

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

BRICKWORKS LIMITED

ABN / ARBN:

17 000 028 526

Financial year ended:

31 July 2015

Our corporate governance statement² for the above period above can be found at:³

These pages of our annual report:

This URL on our website: <http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288>

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date:

Name of Director or Secretary authorising
lodgement:

Susan Leppinus

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> (1) in our Corporate Governance Statement ; and</p> <p><input checked="" type="checkbox"/> (2) at http://www.brickworks.com.au/irm/content/wgea-reports1.aspx?RID=314</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> <p>*As to why there are no measurable board objectives for gender diversity on the board</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at http://www.brickworks.com.au/irm/content/corporate-governance2.aspx?RID=288</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

BRICKWORKS LIMITED

A.B.N. 17 000 028 526

CORPORATE GOVERNANCE STATEMENT

The Brickworks Board is committed to developing and maintaining good corporate governance within the Company, and recognises that this is best achieved through its people and their actions. Brickworks' long term future is best served by ensuring that its employees have the highest levels of honesty and integrity and that these employees are retained and developed through fair remuneration, appropriate long term incentives and equity participation in the Company. It is also critical to the success of the Company that an appropriate culture is nurtured and developed, starting from the Board itself.

This Corporate Governance statement has been summarised into sections in line with the 8 essential corporate governance principles as specified in the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations (3rd Edition)".

A summary of corporate governance information can be found on the Brickworks website at www.brickworks.com.au.

1. Lay solid foundations for management and oversight

1.1 Board Composition

It is Board policy that the majority of the Board should be non-executive and independent Directors and the Chair should be a non-executive Director. At the date of this report, the Board consists of six non-executive Directors listed in the Directors' Report and the Managing Director, Mr Lindsay Partridge. The current directors and their appointment dates are as follows:

Non-Executive

- Robert D. Millner (Chairman) - Director since 1997 (18 years)
Mr. R. Millner is the non-executive chairman of the Board. He first joined the Board in 1997 and was appointed chairman in 1999. Mr Millner has extensive corporate and investment experience. He is a member of the Remuneration Committee and the Nomination Committee.
- Michael J. Millner MAICD (Deputy Chairman)- Director since 1998 (17 years)
Mr. M. Millner is on the board and a councillor of the Royal Agricultural Society of NSW, including Chair of the RAS Foundation, and has extensive experience in the investment industry. Mr Millner is the deputy chairman of the Board, and a member of the Remuneration Committee and the Nomination Committee.
- Brendan P.Crotty LS; DQIT; Dip. Bus Admin; MAPI; FAICD;FRICS- Director since 2008 (7 years) .
Mr.Crotty brings extensive property industry expertise to the Board, including 17 years as Managing Director of Australand until his retirement in 2007. He is a director of a number of other entities that are involved in the property sector, including Chairman of Western Sydney Parklands Trust and a director of Barangaroo Delivery Authority. He is the Chair of the Remuneration Committee, and a Member of the Audit and Risk Committee and the Nomination Committee.
- David Gilham FCILT; FAIM; FAICD- Director since 2003 (12 years)
Mr. Gilham was appointed to the Board of Brickworks in 2003. He has extensive experience in the building products and timber industries. He was previously General Manager of the Building Products Division of Futuris Corporation and Managing Director of Bristile Ltd from 1997 until its acquisition by Brickworks in 2003, and has been involved with various timber companies. He is a member of the Remuneration Committee and the Nomination Committee.
- Deborah R. Page AM B.Ec, FCA, MAIC Director since 1 July 2014 (1 year)
Deborah Page AM was appointed to the Board in July 2014 and is a non executive Director. Mrs Page has extensive financial expertise, arising initially from her time at Touche Ross/KPMG Peat Marwick

including as a partner, and subsequently from senior executive roles with the Lend Lease Group, Allen Allen and Hemsley and the Commonwealth Bank. She also has experience as a Director in a number of sectors, including Property, Energy & Renewables, Insurance, Funds Management, and Public Sector bodies. Mrs Page is the Chair of the Audit and Risk Committee, and a member of the Nomination Committee and the Remuneration Committee.

- The Hon. Robert J. Webster MAICD; JP- Director since 2001 (14 years)

Mr. Webster was appointed to the Board in 2001 and is a non executive Director. He is Senior Client Partner in Korn Ferry's Sydney office. He is the Lead Independent Director, member of the Audit and Risk Committee, Chairman of the Nomination Committee and a member of the Remuneration Committee.

