



# BORAL

Safety and  
Environmental Data  
for FY2017

For Macquarie ESG lunch  
6 September 2017



# Boral Group overview<sup>1</sup>



- Boral is an international building and construction materials group with operations in Australia, North America, Asia and the Middle East
- 703 operating sites
- 17 countries
- ~16,475 employees
- ~8,200 contractors



1. Includes USG Boral and Meridian Brick joint venture operations, as at 30 June 2017

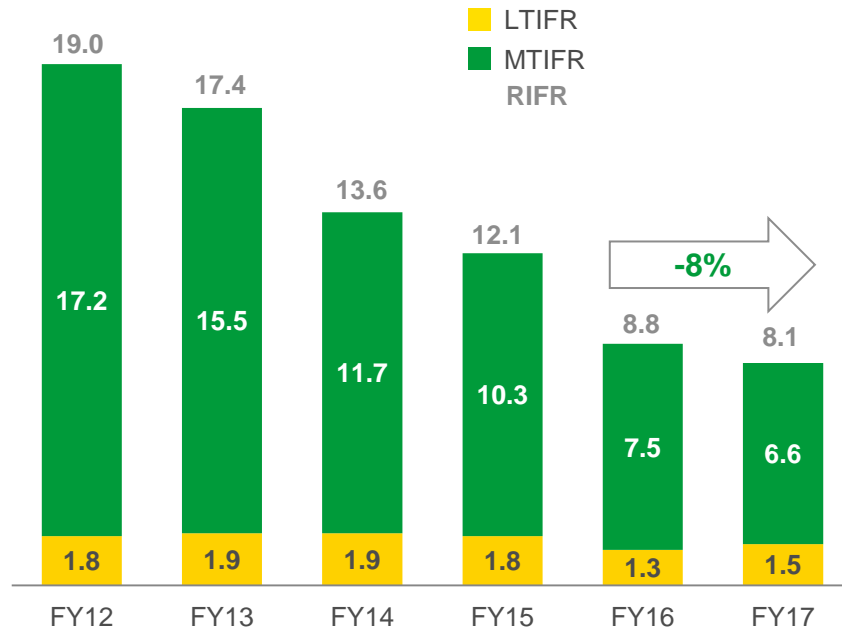
# Safety performance

Company-wide commitment to Zero Harm Today



## Employee and Contractor RIFR<sup>1</sup>

(per million hours worked)



- Continuing to reduce injuries in FY2017 with 8% improvement in **RIFR<sup>1</sup> down to 8.1** from 8.8
  - LTIFR increased slightly to 1.5 from 1.3
  - MTIFR reduced to 6.6 from 7.5
- Fatality free since Dec-2013 – the longest fatality-free period for more than 15 years
- Continued engagement throughout Boral around our global safety goal including in Meridian Brick & Headwaters businesses

**ZEROHARM  
TODAY**

1. Recordable Injury Frequency Rate (RIFR) per million hours worked is made up of Lost Time Injury Frequency Rate (LTIFR) and Medical Treatment Injury Rate (MTIFR). Does not include Headwaters

# Divisional safety performance

## Acquired businesses are a key area of focus



### Employee and Contractor Divisional RIFR<sup>1</sup>

(per million hours worked)

	FY2017	FY2016	Var, %
<b>Boral Australia</b>	11.2	13.1	↓ 15%
<b>USG Boral</b>	3.6	3.0	↑ 18%
<b>Boral North America</b>	6.7	5.2	↑ 28%
<b>Corporate</b>	0	0	-
<b>Boral total</b>	<b>8.1</b>	<b>8.8</b>	↓ 8%

- Meridian Brick JV underpinned increased RIFR in Boral North America in FY2017
- Acquired businesses are a key area of focus
- Headwaters businesses reported a 14.6 RIFR and 3.9 LTIFR for employees in FY2017
- Safety & environment capex allocated in Boral North America in FY2018 ~US\$5-\$10m

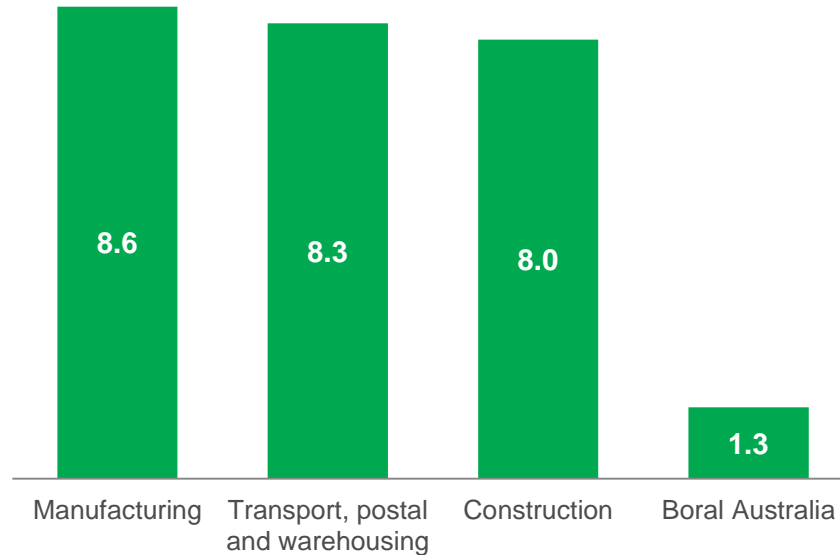
1. Recordable Injury Frequency Rate (RIFR) per million hours worked is made up of Lost Time Injury Frequency Rate (LTIFR) and Medical Treatment Injury Rate (MTIFR). Does not include Headwaters

