

## Corporate Governance Statement

*The Board is committed to conducting the Company's business ethically and in accordance with high standards of corporate governance. To this end, the Board (together with the Company's management) regularly reviews the Company's policies, practices and other arrangements governing and guiding the conduct of the Company and those acting on its behalf.*



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**GENERAL COUNSEL AND**  
**COMPANY SECRETARY**

This statement provides an outline of the main corporate governance practices that the Company had in place during the past financial year. The Board believes that the Company's policies and practices are consistent in all substantial respects with good corporate governance practice in Australia appropriate for the circumstances of the Company, including the ASX Corporate Governance Council Principles and Recommendations (2nd edition).

### ASX Corporate Governance Council Principles and Recommendations (ASX Principles)

The following table summarises how the Company complies with the ASX Principles (as applicable to the Company for the 2014 financial year), and provides reference to where the specific recommendations are dealt with in this statement:

	ASX Principle/Recommendation	Compliance	Reference
<b>Principle 1</b>	<b>Lay solid foundations for management and oversight</b>		
1.1	Establish the functions reserved to the Board and those reserved to management	✓	Section 1.1
1.2	Disclose the process for evaluating the performance of senior executives	✓	Section 1.2.3
1.3	Provide the information indicated in the Guide to reporting on Principle 1	✓	
<b>Principle 2</b>	<b>Structure the Board to add value</b>		
2.1	A majority of the Board should be independent Directors	✓	Section 1.2.1
2.2	The chair should be an independent Director	✓	Section 1.2
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	✓	Section 1.2
2.4	The Board should establish a nomination committee	✓	Section 2.1
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual Directors	✓	Section 1.2.3
2.6	Provide the information indicated in the Guide to reporting on Principle 2	✓	
<b>Principle 3</b>	<b>Promote ethical and responsible decision-making</b>		
3.1	Establish a code of conduct and disclose the code or a summary of the code	✓	Section 4.1
3.2	Establish a diversity policy and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.	✓	Section 1.2.6 and pages 34, 35
3.3	Disclose the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards them.	✓	Pages 34, 35
3.4	Disclose the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.	✓	Page 35
3.5	Provide the information indicated in the Guide to reporting on Principle 3	✓	

ASX Principle/Recommendation	Compliance	Reference
<b>Principle 4 Safeguard integrity in financial reporting</b>		
4.1	✓	Section 2.1
4.2	✓	Section 2.1
4.3	✓	Section 2
4.4	✓	
<b>Principle 5 Make timely and balanced disclosure</b>		
5.1	✓	Section 5.1
5.2	✓	
<b>Principle 6 Respect the rights of shareholders</b>		
6.1	✓	Section 5.2
6.2	✓	
<b>Principle 7 Recognise and manage risk</b>		
7.1	✓	Section 3.1
7.2	✓	Section 3.1
7.3	✓	Section 3.1
7.4	✓	
<b>Principle 8 Remunerate fairly and responsibly</b>		
8.1	✓	Section 2.1
8.2	✓	Section 2.1
8.3	✓	Section 2.1
8.4	✓	

## 1 The Board lays solid foundations for management and oversight

### 1.1 Role of the Board

The role of the Board of Directors is to protect and optimise the performance of the Group and, accordingly, the Board takes accountability for reviewing and approving strategic direction, establishing policy, overseeing the financial position and monitoring the business and affairs of the Group on behalf of shareholders.

The Board operates in accordance with the general principles set out in its charter, which is available from the corporate governance section of the Company's website at [www.adbri.com.au](http://www.adbri.com.au).

In accordance with the provisions of the Company's constitution, the Board has delegated a number of powers to Board committees (see section 2), and responsibility for the day-to-day management of the Company's business affairs and development and implementation of the Company's strategy to the Chief Executive Officer (CEO).

The Board and CEO are supported by senior management who report to the CEO. The respective roles and responsibilities of the Board and management are outlined further in the Board charter.

The Board has also reserved for itself the following specific responsibilities:

*Strategy and monitoring*

*Monitoring the business and affairs/relations with management*

*Risk management, compliance and internal controls*

Input into and approval of management's development of corporate strategy, including setting performance objectives and approving operating budgets.

Monitoring and reviewing corporate performance and implementation of strategy and policy.

Selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning for the successor of, the CEO.

Reviewing procedures for appointment of senior management, monitoring performance and reviewing executive development activities. This includes ratifying the appointment and the removal of the Chief Financial Officer, the Company Secretary and all the Company's senior executives who report to the CEO.

