

Company: Boral Limited
Title: Annual General Meeting
Date: 3 November 2022
Time: 10:30 am AEDT

Start of Transcript

Ryan Stokes: Well, good morning, everyone, and welcome to the 2022 Annual General Meeting. My name is Ryan Stokes, I'm the Chairman of the Board of Directors and will chair today's meeting. I confirm there's a quorum present and I declare the meeting open. On behalf of the Board, I welcome our shareholders, proxy holders and guests. It's great to see you all in person. The meeting is also being webcast, so I welcome shareholders and others listening online.

We're holding today's AGM in The Concourse at Chatswood, New South Wales. We acknowledge the traditional owners of the land on which we are joining this meeting today, the Cammeraygal people. We recognise and respect Aboriginal and Torres Strait Islander people and their unique position in Australian culture, history and pay our respects to their Elders past, present and emerging.

Safety is a highest priority of Boral, so I want - would like to provide you with some important information regarding the safety procedures we all need to follow in the unlikely event of an emergency. Should there be an emergency situation, you will hear two tones. The first tone is the alert tone, and you should remain seated and await direction from Concourse staff. If you hear the second tone, this will be the evacuation tone and we ask that you please follow directions from the Concourse staff.

I would now like to introduce our directors, who join me today. From your left they are: Paul Rayner, the Chairman of the Audit and Risk Committee; Karen Moses, member of the Audit and Risk Committee and Chair of the Health and Safety and Environment Committee; Amy Jackson, our Company Secretary, Vik Bansal the CEO and Managing Director; Rob Sindel, the Chairman of the Independent and Related Party Committee and Chairman of the Remuneration and Nominations Committee; Richard Richards, member of the Audit and Risk Committee and member of the Health and Safety and Environment Committee; Jacqueline Chow, member of the Audit and Risk Committee and member of the Health and Safety Committee; and Mark Johnson, member of the Audit and Risk Committee and member of Remuneration and Nominations Committee.

We also have a number of Boral senior executives in the audience today, as displayed on the screen. Our executives will be joining you for refreshments in the foyer at the end of the meeting. And finally, John Leotta from Deloitte, our external auditor, is also joining us today. John will be available to answer any questions you have about the audit of the financial statements, later in the meeting.

The prepared AGM speeches from myself as Chairman and from the CEO have been released to the market. The agenda for today's meeting is as follows. I will first deliver an address commenting on the Company's progress and strategic priorities. Then Vik will speak to you further about his initial impressions and priorities including, sustainability and the first quarter trading. We will then address the formal items of the business as set out in the Notice of Meeting. Let me turn to my address.

I want to start by reflecting on the past year, a year of significant change for Boral which we have reshaped the Company and strengthened its foundations with the objective of building a more profitable, competitive and customer focused business.

We completed the strategic realignment of our portfolio towards the Australian construction materials business, a journey that began in FY21.

The sale of non-core businesses delivered proceeds of \$5.5 billion, including \$4.1 billion from the sale of the Boral North America and Australian Building Products business in FY22. This enabled Boral to return \$3 billion in surplus capital to shareholders in February, which was approved by you, our shareholders, at our 2021 Annual General Meeting.

Today, Boral is a focused Australian construction materials business with a privileged asset position, and we are committed to realising its full potential.

Seven Group Holdings, of which I am Managing Director and CEO, holds a 72.6% interest in Boral. This investment not only reflects our confidence in the underlying business and its growth potential, but also our belief in the partnership to deliver meaningful and profitable change. Through the adoption of an Owner's Mindset, a driving operating discipline, efficiency and engagement, we have clear aspirations of returning Boral to double digit EBIT margins and mid-teens return on funds employed.

Turning now to our FY22 results. Boral Group's financial performance in FY22 reflects the realignment of our portfolio towards the Australian construction materials business, and the impact of several external operating challenges on our continuing operations.

The continuing operations results were impacted by government-mandated construction shutdowns, extended periods of extraordinary rainfall across and a number of our key regions - or in a number of our key regions, and a sharp rise in energy prices, which have also driven broader inflationary costs that affected our business.

Despite this, our strategy delivered 1% year-on-year revenue growth to reach \$2.956 billion, and 3% growth on a comparable basis.

Revenue benefitted from stronger demand in infrastructure and residential construction, although this was curtailed by the industry-wide shutdowns and rain and floods in New South Wales and Queensland, as well as ongoing supply chain constraints.

Continuing operations EBIT, excluding Property, declined 32% to \$107 million. The result highlighted areas of focus for Boral's performance journey, and we are confident that the changes we are making will better equip Boral to handle changing market conditions going forward.

