

BORAL NEWS

APR 2015

USG BORAL TURNS 1!

**HOW WE'RE REINVENTING
THE TIMBER BUSINESS**

CHANGING THE WAY
WE WORK IN THE
**SOUTHERN
REGION**

Interview with Paul Dalton,
EGM Construction Materials
Southern Region

**A LOOK AT PROJECTS USING
BORAL USA'S PRODUCTS**



My thoughts on leadership – which apply to everyone at work

Earlier this month I addressed a group of Boral's leaders at our Construction Materials & Cement division's leadership dinner. I talked about what it means to be an inspirational leader.

There are the expected things that a good leader needs to do – like setting direction, communicating and delivering strategy, and developing talent. But a good leader knows that his or her performance, and the legacy they leave behind, depends on the performance of the team.

The most effective leaders engage their teams to commit to the goal and to deliver on it. To do this, they nurture mutual trust with their employees, and when this mutual trust is well-developed, people are truly engaged at work.

Importantly, a leader needs to commit to that trust first. They should not expect their team members to trust or follow them automatically. When you know that your boss will back you, and when you know your people will go that extra mile when you need them to, that's when a leader is doing his or her job well.

Leaders have an obligation to the people they represent and they need to recognise it. I have an obligation to more than 12,000 employees and 6,000 contractors, to Boral's Board of Directors, to our investors and also to our customers and communities.

My most important obligation is to do everything within my control to foster a safe and healthy work environment where no one is hurt. To deliver on this requires commitment and trust in the people who work for me. I need to know they share the same obligation and have developed a healthy level of mutual trust with their direct reports so that they are fully engaged in ensuring everyone is safe – always.

It sounds easy, but it's not. It's something we all need to work on throughout our working life. As we develop the skills to be more inspirational in our leadership, that's when we will start to see Boral really *transform*.



Mike Kane
CEO & Managing Director

FRONT COVER IMAGE:
Angela Kingwell, Senior Health,
Safety and Environment Advisor
for Construction Materials in the
Southern Region

Boral News is published by
Boral Limited ABN 13 008 421 761.

If you have an item of news
for future issues, please contact:

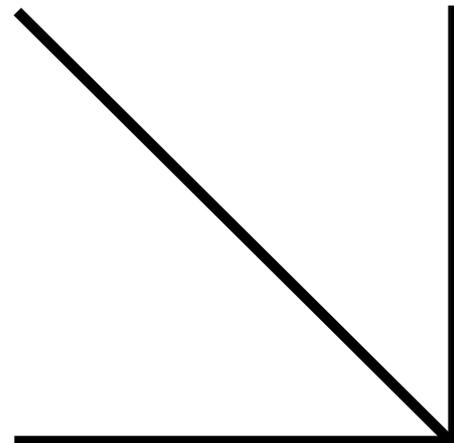
Linda Assatoury
Group Communications
& Investor Relations Manager

Boral® is a registered trademark of
Boral Limited or one of its subsidiaries.

© 2015 Boral Ltd. All rights reserved.

© 2015 USG Boral. All rights reserved.

Inside



Features

05

USG Boral, one year on

Two teams have been integrated into a cohesive new business

08

Executing strategy down south

A revolution has taken place, and it's changing the way we work

14

Reinventing the timber business

Consolidation continues, but more work must be done to secure the future

16

Born in the USA

A selection of Boral's US products sold around the world

18

A day in the life of Boral's St Peters concrete plant

Here's what an action-packed day at St Peters looks like



Regulars

02 NEWS

03 PRODUCTS

04 PEOPLE

06 PROFILE

Paul Dalton, Executive General Manager,
Construction Materials, Southern Region

20 IN THE COMMUNITY

TAKE NOTE

Five interesting projects across Boral



Hervey Bay Hospital, Queensland uses over 100,000 Boral Fusion bricks in Blue Rio



Boral quarries, concrete and asphalt supplied for Brisbane's Legacy Way tunnel



Boral Bradstone® pavers used in Moss Vale park upgrade, NSW



Boral's lower carbon concrete ENVISIA® used in 333 George Street, Sydney¹ commercial building



13mm Sheetrock® brand plasterboard used at 480 Queen Street, Brisbane² commercial property



Launch of My Learning Space

A new learning management system will allow employees in Australia to check their training records, see what courses are coming up and complete online training all in one place. It will also allow managers to produce up-to-date reports and identify training gaps for their teams.

"It plays an important role in our regulatory and safety compliance regime as training records will be easily accessible and located in one place," says Ceridwen

Jones, National Learning & Development Manager for Construction Materials & Cement. "In time, we'll be able to offer *Learning@Boral* courses simultaneously across our locations through the system."

My Learning Space is a multi-year project with the first step being the migration of training records firstly across Boral's Asphalt NSW operations in 2015 and then across other Australian operations. ■

1 May kick-off for Boral CSR bricks

On 18 December 2014, the ACCC announced that it would not oppose the proposed joint venture (JV) to combine Boral's and CSR's brick operations on the east coast of Australia.

Officially commencing on 1 May 2015, the JV is 40% owned by Boral and 60% by CSR. Nick Pezet has been appointed Executive General Manager, reporting to the JV Board.

