In determining the Replacement Rate, the Relevant Guidance (as defined below) shall be taken into account.
- (cc) "**Adjustment Spread**" means a spread (which may be positive or negative), or the formula or methodology for calculating a spread, which the Relevant Determining Party determines is required to be applied to the Replacement Rate to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value between the Issuer and the Holders that would otherwise arise as a result of the replacement of the Reference Rate against the Replacement Rate (including, but not limited to, as a result of the Replacement Rate being a risk-free rate). In determining the Adjustment Spread, the Relevant Guidance (as defined below) shall be taken into account.
- (dd) "**Relevant Determining Party**" means
- (i) the Issuer if in its opinion the Replacement Rate is obvious and as such without any reasonable doubt determinable by an investor that is knowledgeable in the respective type of bonds, such as the Notes; or
  - (ii) failing which, an Independent Advisor (as defined below), to be appointed by the Issuer at commercially reasonable terms, using reasonable endeavours, as its agent to make such determinations.
- (ee) "**Independent Advisor**" means an independent financial institution of international repute or any other independent advisor of recognised standing and with appropriate expertise.
- (ff) "**Relevant Guidance**" means (i) any legal or supervisory requirement applicable to the Issuer or the Notes or, if none, (ii) any applicable requirement, recommendation or guidance of a Relevant Nominating Body or, if none, (iii) any relevant recommendation or guidance by industry bodies (including by ISDA), or, if none, (iv) any relevant market practice.
- (gg) "**Relevant Nominating Body**" means
- (i) the central bank for the Specified Currency, or any central bank or other supervisor which is responsible for supervising either the Replacement

Rate or the administrator of the Replacement Rate; or

- (ii) any working group or committee officially endorsed, sponsored or convened by or chaired or co-chaired by (w) the central bank for the Specified Currency, (x) any central bank or other supervisor which is responsible for supervising either the Reference Rate or the administrator of the Reference Rate, (y) a group of the aforementioned central banks or other supervisors or (z) the Financial Stability Board or any part thereof.
- (hh) "**Replacement Rate Adjustments**" means such adjustments to the Terms and Conditions as are determined consequential to enable the operation of the Replacement Rate (which may include, without limitation, adjustments to the applicable Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction and any methodology or definition for obtaining or calculating the Replacement Rate). In determining any Replacement Rate Adjustments the Relevant Guidance shall be taken into account.
- (c) *Termination.* If a Replacement Rate, an Adjustment Spread, if any, or the Replacement Rate Adjustments cannot be determined pursuant to §3(9)(a) and (b), the Reference Rate in respect of the relevant Interest Determination Date shall be the Reference Rate determined for the last preceding Interest Period. The Issuer will inform the Calculation Agent accordingly. As a result, the Issuer may, upon not less than 15 days' notice given to the Holders in accordance with §14, redeem all, and not only some of the Notes at any time up and until (but excluding) the respective subsequent Interest Determination Date at the Final Redemption Amount together with accrued interest, if any, to (but excluding) the respective redemption date.

#### § 4 FINAL REDEMPTION

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on the Interest Payment Date falling in **[Redemption Month]**(the "**Maturity Date**"). The Final Redemption Amount in respect of each Note (the "**Final Redemption Amount**") shall be its principal amount.

#### § 5 EARLY REDEMPTION

(1) *Exercise of Call Rights.* Insofar as each of the Issuer and the Holder have an early redemption right in these Terms and Conditions, the relevant party may not exercise such option in respect of any Note which is the subject of the prior exercise by the respective other party thereof of its option to require the early redemption of such Note.

[(2) *Redemption for Tax Reasons.* The Notes will be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with § 14, the Holders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 8 as a result of any change in, or amendment to, the laws or regulations of the relevant tax jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

In the case of  
Notes issued by  
HeidelbergCement  
AG, the following  
applies

Prior to the publication of any notice of redemption pursuant to this § 5(2), the Issuer shall deliver to the Fiscal Agent a certificate signed by two members of the Managing Board of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this § 5(2) will be redeemed at their Final Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

"**relevant tax jurisdiction**" means Germany.]

**In the case of Notes issued by HC Finance Lux, the following applies**

[(2) *Redemption for Tax Reasons.* The Notes will be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with § 14, the Holders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts as a result of any change in, or amendment to, the laws or regulations of the relevant tax jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and
- (b) such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this § 5(2), the Issuer shall deliver to the Fiscal Agent a certificate signed by two members of the Managing Board of the Issuer or two members of the Managing Board of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer or the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this § 5(2) will be redeemed at their Final Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

"**relevant tax jurisdiction**" means Germany and the Grand Duchy of Luxembourg.]

**If the Notes are subject to Early Redemption at the Option of the Issuer at Final Redemption Amount, the following applies**

[(3) *Early Redemption at the Option of the Issuer.*

- (a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes on the Interest Payment Date following [**number**] years after the Interest Commencement Date and on each Interest Payment Date thereafter (each a "**Call Redemption Date**") at the Final Redemption Amount together with accrued interest, if any, to (but excluding) the respective Call Redemption Date.
- (b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:
  - (i) the Series of Notes subject to redemption;

- (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed; and
  - (iii) the Call Redemption Date, which may not be less than **[Minimum Notice to Holders]** nor more than **[Maximum Notice to Holders]** days after the date on which notice is given by the Issuer to the Holders.
- (c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in the aggregate principal amount, at the discretion of CBL and Euroclear.]

**In the case of Notes subject to Early Redemption at the option of the Holders upon a Change of Control is applicable, the following applies**

**[[4)] Early Redemption at the Option of the Holders upon a Change of Control.**

- (a) If a Change of Control occurs, each Holder shall have the right, but not the obligation, to require the Issuer to redeem in whole or in part his Notes at the Early Put Redemption Amount (the **"Put Option"**). Such Put Option shall operate as set out in the provisions below.

**"Change of Control"** means the occurrence of any of the following events:

- (i) HeidelbergCement AG becomes aware that any person or group of persons acting in concert within the meaning of § 2(5) of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*) (each an **"Acquirer"**) has become the legal or beneficial owner of more than 30% of the voting rights of HeidelbergCement AG; or
- (ii) the merger of HeidelbergCement AG with or into a third person (as defined below) or the merger of a third person with or into HeidelbergCement AG, or the sale of all or substantially all of the assets (determined on a consolidated basis) of HeidelbergCement AG to a third person other than in a transaction following which (A) in the case of a merger holders that represented 100% of the voting rights of HeidelbergCement AG own directly or indirectly at least a majority of the voting rights of the surviving person immediately after such merger and (B) in the case of a sale of all or substantially all of the assets, each transferee becomes a guarantor in respect of the Notes and is or becomes a subsidiary of HeidelbergCement AG;

**"third person"** shall for the purpose of this § 5(3) (a) (ii) mean any person other than a subsidiary of HeidelbergCement AG.

**"Early Put Redemption Amount"** means for each Note 101% of the principal amount of such Note, plus accrued and unpaid interest up to (but excluding) the Put Date (as defined below).

- (b) If a Change of Control occurs, then the Issuer shall, without undue delay, after becoming aware thereof, give notice of the Change of Control (a **"Put Event Notice"**) to the Holders in accordance with § 14 specifying the nature of the Change of Control and the procedure for exercising the Put Option contained in this § 5(3).
- (c) To exercise the Put Option, the Holder must send within 30 days, after a Put Event Notice has been published (the **"Put Period"**), to the specified office of the Fiscal Agent an early redemption notice in text format (*Textform*, e.g. email or fax) or in written form (**"Put Notice"**). In the event that the Put Notice is received after 5:00 p.m. Frankfurt time on the 30<sup>th</sup> day after the Put Event Notice by the Issuer has been published, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, [and] (ii) the securities identification numbers of such Notes, if any **[In the case the Global Note is**

**kept in custody by CBF, insert:** and (iii) contact details as well as a bank account]. The Put Notice may be in the form available from the specified office of the Fiscal Agent in the German and English language and includes further information. No option so exercised may be revoked or withdrawn. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order.]

## § 6 PAYMENTS

- (1) (a) *Payment of Principal.* Payment of principal in respect of Notes represented by a global note shall be made, subject to paragraph (3) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the global note at the specified office of any Paying Agent outside the United States.
- (b) *Payment of Interest.* Payment of interest on the Notes shall be made, subject to paragraph (3), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System upon due certification as provided in § 1(3)(b).
- (2) *Manner of Payment.* Subject to (i) applicable fiscal and other laws and regulations and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto, payments of amounts due in respect of the Notes shall be made in the Specified Currency.
- (3) *United States.* "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).
- (4) *Discharge.* The Issuer [**in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor] shall be discharged by payment to, or to the order of, the Clearing System.
- (5) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Business Day**" means any day which is a Business Day.
- (6) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; all amounts mentioned in § 5 with regard to redemption and any premium and any other amounts (other than interest) which may be payable under or in respect of the Notes.

Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 7 AGENTS

(1) *Appointment; Specified Offices.* The initial agents and their respective specified offices are:

Fiscal Agent

Deutsche Bank

and Paying Agent: Aktiengesellschaft  
Trust & Agency Services  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

Calculation Agent: **[name and specified office]**

Each agent reserves the right at any time to change its specified office to some other specified office in the same country.

(2) *Termination or Appointment.* The Issuer reserves the right at any time to terminate the appointment of each agent and to appoint another or additional agents. Any termination of appointment, recall appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 14.

(3) (a) *Maintaining of a Fiscal Agent, Paying Agent and Calculation Agent.* The Issuer shall at all times maintain a Fiscal Agent and in addition to the Fiscal Agent as long as the Notes are listed on the regulated market of a stock exchange, a Paying Agent (which may be the Fiscal Agent) with a specified office in a place required by the relevant stock exchange or the relevant regulatory authority.

(b) *Maintaining of a Calculation Agent.* The Issuer shall at all times maintain a Calculation Agent if a Calculation Agent has been initially appointed.

[(c) *Payments in US\$.* If payments at or through the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, the Issuer shall maintain a Paying Agent with a specified office in New York City.]

(4) *Agents of the Issuer.* Each agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8 TAXATION

All payments of principal and interest in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by or on behalf of the relevant tax jurisdiction (as defined in § 5(2) above) or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with the relevant tax jurisdiction and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the relevant tax jurisdiction; or
- (c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the relevant tax jurisdiction or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive,

In the case of payments in US\$, the following applies



Regulation, treaty or understanding; or

- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 14, whichever occurs later.

### § 9

#### EVENTS OF DEFAULT

(1) *Events of default.* If any one or more of the following events (each an "**Event of Default**") shall occur or be continuing:

- [(a) *Non-Payment of Principal or Interest.* the Issuer fails to pay any amount due under the Notes within 30 days from the relevant due date; or
- (b) *Breach of other Obligation.* the Issuer fails duly to perform, or is otherwise in breach of, any covenant or undertaking or other agreement of the Issuer in respect of the Notes (other than any obligation for the payment of any amount due in respect of any of the Notes) and such failure or breach continues for a period of 30 days after notice thereof has been given to the Issuer; or
- (c) *Cross Default.* any Capital Market Indebtedness (as defined in § 2) HeidelbergCement AG or any of its Principal Subsidiaries in each case in excess of € 100,000,000 or the equivalent thereof becomes prematurely repayable as a result of a default in respect of the terms thereof or HeidelbergCement AG or any of its Principal Subsidiaries fails to fulfil payment obligations in excess of € 100,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless HeidelbergCement AG or the relevant Principal Subsidiary shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto; or
- (d) *Liquidation.* an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG, except (i) for the purposes of or pursuant to a consolidation, amalgamation, merger or other form of combination with another company and such other or new company assumes all obligations of HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG, as the case may be, in connection with the Notes; or (ii) for the purposes of a voluntary solvent winding-up or dissolution in connection with the transfer of all or the major part of the assets or shares of a Principal Subsidiary to HeidelbergCement AG or another Subsidiary of HeidelbergCement AG; or
- (e) *Cessation of Payment.* (i) HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG stops payment (within the meaning of any applicable insolvency law) or (ii) (otherwise than for the purposes of such a consolidation, amalgamation, merger or other form of combination as is referred to in paragraph (d)) ceases or through an official action of its competent management body threatens to cease to carry on business or is unable to pay its debts as and when they fall due; or
- (f) *Insolvency etc.* HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG or any third party files an application under any applicable bankruptcy, reorganization, composition or insolvency law against HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG and, in the case of an application by a third party the application is not dismissed within 30 days or HeidelbergCement AG or any of the Principal Subsidiaries of HeidelbergCement AG makes a conveyance or assignment for the benefit of its creditors; or

In the case of Notes issued by HeidelbergCement AG, the following applies

In the case of  
Notes issued by  
HC Finance Lux,  
the following  
applies

- (g) *Breach of obligations vis-à-vis the Holders in the case of a Change of Control.* the Issuer fails to duly perform its obligations under § 5(3) in case of a Change of Control.]
- [(a) *Non-Payment of Principal or Interest.* the Issuer fails to pay any amount due under the Notes, or the Guarantor fails to pay any amount due under the Guarantee (as defined in § 2), within 30 days from the relevant due date; or
- (b) *Breach of other Obligation.* the Issuer fails duly to perform, or is otherwise in breach of, any covenant or undertaking or other agreement of the Issuer in respect of the Notes or the Guarantor fails to perform, or is otherwise in breach of, any other obligation arising from the Guarantee (other than any obligation for the payment of any amount due in respect of any of the Notes) and such failure or breach continues for a period of 30 days after notice thereof has been given to the Issuer or the Guarantor; or
- (c) *Cross Default.* any Capital Market Indebtedness (as defined in § 2) of the Issuer or HeidelbergCement AG or any of its Principal Subsidiaries in each case in excess of € 100,000,000 or the equivalent thereof becomes prematurely repayable as a result of a default in respect of the terms thereof, or the Issuer or HeidelbergCement AG or any of its Principal Subsidiaries fails to fulfil payment obligations in excess of € 100,000,000 or the equivalent thereof under any Capital Market Indebtedness or under any guarantee or suretyship given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of a guarantee or suretyship, within 30 days after the guarantee or suretyship has been invoked, unless the Issuer or HeidelbergCement AG or the relevant Principal Subsidiary shall contest in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked, or if a security granted therefor is enforced on behalf of or by the creditor(s) entitled thereto; or
- (d) *Liquidation.* an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer, the Guarantor or any of the Principal Subsidiaries of HeidelbergCement AG, except (i) for the purposes of or pursuant to a consolidation, amalgamation, merger or other form of combination with another company and such other or new company assumes all obligations of HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG, as the case may be, in connection with the Notes; or (ii) for the purposes of a voluntary solvent winding-up or dissolution in connection with the transfer of all or the major part of the assets or shares of a Principal Subsidiary to HeidelbergCement AG, the Issuer or another Subsidiary of HeidelbergCement AG; or
- (e) *Cessation of Payment.* (i) HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG stops payment (within the meaning of any applicable insolvency law) or (ii) (otherwise than for the purposes of such a consolidation, amalgamation, merger or other form of combination as is referred to in paragraph (d)) ceases or through an official action of its competent management body threatens to cease to carry on business or is unable to pay its debts as and when they fall due; or
- (f) *Insolvency etc.* HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG or any third party files an application under any applicable bankruptcy, reorganization, composition or insolvency law against HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG and, in the case of an application by a third party the application is not dismissed within 30 days or HeidelbergCement AG, the Issuer or any of the Principal Subsidiaries of HeidelbergCement AG makes a conveyance or assignment for the benefit of its creditors; or
- (g) *Breach of obligations vis-à-vis the Holders in the case of a Change of Control.* the Issuer fails to duly perform its obligations under § 5(3) in case of a Change of Control; or

- (h) *Proceedings, Moratorium.* The Issuer enters into controlled management proceedings (*gestion contrôlée*) or composition proceedings (*concordat préventif de faillite*) or a moratorium (*sursis de paiement*) are applied for in respect of the Issuer; or
- (i) *Wholly-owned subsidiary.* the Issuer ceases to be a subsidiary wholly owned and controlled directly or indirectly, by HeidelbergCement AG; or
- (j) *Guarantee.* the Guarantee ceases to be valid and legally binding for any reason whatsoever;]

then any Holder may, by notice in text format (*Textform*, e.g. email or fax) or in written form to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare his Notes to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Final Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

**"Principal Subsidiary"** means any fully consolidated subsidiary of HeidelbergCement AG (i) whose net sales as shown by the audited non-consolidated financial statements (or, where the consolidated subsidiary in question itself prepares consolidated financial statements, whose consolidated net sales as shown by the audited consolidated financial statements) (adjusted by intra-group sales within the HeidelbergCement group) of such consolidated subsidiary used for the purposes of the latest audited consolidated financial statements of HeidelbergCement AG to have been made up, amount to at least 5% of the total net sales of HeidelbergCement AG and its consolidated subsidiaries as shown by such audited consolidated financial statements of HeidelbergCement AG or (ii) whose total assets as shown by the audited non-consolidated financial statements (or, where the consolidated subsidiary in question itself prepares consolidated financial statements, whose consolidated total assets as shown by the audited consolidated financial statements) of such consolidated subsidiary used for the purposes of the latest audited consolidated financial statements to have been made up, amount, adjusted by intra-group sales within the HeidelbergCement group, to at least 5% of the total assets of HeidelbergCement AG and its consolidated subsidiaries as shown by such audited consolidated financial statements of HeidelbergCement AG. A report by the auditors of HeidelbergCement AG that in their opinion a consolidated subsidiary is or is not or was or was not at a specified date a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

(2) *Notice.* Any notice, including any notice declaring Notes due in accordance with subparagraph (1) ("**Default Notice**"), shall be either be made (a) by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form in the German or English language to be delivered to the specified office of the Fiscal Agent together with a proof that such notifying Holder at the time of such notice is a holder of the relevant Notes by means of a statement of his Custodian (as defined in § 15[(3)]) or any other appropriate manner or (b) with its Custodian for the notice to be delivered to the Clearing System for communication by the Clearing System to the Issuer.

(3) *Quorum.* In the events specified in subparagraph (1) (a), (b), (c), (e), (g)[(h), (i) and/or (j)], any Default Notice shall, unless at the time such notice is received any of the events specified in subparagraph (1) (d) and (f) entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such Default Notices from the Holders representing at least 10% of the aggregate principal amount of Notes then outstanding.

## § 10

### AMENDMENT OF THE TERMS AND CONDITIONS, HOLDERS' REPRESENTATIVE, AMENDMENT OF THE GUARANTEE

(1) *Amendment of the Terms and Conditions.* In accordance with the Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz aus Gesamtemissionen* –

"SchVG") the Holders may agree with the Issuer on amendments of the Terms and Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Majority.* Resolutions shall be passed by a majority of not less than 75% of the votes cast. Resolutions relating to amendments of the Terms and Conditions which are not material and which do not relate to the matters listed in § 5 (3) Nos 1 to 8 of the SchVG require a simple majority of the votes cast.

(3) *Resolution of Holders.* Resolutions of Holders shall be passed at the election of the Issuer by vote taken without a meeting in accordance with § 18 SchVG or in a Holder's meeting in accordance with § 9 SchVG.

(4) *Chair of the vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative (as defined below) has convened the vote, by the Holders' Representative.

(5) *Voting rights.* Each Holder participating in any vote shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes.

(6) *Holders' Representative.*

If no Holders' Representative is designated in the Terms and Conditions, the following applies

[The Holders may by majority resolution appoint a common representative (the "**Holders' Representative**") to exercise the Holders' rights on behalf of each Holder.]

If the Holders' Representative is appointed in the Terms and Conditions, the following applies

[The common representative (the "**Holders' Representative**") shall be [**Holders' Representative**]. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence.]

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorized to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

In the case of Notes issued by HC Finance Lux the following applies:

[(7) *Amendment of the Guarantee.* The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee].

## § 11 SUBSTITUTION

In the case of Notes issued by HeidelbergCement AG, the following applies

[(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute any Affiliate (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:]

In the case of Notes issued by HeidelbergCement Finance Lux, the following applies

[(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute either HeidelbergCement AG or any Affiliate (as defined below) of it as principal debtor in respect of all obligations arising from or in connection with this issue (the

**"Substitute Debtor") provided that:]**

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) HeidelbergCement AG irrevocably and unconditionally guarantees in favor of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on market standard terms, provided that HeidelbergCement AG is not itself the Substitute Debtor (whereby to this guarantee the provisions set out above in § 10 applicable to the Notes shall apply *mutatis mutandis*) (the "**Substitute Guarantee**");
- (c) the Substitute Debtor, the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** and the Guarantor (provided that the Guarantor is not the Substitute Debtor)] have obtained all necessary governmental and regulatory approvals and consents for such substitution and, where relevant, for the issue by the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or, as the case may be, the Guarantor] of a Substitute Guarantee, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Notes and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor in respect of the Notes and the obligations assumed by the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or, as the case may be, the Guarantor] under the Substitute Guarantee are, in each case, valid and binding in accordance with their respective terms and enforceable by each Holder;
- (d) the Substitute Debtor may transfer to the Fiscal Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor, the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** or the Guarantor (provided that the Guarantor is not the Substitute Debtor)] has its domicile or tax residence, all amounts required for the fulfillment of the payment obligations arising under the Notes;
- (e) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution; and
- (f) the Issuer shall have made available at an agent appointed for that purpose one opinion for each jurisdiction affected of lawyers of recognized standing to the effect that subparagraphs (a), (b), (c), (d) and (e) above have been satisfied.

For the purposes of this § 11, "**Affiliate**" means any affiliated company (verbundenes Unternehmen) within the meaning of § 15 of the German Stock Corporation Act (*Aktiengesetz*) **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** including the Guarantor].

(2) *Change of References.* In the event of such substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor, and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:

- [(a) in § 8 and § 5(2) an alternative reference to Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;
- (b) in § 9(1)(a) to (f) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor and each of the following events shall constitute an additional Event of Default:

**In the case of Notes issued by HeidelbergCement AG, the following applies**

- (i) the Issuer ceases to be a subsidiary wholly owned and controlled directly or indirectly, by HeidelbergCement AG; or
- (ii) the Guarantee ceases to be valid and legally binding for any reason whatsoever.]

**In the case of Notes issued by HC Finance Lux, the following applies**

[In § 8 and § 5(2) an alternative reference to the Grand Duchy of Luxembourg shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor.]

§ 9(1) shall be deemed to be amended to the effect that if the Substitute Guarantee ceases to be valid or binding on or enforceable against the Issuer [**in the case of Notes issued by HeidelbergCement Finance Lux the following applies:** and the Guarantor (provided that the Guarantor is not itself the Substitute Debtor)] each Holder shall be entitled to declare his Notes due and demand the immediate redemption thereof at their principal amount plus accrued interest thereon (if any) to the date of repayment.

(3) *Further Substitution.* At any time after a substitution pursuant to paragraph (1) above, the Substitute Debtor may, without the consent of the Holders, effect a further substitution provided that all the provisions specified in paragraphs (1) and (2) above shall apply, *mutatis mutandis*, and, without limitation, references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute Debtor.

## § 12 PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 German Civil Code (*BGB*) is reduced to ten years for the Notes.

## § 13 FURTHER ISSUES AND PURCHASES

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

## § 14 NOTICES

**In the case of Notes which are listed on the Luxembourg Stock Exchange, the following applies**

[(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System.* The Issuer shall deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

So long as any Notes are listed on the Luxembourg Stock Exchange, subparagraph (1) shall apply. In the case of notices regarding the Rate of Interest of floating rate notes or, if the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the

Clearing System.]

In case of Notes which are unlisted, the following applies

[[**(1)**] *Notification to Clearing System.* The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.]

[**(3)**] *Form of Notice.* Notices to be given by any Holder shall be made by means of a declaration in text format (*Textform*, e.g. email or fax) or in written form to be send together with an evidence of the Holder's entitlement in accordance with § 15(3) to the Fiscal Agent. Such notice may be given through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

## § 15

### FINAL PROVISIONS

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by the laws of Germany.

In the case of Notes issued by HC Finance Lux, the following applies

[Articles 86 to 94-8 of the Luxembourg law on commercial companies dated August 10, 1915 (*Loi du 10 aout 1915 concernant les sociétés commerciales*), as amended, are expressly excluded with respect to the Notes to be issued by HeidelbergCement Finance Luxembourg S.A.]

(2) *Submission to Jurisdiction.* Non-exclusive place of jurisdiction for all proceedings arising out of or in connection with the Notes shall be Heidelberg.

(3) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies: or the Guarantor]**, or to which such Holder and the Issuer **[in the case of Notes issued by HeidelbergCement Finance Lux the following applies: or the Guarantor]** are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the global Note certified by a duly authorized officer of the Clearing System or a depository of the Clearing System as being a true copy, without the need for production in such proceedings of the actual records or the global Note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the proceedings.

In the case of Notes issued by HC Finance Lux, the following applies

[**(4)**] *Appointment of Authorized Agent.* For any legal disputes or other proceedings before German courts, the Issuer has appointed HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany, as its authorized agent for service of process in Germany.]

## § 16

### LANGUAGE

If the Terms and Conditions are to be in the English language only, the following applies

[The Terms and Conditions are written in the English language only.]

If the Terms and Conditions are to be in the German language with an

[The Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.]

**English language translation, the following applies**

**If the Terms and Conditions are to be in the English language with a German language translation, the following applies**

[These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.]

**In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed, in whole or in part, to non-qualified investors in Germany with English language Terms and Conditions, the following applies**

*[Eine deutsche Übersetzung der Anleihebedingungen wird bei der HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg zur kostenlosen Ausgabe bereitgehalten.]*



## TERMS AND CONDITIONS OF THE NOTES GERMAN LANGUAGE VERSION

### **Einführung**

*Die Anleihebedingungen für die Schuldverschreibungen (die "Anleihebedingungen") sind nachfolgend in zwei Optionen aufgeführt:*

*Option I umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit fester Verzinsung Anwendung findet.*

*Option II umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit variabler Verzinsung Anwendung findet.*

*Der Satz von Anleihebedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen entweder links von dem Satz der Anleihebedingungen oder in eckigen Klammern innerhalb des Satzes der Anleihebedingungen bezeichnet wird.*

*In den Endgültigen Bedingungen wird die Emittentin festlegen, welche der Option I oder Option II (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) für die einzelne Emission von Schuldverschreibungen Anwendung findet, indem entweder die betreffenden Angaben wiederholt werden oder auf die betreffenden Optionen verwiesen wird.*

*Soweit weder die Emittentin noch die Garantin zum Zeitpunkt der Billigung des Prospektes Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Schuldverschreibungen anwendbar sind, enthält dieser Prospekt Leerstellen in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.*

**Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Anleihebedingungen der Option I oder Option II enthalten sind, ist folgendes anwendbar**

[Die Bestimmungen dieser Anleihebedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten Endgültigen Bedingungen (die "**Endgültigen Bedingungen**") vervollständigt werden. Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären; alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausdrücklich ausgefüllt oder die gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen; sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Anleihebedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei den bezeichneten Geschäftsstellen jeder zusätzlichen Zahlstelle, sofern vorhanden, erhältlich; bei nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.]

### **OPTION I – Anleihebedingungen für Schuldverschreibungen mit fester Verzinsung**

#### **Die Anleihebedingungen der Schuldverschreibungen**

#### **(Deutsche Fassung)**

#### **§ 1**

#### **WÄHRUNG, STÜCKELUNG, FORM UND EIGENTUMSRECHT, DEFINITIONEN**

(1) *Währung und Stückelung.* Diese Serie von Schuldverschreibungen der [HeidelbergCement AG] [HeidelbergCement Finance Luxembourg S.A.] (die "**Emittentin**") wird in [**festgelegte Währung**] (die "**festgelegte Währung**") im Gesamtnennbetrag von [**Falls die Globalurkunde eine NGN ist, ist folgendes**

**anwendbar:** (vorbehaltlich § 1 Absatz 4) [**Gesamtnennbetrag**] (in Worten: [**Gesamtnennbetrag in Worten**]) am [**Begebungstag**] (der "**Begebungstag**") in einer Stückelung von [**festgelegte Stückelung**] (die "**festgelegte Stückelung**") begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in § 6 definiert) zu liefern.

(4) *Clearing System.* Jede Schuldverschreibungen verbrieftende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "**Clearing System**" bedeutet folgendes: [Clearstream Banking AG, Neue Börsenstr. 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")] [Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Großherzogtum Luxemburg ("**CBL**") und Euroclear Bank SA/NV und Boulevard du Roi Albert II, 1210 Brüssel, Belgien ("**Euroclear**"), (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")] sowie jeder Funktionsnachfolger.

[Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

Im Fall von  
Schuldverschreibungen,  
die im  
Namen der ICSDs

verwahrt werden,  
und die  
Globalurkunde  
eine NGN ist, ist  
folgendes  
anwendbar

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass

die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.]

**[Falls die vorläufige Globalurkunde eine NGN ist, ist folgendes anwendbar:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen werden.]

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine CGN ist, ist folgendes anwendbar

[Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Schuldverschreibungen.

(6) *In Bezug genommene Bedingungen.* Die Bestimmungen gemäß Schedule 5 des geänderten und neu gefassten Agency Agreement vom 03. April 2019 zwischen HeidelbergCement AG, HeidelbergCement Finance Luxembourg S.A. und Deutsche Bank Aktiengesellschaft (einsehbar unter [www.bourse.lu](http://www.bourse.lu)), die überwiegend das für Gläubigerversammlungen oder Abstimmungen der Gläubiger ohne Versammlung zu wählende Verfahren betreffen, sind in vollem Umfang durch diese Anleihebedingungen in Bezug genommen.

## § 2

### STATUS, NEGATIVVERPFLICHTUNG UND GARANTIE

(1) *Status.* Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander und (mit Ausnahme bestimmter kraft Gesetzes vorrangiger Verbindlichkeiten) mit allen anderen jeweils ausstehenden, nicht besicherten Verbindlichkeiten der Emittentin (nachrangige Verbindlichkeiten ausgenommen) gleichrangig sind.

Im Fall von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar

[(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich und stellt im Hinblick auf ihre Tochterunternehmen sicher, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen dinglichen Sicherungsrechte (jedes solches Sicherungsrecht ein "**Sicherungsrecht**") in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von der Emittentin oder von eines ihrer Tochterunternehmen gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, und ihre Tochterunternehmen zu veranlassen, keine solchen Sicherungsrechte zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht]

Im Fall von Schuldverschrei-

[(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle

bungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar

Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen dinglichen Sicherungsrechte (jedes solches Sicherungsrecht ein "**Sicherungsrecht**") in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von der Emittentin gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht]

[(a)] für zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Emittentin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird;[.].]

Im Fall von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar

[(b)] für Sicherungsrechte, die einem Tochterunternehmen der Emittentin an Forderungen bestellt werden, die ihm aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten in der Form von Wandelschuldverschreibungen erzielten Erlösen gegen die Emittentin zustehen, sofern solche Sicherheiten der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten des betreffenden Tochterunternehmens dienen.]

Im Fall von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar

[(3)] *Garantie*. HeidelbergCement AG (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die pünktliche Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen. Darüber hinaus hat sich HeidelbergCement AG in dieser Garantie verpflichtet (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, kein Sicherungsrecht in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von HeidelbergCement AG oder von eines ihrer Tochterunternehmen gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, und ihre Tochterunternehmen zu veranlassen, keine solchen Sicherungsrechte zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht

(i) für zum Zeitpunkt des Erwerbs von Vermögenswerten durch HeidelbergCement AG bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird;

(ii) für Sicherungsrechte, die einem Tochterunternehmen der HeidelbergCement AG an Forderungen bestellt werden, die ihm aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten in der Form von Wandelschuldverschreibungen erzielten Erlösen gegen

HeidelbergCement AG zustehen, sofern solche Sicherheiten der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten des betreffenden Tochterunternehmens dienen.

Die Garantie einschließlich der Verpflichtungserklärung stellt einen Vertrag zu Gunsten jedes Gläubigers als begünstigtem Dritten gemäß § 328 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung aus der Garantie unmittelbar von HeidelbergCement AG zu verlangen und die Garantie unmittelbar gegen HeidelbergCement AG durchzusetzen. Kopien der Garantie sind kostenlos bei der Hauptgeschäftsstelle der HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg und bei der bezeichneten Geschäftsstelle der Emissionsstelle, die in § 7 genannt ist, erhältlich.]

[(4)] *Zusätzliche Garantien.* HeidelbergCement AG hat sich verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für den Fall, dass ein Relevantes Tochterunternehmen (mit Ausnahme einer Finanzierungsgesellschaft) eine Kapitalmarktverbindlichkeit eingeht oder eine Garantie für Kapitalmarktverbindlichkeiten der HeidelbergCement AG oder eines Relevanten Tochterunternehmens gewährt, oder solche anderweitig garantiert sicherzustellen, dass dieses Relevante Tochterunternehmen den Gläubigern eine entsprechende und gleichrangige unmittelbare und unbedingte Garantie für alle unter den Schuldverschreibungen zu zahlenden Beträge gewährt (eine "**Zusätzliche Garantie**"). Dies gilt nicht für den Fall der Eingehung von Kapitalmarktverbindlichkeiten durch Relevante Tochterunternehmen, (i) bei denen es sich um Gemeinschaftsunternehmen handelt, deren Sitz und wesentliche Geschäftstätigkeit außerhalb der Vereinigten Staaten von Amerika oder einem Mitgliedsstaat der Europäischen Union liegt, und (ii) bei denen gemeinsam keine Kapitalmarktverbindlichkeiten im Gesamtnennbetrag von mehr als € 500.000.000 ausstehen. Jede Zusätzliche Garantie soll nach ihren Bedingungen marktüblichen Standards entsprechen, wobei die Zusätzliche Garantie vorsehen kann, dass sie wegfällt, wenn und sobald die von dem Relevanten Tochterunternehmen garantierte Kapitalmarktverbindlichkeit oder von ihr übernommene Kapitalmarktverbindlichkeit vollständig erfüllt ist. HeidelbergCement AG wird die Gläubiger über eine solche Zusätzliche Garantie entsprechend § 14 informieren. Sie wird die Zusätzliche Garantie auf ihrer Internetseite veröffentlichen und der Emissionsstelle in beglaubigter Abschrift zur Verfügung stellen.

[(5)] *Definitionen.* Für Zwecke dieser Anleihebedingungen bedeutet "**Kapitalmarktverbindlichkeit**" jede Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die entweder durch (i) einen deutschem Recht unterliegenden Schuldschein oder durch (ii) Schuldverschreibungen, Anleihen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können, verbrieft, verkörpert oder dokumentiert sind.

"**Relevantes Tochterunternehmen**" ist jedes voll konsolidierte Tochterunternehmen der HeidelbergCement AG, jedoch – für die Zwecke dieses § 2 allein – ausgenommen solche Tochterunternehmen, deren Eigenkapital/Wertpapiere jedweder Art (außer oder zusätzlich zu Wandelschuldverschreibungen oder ähnliche Wertpapiere mit Beteiligungscharakter) an einer geregelten Börse gelistet sind oder gehandelt werden.

"**Finanzierungsgesellschaft**" im Sinne dieses § 2 bedeutet jedes unmittelbare und mittelbare Tochterunternehmen der HeidelbergCement AG, dessen alleinige Aufgabe darin besteht, Fremdkapital für den Konzern der HeidelbergCement AG aufzunehmen und die weder wesentliche Vermögenswerte (mit Ausnahme von Forderungen aus Darlehen gegen andere Gesellschaften des Konzerns und Bankguthaben) hat noch Beteiligungen an anderen Unternehmen hält.

### § 3 ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe

ihres Gesamtnennbetrages verzinst, und zwar vom **[Verzinsungsbeginn]** (einschließlich) bis zum Fälligkeitstag (wie in § 4 definiert) (ausschließlich) mit jährlich **[Zinssatz]** Prozent. Die Zinsen sind nachträglich am **[Festzinstermine]** eines jeden Jahres zahlbar (jeweils ein **"Zinszahlungstag"**). Die erste Zinszahlung für den Zeitraum vom **[Verzinsungsbeginn]** (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) erfolgt am **[erster Zinszahlungstag]** **[Sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, ist folgendes anwendbar: und beläuft sich auf [anfänglicher Bruchteilzinsbetrag je festgelegte Stückelung] je festgelegte Stückelung.] [Sofern der Fälligkeitstag kein Festzinstermine ist, ist folgendes anwendbar: Die Zinsen für den Zeitraum vom [letzter dem Fälligkeitstag vorausgehender Festzinstermine] (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf [abschließender Bruchteilzinsbetrag je festgelegte Stückelung] je festgelegte Stückelung.]**

(2) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Gesamtnennbetrages der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen<sup>(1)</sup>.

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

(4) *Zinstagequotient.* **"Zinstagequotient"** bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der **"Zinsberechnungszeitraum"**):

Im Fall von Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (ausschließlich des Falls von kurzen oder langen Kupons) ist folgendes anwendbar

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode.]

Im Fall von Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (einschließlich des Falls von kurzen Kupons) ist folgendes anwendbar

[die tatsächliche Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch die Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt.]

Im Fall von Actual/Actual (ICMA Regelung 251) mit zwei oder mehr gleich bleibenden Zinsperioden (einschließlich des Falls von kurzen Kupons) innerhalb eines Zinsjahres ist folgendes

[die tatsächliche Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch das Produkt aus (a) der Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt und (b) der Anzahl von Zinszahlungstagen, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären.]

<sup>(1)</sup>

Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Absatz 1 BGB.

anwendbar

Im Fall von Actual/Actual (ICMA Regelung 251) und wenn der Zinsberechnungszeitraum länger ist als eine Bezugsperiode (langer Kupon) ist folgendes anwendbar

[die Summe aus:

- (a) der Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die Bezugsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar:** das Produkt aus (x) [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar:** und (y) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären]; und
- (b) der Anzahl von Tagen in dem Zinsberechnungszeitraum, die in die nächste Bezugsperiode fallen, geteilt durch **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar:** das Produkt aus (x) [die] [der] Anzahl der Tage in dieser Bezugsperiode **[im Falle von Bezugsperioden, die kürzer sind als ein Jahr, ist folgendes anwendbar:** und (y) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären].]

Folgendes gilt für alle Optionen von Actual/Actual (ICMA Regelung 251) außer der Option Actual/Actual (ICMA Regelung 251) mit jährlichen Zinszahlungen (ausschließlich dem Fall eines ersten oder letzten kurzen oder langen Kupons)

**["Bezugsperiode"** bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[Im Falle eines ersten oder letzten kurzen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der maßgeblichen Bezugsperiode gilt der **[Fiktiver Zinszahlungstag]** als Zinszahlungstag.] **[Im Falle eines ersten oder letzten langen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der maßgeblichen Bezugsperiode gelten der **[Fiktive Zinszahlungstage]** als Zinszahlungstage].]

Im Fall von 30/360, 360/360 oder Bond Basis ist folgendes anwendbar

[die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (a) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (b) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).]

Im Fall von 30E/360 oder Eurobond Basis ist folgendes anwendbar

[die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).]

Im Fall der Anpassung des Zinssatzes ist folgendes anwendbar

[(5) *Anpassung des Zinssatzes.*

- (a) Der auf die Schuldverschreibungen zu zahlende Zinssatz wird von Zeit zu Zeit im Fall einer Zinserhöhenden Ratingänderung oder einer Zinssenkenden Ratingänderung (jeweils wie nachstehend definiert) folgendermaßen angepasst:
  - (i) vorbehaltlich der nachstehenden Absätze (b) und (c), wird der Zinssatz um **[●] % per annum** mit Wirkung vom ersten Zinszahlungstag (einschließlich)

am oder nach dem Tag einer solchen Zinserhöhenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie nachstehend definiert) (vorbehaltlich der Regelungen im nachstehenden Paragraph (ii)) erhöht, falls eine Ratingagentur die Herunterstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin unter BBB- (S&P und Fitch) und/oder Baa3 (Moody's), beziehungsweise eines entsprechenden Werts im Fall ihrer jeweiligen Nachfolgeunternehmen oder einer anderen beauftragten Ratingagentur, öffentlich bekannt macht (eine "**Zinserhöhende Ratingänderung**");

- (ii) vorbehaltlich der nachstehenden Absätze (b) und (c), wird der vorher angepasste Zinssatz um **[●]**% *per annum* mit Wirkung vom ersten Zinszahlungstag (einschließlich) am oder nach dem Tag einer solchen Zinssenkenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie nachstehend definiert) gesenkt, falls nach einer Zinserhöhenden Ratingänderung eine Ratingagentur die Heraufstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin öffentlich bekannt macht, so dass das Rating entweder BBB- (S&P und Fitch) und/oder Baa3 (Moody's), beziehungsweise eines entsprechenden Werts im Fall ihrer jeweiligen Nachfolgeunternehmen oder einer anderen beauftragten Ratingagentur, oder höher ist (eine "**Zinssenkende Ratingänderung**");

falls mehr als eine Ratingagentur von oder im Namen der Emittentin beauftragt wurde, gilt das niedrigere Rating als maßgeblich für die Zwecke von (i) und (ii) oben.

"**Ratingagentur / Ratingagenturen**" ist / sind jede der Ratingagentur(en) von S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Services Limited ("**Moody's**") und Fitch Rating, Inc. ("**Fitch**") und ihre jeweiligen Nachfolgeunternehmen sowie jede andere Ratingagentur von internationalem Rang, die von oder im Namen der Emittentin beauftragt worden ist.

- (b) Falls eine Zinserhöhende Ratingänderung und danach eine Zinssenkende Ratingänderung während derselben Zinsperiode eintreten, wird der auf die Schuldverschreibungen zu zahlende Zinssatz infolge dieses Ereignisses weder erhöht noch gesenkt.
- (c) Soweit mehrere Zinserhöhende oder Zinssenkende Ratingveränderungen eintreten, führen jeweils nur der erste Eintritt einer Zinserhöhenden Ratingänderung und einer Zinssenkenden Ratingänderung zu einer Anpassung des Zinssatzes.
- (d) Die Emittentin wird sich nach besten Kräften bemühen, ein Rating für langfristige erstrangige unbesicherte Verbindlichkeiten von einer Ratingagentur zu erhalten. Im Fall, dass kein solches Rating von einer Ratingagentur erteilt wird, handelt es sich um eine Zinserhöhende Ratingänderung infolgedessen sich der auf die Schuldverschreibungen zu zahlende Zinssatz mit Wirkung vom ersten Zinszahlungstag (einschließlich) am oder nach dem Tag einer solchen Zinserhöhenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie in § 5 Absatz (1) definiert) um **[●]**% *per annum* erhöht.
- (e) Die Emittentin wird der Emissionsstelle unverzüglich jede Zinserhöhende oder Zinssenkende Ratingänderung mitteilen und veranlassen, dass der Eintritt einer Zinserhöhenden oder Zinssenkenden Ratingänderung unverzüglich nachdem die Emittentin davon Kenntnis erlangt, jedoch spätestens am siebten darauf folgenden Tag, gemäß §14 bekannt gemacht wird.]

#### **§ 4 RÜCKZAHLUNG BEI ENDFÄLLIGKEIT**

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am **[Fälligkeitstag]** (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Schuldverschreibung (der "**Rückzahlungsbetrag**") entspricht dem Nennbetrag der Schuldverschreibung.



## § 5 VORZEITIGE RÜCKZAHLUNG

(1) *Ausübung von Kündigungsrechten.* Soweit in diesen Anleihebedingungen sowohl der Emittentin als auch einem Gläubiger ein Wahlrückzahlungsrecht eingeräumt worden ist, steht der betreffenden Partei dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, die bereits aufgrund der Ausübung eines Wahlrechts der jeweils anderen Partei vorzeitig rückzahlbar geworden ist.

**Im Falle von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar**

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 14 gegenüber den Gläubigern gekündigt werden (wobei diese Kündigung unwiderruflich ist) und jederzeit zurückgezahlt werden, falls:

- (a) die Emittentin bei der nächsten fälligen Zahlung auf die Schuldverschreibungen verpflichtet ist oder sein wird, zusätzliche Beträge gemäß § 8 zu zahlen und zwar als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der relevanten Steuerjurisdiktion oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, welche Änderung oder Ergänzung bzw. Änderung der Auslegung am oder nach dem Begebungstag wirksam wird, und
- (b) diese Verpflichtung nicht durch vernünftige, der Emittentin zur Verfügung stehende Maßnahmen vermieden werden kann,

wobei eine solche Kündigung nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen darf, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge in Bezug auf die Schuldverschreibungen zu zahlen, falls zu diesem Zeitpunkt eine Zahlung fällig wäre.

Vor Bekanntmachung der Kündigung gemäß diesem § 5 Absatz 2 hat die Emittentin der Emissionsstelle eine Bescheinigung vorzulegen, die von zwei Mitgliedern des Vorstands der Emittentin unterzeichnet ist, und die feststellt, dass die Emittentin zur Kündigung berechtigt ist und die Umstände auflistet, aus denen hervorgeht, dass die Voraussetzungen des Kündigungsrechts der Emittentin vorliegen sowie ein Gutachten anerkannter, unabhängiger Rechtsberater darüber, dass die Emittentin verpflichtet ist oder sein wird, diese zusätzlichen Beträge als Folge einer solchen Änderung oder Ergänzung zu zahlen.

Die gemäß diesem § 5 Absatz 2 gekündigten Schuldverschreibungen werden zu ihrem Rückzahlungsbetrag zurückgezahlt zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.

**"relevante Steuerjurisdiktion"** bezeichnet die Bundesrepublik Deutschland.]

**Im Falle von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar**

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 14 gegenüber den Gläubigern gekündigt werden (wobei diese Kündigung unwiderruflich ist) und jederzeit zurückgezahlt werden, falls:

- (a) die Emittentin bei der nächsten fälligen Zahlung auf die Schuldverschreibungen verpflichtet ist oder sein wird, zusätzliche Beträge gemäß § 8 zu zahlen oder die Garantin aus nicht in ihrer Macht stehenden Gründen nicht in der Lage ist, für die Zahlung durch die Emittentin zu sorgen und, wenn sie die Zahlung selbst vornimmt, verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, und zwar als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der relevanten Steuerjurisdiktion oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, welche Änderung oder Ergänzung bzw. Änderung der Auslegung am oder nach dem Begebungstag

wirksam wird, und

- (b) diese Verpflichtung nicht durch vernünftige, der Emittentin oder der Garantin zur Verfügung stehende Maßnahmen vermieden werden kann,

wobei eine solche Kündigung nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen darf, an dem die Emittentin oder die Garantin verpflichtet wäre, solche zusätzlichen Beträge in Bezug auf die Schuldverschreibungen zu zahlen, falls zu diesem Zeitpunkt eine Zahlung fällig wäre.

Vor Bekanntmachung der Kündigung gemäß diesem § 5 Absatz 2 hat die Emittentin der Emissionsstelle eine Bescheinigung vorzulegen, die von zwei Mitgliedern des Vorstands der Emittentin bzw. von zwei Mitgliedern des Vorstands der Garantin unterzeichnet ist, und die feststellt, dass die Emittentin zur Kündigung berechtigt ist und die Umstände auflistet, aus denen hervorgeht, dass die Voraussetzungen des Kündigungsrechts der Emittentin vorliegen sowie ein Gutachten anerkannter, unabhängiger Rechtsberater darüber, dass die Emittentin oder die Garantin verpflichtet ist oder sein wird, diese zusätzlichen Beträge als Folge einer solchen Änderung oder Ergänzung zu zahlen.

Die gemäß diesem § 5 Absatz 2 gekündigten Schuldverschreibungen werden zu ihrem Rückzahlungsbetrag zurückgezahlt zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.

"**relevante Steuerjurisdiktion**" bezeichnet die Bundesrepublik Deutschland und das Großherzogtum Luxemburg.]

Im Fall von Schuldverschreibungen, die in Euro denominated sind und die Emittentin das Wahlrecht zur vorzeitigen Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (Call) hat, ist folgendes anwendbar

[(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

- (a) Die Emittentin ist berechtigt, alle ausstehenden Schuldverschreibungen insgesamt oder teilweise, mit einer Kündigungsfrist von mindestens **[Mindestkündigungsfrist]** und höchstens **[Höchstkündigungsfrist]** Tagen zu einem in der Kündigungserklärung bestimmten Tag (der "**Wahl-Rückzahlungstag (Call)**") gegenüber der Emissionsstelle und gemäß § 14 gegenüber den Gläubigern nach ihrer Wahl jederzeit vorzeitig zu kündigen und diese zum Vorzeitigen Rückzahlungsbetrag (Call) zurück zu zahlen.

Der "**Vorzeitige Rückzahlungsbetrag (Call)**" (welcher den Gläubigern gemäß § 14 und der Emissionsstelle mitzuteilen ist) einer Schuldverschreibung entspricht der Summe aus:

- (i) dem Nennbetrag der zurückzuzahlenden Schuldverschreibung; und
- (ii) der Anwendbaren Prämie (wie nachstehend definiert); und
- (iii) etwaigen bis zum Tag der Rückzahlung aufgelaufenen und nicht gezahlten Zinsen.

Der Vorzeitige Rückzahlungsbetrag (Call) wird von der Berechnungsstelle berechnet.

"**Anwendbare Prämie**" bezeichnet die etwaige Differenz zwischen

- (i) dem Barwert zum Tag der Rückzahlung
  - (A) des Nennbetrags der zurückzuzahlenden Schuldverschreibung; zuzüglich
  - (B) aller bis zum Fälligkeitstag (ausschließlich) vorgesehenen und noch fällig werdenden Zinszahlungen, abgezinst mit der Benchmark-Verzinsung zuzüglich **[●]**%, und
- (ii) dem Nennbetrag der Schuldverschreibung zum Tag der Rückzahlung.

Die "**Benchmark Verzinsung**" entspricht der am Rückzahlungs-Berechnungstag

bestehenden Rendite bis zur Fälligkeit einer Bundesanleihe der Bundesrepublik Deutschland mit einer festen Laufzeit (wie offiziell bestimmt und in den jeweils zum Rückzahlungs-Berechnungstag zuletzt verfügbaren Finanzinformationen der Bundesrepublik Deutschland veröffentlicht – oder falls solche Finanzinformationen nicht veröffentlicht oder zugänglich sind, wie aus anderen von der Emittentin ordnungsgemäß ausgewählten, öffentlich zugänglichen vergleichbaren Marktdaten ersichtlich), die der Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag am ehesten entspricht. Sollte jedoch diese Zeitspanne vom Tag der Rückzahlung bis zum jeweiligen Fälligkeitstag nicht der Festlaufzeit einer solchen Bundesanleihe der Bundesrepublik Deutschland entsprechen, für die eine wöchentliche Durchschnittsrendite angegeben wird, so ist die Benchmark-Verzinsung im Wege der linearen Interpolation (berechnet auf das nächste Zwölftel eines Jahres) aus den wöchentlichen Durchschnittsrenditen solcher Bundesanleihen der Bundesrepublik Deutschland zu ermitteln, für die solche Renditen angegeben werden. Soweit die Zeitspanne vom Tag der Rückzahlung bis zum Fälligkeitstag geringer als ein Jahr ist, so ist jedoch die wöchentliche Durchschnittsrendite einer tatsächlich gehandelten Bundesanleihe der Bundesrepublik Deutschland angepasst auf eine Festlaufzeit von einem Jahr anzuwenden.

**"Rückzahlungs-Berechnungstag"** ist der sechste Zahltag vor dem Tag, an dem die Schuldverschreibungen infolge eines der in diesem § 5 Absatz 3 genannten Ereignisse zurückgezahlt werden.