The Property segment contributed an EBIT of \$6 million, compared to \$24 million in the prior year, and I will touch on our refreshed property strategy shortly.

Group net profit after tax and before significant items was \$150 million, down 40% on FY21. This reflected a part-year contribution from the divested Boral North American and Australian Building Products businesses, and lower earnings from our continuing operations.

Group statutory profit was \$961 million and included a post-tax significant gain of \$811 million, primarily relating to the profit on the sale of the North American businesses.

To mitigate external challenges, most notably the heightened inflationary pressures that are expected to continue in FY23, we responded by taking pricing actions and prioritising our review on overhead costs. We are already seeing the benefit of these actions in FY23.

We brought forward our annual price increase to August. These were in addition to the national out of cycle price rises we implemented in January and February, and the transport charges introduced in late FY22 to help recover increased fuel and cartage costs.

The simplified corporate organisational structure we implemented in June 2022 will deliver an annualised cost saving of \$35 million, including \$24 million in FY23. We realise there is more work to be done on building an effective operating model.

We continue to focus on disciplined capital management. Our balance sheet is strong, with net debt below our target range of 2 to 2.5 times EBITDA. This provides significant flexibility and is prudent as we navigate ongoing inflationary pressures.

We have also reduced our gross debt position to align with our reduced operational footprint and decreased interest costs.

In addition to the early repayment of US\$235 million in US PP, or US Private Placement facilities in April 2022, we made early repayment of US\$300 million in 144A bonds in July 2022. And on 30 September, we repaid a US \$127 million in a US Private Placement facility that was due that month.

These capital management initiatives have reset our gross debt profile to appropriate levels while ensuring we maintain adequate levels of liquidity.

We completed a \$3 billion return of surplus capital to shareholders on 14 February by way of a \$2.65 per share capital return and a \$0.07 per share unfranked dividend. The Australian Tax Office confirmed that no part of the \$2.65 return of capital will be assessed as dividend for Australian taxation purposes.

As always, our number one priority is the health and safety of our people and all those we interact with through our operations. In FY22, our recordable injury frequency rate was 11.8, an increase from 11.5 in FY21. We also reported six actual serious harm injuries compared to two in the prior year.

We acknowledge there is more work to be done to improve our performance. There is a renewed focus in FY23, including implementing a refreshed approach that will incorporate more visible leadership. Vik will touch on some of the improvement initiatives we've implemented in his address.

I have already touched on the excellent progress we've made in our strategy execution during FY22, highlighted by the completion of the portfolio divestment program, our capital return and organisational restructure.

In FY22, we also launched our refreshed property strategy that will maximise long-term value creation from Boral's deep property portfolio and drive recurring earnings. Under the strategy, we will repurpose surplus property assets to deliver the best combination of recurring and divestment earnings, and focus on developing and retaining sites with industrial, commercial or tourism potential. Over the coming years, we expect this to deliver significant earnings and valuation growth on the current circa \$1.0 billion surplus property valuation.

I am pleased with the progress we've made so far, and I would like to thank the management team and our employees for the effort that has gone into building a better Boral.

The challenges of FY22, most notably the heightened inflationary environment that is expected to continue, have sharpened our focus for the year ahead.

To this end, we have shifted our focus from transformation program to performance, where we are driving earnings improvement through a combination of strong pricing actions and discipline, cost focus, and other performance initiatives. We are also focussed on lifting the engagement of our people in both the business and the performance journey as part of a drive to build a stronger culture, with the Owner's Mindset at its core.

We still have significant work to do. In FY23, we will accelerate our improvement initiatives to build a more resilient core business that delivers improved earnings and is positioned for future growth.

Our strategy also focuses on growing our integrated network, positioning Boral to harness demand opportunities and executing our refreshed property strategy.

Another important element of our strategy is reshaping our business to focus on decarbonisation and increasing the use and reuse of recycled material to build a more circular economy.

This isn't only the right thing to do for our people, customers and communities, but it's directly linked to the long-term sustainability and success of our business.

We operate in a carbon emissions intensive industry; we understand that we have an important role to play. Boral was the first company in the global cement sector to set a 2030 target aligned with a 1.5 degree Celsius pathway for Scope 1 and Scope 2 emissions. In FY22, our emissions reduction 2030 targets for Scope 1 and 2, and for Scope 3 emissions, were approved by the Science Based Target initiative.

The approval confirmed that our targets are consistent with the levels required to meet the goals of the Paris Agreement, a significant milestone that demonstrates our ambitious approach to decarbonisation.