With a combined manufacturing presence across 12 sites in

Queensland, NSW, Victoria and South Australia, David Mariner, Executive General Manager of Boral Building Products said that the JV secures a more sustainable outcome for the bricks business. "I am encouraged by the opportunities ahead for the business. The JV offers a comprehensive range of bricks and market leading services for our combined customer base and provides more opportunities for our people." ■

Sale of Melbourne landfill business completed in March

Boral's landfill operation at Deer Park in Melbourne has been sold to Transpacific Industries for \$150 million, plus approximately \$15 million for site preparation work. In addition, Boral will receive a long-term, volume-based earnings stream for the life of the landfill, which is expected to be between 40 to 50 years.

The transaction recognises that landfill operations are not Boral's core business and establishes an ongoing working relationship with an industry leading operator which can make use of the space created from ongoing quarrying activities at Deer Park for much-needed landfill activities. ■



AFR Business Person of the Year 2014: Mike Kane

On 18 December 2014 the *Australian Financial Review* (AFR) named Boral CEO and Managing Director Mike Kane Business Person of the Year in its annual recognition of the leaders, builders, pioneers and stirrers who most shape modern Australian business. Mike was also added to the AFR's 50th

anniversary list of the 50 business figures who shape Australia's business.

These accolades were given to Mike by the AFR based on his impact in the business world, including Mike's stance against the CFMEU's illegal secondary boycott of Boral on Melbourne CBD construction sites. ■



Midland Brick wins industry customer service award

Midland Brick is the winner of the 2015 Master Builders Association Customer Service Award for Suppliers. Tom Guthrie, its Regional Sales Manager, accepted the award in front of 800 builders and industry players in a recent ceremony in Perth.

"To be recognised for our commitment, passion and experience by clients is evidence that everyone's efforts are valued and appreciated. Well done to the entire team," says Tom. ■

National Product Councils strive to share best practice

With a regional management structure across Australia, Joe Goss, Divisional Managing Director of Construction Materials & Cement, wanted to ensure that product teams from different regions were consistently adopting best practice.

And so Product Councils were born. Their aim is to agree and implement nationally important business decisions for each product group across the regions.

“It’s a way of bringing teams together from across the country to share experiences, benchmark best practice and ensure consistency”

There are six councils for Asphalt, Concrete, Logistics, Quarries, Project Management and Sales & Marketing functions, each having representatives from the regions and chaired by a senior executive.

“Having a member of our senior executive team chair each council, spearheading uniformity as well as thought leadership in a particular product, has been good for the organisation,” says Ross Harper, Executive General Manager of Cement and chair of the Logistics Product Council. ■



DID YOU KNOW?



30% OF ALL BITUMEN SURFACED ROADS ACROSS AUSTRALIA USE BORAL AGGREGATES



30% OF BORAL'S EXPOSURE IS TO ROADS, INFRASTRUCTURE AND ENGINEERING IN AUSTRALIA

Boral Production System (BPS) in action



Transforming Payroll Services

Boral's Payroll Services has successfully reduced operating costs by 17% and improved accuracy levels so that they now exceed industry standards.

“Payroll has gone from transaction processing to the provision of a range of payroll and associated services,” says Joanne Hawley, National Payroll Manager. “BPS has improved our processes and allowed us to take on functions from the business without increasing headcount.”

A total of 22 projects were identified to improve processes and service levels. After 18 months, 50% of those projects have now been delivered.



Reducing dust emissions at Berrima

A team of engineers, electrical and mechanical maintenance employees and operators, headed by Technical Manager Gabriel Paicu have used BPS to reduce dust emissions at the Berrima Cement Works by one-third, and avoided the need for a new \$5 million bag filter.

Boral Cement's Environmental Manager Alex Wnorowski adds that the emissions reduction helps pave the way for use of waste-derived alternative fuels at Berrima, which are subject to strict emission limits.



Being LEAN saves \$1.5 million at Marulan

An improvement project on a drilling rig at Boral's Marulan limestone mine has saved \$400,000 a year in operating and maintenance costs and avoided the need to purchase a \$1.5 million replacement rig.

“A revamped operations plan with emphasis on training and continuous improvement has resulted in a dramatic improvement in the machine's availability. We've increased the Overall Equipment Efficiency from 35% to 80%, which is the benchmark for best practice”, says Maintenance Superintendent, Mark McCarthy. ■



Wayne Manners – chair of the Diversity Council and EGM Construction Materials, WA; Kylie FitzGerald – Group Communications & Investor Relations Director; and Kathy Mackay – Group Learning Manager

Diversity Council hosts Women in Leadership forums

In December 2014, 14 leaders from across Boral gathered to discuss gender diversity. In the third of the CEO-sponsored sessions, participants heard from senior executives Kylie FitzGerald, Group Communications & Investor Relations Director and Joe Goss, Divisional Managing Director of Construction Materials & Cement.

Topics included mentoring, the importance of building and using personal networks and leadership support. “When I first started work I was the first female to join a large team of men, which was a ‘disruption’ on the site... In hindsight I wish I had a mentor early in my career,” said Kylie. The group also talked about career development and seizing opportunities as they come. “Something as simple as sending a fax to head office as part of my MBA studies started a chain of events that changed my career,” added Kylie.

