



ANNUAL GENERAL MEETING

27 October 2020

Sydney

Board of Directors



Kathryn Fagg
Non-executive Chairman



Zlatko Todorcevski
CEO & Managing Director



Peter Alexander
Non-executive Director



Dr Eileen Doyle*
Non-executive Director



John Marlay*
Non-executive Director



Karen Moses
Non-executive Director



Deborah O'Toole
Non-executive Director



Paul Rayner
Non-executive Director



Rob Sindel
Non-executive Director













Ryan Stokes
Non-executive Director



Richard Richards*
Non-executive Director

* On 15 October 2020, Seven Group Holdings withdrew its nomination of Richard Richards for election as a director. Mr Richards will cease to be a director on the Board at the conclusion of the 2020 Annual General Meeting (AGM). John Marlay and Eileen Doyle will also be retiring at the conclusion of the AGM

Executive Committee

 <p>Zlatko Todorcevski CEO & Managing Director</p>	 <p>Tino La Spina Chief Finance & Strategy Officer</p>	 <p>Wayne Manners President & CEO, Boral Australia</p>	 <p>Darren Schulz President & Chief Executive, Boral North America</p>	 <p>Frederic de Rougemont Chief Executive, USG Boral</p>
 <p>Ross Harper Group President, HSE, Sustainability, Innovation & Operations Excellence</p>	 <p>Linda Coates Group Human Resources Director</p>	 <p>Kylie FitzGerald Group Communications & Investor Relations Director</p>	 <p>Dominic Millgate Company Secretary</p>	 <p>Damien Sullivan Group General Counsel</p>

How to ask written questions

1. Click “Ask a Question”



BORAL Online Meeting
POWERED BY LINK MARKET SERVICES

HELP NUMBER
1800 990 363

Ask a Question Get Voting Card Exit Meeting

2. Type your question in the space provided
3. Click “Submit Question”

How to vote

1. Click **“Get Voting Card”**



BORAL Online Meeting **HELP NUMBER** 1800 990 363
POWERED BY LINK MARKET SERVICES

Ask a Question Get Voting Card Exit Meeting

2. Enter your Shareholder Number (SRN/HIN) or Proxy Number and click **“Submit Details and Vote”**
3. Select either **“Full vote”** or **“Partial vote”**
4. Complete your voting card
5. Click **“Submit Vote”** or **Submit Partial Vote”**