- (b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 14 bekannt zu machen und der Emissionsstelle mindestens 15 Tage vorher zu schicken und sollte zumindest Angaben enthalten über:
- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
  - (ii) ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;
  - (iii) den Wahl-Rückzahlungstag (Call)[.]; sowie
  - (iv) den Namen und die Geschäftsstelle der Institution, welche durch die Emittentin als Berechnungsstelle ernannt wurde].
- (c) Die durch eine Globalurkunde verbrieften Schuldverschreibungen werden in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt, und eine etwaige teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.]

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zu festgelegten Wahlrückzahlungsbeträgen (Call) zurückzuzahlen, ist folgendes anwendbar

[[4)] *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

- (a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise am/an den Wahl-Rückzahlungstag(en) (Call) oder jederzeit danach bis zum jeweils nachfolgenden Wahl-Rückzahlungstag (ausschließlich) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rückzahlungstag(e) (Call)	Wahl-Rückzahlungsbetrag/beträge (Call)
<b>[Wahl-Rückzahlungstag(e)]</b>	<b>[Wahl-Rückzahlungsbetrag/beträge]</b>
[•]	[•]
[•]	[•]

**[Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist Folgendes anwendbar:** Der Emittentin steht

dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz [(6)] dieses § 5 verlangt hat.]]

- (b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 14 bekannt zu geben. Sie beinhaltet die folgenden Angaben:
- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
  - (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen; und
  - (iii) den Rückzahlungstag, der nicht weniger als **[Mindestkündigungsfrist]** Tage und nicht mehr als **[Höchstkündigungsfrist]** Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf.
- (c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist Folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.]]

Falls der Gläubiger das Wahlrecht hat, die Schuldverschreibungen im Fall eines Kontrollwechsels vorzeitig zu kündigen, ist folgendes anwendbar

[[5)] *Vorzeitige Rückzahlung nach Wahl der Gläubiger im Falle eines Kontrollwechsels.*

- (a) Wenn ein Kontrollwechsel eintritt, hat jeder Gläubiger das Recht, aber nicht die Verpflichtung, von der Emittentin die Rückzahlung der von ihm gehaltenen Schuldverschreibungen zum Vorzeitigen Rückzahlungsbetrag (Put) insgesamt oder teilweise zu verlangen (die "**Rückzahlungsoption**"). Diese Rückzahlungsoption ist gemäss den nachstehenden Bestimmungen auszuüben.

Ein "**Kontrollwechsel**" liegt vor, wenn eines der folgenden Ereignisse eintritt:

- (i) HeidelbergCement AG erlangt Kenntnis davon, dass eine Person oder gemeinsam handelnde Gruppe von Personen im Sinne von § 2 Absatz 5 Wertpapiererwerbs- und Übernahmegesetz (WpÜG) (jeweils ein "**Erwerber**") der rechtliche oder wirtschaftliche Eigentümer von mehr als 30% der Stimmrechte der HeidelbergCement AG geworden ist; oder
- (ii) die Verschmelzung der HeidelbergCement AG mit einer oder auf eine dritte Person (wie nachfolgend definiert) oder die Verschmelzung einer dritten Person mit oder auf HeidelbergCement AG, oder der Verkauf aller oder im Wesentlichen aller Vermögensgegenstände (konsolidiert betrachtet) der HeidelbergCement AG an eine dritte Person, außer im Zusammenhang mit Rechtsgeschäften, infolge von denen (A) im Falle einer Verschmelzung die Inhaber von 100% der Stimmrechte der HeidelbergCement AG wenigstens die Mehrheit der Stimmrechte an dem überlebenden Rechtsträger unmittelbar nach einer solchen Verschmelzung halten und (B) im Fall des Verkaufs von allen oder im Wesentlichen allen Vermögensgegenständen der erwerbende Rechtsträger ein Tochterunternehmen der HeidelbergCement AG ist oder wird und Garantin bezüglich der Schuldverschreibungen wird;

"**dritte Person**" im Sinne dieses § 5 Absatz 3(a) (ii) ist jede Person außer ein Tochterunternehmen der HeidelbergCement AG.

"**Vorzeitiger Rückzahlungsbetrag (Put)**" bedeutet für jede Schuldverschreibung 101% des Nennbetrags der Schuldverschreibung, zuzüglich aufgelaufener und nicht gezahlter Zinsen bis zum nachfolgend definierten Rückzahlungstag (ausschließlich).

- (b) Wenn ein Kontrollwechsel eintritt, wird die Emittentin unverzüglich nachdem sie hiervon Kenntnis erlangt den Gläubigern Mitteilung vom Kontrollwechsel gemäß § 14 machen (eine "**Rückzahlungsmittteilung**"), in der die Umstände des Kontrollwechsels sowie das Verfahren für die Ausübung der in diesem § 5 Absatz 3 genannten Rückzahlungsoption angegeben sind.
- (c) Zur Ausübung der Rückzahlungsoption muss der Gläubiger innerhalb eines Zeitraums von 30 Tagen, nachdem die Rückzahlungsmittteilung veröffentlicht wurde (der "**Rückzahlungszeitraum**"), an die bezeichnete Geschäftsstelle der Emissionsstelle eine Mitteilung zur vorzeitigen Rückzahlung in Textform (z.B. eMail oder Fax) oder in schriftlicher Form ("**Ausübungserklärung**") schicken. Falls die Ausübungserklärung nach 17:00 Uhr Frankfurter Zeit am 30. Tag nach Veröffentlichung der Rückzahlungsmittteilung durch die Emittentin eingeht, ist das Wahlrecht nicht wirksam ausgeübt. Die Ausübungserklärung hat anzugeben: (i) den gesamten Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird [und][.] (ii) die Wertpapierkennnummern dieser Schuldverschreibungen (soweit vergeben) [**Im Fall der Verwahrung der Globalurkunde durch CBF ist folgendes anwendbar:** und (iii) Kontaktdaten sowie eine Kontoverbindung]. Für die Ausübungserklärung kann ein Formblatt, wie es bei der bezeichneten Geschäftsstelle der Emissionsstelle in deutscher und englischer Sprache erhältlich ist und das weitere Hinweise enthält, verwendet werden. Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.]

Falls der Gläubiger das Wahlrecht hat, die Schuldverschreibungen vorzeitig zu festgelegtem/n Wahlrückzahlungsbetrag/-beträgen

(Put) zu kündigen, ist folgendes anwendbar

[[6)] *Vorzeitige Rückzahlung nach Wahl der Gläubiger.*

Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am jeweiligen Wahl-Rückzahlungstag (Put) zum jeweiligen Wahl-Rückzahlungsbetrag (Put) wie nachstehend angegeben nebst etwaiger bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Wahl-Rückzahlungstag(e) (Put)	Wahl-Rückzahlungsbetrag/beträge (Put)
<b>[Wahl-Rückzahlungstag(e) (Put)]</b>	<b>[Wahl-Rückzahlungsbetrag/beträge (Put)]</b>
[•]	[•]
[•]	[•]

Um dieses Wahlrecht auszuüben, muss der Gläubiger nicht früher als **[Höchstkündigungsfrist]** und nicht später als **[Mindestkündigungsfrist]** Tage vor dem Wahl-Rückzahlungstag (Put), an die bezeichnete Geschäftsstelle der Emissionsstelle eine Mitteilung zur vorzeitigen Rückzahlung in Textform (z.B. eMail oder Fax) oder in schriftlicher Form ("**Ausübungserklärung**") schicken. Falls die Ausübungserklärung am **[Mindestkündigungsfrist]** Tag vor dem Wahl-Rückzahlungstag (Put) nach 17:00 Uhr Frankfurter Zeit eingeht, ist das Wahlrecht nicht wirksam ausgeübt. Die Ausübungserklärung hat anzugeben: (i) den gesamten Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird [und][.] (ii) die Wertpapierkennnummern dieser Schuldverschreibungen (soweit vergeben) [**Im Fall der Verwahrung der Globalurkunde durch CBF ist folgendes anwendbar:** und (iii) Kontaktdaten sowie eine Kontoverbindung]. Für die Ausübungserklärung kann ein Formblatt, wie es bei den bezeichneten Geschäftsstelle der Emissionsstelle in deutscher und englischer Sprache erhältlich ist und das weitere Hinweise enthält, verwendet werden. Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.]

## § 6 ZÄHLUNGEN

- (1) (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in Bezug auf durch eine Globalurkunde verbriefte Schuldverschreibung erfolgen nach Maßgabe des nachstehenden Absatzes 3 an das Clearing System oder dessen Order zur Gutschrift auf die Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und Einreichung der Globalurkunde bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten.
- (b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing Systems und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b).

(2) *Zahlungsweise.* Vorbehaltlich (i) geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften und (ii) eines Einbehalts oder Abzugs aufgrund eines Vertrags wie in Section 1471(b) des U.S. Internal Revenue Code von 1986 (der "**Code**") beschrieben bzw. anderweit gemäß Section 1471 bis Section 1474 des Code auferlegt, etwaigen aufgrund dessen getroffener Regelungen oder geschlossener Abkommen, etwaiger offizieller Auslegungen davon, oder von Gesetzen zur Umsetzung einer Regierungszusammenarbeit dazu erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der festgelegten Währung.

(3) *Vereinigte Staaten.* "**Vereinigte Staaten**" bezeichnet die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin [**im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder Sonntag),

Bei nicht auf EUR lautenden Schuldverschreibungen, ist folgendes anwendbar

[an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[relevante(s) Finanzzentrum(en)]** abwickeln.][und]

Im Fall, dass das Clearing System und TARGET offen sein sollen, ist folgendes anwendbar

[an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") offen sind, um Zahlungen abzuwickeln.]

(6) *Bezugnahmen auf Zahlungen von Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen sollen, soweit anwendbar, die folgenden Beträge beinhalten: den Rückzahlungsbetrag der Schuldverschreibungen; alle in § 5 genannten Beträge hinsichtlich der Rückzahlung sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge (außer Zinsen).

Bezugnahmen in diesen Anleihebedingungen auf Zinszahlungen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren zusätzlichen Beträge einschließen.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim

Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

## § 7 BEAUFTRAGTE STELLEN

(1) *Ernennung; bezeichnete Geschäftsstellen.* Die anfänglichen beauftragten Stellen und deren bezeichneten Geschäftsstellen lauten wie folgt:

Emissionsstelle	Deutsche Bank
und Zahlstelle:	Aktiengesellschaft Trust & Agency Services Taunusanlage 12 60325 Frankfurt am Main Deutschland

Im Fall von Schuldverschreibungen, die in Euro denominiert sind, die Emittentin das Wahlrecht zur vorzeitigen Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (Call) hat und die Berechnungsstelle bei Begebung der Schuldverschreibungen ernannt wird, ist folgendes anwendbar

[Berechnungsstelle: **[Name und Geschäftsstelle]]**

Im Fall von Schuldverschreibungen, die in Euro denominiert sind, die Emittentin das Wahlrecht zur vorzeitigen Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (Call) hat und die Berechnungsstelle für die Berechnung des Vorzeitigen Rückzahlungsbetrags (Call) ernannt wird, ist folgendes anwendbar

[Berechnungsstelle: eine angesehene Institution mit gutem Ruf auf den Finanzmärkten, durch die Emittentin nur zu dem Zweck ernannt, um den Vorzeitigen Rückzahlungsbetrag (Call) gem § 5 Absatz [3] zu berechnen.]

Jede beauftragte Stelle behält sich das Recht vor, jederzeit ihre bezeichnete Geschäftsstelle durch andere bezeichnete Geschäftsstellen in demselben Land zu ersetzen.

(2) *Abberufung oder Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung jeder beauftragten Stelle zu beenden oder zusätzliche oder andere beauftragte Stellen zu bestellen. Eine Beendigung der Bestellung, Abberufung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, wo eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 14 vorab

unter Einhaltung einer Frist von mindestens 30 und höchstens 45 Tagen informiert wurden.

(3) [(a)] *Unterhalt einer Emissionsstelle und Zahlstelle.* Die Emittentin wird zu jedem Zeitpunkt eine Emissionsstelle unterhalten und zusätzlich zu der Emissionsstelle, solange die Schuldverschreibungen am geregelten Markt einer Börse notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle an einem von der betreffenden Börse oder der jeweiligen Aufsichtsbehörde hierfür vorgeschriebenen Ort unterhalten.

[(b)] *Unterhalt einer Berechnungsstelle.* Falls eine Berechnungsstelle anfänglich bestellt wurde, wird die Emittentin zu jedem Zeitpunkt eine Berechnungsstelle unterhalten.]

Im Fall von Schuldverschreibungen, die in Euro denominated sind, die Emittentin das Wahlrecht zur vorzeitigen Rückzahlung zum Vorzeitigen Rückzahlungsbeitrag (Call) hat und die Berechnungsstelle bei Begebung der Schuldverschreibungen ernannt wird, ist folgendes anwendbar

Im Fall von Zahlungen in US\$ ist folgendes anwendbar

[[c)] *Zahlungen in US\$.* Falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US\$ gesetzwidrig oder tatsächlich ausgeschlossen werden, wird die Emittentin eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten.]

(4) *Beauftragte der Emittentin.* Jede beauftragte Stelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen einer beauftragten Stelle und den Gläubigern begründet.

## § 8 STEUERN

Alle in Bezug auf die Schuldverschreibungen zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art geleistet, die an der Quelle von oder in der relevanten Steuerjurisdiktion oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der relevanten Steuerjurisdiktion (wie vorstehend in § 5(2) definiert) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "**zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Beträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Abzug oder Einbehalt zahlbar wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der relevanten Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der relevanten Steuerjurisdiktion stammen (oder für Zwecke der



Besteuerung so behandelt werden) oder dort besichert sind; oder

- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die relevante Steuerjurisdiktion oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 14 wirksam wird.

## § 9 KÜNDIGUNG

(1) *Kündigungsgründe.* Falls eines der nachstehenden Ereignisse (jeweils ein "Kündigungsgrund") eintritt oder andauert:

- [(a) *Nichtzahlung von Kapital oder Zinsen.* die Emittentin zahlt einen auf die Schuldverschreibungen zahlbaren Betrag nicht innerhalb von 30 Tagen ab dem betreffenden Fälligkeitsdatum; oder
- (b) *Verletzung einer sonstigen Verpflichtung.* die Emittentin erfüllt eine Zusage, Verpflichtung oder sonstige Vereinbarung aus den Schuldverschreibungen nicht oder verstößt gegen eine solche Verpflichtung (mit Ausnahme der Zahlungsverpflichtungen bezüglich der Schuldverschreibungen) und diese Nichterfüllung oder dieser Verstoß dauert mehr als 30 Tage nach dem Zeitpunkt fort, nachdem die Emittentin diesbezüglich gemahnt wurde; oder
- (c) *Drittverzug.* eine Kapitalmarktverbindlichkeit (wie in § 2 definiert) der HeidelbergCement AG oder einer ihrer Wesentlichen Tochtergesellschaften jeweils in Höhe oder im Gegenwert von mehr als € 100.000.000 wird vorzeitig zahlbar aufgrund einer Pflichtverletzung der für diese Kapitalmarktverbindlichkeit geltenden Bedingungen oder HeidelbergCement AG oder eine ihrer Wesentlichen Tochtergesellschaften kommt Zahlungsverpflichtungen in Höhe oder im Gegenwert von mehr als € 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nach, es sei denn HeidelbergCement AG oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass die Zahlungsverpflichtung besteht oder fällig ist bzw. die Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird; oder
- (d) *Liquidation.* ein Gerichtsbeschluss oder ein wirksamer Beschluss über die Liquidation oder Auflösung der Emittentin oder einer der Wesentlichen Tochtergesellschaften der HeidelbergCement AG wird gefasst, es sei denn, dies erfolgt (i) zum Zwecke oder aufgrund einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses mit einer anderen Gesellschaft und diese andere oder neue Gesellschaft übernimmt sämtliche Verpflichtungen der HeidelbergCement AG oder der Wesentlichen Tochtergesellschaften der HeidelbergCement AG im Zusammenhang mit den Schuldverschreibungen, oder (ii) zum Zwecke einer freiwilligen, solventen Auflösung oder Liquidation im Zusammenhang mit der Übertragung sämtlicher oder eines Wesentlichen Teils der Vermögenswerte oder Anteile einer Wesentlichen Tochtergesellschaft auf die HeidelbergCement AG oder eine sonstige Tochtergesellschaft der HeidelbergCement AG; oder

Im Fall von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar

- (e) *Zahlungseinstellung.* (i) HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG stellt ihre Zahlungen ein (gemäß den Bestimmungen des jeweils anwendbaren Konkursrechts) oder (ii) stellt (ausgenommen die Fälle, in denen dies zum Zwecke einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses wie vorstehend unter (d) beschrieben geschieht) ihre Geschäftstätigkeit ein oder droht durch ihr hierfür zuständiges Geschäftsführungsorgan, ihre Geschäftstätigkeit einzustellen oder ist nicht in der Lage, ihren Zahlungsverpflichtungen bei Fälligkeit nachzukommen; oder
- (f) *Insolvenz u.ä.* HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG oder ein Dritter beantragt die Eröffnung eines Konkurs- oder sonstigen Insolvenzverfahrens nach geltendem Konkurs-, Vergleichs- oder Insolvenzrecht über das Vermögen der HeidelbergCement AG oder einer Wesentlichen Tochtergesellschaft der HeidelbergCement AG und dieser Antrag, falls er von Dritten gestellt wird, wird nicht innerhalb von 30 Tagen abgewiesen oder HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG nimmt eine Übertragung oder Abtretung zu Gunsten ihrer Gläubiger vor; oder
- (g) *Verletzung der Verpflichtungen gegenüber den Gläubigern bei Kontrollwechsel.* die Emittentin unterlässt die ordnungsgemäße Erfüllung ihrer Verpflichtungen nach § 5 Absatz 3 im Fall eines Kontrollwechsels.]

**Im Fall von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar**

- [(a) *Nichtzahlung von Kapital oder Zinsen.* die Emittentin oder die Garantin, zahlt einen auf die Schuldverschreibungen bzw. auf die Garantie (wie in § 2 definiert) zahlbaren Betrag nicht innerhalb von 30 Tagen ab dem betreffenden Fälligkeitsdatum; oder
- (b) *Verletzung einer sonstigen Verpflichtung.* die Emittentin erfüllt eine Zusage, Verpflichtung oder sonstige Vereinbarung aus den Schuldverschreibungen nicht oder verstößt gegen eine solche Verpflichtung (mit Ausnahme der Zahlungsverpflichtungen bezüglich der Schuldverschreibungen), oder die Garantin erfüllt eine sonstige Verpflichtung aus der Garantie nicht oder verstößt dagegen, und diese Nichterfüllung oder dieser Verstoß dauert mehr als 30 Tage nach dem Zeitpunkt fort, nachdem die Emittentin bzw. die Garantin diesbezüglich gemahnt wurde; oder
- (c) *Drittverzug.* eine Kapitalmarktverbindlichkeit (wie in § 2 definiert) der Emittentin oder der HeidelbergCement AG oder einer ihrer Wesentlichen Tochtergesellschaften jeweils in Höhe oder im Gegenwert von mehr als € 100.000.000 wird vorzeitig zahlbar aufgrund einer Pflichtverletzung der für diese Kapitalmarktverbindlichkeit geltenden Bedingungen, oder die Emittentin oder HeidelbergCement AG oder eine ihrer Wesentlichen Tochtergesellschaften kommt Zahlungsverpflichtungen in Höhe oder im Gegenwert von mehr als € 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nach, es sei denn die Emittentin oder HeidelbergCement AG oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass die Zahlungsverpflichtung besteht oder fällig ist bzw. die Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird; oder
- (d) *Liquidation.* ein Gerichtsbeschluss oder ein wirksamer Beschluss über die Liquidation oder Auflösung der Emittentin, der Garantin oder einer der Wesentlichen Tochtergesellschaften der HeidelbergCement AG wird gefasst, es sei denn, dies erfolgt (i) zum Zwecke oder aufgrund einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses mit einer

anderen Gesellschaft und diese andere oder neue Gesellschaft übernimmt sämtliche Verpflichtungen der HeidelbergCement AG, der Emittentin oder der Wesentlichen Tochtergesellschaften der HeidelbergCement AG im Zusammenhang mit den Schuldverschreibungen, oder (ii) zum Zwecke einer freiwilligen, solventen Auflösung oder Liquidation im Zusammenhang mit der Übertragung sämtlicher oder eines Wesentlichen Teils der Vermögenswerte oder Anteile einer Wesentlichen Tochtergesellschaft auf die HeidelbergCement AG, die Emittentin oder eine sonstige Tochtergesellschaft der HeidelbergCement AG; oder

- (e) *Zahlungseinstellung.* (i) HeidelbergCement AG, die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG stellt ihre Zahlungen ein (gemäß den Bestimmungen des jeweils anwendbaren Konkursrechts) oder (ii) stellt (ausgenommen die Fälle, in denen dies zum Zwecke einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses wie vorstehend unter (d) beschrieben geschieht) ihre Geschäftstätigkeit ein oder droht durch ihr hierfür zuständiges Geschäftsführungsorgan, ihre Geschäftstätigkeit einzustellen oder ist nicht in der Lage, ihren Zahlungsverpflichtungen bei Fälligkeit nachzukommen; oder
- (f) *Insolvenz u.ä.* HeidelbergCement AG, die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG oder ein Dritter beantragt die Eröffnung eines Konkurs- oder sonstigen Insolvenzverfahrens nach geltendem Konkurs-, Vergleichs- oder Insolvenzrecht über das Vermögen der HeidelbergCement AG, der Emittentin oder einer Wesentlichen Tochtergesellschaft der HeidelbergCement AG und dieser Antrag, falls er von Dritten gestellt wird, wird nicht innerhalb von 30 Tagen abgewiesen oder HeidelbergCement AG die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG nimmt eine Übertragung oder Abtretung zu Gunsten ihrer Gläubiger vor; oder
- (g) *Verletzung der Verpflichtungen gegenüber den Gläubigern bei Kontrollwechsel.* die Emittentin unterlässt die ordnungsgemäße Erfüllung ihrer Verpflichtungen nach § 5 Absatz 3 im Fall eines Kontrollwechsels; oder
- (h) *Gläubigerschutz, Vergleich, Aufschub.* Die Emittentin begibt sich in ein Gläubigerschutzverfahren (*gestion contrôlée*) oder ein gerichtlicher Zwangsvergleich (*condordat préventif de faillite*) oder ein Zahlungsaufschub (*sursis de paiement*) werden hinsichtlich der Emittentin beantragt; oder
- (i) *Hundertprozentige Tochtergesellschaft.* die Emittentin ist nicht mehr hundertprozentige, direkt oder indirekt beherrschte Tochtergesellschaft der HeidelbergCement AG; oder
- (j) *Garantie.* die Garantie gilt aus irgendeinem Grund nicht mehr;]

dann ist jeder Gläubiger berechtigt, seine Schuldverschreibungen durch Mitteilung in Textform (z.B. eMail oder Fax) oder in schriftlicher Form an die Emittentin bei der bezeichneten Geschäftsstelle der Emissionsstelle für fällig und zahlbar zu erklären, woraufhin diese Schuldverschreibungen mit Eingang dieser Kündigungsmittteilung bei der Emissionsstelle zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen fällig und zahlbar werden, und zwar ohne Vorlage, Sicht, Protest oder sonstige wie auch immer geartete Mitteilung.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

**"Wesentliche Tochtergesellschaft"** bezeichnet eine voll konsolidierte Tochtergesellschaft der HeidelbergCement AG, (i) deren Nettoumsatz gemäß ihres geprüften, nicht konsolidierten Jahresabschlusses (bzw. wenn die betreffende Tochtergesellschaft selbst konsolidierte Jahresabschlüsse erstellt, deren konsolidierter Umsatz gemäß ihres geprüften, konsolidierten Jahresabschlusses) (bereinigt um Umsätze innerhalb des HeidelbergCement-Konzerns), der für die Zwecke des letzten geprüften Konzernabschlusses der HeidelbergCement AG benutzt wurde, mindestens fünf Prozent des Gesamtumsatzes der HeidelbergCement AG und deren Konzerntochtergesellschaften auf konsolidierter

Basis betragen hat, wie aus dem geprüften, Konzernabschluss der HeidelbergCement AG ersichtlich oder (ii) deren Bilanzsumme gemäß ihrem geprüften, nicht konsolidierten Jahresabschluss (oder wenn die betreffende Konzerntochtergesellschaft selbst konsolidierte Abschlüsse erstellt, deren konsolidierte Bilanzsumme gemäß ihrem konsolidierten, geprüften Jahresabschluss) (bereinigt um Umsätze innerhalb des HeidelbergCement-Konzerns), der für die Zwecke des letzten geprüften, Konzernabschlusses benutzt wurde, mindestens fünf Prozent der konsolidierten Bilanzsumme der HeidelbergCement AG und ihrer konsolidierten Tochtergesellschaften betragen hat, wie aus dem geprüften Konzernabschluss der HeidelbergCement AG ersichtlich. Ein Bericht der Wirtschaftsprüfer der HeidelbergCement AG darüber, ob ihrer Meinung nach eine konsolidierte Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.

(2) *Benachrichtigung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß Absatz 1 ("**Kündigungserklärung**"), ist entweder (a) in Textform (z.B. eMail oder Fax) oder schriftlich in deutscher oder englischer Sprache zusammen mit dem Nachweis in Form einer Bescheinigung der Depotbank (wie in § 15 Absatz [3] definiert) oder in einer anderen geeigneten Weise, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung ein Gläubiger der betreffenden Schuldverschreibung ist, an die bezeichnete Geschäftsstelle der Emissionsstelle zu schicken oder (b) bei seiner Depotbank zur Weiterleitung an die Emittentin über das Clearing System zu erklären.

(3) *Quorum.* In den Fällen gemäß Absatz 1 (a), (b), (c), (e), (g) [(h), (i), und/oder (j)] wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in Absatz 1 (d) und (f) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10% des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

## § 10

### **ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER, ÄNDERUNG DER GARANTIE**

(1) *Änderung der Anleihebedingungen.* Die Gläubiger können entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz - "**SchVG**") durch einen Beschluß mit der in Absatz 2 bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluß der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn, die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

(2) *Mehrheitserfordernisse.* Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen nicht geändert wird und die keinen Gegenstand der § 5 (3) Nr. 1 bis Nr. 8 des SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.

(3) *Beschlüsse der Gläubiger.* Beschlüsse der Gläubiger werden nach Wahl der Emittentin im Wege der Abstimmung ohne Versammlung nach § 18 SchVG oder einer Gläubigerversammlung nach § 9 SchVG gefasst.

(4) *Leitung der Abstimmung.* Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der gemeinsame Vertreter zur Abstimmung aufgefordert hat, vom gemeinsamen Vertreter geleitet.

(5) *Stimmrecht.* An Abstimmungen der Gläubiger nimmt jeder Gläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.

(6) *Gemeinsamer Vertreter.*

Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, ist folgendes anwendbar

[Die Gläubiger können durch Mehrheitsbeschluß zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger bestellen.]

Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, ist folgendes anwendbar

[Gemeinsamer Vertreter ist **[Gemeinsamer Vertreter]**. Die Haftung des gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.]

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluß eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn der Mehrheitsbeschluß sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.

Im Fall von HC Finance Lux begebenen Schuldverschreibungen ist folgendes anwendbar:

[(7) *Änderung der Garantie*. Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen finden sinngemäß auf die Bestimmungen der Garantie Anwendung.]

## § 11 ERSETZUNG

Im Fall von Schuldverschreibungen, die von der HeidelbergCement AG begeben werden, ist folgendes anwendbar

[(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger ein mit ihr verbundenes Unternehmen (wie nachfolgend definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:]

Im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar

[(1) *Ersetzung*. Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger entweder die HeidelbergCement AG oder ein mit ihr verbundenes Unternehmen (wie nachfolgend definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:]

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die HeidelbergCement AG (soweit HeidelbergCement AG nicht selbst die Nachfolgeschuldnerin ist) unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, wobei diese unwiderrufliche und unbedingte Garantie nach ihren Bedingungen marktüblichen Standards zu entsprechen hat (und darauf die oben in § 10 aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen sinngemäß Anwendung finden) (die "**Nachfolgegarantie**");
- (c) die Nachfolgeschuldnerin, die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes**

**anwendbar:** und die Garantin (soweit die Garantin nicht die Nachfolgeschuldnerin ist)] alle staatlichen und behördlichen Genehmigungen und Zustimmungen erhalten haben, die für die Ersetzung und, ggf. für die Ausgabe einer Nachfolgearantie durch die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] erforderlich sind, und dass die Nachfolgeschuldnerin alle staatlichen und behördlichen Genehmigungen und Zustimmungen erhalten hat, die für die Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen erforderlich sind, und dass diese Genehmigungen und Zustimmungen rechtskräftig und wirksam sind und dass die von der Nachfolgeschuldnerin in Bezug auf die Schuldverschreibungen und die von der Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. Garantin] unter der Nachfolgearantie übernommenen Verpflichtungen jeweils wirksame und gemäß ihren jeweiligen Bedingungen verbindliche Verpflichtungen darstellen, die von jedem Gläubiger durchgesetzt werden können;

- (d) die Nachfolgeschuldnerin berechtigt ist, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin, die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** oder die Garantin (soweit die Garantin nicht die Nachfolgeschuldnerin ist)] ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;
- (e) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden; und
- (f) die Emittentin eine Bestätigung bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten bei einer dafür beauftragten Stelle verfügbar macht, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c), (d) und (e) erfüllt wurden.

Für die Zwecke dieses § 11 bedeutet "**verbundenes Unternehmen**" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:**, einschließlich der Garantin].

(2) *Änderung von Bezugnahmen.* Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des Weiteren gilt im Fall einer Ersetzung folgendes:

- [(a) in § 8 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);
- (b) in § 9 Absatz 1 (a) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin) und die nachstehenden Ereignisse gelten als zusätzliche Kündigungsgründe im Sinne des § 9:
  - (i) die Emittentin ist nicht mehr hundertprozentige, direkt oder indirekt beherrschte Tochtergesellschaft der HeidelbergCement AG; oder
  - (ii) die Garantie aus irgendeinem Grund nicht mehr gilt.]

**Im Fall von Schuldverschreibungen, die von der HeidelbergCement AG begeben werden, ist folgendes anwendbar**

Im Fall von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar

[In § 8 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf das Großherzogtum Luxemburg als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat).]

§ 9 Absatz 1 gilt dergestalt als ergänzt, dass der Wegfall der Wirksamkeit, Rechtsverbindlichkeit oder Durchsetzbarkeit der Nachfolgarantie gegen die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** und gegen die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist) jeden Gläubiger zur Kündigung seiner Schuldverschreibungen berechtigt und er deren Rückzahlung zu ihrem Nennbetrag zuzüglich (etwaiger) aufgelaufener Zinsen bis zum Tage der Rückzahlung verlangen kann.

(3) *Weitere Ersetzung.* Nach einer Ersetzung gemäß vorstehendem Absatz 1 ist die Nachfolgeschuldnerin jederzeit berechtigt, ohne Zustimmung der Gläubiger eine weitere Ersetzung durchzuführen, mit der Maßgabe, dass alle in den vorstehenden Absätzen 1 und 2 enthaltenen Bestimmungen entsprechend Anwendung finden und Bezugnahmen in diesen Anleihebedingungen auf die Emittentin, wo der Zusammenhang dies erfordert, ohne Einschränkung als Bezugnahmen auf die weitere Nachfolgeschuldnerin gelten oder diese einschließen.

## § 12 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt.

## § 13 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN UND ANKAUF

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Begebungstages, des anfänglichen Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach ihrer Wahl von ihr gehalten, weiterverkauft oder bei einer Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

## § 14 MITTEILUNGEN

Im Fall von Schuldverschreibungen, die an der Luxemburger Börse notiert werden, ist folgendes anwendbar

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet Absatz 1 Anwendung. Falls die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige

Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar

[[1)] *Mitteilungen an das Clearing System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

[(3)] *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. eMail oder Fax) oder schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 15 Absatz 3 an die Emissionsstelle geschickt werden. Eine solche Mitteilung kann über das Clearing System in der von der Emissionsstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

## § 15

### SCHLUSSBESTIMMUNGEN

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

Bei von HC Finance Lux begebenen Schuldverschreibungen ist folgendes anwendbar

[Artikel 86 bis 94-8 des Luxemburger Handelsgesellschaftengesetzes vom 10. August 1915 (*Loi du 10 aout 1915 concernant les sociétés commerciales*), in der jeweiligen Fassung, sind ausdrücklich ausgeschlossen in Bezug auf Schuldverschreibungen, die durch HeidelbergCement Finance Luxembourg S.A. begeben werden.]

(2) *Gerichtsstand.* Nicht-ausschliesslicher Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Heidelberg.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] Partei sind, seine Rechte aus diesen Schuldverschreibungen in eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

Bei von HC Finance Lux begebenen Schuldverschreibungen ist folgendes anwendbar

[(4)] *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten hat die Emittentin HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Bundesrepublik Deutschland zu ihrem Zustellungsbevollmächtigten in Deutschland bestellt.]



**§ 16  
SPRACHE**

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

**Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Text soll bindend und maßgeblich sein. Die englische Übersetzung ist unverbindlich.]

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, ist folgendes anwendbar**

[Diese Anleihebedingungen sind in englischer Sprache abgefasst und mit einer Übersetzung in die deutsche Sprache versehen. Der englische Text soll bindend und maßgeblich sein. Die deutsche Übersetzung ist unverbindlich.]

## OPTION II – Anleihebedingungen für Schuldverschreibungen mit variabler Verzinsung

### Die Anleihebedingungen der Schuldverschreibungen

#### (Deutsche Fassung)

#### § 1

#### WÄHRUNG, STÜCKELUNG, FORM UND EIGENTUMSRECHT, DEFINITIONEN

(1) *Währung und Stückelung.* Diese Serie von Schuldverschreibungen der [HeidelbergCement AG] [HeidelbergCement Finance Luxembourg S.A.] (die "**Emittentin**") wird in [**festgelegte Währung**] (die "**festgelegte Währung**") im Gesamtnennbetrag von [**Falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:** (vorbehaltlich § 1 Absatz 4)] [**Gesamtnennbetrag**] (in Worten: [**Gesamtnennbetrag in Worten**]) am [**Begebungstag**] (der "**Begebungstag**") in einer Stückelung von [**festgelegte Stückelung**] (die "**festgelegte Stückelung**") begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in § 6 definiert) zu liefern.

(4) *Clearing System.* Jede Schuldverschreibungen verbrieftende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "**Clearing System**" bedeutet folgendes: [Clearstream Banking AG, Neue Börsenstr. 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")] [Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Großherzogtum Luxemburg ("**CBL**") und Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brüssel, Belgien ("**Euroclear**"), (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")] sowie jeder Funktionsnachfolger.

Im Fall von  
Schuldverschreibungen,  
die im  
Namen der ICSDs

[Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

verwahrt werden,  
und die  
Globalurkunde  
eine NGN ist, ist  
folgendes  
anwendbar

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.]

**[Falls die vorläufige Globalurkunde eine NGN ist, ist folgendes anwendbar:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen werden.]

Im Fall von  
Schuldverschrei-  
bungen, die im  
Namen der ICSDs  
verwahrt werden,  
und die  
Globalurkunde  
eine CGN ist, ist  
folgendes  
anwendbar

[Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Schuldverschreibungen.

(6) *In Bezug genommene Bedingungen.* Die Bestimmungen gemäß Schedule 5 des geänderten und neu gefassten Agency Agreement vom 03. April 2019 zwischen HeidelbergCement AG, HeidelbergCement Finance Luxembourg S.A. und Deutsche Bank Aktiengesellschaft (einsehbar unter [www.bourse.lu](http://www.bourse.lu)), die überwiegend das für Gläubigerversammlungen oder Abstimmungen der Gläubiger ohne Versammlung zu wählende Verfahren betreffen, sind in vollem Umfang durch diese Anleihebedingungen in Bezug genommen.

## § 2

### STATUS, NEGATIVVERPFLICHTUNG UND GARANTIE

(1) *Status.* Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander und (mit Ausnahme bestimmter kraft Gesetzes vorrangiger Verbindlichkeiten) mit allen anderen jeweils ausstehenden, nicht besicherten Verbindlichkeiten der Emittentin (nachrangige Verbindlichkeiten ausgenommen) gleichrangig sind.

Im Fall von  
Schuldverschrei-  
bungen, die von  
HeidelbergCement  
AG begeben  
werden, ist  
folgendes  
anwendbar

[(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich und stellt im Hinblick auf ihre Tochterunternehmen sicher, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen dinglichen Sicherungsrechte (jedes solches Sicherungsrecht ein "**Sicherungsrecht**") in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von der

Emittentin oder von eines ihrer Tochterunternehmen gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, und ihre Tochterunternehmen zu veranlassen, keine solchen Sicherungsrechte zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht]

Im Fall von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar

[(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen dinglichen Sicherungsrechte (jedes solches Sicherungsrecht ein "**Sicherungsrecht**") in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von der Emittentin gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht]

[(a)] für zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Emittentin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird[.].]

Im Fall von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar

[(b)] für Sicherungsrechte, die einem Tochterunternehmen der Emittentin an Forderungen bestellt werden, die ihm aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten in der Form von Wandelschuldverschreibungen erzielten Erlösen gegen die Emittentin zustehen, sofern solche Sicherheiten der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten des betreffenden Tochterunternehmens dienen.]

Im Fall von Schuldverschreibungen, die von, HC Finance Lux begeben werden, ist folgendes anwendbar

[(3) *Garantie.* HeidelbergCement AG (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die pünktliche Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen. Darüber hinaus hat sich HeidelbergCement AG in dieser Garantie verpflichtet (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, kein Sicherungsrecht in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von HeidelbergCement AG oder von eines ihrer Tochterunternehmen gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, und ihre Tochterunternehmen zu veranlassen, keine solchen Sicherungsrechte zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten

Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht

- (i) für zum Zeitpunkt des Erwerbs von Vermögenswerten durch HeidelbergCement AG bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird;
- (ii) für Sicherungsrechte, die einem Tochterunternehmen der HeidelbergCement AG an Forderungen bestellt werden, die ihm aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten in der Form von Wandelschuldverschreibungen erzielten Erlösen gegen HeidelbergCement AG zustehen, sofern solche Sicherheiten der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten des betreffenden Tochterunternehmens dienen.

Die Garantie einschließlich der Verpflichtungserklärung stellt einen Vertrag zu Gunsten jedes Gläubigers als begünstigtem Dritten gemäß § 328 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung aus der Garantie unmittelbar von HeidelbergCement AG zu verlangen und die Garantie unmittelbar gegen HeidelbergCement AG durchzusetzen. Kopien der Garantie sind kostenlos bei der Hauptgeschäftsstelle der HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg und bei der bezeichneten Geschäftsstelle der Emissionsstelle, die in § 7 genannt ist, erhältlich.]

[(4)] *Zusätzliche Garantien.* HeidelbergCement AG hat sich verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für den Fall, dass ein Relevantes Tochterunternehmen (mit Ausnahme einer Finanzierungsgesellschaft) eine Kapitalmarktverbindlichkeit eingeht oder eine Garantie für Kapitalmarktverbindlichkeiten der HeidelbergCement AG oder eines Relevanten Tochterunternehmens gewährt, oder solche anderweitig garantiert sicherzustellen, dass dieses Relevante Tochterunternehmen den Gläubigern eine entsprechende und gleichrangige unmittelbare und unbedingte Garantie für alle unter den Schuldverschreibungen zu zahlenden Beträge gewährt (eine "**Zusätzliche Garantie**"). Dies gilt nicht für den Fall der Eingehung von Kapitalmarktverbindlichkeiten durch Relevante Tochterunternehmen, (i) bei denen es sich um Gemeinschaftsunternehmen handelt, deren Sitz und wesentliche Geschäftstätigkeit außerhalb der Vereinigten Staaten von Amerika oder einem Mitgliedsstaat der Europäischen Union liegt, und (ii) bei denen gemeinsam keine Kapitalmarktverbindlichkeiten im Gesamtnennbetrag von mehr als € 500.000.000 ausstehen. Jede Zusätzliche Garantie soll nach ihren Bedingungen marktüblichen Standards entsprechen, wobei die Zusätzliche Garantie vorsehen kann, dass sie wegfällt, wenn und sobald die von dem Relevanten Tochterunternehmen garantierte Kapitalmarktverbindlichkeit oder von ihr übernommene Kapitalmarktverbindlichkeit vollständig erfüllt ist. HeidelbergCement AG wird die Gläubiger über eine solche Zusätzliche Garantie entsprechend § 14 informieren. Sie wird die Zusätzliche Garantie auf ihrer Internetseite veröffentlichen und der Emissionsstelle in beglaubigter Abschrift zur Verfügung stellen.

[(5)] *Definitionen.* Für Zwecke dieser Anleihebedingungen bedeutet "**Kapitalmarktverbindlichkeit**" jede Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die entweder durch (i) einen deutschem Recht unterliegenden Schuldschein oder durch (ii) Schuldverschreibungen, Anleihen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können, verbrieft, verkörpert oder dokumentiert sind.

"**Relevantes Tochterunternehmen**" ist jedes voll konsolidierte Tochterunternehmen der HeidelbergCement AG, jedoch – für die Zwecke dieses § 2 allein – ausgenommen solche Tochterunternehmen, deren Eigenkapital/Wertpapiere

jedweder Art (außer oder zusätzlich zu Wandelschuldverschreibungen oder ähnliche Wertpapiere mit Beteiligungscharakter) an einer geregelten Börse gelistet sind oder gehandelt werden.

"**Finanzierungsgesellschaft**" im Sinne dieses § 2 bedeutet jedes unmittelbare und mittelbare Tochterunternehmen der HeidelbergCement AG, dessen alleinige Aufgabe darin besteht, Fremdkapital für den Konzern der HeidelbergCement AG aufzunehmen und die weder wesentliche Vermögenswerte (mit Ausnahme von Forderungen aus Darlehen gegen andere Gesellschaften des Konzerns und Bankguthaben) hat noch Beteiligungen an anderen Unternehmen hält.

### § 3 ZINSEN

(1) *Zinszahlungstage*. Die Schuldverschreibungen werden in Höhe ihres Gesamtenbetrages ab dem **[Verzinsungsbeginn]** (der "**Verzinsungsbeginn**") (einschließlich) bis zum Fälligkeitstag (wie in § 4 definiert) (ausschließlich) verzinst. Die Zinsen sind an jedem Zinszahlungstag zahlbar.

"**Zinszahlungstag**" in diesem Sinne ist

Bei festgelegten Zinszahlungstagen ist folgendes anwendbar

[jeweils **[festgelegte Zinszahlungstage]**]

Bei festgelegten Zinsperioden ist folgendes anwendbar

[jeweils der Tag, der **[Zahl]** **[Wochen]** **[Monate]** nach dem vorausgehenden Zinszahlungstag liegt oder, im Falle des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.]

Falls (x) es keinen entsprechend korrespondierenden Tag in dem Kalendermonat gibt, in welchem ein Zinszahlungstag fallen sollte, oder (y) ein Zinszahlungstag auf einen Tag fällt, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag:

Im Fall der modifizierten folgender Geschäftstag-Konvention ist folgendes anwendbar

[auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

Im Fall der FRN (*Floating Rate Note* – variable verzinsliche Schuldverschreibung)-Konvention ist folgendes anwendbar

[im Falle von (x) oben, der letzte Geschäftstag im jeweiligen Monat und die Bestimmungen von (B) unten gelten entsprechend, und im Falle von (y) oben wird der Zinszahlungstag auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (A) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (B) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[[Zahl] Monate]** **[andere festgelegte Periode(n) einfügen]** nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.]

Im Fall der folgender Geschäftstag-Konvention ist folgendes anwendbar

[auf den nächstfolgenden Geschäftstag verschoben.]

In diesen Anleihebedingungen bezeichnet "**Geschäftstag**" einen Tag

Bei nicht auf Euro lautenden Schuldverschreibungen, ist folgendes anwendbar

[(außer einem Samstag oder Sonntag), an dem Geschäftsbanken allgemein für Geschäfte in **[relevante(s) Finanzzentrum(en)]** geöffnet sind und Devisenmärkte Zahlungen in **[relevantes Finanzzentrum(en)]** abwickeln][.][und]

Im Fall, dass das Clearingsystem und TARGET offen sein sollen, ist folgendes anwendbar

Falls der Referenzsatz der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist, ist folgendes anwendbar

[, an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") offen sind, um Zahlungen abzuwickeln.]

[(2) *Zinssatz*. Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie nachstehend definiert) wird, sofern nachstehend nichts Abweichendes bestimmt wird durch die Berechnungsstelle bestimmt und ist der Referenzsatz (wie nachstehend definiert) [[zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)]. Der anwendbare Referenzsatz ist der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um 11.00 Uhr (Brüsseler Ortszeit) angezeigte Satz.

"**Referenzsatz**" bezeichnet den Angebotssatz, (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode (EURIBOR).

"**Zinsperiode**" bezeichnet den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich). "**Zinsfestlegungstag**" bezeichnet den zweiten TARGET-Geschäftstag vor Beginn der jeweiligen Zinsperiode. "**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") offen sind, um Zahlungen abzuwickeln.

[Die "**Marge**" beträgt [ ] Prozent *per annum*.]

"**Bildschirmseite**" bedeutet Reuters Bildschirmseite EURIBOR01 oder jede Nachfolgesseite.

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz für den Referenzsatz angezeigt und vorausgesetzt, dass kein Ersatzrate-Ereignis gemäß §3(9) eingetreten ist, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Banken im Interbanken-Markt in der Euro-Zone um ca. 11.00 Uhr (Brüsseler Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffenden Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze [[zuzüglich] [abzüglich] der Marge], wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste Tausendstel Prozent, wobei 0,0005 aufgerundet wird) der Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Interbanken-Markt in der Euro-Zone der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um ca. 11.00 Uhr (Brüsseler Ortszeit) am betreffenden Zinsfestlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Europäischen Banken anbieten [[zuzüglich] [abzüglich] der Marge].]

"**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992), den

Amsterdamer Vertrag vom 2. Oktober 1997 und den Vertrag von Lissabon vom 13. Dezember 2007, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.

"**repräsentativer Betrag**" bedeutet ein Betrag, der zu der jeweiligen Zeit in dem jeweiligen Markt für eine einzelne Transaktion repräsentativ ist.

"**Referenzbanken**" bezeichnet vier Großbanken im Interbanken-Markt in der Euro-Zone.

Falls der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes (2) ermittelt werden kann, ist der Zinssatz für diese Zinsperiode der Angebotssatz auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem dieser Angebotssatz angezeigt wurde **[[zuzüglich] [abzüglich] der Marge (wie vorstehend definiert)]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.]

Falls der Referenzsatz der Angebotssatz für Einlagen in der festgelegten Währung LIBOR ist, ist folgendes anwendbar

**[(2) Zinssatz.** Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie nachstehend definiert) wird, sofern nachstehend nichts Abweichendes bestimmt wird, durch die Berechnungsstelle bestimmt und ist der Referenzsatz (wie nachstehend definiert) **[[zuzüglich] [abzüglich] der Marge (wie nachstehend definiert)]**. Der anwendbare Referenzsatz ist der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um 11.00 Uhr (Londoner Ortszeit) angezeigte Satz.

"**Referenzsatz**" bezeichnet den Angebotssatz, (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode (LIBOR).

"**Zinsperiode**" bezeichnet den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich). "**Zinsfestlegungstag**" bezeichnet den **[ersten] [zweiten] [relevante(s) Finanzzentrum(en)]** Geschäftstag **[vor Beginn]** der jeweiligen Zinsperiode. "**[relevante(s) Finanzzentrum(en)] Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[relevante(s) Finanzzentrum(en)]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.

[Die "**Marge**" beträgt **[·] % per annum.**]

"**Bildschirmseite**" bedeutet Reuters Bildschirmseite **[LIBOR01][LIBOR02]** oder jede Nachfolgesite.

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Angebotssatz für den Referenzsatz angezeigt und vorausgesetzt, dass kein Ersatzrate-Ereignis gemäß §3(9) eingetreten ist, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Banken im Londoner Interbanken-Markt um ca. 11.00 Uhr (Londoner Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffenden Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) dieser Angebotssätze **[[zuzüglich] [abzüglich] der Marge]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) der Angebotssätze ermittelt, die von der Berechnungsstelle in angemessener Sorgfalt ausgewählte Großbanken im Londoner Interbanken-Markt



der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um ca. 11.00 Uhr (Londoner Ortszeit) an dem betreffenden Zinsfestlegungstag Darlehen in der festgelegten Währung für die betreffende Zinsperiode und über einen repräsentativen Betrag gegenüber führenden Europäischen Banken anbieten **[[zuzüglich] [abzüglich] der Marge]**.

**"repräsentativer Betrag"** bedeutet ein Betrag, der zu der jeweiligen Zeit in dem jeweiligen Markt für eine einzelne Transaktion repräsentativ ist.

**"Referenzbanken"** bezeichnet vier Großbanken im Londoner Interbanken-Markt.

Falls der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes (2) ermittelt werden kann, ist der Zinssatz für diese Zinsperiode der Angebotsatz auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem dieser Angebotsatz angezeigt wurde **[[zuzüglich] [abzüglich] der Marge (wie vorstehend definiert)]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.]

(3) *Zinsbetrag.* Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den zahlbaren Zinsbetrag in Bezug auf die festgelegte Stückelung (der **"Zinsbetrag"**) für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf die festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

(4) *Mitteilung von Zinssatz und Zinsbetrag.* Die Berechnungsstelle wird veranlassen, dass der für die jeweilige Zinsperiode geltende Zinssatz, Zinsbetrag und Zinszahlungstag der Emittentin[, der Garantin,] der Emissionsstelle und jeder zusätzlichen Zahlstelle sowie den Gläubigern gemäß § 14 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[TARGET] [Londoner] [relevante(s) Finanzzentrum(en)]** Geschäftstag (wie in § 3 Absatz 2) definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert werden und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode, mitgeteilt werden. Im Falle einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden, ohne dass diesbezüglich eine Mitteilung erforderlich ist. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert werden, sowie den oben aufgeführten Personen gemäß § 14 mitgeteilt.

(5) *Verbindlichkeit der Festsetzungen.* Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Garantin, die Emissionsstelle und die Gläubiger bindend.

(6) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Gesamtnennbetrages der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen<sup>(1)</sup>.]

(7) *Zinstagequotient.* **"Zinstagequotient"** bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der **"Zinsberechnungszeitraum"**):

Im Fall von

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch

<sup>(1)</sup> Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Absatz 1 BGB.

Actual/365 (Fixed)  
ist folgendes  
anwendbar

365.]