This will continue to be a key focus area as we future proof our business and work towards our purpose of creating a world that future generations will be proud of.

Supporting this ambition is our focus on offering more sustainable and differentiated products and solutions tailored to our customers' needs.

In FY22, we substantially grew our proportion of concrete sales volumes that came from our lower carbon product suite, which comprises ENVISIA, Envirocrete Plus and Envirocrete. The penetration run rate of our lower carbon concrete products increased more than fourfold in the year, representing 19% of concrete volumes by the end of June 2022.

We expect the adoption rates to continue to increase as we launch our lower carbon concretes across Sydney, Victoria and South Australia this year. By the last week in September, the adoption rate had further increased to 24%.

We are also growing our circular economy products and solutions through our Boral Circular Materials Management solutions, which aims to further build on our position as one of the largest recyclers of construction and demolition materials in Australia.

More broadly, a year after launching our Sustainability Framework, we are continuing to embed the framework's priorities into our broader business strategies and decision making, and we understand that environmental and social sustainability is intricately linked to the sustainability of our business.

Now turning to our new leadership.

Vik Bansal commenced as CEO and Managing Director on 10 October 2022. Vik is an accomplished CEO with deep leadership expertise in managing industrial businesses through periods of growth, transition and improvement. His

proven track record gives the Board confidence that he will get the entire Boral team engaged and invested in the journey to delivering the full performance potential of Boral.

Vick succeeds Zlatko Todorcevski, whose department was announced in June this year. On behalf of the Board, I would like to commend and thank Zlatko for his contribution and dedication over the past two years. Zlatko has led the business through a successful transformative period in the Company's history, realigning the business portfolio to Australian construction materials and refocusing the organisation to build a stronger foundation.

In line with the Board's renewal plan outlined before the 2021 AGM, this year we welcomed two new independent non-executive directors to the Board, Mark Johnson and Jacqueline Chow. This follows the retirement of Peter Alexander and Deborah O'Toole after the 2021 AGM.

Mark and Jacqueline are experienced directors with a wealth of expertise and knowledge that complement the skills of our existing Board members. Both Mark and Jacqueline will seek election from shareholders at today's meeting.

As the majority shareholder, Seven Group has made a public commitment to have a majority of independent directors and an appropriate governance framework. As at 30 June 2022, the Board consisted of eight directors, five of whom are considered independent. We believe that this is in the best interests of all shareholders.

As part of this commitment, Rob Sindel was appointed as lead independent director in September 2021 and Chair of the Independent and Related Party Committee. Rob has been an independent director on the Board since September 2020.

On behalf of the Board, I would like to thank you, Boral shareholders, for your ongoing support. I would also like to thank and congratulate the entire Boral team for what we have achieved. We're on the right track to realising Boral's full potential, and it would not be possible without the contribution of all our people.

I look forward to the year ahead and to working with the Board and management to drive the Company's strategy and maximise value for all shareholders.

I now welcome Vick Bansal to give his first address to the market as CEO.

Vic Bansal: Thank you Ryan, and good morning, everyone.

As you all know, I joined Boral on 10 October 2022, so I am a few weeks into the role now. Thank you again for the opportunity to lead this company and I look forward to bringing you on this journey with us.

I'm delighted to have an opportunity to speak directly to you, our shareholders. Boral is an iconic company, an Australian company, with a long and rich history. We are the only Australian-owned major construction materials company supplying the market with cement, concrete, quarry products, asphalt and recycled materials.

Over the past few months, I have had the pleasure of meeting and talking with many of Boral's employees, customers, and suppliers. I have also taken the opportunity to meet with several of Boral's previous CEOs who have been generous with their time and advice. During the CEO transition I also met regularly with the Chairman, Ryan and Zlatko to align on the Company's strategic priorities. This has enabled me to hit the ground running.

Since joining, I have visited several of our sites, including cement plants, quarries, concrete batching plants, asphalt plants and recycling operations. As expected, our front-line workers' commitment is second to none, which is very heartening and motivating to me. What this has confirmed for me again, is that Boral is a very good company with a rich legacy, dedicated workforce, prized infrastructure and extensive footprint, and hence, a great potential.

I do want to reiterate here that Boral's competitive advantage comes from its vertical integration, enviable infrastructure assets, footprint and strong brand. I believe leveraging these areas of competitive advantage while running Boral as a modern industrial company is a key to its next phase.