Chairman’s Address

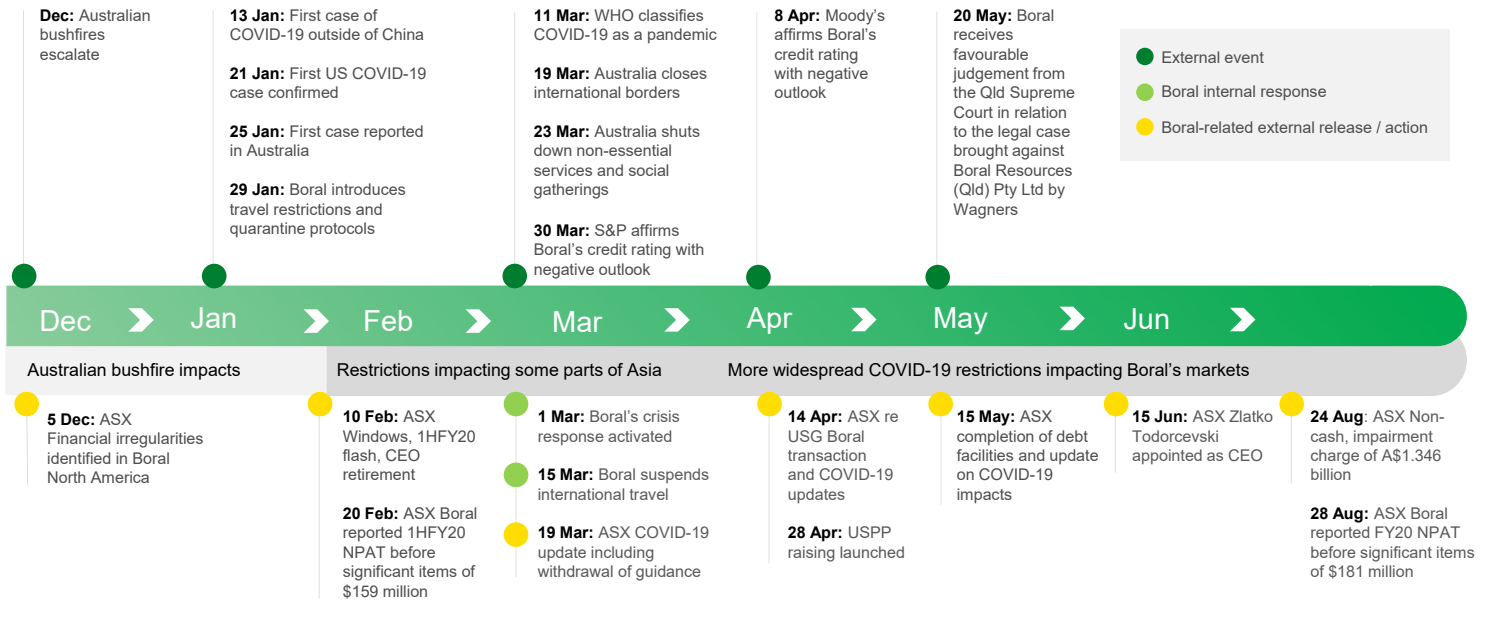


Ormeau Quarry, Queensland



Norfolk Island Project

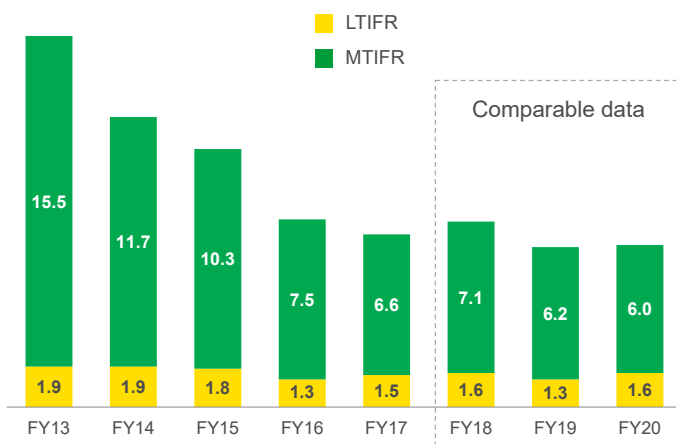
Key events of FY2020



Safety performance

Company-wide commitment to Zero Harm Today

Employee and contractor RIFR¹
 (per million hours worked)



• Safety steady with a recordable injury frequency rate (RIFR) of 7.6

• Measures to help manage the risk of spreading COVID-19 have been a key priority:

- › Strict hygiene and cleaning protocols
- › Social distancing and PPE
- › Quarantine protocols
- › Wellbeing and support programs
- › Total of 381 confirmed cases among Boral employees since the pandemic began; currently 48 active cases mainly in the USA and in geographies where community transmissions are higher; sadly two employee deaths in the USA due to COVID-19 complications and an employee lost his wife

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). Includes employees and contractors in all businesses and all joint ventures regardless of equity interest from FY2018. Prior years include 100%-owned businesses and 50%-owned joint venture operations only

FY2020 financial results

A challenging year for Boral

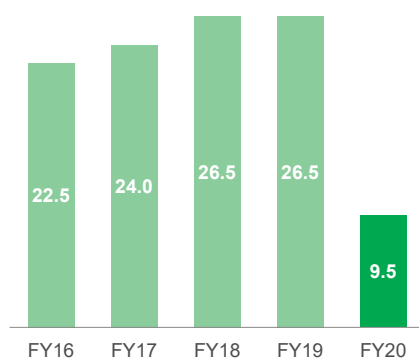
A\$m	FY2020 Reported	FY2020 pre-AASB16 ²	FY2019 ³	FY20 v FY19 pre-AASB16,%
Continuing operations basis				
Revenue	5,671	5,671	5,738	(1)
EBITDA ¹	825	715	1,005	(29)
Total operations				
Revenue	5,728	5,728	5,861	(2)
EBITDA ¹	821	710	1,010	(30)
Net Profit after tax (NPAT) ¹	177	181	419	(57)
Statutory NPAT	(1,139)	(1,135)	251	
Cash flow from operating activities	631	537	762	(30)
Dividends (cents)	9.5	9.5	26.5	(64)