Approval of the Company's capital structure and gearing targets.

Approval of specified matters exceeding delegated authority levels, including major capital expenditure and major acquisitions and divestitures.

Reviewing, guiding and monitoring systems of risk management and internal control and ethical and legal compliance.

Monitoring and reviewing processes aimed at ensuring integrity of financial and other reporting, and providing assurance to approve the Group's financial reports.

Monitoring and reviewing policies and processes in place relating to occupational health and safety, compliance with laws, and the maintenance of high ethical standards.

Input into and approval of the Company's policy in relation to, and monitoring implementation of, sustainable resource use and the impact of the Company's operations on the environment, community and stakeholders.

**1.2 The Board is structured to add value**

**The Board ensures that its members have the time and commitment to devote to the role**

- > Prior to appointment, Directors provide details of other commitments and acknowledge that they will have adequate time to meet expectations.
- > Directors to consult with the Chairman before accepting outside appointments.
- > Letter of appointment sets out Director's term of appointment, powers, expectations and rights and obligations.

**Board keeps informed of regulatory and industry developments to challenge status quo and strengthen knowledge base (see 1.2.4)**

- > Directors expected to participate in ongoing education/development.
- > Directors keep themselves informed and up to date, of their own initiative, with general developments relevant to the role of a non-executive Director in an S&P/ASX100 company.

**Board and Director performance is regularly evaluated to facilitate continuous improvement (see 1.2.3)**

- > Board, Committee and individual Director performance reviewed annually.
- > Directors to undergo a performance appraisal before standing for re-election.
- > One third of the non-executive Directors retire (and are eligible for re-election) at each AGM.

**The Board is committed to a majority of independent views being brought to bear in decision-making (see 1.2.1)**

- > Directors expected to bring independent views and judgment to discussions.
- > Majority of Board members are independent.
- > Board has adopted Financial Services Council Blue Book definition of director independence.

**The Board is structured to add value and Board decision-making is enhanced through education and support**

- > Broad mix of skills, diversity and experience reflecting the character of the Group's business to best guide, review and challenge management.
- > Independent Chairman leads the Board, facilitates constructive decision-making, and manages Board/management relationship.
- > To maintain independent oversight, roles of Chairman and CEO are undertaken by different individuals.

**Board members have access to management and independent advice to assist in discharge of their duties**

- > Access to senior executives and to any further information required to make informed decisions.
- > Right to seek independent professional advice at the Company's expense to assist in effective discharge of duties.

**Comprehensive induction processes equip Directors to perform in their role**

- > Comprehensive induction process upon appointment.
- > Obligation on new Directors to familiarise themselves with Company's practices through induction process or by making enquiries of the Chairman, the Company Secretary or management.

**Conflicts are managed (see 1.2.2)**

- > Actual and perceived conflicts considered and managed on an ongoing basis.
- > Protocols around disclosure, and procedures around management of potential conflicts have been adopted.

### 1.2.1 Directors' independence

The Board reviews, at least annually, the independence of Directors. In general, Directors are considered independent where they are free of any interest and any business or other relationship which could, or could reasonably be perceived, to interfere materially with the Director's ability to act in the best interests of the Company. An assessment will be made on a case-by-case basis of whether the Director's ability to act in the best interests of the Company has been materially impaired.

In ensuring that the Board comprises Directors with a broad range of skills and experience reflecting the character of the Group's business, the Board may from time to time appoint Directors who are not considered to be independent. It is, however, the Board's policy that it should comprise a majority of independent Directors to ensure that independent oversight is maintained.

Having regard to the guidelines of independence adopted by the Board, the Directors are of the view that Mr R D Barro is the only non-executive Director who is not considered "independent", by virtue of his position as the Managing Director and a shareholder of Barro Group Pty Ltd (which has a 50% interest in the joint venture, Independent Cement & Lime Pty Ltd (ICL), and is a substantial shareholder in the Company). ICL has an ongoing trading relationship with the Barro Group of companies.

The Board has also considered the length of service of each Director on the Board and concluded that no Director has been a Director of the Company for such a period that their independence may be compromised. Details of each Director's period of office is set out on page 36 of this report.

### 1.2.2 Conflicts of interest

Determinations regarding independence do not change any Director's obligations in managing any conflict of interest. Directors have a continuing obligation to avoid any action, position or interest which conflicts (or may be perceived to conflict) with their position as a Director of the Company. In particular, the Board is cognisant of Mr Barro's interest in Barro Group Pty Ltd.