Im Fall von  
Actual/365  
(Sterling) ist  
folgendes  
anwendbar

[die tatsächliche Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch 365 oder – im Falle eines in ein Schaltjahr fallenden Zinszahlungstages – geteilt durch 366;]

Im Fall von  
Actual/360 ist  
folgendes  
anwendbar

[die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

Im Fall der  
Anpassung des  
Zinssatzes ist  
folgendes  
anwendbar

[(8) *Anpassung des Zinssatzes.*

(a) Die auf die Schuldverschreibungen für die jeweiligen Zinsperioden jeweils zu zahlenden Zinssätze werden von Zeit zu Zeit im Fall einer Zinserhöhenden Ratingänderung oder einer Zinssenkenden Ratingänderung (jeweils wie nachstehend definiert) folgendermaßen angepasst:

- (i) vorbehaltlich der nachstehenden Absätze (b) und (c), werden die jeweiligen Zinssätze für die jeweiligen Zinsperioden jeweils um **[●]**% *per annum* mit Wirkung vom ersten Zinszahlungstag (einschließlich) am oder nach dem Tag einer solchen Zinserhöhenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie nachstehend definiert) (vorbehaltlich der Regelungen im nachstehenden Absatz (ii)) erhöht, falls eine Ratingagentur die Herunterstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin unter BBB- (S&P und Fitch) und/oder Baa3 (Moody's), beziehungsweise eines entsprechenden Werts im Fall ihrer jeweiligen Nachfolgeunternehmen oder einer anderen beauftragten Ratingagentur, öffentlich bekannt macht (eine "**Zinserhöhende Ratingänderung**");
- (ii) vorbehaltlich der nachstehenden Absätze (b) und (c), werden die jeweiligen Zinssätze für die jeweiligen Zinsperioden mit Wirkung vom ersten Zinszahlungstag (einschließlich) am oder nach dem Tag einer solchen Zinssenkenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie nachstehend definiert) nicht mehr gemäß Absatz (i) um jeweils **[●]**% *per annum* erhöht, falls nach einer Zinserhöhenden Ratingänderung eine Ratingagentur die Heraufstufung des Ratings der langfristigen erstrangigen unbesicherten Verbindlichkeiten der Emittentin öffentlich bekannt macht, so dass das Rating BBB- (S&P und Fitch) und/oder Baa3 (Moody's), beziehungsweise eines entsprechenden Werts im Fall ihrer jeweiligen Nachfolgeunternehmen oder einer anderen beauftragten Ratingagentur, oder höher ist (eine "**Zinssenkende Ratingänderung**");

falls mehr als eine Ratingagentur von oder im Namen der Emittentin beauftragt wurde, gilt das niedrigere Rating als maßgeblich für die Zwecke von (i) und (ii) oben.

"**Ratingagentur / Ratingagenturen**" ist / sind jede der Ratingagentur(en) von S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Services Limited ("**Moody's**") und Fitch Rating, Inc. ("**Fitch**") und ihre jeweiligen Nachfolgeunternehmen sowie jede andere Ratingagentur von internationalem Rang, die von oder im Namen der Emittentin beauftragt worden ist.

- (b) Falls eine Zinserhöhende Ratingänderung und danach eine Zinssenkende Ratingänderung während derselben Zinsperiode eintreten, wird der auf die Schuldverschreibungen zu zahlende jeweilige Zinssatz infolge dieses Ereignisses weder erhöht noch gesenkt.
- (c) Soweit mehrere Zinserhöhende oder Zinssenkende Ratingveränderungen eintreten, führen jeweils nur der erste Eintritt einer Zinserhöhenden

Ratingänderung und einer Zinssenkenden Ratingänderung zu einer Anpassung der jeweiligen Zinssätze.

- (d) Die Emittentin wird sich nach besten Kräften bemühen, ein Rating für langfristige erstrangige unbesicherte Verbindlichkeiten von einer Ratingagentur zu erhalten. Im Fall, dass kein solches Rating von einer Ratingagentur erteilt wird, handelt es sich um eine Zinserhöhende Ratingänderung infolgedessen sich die auf die Schuldverschreibungen für die jeweiligen Zinsperioden jeweils zu zahlenden Zinssätze mit Wirkung vom ersten Zinszahlungstag (einschließlich) am oder nach dem Tag einer solchen Zinserhöhenden Ratingänderung bis (jedoch ausschließlich) zum Fälligkeitstag (wie nachstehend definiert) jeweils um [●]% *per annum* erhöhen.
- (e) Die Emittentin wird der Emissionsstelle unverzüglich jede Zinserhöhende oder Zinssenkende Ratingänderung mitteilen und veranlassen, dass der Eintritt einer Zinserhöhenden oder Zinssenkenden Ratingänderung unverzüglich nachdem die Emittentin davon Kenntnis erlangt, jedoch spätestens am siebten darauf folgenden Tag, gemäß §14 bekannt gemacht wird.]

(9)(a) *Ersatzrate*. Stellt die Emittentin (in Abstimmung mit der Berechnungsstelle) fest, dass vor oder an einem Zinsfestlegungstag ein Ersatzrate-Ereignis eingetreten ist, wird die Jeweilige Festlegende Stelle (i) die Ersatzrate, (ii) die etwaige Anpassungsspanne und (iii) die Ersatzrate-Anpassungen (wie jeweils in §3(9)(b)(aa) bis (cc) definiert) zur Bestimmung des Zinssatzes für die auf den Zinsfestlegungstag bezogene Zinsperiode und jede nachfolgende Zinsperiode (vorbehaltlich des nachfolgenden Eintretens etwaiger weiterer Ersatzrate-Ereignisse) festlegen und die Emittentin, sofern relevant, und die Berechnungsstelle darüber informieren. Die Anleihebedingungen gelten mit Wirkung ab dem relevanten Zinsfestlegungstag (einschließlich) als durch die Ersatzrate-Anpassungen geändert (einschließlich einer etwaigen Änderung dieses Zinsfestlegungstags, falls die Ersatzrate-Anpassungen dies so bestimmen). Der Zinssatz ist dann die Ersatzrate (wie nachfolgend definiert) angepasst durch die etwaige Anpassungsspanne [[zuzüglich] [abzüglich] der Marge (wie vorstehend definiert)].

Die Emittentin wird den Gläubigern die Ersatzrate, die etwaige Anpassungsspanne und die Ersatzrate-Anpassungen unverzüglich nach einer solchen Festlegung gemäß §14 mitteilen. Darüber hinaus wird die Emittentin [das Clearing System] [die gemeinsame Verwahrstelle im Namen beider ICSDs] auffordern, die Anleihebedingungen zu ergänzen oder zu ändern, um die Ersatzrate-Anpassungen wiederzugeben, indem sie der Globalurkunde die vorgelegten Dokumente in geeigneter Weise beifügt.

(b) *Definitionen*.

- (aa) "**Ersatzrate-Ereignis**" bezeichnet in Bezug auf den Referenzsatz eines der nachfolgenden Ereignisse:
  - (i) der Referenzsatz wurde in den letzten zehn Geschäftstagen vor und bis einschließlich des relevanten Zinsfestlegungstages nicht veröffentlicht; oder
  - (ii) der Eintritt des durch den Administrator des Referenzsatzes öffentlich bekannt gegebenen Tages bzw. des auf Grundlage der öffentlichen Bekanntmachung bestimmbareren Tages, an dem (x) der Administrator die Veröffentlichung des Referenzsatzes dauerhaft oder auf unbestimmte Zeit beendet (wenn kein Nachfolgeadministrator ernannt worden ist, der die Veröffentlichung des Referenzsatzes fortsetzen wird), oder (y) der Referenzsatz dauerhaft oder auf unbestimmte Zeit eingestellt wird; oder
  - (iii) der Eintritt des durch die Aufsichtsbehörde des Administrators des Referenzsatzes, die Zentralbank für die festgelegte Währung, einen Insolvenzbeauftragten mit Zuständigkeit über den Administrator des Referenzsatzes, die Abwicklungsbehörde mit Zuständigkeit über den Administrator des Referenzsatzes, ein Gericht (rechtskräftige Entscheidung) oder eine Organisation mit ähnlicher insolvenz- oder

- abwicklungsrechtlicher Hoheit über den Administrator des Referenzsatzes öffentlich bekannt gegebenen Tages, an dem der Administrator des Referenzsatzes die Bereitstellung des Referenzsatzes dauerhaft oder auf unbestimmte Zeit beendet hat oder beenden wird (wenn kein Nachfolgeadministrator ernannt worden ist, der die Veröffentlichung der Referenzrate fortsetzen wird); oder
- (iv) der Eintritt des durch die Aufsichtsbehörde des Administrators des Referenzsatzes öffentlich bekannt gegebenen Tages bzw. des auf Grundlage der öffentlichen Bekanntmachung bestimmbar Tages, von dem an die Nutzung des Referenzsatzes allgemein verboten ist; oder
- (v) der Eintritt des durch den Administrator des Referenzsatzes öffentlich bekannt gegebenen Tages bzw. des auf Grundlage der öffentlichen Bekanntmachung bestimmbar Tages, materiellen Änderung der Methode mittels derer der Referenzsatz festgelegt wird; oder
- (vi) die Veröffentlichung einer Mitteilung durch die Emittentin gemäß § 14(1), dass die Verwendung des Referenzsatzes zur Berechnung des Zinssatzes für die Emittentin, die Berechnungsstelle oder eine Zahlstelle rechtswidrig geworden ist; oder
- (bb) **"Ersatzrate"** bezeichnet eine öffentlich verfügbare Austausch-, Nachfolge-, Alternativ- oder andere Rate, welche entwickelt wurde, um durch Finanzinstrumente oder –kontrakte, einschließlich der Schuldverschreibungen, in Bezug genommen zu werden, um einen unter solchen Finanzinstrumenten oder –kontrakten zahlbaren Betrag zu bestimmen, einschließlich aber nicht ausschließlich eines Zinsbetrages. Bei der Festlegung der Ersatzrate sind die Relevanten Leitlinien (wie nachstehend definiert) zu berücksichtigen.
- (cc) **"Anpassungsspanne"** bezeichnet die Differenz (positiv oder negativ) oder eine Formel oder Methode zur Bestimmung einer solchen Differenz, welche nach Festlegung der Jeweiligen Festlegenden Stelle auf die Ersatzrate anzuwenden ist, um eine Verlagerung des wirtschaftlichen Wertes zwischen der Emittentin und den Gläubigern, die ohne diese Anpassung infolge der Ersetzung des Referenzsatzes durch die Ersatzrate entstehen würde (einschließlich aber nicht ausschließlich infolgedessen, dass die Ersatzrate eine risikofreie Rate ist), soweit sinnvollerweise möglich, zu reduzieren oder auszuschließen. Bei der Festlegung der Anpassungsspanne sind die Relevanten Leitlinien (wie nachstehend definiert) zu berücksichtigen.
- (dd) **"Jeweilige Festlegende Stelle"** bezeichnet
- (i) die Emittentin, wenn die Ersatzrate ihrer Meinung nach offensichtlich ist und als solches ohne vernünftigen Zweifel durch einen Investor, der hinsichtlich der jeweiligen Art von Schuldverschreibungen, wie beispielsweise diese Schuldverschreibungen, sachkundig ist, bestimmbar ist; oder
- (ii) andernfalls ein Unabhängiger Berater (wie nachfolgend definiert), der von der Emittentin zu wirtschaftlich angemessenen Bedingungen unter zumutbaren Bemühungen als ihr Beauftragter für die Vornahme dieser Festlegungen ernannt wird.
- (ee) **"Unabhängiger Berater"** bezeichnet ein unabhängiges, international angesehenes Finanzinstitut oder einen anderen unabhängigen Finanzberater mit anerkanntem Ruf und angemessener Fachkenntnis.
- (ff) **"Relevante Leitlinien"** bezeichnet (i) jede auf die Emittentin oder die Schuldverschreibungen anwendbare gesetzliche oder aufsichtsrechtliche Anforderung, oder, wenn es keine gibt, (ii) jede anwendbare Anforderung, Empfehlung oder Leitlinie der Relevanten Nominierungsstelle oder, wenn es keine gibt, (iii) jede relevante Empfehlung oder Leitlinie von Branchenvereinigungen (einschließlich ISDA), oder wenn es keine gibt, (iv) jede relevante Marktpraxis.

- (gg) "**Relevante Nominierungsstelle**" bezeichnet
- (i) die Zentralbank für die festgelegte Währung oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht über den Referenzsatz oder den Administrator des Referenzsatzes zuständig ist; oder
  - (ii) jede Arbeitsgruppe oder jeder Ausschuss, befürwortet, unterstützt oder einberufen durch oder unter dem Vorsitz von bzw. mitgeleitet durch (w) die Zentralbank für die festgelegte Währung, (x) eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht über den Referenzsatz oder den Administrator des Referenzsatzes zuständig ist, (y) einer Gruppe der zuvor genannten Zentralbanken oder anderen Aufsichtsbehörden oder (z) den Finanzstabilitätsrat (Financial Stability Board) oder einem Teil davon.
- (hh) "**Ersatzrate-Anpassungen**" bezeichnet solche Anpassungen der Anleihebedingungen, die als folgerichtig festgelegt werden, um die Funktion der Ersatzrate zu ermöglichen (wovon unter anderem Anpassungen an der anwendbaren Geschäftstagekonvention, der Definition von Geschäftstag, am Zinsfestlegungstag, am Zinstagequotient oder jeder Methode oder Definition, um die Ersatzrate zu erhalten oder zu berechnen, erfasst sein können). Bei der Festlegung der Ersatzrate-Anpassungen sind die Relevanten Leitlinien (wie vorstehend definiert) zu berücksichtigen.
- (c) *Kündigung*. Können eine Ersatzrate, eine etwaige Anpassungsspanne oder die Ersatzrate-Anpassungen nicht gemäß §3(9)(a) und (b) bestimmt werden, ist der Referenzsatz in Bezug auf den relevanten Zinsfestlegungstag der für die zuletzt vorangehende Zinsperiode bestimmte Referenzsatz. Die Emittentin wird die Berechnungsstelle entsprechend informieren. Infolgedessen kann die Emittentin die Schuldverschreibungen bis zum jeweiligen nachfolgenden Zinsfestlegungstag (ausschließlich) jederzeit insgesamt, jedoch nicht teilweise, mit einer Kündigungsfrist von nicht weniger als 15 Tagen gemäß § 14 gegenüber den Gläubigern vorzeitig kündigen und zu ihrem Rückzahlungsbetrag zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückzahlen.

#### § 4 RÜCKZAHLUNG BEI ENDFÄLLIGKEIT

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag an dem in den **[Rückzahlungsmonat]** fallenden Zinszahlungstag (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Schuldverschreibung (der "**Rückzahlungsbetrag**") entspricht dem Nennbetrag der Schuldverschreibung.

#### § 5 VORZEITIGE RÜCKZAHLUNG

(1) *Ausübung von Kündigungsrechten*. Soweit in diesen Anleihebedingungen sowohl der Emittentin als auch einem Gläubiger ein Wahlrückzahlungsrecht eingeräumt worden ist, steht der betreffenden Partei dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, die bereits aufgrund der Ausübung eines Wahlrechts der jeweils anderen Partei vorzeitig rückzahlbar geworden ist.

[(2) *Vorzeitige Rückzahlung aus Steuergründen*. Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 14 gegenüber den Gläubigern gekündigt werden (wobei diese Kündigung unwiderruflich ist) und an jedem Zinszahlungstag zurückgezahlt werden, falls:

- (a) die Emittentin bei der nächsten fälligen Zahlung auf die Schuldverschreibungen verpflichtet ist oder sein wird, zusätzliche Beträge gemäß § 8 zu zahlen und zwar als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der relevanten Steuerjurisdiktion oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung der Anwendung oder der

Im Falle von Schuldverschreibungen, die von HeidelbergCement AG begeben werden, ist folgendes anwendbar

offiziellen Auslegung dieser Gesetze und Vorschriften, welche Änderung oder Ergänzung bzw. Änderung der Auslegung am oder nach dem Begebungstag wirksam wird, und

- (b) diese Verpflichtung nicht durch vernünftige, der Emittentin zur Verfügung stehende Maßnahmen vermieden werden kann,

wobei eine solche Kündigung nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen darf, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge in Bezug auf die Schuldverschreibungen zu zahlen, falls zu diesem Zeitpunkt eine Zahlung fällig wäre.

Vor Bekanntmachung der Kündigung gemäß diesem § 5 Absatz 2 hat die Emittentin der Emissionsstelle eine Bescheinigung vorzulegen, die von zwei Mitgliedern des Vorstands der Emittentin unterzeichnet ist, und die feststellt, dass die Emittentin zur Kündigung berechtigt ist und die Umstände auflistet, aus denen hervorgeht, dass die Voraussetzungen des Kündigungsrechts der Emittentin vorliegen sowie ein Gutachten anerkannter, unabhängiger Rechtsberater darüber, dass die Emittentin verpflichtet ist oder sein wird, diese zusätzlichen Beträge als Folge einer solchen Änderung oder Ergänzung zu zahlen.

Die gemäß diesem § 5 Absatz 2 gekündigten Schuldverschreibungen werden zu ihrem Rückzahlungsbetrag zurückgezahlt zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.

**"relevante Steuerjurisdiktion"** bezeichnet die Bundesrepublik Deutschland.]

**Im Falle von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar**

[(2) *Vorzeitige Rückzahlung aus Steuergründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 14 gegenüber den Gläubigern gekündigt werden (wobei diese Kündigung unwiderruflich ist) und an jedem Zinszahlungstag zurückgezahlt werden, falls:

- (a) die Emittentin bei der nächsten fälligen Zahlung auf die Schuldverschreibungen verpflichtet ist oder sein wird, zusätzliche Beträge gemäß § 8 zu zahlen oder die Garantin aus nicht in ihrer Macht stehenden Gründen nicht in der Lage ist, für die Zahlung durch die Emittentin zu sorgen und, wenn sie die Zahlung selbst vornimmt, verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, und zwar als Folge einer Änderung oder Ergänzung der Gesetze und Vorschriften der relevanten Steuerjurisdiktion oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, welche Änderung oder Ergänzung bzw. Änderung der Auslegung am oder nach dem Begebungstag wirksam wird, und
- (b) diese Verpflichtung nicht durch vernünftige, der Emittentin oder der Garantin zur Verfügung stehende Maßnahmen vermieden werden kann,

wobei eine solche Kündigung nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen darf, an dem die Emittentin oder die Garantin verpflichtet wäre, solche zusätzlichen Beträge in Bezug auf die Schuldverschreibungen zu zahlen, falls zu diesem Zeitpunkt eine Zahlung fällig wäre.

Vor Bekanntmachung der Kündigung gemäß diesem § 5 Absatz 2 hat die Emittentin der Emissionsstelle eine Bescheinigung vorzulegen, die von zwei Mitgliedern des Vorstands der Emittentin bzw. von zwei Mitgliedern des Vorstands der Garantin unterzeichnet ist, und die feststellt, dass die Emittentin zur Kündigung berechtigt ist und die Umstände auflistet, aus denen hervorgeht, dass die Voraussetzungen des Kündigungsrechts der Emittentin vorliegen sowie ein Gutachten anerkannter, unabhängiger Rechtsberater darüber, dass die Emittentin oder die Garantin verpflichtet ist oder sein wird, diese zusätzlichen Beträge als Folge einer solchen Änderung oder Ergänzung zu zahlen.

Die gemäß diesem § 5 Absatz 2 gekündigten Schuldverschreibungen werden zu ihrem Rückzahlungsbetrag zurückgezahlt zuzüglich bis zum Rückzahlungstag

(ausschließlich) aufgelaufener Zinsen.

**"relevante Steuerjurisdiktion"** bezeichnet die Bundesrepublik Deutschland und das Großherzogtum Luxemburg.]

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zum Rückzahlungsbetrag zurückzuzahlen, ist folgendes anwendbar

[(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

- (a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise am **[Zahl]** Jahre nach dem Verzinsungsbeginn folgenden Zinszahlungstag und danach an jedem darauf folgenden Zinszahlungstag (jeder ein **"Wahl-Rückzahlungstag (Call)"**) zum Rückzahlungsbetrag nebst etwaigen bis zum jeweiligen Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.
- (b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekannt zu geben. Sie beinhaltet die folgenden Angaben:
- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
  - (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen; und
  - (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist]** und nicht mehr als **[Höchstkündigungsfrist]** Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf.
- (c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.]]

Falls der Gläubiger das Wahlrecht hat, die Schuldverschreibungen im Fall eines Kontrollwechsels vorzeitig zu kündigen, ist folgendes anwendbar

[[4)] *Vorzeitige Rückzahlung nach Wahl der Gläubiger im Falle eines Kontrollwechsels.*

- (a) Wenn ein Kontrollwechsel eintritt, hat jeder Gläubiger das Recht, aber nicht die Verpflichtung, von der Emittentin die Rückzahlung der von ihm gehaltenen Schuldverschreibungen zum Vorzeitigen Rückzahlungsbetrag (Put) insgesamt oder teilweise zu verlangen (die **"Rückzahlungsoption"**). Diese Rückzahlungsoption ist gemäß den nachstehenden Bestimmungen auszuüben.

Ein **"Kontrollwechsel"** liegt vor, wenn eines der folgenden Ereignisse eintritt:

- (i) HeidelbergCement AG erlangt Kenntnis davon, dass eine Person oder gemeinsam handelnde Gruppe von Personen im Sinne von § 2 Absatz 5 Wertpapiererwerbs- und Übernahmegesetz (WpÜG) (jeweils ein **"Erwerber"**) der rechtliche oder wirtschaftliche Eigentümer von mehr als 30% der Stimmrechte der HeidelbergCement AG geworden ist; oder
- (ii) die Verschmelzung der HeidelbergCement AG mit einer oder auf eine dritte Person (wie nachfolgend definiert) oder die Verschmelzung einer dritten Person mit oder auf HeidelbergCement AG, oder der Verkauf aller oder im Wesentlichen aller Vermögensgegenstände (konsolidiert betrachtet) der HeidelbergCement AG an eine dritte Person, außer im Zusammenhang mit Rechtsgeschäften, infolge von denen (A) im Falle einer Verschmelzung die Inhaber von 100% der Stimmrechte der HeidelbergCement AG wenigstens die Mehrheit der Stimmrechte an dem überlebenden Rechtsträger unmittelbar nach einer solchen

Verschmelzung halten und (B) im Fall des Verkaufs von allen oder im Wesentlichen allen Vermögensgegenständen der erwerbende Rechtsträger ein Tochterunternehmen der HeidelbergCement AG ist oder wird und Garantin bezüglich der Schuldverschreibungen wird;

**"dritte Person"** im Sinne dieses § 5 Absatz 3(a) (ii) ist jede Person außer ein Tochterunternehmen der HeidelbergCement AG.

**"Vorzeitiger Rückzahlungsbetrag (Put)"** bedeutet für jede Schuldverschreibung 101% des Nennbetrags der Schuldverschreibung, zuzüglich aufgelaufener und nicht gezahlter Zinsen bis zum nachfolgend definierten Rückzahlungstag (ausschließlich).

- (b) Wenn ein Kontrollwechsel eintritt, wird die Emittentin unverzüglich nachdem sie hiervon Kenntnis erlangt den Gläubigern Mitteilung vom Kontrollwechsel gemäß § 14 machen (eine **"Rückzahlungsmitteilung"**), in der die Umstände des Kontrollwechsels sowie das Verfahren für die Ausübung der in diesem § 5 Absatz 3 genannten Rückzahlungsoption angegeben sind.
- (c) Zur Ausübung der Rückzahlungsoption muss der Gläubiger innerhalb eines Zeitraums von 30 Tagen, nachdem die Rückzahlungsmitteilung veröffentlicht wurde (der **"Rückzahlungszeitraum"**), an die bezeichnete Geschäftsstelle der Emissionsstelle eine Mitteilung zur vorzeitigen Rückzahlung in Textform (z.B. eMail oder Fax) oder in schriftlicher Form (**"Ausübungserklärung"**) schicken. Falls die Ausübungserklärung nach 17:00 Uhr Frankfurter Zeit am 30. Tag nach Veröffentlichung der Rückzahlungsmitteilung durch die Emittentin eingeht, ist das Wahlrecht nicht wirksam ausgeübt. Die Ausübungserklärung hat anzugeben: (i) den gesamten Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird [und][,] (ii) die Wertpapierkennnummern dieser Schuldverschreibungen (soweit vergeben) **[Im Fall der Verwahrung der Globalurkunde durch CBF ist folgendes anwendbar:** und (iii) Kontaktdaten sowie eine Kontoverbindung]. Für die Ausübungserklärung kann ein Formblatt, wie es bei der bezeichneten Geschäftsstelle der Emissionsstelle in deutscher und englischer Sprache erhältlich ist und das weitere Hinweise enthält, verwendet werden. Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.]

## § 6 ZAHLUNGEN

- (1) (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in Bezug auf durch eine Globalurkunde verbrieft Schuldverschreibung erfolgen nach Maßgabe des nachstehenden Absatzes 3 an das Clearing System oder dessen Order zur Gutschrift auf die Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und Einreichung der Globalurkunde bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten.
  - (b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 3 an das Clearing System oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearing Systems und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3 (b).
- (2) *Zahlungsweise.* Vorbehaltlich (i) geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften und (ii) eines Einbehalts oder Abzugs aufgrund eines Vertrags wie in Section 1471(b) des U.S. Internal Revenue Code von 1986 (der **"Code"**) beschrieben bzw. anderweit gemäß Section 1471 bis Section 1474 des Code auferlegt, etwaigen aufgrund dessen getroffener Regelungen oder geschlossener Abkommen, etwaiger offizieller Auslegungen davon, oder von Gesetzen zur Umsetzung einer Regierungszusammenarbeit dazu erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der festgelegten Währung.
- (3) *Vereinigte Staaten.* **"Vereinigte Staaten"** bezeichnet die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie



deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet "**Zahltag**" einen Tag, der ein Geschäftstag ist.

(6) *Bezugnahmen auf Zahlungen von Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen sollen, soweit anwendbar, die folgenden Beträge beinhalten: den Rückzahlungsbetrag der Schuldverschreibungen; alle in § 5 genannten Beträge hinsichtlich der Rückzahlung sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge (außer Zinsen).

Bezugnahmen in diesen Anleihebedingungen auf Zinszahlungen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren zusätzlichen Beträge einschließen.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

## § 7

### BEAUFTRAGTE STELLEN

(1) *Ernennung; bezeichnete Geschäftsstellen.* Die anfänglichen beauftragten Stellen und deren bezeichneten Geschäftsstellen lauten wie folgt:

Emissionsstelle und Zahlstelle:	Deutsche Bank Aktiengesellschaft Trust & Agency Services Taunusanlage12 60325 Frankfurt am Main Deutschland
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Berechnungsstelle: **[Name und Geschäftsstelle]**

Jede beauftragte Stelle behält sich das Recht vor, jederzeit ihre bezeichnete Geschäftsstelle durch andere bezeichnete Geschäftsstellen in demselben Land zu ersetzen.

(2) *Abberufung oder Bestellung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung jeder beauftragten Stelle zu beenden oder zusätzliche oder andere beauftragte Stellen zu bestellen. Eine Beendigung der Bestellung, Abberufung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, wo eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 14 vorab unter Einhaltung einer Frist von mindestens 30 und höchstens 45 Tagen informiert wurden.

(3) (a) *Unterhalt einer Emissionsstelle, Zahlstelle und Berechnungsstelle.* Die Emittentin wird zu jedem Zeitpunkt eine Emissionsstelle unterhalten und zusätzlich zu der Emissionsstelle, solange die Schuldverschreibungen am geregelten Markt einer Börse notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle an einem von der betreffenden Börse oder der jeweiligen Aufsichtsbehörde hierfür vorgeschriebenen Ort unterhalten.

Im Fall von  
Zahlungen in US\$  
ist folgendes  
anwendbar

- (b) *Unterhalt einer Berechnungsstelle.* Falls eine Berechnungsstelle anfänglich bestellt wurde, wird die Emittentin zu jedem Zeitpunkt eine Berechnungsstelle unterhalten.
- [(c) *Zahlungen in US\$.* Falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US\$ gesetzwidrig oder tatsächlich ausgeschlossen werden, wird die Emittentin eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten.]
- (4) *Beauftragte der Emittentin.* Jede beauftragte Stelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen einer beauftragten Stelle und den Gläubigern begründet.

## § 8 STEUERN

Alle in Bezug auf die Schuldverschreibungen zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art geleistet, die an der Quelle von oder in der relevanten Steuerjurisdiktion oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der relevanten Steuerjurisdiktion (wie vorstehend in § 5(2) definiert) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "**zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Beträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Abzug oder Einbehalt zahlbar wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder
- (b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der relevanten Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der relevanten Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die relevante Steuerjurisdiktion oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder
- (d) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 14 wirksam wird.

## § 9 KÜNDIGUNG

- (1) *Kündigungsgründe.* Falls eines der nachstehenden Ereignisse (jeweils ein "**Kündigungsgrund**") eintritt oder andauert:
- [(a) *Nichtzahlung von Kapital oder Zinsen.* die Emittentin zahlt einen auf die Schuldverschreibungen zahlbaren Betrag nicht innerhalb von 30 Tagen ab dem betreffenden Fälligkeitsdatum; oder

Im Fall von  
Schuldverschrei-  
bungen, die von  
HeidelbergCement  
AG begeben  
werden, ist

folgendes  
anwendbar

- (b) *Verletzung einer sonstigen Verpflichtung.* die Emittentin erfüllt eine Zusage, Verpflichtung oder sonstige Vereinbarung aus den Schuldverschreibungen nicht oder verstößt gegen eine solche Verpflichtung (mit Ausnahme der Zahlungsverpflichtungen bezüglich der Schuldverschreibungen) und diese Nichterfüllung oder dieser Verstoß dauert mehr als 30 Tage nach dem Zeitpunkt fort, nachdem die Emittentin diesbezüglich gemahnt wurde; oder
- (c) *Drittverzug.* eine Kapitalmarktverbindlichkeit (wie in § 2 definiert) der HeidelbergCement AG oder einer ihrer Wesentlichen Tochtergesellschaften jeweils in Höhe oder im Gegenwert von mehr als € 100.000.000 wird vorzeitig zahlbar aufgrund einer Pflichtverletzung der für diese Kapitalmarktverbindlichkeit geltenden Bedingungen oder HeidelbergCement AG oder eine ihrer Wesentlichen Tochtergesellschaften kommt Zahlungsverpflichtungen in Höhe oder im Gegenwert von mehr als € 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nach, es sei denn HeidelbergCement AG oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass die Zahlungsverpflichtung besteht oder fällig ist bzw. die Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird; oder
- (d) *Liquidation.* ein Gerichtsbeschluss oder ein wirksamer Beschluss über die Liquidation oder Auflösung der Emittentin oder einer der Wesentlichen Tochtergesellschaften der HeidelbergCement AG wird gefasst, es sei denn, dies erfolgt (i) zum Zwecke oder aufgrund einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses mit einer anderen Gesellschaft und diese andere oder neue Gesellschaft übernimmt sämtliche Verpflichtungen der HeidelbergCement AG oder der Wesentlichen Tochtergesellschaften der HeidelbergCement AG im Zusammenhang mit den Schuldverschreibungen, oder (ii) zum Zwecke einer freiwilligen, solventen Auflösung oder Liquidation im Zusammenhang mit der Übertragung sämtlicher oder eines Wesentlichen Teils der Vermögenswerte oder Anteile einer Wesentlichen Tochtergesellschaft auf die HeidelbergCement AG oder eine sonstige Tochtergesellschaft der HeidelbergCement AG; oder
- (e) *Zahlungseinstellung.* (i) HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG stellt ihre Zahlungen ein (gemäß den Bestimmungen des jeweils anwendbaren Konkursrechts) oder (ii) stellt (ausgenommen die Fälle, in denen dies zum Zwecke einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses wie vorstehend unter (d) beschrieben geschieht) ihre Geschäftstätigkeit ein oder droht durch ihr hierfür zuständiges Geschäftsführungsorgan, ihre Geschäftstätigkeit einzustellen oder ist nicht in der Lage, ihren Zahlungsverpflichtungen bei Fälligkeit nachzukommen; oder
- (f) *Insolvenz u.ä.* HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG oder ein Dritter beantragt die Eröffnung eines Konkurs- oder sonstigen Insolvenzverfahrens nach geltendem Konkurs-, Vergleichs- oder Insolvenzrecht über das Vermögen der HeidelbergCement AG oder einer Wesentlichen Tochtergesellschaft der HeidelbergCement AG und dieser Antrag, falls er von Dritten gestellt wird, wird nicht innerhalb von 30 Tagen abgewiesen oder HeidelbergCement AG oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG nimmt eine Übertragung oder Abtretung zu Gunsten ihrer Gläubiger vor; oder
- (g) *Verletzung der Verpflichtungen gegenüber den Gläubigern bei Kontrollwechsel.* die Emittentin unterlässt die ordnungsgemäße Erfüllung ihrer Verpflichtungen nach § 5 Absatz 3 im Fall eines Kontrollwechsels.]

Im Fall von Schuldverschreibungen, die von HC Finance Lux begeben werden, ist folgendes anwendbar

- [(a) *Nichtzahlung von Kapital oder Zinsen.* die Emittentin oder die Garantin, zahlt einen auf die Schuldverschreibungen bzw. auf die Garantie (wie in § 2 definiert) zahlbaren Betrag nicht innerhalb von 30 Tagen ab dem betreffenden Fälligkeitsdatum; oder
- (b) *Verletzung einer sonstigen Verpflichtung.* die Emittentin erfüllt eine Zusage, Verpflichtung oder sonstige Vereinbarung aus den Schuldverschreibungen nicht oder verstößt gegen eine solche Verpflichtung (mit Ausnahme der Zahlungsverpflichtungen bezüglich der Schuldverschreibungen), oder die Garantin erfüllt eine sonstige Verpflichtung aus der Garantie nicht oder verstößt dagegen, und diese Nichterfüllung oder dieser Verstoß dauert mehr als 30 Tage nach dem Zeitpunkt fort, nachdem die Emittentin bzw. die Garantin diesbezüglich gemahnt wurde; oder
- (c) *Drittverzug.* eine Kapitalmarktverbindlichkeit (wie in § 2 definiert) der Emittentin oder der HeidelbergCement AG oder einer ihrer Wesentlichen Tochtergesellschaften jeweils in Höhe oder im Gegenwert von mehr als € 100.000.000 wird vorzeitig zahlbar aufgrund einer Pflichtverletzung der für diese Kapitalmarktverbindlichkeit geltenden Bedingungen, oder die Emittentin oder HeidelbergCement AG oder eine ihrer Wesentlichen Tochtergesellschaften kommt Zahlungsverpflichtungen in Höhe oder im Gegenwert von mehr als € 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für eine Kapitalmarktverbindlichkeit Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Falle einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie nach, es sei denn die Emittentin oder HeidelbergCement AG oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass die Zahlungsverpflichtung besteht oder fällig ist bzw. die Bürgschaft oder Garantie berechtigterweise geltend gemacht wird, oder falls eine für solche Verbindlichkeiten bestellte Sicherheit für die oder von den daraus berechtigten Gläubiger(n) in Anspruch genommen wird; oder
- (d) *Liquidation.* ein Gerichtsbeschluss oder ein wirksamer Beschluss über die Liquidation oder Auflösung der Emittentin, der Garantin oder einer der Wesentlichen Tochtergesellschaften der HeidelbergCement AG wird gefasst, es sei denn, dies erfolgt (i) zum Zwecke oder aufgrund einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses mit einer anderen Gesellschaft und diese andere oder neue Gesellschaft übernimmt sämtliche Verpflichtungen der HeidelbergCement AG, der Emittentin oder der Wesentlichen Tochtergesellschaften der HeidelbergCement AG im Zusammenhang mit den Schuldverschreibungen, oder (ii) zum Zwecke einer freiwilligen, solventen Auflösung oder Liquidation im Zusammenhang mit der Übertragung sämtlicher oder eines Wesentlichen Teils der Vermögenswerte oder Anteile einer Wesentlichen Tochtergesellschaft auf die HeidelbergCement AG, die Emittentin oder eine sonstige Tochtergesellschaft der HeidelbergCement AG; oder
- (e) *Zahlungseinstellung.* (i) HeidelbergCement AG, die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG stellt ihre Zahlungen ein (gemäß den Bestimmungen des jeweils anwendbaren Konkursrechts) oder (ii) stellt (ausgenommen die Fälle, in denen dies zum Zwecke einer Zusammenlegung, einer Verschmelzung oder eines sonstigen Zusammenschlusses wie vorstehend unter (d) beschrieben geschieht) ihre Geschäftstätigkeit ein oder droht durch ihr hierfür zuständiges Geschäftsführungsorgan, ihre Geschäftstätigkeit einzustellen oder ist nicht in der Lage, ihren Zahlungsverpflichtungen bei Fälligkeit nachzukommen; oder
- (f) *Insolvenz u.ä.* HeidelbergCement AG, die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG oder ein Dritter beantragt die Eröffnung eines Konkurs- oder sonstigen Insolvenzverfahrens

nach geltendem Konkurs-, Vergleichs- oder Insolvenzrecht über das Vermögen der HeidelbergCement AG, der Emittentin oder einer Wesentlichen Tochtergesellschaft der HeidelbergCement AG und dieser Antrag, falls er von Dritten gestellt wird, wird nicht innerhalb von 30 Tagen abgewiesen oder HeidelbergCement AG, die Emittentin oder eine der Wesentlichen Tochtergesellschaften der HeidelbergCement AG nimmt eine Übertragung oder Abtretung zu Gunsten ihrer Gläubiger vor; oder

- (g) *Verletzung der Verpflichtungen gegenüber den Gläubigern bei Kontrollwechsel.* die Emittentin unterlässt die ordnungsgemäße Erfüllung ihrer Verpflichtungen nach § 5 Absatz 3 im Fall eines Kontrollwechsels; oder
- (h) *Gläubigerschutz, Vergleich, Aufschub.* Die Emittentin begibt sich in ein Gläubigerschutzverfahren (*gestion contrôlée*) oder ein gerichtlicher Zwangsvergleich (*condordat préventif de faillite*) oder ein Zahlungsaufschub (*sursis de paiement*) werden hinsichtlich der Emittentin beantragt; oder
- (i) *Hundertprozentige Tochtergesellschaft.* die Emittentin ist nicht mehr hundertprozentige, direkt oder indirekt beherrschte Tochtergesellschaft der HeidelbergCement AG; oder
- (j) *Garantie.* die Garantie gilt aus irgendeinem Grund nicht mehr;]

dann ist jeder Gläubiger berechtigt, seine Schuldverschreibungen durch Mitteilung in Textform (z.B. eMail oder Fax) oder in schriftlicher Form an die Emittentin bei der bezeichneten Geschäftsstelle der Emissionsstelle für fällig und zahlbar zu erklären, woraufhin diese Schuldverschreibungen mit Eingang dieser Kündigungsmittteilung bei der Emissionsstelle zu ihrem Rückzahlungsbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen fällig und zahlbar werden, und zwar ohne Vorlage, Sicht, Protest oder sonstige wie auch immer geartete Mitteilung.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

**"Wesentliche Tochtergesellschaft"** bezeichnet eine voll konsolidierte Tochtergesellschaft der HeidelbergCement AG, (i) deren Nettoumsatz gemäß ihres geprüften, nicht konsolidierten Jahresabschlusses (bzw. wenn die betreffende Tochtergesellschaft selbst konsolidierte Jahresabschlüsse erstellt, deren konsolidierter Umsatz gemäß ihres geprüften, konsolidierten Jahresabschlusses) (bereinigt um Umsätze innerhalb des HeidelbergCement-Konzerns), der für die Zwecke des letzten geprüften Konzernabschlusses der HeidelbergCement AG benutzt wurde, mindestens fünf Prozent des Gesamtumsatzes der HeidelbergCement AG und deren Konzerntochtergesellschaften betragen hat, wie aus dem geprüften, Konzernabschluss der HeidelbergCement AG ersichtlich oder (ii) deren Bilanzsumme gemäß ihrem geprüften, nicht konsolidierten Jahresabschluss (oder wenn die betreffende Konzerntochtergesellschaft selbst konsolidierte Abschlüsse erstellt, deren konsolidierte Bilanzsumme gemäß ihrem konsolidierten, geprüften Jahresabschluss) (bereinigt um Umsätze innerhalb des HeidelbergCement-Konzerns), der für die Zwecke des letzten geprüften, Konzernabschlusses benutzt wurde, mindestens fünf Prozent der konsolidierten Bilanzsumme der HeidelbergCement AG und ihrer konsolidierten Tochtergesellschaften betragen hat, wie aus dem geprüften Konzernabschluss der HeidelbergCement AG ersichtlich. Ein Bericht der Wirtschaftsprüfer der HeidelbergCement AG darüber, ob ihrer Meinung nach eine konsolidierte Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.

(2) *Benachrichtigung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß Absatz 1 ("**Kündigungserklärung**"), ist entweder (a) in Textform (z.B. eMail oder Fax) oder schriftlich in deutscher oder englischer Sprache zusammen mit dem Nachweis in Form einer Bescheinigung der Depotbank (wie in § 15 Absatz [3] definiert) oder in einer anderen geeigneten Weise, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung ein Gläubiger der betreffenden Schuldverschreibung ist, an die bezeichnete Geschäftsstelle der Emissionsstelle zu schicken oder (b) bei seiner Depotbank zur Weiterleitung an die

Emittentin über das Clearing System zu erklären.

(3) *Quorum*. In den Fällen gemäß Absatz 1 (a), (b), (c), (e), (g) [(h), (i), und/oder (j)] wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in Absatz 1 (d) und (f) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10% des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

### § 10 ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER, ÄNDERUNG DER GARANTIE

(1) *Änderung der Anleihebedingungen*. Die Gläubiger können entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz - "**SchVG**") durch einen Beschluß mit der in Absatz 2 bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluß der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

(2) *Mehrheitserfordernisse*. Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen nicht geändert wird und die keinen Gegenstand der § 5 (3) Nr. 1 bis Nr. 8 des SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.

(3) *Beschlüsse der Gläubiger*. Beschlüsse der Gläubiger werden nach Wahl der Emittentin im Wege der Abstimmung ohne Versammlung nach § 18 SchVG oder einer Gläubigerversammlung nach § 9 SchVG gefasst.

(4) *Leitung der Abstimmung*. Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der gemeinsame Vertreter zur Abstimmung aufgefordert hat, vom gemeinsamen Vertreter geleitet.

(5) *Stimmrecht*. An Abstimmungen der Gläubiger nimmt jeder Gläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.

(6) *Gemeinsamer Vertreter*.

Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, ist folgendes anwendbar

[Die Gläubiger können durch Mehrheitsbeschluß zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger bestellen.]

Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, ist folgendes anwendbar

[Gemeinsamer Vertreter ist **[Gemeinsamer Vertreter]**. Die Haftung des gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.]

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluß eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn der Mehrheitsbeschluß sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften

des SchVG.

Im Fall von HC Finance Lux begebenen Schuldverschreibungen ist folgendes anwendbar:

[(7) *Änderung der Garantie.* Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen finden sinngemäß auf die Bestimmungen der Garantie Anwendung.]

## § 11 ERSETZUNG

Im Fall von Schuldverschreibungen, die von der HeidelbergCement AG begeben werden, ist folgendes anwendbar

[(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger ein mit ihr verbundenes Unternehmen (wie nachfolgend definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:]

Im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar

[(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger entweder die HeidelbergCement AG oder ein mit ihr verbundenes Unternehmen (wie nachfolgend definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:]

- (a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die HeidelbergCement AG (soweit HeidelbergCement AG nicht selbst die Nachfolgeschuldnerin ist) unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, wobei diese unwiderrufliche und unbedingte Garantie nach ihren Bedingungen marktüblichen Standards zu entsprechen hat (und darauf die oben in § 10 aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen sinngemäß Anwendung finden) (die "**Nachfollegegarantie**");
- (c) die Nachfolgeschuldnerin, die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** und die Garantin (soweit die Garantin nicht die Nachfolgeschuldnerin ist)] alle staatlichen und behördlichen Genehmigungen und Zustimmungen erhalten haben, die für die Ersetzung und, ggf. für die Ausgabe einer Nachfollegegarantie durch die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. die Garantin] erforderlich sind, und dass die Nachfolgeschuldnerin alle staatlichen und behördlichen Genehmigungen und Zustimmungen erhalten hat, die für die Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen erforderlich sind, und dass diese Genehmigungen und Zustimmungen rechtskräftig und wirksam sind und dass die von der Nachfolgeschuldnerin in Bezug auf die Schuldverschreibungen und die von der Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** bzw. Garantin] unter der Nachfollegegarantie übernommenen Verpflichtungen jeweils wirksame und gemäß ihren jeweiligen Bedingungen verbindliche Verpflichtungen darstellen, die von jedem Gläubiger durchgesetzt werden können;
- (d) die Nachfolgeschuldnerin berechtigt ist, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin, die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** oder die Garantin (soweit die Garantin

nicht die Nachfolgeschuldnerin ist)] ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

- (e) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden; und
- (f) die Emittentin eine Bestätigung bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten bei einer dafür beauftragten Stelle verfügbar macht, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c), (d) und (e) erfüllt wurden.

Für die Zwecke dieses § 11 bedeutet "**verbundenes Unternehmen**" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:**, einschließlich der Garantin].

(2) *Änderung von Bezugnahmen.* Im Falle einer solchen Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin, und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des Weiteren gilt im Fall einer Ersetzung folgendes:

[(a) in § 8 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);

(b) in § 9 Absatz 1 (a) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin) und die nachstehenden Ereignisse gelten als zusätzliche Kündigungsgründe im Sinne des § 9:

- (i) die Emittentin ist nicht mehr hundertprozentige, direkt oder indirekt beherrschte Tochtergesellschaft der HeidelbergCement AG; oder
- (ii) die Garantie aus irgendeinem Grund nicht mehr gilt.]

[In § 8 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf das Großherzogtum Luxemburg als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat).]

§ 9 Absatz 1 gilt dergestalt als ergänzt, dass der Wegfall der Wirksamkeit, Rechtsverbindlichkeit oder Durchsetzbarkeit der Nachfolgearantie gegen die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar:** und gegen die Garantin (falls die Garantin nicht selbst die Nachfolgeschuldnerin ist)] jeden Gläubiger zur Kündigung seiner Schuldverschreibungen berechtigt und er deren Rückzahlung zu ihrem Nennbetrag zuzüglich (etwaiger) aufgelaufener Zinsen bis zum Tage der Rückzahlung verlangen kann.

(3) *Weitere Ersetzung.* Nach einer Ersetzung gemäß vorstehendem Absatz 1 ist die Nachfolgeschuldnerin jederzeit berechtigt, ohne Zustimmung der Gläubiger eine weitere Ersetzung durchzuführen, mit der Maßgabe, dass alle in den vorstehenden Absätzen 1 und 2 enthaltenen Bestimmungen entsprechend Anwendung finden und Bezugnahmen in diesen Anleihebedingungen auf die Emittentin, wo der Zusammenhang dies erfordert, ohne Einschränkung als Bezugnahmen auf die weitere Nachfolgeschuldnerin gelten oder diese einschließen.

Im Fall von  
Schuldverschrei-  
bungen, die von  
der  
HeidelbergCement  
AG begeben  
werden, ist  
folgendes  
anwendbar

Im Fall von  
Schuldverschrei-  
bungen, die von  
HC Finance Lux  
begeben werden,  
ist folgendes  
anwendbar



## § 12 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt.

## § 13 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN UND ANKAUF

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Begebungstages, des anfänglichen Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach ihrer Wahl von ihr gehalten, weiterverkauft oder bei einer Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

## § 14 MITTEILUNGEN

Im Fall von Schuldverschreibungen, die an der Luxemburger Börse notiert werden, ist folgendes anwendbar

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, findet Absatz 1 Anwendung. Soweit die Mitteilung den Zinssatz von variabel verzinslichen Schuldverschreibungen betrifft oder die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar

[[1)] *Mitteilungen an das Clearing System.* Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.]

[(3)] *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. eMail oder Fax) oder schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 15 Absatz 3 an die Emissionsstelle geschickt werden. Eine solche Mitteilung kann über das Clearing System in der von der Emissionsstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

## § 15 SCHLUSSBESTIMMUNGEN

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

Bei von oder HC  
Finance Lux  
begebenen  
Schuldverschrei-  
bungen ist folgendes  
anwendbar

[Artikel 86 bis 94-8 des Luxemburger Handelsgesellschaftengesetzes vom 10. August 1915 (*Loi du 10 aout 1915 concernant les sociétés commerciales*), in der jeweiligen Fassung, sind ausdrücklich ausgeschlossen in Bezug auf Schuldverschreibungen, die durch HeidelbergCement Finance Luxembourg S.A. begeben werden.]

(2) *Gerichtsstand.* Nicht-ausschliesslicher Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Heidelberg.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar: bzw. die Garantin]** oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin **[im Fall von Schuldverschreibungen, die von der HC Finance Lux begeben werden, ist folgendes anwendbar: bzw. die Garantin]** Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

Bei von HC  
Finance Lux  
begebenen  
Schuldverschrei-  
bungen ist folgendes  
anwendbar

[(4) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten hat die Emittentin HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Bundesrepublik Deutschland zu ihrem Zustellungsbevollmächtigten in Deutschland bestellt.]

## § 16 SPRACHE

Falls die  
Anleihebeding-  
ungen  
ausschließlich in  
deutscher Sprache  
abgefasst sind, ist  
folgendes  
anwendbar

[Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.]

Falls die  
Anleihebeding-  
ungen in  
deutscher Sprache

[Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Text soll bindend und maßgeblich sein. Die englische Übersetzung ist unverbindlich.]

**mit einer  
Übersetzung in die  
englische Sprache  
abgefasst sind, ist  
folgendes  
anwendbar**

**Falls die  
Anleihebeding-  
ungen in  
englischer  
Sprache mit einer  
Übersetzung in die  
deutsche Sprache  
abgefasst sind, ist  
folgendes  
anwendbar**

[Diese Anleihebedingungen sind in englischer Sprache abgefasst und mit einer Übersetzung in die deutsche Sprache versehen. Der englische Text soll bindend und maßgeblich sein. Die deutsche Übersetzung ist unverbindlich.]

## FORM OF FINAL TERMS MUSTER – ENDGÜLTIGE BEDINGUNGEN

<sup>(1)</sup>**[MiFID II Product Governance – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties[,][and] professional clients [and retail clients], each as defined in Directive 2014/65/EU (as amended, "MiFID II") [and [•]]; [EITHER<sup>(2)</sup>: and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] [OR<sup>(3)</sup>: (ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,][and] portfolio management[,][and] [non-advised sales] [and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[s][s] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s][s] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]<sup>(4)</sup>.]**

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>(5)</sup>**

*In case of Notes listed on the official list of the Luxembourg Stock Exchange and traded on the Regulated Market "Bourse de Luxembourg" or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu). In case of Notes not listed on any stock exchange or publicly offered in one or more member states of the European Economic Area other than the Grand Duchy of Luxembourg, the Final Terms may be obtained from the specified offices of the relevant Issuer and the Fiscal Agent.*

<sup>(1)</sup> Include this legend if parties have determined a target market.

*Diese Erklärung einfügen, wenn die Parteien einen Zielmarkt bestimmt haben.*

<sup>(2)</sup> Include for notes that are not ESMA complex pursuant to the Guidelines on complex debt instruments and structured deposits (ESMA/2015/1787) (the "ESMA Guidelines") (i.e. Notes the Terms and Conditions of which do not provide for a put and/or call right).