Managing Director

- Lindsay R. Partridge AM BSc. Hons. Ceramic Eng; FAICD; Dip. CD- Joined the Company in 1985 Director since 2000 (15 years)

Mr Partridge is a Ceramic Engineer who worked extensively in all facets of the industry in Australia and the United States of America before joining The Austral Brick Company in 1985. He held various senior management positions at Austral before being appointed Chief Executive Officer in 1999, and was subsequently appointed to the Board in 2000. Since then, Brickworks has grown significantly in terms of size and profitability as its operations have become Australia-wide, with its product range extending beyond bricks to roof tiles, pavers, masonry and precast concrete, and activities expanding into property development. In 2008, Mr Partridge completed the Stanford University Executive Development Program. Mr Partridge has also had extensive industry involvement, and is currently a director of various industry bodies, including the Australian Brick and Blocklaying Training Foundation, and the Clay Brick and Paver Institute. In 2012 he was awarded the Member of the Order of Australia for services to the Building and Construction Industry, particularly in the areas of industry training and career development, and to the community. He is a director of Children's Cancer Institute Australia.

The number of Board and Board Committee meetings and the attendance of each director at such meetings is set out in section 8 of this Report.

1.2 Roles and Responsibilities of the Board and Management

The Board is ultimately responsible for all matters relating to the running of the Company, however that role is achieved mainly through governing the Company. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board, and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

Brickworks' Board has the final responsibility for the successful operations of the Company. In general, it is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body.

The principal functions and responsibilities of the Board include the following:

- Providing leadership to the Company and its employees;
- Overseeing the development and implementation of appropriate corporate strategies;
- Ensuring corporate accountability to shareholders;
- Overseeing the control and accountability systems within the Company;
- Ensuring robust and effective risk management, compliance and control systems are in place and operating effectively;
- Monitoring the performance and conduct of the Company;
- Monitoring the performance and conduct of senior management, and ensuring adequate succession plans are in place;
- Ensuring the Company continually builds an honest and ethical culture; and
- Approving the Company's remuneration framework.

All matters that are not specifically reserved for the board and are necessary for the daily management of the Company are delegated to senior executives and management, through the Managing Director who manages the Company in accordance with the strategy, plans and delegations approved by the Board.

1.3 Appointment of Directors

The Company undertakes appropriate checks before appointing a director or putting forward to shareholders a candidate it recommends for election as a director and provides security holders with all material information in its possession relevant to a decision on whether to elect or re-elect a director including their independence, term of office served, qualifications and experience.

1.4 Terms of Appointment of Directors and Senior Executives

The Company has a written agreement with each senior executive and managing director setting out the terms of their appointment. Non-executive directors appointed prior to 1 July 2014 are generally long serving directors who were appointed to the Board without written agreements. The Company has a written agreement with D.R. Page setting out the terms of her appointment. The Company will enter into a written agreement with each new director that is appointed to the Board after 1 July 2014 setting out the terms of their appointment.

1.5 Company Secretary

The Company Secretary reports to the Managing Director and is accountable directly to the Board, through the Chair on matters to do with the proper functioning of the Board. The Company Secretary is accountable for advising the Board on corporate governance matters, managing the company secretarial function, attending Board and Board committee meetings and taking minutes and communicating with the ASX.

1.6 Diversity Policy

Brickworks has a diversity policy (a copy of which is on the Company's website) which includes requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them. In addition Brickworks has an Equal Employment Opportunity policy. The Company is committed to a policy of equal employment opportunity (EEO) which aims to prevent the existence of discriminatory practices or measures which may hinder equitable selection, progress or access to benefits of all employees.

The Group recognises it has legal and moral obligations not to discriminate on any basis, and is conscious of ensuring that its workforce reflects the diverse nature of the locations it operates in. Over time the company has improved its facilities in a number of its locations to promote opportunities for female operators and employees with physical disabilities. Brickworks is also committed to increasing the number of indigenous employees in the workforce. The company strives to improve shareholder value by ensuring the best candidate for any position is appointed.

Brickworks is a "relevant employer" and reports annually under the Workplace Gender Equality Act. Brickworks has also lodged its 2015 Workplace Gender Equality report with the Workplace Gender Equality Agency, which is compliant with the Workplace Gender Equality Act 2012 (Act) and can be viewed in the News and Reports section of the Company's website: www.brickworks.com.au. It contains the Group's most recent Gender Equality Indicators.

