

BORAL NEWS



DEC 2018



**BORAL ASPHALT'S
FATHER-DAUGHTER DUO**

**EDUCATING YOUNG DRIVERS
TO MAKE OUR ROADS SAFER**

**USG BORAL'S EASYFINISH™
EXPANDS TO NEW MARKETS**

TRANSFORMATION AND INNOVATION

**HARVESTING FLY ASH FROM LANDFILL
- A STRATEGIC MILESTONE**

Are you really ready to Transform Boral?

Benjamin Graham – the mentor of Warren Buffett – described the stock market as a voting machine in the short run measuring how popular a stock is BUT in the long run it is a weighing machine assessing the substance of a company.

As they say in Texas – Boral is fixin' to be weighed.

So pay less attention to the fickleness of the stock market, where the voting machine has had its day with construction related stocks from Sydney to New York. Instead, fix your eyes on whether we can continue the transformation we started.

Transformation is hard work. But what's harder is what happens when you stop transforming and rest on your laurels.

In his recent book Capitalism in America, Allan Greenspan defines creative disruption as "...*The principle driving force of economic progress, the 'perennial gale' that uproots businesses – and lives – but that, in the process, creates a more productive economy.*"

He dispels the myth that great entrepreneurs invent new things but instead they are organisers, who "spot innovations that (have) the potential to revolutionise industries; bringing different factors of production together, often moving material huge distances; and integrating previously discrete economic activities, from the production of raw materials (or the combination of new composite materials) to the sale of finished products."

That means we can all be entrepreneurs starting with the industries we know best – where we are the subject matter experts.

Otherwise that 'perennial gale' of creative disruption will come from somewhere else and sweep us away.

We have already been transforming Boral, from a \$473 million EBITDA business in FY2012 to \$1.06 billion in FY2018, with EBITDA margins doubling to 18%, dividends growing from 11 cents to 26.5 cents and the share price lifting from \$3.00 in August 2013 to \$7.00 in August 2018.

We are driving safety, customer intimacy and continuous improvement (zero|one|ten) to win through the cycle in the world's largest growth markets – Asia and North America – and to reap the benefits of our leading position in Australia for decades to come.

We have come a long way, but we need to double down on our recent success or risk sliding back into the fiercely competitive pack of followers who would relish the advantages we have built.

We need to build on our lead, distance ourselves and create our own perennial gale that will push us to great heights.



Mike Kane
CEO & Managing Director

FRONT COVER IMAGE:
Jasmin and Jason Daunt

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TAKE FIVE

Five interesting projects across Boral



Boral Roofing's Saxony Slate California Mission Blend tile featured on the recently completed Villages at University of Southern California.



Boral low carbon ENVISIA® concrete used in construction of Crown Sydney to meet the building's Green Star 3 rating.



Supply and lay of about 500,000 tonnes of asphalt to Gateway Upgrade North project in Brisbane.



Supply of concrete to Rio Tinto's Amrun Bauxite Mine in Weipa, requiring shipping of construction materials 1,300 kilometres from Cairns by barge.



Boral's Eldorado stone features in the award-winning Temecula Library in California.

Rottnest Island Project presents unique challenge

When Boral was approached to supply concrete for a project on Rottnest Island, situated 18 kilometres off the coast of Perth, the team had to navigate complex logistics challenges. The concrete was supplied in three agitators which were transported by barge to the island over two days.

"The opportunity to deliver concrete to Rottnest Island presented some unique challenges. Working with the technical and production teams we were able to provide a safe, economical and low risk delivery," said Deon Wilde, Account Manager – Concrete Specialty Products.

Our team worked with the client, builder and barge operator to safely secure the agitator to the barge and determine the load capacity to ensure the barge would not tip. Boral's technical lead also had to establish the correct mix and dose of admixtures so that the concrete would not hydrate too quickly.

"As we grow our business it is important that we do not shy away from more technically difficult projects, but rather work collaboratively on delivering solutions for our customers," said Deon Wilde. ■



Concrete being transported by barge to Rottnest Island, WA



Major investors visit Boral North America

Boral hosted about 45 investors and analysts from Australia, the US and Canada at our annual US site tour on 18–19 September.

On day one of the tour, presentations by Boral North America's management team were followed by a tour of Boral's fly ash operations at one of the largest coal-fired power plants in Atlanta. At the plant, industry expert John Ward provided an interesting overview of fly ash markets and its history.

The following day, Darren Schulz, President, Boral Roofing, hosted a tour of the recently upgraded Lake Wales concrete roof tile plant in Orlando, which is now able to produce 850,000 squares annually.

"I'm excited by the growth opportunities provided by our expanded footprint in Florida where we are seeing strong population growth," said Darren. ■

EasyFinish™ system expands to new markets

Building on a strong history of innovation, USG Boral has launched its new EasyFinish™ system. The product is a customised cement render replacing traditional levelling methods, which helps installers be four times more productive.

Launched across Indonesia, Malaysia, the Philippines, Thailand and Vietnam, the EasyFinish™ system is aimed at converting the traditional cement render system applied onto masonry wall to a plasterboard lining system. In developing countries, plasterboard has traditionally only been used in the ceiling space.

EasyFinish™ is applied onto masonry walls and eliminates time-consuming and laborious cement render or plaster finish. It offers a drywall solution to application and performance issues such as irregular wall levels and unsightly cracks.