Ryan spoke about our strategy and the direction the Company is heading. I agree with him and believe that Boral will benefit from clarity of purpose, consistency of key focus areas and discipline in our day-to-day operating activities. It is a privilege and honour to lead Boral on this journey, as we take a very good company to a great company. I am confident and hope that with time we will deliver to your expectations, honouring the trust you placed in us as shareholders.

I would also like to acknowledge the work Zlatko has done to set the foundations for this next phase of our journey. You will always hear me talk in terms of what I call PEMAFA, People, Environment & Sustainability, Markets, Assets and Finance. Considering my tenure so far, I will keep it brief.

Let's start with safety. Safety of our people, contractors and customers should be, and is, our number one priority at Boral. With a significant amount of our workforce in front-line roles, providing safe working conditions is vital to ensuring the physical safety and mental health of our employees, to the successful delivery of our products and services. I am committed to strengthening our culture of zero harm.

We have a dedicated Zero Harm Council that supports our efforts to deliver industry-leading health, safety and environmental excellence. In FY22, we launched our Life Saving Commitments, which seek to prevent serious harm or fatalities. Our Life Saving Commitments were developed following extensive engagement with our frontline people and have been rolled out via a series of toolbox talks and other internal communications.

We also continue to roll out injury prevention and management initiatives that aim to reduce the frequency of injuries more broadly. Early indications have been positive and leadership engagement has been high.

I have also taken a lot of interest in the safety and engagement of our employees. Our safety results for FY22 show a recordable injury frequency rate of 11.8. Our foundational work in setting rigour around Life Saving Commitments and engagement of front-line leaders through visible leadership in the field should lead to better safety statistics and that remains my commitment.

We have agreed that all operational meetings in Boral will begin with a discussion about safety, including the sharing of safety moments with learnings. I do believe improving safety increases engagement, and ultimately results in better financial outcomes.

In relation to our people, we recently completed an independent organisational health check, and this has highlighted clear areas of focus in ensuring a highly engaged workforce who are proud to work for Boral. While it has given me a deep and helpful insights into the organisational health of the Company, I remain confident that safety, culture and financial outcomes of Boral are interlinked and starts with leadership.

On average, employee tenure at Boral is 8.7 years, with an average age of 45 years. We have a 15% female participation across the organisation and 32% of the workforce has a tenure of greater than 10 years.

We have moved with pace to establish a new operating model which is based on a decentralisation but standardisation philosophy. I believe there are three key elements of value creation in Boral which can come from customer proximity, simplification, and standardisation of processes. Our new operating model will optimise our value creation and better leverage our scale, extensive footprint and a vertically integrated infrastructure.

With the new operating model in mind, we have announced the appointment of Belinda Shaw as our next CFO. Belinda's significant experience will be instrumental in establishing the financial infrastructure necessary for operational

cadence, delivering clarity, consistency, and discipline across the business. I do, and also want, to sincerely thank Jared Gashel who has been our Acting CFO and will remain so until the handover to Belinda is complete. His commitment to Boral is second to none, so I thank him again.

On environment and sustainability, I was pleased to hear that Boral was the first company in the global cement sector to set 2030 targets aligned with a 1.5 degrees pathway for Scope 1 and Scope 2 emissions. These targets reflect our ambition to become a leader in decarbonisation and demonstrates our commitment to sustainability.

We are making progress toward our carbon emissions reduction targets. In FY22, our Scope 1 and 2 emissions were down by 8% from our FY19 baseline and we are working towards our interim FY25 goal of an 18% reduction compared to FY19.

We expect to complete the chlorine bypass at the Berrima Cement plant in the fourth quarter of FY23, which will enable higher use of alternative fuels at the kiln and reduce our reliance on coal. This will support an increase in alternative fuels from around 15% in FY22 to 30% by the end of FY23, and thereafter targeting 60% by FY25. We also continue to assess opportunities to transition to renewable electricity sources and remain focused on accelerating penetration of our lower carbon concretes.

I also see a lot of exciting opportunities to grow our contribution to a more circular economy. I was pleasantly surprised and impressed to see that Boral's recycling business is one of the largest recyclers of construction and demolition materials in Australia. We produce recycled products from construction, demolition and excavation waste materials that would have otherwise gone to landfill. We expanded our Circular Materials Management offering which is already achieving positive results and we are exploring further opportunities to grow our recycling business.

Our work in these areas of sustainability has a direct impact on our future success and positions us for a stronger and more sustainable future.

On Markets and Customers, Boral services various segments of the market including small builders, developers, contractors, local, state and federal government and big infrastructure projects to name a few. I have noticed that the call to cash process in Boral is an onerous one with many steps before products are delivered to a customer. From the customer side, processes also vary across end-market segments and this adds unique variability to a given fulfilment.