The Board has established measurable objectives toward gender diversity as follows:

Board membership: At the point at which a board vacancy arises, the nomination committee will ensure that the male and female candidates with the best skills and experience as required for the vacant position will be assessed for the role. Brickworks is committed to having the best director in the role, having regard to the skills and experience required. On 1 July 2014, Mrs Deborah Page AM was appointed to the board, meaning female non-executive director representation at the date of this report is 17%. Due to the low number and turnover of directors, Brickworks has not set a defined target for female board representation.

Executive group: At the point at which a position on the Executive Group becomes available, the best internal candidates (male and female) will be assessed, along with (where applicable) the best male and female external candidates for the role (noting that Brickworks has a policy of promoting from within where possible). Brickworks' goal is to *have increased female senior executive* representation to 25% by the year 2020 with senior executive being defined as the CEO, Key Management Personnel and Other Executives/General Managers. At balance date, female executive management representation was 10% (an increase from 7.7% last year).

Whole of organisation: Overall, women currently comprise 18.4% (2014 18.3%) of Brickworks' total workforce. Brickworks' goal is to increase this representation to 25% by the year 2020. Brickworks has historically found it difficult to attract and retain female employees, as majority of employees are directly or indirectly engaged in traditionally male dominated manufacturing roles. However, there has been significant improvement in increasing the female pool of candidates for vacant management and senior executive positions. At balance date, female representation in professional roles increased to 36.6% (an increase from 33.8% last year).

Each year the Board will report on these objectives and progress towards them as part of the Corporate Governance statement.

1.7 Evaluating the performance of the Board, Board Committees, Directors and senior executives

Non-executive Director performance is reviewed by the Chair. If the performance of any non-executive

Director is considered unsatisfactory, the matter is referred to the remainder of the Board. The efficiency, effectiveness and operation of the Board is continuously subject to informal monitoring by the Chair and the Board as a whole. In July 2014 the Board committed to a more structured approach to board assessment, incorporating feedback from each director in relation to a number of areas of performance. A Board review was undertaken in July 2015 in the form of a director questionnaire covering peer review and the effectiveness of the board and committees. This assessment will be undertaken annually.

In monitoring the performance and conduct of senior management, the Remuneration Committee formally reviews the performance of the Managing Director and senior executive staff at least annually. In addition to the formal evaluation procedures, senior executive performance is continually monitored by the Managing Director on behalf of the Board, and the Managing Director's performance is subject to continuous monitoring by the full Board. During the current year, the performance evaluations referred to above took place in accordance with the process as outlined in section 8.

2. Structure the Board to add value

2.1 Director Independence

Noting that the ASX Corporate Governance Principles have recently been updated by the ASX Corporate Governance Council, including in relation to director independence, the Board considered it appropriate to carefully reconsider the independence of the Directors prior to the release of this corporate governance statement.

Having regard to the guidance provided by the ASX Principles, the Board considers that Mrs Deborah Page and Messrs Brendan Crotty, David Gilham and Robert Webster are independent. Notwithstanding their length of service on the Board, the Board considers Mr Webster and Mr Gilham to be independent directors. The Board notes that Mr Gilham had not previously been considered independent due to his historic senior executive roles with Bristle Ltd. However as that ceased in 2003, the Board considers that Mr Gilham is free from any business or other relationship which could materially interfere, or give the appearance of interference, with his ability to exercise independent judgement when acting as a director of Brickworks. As at 31 July 2015, Mr Webster will have served on the Board for 14 years however the Board considers that he continues to bring an independent mind and judgement to the Board and has not become too close to management or any non-independent director for his independence to be compromised. Messrs Robert Millner and Michael Millner are not considered by the board to be independent due to their directorial connection with Washington H. Soul Pattinson, a major shareholder in Brickworks (either currently or historically). Michael Millner resigned as a director of Washington H. Soul Pattinson in 2012. Robert. Millner remains a director of Washington H. Soul Pattinson.

Accordingly, the majority of directors are independent directors and all Board Committees are chaired by independent directors. The Chairman is a non-executive director. The Chairman has extensive corporate and investment experience and provides leadership to the Board. The process adopted below deals appropriately with areas of conflict.

The board has appointed The Hon. Robert Webster as the Lead Independent Director, to act as Chair of the board in matters in which both Robert and Michael Millner are conflicted. This includes all matters to do with the Perpetual proposal and litigation.

In addition, individual Directors of Brickworks are entitled to seek independent professional advice in relation to their role as a Director, at the cost of Brickworks. Directors are required to advise the Chairman or full Board prior to engaging parties to provide this advice.