Women in Leadership forums are part of Boral’s diversity strategy, as is the Diversity Council. Made up of senior

representatives from across Boral’s operations, the council aims to build an inclusive culture covering such issues as gender equality and pay equity, generational diversity and Indigenous relations.

“More than increasing the representation of women in key decision making roles, we’re moving to a culture where diversity is embedded in the way we work,” said Wayne Manners, chair of the Diversity Council and Executive General Manager for Construction Materials in Western Australia.

Other initiatives include education and awareness campaigns, programs to encourage Indigenous employment and embedding diversity into recruitment and selection processes.

“Cultural change is critical to our future success,” says Human Resources Director, Linda Coates. “Organisations that can reflect and harness diversity are proven to perform better, reduce risks and contribute to economic growth.” ■

“When I first started work I was the first female to join a large team of men, which was a ‘disruption’ on the site... In hindsight I wish I’d had a mentor early in my career”

Kylie FitzGerald, Group Communications & Investor Relations Director

Employees recognised for excellence

Over the past year, 145 employees across Construction Materials & Cement have been recognised for their contribution to furthering our strategy or a continuous improvement idea in their operations. Of these, 11 employees and one team were recognised in national awards across different categories in March at a leadership conference

held in Sydney. “Award recipients have shown how one idea can improve our integrated operations and customer experience, and ultimately help us be the leader in construction materials in Australia,” says Bill Fisher, Executive General Manager, Human Resources for Construction Materials. ■



2015 Inspirational Leadership award recipients

<p>Jessica Van Soest, HSE Advisor, Queensland/Northern Territory and Omar El Komy, Production Manager – Wheatstone project, Western Australia</p>	<p>Angela Ricketts, Continuous Improvement Manager and Sharon Evert, National Business Analyst, NSW Finance</p>	<p>Cameron McArthur, Project Manager, Delivery – New South Wales, Boral Property Group</p>
<p>Matthew Miller, Quarry Supervisor, New South Wales</p>	<p>Sarvesh Mali, Quality Manager – Concrete, Western Australia</p>	<p>Amanda Sinclair, Procurement Manager – Southern Region</p>
<p>Matt Keep, Project Manager – Asphalt Toowoomba, Queensland</p>	<p>Marco Moschanos, Sales Manager – Q-Crete Queensland/ Northern Territory</p>	<p>Brian Soper, NSW Bulk Depot Operations Manager, Cement representing the Clyde Depot team</p>



Fran wins Local Woman of the Year award

Fran Refalo from the Boral’s National Credit Hub in New South Wales has won Mulgoa’s 2015 Local Woman of the Year award in recognition of 15 years of volunteer service to community sport. Congratulations Fran! ■

Award was presented to Fran by Pru Goward MP the Minister for Women and Tanya Davies MP Member for Mulgoa.



USG BORAL TURNS 1!



Twelve months after the formation of the USG Boral plasterboard and ceilings joint venture, its CEO Frederic de Rougemont reflects on the successful integration of two teams into a cohesive business, determined to deliver on its promises.

The \$1.6 billion joint venture between Boral Limited and USG Corporation brought together Boral's leading plasterboard manufacturing and distribution operations across Australia and Asia, and USG's world-leading gypsum technologies and strategic assets in Australasia and the Middle East.

Frederic attributes the success in integrating the teams in part to the two organisations having the same priorities and similar values. "Today, people really sense they belong to the same USG Boral team, regardless of where they came from," he says. "A shared commitment to safety, trust and empowerment have also been important to our success."

With integration now complete, USG's new Sheetrock® technologies have been introduced into four countries – Australia, Korea, Thailand and Indonesia. The technology roll-out across 24 USG Boral plasterboard plants is continuing, and the business is focused on delivering a promised US\$50 million of synergies within three years of completion.

"We've seen a remarkable manufacturing transformation and I'm very pleased that we're on track with our plans," says Frederic, who adds that customers' response to the new Sheetrock® product has been very positive.

"People recognise that it's a much better board. They like its strength, its sag resistance, its lighter weight, its better nail pull and it performs better.

"We're hopeful that customers are prepared to pay for these benefits, and early signs are positive. I have a strong conviction that you can de-commoditise and create a difference even with commodity type products.

"Of course, we're only at the beginning of the journey. We rolled the technology out six months ago and six months in our industry is like yesterday."

Like any large and complex business, this enterprise faces some challenges, Frederic admits. "We operate in a complex environment, so it's to be expected. For example, we've seen political unrest in Thailand. There are also macro-economic risks that we have to manage every day. Currency fluctuations not only impact on our translated earnings, but can also impact our costs. If we can't raise prices at the same rate as cost inflation, then that can be a short-term issue."

Aggressive competition in some markets is another challenge, which is why Frederic believes it's important to focus on maintaining a leadership position by creating points of difference.

With a background in materials science and having once headed up Lafarge's R&D operations, he is passionate about using innovation to differentiate the business and meet customers' changing needs.

"Our tagline is 'Innovation inspired by you' and Sheetrock® is the first innovation we're bringing to customers. There's more to come from USG Boral. I am excited that we can influence the way buildings are constructed and we're well positioned to continue to deliver more value." ■



13mm Sheetrock® brand plasterboard used for internal ceilings at 480 Queen Street, Brisbane commercial property.