Designed to ensure the smoothest walls, the system uses USG Boral's innovative non-combustible plasterboard with a specially formulated bonding compound.

"We have long led the industry in delivering exceptional plasterboard innovations," said Frederic de Rougemont, CEO, USG Boral.

"With the new USG Boral EasyFinish™ system, we have successfully engineered one of the industry's most efficient and high performing wall finishing solutions." ■



DID YOU KNOW?



27%

REDUCTION IN BORAL'S CARBON EMISSIONS SINCE FY2012



9%

BORAL'S SHARE OF REVENUE FROM LOW CARBON, HIGH-RECYCLED PRODUCTS IN FY2018

Boral sells US Block business

Boral's US Block business was sold in November 2018 to Quickrete for US\$156 million. The business has a leading position in the Texas Block market and was originally acquired in May 2017 as part the Headwaters transaction.

CEO & Managing Director, Mike Kane, said that while the business was performing well

the sale proceeds strengthen Boral's balance sheet and our focus on core operations.

The proceeds are particularly helpful as Boral continues to assess the alternatives in relation to USG Boral – whether we will acquire USG's share or move into an expanded joint venture with a new partner. ■



Introducing Railpave®

Boral's new Railpave® asphalt is Australia's first asphalt rail pavement product, purposefully designed for rail track construction. Our proprietary asphalt is a substitute for ballast and placed underneath the sleepers.



The benefits of Railpave® include increased structural capacity, less vibration, reduced erosion, and no fouling or contamination as happens with ballast that is affected by environmental and rolling stock dust. It brings flexibility of application, potential faster construction turnaround and reduced ongoing maintenance.

Railpave® can support heavy axle loads found in the mining and freight sectors. It can also be used in specialised loading and construction situations where changes in natural ground or structural profiles occur. ■

New and improved personal protective equipment



Boral strives to create the best possible working environment. Earlier this year, our NSW Women's focus group identified a need to improve Personal Protective Equipment (PPE) for female employees.

Boral's Diversity and Inclusion Council saw this as an opportunity to improve PPE and amenities not only for women but for all staff. This set the team on a new course of action – to standardise and improve Boral's PPE and uniforms across Boral Australia.

Considerations to improve and standardise Boral PPE included colour, reflective tape, comfort and a more extensive clothing offering for our female staff. To improve comfort of employees working in hot environments, further enhancements to the coolwear range have also been made. This includes the introduction of shirts with a featherweight fabric and options to have perforated reflective tape.

The new and improved PPE and uniforms are now available and will continue to be rolled out over the next 12 months. ■

Sarah Palmer recognised for her outstanding contribution to construction

Sarah Palmer has been awarded the *Outstanding Contribution to Construction* award by the National Association of Women in Construction for her role as Project Director of the Orange Grove Quarry Upgrade.

Throughout the project, Sarah demonstrated strong leadership and was able to overcome significant challenges to deliver the project on budget without compromising Boral's priorities of safety and quality.

"It was a surprise to win! The award is a testament to the hard work and high performance of the project team. The project was a huge learning curve for me, and many times I felt out of my comfort zone. I didn't believe I could do the role."

"I was fortunate to have the support of my manager and key people in the business which meant failure was never an option." Sarah Palmer. ■

"They recognised my potential before I could see it in myself, and for that I'm incredibly grateful." **Sarah Palmer**



Neil Cooper, General Manager – Capital Projects and Sarah Palmer

2018 Boral Australia Reward and Recognition Awards

Congratulations to the 2018 winners. These employees have displayed behaviour that has fundamentally impacted the growth of Boral throughout the year.

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Dan Mikus
Allen's Asphalt, QLD • Michael Hosie
Asphalt, Southern Region • Jeff Adams
Recycling, NSW/ACT • Glenn Dwan
Concrete, QLD • David Page
Quarries, QLD • Mick Bavdek
Quarries, QLD | <ul style="list-style-type: none"> • Peter Hannah
Concrete, NSW/ACT • Anthony Watson
BPLG, National • Ahmed Saber
Finance, National • Renae Richards
Customer Service, NSW/ACT • Rebecca Copland
Payroll, National | <ul style="list-style-type: none"> • Emily Canda
Boral Engineering Network, Cement • Stephen Cavanagh
Midland Brick, WA • Chad Sorensen
Midland Brick, WA • Peter Ricciardi
Midland Brick, WA • Paul Martin
Midland Brick, WA |
|--|--|---|



THREE GENERATIONS IN ASPHALT



Jason Daunt and his daughter Jasmin

Graham Daunt worked in the asphalt industry for more than 20 years. Today, his son Jason and his granddaughter Jasmin work in Boral's asphalt business in Queensland. Jason is our Manufacturing Supervisor for the Ipswich and Trade Coast asphalt plants and Jasmin is a Weighbridge Operator at the Whinstanes asphalt plant.

Jason fondly recalls spending Saturdays with his Dad on job sites when he was four or five years old. "Sometimes I was given small jobs to do. At a church car park job, I remember being asked to sweep the gutters. I thought it was great. At the end of the day, the boys all chipped in \$1. With about \$8 in my pocket, I thought I was the richest kid around."

Following in his dad's footsteps, Jason joined Boral Asphalt's Whinstanes operations in 1989, as a fresh-faced 17-year-old, straight out of year 12. He spent nearly two years working in the lab before leaving to pursue other opportunities. Returning to Boral nearly 20 years later to join the Asphalt team as a Company Quality Representative, Jason has recently celebrated 13 years at Boral.