To be able to service customers effectively, and deliver our service as a value differentiator, we must simplify and standardise our processes to remove costly variability of our own. This, combined with digitisation, will allow us to offer the best possible service to customers. While we do that, I strongly believe that we must secure a price that better reflects the value of our products and services. Inflation is real and we need to recover that from the market, as well as through our own efficiencies.

On Assets, I have maintained that Boral's competitive advantage comes from its vertical integration, prized infrastructure, and extensive footprint. Ensuring that we continue to strengthen and optimise our leading integrated network will remain a core pillar of our strategy. Geelong Cement facility's second mill will be operational by end of this calendar year and is a good example of this thinking.

Location of concrete batching plants, life spans of quarries, use of recycled products in asphalt and cement are a few things you will see us continue to focus on in coming years.

On financial performance, it is too early for me to provide you with any significant qualitative or quantitative guidance but based on our Q1 FY23 performance, which is in line with our internal expectations, we do expect revenue to be higher than FY22, driven by ongoing focus on price and expected increased volumes compared to the previous year. Boral remains highly committed to price realisation.

What remains unknown at this stage is whether price rises will be enough to cover for the significant inflation we are continuing to face and whether this will give us a real margin expansion within this fiscal year. It is also too early to know whether volume increases will result in true operational leverage to the bottom line in time for FY23 earnings.

We certainly intend to focus on all elements of performance improvement within Boral, from safety, people engagement, customer service, cost to serve, and asset optimisation. I will be in a much better position to give you further details on timing of these performance improvement initiatives and their impact at H1 FY23 results in February next year.

I want to conclude by acknowledging the journey we are about to embark on. Boral has and will always be a good company, but we want to take this company from good to great. We have an excellent base to build upon, and I am confident that with your support, we will build something great. Thank you again for the opportunity to lead this company and I look forward to bringing you on this journey with us.

With that, I'll hand the meeting back to the Chairman.

Ryan Stokes: Thank you, Vik. Before moving on to the formalities of the business of the meeting, I want to outline some of the meeting procedures.

The Board considered it appropriate to recognise the votes of both those shareholders here in person today, and those who have appointed a proxy. Accordingly, I will not call for a show of hands on each item. Instead, items 2.1, 2.2, 2.3, 3, and 4, set out in the Notice of Meeting, we put to a poll, which I will now open for all items.

In a poll, every member who is present in person or by proxy, attorney or representative will have one vote for each share held. If you are here today as both a shareholder and a proxy, you will need to use separate voting cards in relation to your own shares and those shares which you are voting as a proxy.

Following discussion on each item, valid proxies received will be displayed on the screen behind me, or to the side. A representative of Link Market Services will act as Returning Officer for the purpose of conducting and determining the results of the poll.

We have also a representative from Deloitte acting as scrutineer to oversee fair and proper procedures on the collection of shareholder votes.

Time will be set aside towards the end of the meeting for those holding yellow cards to complete their voting cards; however, you may cast your votes at any time from now until the close of the poll at the end of the meeting.

Representatives from Link Market Services can assist you with completing your voting cards, and will collect your completed voting cards towards the end of the meeting. If you need to leave before the conclusion of the meeting you may lodge your voting cards by placing them at the ballot boxes located with representatives of Link Market Services.

As the results of the poll will not be available before the close of the meeting, the results of the poll will be released on the ASX Market announcements platform and Boral's website later today.

I will now explain the process by which you can ask questions. Shareholders have been given the opportunity to submit written questions via the AGM question form that accompanied the Notice of Meeting. A reasonable opportunity will be given to shareholders to ask questions about the items of business on the agenda for today's meeting. All questions asked at this meeting should be addressed to me as Chair. Where appropriate I will defer questions best answered by management to Vik Bansal.

Shareholders with questions relating to specific resolutions are requested to ask those questions when they are considering – we are considering the relevant resolutions.

There are fixed microphones in the room for shareholders to ask questions. If you have a question please approach the microphone attendants, show your yellow or blue admission cards, and state your name. I'll then take questions.

It will be important that as many shareholders as possible who wish to ask questions get an opportunity to do so. I ask that speakers restrict themselves initially to no more than two questions or comments per turn at the microphone. If you have two questions, please ask both questions at once.

Anyone wishing to speak more than once will be given a subsequent opportunity to do so if time permits, and in the meantime should kindly return to their seat.