PAUL DALTON



Paul Dalton, Executive General Manager of Construction Materials in the Southern Region, has been leading the business through one of its more challenging times. The business has emerged with an unwavering determination to make safety a priority. We speak to Paul about his thoughts on safety, leadership and plans for the business.

BORAL NEWS: Can you tell us a bit about your career prior to and since joining Boral?

PAUL DALTON: After studying civil engineering, I became a quarry supervisor at the Beveridge Scoria Quarry about 60km north of Melbourne in 1993. After a few years, I moved to Malaysia to manage one of the largest quarries in Southeast Asia – it was in the years in the lead up to the Commonwealth Games and it was an exciting time to be working in that part of the world. I returned to Australia following the Asian currency crisis and worked as a productivity engineer for MacMahon Holdings, a civil and contract miner based in South Australia, before moving back to Melbourne in 1999 to manage Veolia's industrial services division. I also completed my MBA at the University of Melbourne at that time.

In 2003, I joined Boral. I started out looking after our concrete, quarries and transport operations in South Australia and then moved to the role of National General Manager of the Property Group in Sydney.

In 2010, I came back to Melbourne to lead the Construction Materials business in the Southern Region.

BN: You've had a few roles in your time at Boral. What's been your inspiration?

PD: I've always looked for challenges, and opportunities to learn new things and work in new environments. I'm really motivated by being able to improve the business, help people grow and see the positive changes we are making together.

BN: What equips you best for your current role?

PD: The experiences I've had overseas and around Australia as well as the local knowledge of the Southern Region market have been really helpful.

But it's about being equipped for change and making sure the team is equipped for change. A lot of our people have been with Boral for a long time; we enjoy working at Boral and we know the business well. The world around us keeps changing and the challenge is for our business to reflect that.



BN: What are the key priorities for the business?

PD: Safety is number one. We've always had a strong focus on safety but I'd like to think we're seeing and doing things differently now. Ten years ago, we thought we had a good safety culture but if I look at the way we put safety ahead of production, report hazards and near misses and problem solve, I can see we have come a long way.

We're also committed to continuous improvement, how we can make our customer experience better and recognising our people for going above and beyond their roles.

This is summed up by our vision of *zero|one|ten* – our focus on zero harm for our people, being number one choice for our customers and employees and a culture of continuous improvement – striving for 10% improvement every year.

BN: How did *zero|one|ten* come about?

PD: A few years ago and in a time of great change at Boral, we felt that our teams needed a simple way of focusing on the two or three things that mattered the most. As a team, we came up with safety, customer, employees and continuous improvement. Anthony Perizzolo and Luke Brown shared their experience at Toyota, where they'd created a mission statement using one word from each focus area. That's how we came up with *zero|one|ten*.

And from there it's really clicked for people. It's been picked up by other parts of Boral's Construction Materials division too.

More than a strategy, we talk about it being a decision making framework. Our teams know that if they make a decision in line with *zero|one|ten* then it's got to be a good thing. It allows people to take ownership and feel empowered to make decisions that will deliver on our objectives. We call this owning the intent and having a bias for action.

BN: Where does *Skilled 4 Action* fit in?

PD: A few months after we introduced *zero|one|ten*, we realised that our teams knew about it but our behaviour wasn't changing.

We needed to give our teams the skills to lead the change and own the intent. That's when *Skilled 4 Action* was developed. Working with Wayne Reade, Head of Organisational Development for Construction Materials & Cement, 130 managers were asked to develop their business plan in line with *zero|one|ten* and present it to their peers. Practicing these skills in a 'safe' environment was the key.

Suddenly the fog lifted. Our teams didn't only know our vision, they started living it. We started talking about Boral's values and that leaders would be held accountable to these values.

Take for instance zero harm. Our leaders need to show that safety comes before production. What kind of a message are we sending when we ask our teams to press on despite a safety concern just to make the production numbers for the month?

We stopped production to talk about safety. Stop Work for Safety days are now an annual event. We introduced a red card and encouraged all team members to call out unsafe work. If you're not comfortable about the risks you're taking then call me directly. I want to know about it. It became an important symbol of our commitment to safety.

BN: If the strategy can make one change, what would it be?

PD: That's simple. It's that everyone has the right to go home in the same condition they started work each and every day. Our people shouldn't get hurt; our teams' safety is entirely within our control.

Mike Kane has brought huge clarity to the business on this issue. With Mike, safety is not negotiable, so it's easy to align yourself to it. He asks us, 'in what world is it OK to harm people?'

BN: What's the next step in the journey?

PD: We've been skilling our leaders and have shown that we can teach behaviours to make good leaders. The next step is creating high performing teams working together to *Transform* Boral.

“Leaders make a difference, leaders create great teams and great teams achieve great things”

In a large and complex business, the cult of one doesn't work. We're in the business of working together to pump concrete hundreds of metres into the air to create a structure, building runways to land an A380 aircraft on and roads that carry thousands of cars every day. You need a complex organisation working together across an integrated business to deliver those tasks. A decentralised organisation with strong alignment without being autocratic needs great leaders that share the vision and build great teams. Leaders make a difference, leaders create great teams and great teams achieve great things.

