



Anti-Bribery Policy





CRH Anti-Bribery Policy

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1 CRH Anti-Bribery

1.1 INTRODUCTION AND POLICY OBJECTIVE

CRH is committed to the highest level of legal, ethical and moral standards, as set out in the Group's Code of Business Conduct. This Anti-Bribery policy amplifies the principles set out in the Code and is intended to ensure compliance with all relevant laws regarding bribery and corruption, including specifically the *UK Bribery Act* and the *US Foreign Corrupt Practices Act*, both of which affect our business dealings everywhere in the world. The Policy should enable employees to recognise the potential areas for concern; avoid prohibited conduct and promptly seek guidance when necessary so that both CRH and its employees are protected from the legal and reputational consequences of bribery and corruption violations.

1.2 STATEMENT OF POLICY

CRH does not tolerate any form of bribery. All share employees and all those acting on CRH's behalf are strictly prohibited from offering, paying, soliciting or accepting bribes (see guidelines in 2.1). External and internal bribery risks will be regularly and systematically assessed and adequate risk-based procedures aimed at preventing bribery implemented, including those designed to ensure,

- financial and commercial controls are in place to minimise the risk of corrupt payments, maintaining complete and accurate books and records
- the associated risks to all relevant employees and other suppliers key stakeholders as appropriate to their activities and risk of successor liability is mitigated by effective and comprehensive due diligence in advance of acquisition/ joint venture transactions and that acquired business units are appropriately integrated to comply with our anti-bribery policy and procedures
- our business partners (including sales agents, business consultants and intermediaries, sales distributors, lobbyists and other partners (including short and long term joint venture partners) who work on our behalf to assist in securing, preparing or negotiating bids for new contracts or the extension of existing contracts), operate in compliance with applicable local and international anti-bribery and corruption law
- this policy and guidance is communicated to all relevant employees/ business partners

- **Gifts, hospitality and promotional expenditure:** CRH prohibits the offering or receipt of gifts or hospitality whenever such arrangements could influence or be seen to influence the outcome of a business decision and are not reasonable and bona fide expenditures (see guidelines in 2.2)

Political contributions: CRH and its employees should not make political contributions to or through political parties, organisations or individuals engaged in politics, as a way of obtaining advantage in business transactions (see guidelines in 2.3)

- **Charitable or community donations** must only be made for bona fide charitable or public relations reasons and never when there is or may be a potential conflict of interest or possibility that the donation is being used or could be used as a subterfuge for bribery (see guidelines in 2.3)

- **Business Partners:** Due diligence procedures must be undertaken to ensure our business partners our commitment to ethical business standards; arrangements containing appropriate anti-bribery provisions must be put in place; and compensation must be commensurate with the legitimate services provided, approved, properly recorded and paid in accordance with the contract. (see guidelines in 2.4

- relevant appendices)
- **Our Ethical Procurement Code** will continue to
- **Facilitation Payments:** CRH prohibits including payments (see guidelines in 2.5)

1.3 ROLES & RESPONSIBILITIES

Employees,,

- are expected to read and understand their obligations under this policy
- must participate in any relevant training programme provided
- if unsure, must seek advice in relation to any aspect of this policy from their manager, their local legal or compliance contact, or if they prefer from the Compliance & Ethics helpdesk:
complianceðicshelpdesk@crh.com
- are required to report suspected or actual instances of bribery, either to their manager or, if they feel more comfortable via the CRH "hotline", a multi-lingual and independent service through which the employee can communicate concerns in his or her own language and without fear of retaliation. Contact details may be found in Appendix I.

No employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes or

Company Management,,

- must set an appropriate tone from the top and embed an anti-bribery culture across the Group
- should support their Country Compliance Coordinator to ensure effective communication of this policy and the provision of appropriate and regular training to employees
- take full account of this policy in all interactions with customers, suppliers and business partners
- are responsible for the establishment and continued operation of adequate controls and procedures to prevent and detect bribery and the maintenance of accurate books and records to properly record, report and document the substance of all transactions
- must participate in regular anti-bribery risk assessments
- must ensure hotline information is displayed prominently and available to all employees
- should ensure immediate reporting of any breach or suspected breach to their Country

- should ensure that appropriate disciplinary and, if required, remediation actions are taken where necessary in response to breach

Failure to comply with this policy either intentionally or through negligence will result in disciplinary procedures being fully enforced including