During the year, in order to avoid actual and/or perceived conflicts of interest in Board decision-making, Board procedures were followed such that where the possibility of a material conflict arose, the Board considered the nature and extent of the potential conflict and whether it would be appropriate for

the relevant Director to participate in Board discussion and decision-making in relation to the issue. Where there was a real potential for a conflict of interest, information was not provided to the Director, and, in accordance with the *Corporations Act 2001*, the Director did not participate in, or vote at, the meeting where the matter was considered.

### 1.2.3 Performance evaluation

The Board reviews its performance annually, as well as the performance of individual Committees and individual Directors (including the performance of the Chairman as Chairman of the Board).

For the 2014 financial year, a performance evaluation was led internally by the Chairman to assess the performance of individual Directors, the Board as a whole, various aspects of the Board committees such as their performance, membership, roles and charters, and the Board's and Directors' interaction with management.

As part of this comprehensive review of the Board's performance, processes and operations, the Chairman facilitates individual discussions with each Director which also reviews their individual performance. The discussions also included a peer review of the Board Chairman's performance by the other Directors.

The Chairman reports to the Board concerning the performance evaluation process and the findings of these reviews. As a result of recommendations arising from the internal Board review, initiatives are introduced to ensure the continued effectiveness of the Board's performance and to enable its sustained focus on key issues for the Company. The implementation of these initiatives is overseen by the Chairman.

Executives and managers are also subject to an annual performance review in which performance is measured against agreed business objectives. The performance of the CEO is assessed by the Board against objectives related to the Company's strategy, business plans and the financial and other performance of the business.

For the 2014 financial year, the performance of the CEO and the CEO's achievement of the agreed objectives was reviewed by the Chairman, the Nomination, Remuneration and Governance Committee and the Board. The performance of the Company's senior executives during 2014 was reviewed by the CEO, the Nomination, Remuneration and Governance Committee and the Board.

### 1.2.4 Director induction, training and ongoing education

All newly appointed Directors are provided with an induction, which includes information relevant to their new role, attendances at key sites and introductions to key staff, which is provided or coordinated by the CEO, the Chief Financial Officer and the Company Secretary. This induction includes briefings on the Company's business, strategy, financial, operational and risk management matters and factors relevant to the sectors and environments in which the Company operates.

Ongoing Director education is provided throughout the year. The Board and its Committees are provided with updates and information from both management and external experts on various topics relevant to the Company's circumstances. The Board is informed by expertise from within the Company on matters such as energy supply arrangements and business and product development.

### 1.2.5 Board and CEO succession planning

The Board regularly reviews the size and composition of the Board to ensure the appropriate skills, perspective and expertise are represented.

During 2014, the Board led by the Chairman and the Chairman of the Nomination, Remuneration and Governance Committee, reviewed the Board's composition, and utilised a Board skills matrix in doing this (details of the Board skills matrix will be disclosed when the Company adopts the 3rd edition of the ASX Principles). The Board is satisfied that its present composition is appropriate for the circumstances of the Company. It recognises that consideration of Board renewal is an ongoing process, and accordingly the Board's composition will continue to be monitored and reviewed during 2015.

The Board's long term management succession plan for the CEO was implemented during 2014, leading to Martin Brydon assuming the Chief Executive Officer role upon Mark Chellew's retirement following the Annual General Meeting in May 2014, ensuring a smooth transition of leadership responsibilities within the Company.

The Nomination, Remuneration and Governance Committee and the Board also reviewed the succession plans for the senior management team during the year, to ensure that appropriate plans have been implemented for the mid to long term.

## 1.2.6 Diversity

The Board, having adopted a Diversity Policy for the Group in 2011, established measurable diversity objectives (which are reviewed and assessed annually) to enhance gender and other diversity across the organisation. Further information about the Group's diversity objectives and progress achieved (in accordance with the ASX Corporate Governance Council Principles and Recommendations) is set out on pages 34 to 35. The Group's overarching Diversity Policy will be reviewed during 2015.

### 2 Composition and responsibilities of Board Committees

To assist the Board in fulfilling its responsibilities, the Board has established a number of committees with responsibility for particular areas:

- > Audit, Risk and Compliance Committee;
- > Nomination, Remuneration and Governance Committee;
- > Safety, Health and Environment Committee; and
- > Independent Directors' Committee.

