



Key Business Focus Area:	Procurement	Process No:	POL-PRO-003
Procedure Name:	Supplier Payment Terms Policy	Revision No:	1
Effective date:	1 June 2020	Applicable Regions:	North America

## Supplier Payment Terms Policy

**Subject to the exceptions set out below, suppliers providing goods and/or services to Boral North America, which includes Boral Industries Inc. and each of its affiliated companies (“Boral”), will be paid in accordance with this policy. No changes are to be made to payment terms without proper authorization from a member of Boral’s Procurement Organization (“Procurement”). The contents of this policy have been approved by Boral senior management.**

### Standard payment terms;

- Boral’s standard payment terms are 45 days EOM. That is, 45 days from the end of the month in which an invoice is dated.
- For example, an invoice dated June 1st will be paid on August 15<sup>th</sup>.

### Approved exceptions;

- Boral’s standard payment terms apply to all suppliers unless the supplier type/category is specified in the table below, or a variation is approved by Procurement.

Supplier Type/ Category	Term	Definition
Small Businesses	Net 14	As determined by size standards – either number of employees or revenue – based on industry as set by the U.S. Small Business Administration. Industry is based on the applicable NAICS 6-digit code or equivalent: <a href="https://www.naics.com/sba-size-standards">https://www.naics.com/sba-size-standards</a>
Social Enterprises	Net 7	A business operating to meet specific social or environmental objectives and whose profits principally fund social or environmental programs
Early Payment or Settlement Discounts	As Agreed	Where there is a commercial benefit to Boral in taking a discount for earlier payment. Early payment or Settlement discounts are to be approved by Procurement

- Approval to vary Boral’s standard payment terms must be approved by Procurement and will only be considered if a sound commercial justification can be made.
- In order to be eligible for Boral’s Small Business and Social Enterprise Program, an Application for Small Business or Social Enterprise Status (APL-PRO-001) must be submitted by the Supplier and approved by Procurement.

### Suppliers with contracts;

- Where supplier dealings are covered by an existing contract with Boral containing pre-negotiated payment terms, the current terms will remain, but will be subject to this standard at time of contract renewal / renegotiation. In the case of contract renewal or renegotiation, Procurement and Legal should be consulted before finalizing the renewal or new contract.

### New suppliers to Boral;

- Unless any of the above approved exceptions apply, all new suppliers added after the effective date of this policy will be subject to Boral’s standard payment terms.

**Note to Boral Suppliers**

Except as set forth in a written agreement between Boral and supplier, Boral will not accept any payment terms or conditions other than those set forth in this Communication in connection with any supplier's supply of goods and services to Boral. In the event supplier's quotation, acknowledgment, confirmation, invoice, or any other form or communication states payment terms additional to or different from those set forth in this Communication, this Communication shall be deemed a notification to Seller of objection to such additional or different payment terms and a rejection of same. In the absence of advance written acceptance or other written confirmation by Boral, the commencement of any work by a supplier or the making of any deliveries by a supplier of goods or services to Boral, shall be deemed an acceptance by the supplier of the payment terms set forth in this Communication in connection with such supply.

Except as set forth otherwise in a written agreement between Boral and supplier, Boral's payment terms applicable to suppliers of goods and services to Boral may be amended by Boral from time to time as set forth on Boral's Website, and upon the effective date of any such amendment such payment terms as amended shall govern the payment terms between Boral and any such supplier of goods and services.