1.4 MONITORING, ASSURANCE AND BREACH REPORTING

The Head of Group Compliance & Ethics will work with,,

- the Country Compliance Coordinators to devise suitable metrics to monitor and measure effective compliance with this policy;
- CRH's Internal Audit team to develop a compliance internal audit programme to provide assurance on the operating effectiveness of bribery controls
- the Group Development team to implement appropriate due diligence procedures addressing anti-bribery and corruption risk in acquisitions, including new joint venture partners and

For advice on any aspect of this policy please contact your local internal Legal Counsel or Compliance Coordinator or the Head of Group Compliance & Ethics,,

Ros O' Shea,,

roshea@crh.com
+353 1 404

1000 or e-mail the helpdesk,,

2.1 THE MEANING OF BRIBERY, EXAMPLES AND RELEVANT LEGISLATION

The Meaning of Bribery,

Bribery usually involves giving or offering money, a gift or something else of value to someone in business or government in order to obtain or retain a commercial advantage. Bribery can also take place where the offer or giving of a bribe is made by or through a third party such as an agent, representative or distributor.

Examples of Bribery

Bribes often involve monetary payments or the promise of such payments but can include other benefits or advantages, including, but not limited to, the inappropriate provision of any of the following,

- *gifts and hospitality, particularly where they are disproportionate, secret, frequent or made in the context of business negotiations*
- *product discounts or credits that are disproportionate and not readily available to the general customer base*
- *the uncompensated use of company services or facilities*
- *political or charitable donations made to a third party linked to or at the request of a customer*
- *employment, business or investment*

Relevant Legislation

Both the giving and receiving of bribes is prohibited in most jurisdictions. CRH requires compliance with the laws of all countries and local legal advice should be sought where required. Furthermore CRH is subject to the provisions of the US Foreign Corrupt Practices Act and the UK Bribery Act in respect of all of its operations internationally. A brief overview of these acts is set out below,

The US Foreign Corrupt Practices Act (FCPA)

The FCPA prohibits the giving or offering of money, gifts or anything of value to any foreign government official for the purpose of influencing or inducing the foreign official or party to assist the company in obtaining or retaining business. It also imposes

control and accounting and record keeping provisions.

Corporations who violate the FCPA face significant fines and criminal sanctions, including debarment from public procurement projects. Individuals face potential fines and imprisonment for up to 5 years

The UK Bribery Act

The UK Act is broader in scope than the FCPA and contains two general offences of offering, promising or giving a bribe and requesting, agreeing to receive or receiving a bribe; a specific offence covering bribery of a foreign public official and a new corporate offence for the failure by a company to prevent a bribe being paid on its behalf by its employees or agents or other business partners. The only defence available to companies charged under the latter offence is that they had "adequate procedures" in place to prevent bribery. Sanctions under the Act again include imprisonment and/or unlimited fines and potential debarment from public procurement projects.

Company management must therefore look beyond domestic laws to these international rules to ensure overall compliance. This policy aims to

2.2 GIFTS, HOSPITALITY AND PROMOTIONAL EXPENDITURE

CRH recognises that giving and accepting gifts and corporate hospitality and promotion is usually a legitimate contribution to building good business relationships. However, if they are disproportionate or inappropriate, gifts can cloud judgement. Employees therefore must exercise care when offering or accepting gifts or hospitality to protect their own and the company's reputation against allegations of impropriety and ensure bribery laws are not breached.

It is not possible to set specific rules covering every situation and CRH recognises that practices vary across countries and regions. Each business should therefore have its own set of rules regarding gifts and hospitality but they must at minimum incorporate **a prohibition on the offering or receipt of gifts, hospitality or promotional expenditure whenever such arrangements could influence or be perceived to influence the outcome of a business decision and are not reasonable and bona fide expenditures.** They

Gifts, Hospitality and Promotional Expenditure are Generally Acceptable if they are,,

- *modest*
- *occasional*
- *consistent with customary business practices*
- *given openly, not secretly*
- *appropriate for the occasion*

Examples,,

- *branded promotional items of nominal value e.g. pens, calendars, T-shirts, etc*
- *reasonable hospitality given to customers or suppliers as part of company meetings or events*
- *reasonable travel and accommodation expenses for legitimate business trips*