Each committee has a specific charter or constitution. The charters for the Audit, Risk and Compliance Committee and the Nomination, Remuneration and Governance Committee are available on the corporate governance section of the Company's website at [www.adbri.com.au](http://www.adbri.com.au). The Board periodically reviews each Board committee's charter, role and responsibilities.

Details on the number of meetings held by the Board and its Committees during 2014, and attendance by Board members, can be found on page 43 of this report. Information on the relevant skills, experience and expertise of each Director can also be found on page 36 of this report.

### 2.1 Key standing committees - Audit, Risk and Compliance and Nomination, Remuneration and Governance

The composition and responsibilities of the Audit, Risk and Compliance and Nomination, Remuneration and Governance Committees are set out in the following table.

	<i>Audit, Risk and Compliance Committee</i>	<i>Nomination, Remuneration and Governance Committee</i>
Roles and responsibilities	<p>The Audit, Risk and Compliance Committee:</p> <ul style="list-style-type: none"> <li>&gt; assists the Board in relation to the reporting of financial information, the appropriate application and amendment of accounting policies, the appointment, independence and remuneration of the external auditor, and performance of the internal audit function (including independence, effectiveness and appropriate coordination with external auditors).</li> <li>&gt; provides a forum for communication between the Board, management and both the internal and external auditors.</li> <li>&gt; reviews and reports to the Board on the effectiveness of the Company's ongoing risk management program and policies and procedures.</li> <li>&gt; reviews and reports to the Board regarding the appropriateness of the Company's compliance procedures.</li> <li>&gt; provides a conduit to the Board for external advice on audit, risk management and compliance matters.</li> </ul>	<p>The Nomination, Remuneration and Governance Committee:</p> <ul style="list-style-type: none"> <li>&gt; assists and advises the Board on matters relating to the appointment, remuneration and processes for review of the performance of the non-executive Directors, the CEO and other senior executives, and best practice corporate governance appropriate to the circumstances of the Company.</li> <li>&gt; oversees the implementation of the Company's short term and long term incentive arrangements, including reviewing performance targets for senior executives, reviewing recommendations from the CEO on senior executives' participation in short and long term incentive schemes, making relevant awards and assessing the extent to which performance conditions are satisfied.</li> <li>&gt; reviews management and Board succession planning and assesses the appropriate mix of skills, experience and expertise required on the Board.</li> <li>&gt; oversees the implementation of diversity measures to facilitate the achievement of the Company's diversity objectives.</li> </ul>
Composition	<p>Composition requirements include:</p> <ul style="list-style-type: none"> <li>&gt; there must be a minimum of three independent non-executive Directors on the Committee.</li> <li>&gt; the Chair must be an independent non-executive Director who is not Chairman of the Board.</li> <li>&gt; Committee members shall, between them, have sufficient accounting and financial knowledge to allow them to discharge their duties and actively challenge information presented by management, internal and external auditors.</li> </ul>	<p>Composition requirements include:</p> <ul style="list-style-type: none"> <li>&gt; there must be a minimum of three independent non-executive Directors on the Committee.</li> <li>&gt; each Committee member is expected to be familiar with the legal and regulatory disclosure requirements in relation to remuneration and have adequate knowledge of executive remuneration issues, including executive retention and termination policies, and short term and long term incentive arrangements.</li> </ul>
Membership as at 31 December 2014	<p>GF Pettigrew (Chairman) LV Hosking AM Tansey</p>	<p>AM Tansey (Chairman) LV Hosking GF Pettigrew KB Scott-Mackenzie</p>
Consultation	<p>Members of management may attend meetings of the Committee at the invitation of the Committee Chairman. It is practice of the Committee that the CEO, the Chief Financial Officer and the Company Secretary attend all Committee meetings. The Group Risk Manager generally attends meetings of the Committee when non-financial risk management matters are considered.</p> <p>In fulfilling its responsibilities, the Committee has rights of access to management and to internal and external auditors in the absence of management and may seek explanations and additional information.</p> <p>It is the practice of the Committee to meet with the Company's external auditors, without any member of management present.</p>	<p>It is practice of the Committee, on occasions when relevant, to invite other Directors to attend Committee meetings. Additionally, two Committee meetings in 2014 were held concurrently with Board meetings. Members of management, particularly the CEO, the General Manager HR, the Chief Financial Officer or the Company Secretary, may also attend meetings of the Committee at the invitation of the Committee Chairman, whenever particular matters arise that require management participation, such as reviewing senior executive performance, succession planning or the CEO's recommendations to the Committee. The Committee obtains external advice from independent remuneration consultants in determining the Company's remuneration practices and executive service agreements where considered appropriate.</p>

**2.2 Other Board committees**

**2.2.1 Safety Health and Environment Committee**

The members of the Safety, Health and Environment Committee (SH&E Committee) during 2014 were KB Scott-Mackenzie (Chairman), GF Pettigrew, and RD Barro.