1. Excluding significant items
 2. Excluding the impact of the new leasing standard (AASB 16) in order to provide a more comparable basis for analysis with the prior year
 3. FY2019 comparative figures have been restated - see Note 1d of the financial statements

Dividend and dividend payout

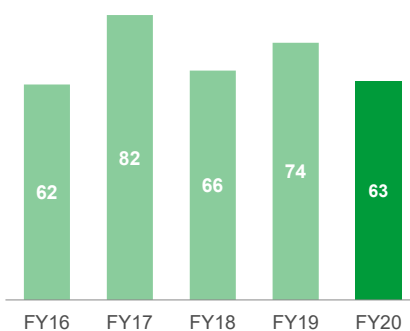
Dividend per share

A\$ cents



Dividend payout

%



- Total dividend of 9.5 cents per share (50% franked)
- Represented a dividend payout ratio of 63%
- Fully underwritten DRP activated for FY2020 interim dividend

CEO and executive succession



**Zlatko
Todorovski**

CEO &
Managing
Director



**Tino
La Spina**

Chief Finance
& Strategy
Officer



**Darren
Schulz**

President &
Chief
Executive,
Boral North
America

Board renewal



**Rob
Sindel**

Non-executive
Director



**Deborah
O'Toole**

Non-executive
Director



**Ryan
Stokes**

Non-executive
Director

Headwaters acquisition review

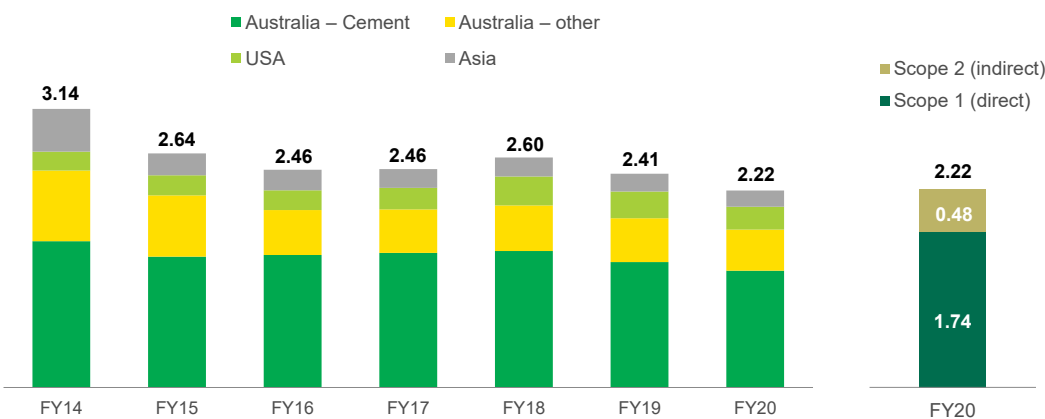
Key area

Headwaters as target	✓ Highly complementary business with good geographic / segment overlap
Transaction approach	✓ Well structured / executed elements
Synergies	• A high level of synergies relative to earnings
Market projections	• Reliant on market forecasts; risk understanding
Execution	• Execution gaps, capability stretched, operational issues
Value	• Full price with little room for error

Building a sustainable business for the long-term

Scope 1 and 2 greenhouse gas emissions reduced by 8% to 2.2 million tonnes CO₂-e

Greenhouse gas emissions from operations¹
(million tonnes CO₂-e)



External recognition

MEMBER OF
Dow Jones Sustainability Indices

In collaboration with **SAM**

Constituent of
FTSE4Good Index Series

MSCI ESG RATINGS
AA

ccc | B | BB | BBB | A | AA | AAA

As of 2020, Boral received an MSCI ESG Rating of AA

1. GHG emissions from operations and energy consumption data excludes some joint ventures, which in aggregate are not deemed to have material emissions. Data may not add due to rounding
2. Based on Group-reported revenue adjusted to include Boral's 50% share of underlying revenue from the USG Boral and Meridian Brick joint ventures, which are equity accounted

