

# **BRICKWORKS**

# **Anti-Bribery & Corruption Policy**

Proudly supports



## Anti-Bribery & Corruption Policy

### Contents

- 1. Introduction..... 1
- 2. Who is covered by this policy? ..... 1
- 3. Policy Statement ..... 1
- 4. What is bribery? ..... 1
- 5. What is a Public Official..... 2
- 6. Prohibition on secret commissions..... 2
- 7. Prohibition on improper gifts and hospitality ..... 2
- 8. Facilitation payments and kickbacks ..... 2
- 9. Donations ..... 3
- 10. Your responsibilities ..... 3
- 11. What happens if you do not follow policy ..... 4
- 12. Record keeping ..... 4
- 13. How to raise a concern ..... 4
- 14. What to do if a bribe is offered or a corrupt approach is made to you ..... 4
- 15. Protection..... 4
- 16. Training ..... 5
- 17. Monitoring and review ..... 5
- 18. Who is responsible for the policy? ..... 5

### 1. Introduction

Brickworks employees should act fairly, with honesty and integrity to maintain high ethical standards and uphold Brickworks' reputation. This Policy expands on the principles we have set out in our Code of Conduct.

It is the policy of Brickworks Limited to conduct all its business in an open, honest and ethical manner. Brickworks prohibits any activity that seeks to bribe or otherwise improperly influence a public official in any country to act or refrain from acting in a manner that differs from that official's proper duties.

### 2. Who is covered by this policy?

This policy applies to all people working anywhere within the Company including all directors, officers and employees of Brickworks Limited and its subsidiaries (collectively referred to in this Policy as the "Company").

### 3. Policy Statement

3.1. The purpose of this policy is to:

- (a) set out the Company's responsibilities, and of those of us who are working for the Company, to observe and comply with the Company's prohibition of bribery and corruption of public officials, secret commissions, facilitation payments and kickbacks, and improper gifts and hospitality; and
- (b) provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

3.2. We shall uphold all relevant laws to prevent and counter bribery and corruption in all the jurisdictions where we operate, including the Australian Criminal Code, the U.S. Foreign Corrupt Practices Act, the New Zealand Secret Commissions Act 1910 and the New Zealand Crimes Act 1961.

3.3. Brickworks prohibits the giving, offering, promising, authorising, accepting or requesting a bribe to a public official. Bribery involves improperly giving, offering or promising a benefit (monetary or otherwise) or rewarding the improper exercise of the duties or functions of a public official.

3.4. The Australian Criminal Code, the U.S. Foreign Corrupt Practices Act (**FCPA**) and the New Zealand Crimes Act 1961 prohibits the payment of a bribe to a foreign official either directly or through third parties. Violation of these laws can result in significant penalties for both company and individuals involved.

3.5. Australian, U.S. and New Zealand law provides a variety of significant penalties for bribery and corruption, for both individuals involved in unlawful conduct as well as corporate penalties. Individuals can face imprisonment and corporations can face very significant penalties and fines.

### 4. What is bribery?

A bribe is an inducement or reward, financial or otherwise, offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage, or with the intent of persuading a public official to do their job in an inappropriate or improper way. It does not matter whether the bribe is given or received directly or through a third party. In addition to cash, a bribe can be unreasonable gifts or lavish hospitality, unwarranted rebates, excessive commissions or uncompensated use of company services or facilities.

### 5. What is a Public Official

A public official includes:

- an employee, official or contractor of a government body, local government authority, public body, or state-owned or state-controlled enterprise;
- a person performing the duties of an office or position created under a law of a foreign country or by the custom or convention of a country, such as a member of a royal family;
- a person in the service of a government body including a member of the military or the police force;
- a politician, judge or member of the legislature of a local government authority, state, province or country;
- an employee, contractor or person otherwise in the service of a public international organisation (such as international development banks and authorities);
- an individual who is or who holds himself or herself out to be an authorised intermediary or representative of a public official; or
- a party official or candidate for public office.

