

James Hardie Industries plc

**ANTI-BRIBERY AND
CORRUPTION POLICY**

PRIVILEGED & CONFIDENTIAL



Message from Louis Gries, CEO

Ensuring a workplace free of bribery and corruption is an important part of James Hardie's success. Values such as trust, integrity, ethical conduct and open exchange are all important attributes that we need to support and promote on a daily basis.

The Anti-Bribery and Corruption Policy (the "Policy") sets forth James Hardie's anti-bribery and anti-corruption policies and related procedures. All employees must comply with both the letter and the spirit of the Policy.

If you are unsure of what to do in a particular situation or suspect that the Policy is being violated, please speak up. You can talk to a member of management, the Compliance Officer, the Legal Department or voice your concerns anonymously through the Ethics Hotline.

Louis Gries

1. Introduction

James Hardie Industries plc and its related entities (collectively, the “Company” or “JHI”) conduct significant international business activities and are subject to the bribery laws of many countries. The Company values its reputation and is committed to maintaining the highest level of ethical standards in the conduct of its business affairs, which is reflected in the Code of Business Conduct and Ethics Policy. The actions and personal and professional conduct of all employees as well as others acting on the Company’s behalf is essential to maintaining these standards.

The purpose of this document is to set out the Company’s policy in relation to bribery and corruption. To be clear, the Company takes a zero-tolerance approach to any form of bribery and corruption. This zero tolerance is endorsed and supported by executive management and the Company’s Board of Directors. This Anti-Bribery and Corruption Policy (“Policy”) applies strictly to all employees, directors, agents, consultants, contractors and to any other individual or entity associated with the Company, within all world regions, areas and functions. You must ensure that you read, understand and comply with this Policy.

The Company’s commitment to compliance with these laws is rooted in more than the legal consequences of non-compliance. Any involvement in conduct which breaches anti-corruption and anti-bribery laws in the various countries where the Company operates is a direct breach of the Company’s commitment to conduct its business with honesty, integrity and fairness, and runs counter to the Company’s undertaking to adhere to the highest ethical standards.

Further, in the normal course of business, offering and receiving gifts and entertainment is a part of doing business and the Company does have a separate Business Travel, Entertainment and Expense Reimbursement Policy (the “Business Travel Policy”) that addresses any authorized, reasonable, ordinary and necessary business expenses. However, giving or receiving gifts and entertainment can give the perception that we are trying to bribe or be bribed. Therefore, when offering and receiving gifts and entertainment you must also understand and comply with this Policy.

This Policy can only provide guidance on the general requirements of the U.K. Bribery Act of 2010 (the “Bribery Act”). Although numerous countries in which the Company operates have anti-bribery laws, the Bribery Act is considered to have the broadest reach and applicability and places the most stringent obligations and requirements on parties. Accordingly, the focus of the Company’s Policy and training is on the Bribery Act.

Where more specific guidance is needed, you should consult with the General Counsel, who serves as the Company’s Compliance Officer, and all inquiries related to bribery or corruption should be directed to the Compliance Officer.

2. Understanding and Recognizing Bribery and Corruption

Acts of bribery or corruption are designed to influence an individual in the performance of their duty and persuade them to act in a way that a reasonable person would consider to be dishonest under the circumstances.

Bribery can be defined as offering, promising or giving a financial (or other) advantage to another person with the intention of inducing or rewarding that person to act or for having acted in a way which a reasonable person would consider improper in the circumstances. Corruption is any form of abuse of entrusted power for private gain and may include, but is not limited to, bribery.

Bribes are not always a matter of handing over cash. Gifts, hospitality and entertainment can be bribes if they are intended to influence a decision.

3. The U.K. Bribery Act of 2010

Although numerous countries in which the Company operates have anti-bribery laws, the Bribery Act, which came into effect on July 1, 2010, is considered to have the broadest reach and applicability and places the most stringent obligations and requirements on parties, replacing the U.S. Foreign Corrupt Practices Act (“FCPA”), which previously was considered to be the broadest anti-corruption law in the world.

The Bribery Act has wide geographical scope and can apply to any activities outside the U.K. Under the Bribery Act, individuals employed by or associated with the Company can be guilty of failing to prevent bribery since the Company has an overseas entity that carries on a business in the U.K.

The Bribery Act establishes four separate criminal offenses:

- bribing another person;
- being bribed;
- bribing a foreign public official; and
- the failure of a commercial organization to prevent bribery.

A company can be guilty of failing to prevent bribery even if it is not at fault and where a third party is solely to blame for the bribery. However, it is a defense if a business can show that it had in place ‘adequate procedures’ designed to prevent bribery. This Policy forms part of the Company’s procedures designed to be adequate to prevent bribery.

4. Company Policy

The Company will not tolerate bribery or corruption in any form.