Reflecting on his time in the asphalt industry, Jason says the biggest change he has seen is improvements in safety. "There has been an increased focus on ensuring that everyone is always safe. And I think the shift to long clothing is the best move that the industry ever made."

In April this year, Jason's daughter Jasmin became the third generation in her family to work in the asphalt business. Having just finished high school, she was encouraged by her Dad to apply for a job opening as Weighbridge Operator at Boral's Whinstanes asphalt plant, where he had started his career almost 30 years earlier.

"I am confident that she will be able to do well and that Boral offers a good, safe environment. It is an industry that has looked after me over the years and I'm confident it will do the same thing for her," said Jason.

For Jasmin, while working in the asphalt industry was not something she had planned, she is enjoying being part of the team at Whinstanes. "It has been a big change but so far it's been really rewarding. My team are very welcoming and supportive," she said.

She would love to see more women working in the business and hopes she can help break down stereotypes and encourage others to join.

When asked how she felt about following in the footsteps of her father and grandfather, she replied, "it's fantastic being the third generation working in asphalt and having that family tradition. It would be great if my sister also joined!" ■



Foreman Graham Daunt laying asphalt in Brisbane during a heatwave in 1991



Reclaiming **fly ash** from landfill to supply a growing market



Fly ash pond at Montour

In our Boral North America Fly Ash business, we are implementing multiple solutions to meet growing fly ash demand, including reclaiming fly ash buried in landfills.

Fly ash is a residue generated by coal-fired power stations. It is used as a substitute cementitious material in the production of concrete to enhance its strength, impermeability and durability.

While the demand for fly ash continues to increase in the US, the impact of changing technologies and economic factors in US energy markets is resulting in declining fly ash production from coal-fired power stations.

As a leading national fly ash marketer, Boral North America is responding to the supply challenge with a strategy to increase supply by a net 1.5–2.0 million tons over the next three years. This will add to current sales volumes of around 7–7.5 million tons (6.4–6.8 million tonnes) of fly ash per year.



Fly ash reclaim project at Montour, Pennsylvania

Initiatives underway to increase our supply include reducing the amount of ash going to landfill through investing in new ash storage facilities, beneficiating lower quality fly ash and blending with pozzolans, and importing. Reclaiming fly ash from landfill also represents another exciting plank of our strategy.

With a US\$6 million capital investment, we recently commissioned our first fly ash landfill reclaim operation at Montour, Pennsylvania, and have started selling fly ash from this landfill.

The fly ash at Montour was produced by a coal-fired power station in the 1980s and 1990s, with the material stored in a covered dry landfill on a 30-acre site. The landfill contains approximately 2 million tons of high-grade fly ash.



We use an on-site processing plant to dry and treat the harvested fly ash. The product is then tested to assure consistency for use in ready mixed concrete and other durable/high-strength applications. Tests have consistently shown that fly ash from the site is higher quality than current-generation ash across a range of criteria.

Terry Peterson, Vice President East Region, Boral Material Technologies said the Pennsylvania project represents a leap forward in providing options for harvesting previously disposed fly ash.

"This strategy will enable increased supply of high-quality ash for use in concrete. It represents an important new technology that will be used to supply ash markets affected by closures of coal-fired power plants," he added.

"The Pennsylvania project represents a leap forward in providing options for harvesting previously disposed fly ash."

**Terry Peterson, Vice President
East Region, Boral Material
Technologies.**

Terry also pointed out that for lower-quality ashes and ash disposed in wet impoundments Boral offers carbon burn-out technology as an additional harvesting option. In this process, residual carbon in fly ash is combusted to produce a consistent, low-carbon, high-quality pozzolan suitable for use in concrete and other high-value applications. Carbon burn-out can also be used to cost-effectively process ash that has been stored for long periods, converting it into a high-quality pozzolan for sale to concrete producers. ■



ROAD SAFETY

New partnership improving road safety through education

As part of our commitment to Zero Harm, Boral has joined forces with Road Safety Education (RSE) to help make Australia's roads safer.



Road Safety Education partnership launch

This new community partnership will help educate 40,000 young drivers on road safety each year as part of RSE's driver education program, RYDA, for high school students.

The national program focuses on cognition development and teaching young people to adopt low risk behaviour. Participants develop personalised strategies and life skills that enable them to respond positively to challenges on the road, both as drivers and highly influential passengers.

"We are particularly excited about joining forces with Road Safety Education, whose programs are recognised as world class and have provided vital driver education skills to more than 500,000 students in high schools across the country since 2001," said Joe Goss, Divisional Chief Executive, Boral Australia

At Boral, we have a fleet of more than 2,500 heavy vehicles and make significant investments in driver training and fleet engineering. This partnership provides us with an invaluable opportunity to engage with the broader community and further improve road safety for everyone.

As well as sponsoring the RYDA program, our Heavy Vehicle Safety teams will be working with RSE to develop new course content on heavy vehicles. The new content will focus on topics such as blind spots, turning requirements and stopping distances.

Ross Harper, Executive General Manager Boral Cement, is leading Boral's Heavy Vehicle safety improvement program, and was at the launch of Boral's new community partnership with RSE.