### 6. Bribery and corruption involving intermediaries

6.1. The possibility of bribery and corruption involving intermediaries (including agents, distributors, suppliers, advisors, consultants and joint venture partners) is an area for particular focus and attention. Some examples of intermediary relationships that may cause particular concern are as follows:

- Engaging the family or relative of a public official;
- Intermediaries who do not provide an identifiable service;
- Intermediaries who may provide a combination of legitimate and illegitimate services.

6.2. Where intermediaries are retained in geographic locations outside Australia, New Zealand or the U.S. to advance the business interests of the Company a risk assessment should generally be undertaken as part of the process of entering any contractual arrangement with that intermediary, including a country risk assessment. The inclusion of appropriate warranties and undertakings should be considered for inclusion in the contractual arrangements with such an intermediary.

### 7. Prohibition on secret commissions

7.1. Brickworks prohibits the paying or receiving of secret commissions or payments to any person or entity.

7.2. Secret commissions or payments occur where a commission from a third party is taken or solicited without disclosing that commission to their principal. The secret commission is given as an inducement to that person to use their position to influence the conduct of their principal's business. This would include, for instance, making a payment to an employee or agent of a customer of Brickworks, where that employee or agent does not disclose the payment to the customer, in return for obtaining a commercial advantage to Brickworks from that customer.

### 8. Facilitation payments and kickbacks

8.1. The Company does not make, and will not accept, facilitation payments or kickbacks of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in Australia, New Zealand or the US, but do occur in some other countries where the Company may sell its products. This prohibition does not include the use of a recognised fast track procedure which is open to all on payment of a fee.

- 8.2. Kickbacks are typically payments made in return for a business favour or advantage. All Company associates must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company.
- 8.3. If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for and whether the amount requested is an appropriate and justifiable payment for legitimate goods or services properly provided at arm's length. You should always ask for an invoice and a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your line manager.

### **9. Prohibition on improper gifts and hospitality**

- 9.1. This policy does not prohibit normal and appropriate hospitality given and received to or from third parties (other than to public officials).
- 9.2. The giving or receipt of gifts is not prohibited, if the following requirements are met:
  - (a) it complies with local law;
  - (b) it is given in Brickworks name, not in your name;
  - (c) it is given openly, not secretly;
  - (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
  - (e) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time; for example, it is customary for small gifts to be given at Christmas time; and
  - (f) gifts of whatever type or value should not be offered to, or accepted from, government officials or representatives, or politicians or political parties.
- 9.3. The Company understands that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable somewhere may not be somewhere else.

The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.
- 9.4. In order to ensure proper implementation of this policy, you are required to notify your relevant General Manager in writing (via email) of all gifts and hospitality given or received, with a value in excess of US\$150 (for employees in USA), NZ\$240 (for employees in New Zealand) and AUS\$220 (for employees in Australia). All General Managers to whom notification is provided must maintain a record of all such notifications received by them. All gifts purchased for customers above the threshold must be approved by the relevant General Manager.

For the avoidance of doubt, providing Brickworks products to customers free of charge or at a heavily discounted price without a clear marketing or display purpose shall be considered a gift.

### **10. Political Donations**

The Company prohibits donations to political parties as set out in Policy A6 – Political Donations.

The Company only makes charitable donations that are legal and ethical under local laws and practices. No donation may be offered or made without the prior approval of your line manager, who may in turn need to seek the approval of the Managing Director/Chief Executive Officer.

### **11. Your responsibilities**

- 11.1. You must ensure that you read, understand and comply with this policy.
- 11.2. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or who are under its control. You should

be aware that you may incur criminal liability if you breach this policy. All individuals covered by this Policy are required to avoid any activity that might lead to, or suggest, a breach of this policy.

- 11.3. You must notify the Company in accordance with this policy as soon as possible if you believe or suspect that a conflict with or a breach of this policy has occurred, or may occur in the future; for example, if a public official, client or potential client indicates to you that a gift or payment is required to secure their business. Further danger signs that may indicate bribery or corruption are set out in the Appendix to this Policy.
- 11.4. This obligation to notify the Company also arises in circumstances where you believe or suspect that an intermediary is engaging in conduct that is in conflict with or breach of this policy even if the conduct has not been engaged in directly by the Company, its directors, officers or employees.
- 11.5. The obligations in this policy also includes circumstances where you have been advised of possible misconduct by another person even if you did not observe or experience that conduct yourself.

