



**ADELAIDE BRIGHTON LIMITED**  
ACN 007 596 018

**CORPORATE GOVERNANCE STATEMENT**

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**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.

This Corporate Governance 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's Corporate Governance Principles and Recommendations (3rd Edition) (ASX Principles). Throughout the 2016 financial year, the Company has followed all of the recommendations contained in the ASX Principles.

This Corporate Governance Statement is current as at 31 December 2016 and has been approved by the Board of Directors.

**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 Company and its subsidiaries (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.

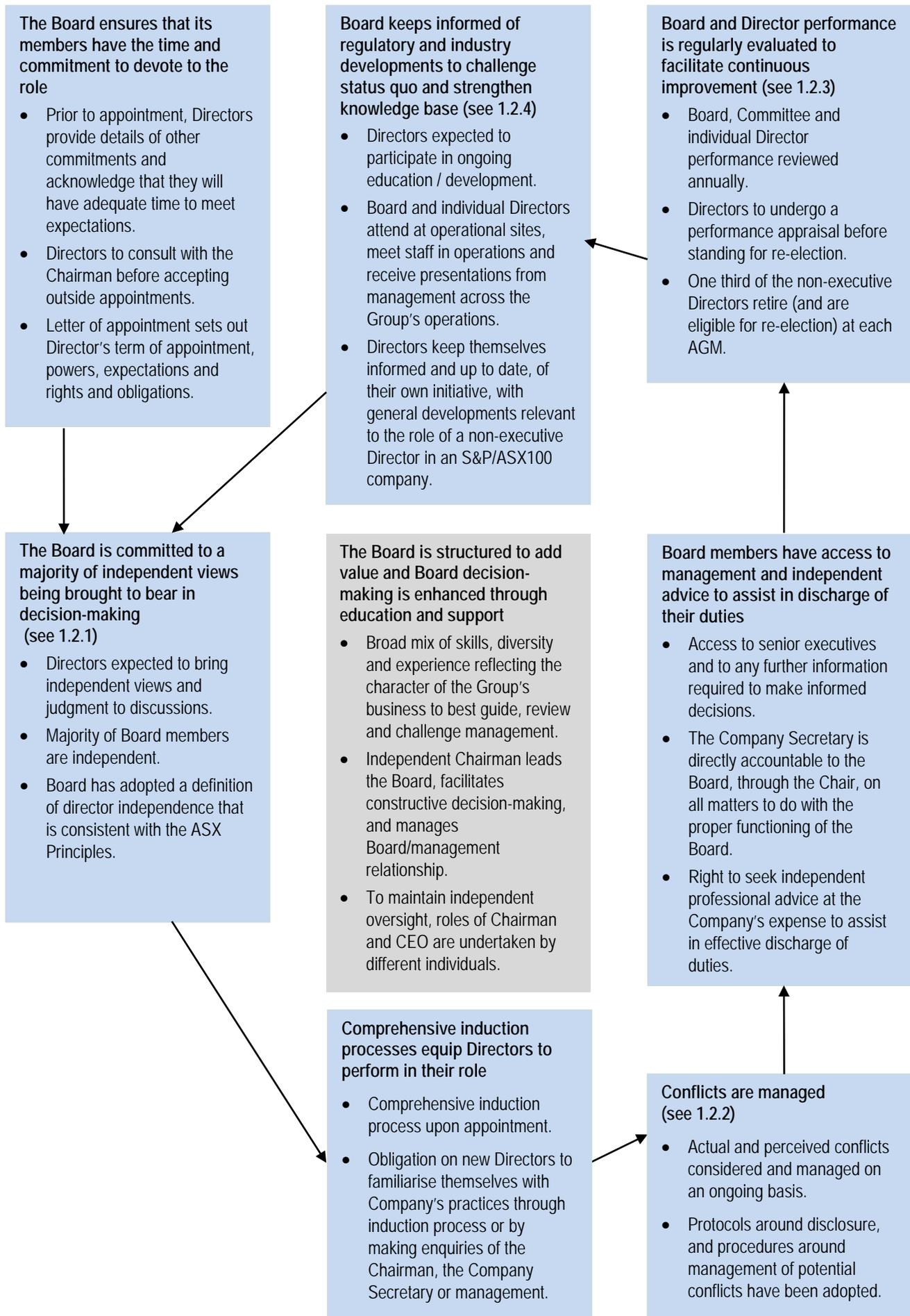
The Board operates in accordance with the general principles set out in its charter which is available from the governance section of the Company's website at [www.adbri.com.au](http://www.adbri.com.au).