"We have a strong focus on safety and training for our drivers, but 93 percent of fatal accidents involving heavy vehicles are not caused by the driver of the heavy vehicle. So there is an obvious gap, which this new road safety partnership will seek to address," said Ross Harper

"We are looking forward to working with RSE and sharing our knowledge to help develop additional education material and awareness training for young drivers when it comes to sharing the road with heavy vehicles. This means improving road safety for young people, heavy vehicle drivers and the community more broadly," said Ross.



Rob Wood, Fleet Manager

To celebrate the new partnership, two of our drivers, Trevor Dickens and Darren Trevenar, visited a RYDA event in Sydney with an agitator and a tipper.

"The students engaged in conversations regarding sharing the road with trucks. We explained that it takes more than 215 metres (two football fields) to stop a fully laden semi-trailer travelling 100 kilometres per hour. They were very surprised," said Darren.

"We believe this is a very good initiative that will improve driver safety by making young drivers more aware of heavy vehicles," added Trevor.

The CEO & Managing Director of RSE, Terry Birss, said the organisation was delighted to be partnering with Boral and was deeply appreciative of Boral's significant commitment to the RYDA program.

"Boral is supporting our mission of providing young Australian road users with learnings that support the development of a road safety culture across the generations," said Terry. ■



Students learn about speed and stopping distances



Trevor Dickens and Darren Trevenar discuss heavy vehicle safety with students



BARRY WINS NATIONAL TRUCKING AWARD



Barry Fitzgerald

One of Boral's most respected truck drivers, Barry Fitzgerald, has been named Australian Trucking Association's 2018 National Professional Driver of the Year.

The award recognises the outstanding performance of a professional truck driver, including driving skill, attitude and contribution to industry improvement.

Barry, who recently retired, worked as a cement and fly ash tanker driver in NSW. He contributed greatly to making Boral's fleets and drivers safer, has been a mentor and friend to many drivers and an excellent representative on safety and industrial committees.

During his acceptance speech Barry told the crowd he had been "blessed" to work for big companies such as Ansett, Kwikasair, TNT, Blue Circle and Boral, where he has been a safety committee member and a drivers' representative.

"Boral are just 100 per cent focused on the safety and welfare of their drivers... this is one of the proudest moments of my life."

Barry Fitzgerald



Raw-boned, bright and breezy, he was quite photogenic in those days – the Herald published a picture of Barry loading newspapers onto his truck in Sydney (1972)



Jenny, Barry and the kids – Priscilla, Justin, Tamara (circa 1981)

Barry began driving trucks when he was 17 years old. He started his career delivering fuel in 1971 for his future father-in-law who owned an Ampol service station in Cootamundra, NSW. He soon progressed through several companies transporting newspapers, meat, livestock and interstate freight. His ability and his ambition to drive big trucks led him to Blue Circle Cement in 1993, a company that Boral acquired in 1987.

Driving cement tankers requires specialised skills managing the potentially dangerous processes of loading and unloading – the latter requiring the vessels to be pressurised. Barry acquired these skills and also upgraded to a B-double licence, immediately making the switch to the 60-tonne rigs which he has been driving ever since.

"In those days we had day and night-shifts and the supervisor put me in a truck to do day-shift with a bloke called Rod Sellwood who did nights," Barry said. Rod and Barry's partnership continued for 25 years until Barry's retirement earlier this year. It survived eight prime movers.

"We did over three million kilometres in 25 years without a traffic ticket or a serious incident," Barry said.

"Everything on the truck worked – all the valves, hoses and cam locks – because we looked after them. We had a strong sense of ownership."

Barry was meticulous in his personal appearance and regarded himself and his equipment as Boral's visible face for customers and the community.

Keeping cement tankers clean is a challenge since their natural environment is always potentially dusty, particularly at mobile concrete plants on construction or highway sites. But Barry and his night shift driving partner Rod, had efficient routines for cleaning their equipment.

This extended to washing and polishing the superstructures and painting the tyres. His change of shift routine included checking fluids, tyres and equipment, cleaning glass and the interior. "It takes three seconds to clean a floor mat," was one his favourite expressions.

Barry was always mindful of the relentless concentration required for driving heavy vehicles, including the need to be constantly aware of others, such as pedestrians crossing the road while looking at their mobile phones and cars cutting in front of turning trucks.

"While we are driving, our concentration is on these things. You cannot let up for even a second when you are driving such a large vehicle," Barry says.

Barry was a shining example of professionalism to his fellow drivers and was respected by managers and drivers alike.

Having recently retired, Barry says he enjoyed his career but is looking forward to relaxing and no longer having to wake up at 3 am. ■



Barry's first professional job was carting fuel for an Ampol distributor (1970)



Barry was the youngest ever driver for Ansett Freight Express, a national carrier of general goods (1976)



Creating value through commercialising innovative ideas

Wayne Reade, Head of People Transformation & Innovation, manages the B/HUB facility in Lavender Bay, Sydney.



Earlier this year, we established a Transformation and Innovation team in Boral Australia as part of our commitment to delivering sustainable growth and building a culture of performance excellence. The team are working to improve our innovation capability to provide new solutions for our products, processes, services and business models.

To create an environment where our people can harness a growth mindset and fast-track ideas, Boral Australia launched the B/HUB facility in Sydney in March 2018.

Wayne Reade, Head of People Development & Innovation, who runs the facility, said that the B/HUB aims to rapidly develop, test and grow new ideas and opportunities that have the greatest potential to deliver customer and commercial value.

