

Anti-Bribery and Corruption Policy

Purpose

Integrity is a key Macmahon value. We are therefore committed to acting honestly, ethically and in compliance with all laws in all jurisdictions in which we operate.

The objective of this Policy is to set out:

- Macmahon's position on bribery and corruption; and
- the guidelines and behaviours expected of those representing Macmahon.

Scope

This Policy applies to all directors, employees, contractors (including sub-contractors), agents, suppliers, consultants, and business partners of Macmahon (**Macmahon Personnel**).

This Policy is supplemental to our Code of Conduct and other policies which our employees are required to comply with.

Failure to comply with this Policy may lead to disciplinary or legal action, and/or the termination of the relevant employment or business arrangement.

Policy

Macmahon has a zero-tolerance approach towards bribery and corruption in any form. Giving or receiving bribes or other improper payments or benefits is a serious criminal offence and can damage Macmahon's reputation and standing in the community, and may result in Macmahon (or the relevant person) incurring serious criminal and civil penalties.

1. Prohibited Conduct

Macmahon Personnel must:

- not offer to give, give, pay, solicit, accept or receive any sort of gift, gratuity or improper payment, directly or indirectly, in order to obtain an advantage, be it personal or business. Examples of bribes can be fees, commissions, credit and other payments resulting in favourable treatment in a business transaction. However, bribery can take many forms and need not involve the payment of money. Non-monetary forms of bribery could include providing gifts, hospitality, entertainment, travel, support for a favoured cause or political party, employment or education for family members;
- not use their position, influence or knowledge to seek or obtain any financial or other advantage for the Company, themselves, their family or any other person or organisation or to harass or disadvantage another person;
- not induce or attempt to induce a public official, whether local or foreign, to do something illegal or unethical or offer or give an undue benefit to such a public official with the intention of influencing their actions or inaction for a business advantage that is not legitimately due. A public official can include:
 - anyone employed by or acting on behalf of a government, government-controlled entity, or public international organisation;

- any political party, party official or candidate;
 - any individual who holds or performs the duties of an appointment, office or position created by custom or convention; and
 - any person who holds him/ herself out to be the authorised intermediary of a government official.
- not offer to give, give, or pay, any sort of facilitation payments (which are typically small, non-official payments to expedite routine actions) and applies whether the payment is made directly or through agents; and
 - ensure that business books and records are maintained in a proper, responsible and honest manner which will allow Macmahon to comply with the laws applicable to it.

2. Overseas Business rules

Many countries including Australia, the USA, the UK and Canada have anti-bribery laws which criminalise the bribery of foreign public officials. These laws are “extra-territorial” which means they can apply even if the act of bribery takes place in another country. Some countries also extend their anti-bribery laws to cover the bribery of private parties. In addition, most countries have local laws which prohibit bribery of public officials in those countries. However, Macmahon recognises that in some countries generally accepted business practices are different from those in Australia.

Macmahon requires that all Macmahon Personnel comply with this Policy no matter what country they are in or what local practices may be. For international business dealings, the following standards of conduct and legal requirements must also be observed:

- all applicable laws must be followed, in particular, business dealings must be conducted in accordance with Australian and other applicable anti-bribery laws; and
- if there is a conflict between applicable local law and applicable Australian law, legal advice must be sought in order to resolve the conflict.

3. Exceptions

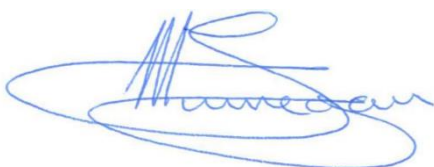
Macmahon recognises that there may be exceptions to prohibited conduct in limited circumstances, for example:

- where a payment is made or benefit is given to avoid a direct or potential threat to the health or safety of an employee; or
- where accepting or offering gifts, entertainment or hospitality of moderate value is for a legitimate business purpose or to maintain good client relationships, provided this occurs strictly in accordance with the requirements of this Policy and the Company’s Code of Conduct. This is a matter to be approached conservatively and prudently. Further details are provided in the Macmahon Code of Conduct.

Reporting breaches and suspicious behaviour

All Macmahon Personnel are required to report any breaches of, or suspected breaches, or any other ethical issues raised by the Policy, to:

- the Group General Counsel of Macmahon; or
- in accordance with Macmahon’s Whistleblower Policy (a copy of this policy is located in the internal Macmahon Document Library and is also available on the Macmahon website).



Michael Finnegan
Chief Executive Officer