*Einfügen für Schuldverschreibungen, die nach den Leitlinien zu komplexen Schuldtiteln und strukturierten Einlagen (ESMA/2015/1787) (die "ESMA Leitlinien") nicht ESMA komplex sind (also, Schuldverschreiben deren Anleihebedingungen keine Kündigungsrechte seitens der Emittentin und/oder der Anleihegläubiger enthalten).*

<sup>(3)</sup> Include for notes that are ESMA complex pursuant to the ESMA Guidelines. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability and appropriateness will be necessary. In addition, if the Notes constitute "complex" products, pure execution services to retail clients are not permitted without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

*Einfügen im Fall von Schuldverschreibungen, die nach den ESMA Leitlinien ESMA komplex sind. Diese Liste muss gegebenenfalls angepasst werden, z.B. wenn Anlageberatung für erforderlich gehalten wird. Im Fall der Anlageberatung ist die Bestimmung der Geeignetheit und Angemessenheit notwendig. Wenn die Schuldverschreibungen "komplexe" Produkte sind, ist außerdem die bloße Ausführung von Kundenaufträgen von Privatanlegern ohne Bestimmung der Angemessenheit nach Art. 25(3) MiFID II nicht zulässig.*

<sup>(4)</sup> If there are advised sales, a determination of suitability will be necessary.

*Im Fall von Beratungsverkäufen ist eine Angemessenheitsprüfung erforderlich.*

<sup>(5)</sup> Include this legend if "Applicable" is specified in Part II. C.4 of the Final Terms regarding item "Prohibition of Sales to EEA Retail Investors".

*Diese Erklärung einfügen, wenn "Anwendbar" im Teil II. C.4 der Endgültigen Bedingungen im Hinblick auf den Punkt "Verbot des Verkaufs an EWR Privatanleger" ausgewählt wurde.*

[Date]  
[Datum]

**Final Terms**  
**Endgültige Bedingungen**

[HeidelbergCement AG] [HeidelbergCement Finance Luxembourg S.A.]

[Title of relevant Tranche of Notes]  
[Bezeichnung der betreffenden Tranche der Schuldverschreibungen]

Issue Date: [●]<sup>1</sup>  
Tag der Begebung: [●]

issued pursuant to the € 10,000,000,000 Euro Medium Term Note Programme dated April 3, 2019  
begeben aufgrund des € 10.000.000.000 Euro Medium Term Note Programme vom 3. April 2019

**Important Notice**

These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended, and must be read in conjunction with the Base Prospectus pertaining to the Programme dated April 3, 2019 (the "**Prospectus**") [and the supplement(s) dated [●]]. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of HeidelbergCement Group ([www.heidelbergcement.com](http://www.heidelbergcement.com)). Copies may be obtained at HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany and HeidelbergCement Finance Luxembourg S.A., 43, Avenue J.F. Kennedy, 1855 Luxembourg. Full information is only available on the basis of the combination of the Prospectus, any supplement and these Final Terms. [A summary of the individual issue of the Notes is annexed to these Final Terms.]<sup>2</sup>

**Wichtiger Hinweis**

*Diese Endgültigen Bedingungen wurden für die Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der geänderten Fassung, abgefasst und sind in Verbindung mit dem Basisprospekt vom 3. April 2019 über das Programm (der "**Prospekt**") [und dem(den) Nachtrag(Nachträgen) dazu vom [●]] zu lesen. Der Prospekt sowie etwaige Nachträge können in elektronischer Form auf der Internetseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite des HeidelbergCement Konzerns ([www.heidelbergcement.com](http://www.heidelbergcement.com)) eingesehen werden. Kopien sind erhältlich bei HeidelbergCement AG, Berliner Str. 6, D-69120 Heidelberg, Deutschland und HeidelbergCement Finance Luxembourg S.A., 43, Avenue J.F. Kennedy, 1855 Luxembourg. Um sämtliche Angaben zu erhalten, sind die Endgültigen Bedingungen, der Prospekt und etwaige Nachträge im Zusammenhang zu lesen. [Eine Zusammenfassung der einzelnen Emission der Schuldverschreibungen ist diesen Endgültigen Bedingungen angefügt.]<sup>2</sup>*

<sup>1</sup> The Issue Date is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.

*Der Tag der Begebung ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.*

<sup>2</sup> Not applicable in the case of an issue of Notes with a minimum denomination of at least €100,000. Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens € 100.000.

**Part I.: TERMS AND CONDITIONS**  
**Teil I.: ANLEIHEBEDINGUNGEN**

**[A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, and completing the relevant placeholders, insert:<sup>1</sup>**

***A. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen:<sup>1</sup>***

The Terms and Conditions applicable to the Notes (the "**Conditions**") [and the [German] [English] language translation thereof,] are as set out below.

*Die für die Schuldverschreibungen geltenden Anleihebedingungen (die "**Bedingungen**") [sowie die [deutschsprachige][englischsprachige] Übersetzung] sind wie nachfolgend aufgeführt.*

[in the case of Notes with fixed interest rates replicate here the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders]

*[im Fall von Schuldverschreibungen mit fester Verzinsung hier die betreffenden Angaben der Option I (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

[in the case of Notes with floating interest rates replicate here the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders]

*[im Fall von Schuldverschreibungen mit variabler Verzinsung hier die betreffenden Angaben der Option II (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen]*

**[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, insert:**

***B. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen, die durch Verweisung auf die betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:***

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with [fixed] [floating] interest rates (the "**Terms and Conditions**") set forth in the Prospectus as [Option I] [Option II]. Capitalised terms shall have the meanings specified in the Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen, der auf Schuldverschreibungen mit [fester] [variabler] Verzinsung Anwendung findet (die "**Anleihebedingungen**"), zu lesen, der als [Option I] [Option II] im Prospekt enthalten ist. Begriffe, die in den Anleihebedingungen definiert sind, haben dieselbe Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

All references in this Part I. of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

*Bezugnahmen in diesem Teil I. der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich*

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<sup>1</sup> To be determined in consultation with the Issuer. It is anticipated that this type of documenting the Conditions will be required where the Notes are to be offered to the public, in whole or in part, or to be initially distributed, in whole or in part, to non-qualified investors. Delete all references to B. Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.

*In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Bedingungen erforderlich ist, wenn die Schuldverschreibungen insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf B. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.*

auf die Paragraphen und Absätze der Anleihebedingungen.

The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or not completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the "**Conditions**").

*Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen, die weder angekreuzt noch ausgefüllt oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Anleihebedingungen (die "**Bedingungen**") gestrichen.*

## **CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS (§ 1)** **WÄHRUNG, STÜCKELUNG, FORM UND EIGENTUMSRECHT, DEFINITIONEN (§ 1)**

### **Currency and Denomination** **Währung und Stückelung**

Specified Currency <i>Festgelegte Währung</i>	[•]
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	[•]
Aggregate Principal Amount in words <i>Gesamtnennbetrag in Worten</i>	[•]
Specified Denomination <i>Festgelegte Stückelung</i>	[•]

### **Clearing System** **Clearingssystem**

- Clearstream Banking AG, Frankfurt am Main (CBF)
- Clearstream Banking S.A., Luxembourg (CBL)
- Euroclear Bank SA/NV (Euroclear)

### **Global Note<sup>1</sup> (TEFRA D)** **Globalurkunde (TEFRA D)**

- Classical Global Note
- New Global Note

### **INTEREST (§ 3)** **ZINSEN (§ 3)**

- Fixed Rate Notes (Option I)**  
**Festverzinsliche Schuldverschreibungen (Option I)**

#### **Rate of Interest and Interest Payment Dates** **Zinssatz und Zinszahlungstage**

Rate of Interest <i>Zinssatz</i>	[•] % per annum [•] % per annum
Interest Commencement Date <i>Verzinsungsbeginn</i>	[•]

<sup>1</sup> Complete for Notes kept in custody on behalf of the ICSDs.  
*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, ausfüllen.*

Fixed Interest Date(s) <i>Festzinstermine</i>	[•]
First Interest Payment Date <i>Erster Zinszahlungstag</i>	[•]
Initial Broken Amount (for the Specified Denomination) <i>Anfänglicher Bruchteilzinsbetrag (für die festgelegte Stückelung)</i>	[•]
Fixed Interest Date preceding the Maturity Date <i>Festzinstermine, der dem Fälligkeitstag vorangeht</i>	[•]
Final Broken Amount (for the Specified Denomination) <i>Abschließender Bruchteilzinsbetrag (für die festgelegte Stückelung)</i>	[•]
<input type="checkbox"/> <b>Floating Rate Notes (Option II)</b> <b>Variabel verzinsliche Schuldverschreibungen (Option II)</b>	
<b>Interest Payment Dates</b> <b>Zinszahlungstage</b>	
Interest Commencement Date <i>Verzinsungsbeginn</i>	[•]
Specified Interest Payment Dates <i>Festgelegte Zinszahlungstage</i>	[•]
Specified Interest Period(s) <i>Festgelegte Zinsperiode(n)</i>	[number] [weeks][months] [Zahl] [Wochen][Monate]
<b>Business Day Convention</b> <b>Geschäftstagskonvention</b>	
<input type="checkbox"/> Modified Following Business Day Convention <i>Modifizierte folgender Geschäftstag-Konvention</i>	
<input type="checkbox"/> FRN Convention (specify period(s)) ( <i>Zeitraum angeben</i> ) <i>FRN Konvention (Floating Rate Note)(Zeitraum angeben)</i>	[number] [months] [Zahl] [Monate]
<input type="checkbox"/> Following Business Day Convention <i>Folgender Geschäftstag-Konvention</i>	
<b>Business Day</b> <b>Geschäftstag</b>	
<input type="checkbox"/> relevant financial centre(s) <i>relevante(s) Finanzzentrum(en)</i>	[•]
<input type="checkbox"/> TARGET <i>TARGET</i>	
<b>Rate of Interest</b> <b>Zinssatz</b>	
<input type="checkbox"/> EURIBOR <i>EURIBOR</i>	
<input type="checkbox"/> LIBOR <i>LIBOR</i>	Interest Determination Date [first] [second] [relevant financial centre(s)] Business Day [prior to commencement] of Interest Period Zinsfestlegungstag [erster] [zweiter] [relevante(s) Finanzzentrum(en)] Geschäftstag [vor Beginn] der jeweiligen Zinsperiode
Screen page <i>Bildschirmseite</i>	[LIBOR01][LIBOR02] [LIBOR01][LIBOR02]
<b>Margin</b> <b>Marge</b>	[•] % per annum [•] % per annum



- plus  
*plus*
- minus  
*minus*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA Rule 251)  
*Actual/Actual (ICMA Regelung 251)*
  - annual interest payment (excluding the case of short or long coupons)  
*jährliche Zinszahlung (ausschließlich des Falls von kurzen oder langen Kupons)*
  - annual interest payment (including the case of short coupons)  
*jährliche Zinszahlung (einschließlich des Falls von kurzen Kupons)*
  - two or more constant interest periods within an interest year (including the case of short coupons)  
*zwei oder mehr gleichbleibende Zinsperioden (einschließlich des Falls von kurzen Kupons)*
  - calculation period is longer than one reference period (long coupon)  
*Zinsberechnungszeitraum ist länger als eine Bezugsperiode (langer Kupon)*
  - reference period  
*Bezugsperiode*
- Deemed Interest Payment Date [•]  
*Fiktiver Zinszahlungstag*
- Actual/365 (Fixed)
- Actual/365 (Sterling)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**Adjustment of Rate of Interest**  
**Anpassung des Zinssatzes**

**[Yes/No]**  
**[Ja/Nein]**

- Increase of the Rate of Interest by [•] % per annum  
*Erhöhung des Zinssatzes um* [•] % per annum
- Decrease of the Rate of Interest by [•] % per annum  
*Senkung des Zinssatzes um* [•] % per annum

**FINAL REDEMPTION (§ 4)**  
**RÜCKZAHLUNG BEI ENDFÄLLIGKEIT (§ 4)**

- Maturity Date<sup>1</sup> [•]  
*Fälligkeitstag*
- Redemption Month<sup>2</sup> [•]  
*Rückzahlungsmonat*

**EARLY REDEMPTION (§ 5)**  
**VORZEITIGE RÜCKZAHLUNG (§ 5)**

- Early Redemption at the Option of the Issuer at Early Call Redemption Amount<sup>3</sup> [Yes/No]

<sup>1</sup> Complete for fixed rate Notes.

*Für fest verzinsliche Schuldverschreibungen auszufüllen.*

<sup>2</sup> Complete for floating rate Notes.

*Für variabel verzinsliche Schuldverschreibungen auszufüllen.*

<sup>3</sup> Complete for fixed rate Notes denominated in euro.

*Für fest verzinsliche Schuldverschreibungen, die in Euro denominiert sind, auszufüllen.*

<b>Vorzeitige Rückzahlung nach Wahl der Emittentin zum Vorzeitigen Rückzahlungsbetrag (Call)</b>	<b>[Ja/Nein]</b>
Minimum notice period <sup>1</sup> <i>Mindestkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>
Maximum notice period <i>Höchstkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>
Margin <i>Aufschlag</i>	<b>[•]%</b> <b>[•]%</b>
<b>Early Redemption at the Option of the Issuer at Early Call Redemption Amount<sup>2</sup></b> <b>Vorzeitige Rückzahlung nach Wahl der Emittentin zum Vorzeitigen Rückzahlungsbetrag (Call)</b>	<b>[Yes/No]</b> <b>[Ja/Nein]</b>
Interest payment date <b>[number]</b> years after the Interest Commencement Date and each Interest Payment Date thereafter <i>Zinszahlungstag [Zahl] Jahre nach dem Verzinsungsbeginn und an jedem darauf folgenden Zinszahlungstag</i>	
<b>Early Redemption at the Option of the Issuer at Specified Call Redemption Amount(s)<sup>3</sup></b> <b>Vorzeitige Rückzahlung nach Wahl der Emittentin zu festgelegtem(n) Wahlrückzahlungsbetrag/-beträgen (Call)</b>	<b>[Yes/No]</b> <b>[Ja/Nein]</b>
Specified Call Redemption Date(s) <i>festgelegte Wahlrückzahlungstag(e) (Call)</i>	<b>[•] days</b> <b>[•] Tage</b>
Specified Call Redemption Amount(s) <i>festgelegte Wahlrückzahlungsbetrag/-beträge (Call)</i>	<b>[•] days</b> <b>[•] Tage</b>
Minimum notice period <sup>4</sup> <i>Mindestkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>
Maximum notice period <i>Höchstkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>
<b>Early Redemption at the Option of the Holders (Put) upon a Change of Control</b> <b>Vorzeitige Rückzahlung nach Wahl der Gläubiger (Put) im Falle eines Kontrollwechsels</b>	<b>[Yes/No]</b> <b>[Ja/Nein]</b>
<b>Early Redemption at the Option of a Holder at Specified Put Redemption Amount(s)<sup>5</sup></b> <b>Vorzeitige Rückzahlung nach Wahl des Gläubigers zu festgelegtem(n) Wahl-Rückzahlungsbetrag/-beträgen (Put)</b>	<b>[Yes/No]</b> <b>[Ja/Nein]</b>
Put Redemption Date <i>Wahl-Rückzahlungstag (Put)</i>	<b>[•]</b>
Put Redemption Amount <i>Wahl-Rückzahlungsbetrag (Put)</i>	<b>[•]</b>
Minimum notice period <sup>6</sup> <i>Mindestkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>
Maximum notice period <i>Höchstkündigungsfrist</i>	<b>[•] days</b> <b>[•] Tage</b>

<sup>1</sup> Euroclear requires a minimum notice period of five days.  
*Euroclear verlangt eine Mindestkündigungsfrist von fünf Tagen.*

<sup>2</sup> Complete for floating rate Notes.  
*Für variabel verzinsliche Schuldverschreibungen auszufüllen.*

<sup>3</sup> Complete for fixed rate Notes  
*Für fest verzinsliche Schuldverschreibungen auszufüllen*

<sup>4</sup> Euroclear requires a minimum notice period of five days.  
*Euroclear verlangt eine Mindestkündigungsfrist von fünf Tagen.*

<sup>5</sup> Complete for fixed rate Notes.  
*Für fest verzinsliche Schuldverschreibungen auszufüllen.*

<sup>6</sup> Euroclear requires a minimum notice period of five days.  
*Euroclear verlangt eine Mindestkündigungsfrist von fünf Tagen.*

**PAYMENTS (§ 6)<sup>1</sup>**  
**ZAHLUNGEN (§ 6)**

**Payment Business Day**  
**Zahlungstag**

- Relevant Financial Centre(s) (specify all) [•]  
*Relevante(s) Finanzzentrum/-zentren) (alle angeben)*
- TARGET  
 TARGET

**AGENTS (§ 7)**  
**BEAUFTRAGTE STELLEN (§ 7)**

Calculation Agent/specified office [Not applicable] [•]  
*Berechnungsstelle/bezeichnete Geschäftsstelle* [Nicht anwendbar] [•]

**AMENDMENT OF THE TERMS AND CONDITIONS; HOLDERS' REPRESENTATIVE (§ 10)**  
**ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER (§ 10)**

- Appointment of a Holders' Representative by resolution passed by Holders and not in the Terms and Conditions  
*Bestellung eines gemeinsamen Vertreters der Gläubiger durch Beschluss der Gläubiger und nicht in den Anleihebedingungen*
- Appointment of a Holders' Representative in the Terms and Conditions  
*Bestellung eines gemeinsamen Vertreters der Gläubiger in den Anleihebedingungen*
- Name and address of the Holders' Representative (specify details)  
*Name und Anschrift des Gemeinsamen Vertreters (Einzelheiten einfügen)*

**NOTICES (§ 14)**  
**MITTEILUNGEN (§ 14)**

- Website of the Luxembourg Stock Exchange (www.bourse.lu)  
*Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu)*
- Clearing System  
*Clearing System*

**Language of Terms and Conditions (§ 16)<sup>2</sup>**  
**Sprache der Anleihebedingungen (§ 16)**

- German only<sup>3</sup>  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

<sup>1</sup> Complete for fixed rate Notes.

*Für fest verzinsliche Schuldverschreibungen auszufüllen.*

<sup>2</sup> To be determined in consultation with the Issuer. In the case of Notes in bearer form offered to the public, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such offer to the public or distribution to non-qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of the Issuer.

*In Abstimmung mit der Emittentin festzulegen. Falls Inhaberschuldverschreibungen insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Investoren in der Bundesrepublik Deutschland verkauft werden, wird die deutsche Sprache maßgeblich sein. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Investoren die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptgeschäftsstelle der Emittentin erhältlich sein.*

<sup>3</sup> Use only in the case of Notes not publicly offered and/or not intended to be listed on any regulated market within the European Economic Area.

*Nur im Fall von Schuldverschreibungen zu nutzen, die nicht öffentlich angeboten und nicht am regulierten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden sollen.*

- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*

**Part II.: OTHER INFORMATION<sup>1</sup>**  
**Teil II.: ZUSÄTZLICHE INFORMATIONEN**

**A. Essential information**  
**Grundlegende Angaben**

**Interests of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

[none] [specify details]  
[keine] [Einzelheiten einfügen]

- So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer, except that certain Dealers and their affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.  
*Nach Kenntnis der Emittentin bestehen bei den an der Emission beteiligten Personen keine Interessen, die für das Angebot bedeutsam sind, außer, dass bestimmte Platzeure und mit ihnen verbundene Unternehmen Kunden von und Kreditnehmer der Emittentin und mit ihr verbundener Unternehmen sein können. Außerdem sind bestimmte Platzeure an Investment Banking-Transaktionen und/oder Commercial Banking-Transaktionen mit der Emittentin beteiligt, oder könnten sich in Zukunft daran beteiligen, und könnten im gewöhnlichen Geschäftsverkehr Dienstleistungen für die Emittentin und mit ihr verbundene Unternehmen erbringen.*
- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer<sup>2</sup>**  
**Gründe für das Angebot**

[specify details]  
[Einzelheiten einfügen]

Estimated net proceeds <sup>3</sup> <i>Geschätzter Nettobetrag der Erträge</i>	[•]
Estimated total expenses of the issue <i>Geschätzte Gesamtkosten der Emission</i>	[•]

<sup>1</sup> There is no obligation to complete Part II of the Final Terms in its entirety in case of Notes with a Specific Denomination of at least € 100,000 or its equivalent in any other currency, provided that such Notes will not be listed on any regulated market within the European Economic Area. To be completed in consultation with the Issuer.

*Es besteht keine Verpflichtung, Teil II der Endgültigen Bedingungen bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 100.000 oder dem Gegenwert in einer anderen Währung vollständig auszufüllen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.*

<sup>2</sup> If reasons for the offer is different from making profit and/or hedging certain risks include those reasons here. Not applicable in the case of an issue of Notes with a minimum denomination of at least € 100,000.

*Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben. Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens € 100.000.*

<sup>3</sup> If proceeds are intended for more than one use, will need to split out and present in order of priority.

*Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.*

## Eurosystem eligibility<sup>1</sup> EZB-Fähigkeit

Intended to be held in a manner which would allow Eurosystem eligibility [Yes/No]  
Soll in EZB-fähiger Weise gehalten werden [Ja/Nein]

[Note that the designation "yes" in the case of an NGN means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes in the case of an NGN may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Es wird darauf hingewiesen, dass "ja" im Fall einer NGN hier lediglich bedeutet, dass die Schuldverschreibungen nach ihrer Begebung bei einem der ICSDs als gemeinsamen Verwahrer verwahrt werden; es bedeutet nicht notwendigerweise, dass die Schuldverschreibungen bei ihrer Begebung, zu irgendeinem Zeitpunkt während ihrer Laufzeit oder während ihrer gesamten Laufzeit als zulässige Sicherheiten für die Zwecke der Geldpolitik oder für Innertageskredite des Eurosystems anerkannt werden. Eine solche Anerkennung ist abhängig davon, ob die Zulassungskriterien des Eurosystems erfüllt sind.]

[Auch wenn die Bezeichnung mit Datum dieser Endgültigen Bedingungen "nein" lautet, sollten die Zulassungskriterien des Eurosystems sich zukünftig dergestalt ändern, dass die Schuldverschreibungen diese erfüllen können, könnten die Schuldverschreibungen im Fall einer NGN dann bei einem der ICSDs als gemeinsamen Verwahrer verwahrt werden. Es wird darauf hingewiesen, dass dies jedoch nicht notwendigerweise bedeutet, dass die Schuldverschreibungen dann zu irgendeinem Zeitpunkt während ihrer Laufzeit als zulässige Sicherheiten für die Zwecke der Geldpolitik oder für Innertageskredite des Eurosystems anerkannt werden. Eine solche Anerkennung ist abhängig davon, ob die Zulassungskriterien des Eurosystems erfüllt sind.]

## B. Information concerning the securities to be offered/admitted to trading Informationen über die anzubietenden bzw. zum Handel zuzulassenden Wertpapiere

### Securities Identification Numbers Wertpapier-Kenn-Nummern

Common Code <i>Common Code</i>	[•]
ISIN <i>ISIN</i>	[•]
German Securities Code <i>Wertpapierkennnummer (WKN)</i>	[•]
Any other securities number <i>Sonstige Wertpapier-Kenn-Nummer</i>	[•]

### Historic Interest Rates and further performance as well as volatility<sup>2</sup> Zinssätze der Vergangenheit und künftige Entwicklungen sowie ihre Volatilität

<sup>1</sup> Select "Yes" if the Notes are in NGN form and are to be kept in custody by an ICSD as common safekeeper or if the Notes are in CGN form and to be kept in custody by Clearstream Banking AG, Frankfurt. Select "No" if the Notes are in NGN form and are to be kept in custody by the common service provider as common safekeeper.

"Ja" wählen, falls die Schuldverschreibungen in Form einer NGN begeben und von einem ICSD als common safekeeper gehalten werden sollen oder falls die Schuldverschreibungen in Form einer CGN begeben und von Clearstream Banking AG, Frankfurt gehalten werden sollen. "Nein" wählen, falls die Schuldverschreibungen in Form einer NGN begeben und vom common service provider als common safekeeper gehalten werden sollen.

<sup>2</sup> Only applicable for Floating Rate Notes. Not required for Notes with a Specified Denomination of at least € 100,000.

Details of historic [EURIBOR] [LIBOR] rates and the further performance as well as their volatility can be obtained from <i>Einzelheiten zu vergangenen [EURIBOR] [LIBOR] Sätzen und Informationen über künftige Entwicklungen sowie ihre Volatilität können abgerufen werden unter</i>	[Reuters [EURIBOR01] [LIBOR01] [LIBOR02]] [Not applicable]
Description of any market disruption or settlement disruption events that effect the [EURIBOR] [LIBOR] rates <i>Beschreibung etwaiger Ereignisse, die eine Störung des Marktes oder der Abrechnung bewirken und die [EURIBOR] [LIBOR] Sätze beeinflussen</i>	[Not applicable][see § 3 of the Terms and Conditions]  [Nicht anwendbar][siehe § 3 der Anleihebedingungen]
<b>Yield to final maturity<sup>1</sup></b> <b>Rendite bei Endfälligkeit</b>	[•] % per annum [•] % per annum
Representation of debt security holders including an identification of the organization representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relation to these forms of representation <sup>2</sup> <i>Vertretung der Schuldtitelinhaber unter Angabe der die Anleger vertretenden Organisation und der für diese Vertretung geltenden Bestimmungen. Angabe des Ortes, an dem die Öffentlichkeit die Verträge, die diese Repräsentationsformen regeln, einsehen kann</i>	[Not applicable] [Specify details]  [Nicht anwendbar] [Einzelheiten einfügen]
<b>Resolutions, authorizations and approvals by virtue of which the Notes will be created</b> <b>Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden</b>	[specify details]  [Einzelheiten einfügen]
<b>C. Terms and Conditions of the Offer<sup>3</sup></b> <b>Bedingungen und Konditionen des Angebots</b>	
<b>C.1 Conditions, offer statistics, expected timetable and actions required to apply for the offer</b> <b>Bedingungen, Angebotsstatistiken, erwarteter Zeitplan und erforderliche Maßnahmen für die Antragstellung</b>	[Not applicable] [Nicht anwendbar]
Conditions to which the offer is subject <i>Bedingungen, denen das Angebot unterliegt</i>	[Specify details] [Einzelheiten einfügen]
Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer <i>Gesamtsumme des Angebots, wenn die Summe nicht feststeht, Beschreibung der Vereinbarungen und des Zeitpunkts für die Ankündigung des endgültigen Angebotsbetrags an das Publikum</i>	[Specify details]  [Einzelheiten einfügen]
Time period, including any possible amendments, during which the offer will be open and description of the application process <i>Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt und Beschreibung des Prozesses für die Umsetzung des Angebots</i>	[Specify details]  [Einzelheiten einfügen]
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants	[Specify details]

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Nur bei variabel verzinslichen Schuldverschreibungen anwendbar. Nicht anwendbar auf Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 100.000.

<sup>1</sup> Only applicable for Fixed Rate Notes.

<sup>2</sup> Nur bei festverzinslichen Schuldverschreibungen anwendbar.

<sup>2</sup> Specify further details in the case a Holders' Representative will be appointed in § 10 of the Conditions.

<sup>2</sup> Weitere Einzelheiten für den Fall einfügen, dass § 10 der Bedingungen einen Gemeinsamen Vertreter bestellt.

<sup>3</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than € 100,000. Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000 auszufüllen.

<i>Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner</i>	<i>[Einzelheiten einfügen]</i>
Details of the minimum and/or maximum amount of application (whether in number of notes or aggregate amount to invest)	[Specify details]
<i>Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)</i>	<i>[Einzelheiten einfügen]</i>
Method and time limits for paying up the notes and for delivery of the notes	[Specify details]
<i>Methode und Fristen für die Bedienung der Wertpapiere und ihre Lieferung</i>	
Manner and date in which results of the offer are to be made public	[Specify details]
<i>Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind</i>	<i>[Einzelheiten einfügen]</i>
The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.	[Specify details]
<i>Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte</i>	<i>[Einzelheiten einfügen]</i>
<b>C.2 Plan of distribution and allotment<sup>1</sup></b>	<b>[Not applicable]</b>
<b><i>Plan für die Aufteilung der Wertpapiere und deren Zuteilung</i></b>	<b><i>[Nicht anwendbar]</i></b>
If the Offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate such tranche	[Specify details]
<i>Erfolgt das Angebot gleichzeitig auf den Märkten zweier oder mehrerer Länder und wurde/ wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche</i>	<i>[Einzelheiten einfügen]</i>
Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made	[Specify details]
<i>Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist</i>	<i>[Einzelheiten einfügen]</i>
<b>C.3 Pricing<sup>2</sup></b>	<b>[Not applicable]</b>
<b><i>Kursfeststellung</i></b>	<b><i>[Nicht anwendbar]</i></b>
Expected price at which the Notes will be offered	[Specify details]
<i>Preis zu dem die Schuldverschreibungen voraussichtlich angeboten werden</i>	<i>[Einzelheiten einfügen]</i>
Amount of expenses and taxes charged to the subscriber / purchaser	[Specify details]
<i>Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden</i>	<i>[Einzelheiten einfügen]</i>

<sup>1</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than € 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000 auszufüllen.*

<sup>2</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than € 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000 auszufüllen.*

#### C.4 Placing and underwriting<sup>1</sup> *Platzierung und Emission*

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place [•]  
*Name und Anschrift des Koordinator/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots – sofern der Emittentin oder dem Anbieter bekannt – in den einzelnen Ländern des Angebots*

##### Method of distribution *Vertriebsmethode*

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

##### Subscription Agreement *Übernahmevertrag*

Date of Subscription Agreement<sup>2</sup> [•]  
*Datum des Übernahmevertrages*

Material features of the Subscription Agreement [•]  
*Hauptmerkmale des Übernahmevertrages*

##### Management Details including form of commitment<sup>3</sup> *Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme*

Dealer/Management Group (specify name and address) [•]  
*Platzeur/Bankenkonsortium (Name und Adresse angeben)*

firm commitment [•]  
*feste Zusage*

no firm commitment/best efforts arrangements [•]  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

##### Commissions<sup>4</sup> *Provisionen*

Management/Underwriting Commission (specify) [•]  
*Management- und Übernahme provision (angeben)*

Selling Concession (specify) [•]  
*Verkaufsprovision (angeben)*

**Prohibition of Sales to EEA Retail Investors<sup>5</sup>** **[Applicable] [Not Applicable]**  
***Verbot des Verkaufs an EWR Privatanleger*** **[Anwendbar] [Nicht anwendbar]**

**Stabilizing Dealer/Manager** [None] [Specify details]  
***Kursstabilisierender Dealer/Manager*** **[Keiner] [Einzelheiten einfügen]**

<sup>1</sup> Complete with respect to an offer of Notes to the public with a Specified Denomination of less than € 100,000.  
*Bei öffentlichem Angebot von Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000 auszufüllen.*

<sup>2</sup> Not required for Notes with a Specified Denomination of at least € 100,000.  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 100.000*

<sup>3</sup> Not required for Notes with a Specified Denomination of at least € 100,000.  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 100.000*

<sup>4</sup> To be completed in consultation with the Issuer.  
*In Abstimmung mit der Emittentin auszufüllen.*

<sup>5</sup> Specify "Applicable" if the Notes may constitute "packaged" products pursuant to PRIIPs Regulation and no key information document will be prepared.  
*"Anwendbar" wählen, wenn die Schuldverschreibungen als "verpackte Produkte" nach der PRIIPs Verordnung einzuordnen sein könnten und kein Basisinformationsblatt erstellt wird.*



**D. Listing(s) and admission to trading** [Yes/No]  
**Börsenzulassung(en) und Zulassung zum Handel** [Ja/Nein]

- Official List, Luxembourg Stock Exchange (Regulated Market)  
*Regulierter Markt, Luxemburger Börse (regulierter Markt)*
- Professional segment of the Regulated Market of the Luxembourg Stock Exchange  
*Professionelles Segment des Regulierten Marktes der Luxemburger Wertpapierbörse*

**Expected date of admission<sup>1</sup>** [•]  
**Erwarteter Termin der Zulassung**

**Estimate of the total expenses related to admission to trading<sup>2</sup>** [•]  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class of the notes to be offered or admitted to trading are already admitted to trading\*<sup>3</sup>  
*Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Regulated Market "Bourse de Luxembourg")  
*Luxemburg (Regulierter Markt "Bourse de Luxembourg")*
- Professional segment of the Regulated Market of the Luxembourg Stock Exchange  
*Professionelles Segment des Regulierten Marktes der Luxemburger Wertpapierbörse*

**Issue Price** [ ] %  
**Ausgabepreis** [ ] %

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment  
*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

[Nicht anwendbar] [Einzelheiten einfügen]

[Nicht anwendbar] [Einzelheiten einfügen]

**E. Additional Information**  
**Zusätzliche Informationen**

**Rating<sup>4</sup>** [•]  
**Rating**

[specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "CRA Regulation"). [The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the

<sup>1</sup> To be completed only if known.  
*Nur auszufüllen, soweit bekannt.*

<sup>2</sup> Not required for Notes with a Specified Denomination of less than € 100,000  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000.*

<sup>3</sup> In case of a fungible issue, need to indicate that the original notes are already admitted to trading.  
*Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, dass die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind.*

<sup>4</sup> Insert rating of the Notes. In case of Notes with a Specified Denomination of less than € 100,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating agency.  
*Rating der Schuldverschreibungen einfügen. Bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 100.000, kurze Erläuterung der Bedeutung des Ratings wenn dieses vorher von der Ratingagentur erstellt wurde.*

adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.]]

*[Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils geltenden Fassung (die "Ratingagentur-Verordnung") registriert ist, oder die Registrierung beantragt hat. [Die Europäische Wertpapier- und Marktaufsichtsbehörde veröffentlicht auf ihrer Webseite (<http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.]]*

**F. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus**

**Zur Verfügung zu stellende Informationen über die Zustimmung des Emittenten oder der für die Erstellung des Prospekts zuständigen Person**

Offer period during which subsequent resale or final placement of the Notes by Dealers and/or further financial intermediaries can be made [Not applicable] [Specify details]  
*Angebotsfrist, während derer die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch die Platzeure oder weitere Finanzintermediäre erfolgen kann [Nicht anwendbar] [Einzelheiten einfügen]*

**[THIRD PARTY INFORMATION  
 INFORMATIONEN VON SEITEN DRITTER**

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted, the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

*Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – wurden keine Fakten ausgelassen, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.]*

HeidelbergCement AG

\_\_\_\_\_  
 [Name & title of signatory]  
 [Name und Title des Unterzeichnenden]

HeidelbergCement Finance Luxembourg S.A.

\_\_\_\_\_  
 [Name & title of signatory]  
 [Name und Titel des Unterzeichnenden]

## GUARANTEE OF HEIDELBERGCEMENT AG

(ORIGINAL GERMAN LANGUAGE VERSION)

**GARANTIE**

der

**HEIDELBERGCEMENT AG**

*Heidelberg, Bundesrepublik Deutschland,*

zu Gunsten der Gläubiger von  
Schuldverschreibungen  
(die "**Schuldverschreibungen**"),

die von der

**HeidelbergCement Finance Luxembourg S.A.**

*(einer mit beschränkter Haftung in Luxemburg  
errichteten Gesellschaft)*

im Rahmen des Euro Medium Term Note Programm  
(das "**Programm**")  
(wie jeweils abgeändert, ergänzt oder neu gefasst)  
begeben werden.

PRÄAMBEL:

(A) HeidelbergCement Finance Luxembourg S.A. (die "**Emittentin**") beabsichtigt, von Zeit zu Zeit Schuldverschreibungen unter dem Programm zu begeben.

(B) HeidelbergCement AG (die "**Garantin**") beabsichtigt, durch diese Garantie die Zahlung von Kapital und Zinsen sowie von jeglichen sonstigen Beträgen zu garantieren, die aufgrund der von der Emittentin im Rahmen des Programms begebenen Schuldverschreibungen zu leisten sind.

(C) Die Garantin möchte gegenüber jedem Gläubiger der von HeidelbergCement Finance Luxembourg S.A. im Rahmen des Programms begebenen Schuldverschreibungen eine Verpflichtungserklärung abgeben.

**HIERMIT WIRD FOLGENDES VEREINBART:**

(1) Die Garantin übernimmt gegenüber den Gläubigern der Schuldverschreibungen (wobei dieser Begriff jede vorläufige oder Dauerglobalurkunde, die Schuldverschreibungen verbrieft, einschließt), (jeder ein "**Gläubiger**"), die jetzt oder zu einem späteren Zeitpunkt von der Emittentin im Rahmen des Programms begeben werden, die unbedingte und unwiderrufliche Garantie für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen auf die Schuldverschreibungen sowie von jeglichen sonstigen Beträgen, die gemäß den Bedingungen auf eine Schuldverschreibung zahlbar sind, und zwar in der Form und zu dem Zeitpunkt, zu dem diese gemäß den

(NON-BINDING TRANSLATION OF THE  
GUARANTEE)

**GUARANTEE**

of

**HEIDELBERGCEMENT AG**

*Heidelberg, Germany*

for the benefit of the Holders of Notes  
(the "**Notes**")

issued by

**HeidelbergCement Finance Luxembourg S.A.**

*(incorporated with limited liability in Luxembourg)*

under the Euro Medium Term Note Programme  
(the "**Programme**") as amended, supplemented or  
restated from time to time

WHEREAS:

(A) HeidelbergCement Finance Luxembourg S.A. (the "**Issuer**") intends to issue from time to time Notes under the Programme.

(B) HeidelbergCement AG (the "**Guarantor**") wishes to guarantee by this Guarantee the due payment of principal and interest and any other amounts payable in respect of any and all Notes that may be issued by the Issuer under the Programme.

(C) The Guarantor wishes to enter into an undertaking for the benefit of each Holder of Notes that may be issued by HeidelbergCement Finance Luxembourg S.A. under the Programme.

**IT IS HEREBY AGREED as follows:**

(1) The Guarantor unconditionally and irrevocably guarantees to the holder of each Note (which expression shall include any Temporary Global Note or Permanent Global Note representing Notes), (each a "**Holder**"), now or at any time hereafter issued by the Issuer under the Programme, the due and punctual payment of principal of, and interest on, the Notes, and any other amounts which may be expressed to be payable under any Note, in accordance with the Conditions, as and when the same shall become due in accordance with the Conditions.

Bedingungen fällig und zahlbar werden.

(2) Diese Garantie begründet eine unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verpflichtung der Garantin, die mit allen sonstigen nicht besicherten Verpflichtungen der Garantin (mit Ausnahme bestimmter kraft Gesetzes vorrangiger Verbindlichkeiten) im gleichen Rang steht (nachrangige Verpflichtungen ausgenommen).

(3) Alle Zahlungen aufgrund dieser Garantie sind frei von und ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder Abgaben jeder Art zu leisten, die von oder zu Gunsten der Bundesrepublik Deutschland oder einer politischen Untergliederung oder Steuerbehörde von oder in Deutschland erhoben werden, es sei denn, dieser Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Garantin außer in den nachstehend aufgeführten Ausnahmefällen diejenigen zusätzlichen Beträge zahlen, die erforderlich sind, damit die an jeden Gläubiger einer Schuldverschreibung aus dieser Garantie zu zahlenden Nettobeträge nach einem solchen Abzug oder Einbehalt den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

(a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Garantin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(d) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung wirksam wird.

(2) This Guarantee constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Guarantor and ranks *pari passu* and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor from time to time outstanding.

(3) All payments under this Guarantee shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Guarantor shall pay such additional amounts as shall be necessary in order that the net amounts received by the Holder of any Note pursuant to this Guarantee, after such withholding or deduction, shall equal the respective amounts of principal and interest which would otherwise have been receivable by the Holders in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

(a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Guarantor from payments of principal or interest made by it, or

(b) are payable by reason of the Holder having, or having had, some personal or business connection with Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Germany, or

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or

(d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published, whichever occurs later, or

(4) Die Garantin verpflichtet sich und stellt im Hinblick auf ihre Tochterunternehmen sicher (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, kein Sicherungsrecht (wie unten definiert) in Bezug auf ihren gesamten Geschäftsbetrieb, ihr gesamtes Vermögen oder ihre gesamten Einkünfte, jeweils gegenwärtig oder zukünftig, oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie unten definiert) oder zur Sicherung einer von der Garantin oder eines ihrer Tochterunternehmen gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, und ihre Tochterunternehmen zu veranlassen, keine solchen Sicherungsrechte zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig für alle unter den Schuldverschreibungen zahlbaren Beträge dasselbe Sicherungsrecht zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch ein anderes Sicherungsrecht zu bestellen, das von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird; diese Verpflichtung gilt jedoch nicht

(a) für zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Garantin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird;

(b) für Sicherungsrechte, die einem Tochterunternehmen der Garantin an Forderungen bestellt werden, die ihm aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten in der Form von Wandelschuldverschreibungen erzielten Erlösen gegen die Garantin zustehen, sofern solche Sicherheiten der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten des betreffenden Tochterunternehmens dienen.

Für Zwecke dieser Garantie bedeutet "**Kapitalmarktverbindlichkeit**" jede Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die entweder durch (i) einen deutschen Recht unterliegenden Schuldschein oder durch (ii) Schuldverschreibungen, Anleihen oder sonstige Wertpapiere, die an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert oder gehandelt werden oder werden können, verbrieft, verkörpert oder dokumentiert sind.

"**Sicherungsrecht**" bedeutet jedes Grundpfandrecht, Pfandrecht, jede Belastung oder sonstiges dingliches

(4) The Guarantor undertakes and procures that with regard to its subsidiaries (the "**Undertaking**"), so long as any of the Notes remains outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Fiscal Agent, not to create or permit to subsist, and to procure that none of its subsidiaries will create or permit to subsist, any Security Interest (as defined below) over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity given by the Guarantor or any of its subsidiaries in respect of any Capital Market Indebtedness of any other person, without at the same time providing all amounts payable under the Notes either the same Security Interest or providing all amounts payable under the Notes such other Security Interest as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security, provided, however, that this undertaking shall not apply with respect to

(a) any Security Interest existing on assets at the time of the acquisition thereof by the Guarantor, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased subsequently to the acquisition of the relevant assets;

(b) any Security Interest which is provided by any subsidiary of the Guarantor with respect to any receivables of such subsidiary against the Guarantor which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness in the form of convertible bonds, provided that any such security serves to secure obligations under such Capital Market Indebtedness of the relevant subsidiary.

For the purposes of this Guarantee, "**Capital Market Indebtedness**" means any obligation for the payment of borrowed money which is in the form of, or represented or evidenced by, either (i) a certificate of indebtedness governed by German law or by (ii) bonds, loan stock, notes or other securities which are, or are capable of being, quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

"**Security Interest**" means any mortgage, lien, pledge, charge or other security interest *in rem*.

## Sicherungsrecht.

(5) Die Garantin verpflichtet sich, die weiteren in den jeweiligen Anleihebedingungen der Schuldverschreibungen enthaltenen Verpflichtungen in Bezug auf die Abgabe Zusätzlicher Garantien zu erfüllen.

(6) Die Verpflichtungen der Garantin aus dieser Garantie (i) sind selbständig und unabhängig von den Verpflichtungen der Emittentin aus den Schuldverschreibungen, (ii) bestehen unabhängig von der Rechtmäßigkeit, Gültigkeit, Verbindlichkeit und Durchsetzbarkeit der Schuldverschreibungen und (iii) werden nicht durch Ereignisse, Bedingungen oder Umstände tatsächlicher oder rechtlicher oder sonstiger Natur berührt, außer durch die vollständige, endgültige und unwiderrufliche Erfüllung aller in den Schuldverschreibungen eingegangenen Zahlungsverpflichtungen.

(7) Die Verpflichtungen der Garantin aus der Garantie erstrecken sich, ohne dass eine weitere Handlung vorgenommen werden oder ein weiterer Umstand vorliegen muss, auf die Verpflichtungen einer nicht mit der Garantin identischen Nachfolgeschuldnerin, die infolge einer Schuldnerersetzung gemäß den Bedingungen in Bezug auf die Schuldverschreibungen entstehen.

(8) Diese Garantie und alle hierin enthaltenen Vereinbarungen stellen einen Vertrag zu Gunsten jedes Gläubigers der Schuldverschreibungen als begünstigtem Dritten gemäß § 328 Absatz 1 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu verlangen und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen.

(9) Die Emissionsstelle handelt nicht als Treuhänder oder in einer ähnlichen Eigenschaft für die Gläubiger von Schuldverschreibungen.

(10) Die hierin verwendeten und nicht anders definierten Begriffe haben die ihnen in den Bedingungen zugewiesene Bedeutung.

(11) Sofern auf Schuldverschreibungen die Bestimmungen über die Änderung der Anleihebedingungen und den Gemeinsamen Vertreter Anwendung finden, gelten diese Bestimmungen sinngemäß auch für diese Garantie.

(12) Diese Garantie unterliegt hinsichtlich ihrer Anwendung und Auslegung deutschem Recht.

(13) Diese Garantie ist in deutscher Sprache abgefasst und in die englische Sprache übersetzt. Die deutschsprachige Fassung ist verbindlich und allein maßgeblich.

(5) The Guarantor undertakes to fulfil the further obligations set out in the relevant Terms and Conditions of the Notes with respect to the provision of Additional Guarantees.

(6) The obligations of the Guarantor under this Guarantee (i) shall be separate and independent from the obligations of the Issuer under the Notes, (ii) shall exist irrespective of the legality, validity and binding effect or enforceability of the Notes and (iii) shall not be affected by any event, condition or circumstance of whatever nature, whether factual or legal, save the full, definitive and irrevocable satisfaction of any and all payment obligations expressed to be assumed under the Notes.

(7) The obligations of the Guarantor under this Guarantee shall, without any further act or thing being required to be done or to occur, extend to the obligations of any Substitute Debtor which is not the Guarantor arising in respect of any Note by virtue of a substitution pursuant to the Conditions.

(8) This Guarantee and all agreements herein contained constitute a contract for the benefit of the Holders of Notes from time to time as third party beneficiaries pursuant to § 328(1) German Civil Code<sup>1</sup> (*BGB*), giving rise to the right of each such Holder to require performance of the obligations undertaken herein directly from the Guarantor and to enforce such obligations directly against the Guarantor.

(9) The Fiscal Agent does not act as fiduciary or in any similar capacity for the Holders of Notes.

(10) Terms used herein and not otherwise defined herein shall have the meanings attributed to them in the Conditions.

(11) If Notes provide that the provisions regarding the Amendment of the Terms and Conditions and the Holders' Representative apply to such Notes, such provisions shall be applicable *mutatis mutandis* also to this Guarantee.

(12) This Guarantee is governed by, and shall be construed in accordance with, the laws of Germany.

(13) This Guarantee is written in the German language and translated into the English language. The German language version shall be legally binding and controlling in each and every respect.

<sup>1</sup> In English translation § 328(1) German Civil Code (*BGB*) reads as follows:

"A contract may stipulate performance for the benefit of a third party, to the effect that the third party acquires the right directly to demand performance".

(14) Das Original dieser Garantie wird der Emissionsstelle ausgehändigt und von dieser verwahrt.

(15) Die Garantin unterwirft sich für alle aus oder im Zusammenhang mit dieser Garantie entstehenden Rechtsstreitigkeiten unwiderruflich der Gerichtsbarkeit der Gerichte in Heidelberg, Bundesrepublik Deutschland. Die Garantin verzichtet unwiderruflich auf jeden Einwand, der ihr jetzt oder zu einem späteren Zeitpunkt gegen diese Gerichtsstände zustehen kann, und zwar in dem größtmöglichen verbindlichen Umfang und unterwirft sich unwiderruflich der Zuständigkeit dieser Gerichte in einem solchen gerichtlichen Verfahren.

(16) Jeder Gläubiger kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtsstreit, in dem er und die Garantin Partei sind, seine Rechte aus dieser Garantie auf der Grundlage einer von einer vertretungsberechtigten Person der Emissionsstelle beglaubigten Kopie dieser Garantie ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen.

Diese Garantie erstreckt sich auf sämtliche Schuldverschreibungen, die am oder nach dem Datum dieser Garantie von der HeidelbergCement Finance Luxemburg S.A. unter dem Programm begeben werden. Die Garantie vom 29. Juni 2004 gilt für sämtliche Schuldverschreibungen, die von der HeidelbergCement Finance B.V. zwischen dem 29. Juni 2004 (einschließlich) und dem 14. April 2010 (ausschließlich) begeben wurden. Die Garantie vom 14. April 2010 gilt für sämtliche Schuldverschreibungen, die von der HeidelbergCement Finance B.V. zwischen dem 14. April 2010 (einschließlich) und dem Datum dieser Garantie (ausschließlich) begeben wurden. Die Garantie vom 26. April 2012 gilt für sämtliche Schuldverschreibungen, die von der HeidelbergCement Finance B.V. und der HeidelbergCement Finance Luxembourg S.A. zwischen dem 26. April 2012 (einschließlich) und dem Datum dieser Garantie (ausschließlich) begeben wurden. Die Garantie vom 25. April 2013 gilt für sämtliche Schuldverschreibungen, die von der HeidelbergCement Finance Luxembourg S.A. zwischen dem 25. April 2013 (einschließlich) und dem Datum dieser Garantie (ausschließlich) begeben wurden.

18. November 2016

HEIDELBERGCEMENT AG

(14) The original version of this Guarantee shall be delivered to, and kept by, the Fiscal Agent.

(15) The Guarantor irrevocably agrees that any legal proceeding arising out of or based upon this Guarantee may be instituted in the courts in Heidelberg, Germany. The Guarantor irrevocably waives, to the fullest extent it may effectively do so, any objection which it may now or hereafter have to the laying of venue of any such legal proceeding and irrevocably submits to the jurisdiction of such courts in any such legal proceeding.

(16) Any Holder may in any proceedings against the Guarantor or to which such Holder and the Guarantor are parties protect and enforce in his own name his rights arising under this Guarantee on the basis of a copy of this Guarantee certified as being a true copy by a duly authorized officer of the Fiscal Agent, without the need for production in such proceedings of this Guarantee.

This Guarantee is given in respect of any and all Notes which are or will be issued by HeidelbergCement Finance Luxemburg S.A. under the Programme on or after the date hereof. The Guarantee dated June 29, 2004 extends to any and all Notes which have been issued by HeidelbergCement Finance B.V. between June 29, 2004 (inclusive) and April 14, 2010 (exclusive). The Guarantee dated April 14, 2010 extends to any and all Notes which have been issued by HeidelbergCement Finance B.V. between April 14, 2010 (inclusive) and the date hereof (exclusive). The Guarantee dated April 26, 2012 extends to any and all Notes which have been issued by HeidelbergCement Finance B.V. and HeidelbergCement Finance Luxembourg S.A. between April 26, 2012 (inclusive) and the date hereof (exclusive). The Guarantee dated April 25, 2013 extends to any and all Notes which have been issued by HeidelbergCement Finance Luxembourg S.A. between April 25, 2013 (inclusive) and the date hereof (exclusive).

November 18, 2016

HEIDELBERGCEMENT AG

Wir nehmen die Bedingungen der vorstehenden  
Garantie ohne Obligo, Zusicherung oder Haftung an.

18. November 2016

DEUTSCHE BANK AKTIENGESELLSCHAFT

als Emissionsstelle

We accept the terms of the above Guarantee without  
recourse, warranty or liability.

November 18, 2016

DEUTSCHE BANK AKTIENGESELLSCHAFT

as Fiscal Agent



## HEIDELBERGCEMENT AG

### The Business of HC Group

HC Group operates in around 60 countries on five continents as a vertically integrated, building materials company. The core activities include the production and distribution of cement and aggregates, the two essential raw materials for concrete production. The product range is substantially complemented by downstream ready-mixed concrete and asphalt activities. Furthermore, HC Group offers services such as worldwide trading in cement and coal by sea.