Gifts, Hospitality and Promotional Expenditure are Always Unacceptable if they are,,

- *in contravention of the law or ethical standards*
- *in the form of cash or its equivalent, for example vouchers or shares*
- *given in response to, in anticipation of, or to influence a favourable business decision*

- *in violation of a known policy of the recipient*
- *given in response to a specific request*
- *offensive or would embarrass the*

Recording and Approval

All expenditure on gifts, hospitality and promotional expenditure should be documented and recorded

as such in the Company's records. Any doubt as to the appropriateness of a gift or hospitality should

be discussed with the Company Managing Director/President. Specifically gifts should not be offered to or accepted from government officials or representatives or politicians or political parties without the prior express approval of the Managing Director/President unless

2.3 POLITICAL CONTRIBUTIONS, CHARITABLE AND COMMUNITY DONATIONS

Political Contributions

Political contributions include any contribution, made in cash or kind, to support a political cause.

Contributions in kind can include gifts of the use of company property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events or the use of employees' time to assist with political campaigning.

The laws governing political contributions vary in different parts of the world. In some jurisdictions corporations, government contractors and/or those who employ lobbyists are prohibited from making political contributions; in others such amounts must be disclosed publicly. **CRH and its employees should not make political contributions to or through political parties, organisations or individuals engaged in politics, as a way of obtaining advantage in business transactions.** Where a political contribution is deemed to be appropriate, not given as a means of obtaining business advantage and supports the democratic process, the Divisional Managing Director/President may, subject to the relevant law, give written approval for such a contribution. All such relevant expenditure should be documented, receipted and recorded in the company's records.

Charitable and Community Donations

As a responsible corporate citizen, CRH encourages active participation by its companies and employees in charities and local community endeavours, in the form of monetary and other assistance. CRH recognises that practices vary across countries and regions. It is appropriate therefore for each business to have its own set of rules regarding charitable and community donations which must include at a minimum the rule **that donations must only be made for bona fide charitable or public relations reasons and never when there is or may be a potential conflict of interest or possibility that the donation could be used as a subterfuge for bribery.** Furthermore they should incorporate the following guidelines,,

- *financial donations should never be in cash (unless the sum involved is very small) or paid to the personal account of a named individual but only to the account of the institution to which the donation shall be made*
- *donations should not be made via third parties e.g. customers or suppliers*
- *donations should never be tied or give the appearance of being tied to the execution of a business transaction or government action*
- *all donations must be approved by the local Company Managing Director/President*

2.4 ENGAGING THE SERVICES OF “BUSINESS PARTNERS”

It is normal business practice to engage the services of sales agents, business consultants and intermediaries, sales distributors, lobbyists and other partners, including short and long term joint venture partners, (collectively “Business Partners”) to act on our behalf to assist in securing, preparing or negotiating bids for new contracts or the extension of existing contracts when it is necessary and appropriate to supplement our own experience in given markets or subject areas. However, in order to protect the company from any association with illegal or corrupt payments or the risk of such payments being made on our behalf, **it is CRH policy that,**

- *certain prescribed due diligence procedures must be undertaken to ensure they share our commitment to ethical business standards (see below)*
- *written arrangements containing appropriate anti-bribery provisions are put in place (see Appendix III for standard provisions to be included in all contracts)*
- *compensation paid to a Business Partner is commensurate with the legitimate services provided, approved, properly recorded and paid by cheque or wire transfer (i.e. not cash unless the sum is small and the only practical means of payment) and*

Due Diligence Procedures

For Business Partners acting on our behalf as outlined above, the extent of anti-bribery due diligence will depend upon the perceived level of risk associated with that partner, including their location, reputation and behaviour. Particular care must be exercised in engaging a Business Partner for use in any interactions on the company’s behalf with foreign government officials. The following procedures should be followed,,

1. The Business Partner should complete a standard Due Diligence Checklist (see Appendix II). If the outcome of the due diligence is satisfactory then proceed to step 3 below.

2. If “red flags” are identified (see below), then the Business Partner is deemed ‘higher risk’ and further due diligence should be performed. These additional procedures may include,,

- *Public company search – e.g. Dun 8 Bradstreet; Worldcheck*

- *Specialist integrity due diligence review to explore local publicly available information and/ or additional sources if necessary*
- *Interviews and additional references, including from the Business Partner's legal advisers or accountants*
- *Other confirmatory procedures to evidence the Business Partner's ownership; qualifications; financial standing*

The nature of these procedures and the outcome should be discussed with and approval to proceed secured from the local Company President/Managing Director, in consultation if required with the Country Compliance Co-ordinator, local legal contact and/or Head of Group Compliance & Ethics before engagement with the Business Partner.