BN: What are you most proud of?

PD: I'm proud of the way the Southern Region has responded to the challenges we've faced in recent times; highly competitive markets and the impact of the CFMEU's illegal secondary boycotts on our business in Melbourne. We've responded with resilience and agility and continued to grow in strength; it's been an inspiration.

BN: What excites you about the future?

PD: The *Transform* phase of Boral's *Fix, Execute, Transform* journey is exciting and will challenge us to be more agile, adaptive and resilient. I am looking forward to being a part of the journey and overseeing the Southern Region's contribution to it.

BN: Best advice you ever received?

PD: The time to repair the roof is when the sun is shining! ■



Executing the strategy

in the Southern Region



Pictured: Driver Trainer Garey Mitchell and Fleet Supervisor Alan Webster from the Southern Region who helped develop the Driver Behavioural Training System.

A revolution has been taking place across the Construction Materials & Cement business in Australia and it's changing the way Boral operates in the Southern Region.

On any given day, the Construction Materials office in Port Melbourne is abuzz with teams coming together to discuss how things can be done better, sharing ideas on how to ensure the customer is at the centre of all we do, and celebrating success stories.

"Teams are collaborating, having conversations they've never had before and approaching things with fresh eyes; it's very exciting," says Paul Dalton, Executive General Manager for Construction Materials in the Southern Region, which covers Victoria, Tasmania and South Australia.

It began in 2011 when Paul's executive team devised a strategy to ensure that they were *executing* their business plans to the utmost of their ability. The *zero|one|ten* strategy represents a focus on zero harm, being number one to customers and employees and striving for a 10% improvement in everything we do, every year.

"Essentially it's about improving the way we operate, making us more efficient, disciplined and consistently applying best practice," says Paul. "It's about the *Execute* part of the *Fix, Execute, Transform* journey Boral's been on for the last couple of years. >



“In our region, we boiled that all down into four key elements of safety, the customer, our employees and continuous improvement. It’s a simple message that resonates with everyone, yet represents different methodologies across the business to achieve specific goals.”

The Southern Region’s strategy is aligned with that of Construction Materials & Cement nationally. “We launched a national strategy and all regions adopted their own form of that, leveraging the work of the Southern Region, to bring to life our strategic imperatives,” explains Divisional Managing Director of Construction Materials & Cement, Joe Goss.

“Some initiatives are national and some initiatives are local, but what we’re seeing in the Southern Region is an eagerness to try different things and challenge the status quo,” says Joe.

These local initiatives, many of which will be rolled-out nationally over coming months, include Stop Work for Safety Day, monthly employee continuous improvement and customer satisfaction awards, and work relating to the national Product Councils for Asphalt, Concrete, Logistics, Quarries, Project Management and Sales & Marketing.



Senior managers from Construction Materials in the Southern Region. Left to right: Richard McCarthy – GM Growth Projects; Linda Maney – GM Sales; Sheri Tarr – Regional HSE Manager; Paul Dalton – EGM; Paul Hillyer – GM Concrete.

Sales and marketing excellence

Moving to a customer-centred culture is a challenge that’s been embraced by Linda Maney, General Manager of Sales for Construction Materials in the Southern Region. At its core is a simple message, says Linda: “All our teams need to ask themselves, is the customer top-of-mind in every decision?”

Everyone is being encouraged to actively support our customers. In country areas, concrete plant managers are using their strong customer relationships and sharing responsibility for customer liaison with sales people. In metropolitan markets, sales and operational teams are visiting customers together and agitator truck drivers are being encouraged to pass along customer feedback and suggestions.

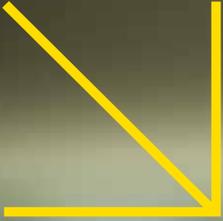
“Sales teams are following a disciplined, systematic approach in addition to having strong customer relationships,” says Linda. “This includes clear KPIs, consistent sales plans as well as developing of our skills.

“We’re already seeing the benefits of a stronger customer focus; we’re winning new customers and growing our business in highly competitive markets.”

And the success stories are being recognised. Linda and her colleagues have introduced monthly Customer Choice employee awards. Recent winners include the Culcairn team who worked with the local shire to design a road mix for the gravel road resheeting program, the Asphalt team who developed a specialised airport mix and the Alsafe team who won sole supplier status after providing high-quality service. “There are great examples of customer service happening every day but we don’t always talk about them,” says Linda.

In a few months, she has been inundated with customer testimonials and there are now plans for the award to be rolled out nationally.

“...the benefits of a stronger customer focus; we’re winning new customers and growing our business in highly competitive markets”



Linda Maney, General Manager of Sales for Construction Materials in the Southern Region



Southern Region

1,395
employees

120
locations

3
states

Stop Work
for Safety
2015 stats

2,000
hazards identified

Stop Work for Safety

For the third year in a row, operations across the Southern Region came to a halt in February when 1,395 employees, owner-drivers and contractors across 120 locations and three states stopped work to discuss safety.