"I'm excited by the capability we have within the organisation to initiate and pursue growth ideas. At the B/HUB we are taking conceptual ideas through to commercial execution, aiming to explore solutions valued by our customers. We also look to identify opportunities in markets we've not yet entered," said Wayne.

The B/HUB's Accelerator Programs consider creative ideas submitted by employees that present exciting business opportunities and solutions for Boral.



Creating value through commercialising innovative ideas



Boral Chief Executive Mike Kane visiting the Angel-i and product quality measurement system teams at B/HUB.

"I'm excited by the capability we have within the organisation to initiate and pursue growth ideas. At the B/HUB we are taking conceptual ideas through to commercial execution, aiming to explore solutions valued by our customers. We also look to identify opportunities in markets we've not yet entered."

Wayne Reade, Head of People Development and Innovation

So far, B/HUB has seen over 70 ideas submitted for consideration in its Accelerator Programs. These ideas are presented to a selection panel, made up of senior members of Boral. The panel looks for ideas which have more than \$5 million in revenue potential, are customer focused, and will be disruptive or create unique growth opportunities.

Selected projects then undergo a six-week intensive development, followed by commercial modelling, where they are rapidly scaled over a 90-day period, pending final investment decisions.

To date, we have run two Accelerator Programs and launched three projects to fast-track employees' ideas. These projects include artificial intelligence supported safety practices, digital solutions for monitoring product quality and third party compliance training.

Developing our people and their creative ideas through the two Accelerator Programs run so far has been very rewarding, said Wayne. "The programs are clearly providing opportunities to deliver commercial value, adapt to changing customer needs and respond to potential disruptions to our industry."



A PROJECT SPOTLIGHT – **ANGEL-i**

Angel-i is Boral's next generation safety solution. It uses real-time artificial intelligence to build safer habits, support better decisions and improve site safety for our people.

Teams that enter the B/HUB Accelerator Program are given the opportunity to step out of their daily roles and develop their projects with the support of innovation experts (with access to world class tools and resources). They follow a structured development process, taking their ideas from inception through to Minimum Viable Product and modelling for commercial development.

Mark Pizzol, Production Manager for Concrete (Sydney East), is a member of the team that has been developing a product quality measurement system. "The intense dedicated work environment at B/HUB ensures our new skills become part of our subconscious. One of the greatest benefits is that we've taken these skills back to the business and transferred them into our everyday operations," said Mark.

Another member of the same team, Brad Long, Regional Procurement Manager, found his B/HUB experience to be challenging and rewarding.

"Working together at B/HUB enables a genuine bias for action, without ego. It brings together people from diverse professional backgrounds and allows us to work as one Boral team to explore complex problems and develop solutions in a creative start-up environment. This combination of factors creates trust and ensures success," said Brad. ■

The Angel-i project is developing artificial intelligence integration with Boral's existing on site surveillance systems to identify and isolate exclusion zones. The system will automatically detect and notify if a person enters a safety exclusion zone or if a person comes within range of a moving vehicle.

The project team has completed its six-week intensive Accelerator Program at B/HUB and is now preparing to pilot the technology at a number of Boral sites over the coming months. ■



Angel-i CCTV footage. Artificial intelligence being used to provide real-time safety monitoring



An agitator was brought into the B/HUB facility to test the new product quality measurement system



INVESTING IN OUR FRONTLINE LEADERS

Strong leadership and people engagement are fundamental drivers to delivering our zero|one|ten goals – ‘Zero Harm Today’ to our people and environment, number one for customers and employees, and 10 per cent continuous improvement.

Our frontline leaders play a critical role in the engagement and empowerment of our people to work smarter, safer and better serve our customers. In Boral Australia, we have more than 3,000 people working tirelessly as the face of Boral to our customers, often in high pressure roles.

Boral Australia recently launched its zero|one|ten Leader program to further develop frontline leaders. This foundational program, encompassing face-to-face training and coaching over three months, is being rolled out to more than 1,000 employees across Australia.

Joe Goss, Divisional Chief Executive, Boral Australia said the zero|one|ten Leader program is the most significant investment in leadership development ever undertaken across Boral Australia. “It gives our frontline leaders practical leadership skills so that they can more effectively lead, engage and empower their teams.”

At the core of the program are three one-day workshops. These focus on leading self, leading others and leading the business. Frontline leaders are partnered with a coach who provides ongoing mentoring, insight and support as they put their program learnings into practice.

A key aspect of the program includes building leadership self-awareness, which is one of the critical factors in being a good leader. Self-awareness is about knowing your own strengths and development areas, understanding what is important to you and what drives your behaviour. The program also focuses on developing leadership capabilities, engaging teams and delivering on Boral Australia’s zero|one|ten strategy.



Peter Nguyen

One of the most valuable aspects of the program is the opportunity for participants to learn from each other, as they share their experiences, knowledge and challenges. It also provides a network of other frontline leaders to continue to learn from.

Feedback from participants highlights how the program has enabled them to achieve improvements in the effectiveness of their teams and better outcomes.

“Since participating in the training program, I’ve focused on improving the quality of communication amongst my team, which has resulted in both stronger relationships and better quality outcomes” says Peter Nguyen, maintenance manager for the Deer Park Asphalt Plant.