2.2 Board Experience and Skills Matrix

In addition to comprising a majority of independent directors, the Board feels that there is an appropriate blend of skills and experience covering all aspects of the Company's operations, particularly the core businesses of building products manufacturing and property development. The membership of the Board is reviewed by the full Board, from time to time, having regard to the ongoing needs of the Group. It is the policy of the Board that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in the core business activities of the Brickworks Group and non-executive members who bring to the Board a broad range of general commercial expertise and experience. The length of service on the Brickworks Board of each director is disclosed in section 1.1 of this Statement.

The following table summarises the skills and experience of the directors serving on the Board at 31 July 2015.

Experience and Skills	Number of Directors
Sector	
Accountancy	3
Agriculture (incl Timber)	4
Building Materials	4
Community / Not for Profit	2
Corporate Recovery & Insolvency	2
Financial Markets	5
Funds Management	4
Government	3
Industrial & Property	5
Insurance	2
IT / Telecommunications	1
Law	-
Mining & Resources	4
Professional Services	3
Skills	
Corporate Governance	7
Economics / Finance	6
Engineering	1
Human Resources	3
Management Consulting	1
Mergers & Acquisitions	6
Project Management	3
Risk Management	4
Strategy Development	5
Technology	2

2.3 Nomination Committee

Brickworks' Nomination Committee was established in November 2013. The Honourable Robert Webster is the Chair. At the date of this report all non-executive directors were members of this committee with members excluded from the meeting while their nomination is being considered. It has its own charter outlining the committee's function, composition, authority, responsibilities and reporting. A copy of the charter is available on the Company's website. All members are excluded from the meeting while their nomination for re-election is being considered.

The role of this Committee is to make recommendations to the Board with regard to:

- Determining the necessary and desirable competencies of directors to ensure it comprises Directors with an appropriate mix of experience and expertise.
- Reviewing the process for the selection of non-executive directors
- Appointing directors and considering whether directors should be nominated to stand for re-election
- Board succession plans
- Developing and implementing a process for evaluation of the performance of the Board and Directors
- Considering induction and continuing professional development programs for directors.

Mrs Deborah Page AM was appointed to the board on 1 July 2014 as an independent non-executive director, following an extensive search process by the Nomination Committee, assisted by an external recruitment advisor. Mrs Page brings extensive experience gained as a senior executive and company Director, and brings complementary skills to the Brickworks board, particularly in the areas of accounting and finance, and property. Mrs Page was appointed Chair of the Audit and Risk Committee on 29 July 2014.

Newly appointed Directors receive a tailored orientation program that aims to provide that Director with a comprehensive understanding of the Company. New Directors are provided with information comprising governance policies, business information, Board and Committee charters and key policies. The Board also undertakes regular site visits and provides professional development opportunities on matters relating to the Company.

3. Promote ethical and responsible decision-making

Brickworks has an established code of conduct under which all Directors, senior management and employees are expected to operate. This code is centred on having the Company and its employees achieving the highest integrity in all its business dealings at all levels of the organisation. The code covers a number of areas, including ethical standards, conflicts of interest, excellence in performance, confidentiality, trading in the Company's securities, continuous disclosure and equal opportunity, anti-discrimination and harassment. All Directors, senior management and employees of Brickworks and its subsidiaries are expected to abide by the code of conduct and the comprehensive policy manual which covers a number of items in more detail.

The Company is committed to generating an environment whereby its employees are encouraged to advise senior management of breaches to its code of conduct and policy manual. To assist employees in this process, Brickworks has established a confidential whistleblower service utilising external consultants to facilitate the reporting and investigating of breaches to the code of conduct.

The Company also has a share trading policy. A summary of the main principles of the Brickworks share trading policy are outlined below:

- Brickworks' Directors and employees are prohibited from trading in shares of Brickworks when in possession of price sensitive information about Brickworks Limited or its business and this information is not available to the public.
- Directors and employees are also prohibited from encouraging another person (for example, family members or business colleagues) to deal in Brickworks Shares when they have "inside information".
- Brickworks has established share trading windows during which employees or Directors of the Company may trade shares in the Company. These windows are each for a period of six (6) weeks duration commencing at:
 - the announcement of the Yearly result to the ASX;
 - the AGM date;
 - the announcement of the half yearly result to the ASX; and
 - the lodgement of a prospectus.
- Directors and employees are restricted from trading in Brickworks shares during these trading windows if they are in possession of price sensitive information.
- There is an absolute prohibition on the trading of shares between the end of a financial period and the release of results to the ASX relating to that period.
- In exceptional circumstances, senior management and Directors may trade outside these windows, providing they obtain written approval from the Managing Director or Chair respectively prior to trading. Exceptional circumstances can include severe financial hardship and the requirement to comply with a legal or regulatory requirement.