The idea was to engage people in rectifying hazards on site to reduce the number of reportable incidents, says Angela Kingwell, Senior Health, Safety and Environment Advisor for the Southern Region. After a 10-minute Toolbox meeting, teams were asked to get out of the office and do a 'hazard hunt' – walking around to identify hazards on site. More than 2,000 hazards were identified, with most being rectified on the day.

"It all began in 2012, when we recognised that a step-change in attitude towards safety was required," says Angela. "We stopped operations for two hours and gathered employees in 79 safety sessions. We emphasised that safety comes before production and that zero harm is the first part of our zero|one|ten strategy.

"We also introduced the Licence to Stop Unsafe Work card, a card which empowers anyone to point out unsafe work."

The day was such a success it has become an annual event across the Southern Region, and similar plans are being rolled-out elsewhere.

"It sounds simple but it's made a big impact on the way we operate," says Angela. "Last year we focused on the message that everyone has the right to work and go home safely. We showed videos of those employees who were affected by unsafe practices and the impact it made on their lives and families." It was a powerful message. Of the 385 continuous improvement suggestions that were identified on the day, more than 60% have been implemented while a further 102 initiatives remain in progress.

"While we still have a way to go, we've almost halved our Reportable Injury Frequency Rate since 2012. Our aim is to achieve zero harm," says Angela.



Angela Kingwell, Senior Health, Safety and Environment Advisor for Construction Materials, Southern Region



"...everyone has the right to work and go home safely"



Garey Mitchell (left) and Alan Webster (right)

Aiming for Zero Harm for concrete drivers

A big safety issue is the stability of concrete agitator trucks. With the concrete in the barrel constantly rotating, the shifting load results in an increased risk of the vehicle rolling when compared to similar-sized, static-load trucks.

In December 2013 *Boral News* featured Boral's industry award-winning innovation in agitator stability control developed in consultation with heavy vehicle truck manufacturers Mack and Kenworth. Through a series of sensors, the system detects when a rollover is imminent and automatically adjusts engine torque and applies traction control to stabilise the vehicle.

Boral Concrete is now at the forefront of making this innovation an industry standard. An initiative of the Concrete Product Council, all new trucks are required to have stability control technology. This, together with better driver training and real-time driver performance tracking, forms the basis of our Driver Behavioural Training System.

"This is the most important initiative for our drivers for some time developed by my predecessor, Peter Head," says Paul Hillyer, General Manager for Concrete in the Southern Region. "It provides drivers with the training, systems and technology to help them carry out their duties safely, and it's an important step towards our goal of zero harm."

Real-time monitoring and vehicle tracking is also being piloted for a fleet of 20 trucks in Melbourne, providing live data from vehicles' black box and engine system direct to the drivers' screen. "For the first time, truck performance can be monitored across the fleet and relayed to the driver in-cab," says Alan Webster, Fleet Supervisor.

The program is being piloted across the Southern Region before being rolled-out across other operations.

"The Driver Behavioural Training System... is an important step towards our goal of zero harm"

Healthier, safer road warriors

In 2013, senior managers from the Logistics team were grappling with a high driver injury rate, in particular from drivers needing knee reconstructions. Health assessments found that an alarming number of drivers were suffering from health concerns that placed them at elevated risk of injury and could potentially impact their health later in life.

"We needed a program to support and coach our drivers to help themselves," says Peter Kolevski, General Manager for Logistics in the Southern Region.

With that the Healthy Road Warrior program started. Consisting of six modules covering exercise, healthy living, safety, food and mental wellbeing, the sessions help drivers share success stories, and provide motivation and inspiration for change while having fun. They're encouraged to enter health and fitness challenges and progress is monitored through assessments.

An initiative of the Logistics Product Council, the program has been piloted across the Southern Region with great success, and will now be rolled-out nationally.

"Healthy Road Warrior prevented me from becoming a diabetic," says Mick Vincent, driver from Bacchus Marsh Quarry, Victoria. "It was a wake-up call for me. I had a habit of eating lots of chocolate, drinking eight cans of Coke a day and way too many coffees. I asked my GP for a blood test and the results shocked me."

Mick now drinks more water, does warm-up stretches and exercises, and has more energy. "The program taught me a lot about food," says Mike. "It's not only helped me, but my wife, kids and grandkids are now all much more aware of the food we eat."

Grantley Archer, a driver from Linwood Quarry, Victoria, is another who's seen benefits from the program. "I've lost 20 kilograms just by changing my food habits and doing a bit of exercise," Grantley says. "I had to do something, I was having issues with my weight and wore a knee brace which I don't need anymore." ■



REINVENTING BORAL TIMBER

Boral Timber has been developing and producing wood products for over a century. Today it's one of the largest suppliers of certified hardwood in Australia, operating mills on the north and south coasts of New South Wales.

We also run an integrated softwood production and sales business based on a single large-scale production facility at Oberon, NSW. The softwood plant itself is a joint venture with Carter Holt Harvey, in which Boral holds a 50% share. But the sales and distribution business is fully owned by Boral.

Employing over 500 passionate employees (around 315 in the Hardwood business and 200 in Softwood) and another 80 or so contractors, Boral Timber produces an enviable range of products including flooring, structural timber, decking, furniture timber, decorative, cladding and electrical poles. Its products are used in the structural, commercial, residential, renovation, rural and landscaping markets.