The Committee has a broad role in reviewing general and specific occupational health and safety and environmental matters across the Group.

Committee meetings are also attended by the CEO and the Company's General Manager-HSE, Chief Financial Officer and its General Counsel.

**2.2.3 Independent Directors' Committee**

The role of the Independent Directors' Committee is to investigate and consider corporate proposals made to the Company. The Committee comprises Directors who do not have any conflict of interest concerning the matters considered by the Committee.

The members of the Committee during 2014 were LV Hosking (Chairman), GF Pettigrew and KB Scott-Mackenzie. There was no requirement for this Committee to meeting during 2014.

**3 The Board recognises and manages risk and safeguards the integrity of financial reporting**

**3.1 Framework**

The Board has approved the following framework within which the Company discharges its risk management function:

**Leading culture of compliance and ensuring that risk management practices are appropriate and effective in the context of the Company's business objectives**

*Oversight:* The Board, through the Audit, Risk and Compliance Committee, is responsible for reviewing and guiding the Company's risk management policies and compliance and control systems. These policies and systems provide for management to identify and manage both financial and non-financial risks to the Company's businesses. The Board, through the Committee, regularly reviews the effectiveness of the Company's risk management system and management of identified business risks.

*Purpose:* The Company's risk management framework is designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

**Internal controls framework**

- > A robust control environment is fundamental to the effectiveness of the Company's risk management framework. Delegations of authority and Board and management accountability is clearly demarcated.
- > All Directors, executives and employees are required to adhere to the Code of Conduct (described below) and the Board actively promotes a culture of quality and integrity.
- > Accounting, financial reporting and internal control policies and procedures designed to manage business risks (both financial and non-financial) have been established at the Board and executive management levels. These are designed to safeguard the assets and interest of the Company, and ensure the integrity of financial reporting. The Board nonetheless acknowledges that it has ultimate responsibility for the accuracy and approval of the Group's financial reports. The Board acknowledges that it is also responsible for the overall internal control framework, and to assist in discharging this responsibility, the Board has instigated an internal control framework that can be described as follows:

**Financial risk**

The CEO and Chief Financial Officer have made the following certifications to the Board:

- > That the Company's financial reports present a true and fair view, in all material respects, of the financial position and performance of the Company and the consolidated entity and are in accordance with accounting standards in all material respects;
- > That the Company has a sound system of risk management and internal control which implements the policies adopted by the Board and forms the basis for the statement given above; and
- > That the Company's risk management and internal control system to the extent it relates to financial reporting, is operating efficiently in all material respects.

**Non-financial risk**

Management regularly reports to the Board, including through reports to the Audit, Risk and Compliance Committee, on strategic and operational issues, including an assessment of the material business risks facing the Company and the effectiveness of the system and policies in place to manage those risks.

**Financial reporting**

- > Comprehensive budgeting system with an annual budget reviewed and approved by the Board.
- > Monthly actual results are reported against budget and revised forecasts for the year are prepared regularly.
- > Procedures to ensure that price sensitive information is reported to the ASX in a timely manner (see section 5 below).

**Operating unit controls**

- > Financial controls and procedures including information systems controls are in operation throughout the consolidated entity.
- > Operating units confirm compliance with these procedures to the Board annually.

**Functional specialty reporting**

The Group has identified a number of key areas which are subject to regular reporting to the Board, such as safety and environment, risk management, taxation, finance and administration.

**Investment appraisal**

Clearly defined guidelines for capital expenditure e.g. annual budgets, detailed appraisal and review procedures, and levels of delegated authority where businesses are being acquired or divested.

**Internal audit**

- > Assists the Board in ensuring compliance with internal controls.
- > The Audit, Risk and Compliance Committee reviews and approves the selection and engagement of internal auditors, the internal audit program to be conducted, and the scope of the work to be performed.
- > Internal auditors provide the Committee with comments and recommendations about the identification of areas perceived to be of a greater level of risk than others, and any areas requiring particular scrutiny.
- > The Committee receives and reviews the reports of the internal auditors.

**Delegated authorities and restrictions**

Comprehensive procedure which provides a framework that enables employees to operate and act within clearly defined and communicated parameters.