Following the acquisitions of Italcementi S.p.A. and its subsidiaries ("**Italcementi Group**") in 2016 and Cementir Italia S.p.A. ("**Cementir**") and its subsidiaries Cementir Sacci S.p.A. and Betonir S.p.A. on January 2, 2018, HC Group has further consolidated its position in the building materials industry. HC Group believes that, based on sales volumes in the fiscal year ended December 31, 2018, among the globally diversified building materials companies, it is the world's number one in aggregates and number two in cement with sales of approximately 309 million metric tonnes and approximately 130 million metric tons respectively and the world's number three in ready-mixed concrete with sales of approximately 49 million cubic meters. As of December 31, 2018, HC Group consisted of HeidelbergCement AG as the Group's parent company and 787 fully consolidated subsidiaries in around 60 countries in which it maintained a total of more than 3,000 locations including joint ventures. In the fiscal year ended December 31, 2018, HC Group generated revenue of € 18.1 billion and result from current operations before depreciation and amortization ("**RCOBD**") amounted to € 3.1 billion. As of December 31, 2018, HC Group had 57,939 employees attributable to continuing operations worldwide.

HC Group reports its different local businesses according to five geographic Group areas:

- **Western and Southern Europe:** Belgium, Germany, France, United Kingdom, Italy, Netherlands, and Spain
- **Northern and Eastern Europe-Central Asia:** Denmark, Iceland, Norway, Sweden, and the Baltic States, as well as the cross-border Nordic Precast Group AB and Mibau Group, Bosnia-Herzegovina, Bulgaria, Croatia, Czechia, Georgia, Greece, Hungary, Kazakhstan, Poland, Romania, Russia, Slovakia and Ukraine
- **North America:** Canada and USA
- **Asia-Pacific:** Bangladesh, Brunei, China, India, Indonesia, Malaysia, Singapore, Thailand, and Australia
- **Africa-Eastern Mediterranean Basin:** Egypt, Benin, Burkina Faso, DR Congo, Gambia, Ghana, Liberia, Morocco, Mauritania, Mozambique, Sierra Leone, South Africa, Tanzania, Togo, as well as Israel, Palestine, and Turkey

The plants in the countries within these Group areas are under country management for the respective country and manufacture and distribute HC Group's various products under responsibility of such country management. The five geographic Group areas are complemented by the Group area Group Services which comprises the trading activities of HC Group ("**HC Trading**"). HC Trading is one of the largest international trading companies for cement and clinker. HC Trading is also responsible for purchasing and delivering coal and petroleum coke via sea routes to HC Group's own locations and to other cement companies around the world. Group Services also includes cement and ready-mixed concrete activities in Kuwait.

Within these five geographic Group areas, the business of HC Group is divided into four business lines. Following the sale of the building products business in North America (excluding Western Canada) and the United Kingdom ("**U.K.**") at the end of 2014, HeidelbergCement altered this division slightly. The business lines of the core activities cement and aggregates remain unchanged. Here HeidelbergCement reports on the essential raw materials that are required for the manufacture of downstream ready-mixed concrete and asphalt activities, which are combined in the third business line. The fourth business line, service-joint ventures-other, primarily covers the activities of the joint ventures. It also includes the building products that are still manufactured in a few countries.

*Cement:* In its cement business line, as of December 31, 2018, HC Group produces different types of cement in approximately 160 cement and grinding plants including joint ventures for various uses, such as residential or commercial construction and civil engineering. In the fiscal year ended December 31, 2018,

HC Group's cement business line generated revenue (including inter-Group area revenue within business lines) of € 8,800 million.

*Aggregates:* The product range in the aggregates business line consists of the different forms of aggregates (sand, gravel, crushed rock) mined as of December 31, 2018, from more than 600 sand, gravel and hard rock sites. In the fiscal year ended December 31, 2018, HC Group's aggregates business line generated revenue (including inter-Group area revenue within business lines) of € 3,848 million.

*Ready-Mixed Concrete-Asphalt:* The ready-mixed concrete-asphalt business line comprises HC Group's ready-mixed concrete and asphalt activities. The product range consists of a wide range of different types of ready-mixed concrete produced as of December 31, 2018, in over 1,800 plants including joint ventures with various characteristics designed for specific applications and environmental conditions. As of December 31, 2018, asphalt is produced in more than 100 asphalt plants. In the fiscal year ended December 31, 2018, HC Group's ready-mixed concrete-asphalt business line generated revenue (including inter-Group area revenue within business lines) of € 5,155 million.

*Service-Joint Ventures-Other:* The service-joint ventures-other business line primarily covers Group Services as well as the activities of HC Group's joint ventures. Group Services comprise HC Group's global trading activities. The joint ventures include important operations in Turkey, China (including Hong Kong), Hungary, Bosnia-Herzegovina, the USA (Texas Lehigh Cement Company LP), and Australia (Cement Australia). The building products that are still manufactured in some countries are also part of this business line. In the fiscal year ended December 31, 2018, HC Group's service-joint ventures-other business line generated revenue (including inter-Group area revenue within business lines) of € 2,893 million.

### **Selected Historical Financial Information Regarding HC Group**

The following tables set out the selected historical financial information related to HC Group for the fiscal years ended December 31, 2018 and 2017 derived from the audited consolidated financial statements of HC AG as of and for the fiscal year ended December 31, 2018 (including the restated comparative amounts as of and for the fiscal year ended December 31, 2017), prepared in accordance with the International Financial Reporting Standards of the International Accounting Standards Board (IASB) as adopted by the EU ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e (1) of the German Commercial Code (*Handelsgesetzbuch, HGB*).

The restatements made by HC Group in its audited consolidated financial statements as of and for the fiscal year ended December 31, 2018 of the comparative amounts as of and for the fiscal year ended December 31, 2017 as described in the notes to the 2018 consolidated financial statements in section "Application of new accounting standards and other changes" – "Other changes" relate to (i) the retrospectively adjusted accounting for the change in the fair value of the participation in the Permanente Group recognized in equity through other comprehensive income instead offset against liabilities of the Permanente Group resulting in an increase of € 65.0 million in other non-current operating liabilities and a corresponding decrease in equity and other comprehensive income, and (ii) the change in the accounting policy with respect to interest and penalties related to income taxes to be accounted for in accordance with IAS 37 and no longer shown in the tax items under IAS 12 according to *ASCG Interpretation 4 (IFRS) Accounting for Interest and Penalties Related to Income Taxes under IFRS* adopted by the Accounting Standards Committee of Germany (*Deutsches Rechnungslegungs Standards Committee e. V., "ASCG"*) resulting in a reclassification of expenses of € 26.9 million from income taxes to the other financial result and a corresponding decrease of profit before tax from continuing operations in the consolidated income statement as well as a reclassification in the consolidated balance sheet of € 37.2 million from the current income tax liabilities to other current provisions.

Where financial information in the following tables is labelled "audited", this means that it has been taken from the above mentioned audited consolidated financial statements of HC AG. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from the audited consolidated financial statements mentioned above but has been derived from HC Group's internal management reporting systems.

	<b>December 31, 2018</b>	<b>December 31, 2017</b> <b>restated</b>
	(in € millions)	
	audited	
Balance sheet total.....	35,783.3	34,558.0
Total equity.....	16,821.7	15,987.4
Total non-current liabilities .....	12,696.7	12,274.8
Total current liabilities .....	6,253.7	6,282.9
Liabilities associated with assets held for sale.....	11.2	12.9

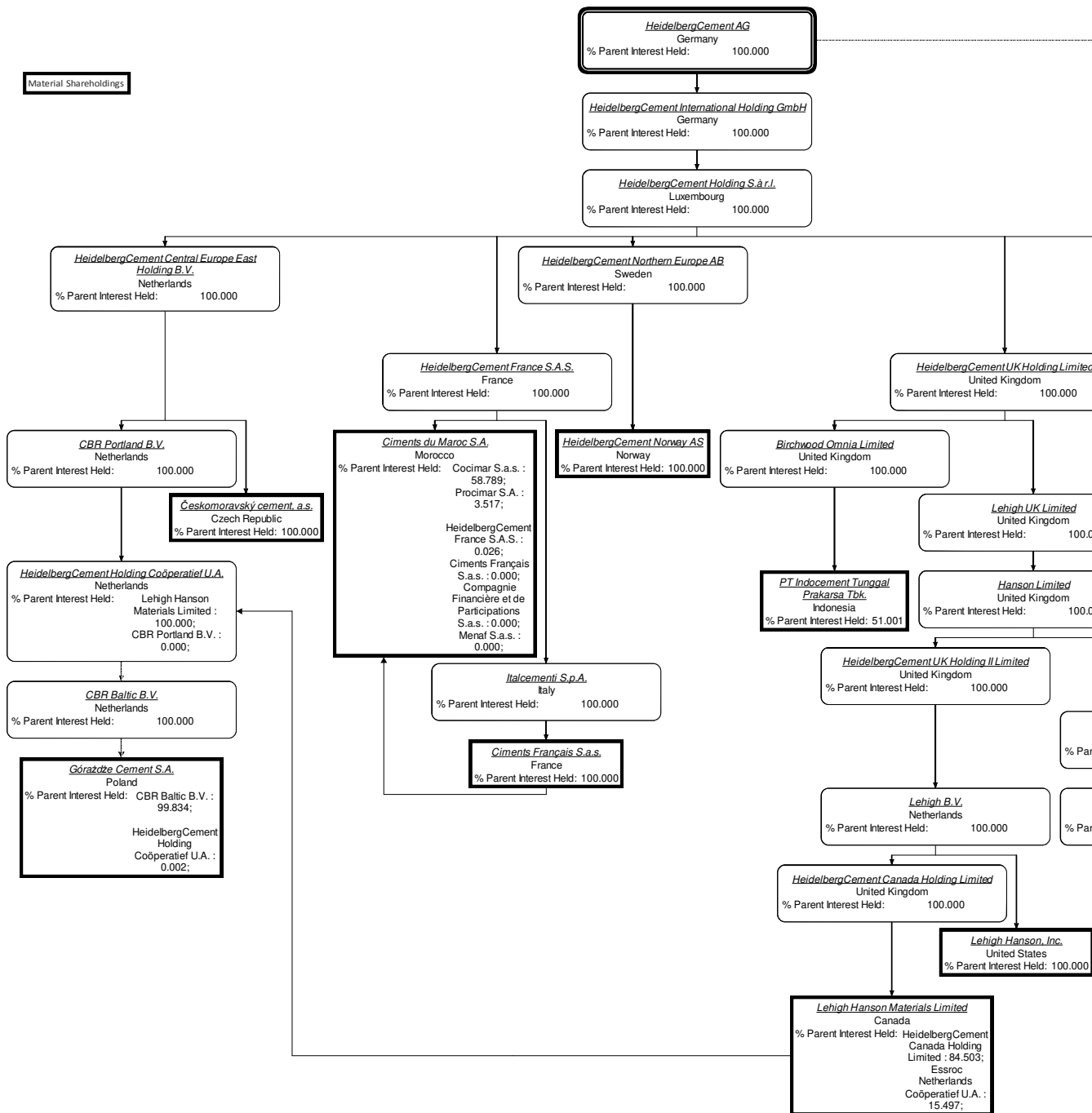
	<b>Year ended</b> <b>December 31, 2018</b>	<b>Year ended</b> <b>December 31, 2017</b> <b>restated</b>
	(in € millions)	
	audited	
Revenue .....	18,074.6	17,266.1
Operating revenue.....	18,152.0	17,314.1
Result from current operations before depreciation and amortization (RCOBD).....	3,074.1	3,297.3
Result from current operations .....	1,983.7	2,188.3
Earnings before interest and taxes (EBIT) .....	2,131.2	2,106.7
Profit before tax from continuing operations.....	1,764.5	1,688.4
Net income from continuing operations.....	1,300.3	1,109.0
Profit for the financial year.....	1,286.2	1,058.2
Thereof Group share of profit .....	1,143.0	917.7
Cash flow.....	2,399.5	2,369.6
Changes in working capital.....	-106.5	6.9
Cash flow from operating activities.....	1,968.3	2,037.9
Cash flow from investing activities.....	-1,134.2	-837.2
Cash flow from financing activities .....	-348.2	-922.2

### **Organizational Structure**

HeidelbergCement AG is the parent company in HC Group. The consolidated financial statements of HeidelbergCement AG as of and for the fiscal year ended December 31, 2018, included HeidelbergCement AG and 787 fully consolidated subsidiaries. HC Group has adopted a long-term program to rationalize and simplify its complex group structure. In particular, subject to applicable legal and tax requirements, HC Group attempts to reduce the large number of subsidiaries it maintains in a number of jurisdictions, including the U.S. and the U.K. However, although desired for organizational reasons, a merger or other combination or liquidation of subsidiaries may not in all instances be legally permissible, tax and cost efficient and prudent in all other respects.

A condensed overview of HC Group's structure showing the material subsidiaries of HeidelbergCement AG and their position within expanded HC Group is set out below:

**Material Shareholdings**



### **Formation, Incorporation, History and Development**

HeidelbergCement AG, founded in 1873 as an "*offene Handelsgesellschaft*" and registered on June 5, 1874, was incorporated in 1889 as a German stock corporation (*Aktiengesellschaft*) under the name of "Portland-Cementwerk Heidelberg AG, vorm. Schifferdecker & Söhne". In 1938, HC changed its name to "Portland-Zementwerke Heidelberg Aktiengesellschaft" and in 1978, it took the name of "Heidelberger Zement Aktiengesellschaft". The Annual General Meeting held on May 7, 2002 decided to rename HC "HeidelbergCement AG". The change became legally effective on June 20, 2002 upon registration of this resolution in the commercial register. HC AG operates under German Law.

### **Registered Office, Fiscal Year, Duration**

HeidelbergCement AG is registered under number HRB 330082 with the commercial register of the local court of Mannheim. HeidelbergCement AG has its registered seat and head office at Berliner Str. 6, 69120 Heidelberg, Germany. The telephone number of HeidelbergCement AG is +49 (0) 6221 481 0, and the internet address is [www.heidelbergcement.com](http://www.heidelbergcement.com). HeidelbergCement AG's Legal Entity Identifier (LEI) is LZ2C6E0W5W7LQMX5ZI37.

The fiscal year is the calendar year. HeidelbergCement AG has been formed for an unlimited period of time. HeidelbergCement AG as well as many of its subsidiaries bears the name "HeidelbergCement" for business purposes.

### **Object of HeidelbergCement AG**

In accordance with Article 2 of its articles of association, the object of HeidelbergCement AG is the production and sale of building materials of all kinds and other products from the stone and quarry industry and from related or other industry sectors; the acquisition and operation of mines; the planning, construction, acquisition and operation of facilities for such purposes; and the planning, construction and operation of such facilities for or the provision of advisory services to third parties. Within these parameters, HeidelbergCement AG may engage in any transactions or take any steps which appear necessary or useful to attain HeidelbergCement AG's objects, including in particular the purchase and sale of plots of land, and the establishment of domestic and foreign branches. Moreover, HeidelbergCement AG may acquire interests in the same, similar or other enterprises.

### **Statutory Auditor**

The auditor of the consolidated financial statements of HeidelbergCement AG as of and for the fiscal years ended December 31, 2017 and December 31, 2018 is Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Flughafenstr. 61, 70629 Stuttgart, Germany ("**EY Germany**"). EY Germany has audited in accordance with Section 317 German Commercial Code (*Handelsgesetzbuch, HGB*) the consolidated financial statements as of and for the fiscal years ended December 31, 2017 and December 31, 2018, prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e(1) of the German Commercial Code and issued an unqualified independent auditor's report in each case. EY Germany is a member of the German Chamber of Auditors (*Wirtschaftsprüferkammer*).

### **Subscribed Share Capital**

The subscribed share capital of HeidelbergCement as of December 31, 2018 amounts to € 595,249,431 and is divided into 198,416,477 no-par value ordinary bearer shares, each representing a notional amount of € 3.00 in the share capital. All shares are fully paid in. Each share entitles its owner to one vote at HeidelbergCement AG's Annual General Meeting.

All shares of HeidelbergCement AG are no-par value bearer shares. The entire share capital is represented by a global share certificate which is deposited with Clearstream Banking AG, Frankfurt am Main.

Currently, there are two authorized capitals; namely, the authorization of the Managing Board and Supervisory Board to increase the share capital by issuing new shares in return for cash contributions (Authorized Capital I), and authorization of the Managing Board and Supervisory Board to increase the

share capital by issuing new shares in return for contributions in kind (Authorized Capital II). The authorized capitals are described as follows:

The Managing Board is authorized to increase, with the consent of the Supervisory Board, the company's share capital by a total amount of up to € 225 million by issuing new no-par value bearer shares in return for cash contributions on one or more occasions until May 6, 2020 (Authorized Capital I). The shareholders must be granted subscription rights. However, the Managing Board is authorized to exclude, with the consent of the Supervisory Board, the subscription rights of shareholders

- in order to realize residual amounts, and/or
- in so far as it is necessary to grant holders or creditors of the warrants, convertible bonds, profit participation rights or participating bonds that have been issued or will be issued in future by the company or its subordinate Group companies a subscription right for new no-par value shares to the extent to which they would be entitled after exercising the option and/or conversion right and/or fulfilling the option and/or conversion obligation, and/or
- if the issue price of the new shares is not significantly lower than the stock exchange price and the total pro rata amount of share capital attributable to the shares issued subject to the exclusion of the subscription right does not exceed 10% of the company's share capital existing at the time at which this authorization is exercised or – if lower – at the time at which this authorization takes effect; the aforesaid 10% limit should take into account those shares otherwise issued subject to the exclusion of the subscription right during the term of this authorization in application of Section 186(3), sentence 4 of the German Stock Corporation Act (*Aktiengesetz*). New shares will also be credited against the aforesaid 10% limit, which are and must be issued for exercising subscription rights arising from option and/or conversion rights or obligations arising from warrants, convertible bonds, profit participation rights or participating bonds, provided they have been issued subject to the exclusion of the subscription right in corresponding application of Section 186(3), sentence 4 of the German Stock Corporation Act. This limit should also take into account the treasury shares sold subject to the exclusion of the subscription right on the basis of an authorization in application of Section 71(1), no. 8, sentence 5 and Section 186(3), sentence 4 of the German Stock Corporation Act.

The Managing Board is also authorized to increase, with the consent of the Supervisory Board, the company's share capital by a total amount of up to € 24,874,941 by issuing new no-par value bearer shares in return for contributions in kind on one or more occasions until May 6, 2020 (Authorized Capital II). Furthermore, the Managing Board is authorized to exclude, with the consent of the Supervisory Board, the subscription right, provided that the capital increase in return for contributions in kind is performed for the purposes of acquisition of companies, parts of companies, or of participations in companies, or of other assets, or in the context of implementing a dividend in kind/dividend option. In addition, the Managing Board is authorized to exclude, with the consent of the Supervisory Board, the subscription right of shareholders in so far as it is necessary to grant holders or creditors of the warrants, convertible bonds, profit participation rights or participating bonds that have been issued or will be issued in future by the company or its subsidiaries subscription rights for new shares to the extent to which they would be entitled after exercising the option or conversion rights and/or fulfilling the option or conversion obligation. The Managing Board is authorized to determine, with the consent of the Supervisory Board, the further details and implementation of the capital increase, particularly the content of the share rights and the terms of the share issue.

In addition, there is a conditional share capital described below:

The share capital shall be conditionally increased by a further amount of up to € 118,800,000, divided into up to 39,600,000 new no-par value bearer shares (Conditional Capital 2018). The conditional capital increase is only carried out insofar as the bearers or creditors of option or conversion rights, or those obliged to exercise conversions or options in connection with warrant or convertible bonds, profit-sharing certificates, or participating bonds issued or guaranteed by HeidelbergCement AG, or a Group company of HeidelbergCement AG within the meaning of Section 18 of the German Stock Corporation Act in which HeidelbergCement AG directly or indirectly has a participation of at least 90%, until May 8, 2023 on the basis of the authorization agreed by the Annual General Meeting of May 9, 2018 under agenda item 7 A., make use of their option or conversion rights or, if they are obliged to exercise conversions or options, fulfil their obligation to exercise conversions or options, or, if HeidelbergCement AG exercises an option to grant shares of HeidelbergCement AG in place of all or part of the payment of the monetary amount due,

provided that a cash settlement is not granted and no treasury shares or shares of another listed company are used to service this right.

Currently, HeidelbergCement AG has no treasury shares. On May 4, 2016, the Annual General Meeting authorised HC AG to acquire own shares up to May 3, 2021 once or several times, in whole or in partial amounts, up to a total of 10% of the share capital at the time for any permissible purpose within the scope of the legal restrictions. The authorization may not be used for the purpose of trading in own shares. At no time may more than 10% of the respective share capital be attributable to the acquired own shares combined with other shares which HC AG has already acquired and still possesses. The shares may be acquired via the stock exchange or by way of a public purchase offer or by means of a public call for the submission of offers to sell or by issuing rights to sell shares to the shareholders. The own shares acquired on the basis of the authorization will be used by selling them via the stock exchange or in another suitable manner whilst ensuring the equal treatment of the shareholders or for any other purposes permitted by law. Shareholders' subscription rights can be excluded in certain cases.

### **Shareholders**

Under the German Securities Trading Act (*Wertpapierhandelsgesetz*, WpHG) shareholders and individuals having access to voting rights are obliged to notify the issuer and the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, BaFin) immediately when reaching, exceeding or falling below the thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% of the voting rights in a publicly listed company (Sections 33 and 38 of the German Securities Trading Act).

For details of the history of notifications received by HeidelbergCement AG where holders exceeded or fell below any of the statutory notification thresholds mentioned above refer to <http://www.heidelbergcement.com/en/notifications-of-voting-rights>.

As of the date of this Prospectus, Mr Ludwig Merckle, Ulm/Germany, holds via PH Vermögensverwaltung GmbH, Zossen/Germany, a subsidiary controlled by him, 26.70% of the voting rights in HeidelbergCement AG, according to a notification by PH Vermögensverwaltung GmbH, Zossen/Germany of November 9, 2018 to HeidelbergCement AG pursuant to the German Securities Trading Act.

Based on notifications received by HeidelbergCement AG pursuant to Section 33(1) of the German Securities Trading Act and other than as set out above, HeidelbergCement AG is, as of the date of this Prospectus, not aware of any other shareholder owning 10% or more of HeidelbergCement AG outstanding shares.

## **BUSINESS DESCRIPTION**

### **Market Overview**

#### ***Economic environment***

As a globally active building materials company, HC Group distinguishes four core business lines: cement, aggregates, ready-mixed concrete-asphalt and service-joint ventures-other. The service-joint ventures-other business line primarily covers Group Services, which comprise HC Group's global trading activities, as well as the activities of HC Group's joint ventures. It also includes the building products that are still manufactured in a few countries. According to its own estimates, based on sales volumes of globally diversified peers, HC Group is currently the world's number one in aggregates, number two in cement, and the world's number three in ready-mixed concrete and competes with a group of less than ten other major building materials companies as well as many regional businesses.

HC Group's business is affected directly by the cyclical nature of the building materials industry. This cyclical nature applies to all key areas of the construction market including residential and commercial property construction as well as to infrastructure projects. Activity levels and demand from the construction industry vary across regions, and are influenced by national and regional economic factors, such as GDP growth rates, housing starts, construction segments' growth and, to a lesser extent, prevailing long-term interest rates. In addition, fiscal, tax and other policies of national and regional governments have the effect of stimulating or discouraging construction activity. Consequently, HC Group's operations in each of its geographic markets are cyclical, with periods of growth typically followed by downturns.

### **Key Products of HC Group**

HC Group's core activities include the production and distribution of cement and aggregates, the two essential raw materials for the manufacture of concrete. The product range is substantially complemented by downstream ready-mixed concrete and asphalt activities. Furthermore, HC Group offers services such as worldwide trading in cement and coal by sea.

HC Group divides its business activities by product into the following four product business lines:

- Cement,
- Aggregates,
- Ready-mixed concrete and asphalt,
- Service-joint ventures-other.

These four business lines are managed as a vertically integrated business within each of the different Group areas. In this context, cement and aggregates serve as key raw materials for the ready-mixed concrete asphalt business line: the cement business line supplies to a large degree the cement used by HC Group's concrete production facilities which also receive substantial amounts of the aggregates used to produce ready-mixed concrete. Aggregates are also supplied to HC Group's asphalt production.

In addition to these aforementioned product groups, the service-joint-ventures-other business line includes Group Services which comprise the activities of HC Trading, one of the largest international trading companies for cement and clinker. HC Trading is also responsible for purchasing and delivering coal and petroleum coke via sea routes to HC Group's own locations and to other cement companies around the world. Thanks to the global trading network of HC Trading, with employees from 29 countries, strategically important locations in Malta, Istanbul, Singapore, Shanghai, Dubai, Australia, Switzerland and Madagascar, as well as representations in Peru, Brazil, Spain, Egypt, India, Bangladesh and Vietnam, HC Group is able to better control the capacity utilization of its plants and deliver surplus production from one country to another where demand for cement and clinker is higher.

#### Cement

##### *General market situation*

On a global level, the cement markets are characterized by high fragmentation and, thus, a regional or local structure. These different markets are served by a few multinational group companies on the one hand and regional and local producers in various markets around the world on the other hand. Due to the capital intensity of cement production and especially the significant initial capital costs, high transportation costs as well as the high degree of environmental regulation of the industry, few new competitors appear on the markets.

Demand in the cement markets is generally cyclical and influenced by the overall investment climate and, in many countries, climatic conditions and fluctuations. Prices in regional cement markets depend particularly on the trends in energy prices (fuels and electricity) as well as on raw material costs in that region. This dependence primarily exists because energy and raw materials costs form a large part of the variable costs of cement production. In order to succeed in the cement markets, minimizing energy and transportation costs is crucial. Due to the shipping costs of cement and its relationship to the product value, cement (depending on the geographical situation and the availability of lime stone reserves) is not often delivered over distances of more than 150 to 200 km.

Another decisive competitive factor is access to raw materials (for example, quarries and mining concessions) which varies from market to market. HC Group as well as its competitors have achieved increased vertical integration in the cement business in order to internalize cement demand in mature markets.

The nature of any particular regional cement market is determined primarily by regional rather than global competitive factors. These competitive factors include the number of competitors, pricing policies of competitors, trends in regional demand, the existence of regional sources of raw materials, barriers to entry of additional competitors and competition from imports.



These factors frequently differ among the various regions and countries in which HC Group operates and consequently, the market conditions among various cement markets may vary considerably.

Regional demand for cement is derived from the demand for ready-mixed concrete and concrete related products which, in turn, is dependent on the demand for construction. The construction industry is composed of three major sectors, namely, the residential sector, the infrastructure and commercial sector as well as the public sector. The public sector is the most cement-intensive sector, particularly for infrastructure projects such as streets, highways and bridges. In the mature markets a country's cement demand basically follows the respective level of infrastructure and construction spending which is typically closely connected with that country's economic cycle. Furthermore, cement is seen as a mere commodity with the consequence of hardly any differentiation in quality visible. In these markets competition is therefore characterized by the defence of market shares, including through price. However, price is not the only relevant competitive factor. Market shares are also influenced by the reliability of the producer's supply and its service and technical capabilities as well as product quality. In addition, cost leadership is a key factor for success.

#### *HC Group as a competitor*

The majority of the world's cement markets are characterized by competition among a small number of global companies and regional and local producers in which the large international cement manufacturers such as LafargeHolcim (Switzerland), HC Group, CRH (Ireland) and CEMEX (Mexico) hold leading market positions in various combinations. They compete against each other as well as against regional and local producers in the respective markets. Competition among the named international cement manufacturers is more and more determined by vertical integration focusing on downstream activities within the building materials value chain. In this context, ready-mixed concrete serves as distribution channel for cement and protects the comparatively high cement margins at the same time.

HC Group's most important cement markets in terms of volumes sold are Europe, North America and Indonesia. HC Group is also active in Africa where it has substantial positions in its main African markets Morocco, Egypt, Ghana, Tanzania and Togo and it increases its focus on Asian markets.

#### Aggregates

Aggregates (sand, gravel and crushed rock) are, like cement, homogenous mass goods and are subject to complex and cost-intensive transportation. Transportation imposes natural delivery limitations so that, for example, due to the shipping costs and their relationship to the product value, aggregates (depending on the location of the nearest site of a competitor) would often not be delivered over distances of more than 80 km. Therefore, the markets for aggregates are local and highly fragmented by character.

The markets for aggregates are not in general characterized by a high degree of price competition and competition based on differences in quality is hardly possible. The markets are served by a few multinational group companies on the one hand and a number of independent regional and local producers on the other hand, all competing against each other.

#### *Market for aggregates*

Overall, the aggregates industry has faced an on-going consolidation process in recent years. As environmental regulations in many countries constrain new quarry development, the entry barriers for new competitors in the aggregates business remain high and are even increasing. In the aggregates business, access to raw material reserves owned or leased with the respective mining rights and their location as close as possible to the customers and markets is of particular importance. Market participants who have access to their own sources of raw materials (such as HC Group) have a significant advantage over other participants that do not have access to raw materials and need to buy them from third parties. In addition, the quality of plant operators, their long-time experience and the engineering know-how resulting in optimal plant layouts are the main levers for cost-efficient production processes and therefore substantially add to the competitiveness of the business.

#### *HC Group as a competitor*

Based on volumes sold, HC Group believes itself to be currently the world's number one in aggregates. Its main competitors include LafargeHolcim, CEMEX, CRH, Vulcan Materials (U.S.) and Martin Marietta Materials (U.S.).

HC Group's most important aggregates markets in terms of volumes are Europe, North America and Australia. HC Group's main competitors differ from market to market. The Australian market, as well as some European markets, is rather consolidated like the U.K., whereas others are fragmented like Germany.

In the U.S., HC Group faces strong competition from local companies like Vulcan Materials and Martin Marietta (operating only in the U.S.) as well as multi-national companies like CRH, CEMEX and LafargeHolcim.

In Europe, competition for HC Group does not only come from these multi-national companies, but also from strong international companies like Asamer Baustoffe, construction companies such as STRABAG and Vinci, and local competitors in each country of the Group areas Western and Southern Europe as well as Northern and Eastern Europe-Central Asia.

In Australia, HC Group's main competitors are LafargeHolcim and Boral.

#### Ready-mixed concrete and asphalt

Ready-mixed concrete and asphalt are like cement and aggregates homogenous mass goods and are subject to complex and cost intensive transportation. For ready-mixed concrete the hardening process of the product limits its ability to be transported and cuts the transport distance down to about 25-30 km. Therefore, the markets for ready-mixed concrete and asphalt are local and highly fragmented by character.

The markets for these products are not in general characterized by a high degree of price competition and competition based on differences in quality is hardly possible. The markets for ready-mixed concrete are served by a few multinational group companies on the one hand and a number of independent regional and local producers on the other hand, all competing against each other.

#### *Market for concrete*

In comparison to the market for aggregates, consolidation in the concrete industry is less advanced. The ready-mixed concrete markets are very local and fragmented in character since ready-mixed concrete is produced in liquid form and has to be kept moving during transport to prevent solidification. Therefore, ready-mixed concrete cannot be transported over long distances and must be delivered by truck-mounted transit mixers to consumers within a short period of time. The ready-mixed concrete markets are characterized by low barriers to entry due to less capital intensive production processes often along with easy access to readily available and competitively priced raw materials. This leads to a higher price sensitivity of ready-mixed concrete compared to cement and aggregates. Specific market conditions may also vary strongly within a country. To succeed in these micro-markets, building up a network of ready-mixed concrete facilities located close to the ultimate customers enabling a flexible reaction to changes in demand and price is of key importance. As in the cement business, regional competitive factors are crucial in the concrete business. Concrete, which is produced mainly on the basis of cement and aggregates, is the natural distribution channel for these products. Therefore, HC is focusing on and benefiting from the vertical integration through its ready-mixed activities and those operated in joint ventures with third parties.

Concrete markets, like cement markets, are highly dependent on the business cycle and overall activity of construction and other key factors such as general investment and climatic conditions prevalent in a given market. As a result, concrete markets develop in a highly cyclical manner, similar to the cement markets.

#### *Market for asphalt*

The principles discussed for ready-mixed concrete also apply for most hot mix asphalt markets. Like the markets for ready-mixed concrete, the asphalt markets are of a regional and local nature and, thus, rather fragmented. Due to the viscous nature of asphalt, transportation is possible only over short distances in order to prevent the asphalt from solidifying and getting too cold to work with. As the asphalt production process as such does not require a great extent of know-how and can be set up without high initial investment costs, the entry barriers are rather low. Like for ready-mixed concrete, competition is very much influenced by pricing. The access to local supply of raw materials, such as aggregates, sand and bitumen, proves to be essential for competitive production. In this context, it is desirable to locate the plants inside the quarries to reduce the costs of transportation for the aggregates used in asphalt, as they stand for 95% of the total weight of asphalt.

*HC Group as a competitor - Ready-mixed concrete*

In the opinion of HC Group, the targeted acquisitions in the past as well as the integration of Italcementi Group into HC Group have created one of the world's largest producers of ready-mixed concrete. In 2018, HC Group sold 49.0 million cubic meters of ready-mixed concrete. According to its own estimates, HC Group considers CEMEX, LafargeHolcim and CRH to be its most important competitors. Except for the U.K. and Australia, ready-mixed concrete markets are very fragmented and HC Group faces competition from mostly local competitors.

*HC Group as a competitor - Asphalt*

Based on volume HC Group believes itself to be one of the four leading companies for the production of asphalt in the world. Most of HC Group's asphalt plants are inside its own quarries which according to its own estimation, gives HC Group a competitive advantage.

In the U.K., the east and west coast of the U.S. and Malaysia, HC Group sees itself as one of the market leaders for asphalt with respect to volumes. In the U.K., HC Group faces competition mostly from multi-national companies like CEMEX, LafargeHolcim and CRH. In the U.S. and Malaysia, HC Group is confronted with mostly local and regional asphalt producers.

**KEY BUSINESS DATA****Revenue of HC Group by Business Line**

The following table shows the revenue of HC Group from continuing operations by business line (including inter-business lines revenue) for the fiscal years ended December 31, 2017 and 2018.

	<b>Year ended December 31, 2018</b>	<b>Year ended December 31, 2017</b>
	In € millions (audited)	
<b>Continuing operations</b>		
<b>Cement</b> .....	8,800	8,667
<b>Aggregates</b> .....	3,848	3,804
<b>Ready-mixed concrete - asphalt</b> .....	5,155	4,880
<b>Service-joint ventures - other</b> .....	2,893	2,398
Reconciliation <sup>1)</sup> .....	<u>-2,621</u>	<u>-2,483</u>
<b>Revenue</b> .....	<u>18,075</u>	<u>17,266</u>

1) Reconciliation includes intra-Group eliminations as well as the elimination of the inter-Group area revenue between business lines from transactions among the business lines for determining the revenue of HC Group.

**Key Business Data by Geographical Area**

The following tables show certain key business data for the five geographic Group areas. The respective table shows the sales volumes derived from the HC Group's internal management reporting systems and key segment reporting information as presented in the segment reporting of the audited IFRS consolidated financial statements of HC AG as of and for the fiscal year ended December 31, 2018(including the respective comparative amounts as of and for the fiscal year ended December 31, 2017).

***Western and Southern Europe***

The Western and Southern Europe Group area comprises seven countries. The U.K., France and Germany are the three largest market regions in Western and Southern Europe. To expand its market position in Italy, Italcementi S.p.A., a wholly owned subsidiary of HeidelbergCement Group, acquired 100% of the shareholding in Cementir and its subsidiaries Cementir Sacci S.p.A. and Betontir S.p.A. on January 2, 2018. The acquisition comprises five cement plants two cement grinding plants as well as a network of terminals and ready-mixed concrete plants. Due to the conditions imposed by the Italian competition authority, the cement plant Maddaloni was sold in 2018.

The following table presents the sales volumes and certain key segment reporting information for the Western and Southern Europe Group area:

Key figures	January-December		
in € millions, unless otherwise indicated	2017	2018	Variance (unaudited)
<b>Sales volumes (unaudited)</b>			
Cement and clinker (Mt)	28.9	30.8	6.5%
Aggregates (Mt)	78.5	81.3	3.5%
Ready-mixed concrete (Mm3)	17.3	17.5	1.0%
Asphalt (Mt)	3.3	3.6	9.4%
<b>Segment reporting (audited, unless otherwise indicated)</b>			
Revenue	4,701	4,936	5.0%
Result from current operations before depreciation and amortization (RCOBD)	613	590	-3.8%
<i>as % of revenue</i>	13.0%	11.9%	
Result from current operations	294	260	-11.7%
<i>as % of revenue</i>	6.3%	5.3%	
Capital expenditures <sup>1)</sup>	327	389	19.0%
Employees as of December 31	15,497	15,903	2.6%

1) Capital expenditures = cash-effective investments in property, plant and equipment as well as intangible assets.

#### **Northern and Eastern Europe-Central Asia**

HC Group operates in twentyone countries in the Northern and Eastern Europe-Central Asia Group area. In most of these growth markets, HC Group is a market leader in the cement business. The production of aggregates and ready-mixed concrete is also becoming increasingly important. In terms of revenue, Poland and Czechia are HC Group's largest market regions in Eastern Europe-Central Asia.

In the aggregates business line, the main markets of HC Group are Czechia, Norway, Poland, Russia and Sweden. HC Group also operates aggregates activities in Romania, Hungary, the Slovakia, the Ukraine, Georgia and Kazakhstan.

With the exception of Russia and the Slovakia, HC Group has ready-mixed concrete activities in almost all countries of the Group area, with a dense network of plants. Its main market regions are located in Norway, Sweden, Poland and Czechia.

The following table presents the sales volumes and certain key segment reporting information for the Northern and Eastern Europe-Central Asia Group area:

Key figures	January-December		
in € millions, unless otherwise indicated	2017	2018	Variance (unaudited)
<b>Sales volumes (unaudited)</b>			
Cement and clinker (Mt)	25.9	25.6	-1.4%
Aggregates (Mt)	52.3	51.3	-1.8%
Ready-mixed concrete (Mm3)	6.9	7.0	0.9%
Asphalt (Mt)	-	-	-

Key figures	January-December		
in € millions, unless otherwise indicated	2017	2018	Variance (unaudited)

**Segment reporting (audited, unless otherwise indicated)**

Revenue	2,836	2,916	2.8%
Result from current operations before depreciation and amortization (RCOBD)	539	575	6.6%
<i>as % of revenue</i>	19.0%	19.7%	
Result from current operations	365	416	14.0%
<i>as % of revenue</i>	12.9%	14.3%	
Capital expenditures <sup>1)</sup>	144	134	-6.9%
Employees as of December 31	13,531	12,515	-7.5%

1) Capital expenditures = cash-effective investments in property, plant and equipment as well as intangible assets.

**North America**

The United States and Canada form the Group area North America. HC Group considers itself to be one of the leading manufacturers of cement, aggregates and ready-mixed concrete in North America. Asphalt is also manufactured in a few U.S. states, and concrete pipes are produced and distributed in Western Canada.

The cement, aggregates and ready-mixed concrete-asphalt business lines are organized into four integrated regions: North, South, West and Canada. The concrete pipes operating line in Western Canada has been assigned to the service-joint venture-other business line after the sale of the building products business line at the end of 2014. HC Group's 50-50 joint venture Texas Lehigh Cement Company LP, headquartered in Austin, Texas, is also included in this business line.

The following table presents the sales volumes and certain key segment reporting information for the North America Group area:

Key figures	January-December		
in € millions, unless otherwise indicated	2017	2018	Variance (unaudited)

**Sales volumes (unaudited)**

Cement and clinker (Mt)	16.4	16.2	-1.5%
Aggregates (Mt)	120.8	123.4	2.2%
Ready-mixed concrete (Mm3)	6.8	7.1	5.3%
Asphalt (Mt)	4.0	4.1	2.8%

**Segment reporting (audited, unless otherwise indicated)**

Revenue	4,345	4,262	-1.9%
Result from current operations before depreciation and amortization (RCOBD)	1,160	988	-14.9%
<i>as % of revenue</i>	26.7%	23.2%	
Result from current operations	863	694	-19.6%
<i>as % of revenue</i>	19.9%	16.3%	
Capital expenditures <sup>1)</sup>	274	267	-2.6%
Employees as of December 31	8,726	8,750	0.3%

1) Capital expenditures = cash-effective investments in property, plant and equipment as well as intangible assets.

### Asia-Pacific

The Asia-Pacific Group area comprises nine Asian countries and Australia. In most of the countries of Asia, HC Group's focus is on cement production. In Indonesia, in particular, cement capacities are currently undergoing major expansion. In Malaysia, Hong Kong, and Indonesia, HeidelbergCement has a strong market position in aggregates and ready-mixed concrete.

In Australia, HeidelbergCement has significant market positions in ready-mixed concrete and aggregates, with a dense network of production sites. HC Group also holds a 50% participation in the largest cement company in Australia.

The following table presents the sales volumes and certain key segment reporting information for the Asia-Pacific Group area:

Key figures in € millions, unless otherwise indicated	January-December		
	2017	2018	Variance (unaudited)
<b>Sales volumes (unaudited)</b>			
Cement and clinker (Mt)	34.7	36.9	6.4%
Aggregates (Mt)	41.5	43.4	4.6%
Ready-mixed concrete (Mm3)	10.6	11.6	9.3%
Asphalt (Mt)	1.8	2.1	19.0%
<b>Segment reporting (audited, unless otherwise indicated)</b>			
Revenue	3,155	3,262	3.4%
Result from current operations before depreciation and amortization (RCOBD)	652	601	-7.8%
<i>as % of revenue</i>	20.7%	18.4%	
Result from current operations	459	419	-8.6%
<i>as % of revenue</i>	14.5%	12.8%	
Capital expenditures <sup>1)</sup>	209	196	-6.2%
Employees as of December 31	14,039	14,086	0.3%

1) Capital expenditures = cash-effective investments in property, plant and equipment as well as intangible assets.

### Africa-Eastern Mediterranean Basin

In Africa, HC Group is represented in seventeen countries. In eleven countries south of the Sahara the Group almost exclusively produces cement. In North Africa, HeidelbergCement holds leading market positions and operates production sites in Egypt and Morocco. Solid economic growth, population increase, urbanization and infrastructural measures are the main drivers in these countries when it comes to the rise in construction activity and cement demand.

HC Group's operations in the Eastern Mediterranean Basin are located in Israel and Turkey. In Israel, HC Group mainly produces aggregates and ready-mixed concrete. In Turkey, the joint venture Akçansa is one of the country's leading cement manufacturers; in addition, Akçansa also operates ready-mixed concrete and aggregates plants. HeidelbergCement Group also operates a cement import business to Gaza and the West Bank through an independent subsidiary in Palestine.

The following table presents the sales volumes and certain key segment reporting information for the Africa-Eastern Mediterranean Basin Group area:

Key figures	January-December		
	2017	2018	Variance (unaudited)
in € millions, unless otherwise indicated			
<b>Sales volumes (unaudited)</b>			
Cement and clinker (Mt)	19.0	19.7	3.5%
Aggregates (Mt)	12.4	10.1	-18.0%
Ready-mixed concrete (Mm3)	5.1	5.3	3.7%
Asphalt (Mt)	0.6	0.5	-11.6%
<b>Segment reporting (audited, unless otherwise indicated)</b>			
Revenue	1,586	1,667	5.1%
Result from current operations before depreciation and amortization (RCOBD)	367	370	1.0%
<i>as % of revenue</i>	23.1%	22.2%	
Result from current operations	273	272	-0.3%
<i>as % of revenue</i>	17.2%	16.3%	
Capital expenditures <sup>1)</sup>	81	69	-14.8%
Employees as of December 31	6,856	6,214	-9.4%

1) Capital expenditures = cash-effective investments in property, plant and equipment as well as intangible assets.

## RAW MATERIALS

### Securing of mining rights for raw materials

Whilst at a series of production facilities (cement grinding plants, ready-mixed concrete plants, pre-cast concrete plants, asphalt plants, ground granulated blast-furnace slag plants and sand-lime bricks plants) raw materials that already have run through one or more preparation steps are processed further, the raw materials required for production in integrated cement plants (incl. cement clinker plants) and aggregates plants are generally extracted via quarrying work in the first place. Only in exceptional cases significant quantities of raw materials are bought from third party suppliers rather than produced through HC Group's own quarries. However, correcting materials to improve the quality of the raw materials at hand are frequently purchased from third party suppliers.

The long-term secure access to suitable raw materials is a condition precedent for the successful operation of HC Group's cement and aggregates plants. Without sufficient raw materials as a basis, the operation of raw material-quarrying plants is practically infeasible. A plant may fail to extract sufficient raw materials if:

- the raw materials are not available in sufficient quality and volume,
- the quarrying permits and licenses are not granted at all, are not granted for a sufficiently long term or are not granted with sufficient legal certainty

and/or if

- access to the real property where the raw materials are to be found is not possible from a legal perspective or is only possible to a limited extent.

On the other hand, the long-term, legally certain access to high-quality raw materials may give a company critical competitive advantages in the local market in which a plant is located. In particular, in mature markets, public authorities only issue raw material quarrying licenses or permits after a comprehensive review of the relevant environmental aspects, and then frequently only issue their approvals for limited time periods. Once a market participant has obtained a license or permit for raw material quarrying, the market entry of a competitor may become substantially more difficult, impossible or uneconomical.

For this reason, one of the most important tasks and responsibilities of every plant manager, managing director of a HC Group company with raw material quarries and every general manager of a HC Group country is to ensure long-term and ongoing raw material management.

As a first step HC Group must gain knowledge, backed up by geological investigations, of the availability and the quality of the natural mineral deposits that supply the raw materials suitable for processing in HC Group's local plants. In most countries, the second step is the designation of suitable areas as raw material quarrying areas in public plans at a national, regional or local level, followed by early advance planning and execution of a quarrying permit procedure.

The locally responsible managers are supported in this matter at a national or group level by staff function departments of HeidelbergCement. HeidelbergCement Technology Center experts provide assistance to the managers responsible for the cement plants, and the Competence Center Materials experts support the managers responsible for the aggregates plants. This support includes both securing of raw materials as well as cost-efficient operation of the plants (from the planning of new production facilities via repairs and maintenance of production facilities to purchasing of replacement parts and new production facilities).

The public law authorization for raw material quarrying is, however, only one aspect of ensuring long-term raw material supplies. In addition, the access to the real property where the material to be quarried is located must be ensured by corresponding rights under law ("**mining rights**"). These mining rights can be achieved through purchasing the relevant parcels of land, agreements which grant rights of exploitation in rem or in persona over the relevant parcels of land, the grant of state quarrying concessions over the relevant mineral deposit or any combination of the measures set out above. Both the public law planning and authorization process and the process to ensure access rights to the real property from a legal perspective take place years prior to the intended commencement of quarrying activities in order to remain independent of the then current economic interests of individual site owners and to avoid having to initiate dispossession proceedings against site owners, as is possible in some jurisdictions, unless absolutely necessary. Depending on the situation in the country in question, in some cases the efforts to gain legal access to the real property may have to commence prior to the initiation of the application procedures for the public law authorization or vice versa. However, generally both efforts are commenced simultaneously.

The legal requirements applicable to the existing raw material quarrying licenses/permits under public law vary from country to country, from plant to plant and from quarry to quarry. Typically, they contain regulations on the technical framework conditions of the quarrying work, for the protection of the environment (in particular of flora, fauna, water, air, soil) and the neighbourhood (in particular against emissions of dust, noise and vibrations), and requirements for work safety and for the subsequent use of the quarry areas once the quarrying work has ended. Due to the differences in legal framework conditions in the individual countries where HC Group is active, the content and scope of regulations deviate greatly from each other and cannot be generalized. The same holds true for the time periods for which the public law licenses/permits are issued: whereas in some countries quarrying licenses/permits are issued at the longest for the subsequent 1-5 years, in other countries quarrying licenses/permits may be issued for the next 10-20 years or even for an unlimited period, meaning until the raw materials reserves within the approved quarry area have been exhausted.

### **Cement**

The cement manufacturing process in HC Group's 107 integrated cement plants worldwide basically depends on the following key inputs: raw materials (limestone, clay, marl) for the production of cement clinker; additives (gypsum, blast-furnace slag, fly ash, trass) for the cement grinding process and a considerable quantity of fuel (due to the high burning temperatures) and electric energy (due to the two separate grinding processes). Mining permits for the raw materials are of particular importance.

Since the transportation of raw materials for the production of cement is very cost intensive, cement producers strive to locate their production facilities in close proximity to the required raw materials. The main raw materials used in the clinker manufacturing process are generally mined from quarries that are located in close proximity to HC Group's worldwide cement plants. Only few plants do not have access to own quarries but have long-term contracts to purchase raw materials from other companies.

HC Group also uses sources of alternative raw materials (such as by-products and waste from other industries) in the cement clinker and cement production. In order to ensure the continuous operation of cement plants over a long period of time, the site must have sufficient quantities of raw materials at hand and mining permits (with respect to primary raw materials) with a sufficiently long term. Assuming a constant rate of utilization of the relevant cement plant, the term of a mining permit usually does not cover the entire operational life of a cement plant and the given geological deposits of raw materials.



## **Aggregates**

Aggregates are, in addition to cement and ready-mixed concrete, a fundamental part of HC Group's integrated value chain. Based on sales volumes, HC Group is the world's largest aggregates producer, supplying sand, gravel or crushed stone for applications like ready-mixed concrete, road construction or building products. Aggregates are produced in approximately 640 plants or with marine production vessels in Europe, America, Africa, Asia and Australia. HC Group's leading position as aggregates supplier is based on a very significant aggregates capacity. Substantial raw material deposits are held in all Group areas and are to a large extent located close to attractive urban markets.

## **INVESTMENTS**

Active portfolio management, with a disciplined management of investments, formed a significant cornerstone of HC Group's rigid and consistent cash management in the fiscal year ended December 31, 2018. Cash-relevant investments totalled € 1,723 million in the fiscal year ended December 31, 2018 (2017: € 1,278 million). This figure was offset by cash-relevant divestments of € 562 million in the fiscal year ended December 31, 2018 (2017: € 434 million) and cash and cash equivalents acquired in the context of acquisitions and divestments amounting to a net total of € 27 million (2017: divested cash and cash equivalents of € 3 million). As a result, net investments reached € 1,134 million in the fiscal year ended December 31, 2018 (2017: € 847 million), in line with the originally planned amount of € 1.1 billion. Thanks to HC Group's concentrated efforts to optimize the portfolio, net investments remained markedly below the forecast of € 1.3 billion, which was raised in October 2018. In the fiscal year ended December 31, 2018, € 1,061 million (2017: € 1,035 million) was attributed to investments in property, plant and equipment (including intangible assets). Investments in financial assets and other business units rose to € 663 million in the fiscal year ended December 31, 2018 (2017: € 242 million).