- This restriction does not apply to a limited number of scenarios, including where there is a no change in the beneficial interest; where the trading is done through a fund or scheme where investment decisions are at the discretion of a third party; participation in an offer made to all or most Brickworks shareholders (such as a rights issue or dividend reinvestment plan); or monthly share purchases made by the Brickworks Employee Share Plans.
- Brickworks shares are not permitted to be used to secure any type of financial product, such as margin loans or similar. Options, collars and/or other financial derivatives should not be used in respect of any Brickworks shares.

4. Safeguard integrity in financial reporting

4.1 Audit and Risk Committee

Brickworks has an established Audit and Risk Committee, which has its own charter outlining the committee's function, composition, authority, responsibilities and reporting. A copy of the charter is available on the Brickworks website.

Current members of the Committee are Mrs Deborah Page (Chair since July 2014), Mr Brendan Crotty and The Hon. Robert Webster (Chair until July 2014). Mr Michael Millner resigned from the Audit and Risk Committee in July 2014. Details of these Directors' qualifications and experience are available in the Directors' Report. The other Board members have a right of attendance, however the Managing Director, along with the Chief Financial Officer, the Company Secretary, and other senior managers may attend by invitation only, to discuss issues on audit and internal control matters.

The Committee also requests that representatives from the external auditors attend the Committee meetings to report on the results of their work in the period under review. Representatives from both external and internal auditors have direct access to the Committee if required.

Audit and Risk Committee attendance details are included in section 8.

The function of the Audit and Risk Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

- The external reporting of financial information, including the selection and application of accounting policies;
- The independence and effectiveness of the external auditors;
- The effectiveness of internal control processes and management information systems;
- Compliance with the Corporations Act, ASX Listing Rules and any other statutory requirements applicable to Brickworks; and
- The application and adequacy of risk management systems within Brickworks.

4.2 CEO/CFO Declaration

It is a requirement of the Board that the Managing Director and Chief Financial Officer sign off to the Board, via the Audit and Risk Committee, on the content of the financial statements, and that in their opinion these statements have been properly maintained, comply with appropriate accounting standards and represent a true and fair view of the Company's performance and operations and the financial position of the Company and that opinion has formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 External Auditor Attendance at Annual General Meeting

The Company requires the partner or delegate responsible for signing the audit report to be at the annual general meeting of the Company to answer any questions raised in relation to the audit and the auditor's report. Attendees at that meeting are given an opportunity to ask questions of the auditors. The audit partner from Ernst & Young attended the 2014 Annual General Meeting.

5. Make timely and balanced disclosure

5.1 Continuous Disclosure Policy

As noted previously, the Company has a written policy dealing with its requirements under the Continuous Disclosure rules contained in ASX listing rule 3.1. Generally, this policy states that all employees have a responsibility to advise senior management of any information about Brickworks or its subsidiaries which could be considered price sensitive for Brickworks shares. Senior management will then consider, in consultation with the Directors, which information will be released to the ASX and what form this release will take. Senior Management is accountable to the Board for compliance with these policies. A copy of the Company's continuous disclosure policy is on the Company's website.

6. Respect the rights of shareholders

Brickworks is committed to keeping its shareholders and other interested parties informed about the Company's activities, access up-to-date information about the Company and participate in shareholder meetings of the Company. The investor section of the company's website provides ready access to notices of meeting, annual reports, company announcements made to the ASX and webcasts of the company's annual general meetings.

The Company provides advanced notice to all major shareholders and analysts of periodic briefings. Such briefings can be attended in person or via telephone or conference facilities. The company's investor relations program is designed to promote understanding amongst institutional and retail shareholders and other stakeholders, of the Company's businesses, governance framework, financial and operational performance, and outlook. This is also undertaken via comments and questions received at investment briefings and question and answer sessions at annual general meetings,

Shareholders are also able to make enquiries of the Company via phone, fax, email or post, details of which can be found on the Brickworks website. Time is specifically allocated at general meetings for questions to be put to the Board of Directors.

Shareholders are able to obtain shareholder communication via email.

7. Recognise and manage risk

7.1 Audit and Risk Committee

The Group is committed to the management of risks throughout its operations to protect its employees, shareholders, the environment, our assets, earnings, markets and reputation. Board responsibility for oversight of risk management resides with the Audit and Risk Committee.

A risk management framework has been implemented, consistent with each element of the Australian Risk Management Standard AS/NZS31000:2009. Key Elements of the comprehensive framework covered material Commercial, Business Process, Financial, Human Resources, Information, Property, Environmental, Health and Safety and Insurable Risks. It will be reviewed by the Audit and Risk Committee annually. It was last reviewed by the full Board in February 2015.