CEO & Managing Director Address



Boral North America, Montour reclaim operation in Pennsylvania



Eldorado Stone® products

Safety performance



Employees at Peppertree Quarry, NSW



Boral Australia Forward Moving Aggregate Spreader





FY2020 non-cash impairment charges

We recognised a non-cash, pre-tax impairment charge of \$1.346 billion

	Related to	Took into account
\$1.22 billion	Boral North America assets including goodwill, intangible assets and investment in Meridian Brick	<ul style="list-style-type: none"> Increased demand uncertainty impacted by the COVID-19 pandemic, and potential longer-term impacts of prevailing economic and operating conditions, and recent operating performance
\$123 million	Boral Australia , including construction materials assets in Western Australia and Northern Territory, and roofing and timber assets	<ul style="list-style-type: none"> Lower market demand including COVID-related economic downturn and uncertainty

Q1 FY2021 trading update

Still not business as usual; ongoing uncertainty and challenges remain

 <p>Boral Group</p>	<ul style="list-style-type: none"> Fewer disruptions relative to previous six months but still not business as usual Q1 revenue down 9% and EBIT down 5% on prior comparable period (pcp)¹ EBIT margin of 9.5%, compares with ~9% in pcp¹ (and noting Sep-qtr is typically a seasonally stronger period) 	 <p>Boral North America</p>	<ul style="list-style-type: none"> Q1 USD earnings declined on lower revenue and EBIT margin of ~12%, up slightly on pcp Higher equity earnings from Meridian Brick Building products lead times growing; running at capacity due to absenteeism, supply chain disruptions and staffing issues due to COVID Fly Ash volumes down 11%
 <p>Boral Australia</p>	<ul style="list-style-type: none"> Q1 EBIT broadly steady on lower revenue and EBIT margin of 7.5%, up slightly on pcp¹ Q1 concrete volumes declined 8%, quarry volumes down 2% and asphalt volumes lower relative to pcp Slowdown of major project work moving into execution phase 	 <p>USG Boral</p>	<ul style="list-style-type: none"> Q1 underlying revenue lower but EBIT slightly better Cyclical pressures in Australia and South Korea, and soft trading conditions in Thailand but strong uplift in China Q1 plasterboard volumes down 7% in Australia and 6% in Asia versus pcp Q1 equity income steady on pcp

1. Noting that Q1 FY2020 included one-off cost impact of ~\$10 million due to unplanned disruption and remediation works at Peppertree, and unscheduled down time at the Berrima kiln. Adjusting for these one-off impacts in the prior year, EBIT in Q1 FY2021 was down ~10% on pcp.





Portfolio Review

A rigorous internal review across every business and every geography

For every business in every geography, our internally-led review assessed:

- Boral’s position, strengths and the sectors in which we operate
- Future earnings and growth potential
- What is needed to drive a sustainable competitive advantage and deliver improved performance in short, medium and long-term

The review highlighted there are significant opportunities for improvement in almost every business we own

-  Better serve our customers
-  Better leverage our assets and operations
-  Better engage our people
-  Deliver improved outcomes for shareholders

The review findings necessitate a considered and measured approach to how we move forward

USG Boral

Boral agrees to sell its 50% share in USG Boral to Knauf

Transaction highlights

- Boral to sell its 50% interest in USG Boral for **US\$1.015 billion**
- Represents an attractive multiple of 15.1 x FY2020 normalised EBITDA¹ and ~11.3 x FY2019 EBITDA¹ (based on Boral’s 50% share of 2019 EBITDA for JV)
- Profit on sale before tax expected to be ~A\$540 million
- Agreement is binding and subject to typical conditions precedent including in relation to regulatory matters
- Transaction is expected to close in FY2021
- Final cash proceeds from transaction will be applied to reduce net debt and fund growth investment in retained portfolio



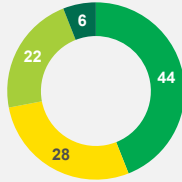
1. Excluding significant items and the impact of IFRS leasing standard (AASB 16). FY2020 multiple is based on reported EBITDA for USG Boral of A\$190m 'normalised' to adjust for A\$10m reported COVID related production impacts and converted at FY2020 AUD/USD exchange rate of 0.6703. FY2019 multiple is based on reported EBITDA for USG Boral of A\$252m converted at FY2019 exchange rate of 0.7145.
2. Other plants include mineral fibre ceiling tile, metal ceiling grid, metal products, joint compounds, bonding compounds, industrial plasters, mineral wool and cornice production
3. Includes the cornice plant in Australia that will be rebuilt