On the one hand, investments in property, plant and equipment in the fiscal year ended December 31, 2018 related to maintenance, optimization, and environmental protection measures at HC Group's production sites in all Group areas. One point of focus regarding optimization and environmental protection was on the projects of the Germany Cement Master Plan for modernization and efficiency improvements as well as environmental protection in HC Group's German cement plants. This plan includes major projects such as the modernization and construction of new preheater kilns at the Burglengenfeld and Schelklingen plants. There was also substantial capital spending on the modernisation or construction of new production facilities at the cement plants in the Northern and Eastern Europe-Central Asia Group area, the construction of the new headquarters in Heidelberg, and the increase in fuel flexibility at the cement plants in the Africa-Eastern Mediterranean Basin Group area. The upgrading of the Bass Point location in New South Wales, Australia, which was completed in 2018, represented an important project in the aggregates business line.

On the other hand, HC Group also made targeted investments for profitable growth in selected markets in the fiscal year ended December 31, 2018, in line with its long-term growth strategy. In Burkina Faso, HC Group doubled the production capacity with the completion of a second cement mill. At the start of 2018, HC Group launched a project in the Democratic Republic of Congo to increase the kiln capacity, which is set to be completed in 2019. In addition, with the commissioning of a new cement grinding plant near Port Elizabeth, HC Group added South Africa to the portfolio of countries. In Indonesia, HC Group commissioned two cement terminals on the island of Sumatra in order to improve its competitiveness. In the United Kingdom, the upgrading of the Padeswood cement plant in North Wales, including the installation of a cement mill, is nearly complete.

The investments in financial assets and other business units in the fiscal year ended December 31, 2018 essentially related to the acquisition of the Italian cement and concrete manufacturer Cementir and the Australian Alex Fraser Group. Smaller bolt-on acquisitions of shareholdings related to the business operations of five aggregates quarries in Belgium, the ready-mixed concrete company Fairburn Ready-Mix in the USA, the Australian asphalt manufacturer Suncoast Asphalt, and the aggregates and asphalt business as well as a 50% share in the construction business of Jack Cewe in Canada.

As part of the optimization of the portfolio, HC Group sold its sand-lime brick business in Germany, the white cement activities in the USA, the 50% participation in Ciment Québec in Canada, and a paper bag factory in Egypt in the fiscal year ended December 31, 2018. In addition, in the fiscal year ended December 31, 2018, HC Group sold a cement plant that formerly belonged to Cementir in order to meet the conditions imposed by the Italian competition authority.

## MATERIAL SHAREHOLDINGS

The material subsidiaries of HeidelbergCement AG as of December 31, 2018 are:

<b>Českomoravský cement, a.s./Czechia</b>	
Registered holder .....	HeidelbergCement Central Europe East Holding B.V.
Percentage of subscribed share capital held.....	100.00%
<b>HeidelbergCement India Limited/India</b>	
Registered holder .....	Centrum I B.V.
Percentage of subscribed share capital held.....	69.39%
<b>Ciments du Maroc S.A./Morocco</b>	
Main registered holder .....	Cocimar S.a.s.
Percentage of subscribed share capital held.....	58.79%
<b>Góraźdże Cement S.A./Poland</b>	
Main registered holder .....	CBR Baltic B.V.
Percentage of subscribed share capital held.....	99.83%
<b>HeidelbergCement Norway a.s.</b>	
Registered holder .....	HeidelbergCement Northern Europe AB
Percentage of subscribed share capital held.....	100.00%
<b>Ciments Français S.a.s./France</b>	
Registered holder .....	Italcementi Fabbriche Riunite Cemento S.p.A. Bergamo
Percentage of subscribed share capital held.....	100.00%
<b>Hanson Australia (Holdings) Proprietary Limited/Australia</b>	
Registered holder .....	Sinclair General Corporation
Percentage of subscribed share capital held.....	100.00%
<b>Lehigh Hanson, Inc./U.S.</b>	
Registered holder .....	Lehigh B.V.
Percentage of subscribed share capital held.....	100.00%
<b>Lehigh Hanson Materials Limited/Canada</b>	
Main registered holder .....	HeidelbergCement Canada Holding Limited
Percentage of subscribed share capital held....	84.975%
<b>PT Indocement Tungal Prakarsa Tbk./Indonesia</b>	
Registered holder .....	Birchwood Omnia Limited
Percentage of subscribed share capital held.....	51.00%

## MANAGEMENT AND ADMINISTRATIVE BODIES

### Managing Board

#### *General*

According to the articles of association, the Managing Board of HeidelbergCement AG is comprised of at least two members. The number of Managing Board members is otherwise determined by the Supervisory Board. At present, HeidelbergCement AG has seven members on the Managing Board: In addition to the Chairman of the Managing Board and the Chief Financial Officer, there are five members of the Managing Board with regional responsibilities.

## Members

The members of HeidelbergCement AG's Managing Board and the divisions for which they are responsible are shown in the table below.

The Managing Board's organization is characterized by dual management responsibility. The operating units in the group areas fall under the line responsibility of individual members of the Managing Board. In addition, they have cross-area responsibility for specific corporate functions with great strategic importance for HC Group. Current memberships of the Managing Board members in administrative, management or supervisory bodies or as partners outside of HeidelbergCement are stated in the following table.

<b>Name and Position held in HC Managing Board</b>	<b>Year of Commencement/Expiration of the term</b>	<b>Area of responsibility</b>	<b>Current board memberships and activities outside HC Group (unless stated otherwise: Supervisory Board)</b>
<b>Dr. Bernd Scheifele</b> Chairman	2005/2020	Chairman of the Managing Board, Strategy and Development, Communication & Investor Relations, Human Resources, Legal, Compliance, Internal Audit	Verlagsgruppe Georg von Holtzbrinck GmbH (deputy chairman) PHOENIX Pharmahandel GmbH & Co KG (chairman of the advisory council) PHOENIX Pharma SE (chairman) Springer Nature AG & Co. KGaA
<b>Dr. Dominik von Achten</b> Deputy Chairman	2007/2025	Deputy Chairman of the Managing Board Western and Southern Europe Competence Center Materials Chief Digital Officer (Digital Transformation & Disruption HeidelbergCement)	Kunststoffwerk Philippine GmbH & Co. KG and Saarpor Klaus Eckhardt GmbH Neunkirchen Kunststoffe KG (jointly meeting advisory council of Unternehmensgruppe Philippine Saarpor Verlag Lensing-Wolff GmbH & Co. KG ("Medienhaus Lensing")
<b>Kevin Gluskie</b> Member	2016/2024	Asia-Pacific Global Competence Center Readymix Global Market Intelligence & Sales Processes Global Product Marketing	Cement Australia Holdings Pty Ltd Cement Australia Pty Limited Cement Australia Partnership China Century Cement Ltd. Easy Point Industrial Ltd Guangzhou Heidelberg Yuexiu Enterprise Management Consulting Company Ltd. Jidong Heidelberg (Fu-feng) Cement Company Limited Jidong Heidelberg (Jing-yang) Cement Company Limited Squareal Cement Ltd
<b>Hakan Gurdal</b> Member	2016/2024	Africa-Eastern Mediterranean Basin Purchasing	Akçansa Çimento Sanayi ve Ticaret A.S. (deputy chairman) CEMZA (PTY) LTD
<b>Jon Morrish</b> Member	2016/2024	North America Secondary Cementitious Materials	

<b>Name and Position held in HC Managing Board</b>	<b>Year of Commencement/ Expiration of the term</b>	<b>Area of responsibility</b>	<b>Current board memberships and activities outside HC Group (unless stated otherwise: Supervisory Board)</b>
<b>Dr. Lorenz Näger</b> Member	2004/2022	CFO, Finance, Group Accounting, Controlling, Taxes, Treasury, Insurance & Risk Management, IT, Shared Service Center	MVV Energie AG PHOENIX Pharmahandel GmbH & Co KG (member of the advisory council) PHOENIX Pharma SE
<b>Dr. Albert Scheuer</b> Member	2007/2019	Northern and Eastern Europe-Central Asia  Worldwide coordination of Heidelberg Technology Center  Research & Development/ Product Innovation  Environmental Sustainability	

### ***Legal Relationships and Conflicts of Interest***

Besides their functions as members of the administrative bodies, the members of the Managing Board have not entered into any other material legal relationship with HeidelbergCement AG and have no potential conflicts of interest with regard to their duties vis-à-vis HeidelbergCement AG on the one hand and their private interests or other duties on the other hand. No service agreements exist between HeidelbergCement AG and its subsidiaries on the one hand and one or more members of the Managing Board on the other hand, which provide for benefits in the event that the service agreement is terminated. No agreements or understandings exist with shareholders, customers, suppliers or others, according to which a member of the Managing Board was appointed to the Managing Board.

Members of the Managing Board can be contacted at the business address of HeidelbergCement AG at Berliner Str. 6, 69120 Heidelberg, Germany.

### **Supervisory Board**

#### ***General***

Pursuant to the articles of association, the Supervisory Board has twelve members. Half of the Supervisory Board members representing the shareholders are elected by the Annual General Meeting in accordance with the provisions of the German Stock Corporation Act. The other half of the members representing employees are elected in accordance with the provisions of the German Co-Determination Act of 1976 (*Mitbestimmungsgesetz* – "**MitbestG**"). The term of office for the Supervisory Board started with the conclusion of the Annual General Meeting of May 7, 2014 and ends according to schedule with the conclusion of the ordinary Annual General Meeting on May 9, 2019.

#### ***Members***

The current members of the Supervisory Board of HeidelbergCement AG, their principle functions as well as current memberships in administrative, management and supervisory bodies or as partners outside of HeidelbergCement are set forth in the following table.

Shareholders' Representatives

<b>Name and Position</b>	<b>Year of the first election/expiration of the term</b>	<b>Main occupation</b>	<b>Current board memberships and activities outside HC Group (unless stated otherwise: Supervisory Board)</b>
<b>Fritz-Jürgen Heckmann</b> Chairman	2003/2019	Lawyer at the law firm Kees Hehl Heckmann and Supervisory Board Member	Paul Hartmann AG (chairman) Wieland-Werke AG (chairman) HERMA Holding GmbH + Co. KG (chairman) Neue Pressegesellschaft mbH & Co. KG Süddeutscher Verlag GmbH (chairman) Südwestdeutsche Medien Holding GmbH (chairman)
<b>Ludwig Merckle</b> Member	1999/2019	Managing Director of Merckle Service GmbH	Kässbohrer Geländefahrzeug AG (chairman) PHOENIX Pharmahandel GmbH & Co KG (member of the advisory council) PHOENIX Pharma SE (deputy chairman)
<b>Tobias Merckle</b> Member	2006/2019	Managing Director of Seehaus e.V.	
<b>Dr. Jürgen M. Schneider</b> Member	2014/2019	Former Chief Financial Officer of Bilfinger Berger AG and former Dean of the Business School of the University of Mannheim	DACHSER Group SE & Co. KG (chairman) Dachser SE (chairman) Heberger GmbH (chairman)
<b>Margret Suckale</b> Member	2017/2019	Former member of the Board of Executive Directors of BASF SE	Deutsche Telekom AG, DWS Group GmbH & Co. KGaA
<b>Univ.-Prof. Dr. Marion Weissenberger-Eibl</b> Member	2012/2019	Head of the Fraunhofer Institute for Systems and Innovation Research ISI in Karlsruhe and holder of the Chair of Innovation and Technology Management (iTm) at the Karlsruhe Institute of Technology (KIT)	MTU Aero Engines AG Rheinmetall AG

Employees' Representatives

<b>Name and Position</b>	<b>Year of the first election/expiration of the term</b>	<b>Main occupation</b>	<b>Current board memberships and activities outside HC Group (unless stated otherwise: Supervisory Board)</b>
<b>Heinz Schmitt</b> Deputy Chairman	2004/2019	Chairman of the council of employees at the headquarters of HeidelbergCement AG and Chairman of the Group Council of Employees	
<b>Barbara Breuninger</b> Member	2018/2019	Specialist in Strategic Management Personnel Recruiting, Management Programmes and Coaching at IG Bauen-Agrar-Umwelt as well as independent Management Consultant	
<b>Josef Heumann</b> Member	2004/2019	Chairman of the council of employees at the Burglengenfeld plant, HeidelbergCement AG	
<b>Gabriele Kailing</b> Member	2014/2019	Product Manager and Development at Academy of Labour gGmbH	
<b>Werner Schraeder</b> Member	2009/2019	Chairman of the general council of employees of HeidelbergCement AG and chairman of the council of employees at the Ennigerloh plant, HeidelbergCement AG	Berufsgenossenschaft Rohstoffe und chemische Industrie
<b>Stephan Wehning</b> Member	2016/2019	Director of the Schelklingen plant, HeidelbergCement AG	

No conflicts of interests between any duties to HeidelbergCement AG and the private interests or other duties of members of the Supervisory Board were notified.

Members of the Supervisory Board can be contacted at the business address of HeidelbergCement AG, Berliner Str. 6, 69120 Heidelberg, Germany (Tel: +49 (0) 6221 481-0).

**Committees**

The Supervisory Board may form committees in addition to the mediation committee required under the provisions of the German Co-Determination Act (*Mitbestimmungsgesetz*) of 1976. They act in the name and on behalf of the entire Supervisory Board in discharging the tasks assigned to them under the Supervisory Board rules of procedure and by special resolutions adopted by the Supervisory Board. The Supervisory Board has currently formed four committees: the personnel committee, the audit committee, the nomination committee and the arbitration committee. The Supervisory Board may form further committees.

The personnel committee is responsible for:

- preparing the decision of the Supervisory Board concerning the appointment of members of the Managing Board
- preparing the election of the Chairman of the Managing Board
- establishing the Managing Board's remuneration structure as well as the remuneration paid to the individual members of the Managing Board

- making a decision concerning the structuring of the non-remuneration related legal relationships between the company and the members of the Managing Board.

The members of the personnel committee are: Ludwig Merckle (Chairman), Fritz-Jürgen Heckmann, Josef Heumann, Heinz Schmitt, Margret Suckale and Stephan Wehning.

The audit committee inter alia performs the following tasks:

- The preparation of decisions of the Supervisory Board in respect of the determination of the financial statements and approval of the consolidated financial statements as well as the preparation of the proposal of the Supervisory Board at the shareholders' meeting for the appointment of the auditors.
- The inspection of the internal controlling system, the internal risk management system and the compliance management system of HC Group and the supervision of the accounting system and the efficiency of the internal controlling system, the internal risk management system and the compliance management system of HC Group.
- Granting the auditing instructions, determining the auditing points of main emphasis and reaching the fee agreement and the pertinent framework agreement with the auditors.
- Discussing with the Managing Board the half-year and quarterly financial reports prior to publication.
- Obtaining the independence statement of the auditors and the additional services rendered by the auditors and deciding on measures if, during an audit, reasons for a potential exclusion or bias of the auditors arise.
- Dealing, in individual cases, with subjects assigned to it by the Supervisory Board.

The members of the audit committee are: Ludwig Merckle (Chairman), Fritz-Jürgen Heckmann, Heinz Schmitt, Dr. Jürgen M. Schneider, Werner Schraeder and Stephan Wehning. In the fiscal year ended December 31, 2018, the audit committee met two times and held three telephone meetings.

The nomination committee is responsible for putting suitable candidates forward to the Supervisory Board for its proposals for election to be made to the annual general meeting. Its members are: Fritz-Jürgen Heckmann (Chairman), Ludwig Merckle and Tobias Merckle as shareholder representatives.

The arbitration committee is responsible for making a proposal to the Supervisory Board for the appointment of members of the Managing Board if the necessary two-thirds majority is not initially achieved. It comprises Fritz-Jürgen Heckmann (Chairman), Tobias Merckle, Heinz Schmitt and Stephan Wehning.

### **Shareholdings, legal relationships and conflicts of interest**

Mr Ludwig Merckle, Ulm/Germany, holds via PH Vermögensverwaltung GmbH, Zossen/Germany a subsidiary controlled by him, 26.70% of the voting rights (equals 52,974,747 voting rights) in the company, according to the notifications available to the company as at the date of this Prospectus in accordance with the German Securities Trading Law (*Wertpapierhandelsgesetz*). For further details see "*Shareholders*".

Besides their function as members of the corporate body, the members of the Supervisory Board have not entered into any other material legal relationship with HeidelbergCement AG and have no potential conflicts of interest with regard to their duties vis-à-vis HeidelbergCement AG on the one hand and their private interests or other duties on the other hand, except for Mr. Ludwig Merckle's indirect shareholding in HeidelbergCement. No service agreements exist between HeidelbergCement AG and its subsidiaries on the one hand and one or more members of the Supervisory Board on the other hand, which provide for benefits in the event the service agreement is terminated. No agreements or understandings exist with shareholders, customers, suppliers or other persons, according to which a member of the Supervisory Board was appointed to the Supervisory Board.

## **CORPORATE GOVERNANCE**

The Government Commission for the German Corporate Governance Code (*Regierungskommission Deutscher Corporate Governance Kodex*), appointed by the Federal Minister of Justice in September 2001, adopted the German Corporate Governance Code (the "**Code**") on February 26, 2002 and resolved various amendments to the Code, most recently on February 7, 2017. The Code contains recommendations and suggestions relating to the management and supervision of German listed companies. It follows

internationally and nationally recognized standards for good and responsible corporate governance. The Code aims at making the German corporate governance system transparent and understandable. The Code contains corporate governance recommendations (so called "shall" provisions) and suggestions (so called "should" or "can" provisions) with respect to shareholders and the Annual General Meeting, the Managing Board and Supervisory Board, transparency, accounting policies and audits. The Code may be viewed at [www.corporate-governance-code.de](http://www.corporate-governance-code.de).

On February 18, 2019, the Managing Board and on February 19, 2019, the Supervisory Board resolved to submit the following statement of compliance in accordance with Section 161(1) of the German Stock Corporation Act: The Managing Board and Supervisory Board of HeidelbergCement AG declare, in accordance with Section 161(1) of the German Stock Corporation Act, that they have fully complied with, and are fully in compliance with, the recommendations of the Government Commission on the German Corporate Governance Code in the version dated February 7, 2017, since submission of last year's statement of compliance in February 2018.

## **MATERIAL CONTRACTS**

### **Control and Profit and Loss Pooling Agreement with HeidelbergCement International Holding GmbH**

On March 21, 2002 HeidelbergCement and HeidelbergCement International Holding GmbH ("HCIH") concluded a profit and loss pooling agreement (*Gewinnabführungsvertrag*) under which HCIH is obliged to transfer its profits to HeidelbergCement and HeidelbergCement is obliged to compensate HCIH for any annual deficits, each with effect of January 1, 2002. The contract was changed to a control and profit and loss pooling agreement (*Beherrschungs- und Gewinnabführungsvertrag*) by an amendment that became effective after approval by its own HeidelbergCement shareholders and registration in the commercial register on May 13, 2014. The control and profit and loss pooling agreement can be terminated unilaterally with six months prior notice on December 31 of each year.

### **Syndicated Facilities Agreement; Letter of Guarantee Facility**

HeidelbergCement's € 3 billion syndicated credit line dated January 12, 2018, originally maturing January 12, 2023 was prolonged by the use of one of the two options to prolong the term by one year each to January 12, 2024. This still leaves a final option to prolong its term until January 12, 2025. The syndicated facility agreement ("**SFA**") provides for a multicurrency revolving credit facility in an amount of € 3 billion which may also be utilized by letters of credit. The terms of the SFA contain restrictions which may affect the operating flexibility of HC Group. These restrictions include a financial covenant. Breaches of the contractual undertakings and the agreed financial covenant will in general trigger a right of early termination on the part of the lenders, who will in this case be entitled to demand immediate repayment.

If an individual or a group of individuals acting in concert gain control of HeidelbergCement (change of control event), the lenders under the SFA have a right of early termination which each lender may exercise individually.

## **REGULATORY ENVIRONMENT**

HC Group is subject to various environmental, health and safety and regulatory laws and regulations applicable in the jurisdictions in which it is active.

### **Overview of environmental regulations**

The manufacturing operations of HC Group, including integrated cement plants, cement grinding plants, ready-mixed concrete facilities, pre-cast concrete plants, aggregates facilities, asphalt plants, ground granulated blast-furnace slag plants and sand-lime bricks plants, are subject to various environmental laws and regulations. All countries in which HC Group operates have adopted comprehensive laws, regulations, technical rules and standards concerning environmental protection. They regulate, among other things, air pollution (thresholds for certain air emissions, such as sulphur dioxide, sulphur trioxide, nitrogen dioxide, nitrogen oxide, ammonia, mercury, organics, carbon monoxide, carbon dioxide, heavy metals and dust) and noise as well as vibrations, odour emissions, pollution of, and discharges into, soil, surface water and groundwater, equipment and plant safety, the production, handling, storage and transportation of hazardous materials (including the use of explosives), the treatment and disposal of waste as well as the use of waste



as secondary fuel and secondary raw material, mining of raw materials, protection of natural resources and re-cultivation. They can also cover wetlands preservation and protection of endangered species. HC Group is required to obtain and maintain permits from governmental authorities for many of its operations. These laws, regulations and permits are subject to change over time and require the ongoing improvement and retrofitting of plants, equipment and operations, which can at times, require substantial investments. Meeting these regulatory and permit requirements may require HC Group to incur material costs, alter its operations or forego planned business opportunities. In addition, future challenges to HC Group's permits or operations may impose burdensome conditions on its operations and activities.

In addition, in various jurisdictions manufacturing companies are subject to comprehensive liability with regard to preventing and remediating environmental damages (including damages to water and soil but also to protected species and natural habitats) which result from certain activities with potential environmental impact. Under such liabilities, companies may face liability for approved emissions or activities which are not necessarily limited to cases of wilful misconduct.

### ***Implications for HC Group***

The operations of HC Group, as well as its ownership and operation of real property, may trigger a range of legal obligations and other environmental risks including the following:

#### **Soil and groundwater contamination**

HC Group's current and historical operations include the use of hazardous materials and can otherwise have an impact on the soil and groundwater. In addition, its operations are and at times have been located on sites with long histories of industrial operations and past activities that were of a different nature than HC Group's current activities. As a result, some of HC Group's sites are affected by soil and groundwater contamination, including from the use of settling ponds, septic systems and associated leach fields, surface impoundments or landfills, which are or were situated on or adjacent to the production sites. In some cases, HC Group is obligated to perform further investigation and/or clean-up operations.

Additional contamination of soil and groundwater might be discovered at various sites in the future due to, among other things, the storage of hazardous substances above-ground or underground (for example, storage of heating fuel oil, lubricating oil or fuel at company filling stations), the current or former use of the site or parts thereof as settling ponds, septic systems and associated leach fields, surface impoundments or landfills and the backfilling of quarries with filter dusts. In case of discovery of contamination, HC Group may, as the present owner and/or user of the respective property, be held liable for addressing that contamination. Under the laws of some countries, HC Group could be held responsible even if it did not cause the contamination. In addition, HC Group, as the previous owner, or user, of properties, could be responsible for soil or groundwater contamination that may be discovered in the future at those sites.

Specific risks associated with hazardous substances exist for HC Group in the U.S. CERCLA and similar state laws impose liability for investigation and clean-up of contaminated properties and for damages to natural resources. Under CERCLA, RCRA or similar state laws, strict, joint and several liability may be imposed on waste generators, current and former site owners or operators and others regardless of fault. In addition to actions brought by governmental agencies, private plaintiffs may also bring clean-up property damage and personal injury claims arising from the presence of hazardous substances on a property. Thus, members of HC Group may be responsible for investigating or remediating sites that it currently owns or operates or that it or a former member of HC Group previously owned or operated as well as sites to which it or a former member of HC Group sent waste material or to which substances have migrated from any of the types of sites listed above, for damages to natural resources and for claims for clean-up property damages or personal injury.

In connection with ongoing operations, several cases of soil and groundwater contamination are known. In addition, environmental contamination exists which relates to sites and companies HC Group acquired, owned or operated in the past that had businesses and operations unrelated to those presently carried on by HC Group, especially Beazer East, Inc. (formerly known as Koppers Company, Inc. and acquired by Hanson prior to HC Group's acquisition of Hanson). For additional information on environmental contamination which relates to current or historical businesses and activities, see *"Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is exposed to risks associated with the release of hazardous substances or other contamination of the environment, including risks arising under the U.S. Comprehensive*

*Environmental Response, Compensation and Liability Act.*" For additional information on current environmental contamination claims, see "*– Litigation/Administrative and Governmental Proceedings*".

### **Emissions (air, noise, odours and vibrations)**

All manufacturing operations of HC Group (including excavation of raw materials) are closely connected with dust emissions, noise emissions, vibrations etc. In addition, the production of cement (as a result of the clinker burning process) is also closely connected with air emissions of other pollutants (such as sulphur dioxide, sulphur trioxide, nitrogen dioxide, nitrogen oxide, ammonia, mercury, organics, carbon monoxide, carbon dioxide and heavy metals). All countries in which HC Group operates have adopted comprehensive laws, regulations, technical rules and standards concerning these emissions by setting thresholds for certain emissions. These laws, regulations etc. are subject to change over time, especially by introducing the up-to-date best available techniques (BAT). Therefore, HC Group has in the past been, and will in the future be, required to incur capital and operating costs to maintain or upgrade its operations or facilities to comply with these updated laws, regulations etc.

At some of the plants operated by HC Group, emissions of harmful substances into the air have in the past and may in the future exceed permissible thresholds. Applicable noise thresholds have also been exceeded at some plants of HC Group. These emissions as well as emissions of noxious odours or vibrations may require further investments in improvement for the relevant plants such as installing or upgrading filters and/or implementing noise abatement measures. In addition, HC Group's operations may have difficulty obtaining or maintaining permits and may have to alter its operations in a manner that adversely affects it. For estimated respective costs to address these issues, see "*Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is subject to a large number of environmental and health and safety laws and regulations*".

### **Water and waste water**

Water is used in the cement production process only to a minor extent, primarily for the cooling of machines. In the production of concrete and building materials, however, water is an important component of the final products. Therefore, large quantities of water must be available for the production of these materials, and appropriate permits to use the water must be obtained and maintained. At certain HC Group sites, the extraction of water for HC Group's operations can impact the availability of water for neighbouring uses, including residential drinking water wells. In such instances, HC Group could be required to alter its operations or to take certain precautionary measures to protect the local water supply, which measures could cause HC Group to incur significant costs or change its operations in a manner that adversely affects it.

Waste water is either discharged directly (usually after pre-treatment) into public waters or indirectly into the public sewage system. In individual cases, damage to the sewer pipes has been detected which required repair or replacement measures. However, the investments with respect thereto are not expected to be significant. Further, water laws affect HC Group's operations, especially its aggregates operations, by restricting the discharge of pollutants, including in storm water run-off, into waters and requiring certain permits for discharge.

HC Group has in the past been, and will in the future be, required to incur capital and operating costs to maintain or upgrade its operations or facilities to comply with these laws, regulations and permits. In addition, HC Group's operations have not in the past and may not in the future always be able to remain in full compliance with all obligations under water and wastewater laws and related permit requirements, and as a result, may be subject to compliance orders, fines and penalties, may have difficulty obtaining or maintaining permits and may have to alter its operations in a manner that adversely affects it.

### **Handling and storage of hazardous substances**

Hazardous substances are used regularly at HC Group's sites. Explosive materials are used for the extraction of raw materials in quarries. Other environmentally sensitive substances required for the operation of the sites, such as fuel, heating fuel oil and lubricating oil, are used and stored at HC Group's sites. These substances are usually stored in above-ground or underground tanks.

On some of HC Group's sites, asbestos was used in production processes and in the construction of buildings, including in the production of fibre cement containing asbestos. At present, asbestos used at the

sites is usually bound in other materials, such as asbestos-containing cement boards used for heat insulation. The replacement of bound-asbestos is usually not required under environmental laws. If a building is refurbished or demolished, however, or if asbestos containing materials are in a condition that could cause asbestos to become air borne, precautions for the protection of employees must be taken and the material must be properly disposed of. At some of HC Group's sites, asbestos containing materials will have to be demolished and disposed of in the future. According to HC Group's estimates, there is a risk of future (long-term) liability in connection with demolition and disposal of asbestos-containing material at several of HC Group's sites. For respective costs for demolition and disposal, see *"Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is exposed to risks associated with the release of hazardous substances or other contamination of the environment, including risks arising under the U.S. Comprehensive Environmental Response, Compensation and Liability Act"* (see also *"– Litigation/Administrative and Governmental Proceedings"* and *"Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is exposed to risks associated with asbestos-related claims arising out of former activities in the U.S."*).

### **Excavation of raw materials and re-cultivation**

For the excavation of raw materials by HC Group, in most countries not only operating permits but also mining rights are required and sometimes royalties have to be paid (see also *"– Raw Materials"*). Raw materials used in the production of cement clinker and aggregates are predominantly excavated from adjacent quarries. After the complete or partial termination of mining activities, it is usually necessary to reclaim, re-cultivate and/or re-nature the respective quarry. Several quarries of HC Group are located in environmentally sensitive areas for which very strict provisions apply to their operation as well as to their reclamation, re-cultivation and renaturation resulting in especially high costs for HC Group. For additional information on reclamation, re-cultivation and renaturation obligations, see *"Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is subject to significant reclamation, re-cultivation and quarry closure obligations which may not be sufficiently covered by provisions and HC Group is required to maintain financial assurances to meet these obligations."*

### **Environmental risk assessment and sustainability**

HC Group executes risk assessments with the goal of achieving a high level of compliance at its plants and sites with environmental requirements and to reduce risks of environmental liability (see also *"Risk Factors – Risk Management"*). HC Group has established policies, guidelines and guidance documents for all relevant sections in need of environmental protection which provide practical advice and guidance to the operations from all business lines (e.g. self-assessment questionnaires to rate the environmental performance of production sites). HC Group has committed itself to sustainable development. Therefore, all key activities are monitored and supported by the Global Environmental Sustainability Department ("**GES**"), which is responsible for the further advancement and global co-ordination of HC Group's sustainability efforts. In 2017, HC published and implemented the "HeidelbergCement Sustainability Commitments 2030" ("**SC2030**"), which is a progression of the former "Sustainability Ambitions 2020". The SC2030 has widened the scope and beside environmental and health and safety goals is now also addressing economic goals, the implementation of innovative technologies, a further reduction of carbon emissions and water consumption, continuously increasing the use of recycled raw materials, the support of neighbouring communities, and the compliance with global ethical standards. In 2018, the group-wide roll-out of the goals presented in this document has been completed and countries have started to execute own specific implementation plans. GES has supported this process closely by providing guidance through standardized implementation procedures and follow-up tools. For 2019, the target is to file the first global status report of the SC2030 implementation rate. The previously started internal improvement program on energy efficiency of the production sites is further continued along with a push for an increased use of alternative fuels and raw materials. This is positively influencing the environmental performance and the company's overall carbon footprint.

As a clear sign of the success of these efforts, the company has received the third time in a row an A- rating from the not-for-profit charity Carbon Disclosure Project (CDP). Thereby HC has been again scored as the top performer of our industry within the region of Germany, Austria and Switzerland.

### **Health and safety regulations**

All countries in which HC Group operates have comprehensive laws, regulations and standards in place concerning health and safety protection. These regulations are updated on a constant basis and require improvements of plants, equipment and operation processes which may result in significant costs for HC Group. For a few plants and sites, instances of non-compliance with health and safety requirements have been identified which require HC Group to implement additional measures. The costs to address these issues are included in HC Group's current estimates for non-compliance costs, see *"Risk Factors – Risks Relating to HeidelbergCement AG as Issuer and Guarantor – Compliance, Regulatory, other Legal and Tax-related Risks – HC Group is subject to a large number of environmental and health and safety laws and regulations"*.

In the past few years, the frequency rate of accidents at HC Group has been slightly above average rates for this industry. A group-wide policy for occupational health and safety has been implemented by HeidelbergCement AG to establish a common standard across HC Group and most plants have developed management systems for occupational health and safety. For 2019/2020, HC Group is focusing on systematically expanding the occupational health and safety measures. HC Group will continue to undertake targeted campaigns to tackle specific accident areas each year and initiate measures that will lead to significant improvements in the medium term.

### **Climate change law**

In various jurisdictions in which HC Group operates, considerable and increasing government attention is being paid to reducing carbon dioxide and other greenhouse gas emissions. All of HC Group's operations produce some amount of carbon dioxide, but its cement production activities are particularly carbon dioxide intensive as carbon dioxide is produced as a natural by-product of the cement manufacturing process when raw materials are decarbonized and converted to clinker. In the EU, especially HC Group's cement plants are subject to emission trading law. Other regions, such as in the U.S., Canada, China and Australia, have implemented or intend to implement climate change laws as well. On December 12, 2015 the 21<sup>st</sup> Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris adopted a new climate change agreement (the **"Paris Agreement"**) to replace the Kyoto Protocol of 1997. The implementation of the Paris Agreement could tighten the climate change laws in the jurisdictions mentioned above. In addition, in connection with international negotiations and especially the Paris Agreement, measures to reduce carbon dioxide and other greenhouse gas emissions that could affect HC Group could be developed in additional jurisdictions (for example in Kazakhstan and India, other jurisdictions could follow).

### **Emission trading law in the EU**

Based on the Emission Trading Directive adopted in 2003, the EU has considerably reduced the output of greenhouse gases by the introduction of a trading system for Emission Rights being started in 2005 and mandatory for all industries with high energy consumption levels, including the cement industry. The emissions trading system provides for the allocation of a specific quantity of Emission Rights to certain energy-intensive plants that are subject to the limitations (caps) on the levels of carbon dioxide emissions. Each Emission Right permits the emission of one metric ton of carbon dioxide. If the carbon dioxide emissions of a company exceed the amount allowed according to its Emission Rights, the company has to purchase the necessary Emission Rights from another company with excess Emission Rights. HC Group has followed continuously and actively the developments of the EU Emission Trading System ("**EU ETS**") on both EU and national level to protect its interest.

For the third trading period (2013-2020) the EU ETS has been revised by Directive 2009/29/EC. Under this revised emission trading scheme, the Community-wide quantity of Emission Rights issued each year will be cut by a linear factor of 1.74% annually. In addition, from 2013 onwards, full auctioning of Emission Rights will be gradually introduced for the manufacturing sector. The amount of Emission Rights allocated free of charge will generally be reduced from 80% in 2013 to 30% in 2020. Affected companies will have to purchase a significant (and steadily increasing) share of Emission Rights in auctions from 2013 onwards which will result in substantial additional costs for such companies.

An exemption from auctioning is generally made for energy-intensive sectors which are recognized by the European Commission to have a significant risk of carbon leakage, *i.e.* for sectors in which a risk of relocation of plants to countries with less strict climate protection laws exists. For this decision, the European Commission assesses the extent to which it is possible for the sector concerned to pass on the

direct and indirect costs (i.e. especially increased energy prices) resulting from the revised emission trading system to consumers by increasing product prices without significantly losing market share to less carbon efficient plants outside the EU. In December 2009 (for 2010 to 2014), October 2014 (for 2015-2019) and again at the end of 2018, the European Commission determined the cement industry as well as some other energy intensive industries to have a significant carbon leakage risk. The designated sectors including the cement industry will generally be allocated Emission Rights free of charge for the stated periods.

HC Group believes that it is unlikely that the European Commission will not grant the exemption for the cement industry due to a significant carbon leakage risk for the years from 2020 onwards.

For such free allocation, the European Commission has determined Community-wide ex-ante benchmarks for each sector in its Decision 2011/278/EU. These benchmarks are based on most efficient techniques and positions in a sector and result in even stricter caps for HC Group's plants. In addition, an annually increasing cross-sectoral-correction-factor was implemented by EU Commission's Decisions 2013/448/EU and 2017/126/EU which further reduces the number of Emission Rights allocated for free. Therefore, the stricter caps applicable to the plants of HC Group in the third trading period will probably require HC Group to purchase a steadily increasing share of additional Emission Rights to cover its carbon dioxide emissions in excess of those covered by the Emission Rights allocated for free. Therefore, even as long as and to the extent this exemption from auctioning applies to HC Group, significant additional costs may arise for HC Group in the third trading period.

All HC Group's plants falling under the scope of the EU ETS applied for their free allocation in the third trading period (2013-2020) in due time and have received final allocation decisions. Based on the final national lists about allocation volumes per plant for the current third emission trading period, and HC Group's current calculation of its carbon dioxide emissions in this period, HC Group estimates that its overall position for its European plants which are subject to the emissions trading scheme will show a surplus of Emission Rights in the entire third trading period, although some plants expect not to receive sufficient Emission Rights to cover their full carbon dioxide emissions arising from their production.

Furthermore, under the EU ETS in the third trading period (2013-2020), a significant increase in indirect costs is expected for HC Group if the price for Emission Rights will increase as a consequence of full auctioning as the rule for the energy sector from 2013 onwards. This will probably result in a significant increase in energy prices in the EU. It is unclear if HC Group will be able to pass on these higher energy costs to customers in the form of price increases.

Currently the EU institutions are in the final stage for the determination of the applicable caps and to develop criteria for the allocation of free Emission Rights for the fourth trading period of the EU ETS (2021-2030). Furthermore, the EU Commission will assess the consequences of the Paris Agreement in 2018, which might have further effect on the allocations to cement industry. The modifications that have been negotiated for the fourth trading period of the EU ETS since 2017, including the consequences of the Paris Agreement, might result in significant additional costs for HC Group due to stricter caps and any reduction of the share of Emission Rights allocated for free, which would require HC Group to purchase additional Emission Rights. Therefore, HC Group could suffer a substantial loss in market share to competitors outside the EU as a result of legislative developments from 2021 onwards, which could have a material adverse effect on HC Group's business, financial condition and results of operations.

In general, HC Group believes that with regard to its carbon dioxide emissions in the EU, it is well positioned as compared to its competitors.

#### **North American carbon emission laws**

In addition, considerable and increasing government attention in the U.S. and Canada is being paid to carbon dioxide and other greenhouse gas emissions. Legislators are considering the passage of significant new laws and regulators are considering using existing laws to limit greenhouse gas emissions, including carbon dioxide. Laws and regulations that are in place or being considered include:

- *Federal legislation.* The new White House Administration has no intention to enact new laws or taxes regarding greenhouse gas ("**GHG**") emissions related to climate change, but campaigned on rolling back the Paris Agreement. It is unlikely that any new legislation dealing with GHG emissions will be enacted in the current session of the U.S. Congress. Any congressional legislation, administrative regulation or executive action on climate change could have a material effect on the operations of HC Group's facilities in the U.S.

- Federal regulation.* In December 2013 the U.S. EPA proposed a rule which affects newly constructed power plants and limits their carbon dioxide emissions (the "**Clean Power Plan Rule**" or "**CPP Rule**"). The CPP Rule makes it harder to comply if the plant burns coal instead of natural gas. This CPP Rule was enacted in December 2015 and established CO<sub>2</sub> reductions on existing coal fired power plants and also new CO<sub>2</sub> limits on any new power plants to be constructed. The EPA also proposed rulemaking in June 2014 on existing power plants and set carbon dioxide emission standards. These proposed regulations, if adopted, could increase energy costs and HC Group may not be able to pass on such higher energy costs to customers in the form of price increases, which could have a material adverse effect on HC Group's business, financial condition and results of operations. On February 9, 2016, the U.S. Supreme Court stayed the CPP Rule which effectively places the rule on hold until the lawsuits are resolved. The stay currently remains in effect and therefore, the rule remains on hold. In 2017, EPA begun efforts to undo climate change regulation of the power plant sector promulgated by the Obama Administration. In October 2017, EPA proposed to repeal the CPP Rule, which regulated greenhouse gas emissions from existing power plants. In February 2018, EPA proposed a repeal of the CPP Rule and in spring 2018, EPA proposed the Affordable Clean Energy Rule ("**ACE**"), taking the approach that regulations will address GHG emissions within the fence-line under Section 111(d) of the Clean Air Act. A rule under Section 111(d) will set precedent for future regulation of other existing source categories, such as cement plants.
- State and provincial action.* A growing number of states in the U.S. and provinces in Canada, including those in which HC Group has operations, have adopted measures or are considering adopting measures, sometimes as part of regional initiatives, to reduce carbon dioxide and other greenhouse gas emissions within their jurisdictions, including by requiring reductions on carbon dioxide emissions from cement plants. For example, California enacted the California Global Warming Solutions Act of 2006 (commonly known as AB32) into law in late 2006. AB32 calls for specific emissions reduction measures as well as a cap on greenhouse gas emissions throughout California, including from HC Group's cement plants, and a state-wide reduction of greenhouse gas emissions to 1990 levels by 2020 by establishing a cap and trade program. Industrial facilities with emissions in excess of their free allocation are required to purchase additional allowances through an auction. The requirements under AB32 went into effect beginning on January 1, 2013. There are four trading auctions per calendar year. U.S. subsidiaries of HC Group have not yet participated in any auctions. They are able to comply with the act through use of the current allocations to HC Group's California cement plants and estimate that they will continue to be able to comply through use of existing allocations up to and including 2019. It is projected that the HC Group's California cement plants could become short on allocations for the year 2020. This is based on projected cement production from the three cement plants in California and the continuously reducing CO<sub>2</sub> cap. If HC Group is required to purchase allocations through these auctions in the future, this could have a material adverse effect on HC Group's business, financial condition and results of operations. California's Governor on September 8, 2016 signed into law SB32 (the California Global Warming Solutions Act of 2006: emissions limit), an amendment to California's Health and Safety Code, which establishes a phase 2 cap and trade scheme covering the years from 2020 to 2030 that requires a 40% state-wide reduction of GHG by 2030 (compared to 1990 levels). These CO<sub>2</sub> limits will be more restrictive than AB32. HC Group will continue to monitor potential legislation by states and provinces on GHG emissions in absence of any federal legislation.

In addition, HC Group's operations are or will be impacted by other measures to reduce greenhouse gas emissions that are being imposed already, including the following:

- Canadian federal regulations.* Under Canadian federal legislation, all facilities in Canada emitting 50,000 metric tons or more of GHG per year must report annually to the federal Greenhouse Gas Emissions Reporting Program. Canada is taking a sector-by-sector regulatory approach to reducing GHG emissions, starting with the transportation and coal-fired electricity sectors. Currently there is no federal carbon tax imposed or federal cap and trade system in place. But the Government of Canada has proposed a "price on carbon pollution" to start at a minimum of C\$ 10/ton of carbon emissions in 2018 and rise by C\$ 10 a year to reach C\$ 50/ton in 2022. This federal proposal does take into consideration of what each province is currently doing about carbon pollution. Flexibility will be given to the individual provinces on how to implement the carbon pricing. The federal government has set a carbon price nationally for 2018, so provinces must have a program in place recognized as being "equal or better" than the National program for climate change not to fall under the umbrella of the National program. If a province is determined not to have a program in place that is at least equal to the Federal

program then the Canadian federal government will impose its backstop on that province, such as currently exists for Ontario.

- Canadian provincial regulations.* In *British Columbia*, which includes the Delta cement plant (Vancouver) of HC Group's Canadian subsidiary Lehigh Hanson Materials Limited, the provincial government enacted a carbon tax on fuel consumption that went into effect in 2008. This tax started at C\$ 10/metric ton of carbon dioxide equivalent emissions in 2008 and was gradually increased to C\$ 30/metric ton in July 2012. In June 2013 the provincial government announced that it concluded a review of the impacts of the tax on British Columbia's economy and that no further rate increases or expansions are planned at this time, but signalled it may conduct a further review as other jurisdictions, especially within North America, introduce similar carbon taxes or carbon pricing. In addition, facilities located in British Columbia and emitting 10,000 metric tons or more of specified GHGs per year are required to report their GHG emissions annually. If the GHG emissions are 25,000 metric tons or more annually, such report must be verified by an accredited verification body. Although, a cap and trade system was also authorized by legislation in British Columbia, the implementation of the cap and trade system has been delayed, and the provincial government has not released the regulatory details of the proposed system nor has it announced a start date. Currently it is unclear when, if ever, the provincial government will take steps to implement a cap and trade system in the province. Currently HC Group and other cement producers in British Columbia are working with the provincial government's Climate Action Secretariat on getting some of the funds back that each company paid in carbon taxes and the Delta cement plant received a refund in 2017. Payment started in 2016 and continues to 2019 provided that HC Group's Delta cement plant meets GHG intensity targets. This incentive program is geared towards reducing GHG as well as using more waste based alternate fuels. For 2018, there is no change expected in the carbon tax in British Columbia. For 2019, the carbon tax was raised to \$35/metric tonne. The province remains a member of the regional Western Climate Initiative and it is expected that any system to be implemented under the provincial legislation will be developed in compliance with the Western Climate Initiative model.

In *Alberta*, which includes the Edmonton cement plant of HC Group's Canadian subsidiary Lehigh Hanson Materials Limited, existing facilities emitting more than 100,000 metric tons of GHGs per year were required pursuant to the *Specified Gas Emitters Regulation* to reduce their emissions intensity by 12% by December 31, 2007, relative to a baseline calculation calculated and approved as an average emissions intensity over three consecutive years. If existing facilities exceed 88% of the approved baseline in any given year going forward, they must currently contribute C\$ 15 for each metric ton of emissions exceeding the intensity target to Alberta's Climate Change and Emissions Management Fund (the "**Fund**"), or demonstrate an alternate method of compliance such as the purchase of Alberta-based offset credits. Following a review until June 30, 2015, the provincial government of Alberta determined to keep the Specified Gas Emitters Regulation as is without change. This determination keeps also in place the US\$ 30 per ton of coal purchased tax that goes to the Fund. The Fund is used for grants on approved carbon dioxide reduction projects and their pilot demonstrations. This regulation has been extended again until December 31, 2018 (capped at US\$30 per ton of coal). Finally, the Specified Gas Emitters Regulation was extended until 2018, but the 2016 report had a reduction target of 15%, meaning that facilities that exceed 85% of the approved baseline, have to contribute C\$ 20/ton of emissions exceeding the intensity target. In 2017 the reduction target was further increased to 20% and the price of carbon was increased to C\$ 30/ton. The Edmonton cement plant's carbon management strategy is in place up until the 2018 reporting period. In 2015 the Edmonton cement plant achieved their reduction target and generated credits that can be retained and applied to future years or sold and retired within the Alberta market. Therefore, since 2015 the plant has not had to pay into the Fund. The Edmonton cement plant projected that they do not meet their reduction target for year 2017 and will have to pay into the Fund in 2018 for the year 2017. On January 1, 2017 the provincial government of Alberta implemented its Climate Leadership Act, which includes a C\$ 50/ton price of carbon on all fuels. Those facilities already regulated under the existing Alberta rules could apply for an exemption so that they are not double counted. In 2018, the current Specified Gas Emitters Regulation will expire but the provincial government of Alberta announced a new GHG policy on December 7, 2017. The Province now wants to move towards a cap and trade scheme. The new policy would be an Output-Base Allocations ("**OBA's**") calculation methodology. As of January 1, 2018 the OBA benchmark value of 785.3 kg of carbon dioxide equivalents per tonne of cement came into effect (which includes CO<sub>2</sub> emissions from both combustion and indirect emissions and process emissions of cement production). Currently this benchmark can be achieved by the Edmonton cement plant, even on firing coal, and no purchase of carbon credits

is needed, but this OBA allocation will begin to tighten in 2020. Lehigh Hanson is currently studying this new cap and trade scheme, especially whether excess credits can be sold or banked for future years. All of industry in Alberta is working with the provincial government to provide feedback on the new system, but not many details with respect to the industrial sector including the cement industry have been provided thus far.

In *Ontario*, which includes the Picton cement plant formerly operated by Essroc, the provincial government implemented a cap and trade scheme similar to Quebec's in 2017. This cap and trade scheme was linked to California's cap and trade program in late 2017. In November 2016, a registration into the program was required which was done by the Picton cement plant. In 2018, a new provincial government was elected and in July 2018, the cap and trade scheme was terminated in Ontario. The Picton plant was still required to surrender its due allocations and did so by November 1, 2018 to remain in compliance with the older legislation. For 2019, the Picton plant will be subject to the Federal backstop scheme which is a straight carbon tax on an output emissions basis. Negotiations are currently ongoing with the provincial government on exactly how that carbon tax will be implemented and on what basis.

- *Regional actions.* At the regional level, ten north-eastern and Mid-Atlantic States have formed the Regional Greenhouse Gas Initiative agreement ("**RGGI**"). RGGI calls for signatory states to hold carbon dioxide emissions from power plants constant at current levels from 2009 to 2014, followed by a 2.5% reduction each year from 2015 to 2018. Auctions for carbon dioxide allowances under the program began in September 2008 and occur on a quarterly basis. This has and will in the future result in increased energy costs for HC Group's operations in the states party to RGGI.

In addition, four western states in the U.S., including California, and two Canadian provinces, including British Columbia, have formed the Western Climate Initiative ("**WCI**"), and six Midwestern states and one Canadian province have formed the Midwestern Greenhouse Gas Reduction Accord ("**MGGRA**"). Both groups have developed detailed recommendations and strategies for their member jurisdictions to reduce GHG emissions, including potential cap and trade systems among member jurisdictions, although it is uncertain whether or when any strategy would be implemented by either group. In particular, although the MGGRA has not been formally suspended, the participating states may no longer be pursuing it. With respect to the WCI, British Columbia has delayed implementation of its proposed cap and trade system, although California and the Province of Quebec have implemented cap and trade legislation in their respective jurisdictions based on the WCI model. If implemented, such programs could have an adverse effect on HC Group operations in the participating jurisdictions.

### ***Climate change laws in other countries***

#### Emission trading laws in China

China has announced that it intends to cut its carbon dioxide emissions per unit of GDP by up to 45% by 2020 compared to 2005. In December 2013, Guangdong was the fourth Chinese region to start a pilot emission trading system. The pilot emission trading system is applicable for enterprises from four sectors, including cement plants, and covers more than 50% of Guangdong's GHG emissions which should be capped at 350 million tons of carbon dioxide, according to the local Development and Reform Commission.

China's National Development and Reform Commission ("**NDRC**") has announced the launch of a national carbon market for 2017 as an instrument for achieving a significant reduction in energy consumption and carbon intensity which is mentioned in the 13<sup>th</sup> Five-Year-Plan (2016-2020). This nation-wide Chinese emission trading system ("**Chinese ETS**") will replace the various regional pilot emission trading systems. About half of the industrial sectors, including the cement industry, will be covered by the Chinese ETS. The Chinese national carbon market will cover approximately twice of the carbon emissions covered by the EU ETS. The Chinese ETS was launched for power plants on December 19, 2017 and will be extended to other industries in the future.

The time table of ETS launch for cement industry or the other industries is still a question mark and not foreseen in 2019. The official national standard to allocate the CO<sub>2</sub> emission quota to the specific cement plants is still not available.

The implementation of the nation-wide Chinese ETS, as well as the consequences of the Paris Agreement, might result in significant additional costs for HC Group due to strict caps and a reduced share of Emission



Rights allocated for free, which would require HC Group to purchase additional Emission Rights. This could have a material adverse effect on HC Group's business, financial condition and results of operations.

Worth to note that China is using various means to reduce carbon dioxide emissions besides emission trading, e.g. shutting down manufacturing enterprises, forcing the manufacturing enterprises to reduce coal consumption year by year.

#### Emission trading law in Australia

The current Coalition Government has retained the Kyoto target to reduce GHG emissions in Australia by 5% by 2020 (compared to 2000 levels) and committed to a "nationally determined contribution" for the purposes of the Paris Agreement which includes a GHG emissions reduction target of 26-28% below 2005 levels by 2030.

The centerpiece of the Coalition Government's climate change policy remains the Direct Action Plan, which has two components: the Emissions Reduction Fund ("**ERF**") and the Safeguard Mechanism. The Government is no longer pursuing its previously announced intention to introduce a National Energy Guarantee, which proposed to establish new reliability and emissions standards for the electricity sector in place of the current Renewable Energy Target policy, which is due to end in 2020.