Nathan Barrell, Operations Manager at Concrete Queensland Metro, who is a coach to five frontline leaders, says the investment Boral Australia is making in the program is already delivering real benefits. “This is the best program I’ve seen implemented in my 12 years at Boral and I’m very pleased to see our continued commitment to it.” ■

“The zero|one|ten Leader program is the most significant investment in leadership development ever undertaken across Boral Australia. It gives our frontline leaders practical leadership skills so that they can more effectively lead, engage and empower their teams.”

**Joe Goss, Divisional Chief Executive,
Boral Australia**



LEVERAGING TECHNOLOGY TO IMPROVE SAFETY



Roller fitted with new safety sensor

New safety sensor wins industry award

A sensor activating the brakes of an asphalt roller to stop the machine within a metre of a crew member wearing an electronic tag has won an industry award for innovation.

As the roller approaches a crew member, a light on the canopy of the vehicle will turn yellow and the operator will receive a warning. The roller will stop if it comes within one meter of a crew member and the light bar on the canopy will turn red. Boral piloted the sensor device in South Australia as part of a national initiative towards zero harm.

Boral National Asset Manager Stuart Partridge worked with the Boral South Australia team and proximity sensor supplier Strata to develop and link the sensor system to the braking and hydraulic systems on the asphalt equipment. It is an adaptation of similar systems in use in above and below ground mining operations. ■

Dual prop system to secure trailers

The team at Wacol Depot, Queensland, has developed a new truck body prop that allows trucks and trailers to be worked on safely in a raised position. The dual prop system holds the bin securely and prevents any uncontrolled lowering.

The system was developed after a risk was identified by the workshop mechanics. They worked together on the design and development of the new prop system. ■



Dual prop system



Isolation gates

Isolation gates at Orange Grove Quarry

The team at Orange Grove quarry developed a solution to eliminate the risk of a haul truck from accidentally tipping a load of materials into the material processing bin (the rom bin) while maintenance crews were working in the bin.

They installed a simple gate that will remain open when the bin is in use. And when maintenance work is undertaken the gate is closed with an isolation lock fitted to prevent haul trucks from accessing the area. ■



Meeting with Aboriginal and Torres Strait Islander communities, mentoring and supporting Boral's Aboriginal and Torres Strait Islander employees, and working on major project tenders is all in a day's work for Vince Scarella, National Indigenous Affairs Manager.

Vince has been pivotal in Boral's work supporting Aboriginal and Torres Strait Islander employment and communities and the driving force in the development of Boral's Reconciliation Action Plan, to be launched in early 2019.

Boral News spoke to Vince about his family, career and role at Boral.

BORAL NEWS: Where is your family from and where did you grow up?

VINCE SCARCELLA: My Mum's family are Renouf from the Wakka Wakka Aboriginal language group in Murgon, Queensland. Most of the families around there were moved to the Barambah mission, in Cherbourg, from the 1930s to the 1970s.

I was fortunate enough to grow up in a great family with three brothers and a large extended family so there were always big Christmases, kids around to play with and things to do.

I now have a great family of my own. My wife, Julie, and three grown up children, are all heavily involved in the Aboriginal community. My two daughters, Jessica and Emily, are both just finishing degrees in education at Sydney University to

go into teaching Aboriginal and Torres Strait Islander studies. Benji, my son, has just finished school and is working in hospitality.

BN: Tell us about your career and role at Boral.

VS: I started my career in 1990 working at the Metropolitan Local Aboriginal Land Council in Redfern as an Aboriginal Education Officer. I then joined National Parks as an Aboriginal Training Officer before joining Boral in 2004 as the company's Aboriginal Employment Officer. This was a new position created to increase Boral's Aboriginal and Torres Strait Islander employment rate, which was only 0.8% at the time, compared to 3% today.

Since then, my position has evolved and broadened to include Aboriginal and Torres Strait Islander community relations and procurement. The increased focus on Indigenous business procurement has been partly driven by the Federal and State Governments' Indigenous Procurement Policies. These require a nominated percentage of project spend on Indigenous communities in government tenders – either through direct employment or spend through Indigenous businesses.

I also work with Aboriginal and Torres Strait Islander communities right across our Australian operations on site-specific projects. This includes working with communities on cultural heritage management and supporting Indigenous community representation both within Boral and in its host communities.

BN: What have been some of the highlights of your time at Boral?

VS: At an organisational level, it's the positive transformation in the general perception of Boral from Aboriginal and Torres Strait Islander communities. We went from initially being considered another company in the extractive industry that Aboriginal and Torres Strait Islander communities didn't want to work for, to being recognised an Employer of Choice for Indigenous People. Today, Aboriginal and Torres Strait Islander communities understand our business and recognise that we care and seek to do the right thing.

At a personal level, the highlight has been witnessing how employment changes lives.

I still have a letter on my desk from the young son of an Aboriginal employee, which thanked us for giving his Dad a job so that he could do things that he previously wasn't able to – going on school excursions and to the football – things that most of us take for granted.

When I'm faced with difficult challenges, I read it again as inspiration to keep persevering and moving forward.

BN: What is a unique challenge in your role?

VS: The most challenging aspect is balancing traditional and contemporary cultures, with each coming from different perspectives and holding different values – and my role is to build mutual understanding. I engage with Boral's businesses about why Aboriginal and Torres Strait Islander communities feel a certain way about things and with

Today, Aboriginal and Torres Strait Islander communities understand our business and recognise that we care and seek to do the right thing.

Aboriginal and Torres Strait Islander communities about why what Boral does is important for the community as a whole.