## 12. What happens if you do not follow policy

Any employee who breaches this policy will face disciplinary action, which could result in dismissal.

## 13. Record keeping

- 13.1. The Company keeps financial records and has appropriate internal controls in place which will evidence the business reason for making any payments to third parties.
- 13.2. You must ensure all expense claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Company's expenses policy and specifically record the reason for the expenditure, the people involved and their position.
- 13.3. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts can go unrecorded to facilitate or conceal improper payments.

## 14. How to raise a concern

Please raise concerns about any issue or suspicion of fraud, bribery or corruption at the earliest possible stage with your line manager. These concerns will be heard and retained in strictest confidence in accordance with the Company's policies. Any concerns should be raised through one of the routes set out in the Company's Whistleblowing Policy:

- an email to – [behonestbrickworks@deloitte.com.au](mailto:behonestbrickworks@deloitte.com.au); or
- a letter to Deloitte at Brickworks, Reply Paid 12628 A'Beckett Street, Vic 8006
- the confidential toll free number 1800 116 223 (from within Australia) and 1800 833 1070 (from within the US) and 0800 404 473 (from within NZ), that is manned 24 hours.

## 15. What to do if a bribe is offered or a corrupt approach is made to you

You must use the same channels of communication as set out in paragraph 14 as soon as possible if you are offered a bribe by a third party, are asked to make one or suspect that either may happen in the future.

## 16. Protection

- 16.1. Individuals who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, may sometimes be concerned about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

- 16.2. We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offense has taken place, or may take place in the future. Detrimental treatment covers dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. For further details refer to the Company's Whistleblowing Policy.

### **17. Training**

- 17.1. Training on this policy will form part of the induction process for all new employees.

### **18. Monitoring and review**

- 18.1. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 18.2. All employees and Company associates are responsible for the success of this policy and must follow the guidance in this policy to disclose any suspected danger or wrongdoing.
- 18.3. This policy will undergo review from time to time to ensure it remains fit for purpose and reflects any changes in legislation or the way in which the law is being interpreted.

### **19. Who is responsible for the policy?**

- 19.1. The board of directors of the Company has overall responsibility for ensuring this policy is understood and carried out by all employees and Company associates as part of its general duty to ensure the Company complies with its legal and ethical obligations and that all those under the Company's control comply with it.
- 19.2. The Group People and Performance Manager has primary day to day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation, as well as taking action against employees or company associates if their actions do not comply with this policy. Management at all levels are responsible for ensuring that those reporting to them are made aware of and understand this policy and are given adequate and regular training on this policy.

### Appendix - Potential Red Flags

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The following is a list of possible danger signs that may arise while you are working for the Company and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is simply to give some guidance.

While working for the Company, you must report promptly to your line manager or use the procedure set out in the Whistleblowing Policy if:

1. You learn that a third party or third party with whom you are dealing has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with government or local government officials.
2. A public official insists on receiving a commission or fee payment before committing to sign a contract with us.
3. A public official requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
4. A public official or third party with whom you are dealing requests that payment is made to a country or geographic location different from where the third party resides or conducts business (particularly a tax haven or jurisdiction with a poor reputation for bribery and corruption).
5. A public official requests an unexpected additional fee or commission to "facilitate" a service.
6. A public official demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
7. A public official requests that a payment is made to "overlook" potential legal violations.
8. A public official requests that you provide employment or some other advantage to a friend or relative.
9. You receive an invoice from a third party that appears to be customised or is from a different third party from the one you are dealing with.
10. You learn that the Company has been invoiced for a commission or fee payment that appears disproportionate to the service stated to have been provided.
11. You are asked to give hospitality to persons not directly associated with the organisation with which you are doing business (e.g. family members).
12. A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.