This risk initiative complements previous actions including the specific risk management policies contained within the Brickworks group policy manual, which are aimed at assisting the Board in the management of risk and legal matters. Certain risk management techniques, including foreign currency and interest rate hedging, may only be undertaken where approved by the full Board of Directors.

It is a requirement of the Board that the Managing Director and Chief Financial Officer sign off to the Board, via the Audit and Risk Committee, on the risk management and internal compliance and control systems implemented by the Board, and that these compliance and control systems are operating efficiently and effectively in all material respects. Deployment of the risk management framework further facilitates the sign off process.

7.2 Internal Audit Function

The internal audit function is undertaken by Duncan Dovico Chartered Accountants. The internal audit team reports directly to the Chair of the Audit and Risk Committee except in respect of operational matters which are delegated to the Chief Financial Officer and members have the opportunity to meet with Duncan Dovico Chartered Accountants without the presence of other management. The internal audit team prepares an annual internal audit plan, whereby it reviews processes and internal controls that management have put in place.

7.3 Economic, Environmental and Sustainability Risks

The Board of Brickworks has adopted a Risk Management framework that identifies both Risk Tolerance and Risk Appetite for the group and then considers how each identified risk is placed within that framework.

That process considers the likelihood of an event occurring, followed by the impact of each event. The impact is considered on human level which measures the likely consequence on people, whether they be employees or the public. Secondly, the financial consequence is considered.

The final step in the process is to consider the controls and processes in place, to continually mitigate each risk.

The following is a discussion of the risks that may impact the business.

(a) Building Products

The achievement of business objectives in the Building Products Group may be impacted by the following significant risks:

Risk	Mitigation
Serious Safety Incidents	The Group has a strong safety culture and a well developed Workplace Health and Safety system (refer further "Safety")
Environmental incident	The Group has a comprehensive environmental compliance system and strong commitment to environmental protection (refer further "Environment")
Alternate products	The Group has a strong focus on research and development, monitors market trends and has strategies to diversify its range of building products and its marketing approach
Shift in housing trend	The movement away from detached housing threatens the Group's traditional market. The Group has strategies to diversify its range of building products and its marketing approach.
New competitor	Whilst barriers to entry are significant, the Group monitors both domestic manufacturing and import competitors and has adopted a customer relationship and quality model, supported by investment in research and development
Plant performance	All plants are subject to regular preventative maintenance programs and appropriately qualified staff are employed to monitor and oversee production activities. Plant performance measured and monitored daily, weekly and monthly.
Production capacity	The Group manages production capacity by restarting, building and mothballing plant to adapt to cyclical market conditions. In the 2015 financial year the Group restarted Plant 2 at Horsley Park, NSW.
Business Interruption	There are multiple facilities throughout Australia that can transport products between locations as and when required. The major facilities have rolling risk reviews and reporting by outside parties. The business also maintains significant insurance policies to manage the physical loss of assets and any loss of income due in an insurable interruption.
Asbestos Risk	There has been a comprehensive review of all locations for the presence of asbestos. Building cladding is regularly removed and replaced with non-asbestos based materials. Where any asbestos is found, either within a plant or during rehabilitation, it is immediately quarantined and removed by qualified, reputable contractors, using the most diligent safety standards.

(b) Land and Development

The achievement of business objectives in Land and Development may be impacted by the following significant risks:

Risk	Mitigation
Market Risk	The industrial property cycle may deteriorate, resulting in softening capitalisation rates and lack of growth. The Group manages the risk by monitoring the key economic drivers, employing property professionals who understand the property cycle and undertaking development in joint venture with Goodman Group. The Group regularly conducts hold/sell assessment.
Serious Safety Incidents	The Group has a strong safety culture and a well developed WHS system (refer further "Safety")
Property Trust Financing	The joint property trusts maintain facilities with multiple lenders with various tenors up to 7 years. In addition, gearing is maintained at prudent levels through the property cycles.
Rezoning Risk	The group takes a long term, patient approach to achieving the highest and best use for each property. The rezoning process for a property usually commences prior to finalisation of its existing use.

(c) Investment

The achievement of business objectives in the Investment activities may be impacted by the following significant risks:

Risk	Mitigation
Market Risk	The Group's investment in WHSP is subject to market movements and the underlying performance of WHSP. The WHSP investment is diversified across industries other than those in which the balance of Brickworks specialises, which provides a stable stream of dividends over the long term. The WHSP group may have significant exposure to the Coal and Telecommunications Markets.