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 and Managing Director (CEO & MD). The Board and CEO & MD are supported by senior management who report to the CEO & MD. 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:

<b>Strategy and monitoring</b>	<b>Monitoring the business and affairs / relations with management</b>	<b>Risk management, compliance and internal controls</b>
<ul style="list-style-type: none"><li>• Input into and approval of management's development of corporate strategy, including setting performance objectives and approving operating budgets.</li><li>• Monitoring and reviewing corporate performance and implementation of strategy and policy.</li></ul>	<ul style="list-style-type: none"><li>• Selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning for the successor of, the CEO &amp; MD.</li><li>• 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 &amp; MD.</li><li>• Approval of the Company's capital structure and gearing targets.</li><li>• Approval of specified matters exceeding delegated authority levels, including major capital expenditure and major acquisitions and divestitures.</li></ul>	<ul style="list-style-type: none"><li>• Reviewing, guiding and monitoring systems of risk management and internal control and ethical and legal compliance.</li><li>• Monitoring and reviewing processes aimed at ensuring integrity of financial and other reporting, and providing assurance to approve the Group's financial reports.</li><li>• Monitoring and reviewing policies and processes in place relating to occupational health and safety, compliance with laws, and the maintenance of high ethical standards.</li><li>• 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.</li></ul>

## 1.2 The Board is structured to add value



### 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, position, association or relationship which might influence, or could reasonably be perceived to influence, in a material respect the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. 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 only one of the five non-executive directors, Mr R D Barro, 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 does not believe that it should establish an arbitrary limit on tenure. The length of service of each Director on the Board is one of the many factors that the Board takes into account when assessing the independence and ongoing contribution of a Director.

Consistent with the ASX Principles, the Board considers that the interests of shareholders are served by having a mix of Directors on the Board, some with shorter and some with longer tenures. The Board acknowledges that Leslie Hosking and Graeme Pettigrew have been on the Board for 13 years and 12 years respectively, but the Board does not consider that their independence has been compromised by their tenure. Both Directors continue to bring an independent judgment to bear on issues before the Board.

Mr Hosking will seek re-election at the Company's Annual General Meeting (AGM) in 2017. The Board considers that Mr Hosking's continued leadership, informed by his long experience with the Company, is particularly important in the context of recent Director appointments and a continuing Board renewal agenda. The ASX Principles recognise that the Chair of a listed company will frequently have a longer tenure on the Board, and the Board is satisfied that Mr Hosking continues to be independent.

Mr Pettigrew brings a wealth of experience and a deep understanding of Adelaide Brighton's business to his role as a Director, committee member and Chairman of the Audit, Risk and Compliance Committee. His demonstrated independence of mind, combined with his extensive experience in the building materials industry, ensure that he continues to make a positive and valuable contribution as an independent member of the Board.

Details of each Director's period of office is set out on page 30 and 31 of the Company's 2016 Annual 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 2016 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.

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 & MD 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 2016 financial year, the performance of the CEO & MD and the CEO & MD'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 2016 was reviewed by the CEO & MD, the Nomination, Remuneration and Governance Committee and the Board.

#### 1.2.4 Director induction, training and ongoing education

The Company conducts appropriate background checks before appointing a Director. This includes checks of the person's character, experience, education, criminal record and bankruptcy history.

Prior to Directors seeking election or re-election at the Company's AGM, shareholders are provided with all material information in the Company's possession relevant to a decision whether or not to elect or re-elect that person.