The Company strictly prohibits an employee from offering, giving, soliciting or accepting (or engaging in any activity that gives the appearance of offering or accepting) any bribe or corrupt inducement (whether in cash or in any form):

- *to or from* any person or company wherever located, whether a public official or public body, or a private person or company;
- *by* any individual employee, director, agent, consultant, contractor or other person or body acting on the Company’s behalf;
- *in order to* gain any commercial, contractual, or regulatory advantage for the Company in any way which is unethical or *to* gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

This Policy is not intended to prohibit normal entertainment expenditures provided they are appropriate, proportionate, authorized and properly recorded consistent with the Company's Business Travel Policy.

It may not always be a simple matter to determine whether a possible course of action is appropriate. If you are in any doubt as to whether a possible act might be in breach of this Policy or the law, the matter should be referred to your manager and, if necessary, guidance should also be sought from the Compliance Officer or the Legal Department.

The Company will investigate thoroughly any actual or suspected breach of this Policy or the spirit of this Policy. Employees found to be in breach of this Policy may be subject to disciplinary action up to and including dismissal.

5. Specific Note Regarding Liability for Actions of Third Parties

The Company is liable not only for payments made directly to individuals as part of a commercial relationship, foreign officials, foreign political party officials or candidates for such offices, but also for payments made indirectly through a third party (such as a consultant or foreign partner) with the Company's knowledge that the payments will go to the foreign officials or individuals as part of commercial relationship.

Further, the Company or individual is in violation if it has "knowledge" of a foreign agent's or foreign partner's bribery attempt. "Knowledge" includes not only actual knowledge, but also conscious disregard of facts and circumstances that reasonably raise a question of a violation. Thus, the Company cannot adopt a "head in the sand" approach if a questionable action comes to its attention.

Under the Bribery Act, a business is guilty of failing to prevent bribery if a person associated with the organization bribes another person, intending to obtain or retain business or a business advantage for the organization. An "associated person" is defined widely to include people who perform services for, or on behalf of, the organization regardless of their capacity. Therefore, an associated person may include, but is not limited to, the Company's:

- employees;
- agents;
- subsidiaries; or
- joint venture partners.

ACCORDINGLY, ALL QUESTIONABLE ACTIVITY INVOLVING A COMPANY ENTITY, AFFILIATE, CONSULTANT, BUSINESS PARTNER OR ANYONE ELSE ASSOCIATED WITH THE COMPANY MUST BE REPORTED IMMEDIATELY TO THE COMPANY'S COMPLIANCE OFFICER OR ETHICS HOTLINE.

6. Facilitation Payments

Facilitation payments are small payments made to facilitate or speed up bureaucratic transactions. These are payments whose purpose is to expedite or to secure performance of a routine governmental action, which includes:

- performing ministerial actions, such as obtaining official documents to qualify a company to do business in a foreign country;
- processing governmental papers such as visas and work orders;
- providing civil services, such as police protection, mail and delivery service and scheduling inspections; and
- providing phone service, utilities, cargo loading and unloading services and protecting perishable products from deterioration.

Unlike other anti-bribery laws in other countries, all facilitation payments are regarded as bribes under the Bribery Act and are illegal. There are no exemptions.

If you wish to make a payment which you believe may qualify as a facilitation payment, please contact the Compliance Officer before taking any action to discuss the options that are available to you.

7. Penalties

Under the Bribery Act, individuals are subject to 10 years' imprisonment and/or an unlimited fine. Companies are subject to an unlimited fine and debarment from public contracts.

8. Key Risk Areas

Bribery can be a risk in many areas of the Company. Below are the key areas you should be aware of in particular:

- ***Excessive gifts, entertainment and hospitality*** can be used to exert improper influence on decision makers. Gifts, entertainment and hospitality are acceptable provided they fall within the Company's Business Travel Policy.
- ***Facilitation payments*** are used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer has an entitlement as of right. The Company will not tolerate or excuse such payments being made.
- ***Reciprocal agreements*** or any other form of '*quid pro quo*' are never acceptable unless they are legitimate business arrangements which are properly documented and approved by management. Improper payments to obtain new business, retain existing business or secure any improper advantage should never be accepted or made.
- ***Actions by third parties for which the Company may be held responsible*** can include a range of people acting on the Company's behalf (i.e. agents, contractors and consultants). Appropriate due diligence should be undertaken before a third party is engaged. Third parties should only be engaged where there is a clear business rationale for doing so, with an appropriate contract. Any payments to third parties should be properly authorized and recorded.
- ***Recordkeeping*** can be exploited to conceal bribes or corrupt practices. The Company shall keep books and records in reasonable detail and shall institute internal controls to ensure that records

accurately reflect corporate transactions and disposition of Company assets in order to make it difficult to hide improper foreign payments.

9. Reporting a Violation of this Policy

You are encouraged to raise concerns about any issue or suspicion of bribery or other corruption at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with the Company's Compliance Officer or Ethics Hotline.

It is important that you tell the Company Compliance Officer as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, suspect someone else of involvement in bribery, or believe that you are a victim of another form of unlawful activity.

10. Monitoring and Review

The Company Compliance Officer will monitor the effectiveness and review the implementation of this Policy, regularly reconsidering its suitability, adequacy and effectiveness. Any necessary improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption. All staff are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing. Employees are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Compliance Officer or Ethics Hotline.