(d) Group

The achievement of business objectives in the Group activities may be impacted by the following significant risks:

Risk	Mitigation
Financing Risk	The Group maintains conservative gearing levels below 20% in recognition of its cyclical nature. Senior debt facilities are maintained with five lenders with whom an open and transparent relationship is maintained. Facilities are maintained over various tenors at 3, 4 and 5 years, ensuring that a maximum of \$150 million will expire at one point in time.

8. Remunerate fairly and responsibly

8.1 Remuneration Committee

Brickworks has a Remuneration Committee with a membership of all non-executive Directors. The committee operates under the delegated authority of the Board, and has its own charter, a copy of which is available on the Brickworks website. In June 2014, Mr Brendan Crotty was appointed Chair of the Remuneration Committee, with Mr Robert Millner stepping down from this role. Mr Millner remains a member of the Remuneration Committee, along with all non-executive directors of the Company

The main functions of the Remuneration Committee are to assist the Board in fulfilling its responsibilities relating to:

- Ensuring remuneration policies and practices are consistent with Brickworks' strategic goals and human resources objectives and which enable Brickworks to attract and retain executives and Directors who will create value for shareholders;
- Equitably, consistently and responsibly rewarding executives having regard to the performance of Brickworks, the performance of the executive and the general pay environment; and
- Ensuring executive succession planning is adequate and appropriate.
- Remuneration Committee attendance details are included in the Directors' report.

This Committee is authorised by the Board to obtain external professional advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The Remuneration Report contains detailed information relating to Director and Senior Executive remuneration, including the policy and practices for determining remuneration, the use of fixed and variable remuneration, and the relationship between executive remuneration and Company performance.

Non-executive Directors

The Remuneration Committee is responsible for recommending to the Board fees applicable to Non-executive Directors. In accordance with a resolution of shareholders at the 2014 Annual General Meeting, the maximum aggregate amount that is permitted to be paid to Non-executive Directors under the Brickworks constitution is \$1.0 million per annum. Contributions to the retirement allowance plan for Non-executive Directors were discontinued on 30 June 2003 and are not indexed. Since 30 June 2003 no new Directors have been entitled to join this plan. There are no other schemes for the payment of retirement benefits for Non-executive Directors, other than statutory superannuation. Non-executive Directors may also be reimbursed for their expenses properly incurred as a Director, or in the course of their duties. The Non-executive Directors do not participate in the Brickworks Short Term Incentive (STI) Scheme or Long Term Incentive (LTI) arrangements.

Executives

Brickworks' remuneration policies are designed to drive a performance culture and to ensure that the way in which employees are recognised and rewarded through remuneration is in the best interests of the shareholders, the Company and the individual. The remuneration policies achieve this in the following ways:

- by ensuring executive remuneration is linked to both individual performance and Company performance;
- by providing remuneration that is market competitive to ensure Brickworks has the ability to retain and motivate strong performing employees and attract high calibre prospective employees; and
- by undertaking an annual evaluation process on the performance of all executives, the results of which contribute to the determination of any salary adjustment an individual executive may receive.

All senior executives undergo a performance and development appraisal each year in accordance with the process set out below:

- At the beginning of each financial year, each senior executive is given a set of key performance criteria against which they will be measured. These criteria include both financial and non-financial performance measures;
- At the end of each financial year, all senior executives complete a self-assessment questionnaire prior to meeting with their manager to discuss their performance over the previous year;
- A performance appraisal meeting is then undertaken for each senior executive.

Brickworks STI has been designed to focus executives on the necessity to achieve a range of agreed targets for their respective businesses. The STI is structured around the achievement of annual performance criteria based on each executive's capacity to influence targeted outcomes. Brickwork's STI is based on the profitability of operating divisions and the overall Group, as well as the level of achievement of key strategic objectives that will underpin performance in the future. This incentive scheme covers the Managing Director, Chief Financial Officer, General Managers, and various other senior managers within the Group.

Variable remuneration available as a proportion of total salary for an employee increases as that employee gains greater responsibility and has greater capacity to influence the performance of the business as a whole. From the 2015 financial year onwards the STI cash opportunity for all executives is now capped at 50% of base remuneration. Any excess STI earned above 50% base remuneration will not be paid as a cash bonus, but will be added to the LTI component and paid as additional shares through the Brickworks Deferred Employee Share Scheme.

The STI performance measures in 2015 include measures relating to profit generation, cash generation, returns on net tangible assets, lost time injury rates, performance against environmental target, and the extent to which the Group's Operational Excellence program has been implemented.