3. The CRH Code of Business Conduct and this policy should be reviewed with the Business Partner to ensure they understand our commitments and their responsibilities under both.

4. The Business Partner should be engaged using a written contract. A set of standard provisions that should be included in all such contracts is included in Appendix III. These provisions specifically include a requirement for the Business Partner to acknowledge the application of the Code and this policy to the business relationship.

5. Anti-bribery training may be provided to the Business Partner in high risk areas, if required.

Due diligence should be undertaken / refreshed,,

- *Before engaging a new Business Partner*
- *Before agreeing new services with an existing Business Partner (e.g. significant contract variation)*
- *Periodically as appropriate for higher risk business partners as determined in*

Red Flags

The following non-exhaustive list of red flags should be considered during the due diligence process. The existence of one or more issues is a potential

that the Business Partner is higher risk. Post-transaction, they may also be considered as notice of possible bribery risks and be cause for investigation and appropriate remedial action.

- *Difficult to determine or complicated ownership structure where it is difficult to ascertain the controlling parties or the owners are based in high corruption risk locations;*
- *Reluctance to co-operate with the due diligence process;*
- *Past or on-going investigations, charges and/or convictions for a regulatory offence;*
- *Reputation for unethical conduct;*
- *Inability to provide references (financial or business) or evidence prior experience;*
- *Business partner has a close personal or family relationship to a government official, who would be in a position to influence decisions involving CRH's business;*
- *Business partner has a close personal or family relationship with an employee of CRH;*
- *False or misleading documentation;*
- *Abnormal commissions or price discounts;*
- *Unusual payment requests, such as large up-front payments, payments to third parties, or midstream requests for additional compensation;*
- *Press reports of improprieties;*
- *Odd payments or unexplained accounts in financial records;*

On-going Monitoring

Business partner compliance must be kept under review and any breaches of contractual obligations or unlawful conduct must be reported.

2.5 FACILITATION PAYMENTS

Facilitation payments, otherwise known as “grease payments” or “kickbacks” are typically small, unofficial payments made to secure or expedite a routine action by a government or public official, for example issuing a permit, licence, consent or immigration visa, scheduling an inspection associated with contract performance, providing services or releasing goods held in customs, etc. Typically the consequence of not paying can be out of all proportion to the small payment demanded. Depending on the particular jurisdiction these payments may be more or less common.

Nonetheless, **CRH prohibits facilitation payments.**

The only exception to the rule is that a payment may be made where the life, safety or health of an individual is threatened. Full details of any such payments must immediately be reported to the Company Managing Director / President and the Head of Group Compliance & Ethics.

Please note a payment of a fee for the use of a recognised legitimate, fast-track procedure which is open to all is **not** considered to be a facilitation payment. A receipt for such a payment should always be requested.



Appendix I,, Hotline

The phone numbers for this confidential 24/7 multi-lingual service are set out below. Alternatively the

COUNTRY	ACCESS CODE	FREE-PHONE NUMBER	LANGUAGE
Austria	0800 200 288	1800 913 4997	German
Australia		1-800-268-857	English
Belgium		0800-7-1127	Dutch/French
China North		10-800-711-0720	Mandarin
China South		10-800-110-0663	Mandarin
Czech Republic		800-223-228	Czech
Denmark		80-885-456	Danish
Estonia	800-12001	1800 913 4997	Estonian
Finland		08001-1-2684	Finnish
France		0800-91-9060	French
Germany		0800-182-7698	German
Hungary		06-800-16-914	Hungarian
Republic of Ireland		1-800-553-772	English
India		000-800-100-7897	English
Israel		180-941-0347	Hebrew
Italy		800-788-729	Italian
Latvia		8000-1172	Latvian
Malaysia		1-800-81-6669	English/Malay
Netherlands		0800-022-9660	Dutch
Norway		800-699-60	Norwegian
Philippines		1-800-1-111-0771	English
Poland		00-800-111-1556	Polish
Portugal		800-8-11572	Portuguese
Romania	080-803-4288	1800 913 4997	Romanian
Russia (St. Petersburg)	363-2400	1800 913 4997	Russian
Russia (Other)	8^10-800-110-1011	1800 913 4997	Russian
Singapore		800-110-1995	English
Slovakia	0800-000-101	1800 913 4997	Slovak
Spain		900-96-1228	Spanish
Sweden		020-79-0022	Swedish
Switzerland		0800-56-1248	German/French/Italia
Turkey	0-811-288-0001	1-800-913-4997	Turkish
Ukraine	0^00-11	1800 913 4997	Ukrainian
United Kingdom (incl. NI)		0800-028-5707	English
United States		1-888-312-2698	English/Spanish
Canada		1-888-312-2698	English/French
Chile		1-230-020-1779	Spanish
Argentina		0-800-555-7966	Spanish