The ERF is a scheme in which participants generate carbon credits through projects that result in emissions reduction or carbon abatement, with one credit being issued for each ton of abatement. The credits are purchased by the Clean Energy Regulator, which was allocated A\$ 2.55 billion for the period 2015-2020. Thus far, it has purchased 193 million tons of abatement in eight "reverse auctions", at an average price of A\$ 12 per ton. Approximately A\$ 226 million of the initial budget allocation remains unspent.

The Safeguard Mechanism utilizes the existing framework under the National Greenhouse Energy and Reporting Scheme. It operates as a "baseline and penalty" scheme under which existing and new industrial facilities emitting more than 100,000 metric tons of greenhouse gases have emissions baselines (based on historical emissions, which can be varied if certain criteria are met). If the baseline is exceeded the company controlling the facility's operations must purchase Australian carbon credit units ("**ACCU**") to offset excess emissions. Companies that fail to avoid an excess emissions situation may be exposed to a range of discretionary, graduated enforcement options to deter non-compliance, including a final sanction in the form of a civil penalty (the maximum amount being A\$ 1.8 million). The scheme commenced on July 1, 2016 and applies to emissions for financial year 2016/2017. The first compliance deadline for surrendering ACCUs to avoid an excess emissions situation was February 28, 2018. It is possible that this mechanism may have cost implications for HC Group if HC's facilities trigger the threshold.

The Australian Government completed a review of its climate change policies in December 2017 and no major changes were proposed. A review by independent Australian Government body the Climate Change Authority released in December 2017 also concluded that the ERF is generally operating well overall and no systemic issues were identified.

A Federal government election will likely occur in May 2019. The future of emissions trading law in Australia will be heavily dependent on the outcome of the election. If elected, the opposition Labor government proposes to implement a renewable energy target of 50% by 2030. A Labor government would also likely make changes to the Safeguard Mechanism to tighten its operation, including reducing the coverage threshold.

As new initiatives are implemented and as new requirements are imposed to address climate change mitigation or adaptation, HC Group and its customers may be materially adversely affected.

#### Emission trading law in Kazakhstan

In early 2016, the emission trading system in Kazakhstan, launched in 2013 and applicable for cement plants, was temporarily suspended until 2018. In January 2018 a new National Plan to allocate Emission Rights for 2018-2020 was approved in Kazakhstan which implemented a new system of allocation. In accordance with this new allocation system each company has the choice between two allocation methods. The two modern cement plants of HC Group in Kazakhstan have opted for the allocation method based on benchmarks while the third cement plant operating wet-kilns opted for the allocation method based on historical emissions. After 2020 the Kazakhstan government intends to continue the development of the National Plan, including a further reduction for GHG emissions. Trading of Emission Rights is expected to

be implemented in 2020-2021. The restarted emission trading system might result in significant additional costs for HC Group due to stricter caps and a reduced share of Emission Rights allocated for free, which would require HC Group to purchase additional Emission Rights and which could have a material adverse effect on HC Group's business, financial condition and results of operations especially when it comes to a substantial increase of productivity in the following years from 2021 onwards. For the current period (2018 – 2020) the three cement plants almost reached their CO<sub>2</sub> emission trading quota.

#### Climate change regulation in India

The Indian Perform Achieve and Trade mechanism ("**PAT**") is a regulatory instrument to reduce specific energy consumption in energy intensive industries (including cement plants) with an associated market based mechanism to enhance the cost effectiveness through certification of excess energy savings which can be traded. The PAT mechanism is linked to India's international commitments to reduce GHG emissions. In the first PAT cycle (2012-2015) the energy reduction targets for cement plants were moderate, but for the second PAT cycle (2016-2019) the energy reduction targets have been tightened. Any further reduction of these targets might result in significant additional costs for HC Group which could have a material adverse effect on HC Group's business, financial condition and results of operations.

### **LITIGATION/ADMINISTRATIVE AND GOVERNMENTAL PROCEEDINGS**

With the exception of regular tax audits HC Group is not aware of any pending or threatened litigation or administrative proceedings, other than those described below and in the Risk Factor section, which could have any material adverse effects on HC Group's business activities, financial condition or results of operations or had such effects during the last 12 months. The companies in HC Group are involved in a series of court cases, arbitration and administration proceedings in Germany and in its foreign locations. Although the outcome of these proceedings is uncertain, HC Group does not anticipate that an unfavourable outcome of such proceedings would, other than as described below, have a material adverse impact on HC Group's business operations.

#### **Anti-trust proceedings**

On November 18, 2015, the Italian Competition Authority ("**ICA**") commenced an investigation against Buzzi Unicem, Cementir, Holcim and Cementi Rossi, whilst only an inspection by ICA of the premises of Italcementi and Colacem took place. On August 4, 2016, the ICA extended the investigation to Italcementi and other companies (in addition to those involved since the commencement of the investigation) also enlarging its scope by covering alleged concerted price increases in the Italian grey cement market from 2013 until 2015 and alleged market sharing agreements facilitated by timely statistics of the Italian cement association AITEC. On August 7, 2017 ICA imposed a fine of € 84 million on Italcementi (out of an overall fine of more than € 184 million against all involved entities) for alleged infringements from June 2011 until January 2016, which is to be paid by Italcementi in instalments. Italcementi and all other defendants lodged a timely appeal against the decision. The appeal of Italcementi was dismissed on June 12, 2018. Italcementi's further appeal to the Supreme Administrative Court lead to a reduction of the fine to about € 28 million, which was already overpaid by the meanwhile paid installments. The court's decision is final.

In 2006, the Polish Competition Authority started an investigation relating to (i) an agreement on the price and other conditions of cement sale in the Polish cement market since the late 1990s, (ii) sharing the cement market and (iii) distribution and exchange of confidential business information. While Górażdże Cement S.A. filed a leniency application, Ekocem Sp. z o.o. filed a motion to close the file claiming that it was not directly active on the market. In early December 2009 the Polish Competition Authority issued a fine against i.a. Górażdże Cement S.A. of approximately € 15 million, which represents 5% of its revenue in 2008 taking into account the leniency application of the company. Ekocem Sp. z o.o. was not fined at all. Górażdże Cement S.A. filed an appeal to the competent court to claim for a reduction of the fine, which reduced the fine to approximately PLN 51.3 million (as of December 31, 2017 approximately € 11.8 million). Górażdże Cement S.A. launched a further appeal, but on March 27, 2018 the Appeal Court confirmed the fine imposed in 2009, which became due and was paid meanwhile. Górażdże Cement S.A. launched a cassation procedure to the Polish Supreme Court, but cannot guarantee it will be successful.

In addition, certain other subsidiaries of HeidelbergCement AG are subject to investigations and proceedings by antitrust and competition authorities in various countries, including Germany, India, Italy, Hungary, Romania and Spain, which are at different stages including court proceedings. HeidelbergCement AG cannot accurately predict the outcome of pending proceedings or investigations. New fines can be

imposed with respect to these proceedings in Germany, and Romania. The pending proceedings in Hungary, India, Italy and Spain are at the appeal stage and the cases in India do not even involve any payment obligations. In all these cases a new fine or a fine increase of more than € 20 million per case is either not possible (due to legal restrictions) or highly unlikely (based on the current knowledge of HeidelbergCement AG).

The geographic and product markets in which HeidelbergCement or certain of its subsidiaries and affiliates are active vary significantly in terms of the competitive market structure and the nature and extent of their participation in such markets. In certain markets (i) the concentration of cement, concrete and aggregate markets among a few competitors, (ii) the homogeneity of cement, concrete and aggregates and their sensitivity to transportation costs, (iii) the frequent use of restrictive provisions in supply, distribution and license agreements and/or (iv) the practice of supplying competitors and entering into joint venture and/or distribution agreements with competitors and/or their affiliates (potentially giving rise to the allegation of unlawfully coordinating competitors' behaviour in the course of such relationships), may induce anti-trust authorities in those areas to initiate other anti-trust investigations or third parties to file anti-trust complaints against HeidelbergCement or certain of its subsidiaries and affiliates. HeidelbergCement has clear policies requiring compliance with applicable competition laws. However, there can be no assurance that HeidelbergCement is not a party to agreements that might be found to infringe applicable anti-trust laws in certain jurisdictions.

#### **Lawsuits for damages suffered by customers**

In connection with the German anti-trust proceedings in the cement market, regarding cartelization from 1990 until 2002, that led to fines against HeidelbergCement AG and two of its meanwhile merged subsidiaries, Cartel Damage Claims SA ("**CDC**"), a Belgian company which asserts potential claims on behalf of potentially damaged customers, has filed a lawsuit against the six alleged main participants of the cement cartel in Germany, including *inter alia* HeidelbergCement AG. The lawsuit was meanwhile finally dismissed on legal grounds by the Higher Regional Court (*Oberlandesgericht*) of Düsseldorf. However, CDC filed a new lawsuit with the Regional Court (*Landgericht*) of Mannheim (received by HC on October 2, 2015) based on slightly differently reasoned claims of 23 cement customers allegedly again assigned in 2014 and 2015. CDC claims (only) from HeidelbergCement AG as a jointly and severally liable debtor (*Gesamtschuldner*) damages with respect to alleged price effects of the German cement cartel between 1993 and 2002 in southern and eastern Germany. CDC claims for € 82 million in damages plus € 57 million interest. HeidelbergCement AG has the burden and risk to claim recourse from other cartel participants. HeidelbergCement believes to have strong counterarguments against these claims and the claims were even dismissed by a first instance decision of the Regional Court (*Landgericht*) of Mannheim on January 24, 2017. However, as an appeal is ongoing, it cannot provide assurance at this time that this matter may not result in a significant liability.

In Belgium ORCEM claims provisionally € 134 million civil damages (plus interest) from the 5 addressees of the decisions of the Belgian Competition Authority ("**BCA**") dated August 30, 2013 including HeidelbergCement's Belgian subsidiary CBR and Italcementi's former subsidiary CCB, which has meanwhile been sold to a third party that is however indemnified by HeidelbergCement in respect of this claim. BCA found that the cement industry had colluded in a way which was contrary to competition law with regard to the adoption of the new standard for concrete allowing for a partial substitution of cement by GGBS (Ground Granulated Blast-Furnace Slag) in the production of concrete and imposed fines to that effect. Although the BCA decision did not contest the legality of the new standard for concrete and limited the infringement period to October 2003, ORCEM claims that it has not been able to effectively sell its GGBS on the market since 2003 and has incurred additional expenses to defend its interests in this regard. ORCEM requests joint and several condemnations of the defendants, i.e., if successful, ORCEM could request one of them to pay the full amount, who has then the burden and risk to claim appropriate recourse from the other defendants. The procedure regarding the civil claim was suspended pending the appeal procedure regarding the decision of the BCA. On June 30, 2016 the Brussels Court of Appeal annulled the BCA decision; the Belgian Supreme Court confirmed the annulment of the BCA decision on June 22, 2018. The definitive annulment of the BCA decision implies that ORCEM has no competition law infringement decision to rely on and will have to adduce new evidence in support of its claim. It is therefore unlikely that ORCEM will pursue its damages claim. At present, ORCEM has however not yet withdrawn its claim.

HeidelbergCement AG could also face further civil lawsuits for damages suffered by customers due to alleged excessive cement prices as a result of (the above-mentioned or other) anti-trust infringements.

**West African Quarry Limited ("WAQL") versus Godfred Summabe et al. litigation in Ghana, Africa and AJ Fanj vs WAQL arbitration in Ghana, Africa**

**WAQL vs Godfred Summabe et al**

In a lawsuit of WAQL in Ghana following a judgement in favour of 4 defendants the judge dismissed all the claims of the WAQL and awarded damages against WAQL in the amount of US\$ 13.5 million and Ghana Cedi ("GHC") of US\$ 2.089 million. After the awards against WAQL were granted, WAQL applied for stay of execution. The appeal for stay of execution was concluded in February 2016. The appeal court ruled that WAQL should deposit US\$ 3.5 million to the defendants, to be secured by bank guarantee from the defendants. WAQL applied for variation of this amount to US\$ 50,000 but this was rejected. WAQL has appealed to court of appeal. A Garnishee Order was placed on WAQL Bank account. WAQL lodged an application at the Supreme Court to quash such Garnishee Order.

The Supreme Court hearing on Garnishee started on May 17, 2016. The Supreme Court ruled that WAQL should join itself to the Garnishee suit at the High Court. It confirmed the Garnishee in favour of the defendants but subject to a bank guarantee. The assets of WAQL were legally attached on June 9, 2016 (closure of quarries). A motion was filed by the defendants to pierce the corporate veil of WAQL and Ghacem Limited ("Ghacem") (the shareholder of WAQL) and also to attach assets of Ghacem and WAQL directors. This motion was heard on October 10, 2016. Another motion was filed by the defendants against the payment of US\$ 3.5 million which was ruled in their favour. After this another motion was filed by the defendants to remove the bank guarantee on the garnishee and the court also ruled in favour of them. WAQL filed two motions: 1) To Court of Appeal and 2) To High Court to suspend judgement debt until the Court of Appeal will rule on the payment of US\$ 3.5 million. First discussions for an out of court settlement have also started.

On October 10, 2016 parties were in court regarding two issues (i) the motion by WAQL to suspend the judgment of July 31, 2015 (the full judgment debt) and (ii) the motion to attach the assets of Ghacem and the Directors of WAQL. The case was adjourned to allow for settlement discussions. After these discussions failed the judge indicated that the motion filed by WAQL to stay execution of the judgement of July 31, 2015 (the full judgement debt) will be heard soon. The court also ruled that until the said WAQL motion is heard, it would not permit the motion on piercing the corporate veil. Finally, on December 19, 2016, the Court of Appeal rejected the application for a stay of execution, saying that it was frivolous and would constitute an abuse of legal procedure. Nevertheless, on January 24, 2017, the High Court dismissed the application of plaintiffs to attach the assets of Ghacem and its directors, and to lift WAQL corporate veil, saying that there had not been any fraud.

Summabe appealed against the decision of the High Court of January 24, 2017. In its ruling of January 18, 2018, the Court of Appeal of Accra upheld the first instance court decision, and dismissed the appeal made by Summabe et al. as unmeritorious.

With respect to the merits of the case, the Court of Appeal gave its Ruling on the substantive case on May 24, 2018. The three member panel unanimously ruled in favour of WAQL, setting aside all the Orders of the High Court dated July 31, 2015. The Court of Appeal further ruled that the Defendants should refund monies paid to them by WAQL, refund assets in their possession and quashed all the awards and costs given to the Defendants in the High Court. Two of the three Defendants have filed an appeal at the Supreme Court, so that the case is still not finalized.

**AJ Fanj vs WAQL**

WAQL attempted to negotiate with AJ Fanj to suspend the limestone mining contract pending resolution of the Summabe case. WAQL and AJ Fanj started negotiation but AJ Fanj subsequently pulled out preferring to use the arbitration process, claiming as damages US\$ 9.6 million or alternatively US\$ 26.8 million.

On February 8, 2017, the arbitration management was held. At the case management, AJ Fanj indicated that it would want Ghacem to be joined to the case. An arbitration hearing was held on Tuesday, May 23, 2017, at which lawyers of Ghacem (a non-signatory to the arbitration clause) filed a preliminary legal objection to the joinder. The sole arbitrator then also gave claimants, AJ Fanj, the possibility to file their response.

On August 2, 2017, the sole arbitrator gave interim awards in favour of WAQL and Ghacem. The sole arbitrator awarded that Ghacem, a non-signatory to the arbitral clause cannot be joined to the arbitration

by compulsion. After the interim awards, AJ Fanj appealed to the High Court for determination of preliminary point of law regarding the joinder. On December 21, 2017, the High Court ruled that Ghacem should be joined to the arbitration.

Both counsels for Ghacem and WAQL are appealing against the High Court ruling, these appeals being made, respectively, in front of the Supreme Court (Certiorari) and the Court of Appeal.

The Supreme Court gave its ruling on the Certiorari on May 30, 2018. By a unanimous decision, the five member panel of the Court ruled in favour of Ghacem. The Supreme Court ruled that there were patent errors in the face of the High Court judgement and that the High Court Judge also exceeded his jurisdiction. Hence the Joinder case has been dismissed.

On January 8, 2019, Fanj submitted a "notice of discontinuance with liberty to apply", which means that he is asking the arbitration tribunal to allow the withdrawal of its claim. Yet, at nearly the same time, on January 29, 2019, Fanj has initiated a new procedure for the same matter in front of the High Court (ordinary jurisdiction).

### **Customer's Claim for cement supplies in Israel**

On June 10, 2012, a request was filed to District Court against Hanson (Israel) Ltd. ("**Hanson Israel**"), a subsidiary of HeidelbergCement AG, asking for an authorization to submit a class action suit by a customer (henceforth: the "**Plaintiff**") in which the Plaintiff sort permission to submit a class action suit for NIS 257,000,000 million which correspond to approximately € 52 million). The Plaintiff argues that the sum in question is for the difference in price between the type of concrete ordered by the concrete consumers and the type of concrete that the Plaintiff claims was supplied in practice which was not suitable to the Israeli standard. The sum being claimed was determined according to estimation by the Plaintiff using a calculation based on Hanson Israel's estimated share of the market. It has come to HeidelbergCement's attention that a similar request has also been submitted against several other concrete producers. The response to the request was filed on April 24, 2013. A pre-trial hearing was held on October 1, 2013. According to the Court's decision, Hanson filed a response to the court regarding specific arguments raised by the plaintiff. An additional pre-trial hearing was held on March 18, 2014 and an evidential hearing was set for October 7, 2014. On September 10, 2014 the plaintiff filed an application to court asking to consolidate the hearing of Hanson Israel's case with similar cases (of other concrete companies) which are pending in court. In light of the last application the October evidential hearing did not take place and a pre-trial hearing was held on January 18, 2015 (with all other parties of the similar cases). The court decided to refer the request for the consideration of the Attorney General of Israel and has not yet decided whether to accept the application for consolidation. A pre-trial hearing was held on March 30, 2015 and a pre-trial hearing was set for July 7, 2015. The pre-trial was continued in December 2015 and evidentiary hearings were held in May 2016 and November 2016. An additional evidentiary hearing was also held in 2017. At the moment, Hanson Israel is negotiating with the plaintiff to finalize the case with a low compromise. In March 2018 the Plaintiff filed a request to cancel the request for class action suit. This was done following agreement with Hanson, which include Hanson's agreement to pay very low legal fees as well as its agreement to perform some professional activities related to ready-mix concrete. Once the court approves the Plaintiff's cancellation request this long term case will be finalized. HeidelbergCement assumes, based on advice received from legal consultant, that the court will approve such cancellation request. However, HeidelbergCement cannot provide any assurance at this time.

### **Lawsuits challenging the privatization process in Egypt**

Lawsuits were brought locally by individuals to annul the privatizations of Helwan Cement Company S.A.E. ("**Helwan**") and Tourah Portland Cement Company S.A.E. ("**Tourah**") cement plants, which took place before the control of these companies was acquired by Suez Cement Company S.A.E. ("**Suez Cement**") (of which the Italcementi Group acquired control in 2005). Suez Cement is not involved in the lawsuit for the annulment of the Helwan privatization, since to date only the parties that actually took part in the privatization are involved; they do not include Suez Cement, which acquired Helwan, from other private parties, after its privatization. Suez Cement is a party to the Tourah proceedings although, at the time of its privatization, Tourah was controlled and managed by the State of Egypt. Each of these proceedings are still at a stage of first instance judgment, and, as such, a hypothesis regarding the possible outcome of each of the proceedings, or on the impact such outcome may have on the Italcementi Group and how it may safeguard against such outcome, cannot be made at this time. Currently, the proceedings are all suspended waiting the decision of the Constitutional Court of Egypt on the validity of the new law passed by the last government ruling that the privatization lawsuits can be started only by a party to the privatization

process. The law applies to all proceeding not yet decided. If the new law is confirmed valid, the above proceedings will be dismissed. The outcome of these constitutional proceedings is however not certain.

### **Sibcem case**

The non-performance of the Share Purchase Agreement (the "**SPA**") signed between Ciments Français S.A.S. ("**Ciments Français**"), Italcementi's French subsidiary, and OJSC Holding Company Sibirskiy Cement ("**Sibcem**") in 2008 regarding the disposal of the Turkish assets held by Ciments Français has resulted in an international arbitration in Turkey as well as legal proceedings in numerous countries as follows.

#### ***Russia***

Limited Liability Company Financial-Industrial Union Sibconcord ("**Sibconcord**", Sibcem's majority shareholder) instituted legal proceedings in Russia to obtain cancellation of the SPA. The regional Court of Cassation upheld the decisions of the first two judicial degrees (first instance and appeal), which annulled the SPA. Final recourse has been filed by Ciments Français with the Supreme Commercial Court of Russia. The Supreme Commercial Court of Russia overturned the decisions of the lower courts on June 5, 2012. Accordingly, the Kemerovo judgment invalidating the SPA no longer exists.

The Supreme Commercial Court of Russia did not dismiss Sibconcord's claim but decided to remand the case back to the Kemerovo court for new consideration.

In 2013 and 2014, the first two judicial decrees (first instance and appeal) released decisions denying the claim of Sibconcord and stating that Sibcem lost € 50 million only because of its failure to perform under the SPA (and not due to any other reasons). On July 3, 2014, the Regional Court of Cassation cancelled the decisions of the first two judicial decrees and referred the case to the Kemerovo Court for new consideration. In March and August 2015, the first two judicial decrees (first and appeal) denied in full the claim of Sibconcord. On December 15, 2015, the Cassation Court decided to grant Sibconcord's claim. Ciments Français appealed this decision with the Supreme Commercial Court of Russia, which denied Ciments Français' request on February 20, 2016.

#### ***Turkey***

Pursuant to the terms of the SPA, Ciments Français submitted the dispute to ICC arbitration seated in Turkey and a partial arbitral award (the "**Partial Award**") in favor of Ciments Français was issued by the tribunal on December 7, 2010. The arbitral tribunal held, amongst other things, that: (i) Ciments Français had duly and validly exercised its right to terminate the SPA, following Sibcem's failure to close the deal and (ii) as a consequence of Ciments Français' valid termination of the SPA, Ciments Français was entitled to keep the € 50 million paid by Sibcem as the initial payment amount. A final award (the "**Final Award**") was then issued on December 3, 2012 rejecting Ciments Français' request for an anti-enforcement order preventing Sibcem from attempting to enforce any Russian judgment that might be issued in contradiction with the Partial Award and the arbitration agreement contained in the SPA. With respect to costs and fees, the result of the arbitral tribunal's findings is that Sibcem should reimburse Ciments Français a total of € 1.2 million and US\$ 0.3 million.

#### ***Enforcement***

Ciments Français has initiated recognition and enforcement proceedings in respect of the Partial Award in various countries (including Russia). Recognition and enforcement have been granted in Belgium, Bulgaria, Italy, France, Kazakhstan, Spain, Turkey and U.S.

In Russia the Partial Award has been recognised by the Kemerovo Court on July 20, 2011 but, on December 5, 2011, the Cassation Court denied that recognition. On September 27, 2012, the Cassation Court set aside its decision of December 2011 and on May 2014 upheld the decision of the Kemerovo Court of July 20, 2011 thus making it effective again. In February 2016, Sibcem asked the Kemerovo Court to review the decision of July 20, 2011 due to the invalidation of the SPA by the Cassation Court in December 2015. The Kemerovo Court denied such review but, by its decision of July 29, 2016, the Cassation Court reviewed the decision of July 20, 2011 and turned it down. The Kemerovo Court was asked to rehear the case. On August 18, 2016, Ciments Français filed an appeal against the decision of the Cassation Court of July 29, 2016 with the Supreme Commercial Court of Russia, which has been denied on October 18, 2016. On November 23, 2016, the Kemerovo Court refused the recognition of the Partial Award. Ciments Français

appealed that decision, but without success.

On January 21, 2013, Ciments Français filed an application for enforcement of the Final Award with the Kemerovo Court. From 2013 to 2016, the proceeding for enforcement of the Final Award has been suspended several times pending the outcome of the other proceedings in Russia. On April 20, 2016, the Kemerovo Court granted recognition and enforcement of the Final Award and issued a writ of execution for € 1.2 million and US\$ 0.3 million. Sibcem appealed against this decision. After a suspension of the appeal proceedings pending the Partial Award recognition case the Cassation Court decided to resume the proceedings, accepted the appeal and turned the decision of the Kemerovo court on enforcement of the Award down.

#### **Litigation in Egypt and U.S. ("The Globe" case)**

In 2002 Helwan Portland Cement Company, today Helwan Cement Company a member of HeidelbergCement, entered into an exclusive agency contract for the export of cement with The Globe Corporation (a company based in California, U.S., today Tahaya Misr Investment Inc., hereinafter "**The Globe**"). This contract provided for certain commissions and fees in favor of The Globe proportional to the volume of cement exported, in addition to a minimum guaranteed, in exchange for a series of promotional and marketing activities. The contract also provided for a compound rate of weekly interest in case of delayed payments of the aforesaid fees.

The Globe filed a claim against Helwan and commenced a proceeding before the Court of Cairo, seeking for a payment of about US\$ 17 million, plus US\$ 3 billion (corresponding to interest accrued as per the contract from year 2002). This proceeding has not yet been examined in the merit and remains suspended while awaiting the Supreme Cairo Court decision on the preliminary matter of jurisdiction, given that the contract provided for applicable law and dispute resolution in California U.S. In December 2015 Tahaya Misr Investment Inc. (formerly known as The Globe) initiated a lawsuit against Helwan and its direct and indirect shareholders Suez Cement and Italcementi in California, U.S. On May 24, 2016, the U.S. District Court for the Southern District of California issued its order dismissing Italcementi and Suez Corp from the case. As to Helwan, this and further US proceedings finally ended in 2017 without a decision about the merits of the case.

#### ***Development of the Egyptian proceedings:***

As stated in 2011, The Globe filed a suit against Helwan in South Cairo Court (notwithstanding California forum selection in agreement). In April 2013, South Cairo Court referred the case to an expert for calculation of The Globe's damages. The expert report indicated The Globe is owed US\$ 17 million interest accrued of US\$ 3 billion. The expert report also concluded that The Globe is entitled to US\$ 2 per ton commission of cement exported from 2002 to 2012. In May 2014, South Cairo Court issued a ruling declining review and referred the case to the Economic Court and Helwan appealed to the Cairo Court of Appeal. In November 2014, the Cairo Court of Appeal rejected Helwan's appeal. Helwan filed a challenge to the Court of Cassation. The Economic Court stayed proceedings pending a ruling of the Court of Cassation. This appeal has not been scheduled for hearing yet.

The Globe also challenged the decision of Cairo Court of Appeal before the Court of Cassation, which challenge included, unlike Helwan's, an interim request for a stay of enforcement of the decision of the Cairo Court of Appeal.

At a hearing of the Court of Cassation on October 10, 2016, The Globe's appeal has been finally rejected by the Court of Cassation. On July 19, 2018 the Court of Cassation rejected also Helwan's appeal and decided in favour of Egyptian jurisdiction.

The lawsuit was expedited before the Economic Court by the Globe for it to take place on September 8, 2018. In the said hearing Helwan requested the rejection of the expedite examination due to (among other legal arguments) absence of the legal capacity of Globe, as the name of the Globe Corporation was changed in September 2015 to Tahia Misr and due to suspension of operation of Globe (formerly) Tahia Misr (currently) since 2004 until now in the USA. At the hearing of December 25, 2018 a judgement has been rendered by Cairo Economic Court ruling for termination of the dispute based on the fact the final claims by Globe (Tahia) are the same as mentioned in the original 2011 case before 1st Instance Court Commercial Circuit (referral of the case to the expert). The Court judgement didn't rule on the merits of the case. The Globe has not yet challenged the said judgement. Instead on February 5, 2019 The Globe filed before the 9th Circuit a request to consider 'Unattended Relief Sought' in the subject proceedings. The

Globe's aforesaid request is scheduled for hearing on April 20, 2019.

In September 2018 Globe filed in addition case no. 3583/2018 before the Civil Division of North Cairo Court against Suez Cement Company seeking the appointment of an expert to prove the relationship between Suez Cement and Helwan and that Helwan is one of the subsidiaries of Suez Cement, and list the transactions pertaining to the sale of material assets and properties owned by Helwan during the period from 2002 until to date, and to order Suez Cement to pay The Globe the full claimed amount of alleged debt. Helwan was joined to the proceedings. During hearing on February 6, 2019 the Court adjourned the case to be heard on March 20, 2019. After the exchange of certain formalities, the hearing was adjourned further to May 15, 2019.

The final outcome of this case is still uncertain.

### **Asbestos litigation in the U.S.**

Various of HC Group's U.S. subsidiaries are defendants, typically with other non-affiliated companies, in lawsuits filed in state and federal courts by claimants who allege that they have suffered bodily injury as a result of exposure to asbestos-containing products, the manufacture of which by such subsidiaries ceased, depending on the subsidiary involved, between 1973 and 1984, which was prior to the time that these subsidiaries became members of HC Group. The majority of the claims relate to products and services related to the steel industry and various building materials.

On December 31, 2018, there were approximately 95,817 outstanding claims, an increase of approximately 191 from December 31, 2017. These outstanding claims include over 55,000 matters filed in Ohio that are currently inactive, include approximately 14,000 claims against Hanson Permanente Cement, Inc. ("**Hanson Cement**") and Kaiser Gypsum Company, Inc. ("**Kaiser Gypsum**") that are currently subject to the Bankruptcy Proceeding (see detailed description below), and include new claimants (since December 31, 2017) of approximately 1,427. The number of pending claims (including any newly filed claims) does not necessarily indicate the probable cost as the majority of claims are ultimately dismissed without payment or are non-malignancy matters that present minimal risk. In the last four years, over 90% of resolved claims were dismissed without payment. The gross U.S. dollar cost of resolutions, judgments, settlement and defence costs, before insurance, was US\$ 14.9 million including legal fees of US\$ 7.7 million for all of 2017 and US\$ 14.9 million including legal fees of US\$ 7.1 million for all of 2018. Net costs after insurance were US\$ 2.3 million for all of 2017 and US\$ 1.3 million for all of 2018.

HC Group accounts for the asbestos claims against its U.S. subsidiaries by providing for those costs of resolution that are both probable and reasonably estimable. HC Group estimates such aggregate, undiscounted and prior to insurance costs to be US\$ 543.4 million over the next fifteen years, which includes US\$ 344.6 million for legacy Hanson Cement and Kaiser Gypsum asbestos claims estimated over the next eight years and has made corresponding provisions (starting at end of 2016, the U.S. subsidiaries with asbestos liabilities, i.e. Beazer East, Inc. ("**Beazer**") and Amcord, Inc. ("**Amcord**"), adopted a longer fifteen year estimation period for provisioning purposes; however, due to the automatic stay on new claims that came with the prior filing of a Bankruptcy Proceeding for Hanson Cement and Kaiser Gypsum (see detailed description below), the Hanson Cement/Kaiser Gypsum provision was not updated or changed from its value as of the date of the filing of the Bankruptcy Proceeding on September 30, 2016 and thus still reflects the prior eight year estimation period). Although future claims are likely to be resolved beyond the fifteen-year provisioning period, HC Group cannot reliably estimate the associated costs of such future claims. Therefore, no provision has been made to cover these possible liabilities. One of HC Group's subsidiaries is currently involved in an on-going insurance coverage dispute with its insurance providers which could result in increased cash outflows if certain trial court rulings were reversed on appeal and HC Group were then required to assume responsibility for any of the settlement and/or defence costs currently paid by the related insurers under the existing trial court rulings. However, an unfavourable resolution of this dispute would not impact the provision for asbestos claims because the provision does not include any recoveries from the related insurers for this subsidiary. Several factors could cause actual results to differ from current estimates and expectations, including: (i) adverse trends in the ultimate number of asbestos claims filed against HC Group's U.S. subsidiaries; (ii) increases in the cost of resolving current and future asbestos claims as a result of adverse trends relating to settlement and/or defence costs, dismissal rates and/or judgment amounts, including as a result of an increased percentage of claims being filed in jurisdictions that have historically produced higher jury verdicts; (iii) decreases in the amount of insurance available to cover asbestos claims as a result of adverse changes in the interpretation of insurance policies or the insolvency of insurers; (iv) the timing of insurance recoveries; (v) the emergence of new trends or legal theories that enlarge the scope of potential claimants; (vi) the impact of bankruptcies of other



defendants whose share of the liability may be imposed on HC Group's U.S. subsidiaries under certain state liability laws; (vii) the unpredictable aspects of the U.S. litigation process; (viii) adverse changes in the mix of asbestos-related diseases with respect to which asbestos claims are made against HC Group's U.S. subsidiaries; and (ix) potential legislative changes. Therefore, the liability of HC Group's U.S. subsidiaries for resolving asbestos claims may be materially different from current estimates.

On September 30, 2016, Hanson Cement and Kaiser Gypsum filed a voluntary petition in the U.S. Bankruptcy Court for the Western District of North Carolina seeking, among other things, to establish a trust to which all current and future asbestos personal injury claims would be channeled pursuant to section 524(g) of the U.S. Bankruptcy Code ("**Bankruptcy Proceeding**"). As a result of this Bankruptcy Proceeding, Lehigh Hanson, Inc., was required, pursuant to applicable accounting principles, to deconsolidate the two entities from Lehigh Hanson's consolidated financial statements. As a result of the deconsolidation, the provisions for asbestos that are on the books of Hanson Cement and Kaiser Gypsum and were previously consolidated into the Lehigh Hanson financial balance sheet were removed from the Lehigh Hanson balance sheet, although they remain on the balance sheets of Hanson Cement and Kaiser Gypsum and are separately broken out in the paragraphs above. The Bankruptcy Proceedings remain pending and during such pendency, new asbestos claims may be filed against Hanson Cement or Kaiser Gypsum only if the claimant first signs a form releasing Hanson Cement and/or Kaiser Gypsum of liability for any uninsured portion of a claim (i.e., deductibles and/or punitive damages) and, thus, because insurance also provides a defense for such claims, these new asbestos claims post no financial risk to Hanson Cement or Kaiser Gypsum.

In addition, HC Group's U.S. subsidiaries are subject to the risk of awards of punitive damages in asbestos litigation. For example, in 2011 a U.S. jury in an asbestos trial awarded punitive damages against a HC Group U.S. subsidiary Kaiser Gypsum in the amount of approximately US\$ 4 million. That verdict was appealed to an appellate court, and a decision affirming the verdict was issued in January 2016. The HC Group U.S. subsidiary filed a further appeal to a higher appellate court, which declined to accept the appeal, so the HC Group U.S. subsidiary requested a review by the U.S. Supreme Court. On October 3, 2016, the U.S. Supreme Court issued an order declining to review the case. The US\$ 4 million punitive judgment amount was subject to post-judgment interest at the statutory rate of 10% p.a. and, with interest, amounted to approximately US\$6.1 million at the time all appeals were exhausted.

In 2012 another U.S. jury in another asbestos trial returned a punitive damages verdict of approximately US\$ 6 million against the same U.S. subsidiary. However, following the trial, the trial judge dismissed the jury's punitive damage verdict as not supported by the evidence. The claimant in that case appealed the judge's dismissal of that punitive damages verdict, and the matter was settled in 2018 while the appeal was pending, with the resolution involving the plaintiff dropping its appeal as to the punitive damages in return for Kaiser Gypsum's insurers paying that portion of the jury's verdict that was other than punitive damages.

It is not possible to determine whether these two cases are anomalies in the historical experience of no punitive damage liabilities imposed on U.S. subsidiaries or represent a trend of increased risk of punitive damages verdicts. Punitive damages are excluded from coverage under the insurance policies of these U.S. subsidiaries and no punitive damages liabilities are assumed in the provision for asbestos liabilities. A trend of punitive damages verdicts against the U.S. subsidiaries could have a material adverse impact on HC Group's business, financial condition or results of operations.

### **Asbestos litigation in Italy**

Nuova Sacelit S.r.l., a company controlled by HC Group's subsidiary Italcementi, operated since 1946 until early 1990s five sites for the production of asbestos cement building commodities. Actually the company is facing 13 civil claims for damages of claimants who allege that they have suffered bodily injury as a result of exposure to asbestos-containing products, which lead to a cumulative estimated risk of € 1.5 million (plus interest). In addition, the company is also facing 47 out of trial cases leading to a cumulative estimated risk of € 4.7 million (plus interest).

### **Environmental contamination claims in the U.S.**

HC Group is responsible for addressing environmental contamination at present and former U.S. operating sites, or portions thereof, currently or previously owned and/or leased by current or former acquired HC Group companies that are the subject of claims, investigations, monitoring and/or remediation under CERCLA, the U.S. Federal Resource Conservation and Recovery Act or comparable U.S. state statutes or agreements with third parties. In addition, a number of present and former HC Group operating units

(responsibility for which remains with an acquired HC Group entity) have been named as potentially responsible parties (PRPs) at off-site landfills under CERCLA or comparable state statutes.

HC Group makes provisions for environmental obligations related to such sites in the U.S., including legal and other costs on an undiscounted basis. A provision is recorded for costs associated with environmental assessments and remediation efforts when HC Group determines such costs represent a probable loss and are capable of being reasonably estimated. Factors which could cause actual costs to differ materially from HC Group's current estimates and provisions include, but are not limited to: (i) identification of additional sites requiring environmental investigation and/or remediation; (ii) new releases at or the discovery of unknown adverse conditions at sites; (iii) development of additional facts at sites, particularly relating to the extent of the contamination and any potential or alleged adverse effects on neighbouring properties; (iv) third party claims in excess of estimates; (v) changes to regulatory requirements or investigatory or clean-up standards; (vi) changes in remediation techniques or the length of any ongoing monitoring; (vii) the failure of other responsible parties to pay their share of the costs and (viii) any other significant variations to assumptions made in support of these cost estimates.

Not all of HC Group's liabilities arising out of historical businesses and activities are covered by indemnity or insurance. Further, with respect to certain liabilities (including some described further below) that are covered by insurance there may be significant limitations on some of that insurance coverage, including (i) self-insured retention amounts, (ii) retrospective premiums, (iii) exclusion of punitive damages and (iv) other defences that have been or may be raised by insurance carriers.

The Bankruptcy Proceeding initiated in 2016 (see "*HeidelbergCement AG — Litigation/Administrative and Governmental Proceeding — Asbestos litigation in the U.S.*") will also address resolution of environmental liabilities that may exist as to Hanson Cement and/or Kaiser Gypsum. The Bankruptcy Court set a bar date of September 12, 2017 for assertion of non-asbestos claims against Hanson Cement and Kaiser Gypsum. The Oregon Department of Environmental Quality ("**ODEQ**") asserted a proof of claim in the Bankruptcy Proceeding against Kaiser Gypsum, and a second proof of claim was filed on ODEQ's behalf against Hanson Cement, each of which asserted ODEQ's right to claim from the Debtors in the Bankruptcy Proceeding some share of environmental cleanup costs that ODEQ estimated at up to US\$ 150 million at and near a manufacturing facility in St. Helens, Oregon, that was formerly owned and operated by Kaiser Gypsum. The amount and validity of ODEQ's claim with respect to this site is subject to challenge and determination in the Bankruptcy Proceeding and in late 2018 Hanson Cement and Kaiser Gypsum filed an objection to ODEQ's claim. Further, it is the position of Hanson Cement and Kaiser Gypsum that the costs of environmental cleanup at this site are subject to insurance coverage under certain historical policies issued to Hanson Cement and which are the subject of insurance coverage litigation filed by Hanson Cement and Kaiser Gypsum and pending in the state courts of the US State of Oregon.

In January 2017, a complaint was filed by the City of Emeryville, California, against "Hanson, a British Corporation" (intended for Hanson Building Materials Limited ("**HBML**")) and others outside the HC Group in the U.S. District Court of the Northern District of California. The complaint alleges historic land and groundwater contamination and seeks injunctions, clean-up costs of an estimated US\$ 35-65 million and unspecified damages under CERCLA and RCRA. The contamination is alleged to have been caused by industrial activities at a property in Emeryville in the early and mid-1900s, the liabilities for which were owned by Marchant Calculating Machine Company. Through a series of historic corporate transactions, the liabilities are alleged to have been transferred to a Hanson UK company in the late 1980s and the claimant asserts that HBML should now be deemed liable for such liabilities. Research to date indicates that no Hanson UK company or subsidiary owned or operated at the relevant land at any stage and that no Hanson UK legal entity holds any liabilities. HBML has filed a response to the complaint, defending the claim on the basis that there are no legitimate grounds for asserting any personal or specific jurisdiction over HBML. On January 30, 2019, after the parties had conducted limited discovery on jurisdictional issues, the judge issued an order denying HBML's motion to dismiss the complaint for lack of personal jurisdiction. Additional discovery is expected.

#### **Building product, chemical and silica claims in the U.S.**

Former and existing subsidiaries of HC Group, especially Beazer East, Inc. (formerly known as Koppers Company, Inc. and acquired by Hanson PLC prior to HC Group's acquisition of Hanson PLC), engaged in businesses and activities unrelated to the business and activities presently performed by HC Group. In particular, claims and lawsuits alleging property damage or bodily injury have been filed against certain U.S. subsidiaries or against companies, for which U.S. subsidiaries have either direct liability or have indemnity obligations, relating to the operations of and the products formerly manufactured or sold by these

subsidiaries or their predecessors relating to certain building products, chemicals and silica. Members of HC Group remain liable for costs related to these claims and lawsuits. HC Group estimates the aggregate, undiscounted and prior to insurance cost of such claims and lawsuits to be US\$ 0.39 million on December 31, 2018 and has made a corresponding provision. In addition, HC Group has an undiscounted contingency reserve of US\$ 0.65 million as of December 31, 2018 for claims and lawsuits alleging property damage or bodily injury related to historical businesses and activities in the U.S. unrelated to those presently carried on by HC Group.

The costs of defence and the amounts that are claimed by the plaintiffs, particularly in those lawsuits which involve numerous claimants, can be significant, and the ultimate outcome is difficult to determine with any certainty, given, in particular, the inability to predict the results of any litigation, the potential risk of a significant adverse verdict and the potential for juries to award punitive damages. In addition, as described below, HC Group may not have insurance for some of these claims and when there is potential insurance, the costs of obtaining the insurance may at times require the incurrence of significant defence, deductible and other costs.

Based on current facts, HC Group does not expect the ultimate costs to resolve these lawsuits to materially adversely affect the financial condition or results of operations of HC Group, however an increase in the number or rate of claims, adverse developments in settlement discussions or trials or in HC Group's ability to recover under insurance policies may cause these claims and lawsuits to have a material adverse impact on HC Group's financial condition and results of operations.

#### **Spanish environmental case**

On May 14, 2014, further to a lawsuit initiated by a local association, the Court of Málaga issued a decision declaring null and void the Integrated Environmental Permit ("IEP") released in 2007 to Sociedad Financiera Y Minera S.A. ("FYM"), Italcementi's Spanish subsidiary, to revamp the Málaga plant on the ground that the competent Regional Administration Body wrongly issued the IEP without requiring a prior Environmental Impact Assessment ("EIA"). FYM challenged the decision before the Court of Appeal and, in parallel, applied for a new permit through the performance of an EIA which was finally granted by Regional Administration on April 7, 2017. However, this new IEP has been challenged again by the same local association. FYM believes that the claim of the local association against the new IEP will not be successful. In addition, on October 30, 2017, the High Court of Andalusia annulled the Special Plan (urban planning instrument) that supported the facilities of the Málaga cement plant. The judgment has been appealed by FYM. However, in order to avoid risks and to ensure the legal standing of the Málaga plant, FYM will initiate the procedure for the approval of a new Special Plan. FYM believes that its chances to win the appeal or at least to get the approval for a new Special Plan covering the cement plant area are good. Although FYM believes that ongoing preventive measures will prevent the resolution from causing any material effect on the operations of the plant, a temporary stoppage of operations at the Málaga cement plant is theoretically possible, and therefore cannot be fully excluded which might have a material adverse impact on HC Group's financial condition and results of operations.

#### **Italian environmental cases**

In January 2018, four non-governmental organizations (NGOs) and the Municipality of Santeramo in Colle initiated a lawsuit before the Administrative Court of Potenza challenging the Integrated Environmental Permit ("IEP") released in November 2017 to the Matera cement plant of Italcementi. The challenged decision includes both the regular renewal of the IEP and the intended increase of the use of alternative fuels in the Matera plant. The plaintiffs also requested the suspension of the effects of the entire IEP during the ongoing lawsuit, but in a first hearing held in March 2018, the judge recommended that the plaintiffs should withdraw this request. By the end of September 2018, the administrative court rejected the appeal of the NGOs. Just before the deadline at the end of March 2019, two of the four NGOs and the Municipality of Santeramo al Colle went on appeal against that court decision and furthermore, they demanded the suspension of the effects of the sentence and of the IEP during the ongoing second degree lawsuit. Until the first half of May 2019 the hearing for the suspension of the effects is expected to be set. Although Italcementi believes that the claim is unsubstantiated, a stoppage of operations at the Matera cement plant cannot be fully excluded which might have a material adverse impact on HC Group's financial condition and results of operations.

On September 28, 2017, the Public Prosecutors of Lecce and Taranto ordered the sequestration of some equipment and areas of the Taranto cement plant of Cementir, a newly acquired subsidiary of Italcementi, and also of the adjacent steel factory in Taranto delivering slag to Cementir's cement plant. The

sequestration order was issued because the Public Prosecutor considers slag as a waste and not as a by-product and, consequently, considers the delivery of slag from the steel factory to Cementir's plant for the production of cement as being not in compliance with waste laws. The competent criminal judge granted an "incidente probatorio" (evidence gathering functional as proof) to establish if slag is waste or a by-product. During this ongoing court proceeding Cementir has been temporarily authorized by the court judge to use the slag already delivered by the steel factory for cement production. This temporary authorization expired by end of May 2018 but the stocked slag exhausted by end of February 2018 and therefore the cement production was stopped for the time being. The Lecce Public Prosecutor then accepted a petition that put forward by the lawyers for the defence and acknowledging the conclusions presented by the experts appointed for evidence gathering on first of August 2018 and annulled the precautionary seizure order in September 2018 including the Cementir plant. Now fly ash and slag can be used in the cement production. On April 15, 2019 a hearing is set by the criminal judge to prosecute if there is a liability because of using slag that is considered as waste.

## INCORPORATION BY REFERENCE OF HISTORICAL FINANCIAL INFORMATION

The audited consolidated financial statements of HC AG as of and for the fiscal years ended December 31, 2017 and December 31, 2018 and the respective independent auditor's reports thereon are incorporated by reference into this Prospectus.

## RATINGS

Moody's Deutschland GmbH ("**Moody's**")<sup>1,4</sup> has assigned the long-term credit rating of Baa3<sup>2</sup> (outlook positive) and Fitch Italia S.p.A. ("**Fitch**")<sup>3,4</sup> has assigned the long-term credit rating BBB-<sup>5</sup> (outlook stable) and S&P Global Ratings Europe Limited ("**S&P**")<sup>6,4</sup> has assigned the long-term credit rating BBB-<sup>7</sup> (outlook stable) to HeidelbergCement AG.

## OUTLOOK

### Outlook for 2019

In its forecast from January 2019, the International Monetary Fund ("**IMF**") expects a continuation of global economic growth on a broad scale. The growth rate is expected to weaken slightly, from 3.7% in 2018 to 3.5% in 2019. This is due to trade disputes between the USA and China as well as the recent drop in momentum in Europe. The risks that could continue to jeopardise growth include a further escalation of the trade disputes, high public and private debt, a disorderly Brexit, and a stronger than expected economic slowdown in China.

In Asia, China will continue to be the determining factor in economic development. The IMF projects a decline in growth for China, from 6.6% in 2018 to 6.2% in 2019. For Indonesia, growth of 5.1% is anticipated. The growth rates in the African countries south of the Sahara are expected to increase further,

<sup>1</sup> Moody's is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>2</sup> Obligations rated "Baa3" are judged to be medium grade with some speculative elements and moderate credit risk.

<sup>3</sup> Fitch is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>4</sup> The European Securities and Markets Authority publishes on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that update list in the Official Journal of the European Union within 30 days following such update.

<sup>5</sup> A "BBB-" rating is considered investment grade with expectations of default risk currently low. However, the capacity for payment of financial commitments might be impaired by adverse business and economic conditions.

<sup>6</sup> S&P is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

<sup>7</sup> An S&P credit rating of BBB- is considered investment grade with adequate capacity to meet financial commitments, but more subject to adverse economic conditions.

reaching 3.5% in 2019 compared with 2.9% in 2018. In North Africa, the gross domestic product is expected to rise to around 5.5% in Egypt and remain stable at 3.2% in Morocco.

In the mature markets, economic growth is expected to decline from 2.3% to 2.0%. According to IMF forecasts, the important markets for HeidelbergCement – USA, United Kingdom, Germany, France, Italy, and Canada – should continue to develop positively in 2019. However, growth rates are declining in all countries except France, where stable development is anticipated. The reduction in fiscal stimulus measures and rising interest rates are expected to slow growth in the USA. Nevertheless, the USA is set to record the highest increase in economic output at 2.5%, followed by Canada at 1.9%, France at 1.5%, Germany at 1.3%, the United Kingdom at 1.2% – according to the Bank of England's latest forecast –, and finally Italy at 0.6%. In Australia, growth is expected to cool slightly to 2.8%.

Further growth is predicted for all countries in Northern and Eastern Europe and Central Asia in 2019. However, the development in the individual countries will vary. In Northern Europe, economic growth ranging from 1.9% in Denmark to 3.2% in Estonia is expected. While the growth rate will remain stable in Norway compared with 2018, it will be somewhat lower in Sweden, Denmark, Iceland, and Estonia. In Eastern and Southeastern Europe, increases ranging from 1.8% in Russia to 4.8% in Georgia are anticipated. While a slight increase in growth is expected in Slovakia, Greece, and Bosnia-Herzegovina, a slight slowdown is forecast in the other countries.

Regarding consumer goods price inflation, the IMF expects a slight rise in mature markets and a moderate increase in emerging countries. The oil price reached an interim high in 2018 following a significant rise, and is expected to fall significantly in 2019.

#### **Additional statements on the outlook**

The Managing Board of HeidelbergCement has not seen evidence of developments beyond those mentioned in the previous paragraph that would suggest changes for the fiscal year 2019 regarding the forecasts and other statements made in the Outlook chapter in the audited combined management report of HeidelbergCement Group and HeidelbergCement AG for the fiscal year ended December 31, 2018 on pages 67 et seqq. of the HeidelbergCement Annual Report 2018 on the expected development of HeidelbergCement Group and its business environment.

## HEIDELBERGCEMENT FINANCE LUXEMBOURG S.A.

### History and development of HeidelbergCement Finance Luxembourg S.A.

HeidelbergCement Finance Luxembourg S.A. (formerly St Yvette S.à r.l.), a public limited liability company (*société anonyme*), registered with the Luxembourg Register of Commerce and Companies under number B 40.962 and having a fully paid share capital of € 26,635,550 was incorporated on July 24, 1992 in accordance with the laws of the Grand Duchy of Luxembourg pursuant to a deed of Maître Alphonse Lentz, notary then residing in Remich, Grand Duchy of Luxembourg, published in the Mémorial C, Recueil des Sociétés et Associations number 539 of November 23, 1992. It operates under the laws of the Grand Duchy of Luxembourg. The articles of association of HeidelbergCement Finance Luxembourg S.A. have been amended for the last time on March 13, 2012, pursuant to a deed of Maître Henri Hellinckx, notary residing in Luxembourg. HeidelbergCement Finance Luxembourg S.A. operates under the laws of the Grand Duchy of Luxembourg.