Boral Australia

A strong footprint with quality assets

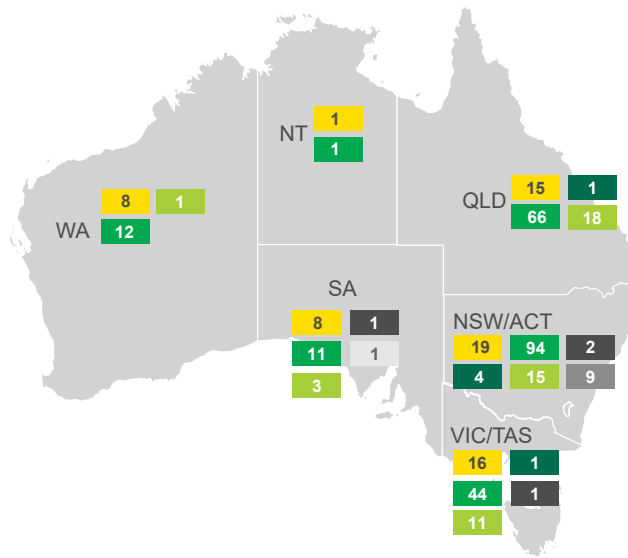
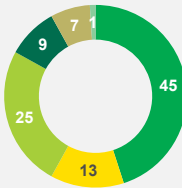
FY2020 Revenue by region¹, %

- NSW / ACT
- VIC / TAS / SA
- QLD
- WA



FY2020 Revenue by business^{1,2} %

- Concrete & Placing
- Quarries
- Asphalt
- Cement
- Building Products
- Other



379 operating sites³

Concrete	228
Quarries	67
Asphalt	48
Cement ⁴	6
Roofing	4
Timber ⁵	9
Masonry	1

1. Boral Australia external revenue for the year ended 30 June 2020
 2. Other includes Transport and Landfill revenues
 3. As at 30 June 2020. Includes transport, recycling, fly ash depots and R&D sites. Concrete and asphalt sites include mobile plants. Excludes mothballed plants
 4. Includes cement manufacturing, grinding, bagging and lime plants in NSW, a clinker grinding plant in Victoria and a clinker grinding joint venture in Queensland
 5. Includes eight Boral Hardwood mills and one JV Softwood operation

Portfolio Review – Boral Australia

A great business, but more work to do

Findings

- ✓ Integrated positions in key regions
- ✓ Innovative products
- ✓ Strong brand
- ✓ Recent investments in quarries
- ✓ Good property / integrated land assets
- Cost base can be lowered
- Can deliver much better operating leverage from our assets

Opportunities

Near term

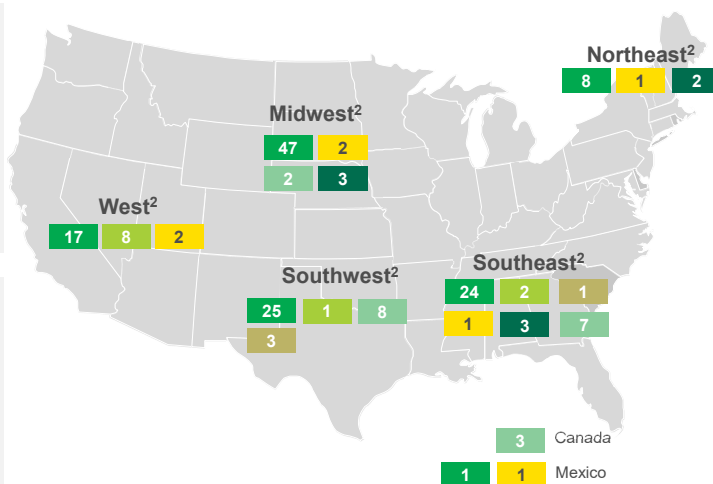
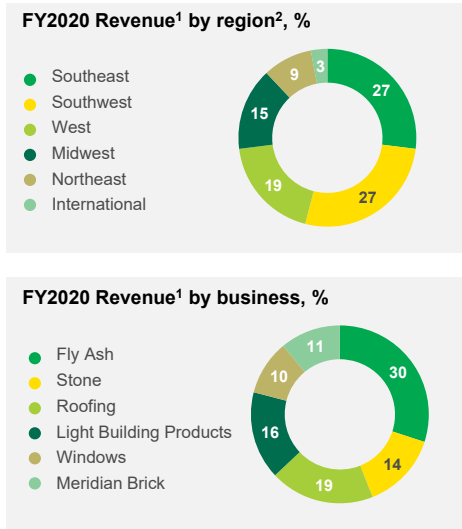
- Become **leaner, more nimble, more cost efficient** (*plans being fully developed*)
- Strengthen **customer-focus** and accelerate deployment of **sustainable product solutions** (*underway*)