The first item of business is to consider the Financial Report, the Director's Report, and the Auditor's Report for the year ended 30 June 2022, which are set out in the 2022 Annual Report.

While there is no vote on this item, shareholders have the opportunity to ask questions on the reports during discussion. John Leotta, our external auditor from Deloitte is available to take questions about the conduct of the audit and the preparation and content of the Independent Audit Report and accounting policies adopted in preparing the financial statements and the auditor's independence.

The financial reports are now open for discussion. If you wish to ask a question or make a comment about Boral and its operations generally please approach a microphone now.

We did receive a question in advance from a shareholder and we thank them for this question. It was asked, what the Company is doing to modernise IT systems in the short and long-term? They also asked, what is Boral's plan for digitisation and automation to improve efficiency and profitability? And finally, what is Boral's plan to avoid data breaches?

Firstly, in response to the question, we are investing in digitisation and automation and prioritising our investments where we see the most significant benefits. We have recently commenced the progressive deployment of our supply chain automation allocation across our operations. This is a two to three year project that will replace the current manual approach to the allocation of trucks and utilisation of fleet. This will both support better customer service, on-time delivery and significantly reduce costs, as well as reducing our environmental impact.

In relation to data security, Boral continues to invest in cybersecurity controls and to monitor cybersecurity threats that could potentially impact our technical infrastructure, data security and customer privacy. We have also taken a number of proactive steps around threat intelligence and employee awareness activities.

I'll open that to any questions from the floor.

If there are no questions, happy to move to the next item of business. Oh sorry, we have a question.

Male: Chairman, I would like to introduce [Piers] a shareholder.

Ryan Stokes: Welcome.

Piers: Good morning. Very surprised I'm the only one with a question. My question is what are your plans for the Bombo Quarry? Just to assist you, Bombo is just next to Kiama, about two hours south of here. Quite a substantial quarry that hasn't been worked by Boral for some time. There were plans, or in fact they even start – Boral started to fill

it in and rehabilitate it a few years ago. That's come to a halt. One of the problems I think was the lack of communication from Sydney Trains who has the adjoining quarry. I believe that communication has now improved. Basically Boral wanted to use part of their infrastructure to move materials. Only saying that because I know there's many quarries; I think over 150, and you may not be familiar with that. But, yes, so what, , basically what are the plans for that quarry please?

Ryan Stokes: At the moment there is an extensive amount of work that is undertaken to look at the quarry life and investment opportunity across the Boral network. So, Bombo is one of the quarries in question, and our intent is to look to ensure that we have sufficient kind of length of time across most of the quarry activities. So that investment across the Group is underway right now. I do not think any specific details on the quarry are kind of prudent at this point in time, but that is something that we will be evaluating and making a decision on. But that process is currently kind of under investigation at this stage.

Piers: Okay, well thanks. There is quite a lot of potential there. It is a fairly large site, and there has been a lot of expectation of it being developed for multiple uses – residential being one and a little bit of mixed commercial and so on. The infrastructure would have to go with that.

Okay, so you're just basically watching and waiting and presumably you're partly being influenced by the plans of Sydney Trains, would that be right?

Ryan Stokes: There are a few external stakeholder elements in that. I would say the team will not be watching and waiting. They will be undertaking that analysis and investigation that is underway at the moment, and it is a process where there is quite a considered activity looking across all our quarry assets as to how we want and how we plan to model that over a 10, 20 year horizon. That is certainly one of the higher priority sites, but at this point in time we do not have a clear position, but I suspect over the next 12 months we will aim to have that concluded. It is a quality asset I think across the breadth of the Boral Group. There are some very – lot of quality quarry assets and we will be looking into how we manage that over that longer term horizon, but that is certainly one of them, that is a higher priority focus.

Piers: Oh well thanks. I know that whatever happens the quarry has to be filled in. I know that's one of the obligations. So it would be great if that went ahead anyway, because as I say, it has to happen. I know that one of the plans was to use some of the material from the tunnels being created in Sydney, but of course that material is being put elsewhere and soon the tunnel construction will end, so that source, you know, obviously if that happens won't be available.

Ryan Stokes: Yes, correct. I think as Vik outlined and I outlined in my address, the opportunity around some of the recycled products I think creates a broader opportunity. So it is not just reliant on necessarily infrastructure activity by third parties. We see opportunities to really build that recycled building product business and that is one avenue, [when you] start looking at fill.

Piers: Okay, well I'm not going to go on about it. I will just say though, there's not much, I wouldn't hold your breath about Sydney Trains deciding to leave the site.

Ryan Stokes: Yes.