The statutory seat and place of business of HeidelbergCement Finance Luxembourg S.A. is 43, Avenue J.F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg. The telephone number of HeidelbergCement Finance Luxembourg S.A. is: +352 27 048 511. HeidelbergCement Finance Luxembourg S.A.'s Legal Entity Identifier (LEI) is 529900RYHTCF5X9DD509.

### Statutory Auditor

The auditor of HeidelbergCement Finance Luxembourg S.A. is Ernst & Young Société anonyme, Cabinet de révision agréé, independent auditor, 35E avenue John F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**EY Luxembourg**"). EY Luxembourg is registered as a corporate body with the public register of company auditors drawn up by the Luxembourg Ministry of Justice and is a member of the Institute of Auditors (*l'Institut des Réviseurs d'Entreprises*) and is approved by the Commission de Surveillance du Secteur Financier ("**CSSF**") in the context of the law dated July 23, 2016 relating to the audit profession, as amended. EY Luxembourg has audited the unconsolidated annual accounts of HeidelbergCement Finance Luxembourg S.A. as of and for the fiscal years ended December 31, 2018 and December 31, 2017 and issued an unqualified independent auditor's report in each case.

### Selected Historical Financial Information

The following table sets out selected historical financial information related to HeidelbergCement Finance Luxembourg S.A. for the fiscal years ended December 31, 2018 and 2017 derived from the audited unconsolidated annual accounts of HeidelbergCement Finance Luxembourg S.A. as of and for the fiscal year ended December 31, 2018 (including the comparative amounts as of and for the fiscal year ended 2017), prepared on the basis of Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts ("**Luxembourg GAAP**").

Where financial information in the tables is labelled "audited", this means that it has been taken from the above mentioned audited unconsolidated annual accounts of HeidelbergCement Finance Luxembourg S.A. The label "unaudited" is used in the tables to indicate financial information that has not been taken from the audited unconsolidated annual accounts mentioned above but has been calculated on the basis of financial information from the above mentioned audited unconsolidated annual accounts.

	<b>December 31, 2018</b>	<b>December 31, 2017</b>
	(in € thousands)	
	audited, unless otherwise indicated	
<u>Fixed assets</u>		
Financial assets - Loans to shareholder* (unaudited)	700,430	663,366
Financial assets - Loans to group entities (unaudited)	7,377,494	7,927,114
<u>Current assets</u>		
Amounts owed by affiliated undertakings	2,350,108	2,663,106
Other debtors, cash at bank and in hand and prepayments (unaudited)	36,852	28,987
<u>Total assets</u>	10,464,884	11,282,573

\* The sole shareholder of HeidelbergCement Finance Luxembourg S.A. is HeidelbergCement Holding S.à r.l.

	<b>Year ended December 31, 2018</b>	<b>Year ended December 31, 2017</b>
	(in € thousands)	
	audited, unless otherwise indicated	
Net turnover, other operating income, income from participating interests and other interest receivable and similar income (unaudited)	395,810	434,935
Interest payable and similar expenses concerning affiliated undertakings	-57,912	-67,926
Interest payable and similar expenses - other interest and similar expenses	-218,437	-246,351
Other external expenses, staff costs and other taxes (unaudited)	-10,390	-12,201
Profit for the financial year	109,071	108,457
	<b>Year ended December 31, 2018</b>	<b>Year ended December 31, 2017</b>
	(in € thousands)	
	audited	
Net cash flows used in operating activities	-662,322	-107,209
Net cash flows from/used in investing activities	252,025	-939,037
Net cash flows from/used in financing activities	410,300	1,046,244

### **Business Overview**

The principal activity of HeidelbergCement Finance Luxembourg S.A. is that of a finance company for the HeidelbergCement Group.

HeidelbergCement Finance Luxembourg S.A. acts solely to facilitate the financing of HeidelbergCement Group. The business of HeidelbergCement Finance Luxembourg S.A. is directly related to the extent HeidelbergCement utilizes HeidelbergCement Finance Luxembourg S.A. for future funding needs. The extent to which future funding needs arise depends on the development of the operating business and investment projects of HeidelbergCement AG and its subsidiaries.

### **Organizational Structure**

HeidelbergCement Finance Luxembourg S.A. is a wholly owned subsidiary of HeidelbergCement AG and has no subsidiaries of its own.

### **Administrative and Management Bodies and Corporate Governance**

The Board of HeidelbergCement Finance Luxembourg S.A. is composed of four Directors, two of them non-executive:

Sunnira Ly, Brussels, Belgium, non-executive Director  
 Mathijs Coenraad Maria Cremers, Nijmegen, The Netherlands, non-executive Director  
 Joel Sabrià Lloret, Luxembourg, The Grand Duchy of Luxembourg, executive Director  
 Bernhard Heidrich, Luxembourg, The Grand Duchy of Luxembourg, executive Director

The above named Directors do not perform any principal activities outside the Group which are significant to the Group.

The business address of all above named Directors of the Board of Directors is 43, Avenue J.F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg. The Directors mentioned above accept memberships on the Supervisory Board of other corporations within the limits prescribed by applicable laws.

There are no conflicts of interests between the private interests and/or other duties of the Directors of the Board of Directors and their duties vis-à-vis HeidelbergCement Finance Luxembourg S.A.

HeidelbergCement Finance Luxembourg S.A. complies in all material respects with the Luxembourg Corporate Governance Code.

Following the entry into force of the Luxembourg Act of July 23, 2016 on the audit profession transposing European Directive 2014/56/EU and implementing European Regulation No. 537/2014, HeidelbergCement Finance Luxembourg S.A. created and established an audit committee (the "**Audit Committee**") to assist the Board in discharging its responsibilities in the areas of financial reporting, internal controls and risk management. The Audit Committee is comprised at any time of two directors, all of whom are non-executive directors.

### **Shareholders' Board Practices**

The annual General Meeting shall be held at the registered office or in any other place within the municipality of the registered office, as specified in the notice, on the third Friday of April of each year at 10.00 a.m. If that day is not a business day in Luxembourg, the annual General Meeting shall be held on the following business day. The fiscal year is the calendar year.

### **Major Shareholders**

HeidelbergCement Finance Luxembourg S.A. is a 100% held indirect subsidiary of HeidelbergCement AG.

### **Interim and other Financial Information**

HeidelbergCement Finance Luxembourg S.A. publishes unaudited half-yearly interim financial reports and statements in accordance with the Luxembourg laws and regulations.

### **Legal, Arbitration and Governmental Proceedings**

As of the date of this Prospectus HeidelbergCement Finance Luxembourg S.A. is not involved in any governmental, legal or arbitration proceedings nor is HeidelbergCement Finance Luxembourg S.A. aware of any such proceedings pending or being threatened, the results of which have had during the last 12 months or which could, at present or in future, have a significant effect on its financial position or profitability.

### **Additional Information**

#### ***Share Capital***

The fully paid share capital is set at € 26,635,550, represented by 2,663,555 shares in registered form, having a nominal value of € 10 each.

#### ***Articles of Association***

According to Article 3 of its Articles of Association, the objects and purposes of HeidelbergCement Finance Luxembourg S.A. are:

1. the acquisition of participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those participations as well as the supervision of the businesses of the participations. HeidelbergCement Finance Luxembourg S.A. may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin;
2. to borrow in any form whatsoever. It may issue notes, bonds and any kind of debt and equity securities. It may raise and lend funds, including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies and finance businesses and companies. It may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over some or all of its assets to guarantee its own obligations, the obligations of any affiliated group companies or those of any



other company in which it has a direct or indirect interest. HeidelbergCement Finance Luxembourg S.A. may enter into agreements in connection with the aforementioned activities;

3. to use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks; and

4. to carry out any commercial, financial or industrial operation and any transaction with respect to real estate or movable property, which directly or indirectly, favours or relates to its corporate object at the exclusion of any banking activity and any other regulated financial activity.

For the avoidance of doubt, HeidelbergCement Finance Luxembourg S.A. may not carry out any regulated financial sector activities without having obtained the requisite authorization.

**Incorporation by Reference of Historical Financial Information**

The audited unconsolidated annual accounts of HeidelbergCement Finance Luxembourg S.A. as of and for the fiscal years ended December 31, 2017 and December 31, 2018 and the respective independent auditor's reports thereon are incorporated by reference into this Prospectus.

**Ratings**

Not applicable. HeidelbergCement AG guarantees the payment of interest on and principal of the Notes issued by HeidelbergCement Finance Luxembourg S.A. Therefore, creditors base HeidelbergCement Finance Luxembourg S.A. credit assessment mainly on HeidelbergCement AG's credit rating.

## DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The Terms and Conditions pertaining to a certain issue of Notes provide that the Holders may agree to amendments or decide on other matters relating to the Notes by way of resolution to be passed in a meeting (*Gläubigerversammlung*) or by taking votes without a meeting. Any such resolution duly adopted by resolution of the Holders shall be binding on each Holder of the respective issue of Notes, irrespective of whether such Holder took part in the vote and whether such Holder voted in favor of or against such resolution.

In addition to the provisions included in the Terms and Conditions of a particular issue of Notes, the rules regarding resolutions of Holders are substantially set out in a Schedule to the Agency Agreement in the German language together with an English translation. If the Notes are for their life represented by Global Notes, the Terms and Conditions of such Noted fully refer to the rules pertaining to resolutions of Holders in the form of such Schedule to the Agency Agreement. Under the German Act on Debt Securities (*Schuldverschreibungsgesetz – "SchVG"*), these rules are largely mandatory, although they permit in limited circumstances supplementary provisions set out in the Terms and Conditions.

Resolutions of the Holders with respect to the Notes can be passed in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. SchVG or by way of a vote without a meeting pursuant to § 18 and § 9 et seqq. SchVG (*Abstimmung ohne Versammlung*).

The following is a brief summary of some of the statutory rules regarding the convening and conduct of meetings of Holders and the taking of votes without meetings, the passing and publication of resolutions as well as their implementation and challenge before German courts.

### **Rules regarding Holders' Meetings**

Meetings of Holders may be convened by the Issuer or the Holders' Representative, if any. Meetings of Holders must be convened if one or more Holders holding 5% or more of the outstanding Notes so require for specified reasons permitted by statute.

Meetings may be convened not less than 14 days prior to the date of the meeting. The Terms and Conditions may provide that attendance and exercise of voting rights at the meeting may be made subject to prior registration of Holders. The Terms and Conditions will indicate what proof will be required for attendance and voting at the meeting. The place of the meeting in respect of a German issuer is the place of the issuer's registered office, provided, however, that where the relevant Notes are listed on a stock exchange within the European Union or the European Economic Area, the meeting may be held at the place of such stock exchange.

The convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

Each Holder may be represented by proxy. A quorum exists if Holders' representing by value not less than 50% of the outstanding Notes. If the quorum is not reached, a second meeting may be called at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a quorum requires the presence of at least 25% of the aggregate principal amount of outstanding Notes.

All resolutions adopted must be properly published. In the case of Notes represented by one or more Global Notes, resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the relevant Global Note(s).

In insolvency proceedings instituted in Germany against an Issuer, a Holders' Representative, if appointed, is obliged and exclusively entitled to assert the Holders' rights under the Notes. Any resolutions passed by the Holders are subject to the provisions of the Insolvency Code (*Insolvenzordnung*).

If a resolution constitutes a breach of the statute or the Terms and Conditions, Holders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

### **Specific Rules regarding Votes without Meeting**

In the case of resolutions to be passed by Holders without a meeting, the rules applicable to Holders' Meetings apply *mutatis mutandis* to any taking of votes by Holders without a meeting, subject to certain special provisions. The following summarises such special rules.

The voting shall be conducted by the person presiding over the taking of votes. Such person shall be (i) a notary public appointed by the Issuer, (ii) where a common representative of the Holders (the "**Holders'**

**Representative**") has been appointed, the Holders' Representative if the vote was solicited by the Holders' Representative, or (iii) a person appointed by the competent court.

The notice soliciting the Holders' votes shall set out the period within which votes may be cast. During such voting period, the Holders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Holder's entitlement to cast a vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Holders. Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If he remedies the objection, he shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, he shall promptly inform the objecting Holder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

## TAXATION

*The following is a general discussion of certain German, Luxembourg, Austrian, Irish, UK and Dutch tax consequences of the acquisition and ownership of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of the Federal Republic of Germany, Grand Duchy of Luxembourg, the Republic of Austria, the Republic of Ireland, the United Kingdom of Great Britain and Northern Ireland and The Netherlands currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.*

**PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN THE FEDERAL REPUBLIC OF GERMANY, GRAND DUCHY OF LUXEMBOURG, THE REPUBLIC OF AUSTRIA, THE REPUBLIC OF IRELAND, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE NETHERLANDS, THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.**

### **Germany**

#### **Income tax**

*Notes held by tax residents as non-business assets*

#### **Taxation of interest payments**

Payments of interest on the Notes to Holders who are individuals and are tax residents of the Federal Republic of Germany (*i.e.*, persons whose residence or habitual abode is located in the Federal Republic of Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is levied in addition. Furthermore, church tax may be levied, where applicable.

On payments of interest on the Notes to individuals who are tax residents of the Federal Republic of Germany, income tax is generally levied as a flat income tax at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax). The total positive investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of € 801 (€ 1,602 for individuals filing jointly), not by a deduction of expenses actually incurred.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank and such entity credits or pays out the investment income (the "**Disbursing Agent**"), the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent. The church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*).

In general, no withholding tax will be levied if the Holder is an individual (i) whose Notes do not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Notes together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) which also includes the tax identification number and which has been issued by the relevant local tax office.

If no withholding tax has been withheld, the Holder will have to include its income on the Notes in its tax return and the tax on its investment income of generally 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a

tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

#### Taxation of capital gains

Also capital gains realized by individual tax residents of the Federal Republic of Germany from the disposal or redemption of the Notes (including gains from the assignment or hidden contribution of the Notes) will be subject to the flat income tax on investment income at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax), irrespective of any holding period. This will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed. If coupons or interest claims are disposed of separately (i.e. without the Notes), the gains from the disposal are subject to income tax. The same applies to gains from the redemption of coupons or interest claims realized by the former Holder of the Notes. The separation (e.g. by first-time assignment) of a coupon or interest claim from the Note is treated as a disposal of the Note.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above, the flat income tax will be levied by way of withholding from the positive difference between the redemption amount or the proceeds from the disposal (after the deduction of actual expenses directly related thereto) and the issue price or the purchase price of the Notes, Church tax is generally levied by way of withholding unless the Holder has filed a blocking notice with the German Federal Tax Office. If Notes kept or administered in the same custodial account have been acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purpose of determining the capital gains. Where the Notes are acquired or sold in a currency other than Euro, the acquisition costs and sale proceeds will be converted in Euro on the basis of the exchange rate applicable at the time of sale, respectively, the time of acquisition. If the Notes have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has validly been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Notes in its custodial account, withholding tax will be levied on 30% of the proceeds from the disposal or redemption of the Notes.

If no withholding tax has been withheld, the Holder will have to include capital gains from the disposal or redemption of the Notes in its tax return and the tax on its investment income of generally 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. Further, if the withholding tax on a disposal or redemption has been calculated from 30% of the respective proceeds (rather than from the actual gain), a Holder who is an individual tax resident may and in case the actual gain is higher than 30% of the respective proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

Any capital loss incurred from the disposal or redemption of the Notes can only be offset against positive income from capital investments. The Disbursing Agent will offset the losses with positive income from capital investments entered into through or with the same Disbursing Agent and carry forward any losses that cannot be offset to the following calendar year. If losses cannot be offset in full against positive investment income by the Disbursing Agent, the Holder can, instead, request that the Disbursing Agent issues a certificate stating the losses in order for them to be offset against other positive income from capital investments or carried forward in the assessment procedure. The request must reach the Disbursing Agent by December 15 of the current year and is irrevocable.

Pursuant to administrative guidance, a disposal shall be disregarded and losses shall not be tax-deductible if (i) the transaction costs exceed the proceeds from the disposal, (ii) losses are incurred by a Holder from bad debt (*Forderungsausfall*), or (iii) losses are incurred from a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution. Payments based on an insolvency plan shall be a disposal with a capital gain of EUR 0 if the payments are lower than the nominal value of the receivable and the receivable was acquired at the nominal value. The part of the nominal value not being repaid shall be a mere bad debt and therefore irrelevant for income tax purposes. However, the German Federal Fiscal Court (*Bundesfinanzhof*) recognizes disposals and deems losses to be tax-deductible in

cases of a bad debt once it has become certain that the principal amount cannot be recovered (decision dated October 24, 2017, docket number VIII R 13/15) and in cases in which the transaction costs exceed or equal the proceeds from the disposal (decision dated 12 June 2018, docket number VIII R 32/16). So far, the tax authorities have not changed their view as regards a bad debt (*Forderungsausfall*) or a waiver of a receivable (*Forderungsverzicht*). As regards their view that a disposal shall be disregarded if the transaction costs exceed the proceeds from the disposal, however, a draft letter of the German federal ministry of finance (*Bundesministerium der Finanzen*) dated January 1, 2019 indicates that the tax authorities will change their view.

#### *Notes held by tax residents as business assets*

Payments of interest on Notes and capital gains from the disposal or redemption of Notes held as business assets by German tax resident individuals or tax resident corporations (*i.e.*, corporations whose legal domicile or place of effective management is located in the Federal Republic of Germany), including via a partnership, as the case may be), are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge and, if applicable, church tax). The interest and capital gain will also be subject to trade tax if the Notes form part of the property of a German trade or business.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above,) tax at a rate of 25% (plus a solidarity surcharge of 5.5% of such tax and, if applicable, church tax) will also be withheld from interest payments on Notes and generally also from capital gains from the disposal or redemption of Notes held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the personal income or corporate income tax liability and the solidarity surcharge (and, if applicable, against the church tax) of the Holder, or will be refunded in the amount of any excess.

With regard to capital gains from the disposal or redemption of Notes no withholding will generally be required in the case of Notes held by corporations tax resident in Germany, provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office. The same applies upon notification by use of the officially prescribed form towards the Disbursing Agent and upon application in the case of Notes held by individuals or partnerships as business assets.

#### *Notes held by non-residents*

Payments of interest on Notes and capital gains from the disposal or redemption of Notes are not subject to German taxation in the case of non-residents, *i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in the Federal Republic of Germany, unless the Notes form part of the business property of a permanent establishment maintained in the Federal Republic of Germany, or for which a permanent representative has been appointed in the Federal Republic of Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German situs real estate.

Non-residents of the Federal Republic of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), withholding tax will be levied as explained above at "*Notes held by tax residents as business assets*" or at "*Notes held by tax residents as non-business assets*", respectively.

#### *Particularities of Notes with a negative yield.*

Holders will only realize a taxable capital gain if they receive, upon a disposal of the Notes, an amount (after the deduction of actual expenses directly related thereto) in excess of the issue price (or the purchase price they paid for the Notes).

Contrary thereto, Holders who subscribe the Notes at a negative yield upon issue and hold the Notes until their final maturity will realize a loss. The tax treatment of such losses is not entirely clear:

If the Notes are held by tax residents as non-business assets, statements of the German tax authorities regarding "negative interest" incurred on bank deposits made by private investors arguably imply that such

losses cannot be fully deducted. Such losses are rather treated as expenses in connection with capital investment income and, are, consequently not tax-deductible except for an annual lump-sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for individuals filing jointly).

If the Notes are held by tax residents as business assets, statements of the German tax authorities regarding "negative interest" incurred on bank deposits made by business investors arguably imply that such losses are generally tax deductible.

### **Inheritance and Gift Tax**

No inheritance or gift taxes with respect to any Note will generally arise under the laws of the Federal Republic of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a tax resident of the Federal Republic of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in the Federal Republic of Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

### **Other Taxes**

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

### **Grand Duchy of Luxembourg**

**The following information is of a general nature. It is a description of the essential material consequences with respect to the Notes. The information does not purport to be a comprehensive description of all of the tax considerations that may be relevant to any prospective investor and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to holders of Notes. This information is based on the laws in force in Luxembourg on the date of this Prospectus and is subject to any change in law that may take effect after such date. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.**

Please be aware that the residence concept used below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Corporate holders of Notes may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, the solidarity surcharge as well as net wealth tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

### **Luxembourg tax residency**

A holder of Notes will not become resident, or be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

#### *Withholding Tax*

#### Resident holders of the Notes

Under the Luxembourg law of December 23, 2005 (as amended) (the "**Law**"), a 20% Luxembourg withholding tax as from January 1, 2017 is levied on interest payments (or similar income) made by

Luxembourg paying agents to or for the immediate benefit of Luxembourg individual residents. This withholding tax also applies on accrued interest deemed to be paid upon disposal, redemption or repurchase of the Notes. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding and payment of the tax lies with the Luxembourg paying agent.

Further, Luxembourg resident individuals acting in the course of the management of their private wealth who are the beneficial owners of interest payments made by a paying agent established outside Luxembourg in a Member State of the European Union or of the European Economic Area, may also opt for a final 20% levy. In such case, the 20% levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 20% levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year. Responsibility for the declaration and the payment of the 20% levy is assumed by the Luxembourg resident individual beneficial owner of interest.

#### Non-resident holders of the Notes

Under the Luxembourg tax law currently in effect, there is no withholding tax on arm's length payments of interests (including accrued but unpaid interest) and other similar income made to a Luxembourg non-resident holder of the Notes. There is also no Luxembourg withholding tax upon repayment of the principal or upon redemption or exchange of the Notes.

#### **Taxation of the holders of the Notes**

##### *Taxation of Luxembourg non-resident holders*

Holders of the Notes who are non-residents of Luxembourg and who have neither a permanent establishment nor a fixed place of business or a permanent representative in Luxembourg to which the Notes are attributable are not liable to any Luxembourg income tax, whether they receive payments of principal or interest (including accrued but unpaid interest) or realize capital gains upon redemption, repurchase, sale or exchange of any Notes.

Holders of the Notes who are non-residents of Luxembourg and who have a permanent establishment, a fixed place of business or a permanent representative in Luxembourg to which the Notes are attributable have to include any interest received or accrued, as well as any capital gain realized on the sale or disposal of the Notes in their taxable income for Luxembourg income tax assessment purposes.

##### *Taxation of Luxembourg resident holders*

#### General

Holders of the Notes who are resident of Luxembourg, or non-resident holders of the Notes who have a permanent establishment, a fixed place of business or a permanent representative in Luxembourg to which the Notes are attributable, must, as a general rule, for income tax purposes, include any interest paid or accrued in their taxable income. Specific exemptions may be available for certain tax payers benefiting from a particular status.

#### Luxembourg resident individuals

A Luxembourg resident individual holder of the Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts under the Notes, except if a withholding tax has been levied by the Luxembourg paying agent on such payments or, in case of a non-resident paying agent, if such individual holder of the Notes has opted for a 20% levy, in accordance with the Law.

Under Luxembourg domestic tax law, gains realized upon the sale, disposal or redemption of the Notes, which do not constitute Zero Coupon Notes, by a Luxembourg resident individual holder of the Notes, who acts in the course of the management of his/her private wealth, on the sale or disposal, in any form whatsoever, of Notes are not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the acquisition of the Notes. A Luxembourg resident individual holder of the Notes, who acts in the course of the management of his/her private wealth, has further to include the



portion of the gain corresponding to accrued but unpaid income in respect of the Notes in his/her taxable income, insofar as the accrued but unpaid interest is indicated separately in the agreement.

A gain realized upon a sale of Zero Coupon Notes before their maturity by Luxembourg resident individual holders of the Notes, acting in the course of the management of their private wealth, must be included in their taxable income for Luxembourg income tax assessment purposes.

Luxembourg resident individual holders of the Notes acting in the course of the management of a professional or business undertaking to which the Notes are attributable, have to include any interest received or accrued, as well as any gain realized on the sale or disposal of the Notes, in their taxable income for Luxembourg income tax assessment purposes. If applicable, the tax levied in accordance with the Law will be credited against their final tax liability. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

#### Luxembourg corporate residents

Luxembourg corporate holders of the Notes must include any interest received or accrued, as well as any gain realized on the sale or disposal of the Notes, in their taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Notes sold or redeemed.

#### Luxembourg corporate residents benefiting from a special tax regime

Luxembourg corporate resident holders of the Notes who benefit from a special tax regime, such as, for example, (i) undertakings for collective investment subject to the law of December 17, 2010 (as amended), (ii) specialized investment funds subject to the law of February 13, 2007 (as amended), (iii) family wealth management companies subject to the law of May 11, 2007 (as amended) or (iv) reserved alternative investment funds subject to the law of July 23, 2016 and treated as specialized investment funds for Luxembourg tax purposes, are exempt from income tax in Luxembourg and thus income derived from the Notes, as well as gains realized thereon, are not subject to Luxembourg income taxes.

#### **Net Wealth Tax**

Luxembourg resident holders of the Notes or non-resident holders of the Notes who have a permanent establishment or a permanent representative in Luxembourg to which the Notes are attributable, are subject to Luxembourg net wealth tax on such Notes, except if the holder of the Notes is (i) a resident or non-resident individual taxpayer, or (ii) an undertaking for collective investment subject to the law of December 17, 2010 (as amended), or (iii) a securitization company subject to the law of March 22, 2004 (as amended) on securitization, or (iv) a company subject to the law of June 15, 2004 (as amended) on venture capital vehicles, or (v) a specialized investment fund subject to the law of February 13, 2007 (as amended), or (vi) a family wealth management company subject to the law of May 11, 2007 (as amended), or (vii) a reserved alternative investment fund subject to the law of July 23, 2016 on reserved alternative investment funds, or (viii) a Luxembourg professional pension institution subject to the law of July 13, 2005 (as amended).

However, if the holder of the Notes is a vehicle listed above under (iii), (iv), (viii) or a reserved alternative investment fund treated as an investment company in risk capital for Luxembourg tax purposes, it remains subject (a) to a minimum net wealth tax of € 4,815 as from January 1, 2017, if it holds assets (such as fixed financial assets, receivables owed to affiliated companies, transferable securities, postal checking accounts, checks and cash) in a proportion that exceeds 90% of its total balance sheet value and € 350,000 or (b) to a minimum net wealth tax between € 535 and € 32,100 based on the total amount of its balance sheet.

#### **Other Taxes**

##### *Registration taxes and stamp duties*

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders of the Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, redemption or repurchase of the Notes, provided that the relevant issuance, transfer, redemption or repurchase agreement is not voluntarily registered in Luxembourg or appended to a document subject to mandatory registration, in which case either a nominal

registration duty or an *ad valorem* duty will be payable depending on the nature of the document to be registered.

#### *Value added tax*

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

#### *Inheritance tax and gift tax*

No estate or inheritance taxes are levied on the transfer of the Notes upon death of a holder of the Notes in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Gift tax may be due on a gift or donation of Notes if the gift is recorded in a deed passed in front of a Luxembourg notary or otherwise registered in Luxembourg.

### **Exchange of Information**

#### *Common Reporting Standard*

The Organization for Economic Co-operation and Development has developed a new global standard for the automatic exchange of financial information between tax authorities (the "**CRS**").

The CRS has been implemented in Luxembourg via the law of December 18, 2015 (as amended) concerning the automatic exchange of information on financial accounts in tax matters and implementing the EU Directive 2014/107/EU (the "**CRS Law**"). Under the CRS Law, entities qualifying as Luxembourg reporting financial institutions are required to conduct due diligence and annually report to the Luxembourg tax authorities personal and financial information in relation to certain investors qualifying as reportable persons and controlling persons of passive non-financial entities which are themselves reportable persons. The Luxembourg tax authorities will then disclose the reported information to the competent authorities of the relevant reportable jurisdiction(s). Failure to comply with the CRS Law may trigger fines or penalties.

Holders of the Notes should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

#### *FATCA*

FATCA generally requires reporting to the U.S. Internal Revenue Service ("**IRS**") of non-U.S. financial institutions that do not comply with FATCA and direct or indirect ownership by U.S. persons of non-U.S. entities.

Luxembourg has entered into a Model 1 intergovernmental agreement implemented by the law of July 24, 2015 (as amended) (the "**FATCA Law**"). Under the FATCA Law, entities qualifying as Luxembourg reporting financial institutions are required to conduct due diligence and annually report to the Luxembourg tax authorities personal and financial information in relation to certain investors qualifying as specified U.S. persons and controlling persons of passive non-financial foreign entities which are themselves specified U.S. persons. The Luxembourg tax authorities will then disclose the reported information to the IRS. Failure to comply with the FATCA Law may trigger fines or penalties and/or a 30% withholding tax.

Holders of the Notes should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

## **Republic of Austria**

### **Income tax**

#### Austrian Resident Taxpayers

Individuals having a domicile or their habitual abode in Austria or corporations having their corporate seat or their place of management in Austria are considered residents for Austrian income and corporate income tax law purposes, respectively.

#### *Individual residents*

##### - Notes held as private assets

Generally, income arising with respect to the Notes in the form of either

- (i) fixed or floating interest payments (*Zinserträge*) or
- (ii) realized capital gains (*Einkünfte aus realisierten Wertsteigerungen*)

qualifies as "investment income" (*Einkünfte aus Kapitalvermögen*) and, as such, is taxed under a special regime at a flat rate of 27.5% if the Notes are publicly offered. Realized capital gains are the difference between (a) the amount realized (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of a deemed realization) and (b) the acquisition costs; in each case including accrued interest, if any.

For Notes held as private assets, the acquisition costs shall not include ancillary acquisition costs (*Anschaffungsnebenkosten*). An average price is determined regarding Notes not acquired at the same time, but held in the same securities account and having the same securities identification number. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with investment income are not tax effective.

If an Austrian custodian (*inländische depotführende Stelle*) or an Austrian paying agent (*auszahlende Stelle*) is involved in paying investment income (interest or capital gains), 27.5% withholding tax is imposed. The Austrian custodian or paying agent has the responsibility to deduct and pay the withholding tax to the respective tax office.

If no withholding tax is imposed (e.g., because the Notes are held through a foreign paying agent), the investment income arising from the Notes generally has to be included in the investor's annual income tax return in accordance with the Austrian Income Tax Act and will be subject to the special flat tax rate of 27.5%.

The 27.5% taxation generally results in a final taxation (*Endbesteuerung*) for income tax, both in case of the imposition of a withholding tax and in case of a tax assessment, *i.e.*, the flat income tax will generally satisfy the income tax liability on the investment income; an option to assess the income at the progressive income tax rate exists (in particular for investors whose regular personal income tax rate is lower than 27.5%).

Income from Notes which are not legally or factually offered to an indefinite number of persons within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates (marginal tax rate of up to 50% for income above EUR 90.000 p.a. and marginal tax rate applicable for years from 2016 until 2020 of up to 55% as far as the income exceeds EUR 1 million p.a.).

Capital gains are not only taxed upon an actual disposition or redemption of the Notes, but also upon a deemed realization.

- A deemed realization takes place due to a restriction of the Austrian taxing right on the Notes (e.g. moving abroad, donation to a non-resident, etc.). If the Notes are held in an Austrian securities account, the Austrian withholding agent (custodian or paying agent) has to impose the withholding tax and such withholding tax needs to be deducted only upon an actual disposition of the Notes or withdrawal from the account. If the Holder has timely notified the Austrian withholding agent of the restriction of the Austrian taxing right on the Notes (e.g. his or her relocation to another country), not more than the value increase of the Notes until such notification is subject to Austrian withholding tax. An exemption of withholding tax applies in case of a notified moving to another Member State of the European Economic Area if the Holder presents to the Austrian withholding agent a tax assessment notice of the year of migration in which the option for a deferral of tax has been exercised.

- A deemed realization also takes place upon withdrawals (*Entnahmen*) from an Austrian securities account and other transfers of Notes from one Austrian securities account to another one. Exemptions apply in this case for a transfer of the Notes to another deposit account, if certain information procedures are fulfilled and no restriction of the Austrian taxing right occurs (e.g., no donation to a non-resident).

Losses from Notes held as private assets may only be offset with other investment income subject to the flat tax rate (excluding, inter alia, interest income from bank deposits and other claims against banks) and must not be offset with any other income. Mandatory loss-offsetting rules to be handled by Austrian custodians apply. A carry-forward of losses is not possible in this context.

- Notes held as business assets

Generally, the same rules as described under the previous heading apply regarding Notes that are held as business assets by tax residents who are individuals. The most important differences are the following (which are, apart from the last bullet point, only relevant for the assessment of the investor):

- Realized capital gains, contrary to interest income, have to be included in the investor's annual income tax return, since despite a 27.5% withholding taxation that is also imposed in the context of Notes held as business assets if an Austrian custodian is involved, no final taxation for income tax applies. It is nevertheless subject to the special income tax rate of 27.5%; however, this only applies to income from realized capital gains if the realization of such income is not a core activity of the business.
- Write-downs and realized losses derived from the sale or redemption of the Notes held as business assets may be offset with positive income from realized capital gains that are investment income in the first place; 55% of the remaining losses may be offset against other income or carried forward.
- The acquisition costs of Notes held as business assets may also include ancillary costs incurred upon the acquisition.
- Loss off-setting is not made by the custodian, but can only be made in the assessment of the individual.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective if the Notes are held as business assets.

*Corporate residents*

Corporate investors deriving business income from the Notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent, who must forward a copy thereof to the tax office. If no declaration of exemption is filed or the requirements are not fulfilled, withholding tax is levied at the rate of 27.5% (which can be reduced to 25% with respect to corporations in the meaning of the Austrian Corporate Income Tax Act). Income derived from the Notes by corporate investors (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25%. Any Austrian withholding tax levied is credited as prepayment against the Austrian corporate income tax amount in the tax assessment of the corporate investor.

A special tax regime applies for private foundations (*Privatstiftungen*).

*Notes held by non-residents*

Non-resident investors, i.e., individuals who have neither a domicile nor their habitual abode in Austria and corporations that have neither their corporate seat nor their place of management in Austria ("*non-residents*") are not taxable in Austria with regard to their income from the Notes, provided the income is not attributable to a permanent establishment of the investor in Austria.

Since January 1, 2017 the taxation of interest income from the Notes was extended to all non-resident individuals (with the exception of persons resident in a country which takes part in the automatic information exchange). However, no such taxation of interest income applies to the Notes at hand in the case of non-resident investors, if the issuer – being not a bank – (i) does not qualify as a bank and (ii) has neither its seat nor its place of management in Austria and under the condition that the issuer does not have a branch in Austria which is involved in the issuance of the Notes. The exemption of withholding tax requires (among others) a proof of the investor's non-residence (including certificate of residence of the investor). In case of any tax withheld a refund is possible to the non-resident investors upon application which has to be filed with the competent Austrian tax office.

Accrued interest in case of a sale or other disposition of the Notes (including the difference between the sales price and the acquisition cost in case of zero-coupon-bonds) is regarded as interest income subject to non-resident taxation if the debtor of the accrued interest (the acquirer of the Notes) has its seat, domicile or its place of management in Austria or is the branch of a foreign bank, and the sales transaction, in the course of which the accrued interest is paid, is handled by an Austrian paying agent. No taxation of interest income applies vis-à-vis non-resident corporate investors. No taxation of interest also applies vis-à-vis individuals who are residents in a country, with which Austria agreed on an automatic exchange of information, if an appropriate proof is provided by the investor. The proof must be furnished, among others, by means of a certificate of residence issued by the tax authorities of the investor's residence state and further documentation in case of corporations. In case of transparent partnerships the residence status of the partners is decisive. Moreover, tax withheld may be refundable to the non-resident investors upon their application which has to be filed – after a corresponding electronic advance notice (§ 240a Austrian Federal Tax Act) – with the competent Austrian tax office under the conditions mentioned or if a double tax treaty relief is available.

If a non-resident individual or corporation receives income from the Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident investors, i.e., both interest income and capital gains received via the permanent establishment are subject to tax and also (in case of an Austrian withholding tax agent) to withholding tax, unless an exemption is applicable (see the description for Austrian resident investors).

#### *Final note on withholding tax imposed in Austria*

Assuming that neither of the Issuers uses a branch or permanent establishment in Austria for the payment of interest under the Notes, neither of the Issuers do assume any responsibility for Austrian withholding tax (Kapitalertragsteuer) charged in Austria at source and is not obliged to make additional payments in case of withholding tax deductions at source.

#### **Republic of Ireland**

*The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. **This summary only relates to the potential application of Irish withholding taxes to payments made under the Notes.** It does not deal with any other matters and in particular does not describe the taxation consequences for Irish resident or ordinarily resident Noteholders in respect of the purchase, holding, redemption or sale of the notes and the receipt of interest thereon. The comments are made on the assumption that the Issuer is not resident in Ireland for Irish tax purposes and do not carry on a trade in Ireland through a branch or agency. Prospective investors in the notes should consult their professional advisors on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.*

#### **Irish Withholding Tax**

Under Irish tax law there is no obligation on the Issuer to operate any withholding tax on payments of interest on the Notes except where the interest has an Irish source and is annual in nature. The interest could be considered to have an Irish source, where, for example, interest is paid out of funds maintained in Ireland or where the Notes are secured on Irish situate assets. The mere offering of the Notes to Irish investors will not cause the interest to have an Irish source.

In certain circumstances, collection agents and other persons receiving interest on the Notes in Ireland on behalf of a Noteholder, will be obliged to operate a withholding tax.

#### **Provision of Information**

Noteholders should be aware that where any interest or other payment on Notes is paid to them by or through an Irish paying agent or collection agent then the relevant person may be required to supply the Irish Revenue Commissioners with details of the payment and certain details relating to the Noteholder. Where the Noteholder is not Irish resident, the details provided to the Irish Revenue Commissioners may, in certain cases, be passed by them to the tax authorities of the jurisdiction in which the Noteholder is resident for taxation purposes.

#### **The United Kingdom of Great Britain and Northern Ireland**

*The comments below, which are of a general nature and are based on the Issuers' understanding of current United Kingdom law and H.M. Revenue & Customs practice, describe only the United Kingdom withholding*

*tax treatment of payments in respect of the Notes. They are not exhaustive. They do not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom are strongly advised to consult their own professional advisers.*

### **Withholding tax**

So long as the Notes are and continue to be admitted to trading on the Regulated Market or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange and listed on the official list of the Luxembourg Stock Exchange, payment of interest on the Notes may be made without withholding or deduction for or on account of income tax.

Interest on the Notes may also be paid without withholding or deduction for or on account of tax where at the time the payment is made, the relevant Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner of the interest is within the charge to United Kingdom corporation tax as regards the payment of interest, provided H.M. Revenue & Customs has not given a direction that the interest should be paid under deduction of tax.

In other cases, absent any other relief or exemption (such as a direction by H.M. Revenue & Customs that interest may be paid without withholding or deduction for or on account of tax to a specified Holder following an application by that Holder under an applicable double tax treaty), an amount must generally be withheld on account of income tax at the basic rate (currently 20%) from payments of interest on the Notes.

Where Notes are issued on terms that a premium is or may be payable on redemption, as opposed to being issued at a discount, then it is possible that any such element of premium may constitute a payment of interest and be subject to withholding on account of income tax as outlined in the preceding paragraphs.

Where Notes are issued at an issue price of less than 100% of their principal amount, any payments in respect of the accrued discount element on any such Notes will not be made subject to any withholding or deduction for or on account of income tax as long as they do not constitute payments in respect of interest.

Where interest has been paid under deduction of income tax, Holders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted under an appropriate provision of an applicable double taxation treaty

## **The Netherlands**

### **General**

*The following is a general summary of certain Netherlands withholding tax consequences of the acquisition and holding of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a Holder or prospective Holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective Holders of Notes should consult with their tax advisers with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding and disposal of the Notes.*

*Except as otherwise indicated, this summary only addresses Netherlands national tax legislation, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which are subject to change or to different interpretation, possibly with retroactive effect. Where the summary refers to the Netherlands it refers only to the part of the Kingdom of the Netherlands located in Europe.*

### **Withholding tax**

All payments of principal and/or interest made by the Issuers under the Notes to the Fiscal Agent or the Holder of the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

## **The proposed Financial Transaction Tax (the "FTT")**

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

### **U.S. Foreign Account Tax Compliance Act Withholding ("FATCA")**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Germany and Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply before the date that is two years after the date of publication of final regulations with the U.S. Federal Register defining the term "foreign passthru payments". Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, the Issuer will not pay any additional amounts as a result of the withholding.

## SELLING RESTRICTIONS

The Dealers have entered into an amended and restated programme agreement dated April 3, 2019 (the "**Programme Agreement**") as a basis upon which they or any of them may from time to time agree to purchase Notes.

### **General**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it will comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuers nor the Guarantor nor any other Dealer shall have any responsibility therefor.

### **United States of America (the "United States")**

- (a) Each Dealer has acknowledged that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (as defined below). Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Note constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer further has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to a Note.
- (b) From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set forth in Clause 4(1)(m)(i) of the Amended and Restated Programme Agreement, each Dealer (i) acknowledges that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act; (ii) has represented and agreed that it has not offered and sold any Notes, and will not offer and sell any Notes, (x) as part of its distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and closing date, only in accordance with Rule 903 of Regulation S under the Securities Act; and accordingly, (iii) has further represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act; and (iv) has also agreed that, at or prior to confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903 (b)(2)(iii) (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

- (c) Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Fiscal Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Fiscal Agent agrees to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche.

Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.



- (d) Each Dealer has represented and agreed that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the Issuer.
- (e) Notes will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**D Rules**"), (or any successor rules in substantially the same form as the D Rules for purposes of Section 4701 of the U.S. Internal Revenue Code) as specified in the applicable Final Terms.

In addition, each Dealer has represented and agreed that:

- (i) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions Notes that are sold during the restricted period;
- (ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if such Dealer is a United States person, it represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of the D Rules;
- (iv) with respect to each affiliate that acquires from such Dealer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) repeats and confirms the representations and agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii) and (iii).

Terms used in this paragraph (e) have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

### **European Economic Area**

Unless the Final Terms in respect of any Notes specify the "*Prohibition of Sales to EEA Retail Investors*" as "*Not Applicable*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
- (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Final Terms in respect of any Notes specify "*Prohibition of Sales to EEA Retail Investors*" as "*Not Applicable*", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in

relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify an offer of those Notes other than pursuant to Article 3 (2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3 (2) of the Prospectus Directive;

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

#### ***United Kingdom of Great Britain and Northern Ireland ("United Kingdom")***

Each Dealer has represented and agreed, that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer or any Guarantor; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### ***Republic of Italy***

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, letter *b*) of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time ("**Regulation No. 11971**"); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971. Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993, as amended (the "**Banking Act**");
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy requests information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

*Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (i) and (ii) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.*

### **Japan**

Each Dealer has acknowledged that the Notes have not been and will not be registered under the Financial Instrument and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instrument and Exchange Law**"). Each Dealer has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except only pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instrument and Exchange Law and any applicable laws, regulations and guidelines of Japan.

## **GENERAL INFORMATION**

### ***Interests of Natural and Legal Persons involved in the Issue/Offer***

Except as discussed in the relevant Final Terms, certain of the Dealers and their affiliates may be customers of, borrowers from or creditors of HeidelbergCement AG, HC Finance Lux and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in lending, in investment banking and/or commercial banking transactions with, and may perform services from HeidelbergCement AG, HC Finance Lux and its affiliates in the ordinary course of business. In particular, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of any of HeidelbergCement AG, HC Finance Lux or any of their respective affiliates. For the purpose of this paragraph the term "affiliates" include also parent companies.

### ***Use of Proceeds***

Except as specified in the applicable Final Terms, the net proceeds from each issue of Notes by HeidelbergCement AG will be applied for its general corporate purposes and the net proceeds from each issue of Notes by HC Finance Lux will be applied towards the purposes of on-lending to or investing in companies belonging to the same group of companies to which it belongs.

### ***Authorization***

The establishment of the Programme and the issue of Notes have been duly authorized by a resolution of the Managing Board of HeidelbergCement AG dated October 11, 1996 and a resolution of the Board of Directors of HeidelbergCement Finance dated October 11, 1996 and the issuance of the Guarantee in respect of the Notes has been authorized by a resolution of the Managing Board of HeidelbergCement AG dated October 11, 1996. The latest increase of the aggregate amount of the Programme from € 3,000,000,000 to € 10,000,000,000 has been duly authorized by resolutions of the Managing Board and the Supervisory Board of HeidelbergCement dated September 17, 2007, respectively, and by a resolution of the Board of Directors of HeidelbergCement Finance dated September 17, 2007. The accession of HC Finance Lux as issuer under the Programme was authorised by resolution of the Board of Directors of HC Finance Lux dated April 25, 2012.

### ***Listing and Admission to Trading***

Application has been made to list the Notes on the official list of the Luxembourg Stock Exchange and to trade Notes on the Regulated Market "*Bourse de Luxembourg*" or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange.

### ***Significant Change in the Financial or Trading Position***

Save as disclosed under "HeidelbergCement AG - Outlook" (pages 220-221 of the Prospectus) there has been no significant change in the financial or trading position of HeidelbergCement AG since December 31, 2018 and of HeidelbergCement Finance Luxembourg S.A. since December 31, 2018.

### ***Trend Information***

There has been no material adverse change in the prospects of each of HeidelbergCement AG and HeidelbergCement Finance Luxembourg S.A. since December 31, 2018.

No developments are currently foreseen that are reasonably likely to have a material adverse effect on the prospects of each of HeidelbergCement AG and HeidelbergCement Finance Luxembourg S.A.

### ***Availability of Documents***

The documents incorporated herein by reference are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

In addition, the following documents are available from the specified offices (as set out on the back of the Prospectus) of the relevant Issuer and the Fiscal Agent on any working day during usual business hours:

- Articles of Association of HeidelbergCement AG
- Articles of Association of HC Finance Lux
- the Prospectus and any supplement thereto
- the documents incorporated herein by reference
- the Guarantee
- any Final Terms which have been prepared for an issue of Notes (in the case of Notes listed on the official list of the Luxembourg Stock Exchange and traded on the Regulated Market "*Bourse de Luxembourg*" or on the professional segment of the Regulated Market of the Luxembourg Stock Exchange, the Final Terms will also be displayed on the website of the Luxembourg Stock Exchange (*www.bourse.lu*) and may be obtained from the office of the Fiscal Agent (as set out on the back of the Prospectus)).

## DOCUMENTS INCORPORATED BY REFERENCE

The specified pages of the following documents which have previously been published or are published simultaneously with this Prospectus and which have been filed with the CSSF are incorporated by reference into and form part of this Prospectus:

### **HeidelbergCement AG**

- (1) The audited HC consolidated financial statements (IFRS) as of and for the fiscal year ended December 31, 2017 included in the English language "**Annual Report 2017**"
- Consolidated income statement (page 103 in the Annual Report 2017),
  - Consolidated statement of comprehensive income (page 104 in the Annual Report 2017),
  - Consolidated statement of cash flows (page 105 in the Annual Report 2017),
  - Consolidated balance sheet (pages 106 to 107 in the Annual Report 2017),
  - Consolidated statement of changes in equity (pages 108 to 109 in the Annual Report 2017),
  - Segment reporting/Notes to the consolidated financial statements (pages 110 to 111 in the Annual Report 2017),
  - Notes to the 2017 consolidated financial statements (pages 112 to 199 in the Annual Report 2017),
  - Independent Auditor's Report<sup>(1)</sup> (pages 200 to 205 in the Annual Report 2017).

<sup>(1)</sup> The independent auditor's report is a translation of the German language independent auditor's report (*Bestätigungsvermerk des unabhängigen Abschlussprüfers*) which refers to the consolidated financial statements and the combined management report of HC Group and HeidelbergCement AG as of and for the fiscal year ended December 31, 2017 as a whole and not solely to the consolidated financial statements incorporated by reference.

- (2) The audited HC consolidated financial statements (IFRS) as of and for the fiscal year ended December 31, 2018 included in the English language "**Annual Report 2018**"
- Consolidated income statement (page 107 in the Annual Report 2018),
  - Consolidated statement of comprehensive income (page 108 in the Annual Report 2018),
  - Consolidated statement of cash flows (page 109 in the Annual Report 2018),
  - Consolidated balance sheet (pages 110 to 111 in the Annual Report 2018),
  - Consolidated statement of changes in equity (pages 112 to 113 in the Annual Report 2018),
  - Segment reporting/Notes to the consolidated financial statements (pages 114 to 115 in the Annual Report 2018),
  - Notes to the 2018 consolidated financial statements (pages 116 to 205 in the Annual Report 2018),
  - Independent Auditor's Report<sup>(1)</sup> (pages 206 to 211 in the Annual Report 2018).

<sup>(1)</sup> The independent auditor's report is a translation of the German language independent auditor's report (*Bestätigungsvermerk des unabhängigen Abschlussprüfers*) which refers to the consolidated financial statements and the combined management report of HC Group and HeidelbergCement AG as of and for the fiscal year ended December 31, 2018 as a whole and not solely to the consolidated financial statements incorporated by reference.

The English-language HC consolidated financial statements as of and for the fiscal years ended December 31, 2017 and December 31, 2018 set out above and incorporated by reference into this Prospectus are translations of the respective German-language consolidated financial statements.

### **HeidelbergCement Finance Luxembourg S.A.**

- (1) The audited unconsolidated annual accounts (Luxembourg GAAP) of HeidelbergCement Finance Luxembourg S.A. as of and for the fiscal year ended December 31, 2017 included in the English language "Annual accounts as at December 31, 2017 and Independent Auditor's Report" (the "**HC Finance Lux Annual Report 2017**")

- Balance Sheet (pages 12 to 16 of the HC Finance Lux Annual Report 2017)
  - Profit and loss account (pages 17 to 18 of the HC Finance Lux Annual Report 2017)
  - Cash flow statement (page 19 of the HC Finance Lux Annual Report 2017)
  - Notes to the annual accounts (pages 20 to 24 of the HC Finance Lux Annual Report 2017)
  - Independent Auditor's Report (pages 7 to 11 of the HC Finance Lux Annual Report 2017).
- (2) The audited unconsolidated annual accounts (Luxembourg GAAP) of HeidelbergCement Finance Luxembourg S.A. as of and for the fiscal year ended December 31, 2018 included in the English language "Annual accounts as at December 31, 2018 and Independent Auditor's Report" (the "**HC Finance Lux Annual Report 2018**")
- Balance Sheet (pages 10 to 11 of the HC Finance Lux Annual Report 2018)
  - Profit and loss account (page 12 of the HC Finance Lux Annual Report 2018)
  - Cash flow statement (page 13 of the HC Finance Lux Annual Report 2018)
  - Notes to the annual accounts (pages 14 to 19 of the HC Finance Lux Annual Report 2018)
  - Independent Auditor's Report (pages 5 to 9 of the HC Finance Lux Annual Report 2018).

### **Other**

Schedule 5 of the amended and restated agency agreement between HeidelbergCement AG and HeidelbergCement Finance Luxembourg S.A. as Issuers, Deutsche Bank Aktiengesellschaft as Fiscal Agent and Paying Agent dated April 3, 2019, containing primarily the procedural provisions regarding resolutions of Holders in and without meetings.

Any information incorporated by reference that is not included in the above cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004, as amended.

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