### 3.2 Audit Services

The Company and Audit, Risk and Compliance Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is considered annually. PricewaterhouseCoopers remains the external auditor of the Company for the Group's financial report for the year ended 31 December 2014.

The Board has adopted a policy in relation to the provision of non-audit services by the Company's external auditor. It is based on the principle that work that may detract from the external auditor's independence and impartiality (or that may be perceived as doing so) should not be carried out by the external auditor. Details and the break down of fees for non-audit services and an analysis of fees paid or payable to external auditors are provided in Note 29 to the Financial Statements.

#### **4 The Board is committed to promoting ethical and responsible decision-making**

##### **4.1 Code of conduct and whistleblower program**

The Company is committed to upholding the highest ethical standards of corporate behaviour. A Code of Conduct has been adopted, which requires that all Directors, senior management and employees act with the utmost integrity and honesty. It aims to further strengthen the Company's ethical climate by promoting practices that foster the Company's key values of:

- > Acting with fairness, honesty and integrity;
- > Providing a safe and healthy work environment for all employees;
- > Being aware of and abiding by laws and regulations;
- > Individually and collectively contributing to the wellbeing of shareholders, customers, the economy and the community;
- > Maintaining the highest standards of professional behaviour;
- > Avoiding or managing conflicts of interest; and
- > Striving to be a good corporate citizen, and to achieve community respect.

The Code of Conduct is publicly available on the Company's website at [www.adbri.com.au](http://www.adbri.com.au).

The Code of Conduct was reviewed during the year to ensure that it remains relevant to the Company's values and practices. The outcomes from this review are currently being considered by the Company.

The Company has also adopted policies requiring compliance with (among others) occupational health and safety, environmental, privacy, diversity, equal employment opportunity, harassment, fair treatment, and competition and consumer law. The Company monitors the effectiveness of these policies.

Employees are encouraged to attend training or seminars presented by the Company, or external service providers, to ensure that they remain up-to-date with relevant industry and regulatory developments.

The Code requires all officers, employees, contractors, agents or people associated with the Company to report any potential breaches to the Company Secretary under the whistleblower program. This may be done anonymously.

##### **4.2 Shareholdings of Directors and employees**

The Board has a policy that in general, Directors and Officers may not buy or sell Adelaide Brighton Ltd shares except during periods (known as 'Trading Windows') provided that prior approval is obtained. The Trading Windows cover the period of one month following the annual and half year results announcements in addition to the period from the release of the Company's annual report until one month after the annual general meeting. The policy also defines certain periods where trading is not permitted under any circumstances (known as 'Blackout Periods'), which cover the two months preceding lodgement of half year and annual results announcements, in addition to any instance when a Director is trading for short-term gain. In all cases, Directors and Officers are prohibited from trading in securities when they are in possession of "inside information".

The Board also has a policy that prohibits executives from hedging (or otherwise locking in a profit over) unvested securities issued under the Company's Share Plans.

The Company's Share Trading Policy and the Award/Share Hedging Policy are available on the Company's website at [www.adbri.com.au](http://www.adbri.com.au).

#### **5 The Board is committed to timely and balanced disclosure and respects the rights of shareholders**

##### **5.1 Continuous disclosure**

The Company is committed to providing relevant and timely information to its shareholders and to the broader market, in accordance with its obligations under the *Corporations Act 2001* and the ASX continuous disclosure regime.

The Company's Continuous Disclosure Policy is available on the Company's website at [www.adbri.com.au](http://www.adbri.com.au) and sets out guidelines and processes to be followed in order to ensure that the Company's continuous disclosure obligations are met. Material information must not be selectively disclosed prior to being announced to the ASX. These policies and procedures are supplemented by the Shareholder Communications Policy (also published on the Company's website) which includes arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings.

The Company Secretary has been nominated as the person responsible for communicating with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements and overseeing and coordinating (with the Group Corporate Affairs Adviser) information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

##### **5.2 Communication with shareholders**

The Company's website contains copies of annual reports, financial accounts, presentations, media releases and other investor relations publications. All relevant announcements made to the market, and any related information, are also posted on the Company's website. Shareholders can elect to receive communications from the Company by electronic means. Shareholders can communicate with the share registry and the Company by electronic means.

The Board encourages full participation of shareholders at the Annual General Meeting in order to promote a high level of accountability and discussion of the Group's strategy and goals.

The external auditor will attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditors' report.