"However, the business faces major structural and economic challenges, particularly in hardwood," says Steve Dadd, Executive General Manager of Boral Timber. "Since 2009, several factors have contributed to the creation of a 'perfect storm' of adverse events for the timber business and the industry more broadly," Steve observes.

"Following the global financial crisis the government provided a lot of building stimulus support, but that work contracted precisely when timber markets for high-end alterations and additions began to slide," he says.

"We then saw the collapse of the US and European housing markets, which created a global surplus of timber resources. On top of that there was a rapid revaluation of the Australian dollar, bringing with it a flood of imports in decking, such as merbau from Indonesia, and in flooring, such as bamboo and engineered flooring from Asia and European and American oak. We also saw increases in structural timber products known as LVL."

As cheaper overseas timber products became available, Boral saw its timber residue export markets collapse. Closer to home, we began to see a shift from detached housing construction to multi-residential developments with reduced hardwood and softwood intensity, and the creation of an 'uneven playing field' as imported tropical forest based products were not required to meet the same high level of safety and environmental standards as locally manufactured products.

SOFTWOOD BUSINESS SUPPORTS HOUSING CONSTRUCTION

The softwood business sells structural softwood products to the house framing market and a range of industrial products for such applications as pallets and roofing battens. The raw material is sourced from pine plantations in the central western regions of NSW, predominantly forests managed by Forestry Corporation of NSW. The Oberon mill is a major employer for the town and region, employing over 200 people directly.





BORAL HARDWOOD SITE LOCATIONS

Boral Hardwood operates seven New South Wales-based manufacturing facilities – five on the mid-north coast and two on the south coast – and five distribution facilities (located in most capital cities in Australia), enabling the business to distribute products nationally.

“Importantly, throughout this period we have not stood still,” adds Steve. “We’ve been fighting to address every challenge head-on, and we remain committed to building a sustainable business.”

Consolidation continues

In recent years, the business has consolidated its timber mills, stopped manufacturing engineered flooring products, streamlined its distribution business, exited the residues business, reduced inventory levels and worked with the NSW government to create more sustainable hardwood supply agreements.

Nevertheless our timber business, particularly hardwood, remains challenged. More work must be done to reinvent the business and ensure its long-term future, says Steve.

“We’ll continue to work with the Forestry Corporation of NSW and the government and industry to ensure we have the best chance of keeping the industry alive and securing jobs and manufacturing in Australia. We need to look closely at hardwood supply arrangements, current and future cost structures, our ability to compete against imports, maintaining the integrity of Australian standards across local and imported products, and future capital reinvestment.

“While we have challenges, we’re excited about the opportunity to shape our future, and remain passionate about delivering valuable products that customers appreciate and recognise for their distinctive Australian quality and beauty.” ■



THE BEAUTY OF AUSTRALIAN HARDWOOD TIMBER

All Boral’s solid timber hardwood products are sourced from sustainably managed forests and are Australian Forestry Scheme (AFS) Chain of Custody certified. The AFS certification is linked to the largest forest management certification scheme in the world, being the Programme for the Endorsement of Forest Certification, and is the only scheme with an Australian Standard (AS 4708-2007).

Boral Timber Blackbutt flooring features in the \$19.7 million redevelopment of the Hawthorn Town Hall in Melbourne. Peddle Thorp Architects, who oversaw the work, said: “We wanted the floor to be a stand-out feature and worked with Boral Timber to identify a solution that



would allow us to incorporate a combination of timber boards to create texture and interest.”

The flooring project was recently nominated for the Australian Timber Flooring Association (ATFA) Floor of the Year Award.



Born in the USA

A snapshot of projects featuring Boral's US products in North America and beyond

With leading market positions and an expansive footprint, Boral USA manufactures and sells bricks, roofing, stone, siding and trim products to all 50 states in the US as well as in Canada and beyond, even in Australia.



Coronado Island – San Diego, California

This Southern California beach house features Boral TruExterior® Trim around windows and doors, and Boral TruExterior® Beadboard along the porch ceilings, which were chosen for their superior performance during periods of temperature and moisture change.



Sunshine Coast, Queensland, AUSTRALIA

Iconic American brand, Harley Davidson chose to use Cultured Stone® by Boral® Black Mountain Pro-Fit® Alpine LedgeStone for the external cladding of their dealership in Queensland. With different veneer stone textures and colours to choose from, there's been continued interest and growth of Cultured Stone® in Australia since it was first launched in 2012.



Sonoran Desert, Arizona

A 60,000-square foot country club known as La Casa in the heart of the Encanterra Country Club subdivision achieves a rustic old world appearance with the help of Boral's two-piece clay tile roof installed in mud set, accented with copper flashings and custom-fabricated ornamental details. Californian-based Shea Homes chose US Tile® by Boral Cielo® brand, handcrafted in a custom color blend featuring 20% of each color: Anejo Gold, Tierra, Canela, Sangria and Fuego.



Perth, Western Australia, AUSTRALIA

This home by the Bacic Group of Companies and in the riverside suburb of Bicton features a total of 220 square metres of Cultured Stone® by Boral® Aspen Dressed Fieldstone and Aspen Southern LedgeStone, including a dramatic perimeter wall sidelined by a lap pool overlooking the Swan River.