BN: What are the key changes you've seen in how Boral is supporting Indigenous communities over the last 15 years?

VS: In the early 2000s, we engaged with Indigenous communities because it was nice and the right thing to do. The various levels of government also provided incentives to employ Indigenous people.

Today, engaging with Indigenous communities and businesses is integral to our ability to do our job effectively – meeting legislative government requirements, Aboriginal and Torres Strait Islander community expectations and winning government work. It is no longer just the right thing to do but makes good business sense and is an integral part of business and the way Boral works.

Our focus has also changed and broadened to supporting communities as a whole rather than just individual employment, which is still important, but we also focus on supporting Aboriginal and Torres Strait Islander businesses through our procurement decisions.

BN: What is your vision for the company's reconciliation journey?

VS: We started developing our REFLECT Reconciliation Action Plan (RAP) about a year ago with a vision to develop a consistent, company-wide approach and bring all our operations to a high standard in terms of how we support and engage with Aboriginal and Torres Strait Islander communities.

While we've been engaged with Aboriginal and Torres Strait Islander affairs for many years, some of our businesses are excelling in this area, while in others, there are opportunities for improvement.

Our aim is to extend and broaden our approach and move forward together. The RAP, to be launched in early 2019, also raises internal awareness about our commitment so that everyone recognises the importance of supporting reconciliation.

BN: What's the best advice you've ever received?

VS: My year 9 school teacher, Ray Homes, told me to strive for progression not perfection. This advice has always stuck with me and is particularly valuable in Indigenous Affairs, where each step, no matter how small it may be at the time, represents real progress.

BN: What do you like to do in your spare time?

VS: I enjoy spending time with my family and watching sport. My children are now grown up, so it is a challenge finding time with them, but we enjoy boating and fishing together. I also coach local junior football teams which I have done for more than 25 years!



BUILDING STRONGER COMMUNITIES WITH HABITAT FOR HUMANITY

Since partnering with Habitat for Humanity four years ago, Boral and USG Boral have helped to improve the lives of more than 4,000 vulnerable families.

Together, we have provided safe housing, improved disaster resilience and emergency disaster relief to communities in nine countries. As well as providing financial support and construction materials such as plasterboard and concrete, many of our employees also volunteer. Since inception of the partnership, our employees have volunteered more than 3,000 hours of their time to build and restore homes for families in need. ■

“Our partnership with Habitat is close to our hearts as we draw on our expertise and experience to build strong and stable houses,” said Frederic de Rougemont, CEO, USG Boral.

Supporting victims of domestic violence

Earlier this year Boral staff volunteered their time to renovate women's refuges and transitional accommodation in Sydney. This housing provides shelter for women and children escaping domestic and family violence. The team painted, made repairs and improved the gardens.

The refuge will provide more than 200 women and children with a safe, stable home where they will have access to essential support services.

Tackling extreme poverty in the Asia-Pacific

USG Boral has donated funds and materials as part of Habitat for Humanity's Impact Asia Campaign. This initiative aims to break the poverty cycle for 15 million people in the Asia-Pacific region by providing safe housing. USG Boral staff have volunteered to build and repair homes as well as providing construction training for local staff and labourers.



USG Boral staff at Habitat build in South Korea

Improving disaster resilience in Vietnam

We have been helping rural communities in Vietnam who are vulnerable to natural disasters to build their capacity in disaster preparedness.

Thanks to Boral's support, new water and sanitation facilities have been installed and we have also built new homes and repaired others. School children have been taught how to protect themselves from disaster risks and taught to swim to help equip them with important survival skills during floods.

Remote communities have been trained in hazard risk analysis, practical measures to protect households from the impact of disasters and strategies to protect themselves when a disaster occurs.

Local community leaders have also been upskilled to ensure they can identify and manage vulnerabilities and work with the local government to strengthen policies and processes to ensure efficient disaster response.



Boral's support is providing communities with clean, safe water



Local kids enjoying their new swing built by the Boral Rock the House team



The build is complete. Parjono and his family move in to their brand-new home



Luke Ardrey

Luke's Rock the House experience

Visiting a community who lived a very simple life without many of the luxuries we take for granted has made me so grateful for what I have at home and where I live. It was a very humbling experience!

The local children were full of smiles, energy and curiosity. I loved playing soccer with them at lunchtime. We did our best to learn some of the local language, but most of the time we communicated using hand signals. There was always lots of laughter.

Using basic tools, we worked with a team of local builders to get the job done. Building a home for Parjono and his family was a great achievement and has opened my eyes to what can be achieved here in Australia with all the latest technology, machinery, training and personal protective equipment.

Luke Ardrey, Batcher – Concrete, Port Macquarie

ROCK THE HOUSE 2018

A new home for Parjono and his family

In October, the Boral Rock the House team, comprising 12 employees, travelled to Yogyakarta, Indonesia, to build a new home for Parjono and his family.

Parjono is a factory worker and earns less than \$5 per day. He and his wife Parti and their two daughters Silvia (10) and Arifa (4) were living with seven other relatives in a small, unsafe house. The walls were made of wood, the floor was dirt and the only toilet was outside.

The roof structure was unstable and would often leak during the long rainy season. Lighting was limited which made it difficult for Silvia to complete her homework at night.

Now, Parjono and his family have a safe, new home thanks to the Boral Rock the House team. Parjono says he is looking forward to being independent and creating a better life for his family.