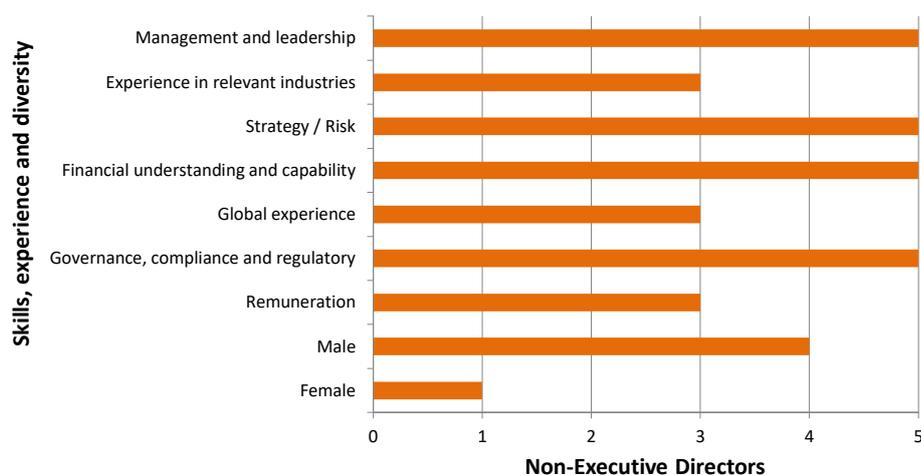
All newly appointed Directors are provided with an induction, which includes information relevant to their new role, attendances at key sites and introductions to key staff, which is provided or coordinated by the CEO & MD, the Chief Financial Officer and the Company Secretary. This induction includes 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 and individual Directors attend at operational sites, meet staff in operations and receive presentations from management across the Group's operations. 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 2016, 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. The skills matrix set out below demonstrates the skills, experience and diversity of the non-executive Directors in office as at the date of this Statement. 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 2017.



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 Principles) is set out on pages 28 to 29 of the Company's 2016 Annual Report. The Group's most recent "Gender Equality Indicators" can be found on the Company's website and on the Workplace Gender Equality Agency's website at [https://www.wgea.gov.au/sites/default/files/public\\_reports/tempPublicReport\\_2yolanradi.pdf](https://www.wgea.gov.au/sites/default/files/public_reports/tempPublicReport_2yolanradi.pdf). The Group's overarching Diversity and Inclusion Policy was reviewed during 2016 and is available on the Company's website at <http://adbri.com.au/ourresponsibilities#governance-exp>.

## 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, Nomination, Remuneration and Governance Committee and Safety, Health and Environment Committee are available on the 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 2016, and attendance by Board members, can be found on page 40 of the Company's 2016 Annual Report. Information on the relevant skills, experience and expertise of each Director can also be found on page 30 and 31 of the Annual 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:

	Audit, Risk and Compliance Committee	Nomination, Remuneration and Governance Committee
Roles and responsibilities	<p>The Audit, Risk and Compliance Committee:</p> <ul style="list-style-type: none"> <li>• 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>• provides a forum for communication between the Board, management and both the internal and external auditors.</li> <li>• reviews and reports to the Board on the effectiveness of the Company's ongoing risk management program and policies and procedures.</li> <li>• reviews and reports to the Board regarding the appropriateness of the Company's compliance procedures.</li> <li>• 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>• assists and advises the Board on matters relating to Board composition and the appointment, succession and remuneration of the non-executive Directors, the CEO &amp; MD and other senior executives, and best practice corporate governance appropriate to the circumstances of the Company.</li> <li>• oversees the implementation of the Company's short term and long term incentive arrangements, including reviewing performance targets for senior executives, approving recommendations from the CEO &amp; MD 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>• assesses the appropriate mix of skills, experience, expertise, independence and diversity required on the Board.</li> <li>• annually reviews and makes recommendations to the Board in relation to the measurable objectives for achieving diversity set by the Board and the progress made towards achieving them.</li> </ul>
Composition	<p>Composition requirements include:</p> <ul style="list-style-type: none"> <li>• there must be a minimum of three members who may only be non-executive Directors, a majority of which must be independent.</li> </ul>	<p>Composition requirements include:</p> <ul style="list-style-type: none"> <li>• there must be a minimum of three members, all of which are non-executive Directors, a majority of which must be independent.</li> </ul>