Medium term

- **Adjacent growth opportunities** (*opportunities being fully explored*)
- Realise **greater value from property portfolio**

Boral North America

Attractive diverse businesses across all geographies



214 operating sites³

Fly ash	122
Stone	7
Roofing	11
Light Building Products	8
Windows	4
Meridian Brick	20

1. Based on external revenue, including Boral's 50% share of Meridian Brick joint venture revenue, which is not included in reported revenue
 2. Southeast – AL, FL, GA, KY, MS, NC, SC, TN, VA, WV; Southwest – AR, LA, OK, TX; West – AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY; Midwest – IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI; Northeast – CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT
 3. As at 30 June 2020. Includes 38 clay mines and four R&D sites. Excludes mothballed plants and distribution locations

Portfolio Review – Boral North America building products

Continue to improve the businesses while exploring third-party interest

Findings

- ✓ Strong brands
- ✓ Good positions in many geographies
- ✓ Diverse portfolio of 4 businesses (LBP, Roofing, Stone, Windows) including growth, mature/harvest & niche products
- Full value of businesses not yet unlocked
- Cross-business opportunities not leveraged

Opportunities

- Taking steps to **substantially strengthen returns**, through identified
- operational improvements (*underway*)
 - go-to-market strategies (*underway*)
 - product development / innovation (*accelerating*)
 - Cross-business opportunities (*pilot programs underway*)
- Explore third-party interest** to assess if there are enhanced value creation opportunities

Portfolio Review – Boral North America Fly Ash

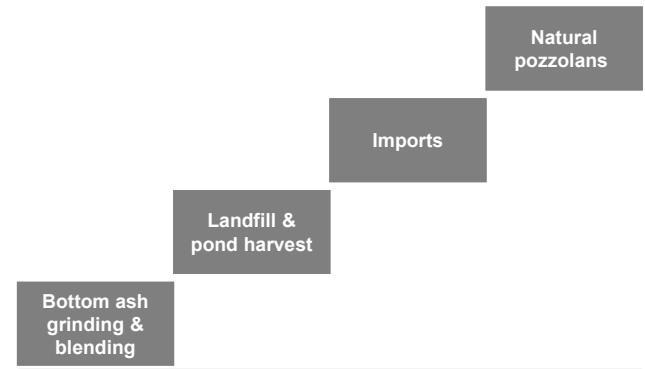
Securing the future of a leading business

Findings

- ✓ Attractive cash-generative business
- ✓ Leading position with extensive national coverage
- ✓ Solid contract and customer demand profiles
- ✓ Leading technology suite
- **Decline of coal-fired power generation**

Opportunities

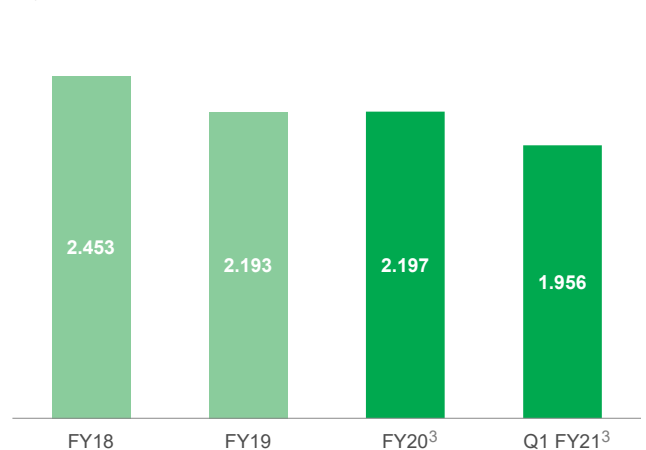
- ✓ Accelerating strategies to assess and secure alternative sources of fly ash supply