“The volunteers were very kind and generous, beyond my imagination ... We miss having them here with us.” **Parjono**



MEET THE BORAL *ROCK THE HOUSE* TEAM

YOGYAKARTA,
INDONESIA

A team of 12 from Boral travelled to Yogyakarta, Indonesia, with Habitat for Humanity to build a safe, secure home for Parjono, his wife Parti and their two children Silvia (10) and Arifa (4).

The Boral team raised more than \$50,000 to support Habitat's programs and were supported by local builders to construct the new home. The team worked hard in the heat and humidity to ensure the home was constructed to the highest quality standard.

"I would encourage anyone who is willing to work hard and wants to make a difference, to put their hand up to be part of next year's program."

Sarah Palmer, National Projects Coordinator – Major Projects

"The construction process was manual. Everything had to be done by hand but the quality of our build was spot on."

Mick Gauci, Rail Infrastructure Manager – Cement

The Team

Peter Scott – Electrician - Cement, Waurn Ponds, VIC

Mick Gauci – Rail Infrastructure Manager - Cement, Berrima, NSW

Alistair Sheardown – Operator/fitter - Concrete Country Projects, Cadia CVO, NSW

Karl Donaghy – Account Manager, USG Boral, Middle Swan, WA

David Webber – Contracting Supervisor - Asphalt, Lismore, NSW

Lauren Charlton – Implementation Coordinator, Ormeau, QLD

Luke Ardrey – Batcher - Concrete, Port Macquarie, NSW

Justin Fullelove – Production Shift Supervisor - Midland Brick Clay Division, Middle Swan, WA

Serge Martini – Plant Operator - Asphalt, Montrose, VIC

Keith Edwards – Mobile Concrete Maintenance Supervisor - Concrete, Gatton, QLD

Shikha Shrivangi – Assistant Accountant, USG Boral, Camellia, NSW

Sarah Palmer – National Projects Coordinator – Major Projects, Brisbane, QLD



The 2018 Boral Rock the House team in Yogyakarta, Indonesia

“We worked hard every day. We stuck to a process with good quality control. There were hazards everywhere but we managed the risks and completed the build with zero harm. This trip brought out the best in 12 people.”

Keith Edwards

The build takes shape



Mick leads Safe Start toolbox to identify potential hazards and to stay safe at work



Sarah and a local builder perform a slump test for quality assurance



Luke laying the foundations



Sarah and Alistair tie reo bar to construct wire columns for the structure



Lauren shoveling sand for the concrete mix



In the community

Collection drive for homeless families



MAY: Staff from Boral and Meridian Brick in North America hosted a collection drive for HomeAid to help homeless families struggling to make ends meet. They collected more than US\$35,000 worth of donated goods.

Outward Bound Youth Leadership Program



MAY: Sponsored through Boral's partnership with Outward Bound Australia, 16 year nine students from the Southern Highlands embarked on a challenging and inspiring seven-day leadership and personal development program.

Boral truck visits Belmont Childcare



JUL: The children at Belmont Childcare were excited to receive a visit from a Boral tipper truck. They heard about the jobs that each of Boral's vehicles do and had an opportunity to inspect the tipper up close.

Young environmental champion



AUG: James was presented with the Boral Youth at the Zoo Achiever Award. James has shown an incredible commitment to conservation and has logged an extraordinary 700+ hours of volunteer service as part of Taronga's Youth at the Zoo program.

Supporting kids with cancer



MAY: Lauren, from the Ormeau Quarry team, shaved off her long red locks and raised an incredible \$5,286 for Red Kite. The funds will provide essential support to children with cancer, and their families.

Celebrating NAIDOC Week



JUL: NAIDOC Week was celebrated across all of Boral Australia's sites. Boral Timber's Nowra team hosted the Djuwin Mudjingaalbaraga Men's Group, who are dedicated to improving and supporting the local Indigenous community.

Protecting native habitats



JUL: A team of Boral employees joined Conservation Volunteers Australia to remove unwanted lantana from Johns River Reserve and Hannam Vale Reserve, NSW. The project will protect the habitats of native wildlife including gliders, possums and nesting birds.

Boral sponsors Marulan Kite Festival



SEP: Boral proudly supported the fifth annual Marulan Kite Festival, providing sponsorship and event support. This is a fun-filled family day out for the local community in the Southern Highlands, NSW.

Teven Quarry reducing social isolation



SEP: Teven Quarry has been working in partnership with the Tintenbar Teven Community Aid Network to deliver a bus trip program to reduce social isolation for local elderly and disadvantaged residents.

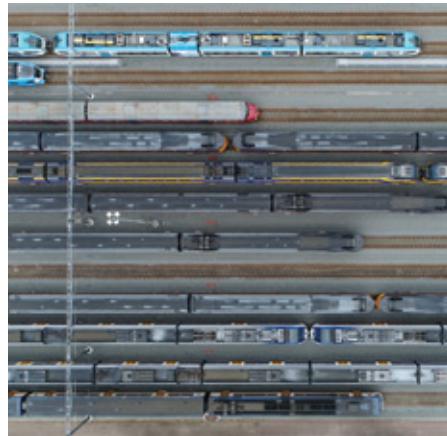
Supporting children's health research



OCT: Midland Brick was proud to donate bricks, pavers and cultured stone for the construction of the 2018 Telethon Home in Western Australia. The home raises vital funds for children's health research.



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