Piers: For many years they have been saying another two years, and I think now they're even saying a longer term, because you know, they're making a fair profit out of their activities and good luck to them, but obviously it'll be very convenient for Boral if it was all done together.

Ryan Stokes: Yes. Agreed.

Piers: Oh thanks.

Ryan Stokes: Appreciate the question. Thank you.

If no further questions in relation to general business we might move to that next item of business in the election and re-election of directors.

As referenced in the Notice of Meeting, in accordance with the Company's Constitution, Jacqueline Chow and Mark Johnson offer themselves for election to the Board, and Karen Moses offers herself for re-election to the Board. Given that Jack and Mark are seeking election for the first time, they will address the meeting. The resolutions relating to each of the directors will be considered separately.

Frist, turning to the election of Jacqueline Chow as a director. Jacqueline was appointed as a director effective 1 March 2022. Accordingly, she retires in accordance with the Company's Constitution and being eligible offers herself for election. Jacqueline has more than 20 years corporate experience in executive and non-executive positions across a range of sectors, including industrial. Jacqueline has significant experience in innovation, digital platforms and technology and driving transformation and cultural change. Additional information on Jacqueline's qualifications and experience can be found in the Notice of Meeting. The Board, with Jacqueline abstaining, considers her election is in the best interests of shareholders and recommends that shareholders vote in favour of the Resolution.

I now invite Jacqueline to say a few words.

Jacqueline Chow: Thank you Chairman. Good morning, shareholders and guests. I am honoured to be standing for election to the Board of Boral. I take this responsibility very seriously. For over 20 years of working life I have been preoccupied with understanding the customer, using data analytics and insights to discern their unmet needs and their pain points, and then creating the innovation and technology solutions to build customer loyalty. Boral's growth opportunity is built on understanding the customer, and then leveraging our integrated network to fulfil that customer demand.

The last few years of geopolitical upheaval and disruptions from natural causes and the pandemic, means businesses have had to redefine their supply chains and mitigate their risks. I have run several large-scale businesses end-to-end and having the recency of that operational experience can be helpful context for what it truly takes to deliver on promises and to embed the relevant mindsets and skills to accelerate performance.

I am motivated to support Boral's dedicated team who are highly committed to generating sustainable high-performance and to creating a world that we will be proud of for generations to come. I would be honoured to receive your support to service director. Thank you.

Ryan Stokes: Thank you, Jacqueline. The matter is now open for discussion. Are there any questions?

If not, then ladies and gentlemen, if there no further discussion, you should now mark your voting cards in relation to Jacqueline Chow's election.

For your information, displayed on the screen are details of proxies received in relation to Jacqueline's election.

Now, turning to the election of Mark Johnson as a director. Mark joined the Boral Board on 1 December 2021. Accordingly, he retires in accordance with the Company's Constitution and being eligible offers himself for re-election. Mark brings extensive finance, accounting and risk management capability gained from his 30 year career in audit and accounting. He has substantial board experience across multiple sectors, including industrial, property and manufacturing. Additional information on Mark's qualification and experience can be found in the Notice of Meeting.

The Board, with Mark abstaining, considers his election is in the best interests of shareholders and recommends that shareholders vote in favour of the Resolution.

I now invite Mark to say a few words.

Mark Johnson: Thank you, Chairman, and good morning, ladies and gentlemen. It is my pleasure to say a few words in support of my election to the Board at Boral. It would be a really distinct privilege to continue my service to you. As others have noted earlier, the last year has been one of change and transformation as the offshore operations have been successfully sold, capital returned to shareholders and the continuing business now focused very much on Australia. While trading conditions have been difficult and there is much to do to enhance performance, I have enjoyed the 11 months or so I have already served on the Board, and I am excited by the potential and improvement opportunity ahead.

As you will have observed from the brief bio included with the Notice of Meeting, I have spent my last 10 years or so serving on the boards of listed, mutual and private companies in a range of industries. My previous board experience includes Westfield, Coca Cola Amatil and HSBC Bank Australia, among others. Today I serve on several other boards which offer very relevant experience to Boral, and for varying periods I have been chairman of four businesses.

My director career followed some 30 years in professional services which culminated in a period as the CEO for Australia and the Deputy Chairman for Asia of PWC. Through this part of my career, in addition to leading a \$2 billion business with over 6000 staff, I served large clients in accounting, audit, risk and control, mergers and acquisition, due diligence, legal support and other services. Many of my clients operated in industrial and adjacent industries.