Balance sheet

- Net debt of \$2.197 billion as at 30 June 2020
- Principal debt gearing covenant¹ at 41% at 30 June 2020, up from 30%² at June 2019 (threshold <60%) due to impairment (~6% impact) and cash drawn (~5% impact)
- Tangible net worth covenant >\$1.75 billion, \$2.3 billion post impairment
- Following sale of Midland brick and strong cash generation in Q1, net debt reduced to \$1.956 billion
- Net proceeds from sale of USG Boral assets will be applied to reduce net debt and fund growth investment in retained portfolio

Net debt
\$billion



1. Gross debt / (gross debt + equity) excluding lease liabilities
 2. Restated FY2019
 3. Excludes \$383 million of lease liabilities at 30 June 2020 and \$362 million at 30 September 2020

Sustainability



FY2021

- Setting further sustainability objectives and targets
- Completing work to set science-based emission reduction targets aligned with Paris Agreement
- Continued commitment to safety
- Strengthening culture around innovation and customer solutions, and ensuring Boral is a great place to work



ANNUAL GENERAL MEETING

Formal business



Item 1 – financial reports

To consider the Financial report, the Director’s Report and the Auditor’s Report for the year ended 30 June 2020



Item 2 – re-election and election of directors

2.1 To re-elect Kathryn Fagg as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To re-elect Kathryn Fagg
as a Director

Item 2 – Re-election and election of Directors



Kathryn Fagg

Chairman

Item 2.1

To re-elect Kathryn Fagg as a Director

Proxies

For	706,287,158
Open	3,183,385
Against	126,280,068

84.7% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 2 – re-election and election of directors

2.2 To re-elect Paul Rayner as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To re-elect Paul Rayner
as a Director

Item 2 – Re-election and election of Directors



Paul Rayner
Non-executive Director

Item 2.2

To re-elect Paul Rayner as a Director

Proxies	
For	676,642,731
Open	3,228,641
Against	155,825,774

81.1% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 2 – re-election and election of directors

2.3 To elect Rob Sindel as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To elect Rob Sindel
as a Director

Item 2 – Re-election and election of Directors



Rob Sindel

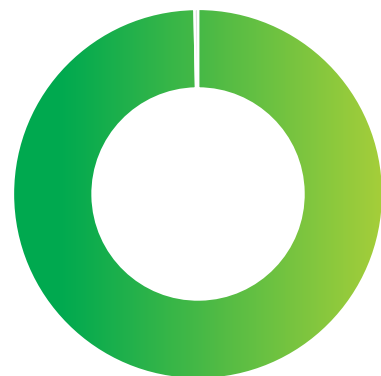
Non-executive Director

Item 2.3

To elect Rob Sindel as a Director

Proxies	
For	831,118,086
Open	3,557,077
Against	987,189

99.7% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 2 – re-election and election of directors

2.4 To elect Deborah O’Toole as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To elect Deborah O’Toole
as a Director

Item 2 – Re-election and election of Directors



Deborah O’Toole

Non-executive Director

Item 2.4

To elect Deborah O’Toole as a Director

Proxies	
For	829,795,165
Open	3,553,200
Against	2,248,502

99.5% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 2 – re-election and election of directors

2.5 To elect Ryan Stokes as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To elect Ryan Stokes
as a Director

Item 2 – Re-election and election of Directors



Ryan Stokes

Non-executive Director

Item 2.5

To elect Ryan Stokes as a Director

Proxies	
For	630,267,398
Open	3,274,099
Against	193,790,546

76.4% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 3 – Remuneration Report