Brickworks Limited has effectively had a LTI in place for many years through the Brickworks Deferred Employee Share Plan. Generally half of the performance incentives granted to executives each year have been in the form of performance shares that progressively vest at 20% on 31 July on each of the following 5 years from the grant date. This means that a substantial portion of the shares granted under the LTI vest in three years or more.

The objectives of the Company's LTI plan are to:

- align the interests of executives with shareholder interests;
- balance short-term with long-term Company focus; and
- retain high calibre executives by providing an attractive equity based incentive.

Allocation of shares under the LTI is dependent on the achievement of specific financial objectives relating to profit performance, the return on capital of the operations under which an executive has control, the rate of improvement in profitability and return on capital achieved in turnaround situations and the achievement of individual and divisional objectives.

A new TSR target for vesting has been introduced for share allocations made to the Managing Director and Chief Financial Officer to recognise the Board's preference for the Managing Director and Chief Financial Officer to achieve increasing profits over the longer term. There will be no change to the LTI for participants other than the Managing Director and the Chief Financial Officer

For allocations approved and made after 31 July 2015, 50% of shares allocated will be assessed for vesting against an annual TSR target of 7.0% (**TSR Shares**). A TSR target has been chosen due to the difficulty of choosing a meaningful benchmark for determining a relative TSR assessment.

The assessment of TSR Shares against the TSR target is undertaken progressively for 20% of the TSR Shares on 31 July for each of the 5 years following the allocation date. 50% of the shares allocated to you will continue to vest progressively at 20% per year based on tenure.

The share price used at commencement of each tranche for assessing TSR performance of Brickworks shares is the Volume Weighted Average Price (VWAP) for the month of July prior to the allocation of TSR Shares. The

actual share price used to compare to the TSR target share price is the July VWAP in the year of testing. In any one year up to five TSR Share tranches allocated will be tested. The TSR performance target for each allocation in that year is the average of 5 Brickworks prices calculated from 5 different commencement VWAPs on 5 different years (ie It will include the average of a Brickworks one year TSR, a two year TSR, a three year TSR, a four year TSR and a five year TSR).

The level of vesting applicable to each tranche will be as follows;

- If the 7.0% TSR target (averaged as explained above) is met 100% of TSR Shares will vest
- If a 6.0% TSR target (averaged as explained above) is met then 50% of the TSR Shares will vest
- If the TSR target (averaged as explained above) of 6.0% is not met then no shares will vest in that initial year of testing. To the extent that any tranche does not vest in one year it will be deferred and form part of the shares that are eligible for vesting in the following years. In other words, underperformance in one year can be made up by over performance in the following years, provided that underperformance in the 5th year may only be made up by outperformance in the 6th year
- If the TSR Target (averaged as explained above) of 8.0% is met, there will be an incremental vesting of up to 150% of the TSR Shares to enable underperformance in one year to be made up by over performance in the following years. The cumulative vesting can therefore reach a level that will be equivalent to but not more than the total number of shares that would have been allocated and vested as at that date, if all TSR hurdles had been satisfied.
- TSR performance between 6.0% and 8.0% and above will generate pro-rata vesting entitlements on a straight-line basis.

The Brickworks' Securities Trading Policy states that options, collars and/or other financial derivatives should not be used by employees in respect of any Brickworks shares which would include any shares held under the Brickworks Deferred Employee Share Plan.

Further information relating to long term incentive plan is set out in the Company's Remuneration Report.

9. Board and Committee Meetings

The number of Board Meetings, Audit and risk Management Committee Meetings, Remuneration and Nomination Committee Meetings held during the year ended 31 July 2015 and each members attendance is set out in the following table. All directors were eligible to attend all director and committee meetings held.

	Directors' meetings	Audit & Risk Committee	Remuneration Committee	Nomination Committee ¹	Independent Board Committee
Number of meetings held:	10	2	2	NIL	2
Number attended:					
R.D. Millner	10	N/A	2	N/A	N/A
M.J. Millner	10	N/A	1	N/A	N/A
L.R. Partridge	10	N/A	N/A	N/A	2
B.P. Crotty	9	2	2	N/A	2
D.N. Gilham	10	N/A	2	N/A	2
D.R. Page	9	2	2	N/A	2
R.J. Webster	10	2	2	N/A	2

1. A Nomination Committee meeting is usually held in July each year. This year no Board or Committee meetings were held in July 2015 due to other commitments of directors. The Nomination Committee Meeting was held in the first week of August 2015.