^ indicates you must wait for a second dial tone

Appendix II,, Due Diligence for Business Partners



TYPE OF APPOINTMENT,

AGENT _____ CONSULTANT _____ DISTRIBUTOR _____
JV _____ CONTRACT _____ OTHER _____

COUNTRY(IES) OF APPOINTMENT _____

1. GENERAL BACKGROUND

Describe any previous or current relationship with CRH, or any of the affiliated

2. ORGANISATION OF APPLICANT

A. Company Name _____
Address _____
Country _____
Telephone Number _____
Internet _____

B. Legal Sole Trader _____ Partnership _____
Corporation _____ Other (Specify) _____

C. Date and Place of Establishment, _____

D. Ownership

Owner(s)	Nationality	Percent
_____	_____	_____
_____	_____	_____
_____	_____	_____

E. Affiliates

Indicate nature (e.g. full name, type of business, where business conducted) and relationship of any parent, subsidiary or affiliated entities and describe their business

F. Governmental Affiliations

Is any owner, officer, director, employee, representative or retained consultant of your company or one of its affiliates also an employee or official of any governmental entity?

Yes _____ No _____

If "Yes", list names, titles and governmental



Does any owner, officer, director, employee, representative or consultant of your company or one

Yes _____ No _____

If "Yes" please outline

3. FINANCIAL REFERENCES

Indicate primary banking relationships and other relevant sources of financial

Name _____

Address _____

Contact Name _____

Tel. _____

4. OTHER RELEVANT

Name _____

Address _____

Contact Name _____

Tel. _____

5. ADDITIONAL INFORMATION

Has the applicant or any subsidiary or affiliate of the applicant been the subject of past or pending litigation or government investigation involving bribery or corruption? If yes,

Has the applicant, or any subsidiary or affiliate of the applicant, or any owner, officer, director or employee of the applicant's organisation ever been the subject of a criminal investigation, indictment, or a similar proceeding? If yes, describe below,

6. CERTIFICATION

By signing this Due Diligence Application, I certify that the information provided is true and accurate. I further understand that any misrepresentation made in this application will constitute grounds for termination of this and any subsequent agreement my company may enter into with CRH or **any** of its affiliated companies.

Signature, _____ Print _____

Title,, _____ Company, _____

Date,, _____

Appendix III,, Standard Provisions for



The following areas should be included in a contract with any Business Partner,

- **Indemnification:** Full indemnification for any bribery and corruption violation, including all costs for the underlying investigation.
- **Cooperation:** Require full cooperation with any compliance and ethics investigation, specifically including the review of relevant business partner emails and/or bank accounts and proper books and records.
- **Material Breach of Contract:** Any bribery and corruption violation constitutes a material breach of contract and grounds for immediate cessation of all payments.
- **No Sub-Vendors (without approval):** The business partner must agree that it will not hire an agent, subcontractor or consultant without the Company's prior written consent (to be based on adequate due diligence).
- **Audit Right:** These audit rights must exceed the simple audit rights associated with the financial relationship between the parties and must allow a full review of accounting records and all bribery and corruption related compliance procedures at regular intervals.
- **Acknowledgment:** The business partner should specifically acknowledge the applicability of the CRH Code of Business Conduct and this policy to the business relationship as well as any other relevant local anti-corruption or bribery laws
- **Training:** In particularly high-risk jurisdictions, the requirement for the principal Business Partner representatives to receive bribery and corruption compliance training if considered appropriate

**Business partner includes agent, consultant, contractor, distributor and partners (including joint venture partners)*