Chairman of Remuneration & Nomination Committee

John Marlay

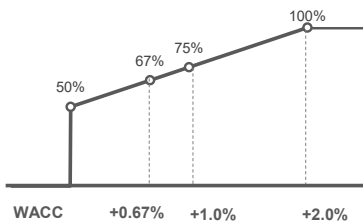
2020 remuneration outcomes and updates

- **FY2020 STIs foregone at start of COVID**
- **No LTI hurdles met in FY2020**
- **STI Plan for FY2021 suspended**, may be reviewed if conditions / performance improves
- **Salary freezes** from start of COVID and for FY2021 (unless role/responsibility changes) and **no NED fee increase**
- **Zlatko Todorcevski's remuneration structure**
 - › For FY2021, ~70% of remuneration 'at risk', including 8% equity component of fixed remuneration plus LTI From FY2022, will consider if appropriate to include an STI, and LTI measures to include strategic transformation
- **Mike Kane leaving arrangements:**
 - › In line with employment contract, as previously disclosed, on termination Mike was entitled to a separation payment equivalent to 12 months of base cash salary
 - › Board discretion exercised – all unvested LTI awards held by Mike Kane were lapsed (Remuneration Report shows 1.265m rights because decision to lapse was taken after 30 June 2020)
 - › Mike did not receive any STI for FY2020
- Unvested deferred FY2018 **STI adjusted to reflect Windows earnings adjustments** for all executives

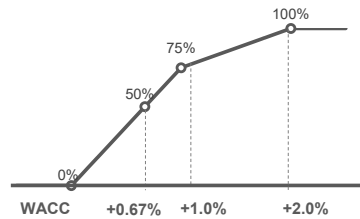
Changes to LTI payout curve for ROFE

- **12-month VWAP to 30 June 2020 for FY2021** (replaced 5-day VWAP to 1 September) **equity and LTI allocation**, given volatility of share price and other factors
- **Treatment of Property in STI and LTI**
 - › STI plan will exclude Property contribution to EBIT
 - › LTI plan will reference average property outcome over a 3-year period to reduce volatility
- **Changes to LTI payout curve for ROFE performance metric from FY2021 grant:**
 - › New vesting schedule, removes 'cliff' and better aligns with aim of rewarding incremental performance above WACC

Past vesting schedule
showing proportion of LTI vesting



New vesting schedule from FY2021 LTI grant
showing proportion of LTI vesting



Item 3 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

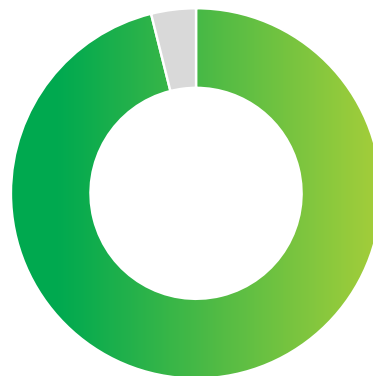
“To adopt the Remuneration Report for the year ended 30 June 2020”

Item 3

To adopt the Remuneration Report for the year ended 30 June 2020

Proxies	
For	799,482,556
Open	3,531,697
Against	31,167,802

96.1% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 4

Award of LTI Rights to Zlatko Todorcevski, CEO & Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That approval is given for the award to Zlatko Todorcevski, the CEO & Managing Director, of rights to fully paid ordinary shares in the Company as an LTI award on the terms described in the Explanatory Notes to this Notice of Meeting.”

Item 4

Award of LTI Rights to Zlatko Todorcevski, CEO & Managing Director

Proxies	
For	825,619,327
Open	3,576,959
Against	5,667,439

99.1% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR

Item 5

Award of Fixed Equity Rights to Zlatko Todorcevski, CEO & Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That approval is given for the award to Zlatko Todorcevski, the CEO & Managing Director, of rights to fully paid ordinary shares in the Company as part of his fixed annual remuneration on the terms described in the Explanatory Notes to this Notice of Meeting.”

Item 5

Award of Fixed Equity Rights to Zlatko Todorcevski, CEO & Managing Director

Proxies	
For	827,170,936
Open	3,561,752
Against	4,796,484

99.2% to be cast FOR the resolution*



* On the basis that open proxies in favour of the Chairman of the Meeting are voted FOR



ANNUAL GENERAL MEETING

27 October 2020
Sydney



Disclaimer

The material contained in this document is a presentation of information about the Group's activities current at the date of the presentation, 27 October 2020. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

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.

This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.