In these various roles I have been actively involved in several of Australia's major corporate transactions, in business and technology transformations, in business simplification and standardisation, in major capital expenditure and property purchases and related value creation, in emerging supply chain digital and data strategies, and focused collaborative approaches to working with customers to build mutual success.

I am confident all this experience positions me well to contribute to important Board deliberations and decisions and to contribute to enhancing performance at Boral for the benefit of all stakeholders. I would be grateful for your support this morning. Thank you for this opportunity to speak briefly to you. Back to you Chairman.

Ryan Stokes: Thank you Mark. The matter is now open for discussion. Are there any questions?

Ladies and gentlemen, you should now mark your voting cards in relation to Mark Johnson's election. For your information, displayed on the screen are details of proxies received in relation to Mark's election.

Now, turning to the re-election of Karen Moses as a director. Karen was last elected as a director at the 2019 AGM, she therefore retires, and being eligible, offers herself for re-election to the Board. Karen has over 30 years' experience in the energy industry, both in Australia and overseas. She brings a unique and constructive perspective to Boral's discussions, demonstrating objectivity and excellent governance practices. Additional information on Karen's qualification and experience can be found in the Notice of Meeting. The Board, with Karen abstaining, considers the re-election of Karen is in the best interest of shareholders and recommends that shareholders vote in favour of the Resolution.

The matter is now open for discussion. Are there any questions?

Ladies and gentlemen, you should now mark your voting cards in relation to Karen Moses's re-election. For your information, displayed on the screen are details of proxies received in relation to Karen's re-election.

The next item of business is the adoption of the Remuneration Report. The Board considers the adoption of the Remuneration Report is in the best interests of shareholders and recommends that shareholders vote in favour of the Resolution.

The adoption of the Remuneration Report is now open for discussion. Are there any questions?

Ladies and gentlemen, you should now mark your voting cards in respect of this Resolution. For your information, displayed on the screen are the details of proxies received in relation to adoption of the Remuneration Report. Thank you.

The next item of business to be considered is the adoption of the Company's new Constitution. The Company's current Constitution was last amended at the Company's 2007 Annual General Meeting.

It is now proposed for the Company to adopt a new Constitution. Many of the changes that are being proposed are intended to bring the Constitution into closer alignment with emerging market practice or to reflect changes to applicable laws, regulations and investor expectations.

Other proposed changes are administrative or relatively minor in nature. The key differences between the current Constitution and the new Constitution are outlined in the explanatory notes in the Notice of Meeting.

The Board considers the adoption of the new Constitution is in the best interests of shareholders and recommends that shareholders vote in favour of the Resolution.

The adoption of the new Constitution is now open for discussion. Are there any questions?

Female: Chairman, I would like to introduce Nigel, a shareholder.

Nigel Burgess: Hi, Nigel Burgess. I just noticed that the new Constitution will allow you to hold the General Meeting fully virtually if you chose. I guess the question there is, as an investor in a number of Australian companies which you do, do you think it's a good precedent to set for Australian companies to allow fully virtual meetings?

Ryan Stokes: The Constitution will allow the option of having virtual meetings. At the moment it is restricted. I think in relation to the practice, there is an evolving expectation I think or a changing trend in relation to how much is conducted virtually. We value the personal interaction with shareholders in this form. At the same time, having a virtual meeting can open up a broader engagement through different technologies and different platforms, and as that is a consideration we look to make as we go forward, our intent around the AGM is it is an opportunity for shareholders to enquire and hold the Board to account in that context as to performance. So I do not feel that will change, whether it is in person or virtually. We do think that having that optionality means that we can open up those meetings to potentially more participants and provide more flexibility for the Company. That is the intent.

Are there any other questions in relation to this Resolution?

Ladies and gentlemen, as there is no further discussion, you should now mark your voting card in respect to this Resolution. For your information, displayed on the screen are details of proxies received in relation to the adoption of the new Constitution.

As this is the last item of business for the meeting, would you now please complete your voting cards, if you have not already done so by marking your vote in the for, against, or abstain box for each Resolution. If you have any questions please raise your hand and a representative will assist you.

We will now pause for a few moments while shareholders in the room cast their votes. Representatives from Link Market Services will collect your completed voting cards, and I would ask if you could please give your cards to them when you are ready.

All voting cards have now been collected, and I now declare the poll closed. The results of the poll will be released on the ASX Company announcements platform on Boral's website later today.

As there are no further questions, the business of the meeting is now concluded. So I declared the meeting closed.

Ladies and gentlemen, thank you for your attendance. I invite you to join us for refreshments which will be served in the entrance foyer.

Thank you very much.

End of Transcript