# Safety performance

## Outperforming Australian industry benchmarks



### Boral Australia's Lost Time Injury Frequency Rate (LTIFR) relative to Australia industry averages<sup>1</sup> (per million hours worked)



1. Safe Work Australia, Australian Workers' Compensation Statistics, 2014-15, revised July 2017. Based on Safe Work Australia's definition of LTIFR using workers' compensation claims for injuries that resulted in 5 days or more of lost time from work. Boral Australia LTIFR of 1.3 is calculated on the same basis

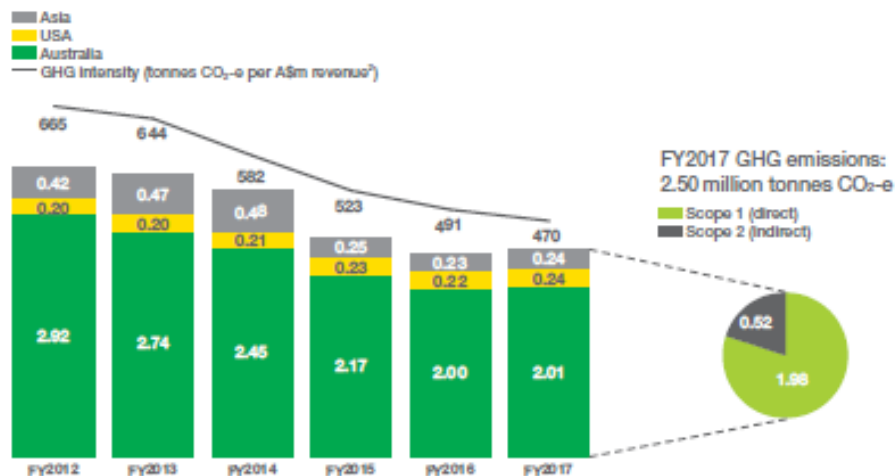
# Our GHG emissions totalled 2.50m tonnes in FY17

Boral's emissions and emissions intensity have reduced by ~30% since FY12



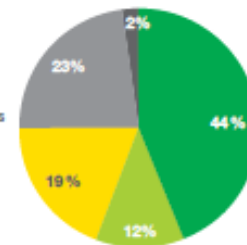
## GHG emissions from operations<sup>1</sup> and emissions intensity per A\$m of revenue<sup>2</sup>

(million tonnes of CO<sub>2</sub>-e)



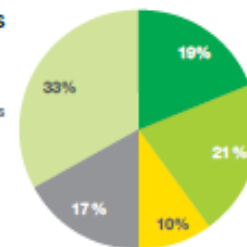
### Energy by fuel source<sup>1</sup>

■ Natural gas  
 ■ Electricity  
 ■ Diesel & liquid fuels  
 ■ Coal  
 ■ Biofuels



### GHG emissions by source<sup>1</sup>

■ Natural gas  
 ■ Electricity  
 ■ Diesel & liquid fuels  
 ■ Coal  
 ■ Calcination



1. Data provided for FY2017 GHG emissions and energy consumption is for Boral's 100% owned operations and Boral's share of emissions from 50%-owned joint venture operations. Does not include Headwaters for FY2017.
2. Revenue has been adjusted to include 50% share of underlying revenues from USG Boral and Meridian Brick joint ventures, which are not reported in Group revenues.



# Boral's energy and fuel exposure



Energy and fuel costs make up ~7% of Boral's overall cost base

FY2017 <sup>1</sup>	Boral Australia	Boral North America	USG Boral (50% share)	Total
Gas	~2.6PJ	~2.9PJ	~3.6PJ	~9.0PJ
Electricity	~411m kW	~128m kW	~118m kW	~657m kW
Diesel <sup>2</sup>	~86m L	~8m L	~6m L	~100m L
Coal	~225k t	~1.7k t	-	~227k t
Biofuels	~0.1PJ	~0.3PJ	-	~0.4PJ
Total usage	~12PJ	~4PJ	~4PJ	~20PJ
<b>Total cost</b>	<b>~A\$197m</b>	<b>~US\$28m</b>	<b>~US\$47m</b>	<b>~A\$295m</b>

- Gas usage ~9PJ<sup>1</sup> p.a.
  - Fixed term contracts: Australian east coast contracts renew January 2018, WA renews 2017
- Electricity usage ~657m kWh p.a. and total cost ~A\$110m (includes ~50% fixed network costs)
  - ~50% of variable exposure hedged + load management (off peak) strategies in place for large user sites
- Diesel usage ~100m L and cost ~A\$100m, includes ~50% fixed pump costs and taxes
- Gas and electricity costs in Australia expected to be ~\$15m – \$20m higher in FY2018

1. Includes 50% of energy usage and costs for USG Boral in FY2017 and Meridian Brick JV from 1 November 2016. Excludes Headwaters acquired business in FY2017

2. Usage data excludes owner-drivers

# Boral 2017 Annual Review & Sustainability Report

Available from 15 September 2017



MATERIAL ISSUES	CATEGORIES
Health & safety	
Environmental management & compliance	
Energy	
Climate-related impacts	
Community impact	
Supply chain and product innovation	
Workplace relations and human rights	
Diversity	
Business conduct	



# Disclaimer



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To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

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