	<b>Audit, Risk and Compliance Committee</b>	<b>Nomination, Remuneration and Governance Committee</b>
	<ul style="list-style-type: none"> <li>the Chair must be an independent non-executive Director who is not Chairman of the Board.</li> <li>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>	<ul style="list-style-type: none"> <li>the Chair must be an independent non-executive Director.</li> <li>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 2016	GF Pettigrew (Chairman) LV Hosking AM Tansey Committee composition satisfied the requirements described above during the past financial year.	AM Tansey (Chairman) LV Hosking GF Pettigrew KB Scott-Mackenzie Committee composition satisfied the requirements described above during the past financial year.
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 &amp; MD, 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. The Company's external auditors are in attendance throughout meetings of the Committee.</p>	<p>It is practice of the Committee, on occasions when relevant, to invite other Directors to attend Committee meetings. Additionally, Committee meetings may be held concurrently with Board meetings.</p> <p>Members of management, particularly the CEO &amp; MD, the Executive General Manager HR &amp; HSE, 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 &amp; MD's recommendations to the Committee.</p> <p>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 2016 were K B Scott-Mackenzie (Chairman), G F Pettigrew, and R D 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 & MD and the Company's Executive General Manager HR & HSE, Chief Financial Officer and its General Counsel. The Committee Charter was reviewed and updated during 2016.

### 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 2016 were L V Hosking (Chairman), G F Pettigrew, K B Scott-Mackenzie, A M Tansey and M Brydon (appointed 23 February 2016).

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:** Before the Board approved the Company's half year and full year financial statements, it received a declaration from the CEO & MD and Chief Financial Officer that, in their opinion:

- the financial records of the entity have been properly maintained; and
- the financial statements comply with the accounting standards in all material respects and give a true and fair view in all material respects of the financial position and performance of the entity,

and that this opinion was formed on the basis of a sound system of risk management and internal control which in all material respects implements the policies adopted by the Board and which, for financial reporting, is operating effectively 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 eg 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.
- KPMG are the Company's internal auditors.
- 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.

The Board, in consultation with the Audit, Risk and Compliance Committee, reviews the Company's risk management framework at least annually. This review was conducted in 2016 and the Board satisfied itself that the Company's risk management framework continues to be sound.

### 3.2 Sustainability risks

The Company's commitment to sustainability is built on sound business strategy that supports continuous improvement in the social, environmental and economic performance of the Company. Adelaide Brighton continually analyses its activities and considers the needs of all stakeholders to identify key opportunities for improvement and sustainable development. Details about the Company's sustainability risks and how it manages them are set out in the 'Sustainability Report' on pages 19 to 27 of the Company's 2016 Annual Report.

### 3.3 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 2016.

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 27 to the Financial Statements in the Company's 2016 Annual Report.

## 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 and revised during the year to ensure that it remains relevant to the Company's values and practices. The Board's approach is that the Company's Code of Conduct should continue to be updated as circumstances, standards and expectations developed.

The Company has also adopted and continually reviews 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 of Conduct 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. The Board of Adelaide Brighton, and management across the Group, takes compliance with the Code of Conduct seriously. During the year, personnel throughout the Group were reminded about the Company's whistleblower program when they were informed of the updated Code of Conduct.

### 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 specified 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) invested 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).

### 4.3 Remuneration of Directors and employees

Non-executive Directors receive a base fee in relation to their service as a Director of the Board, and an additional fee for membership of, or for chairing a Committee. These fees are not linked to the performance of the Group, in order to maintain the independence and impartiality of the non-executive Directors.

Executives (including the CEO who is also the Managing Director) can receive a mix of fixed annual remuneration and “at-risk” remuneration (comprised of short term and long term incentives). The remuneration and other terms of employment for executives are set out in formal employment contracts referred to as Service Agreements.

Further information about the Company's policies and practices regarding the remuneration of Directors and executives is contained in the Company's 2016 Remuneration Report contained at pages 42 to 60 of the 2016 Annual Report.

## 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). It 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 key corporate governance documents, its Constitution, annual reports, financial accounts, ASX releases, the names, photographs and biographical details of the directors, an overview of the Company's current business, an events calendar and other investor relations publications. All relevant announcements made to the market via the ASX, and any related information, are also posted on the Company's website.

Shareholders can communicate with the share registry and the Company by electronic means. The Company's website provides the contact details for the Company's share registry and for shareholder enquiries. The website contains a facility for shareholders to contact the Company and to ask questions electronically, and sets out the other services available to shareholders online.

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. For example, the Company allows shareholders to submit written questions to the Company ahead of the Annual General Meeting. The Company also ensures that notices of Annual General Meetings are accessible on its website.

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.