Lansing, Illinois

St. Anthony Supportive Living is a large, multi-family facility which features Boral Versetta Stone® in Tight Cut Terra Rosa and includes many of the components of the Boral Versetta Stone® system including flat panels, universal corner panels, trim stones and wainscot caps.



Calgary, Alberta, CANADA

Custom-built home by Jaymack Homes features Cultured Stone® by Boral® Bucks County Dressed Fieldstone giving the house a distinctive style.



Southampton, New York (Long Island)

Sunset Green Home is a sustainable, energy-efficient new home construction project which features Boral TruExterior® Trim, chosen for its over 70% recycled material content and superior performance attributes that allow the product to withstand the extreme weather conditions of the area.



Austin, Texas

Hampton Inn, a Hilton Worldwide trademarked hotel, built by REM Construction features Boral® Regiment brick and BASF Finestone® exterior wall system distributed through Boral Building Products.



Houston, Texas

Boral is a preferred supplier to David Weekley Homes, the largest privately-held home builder in America in over 13 markets. Products include Cultured Stone® by Boral®, Boral Bricks, Boral Roofing, and BASF Finestone® EIFS/stucco distributed through Boral Building Products. Pictured above is a David Weekley Homes project featuring Cultured Stone® Chardonnay Dressed Fieldstone.



Annapolis, Maryland

Custom-built, waterfront home built by Ellison Custom Homes features Boral TruExterior® Trim prominently, including the curved application along the porch.



A DAY IN THE LIFE OF...

BORAL'S CONCRETE PLANT AT ST PETERS, NSW

Boral News recently spent the day at Boral's busy site in St Peters, New South Wales, home to the Company's highest-volume fixed concrete plant in Australia, as well as a quarry materials rail terminal and construction materials recycling facilities.

Boral has 13 company employees and 22 lorry owner drivers (LODs) working out of the two-lane concrete plant at St Peters, supplying ready-mix concrete to construction projects in Sydney's CBD, inner west, east and south-east. Here's what an action-packed day at the plant looks like.



Drivers start to arrive, ready for a big day of deliveries.

05:30



06:00

Production Manager Mark leads a Toolbox meeting with the team, discussing safety, current issues and customer project briefings before opening a general discussion with the drivers, usually with a few laughs. Today some drivers must undertake a site induction for a client, property developer Toplace.



06:30

Drivers conduct safety pre-start checks of their concrete agitator trucks, checking everything from their seat adjustments and brake lights to fuel gauges and barrel controls. Plant Supervisor and Senior Batcher Bob marks off each driver's pre-start check.

06:40

Yardman Ben 'pushes up concrete', bulldozing excess concrete, discharged yesterday and allowed to set, for recycling and use as gravel.



06:45



Plant veteran Bob in the batching office receives the first customer tickets from the allocators at head office and 'pulls up a load': automatically measuring and delivering to the plant the materials required to batch concrete to customer specifications.



06:50



Driver Michael drives his truck #863 into the plant to load with batch water, aggregates, sand, cement and additives before mixing and slumping concrete, adding more water to the concrete mix if required. He drives out to deliver and discharge the concrete for a residential driveway in Balmain.

Driver Peter in truck #185 delivers to a commercial office development at 333 George Street, Sydney¹ CBD, through heavy traffic. Production Manager Mark joins Peter on site as it's a delivery of Boral's lower carbon ENVISIA[®] concrete – a new mix specification for the plant.



13:10



At the site Boral's concrete tester Jarrad takes three buckets of ENVISIA[®] concrete for a slump test. It measures 260mm – just within the customer's specification!

13:15

13:25



After completing his Take Five safety check, Peter discharges concrete into a kibble that is crane-lifted, unloaded and reloaded multiple times to fill underground formwork for a lift shaft and pads.



14:00

Back at St Peters, drivers start to clock off for the day. They'll have a minimum of 10 hours continuous break before their next shift.

17:00



Train filled with aggregates and manufactured sand from Boral's Peppertree Quarry pulls into the St Peters rail terminal. It's unloaded through ground hoppers then onto conveyor belts to replenish the overhead storage structures and stockpiles.

Cement from Boral's Berrima Cement Works arrives via rail and is pumped from the rail tankers to replenish overhead cement silos.

21:30



00:00

Train filled with more materials from Peppertree Quarry or natural sand from Boral's Dunmore Sand & Soil pulls into St Peters. This is also unloaded and transported to overhead storage structures and stockpiles. After the rail deliveries are unloaded, St Peters terminal operators order raw materials direct from Peppertree Quarry, Dunmore Sand & Soil or Berrima Cement Works for the next day.



After delivering the load, Michael drives back to St Peters. Satellite navigation systems alert the allocators that truck #863 has returned and will be ready for another load. Michael washes out the agitator barrel in the washout pit then parks the truck in the yard to wait for the next delivery.



10:35

Drivers Darren and Jude in trucks #802 and #842 deliver concrete to Meriton's Mascot Central site at Kent Street, Mascot where 1,220 residential apartments are being built in eight buildings. After completing their Take Five safety checks, Darren and Jude discharge concrete from the agitators into a truck-mounted boom pump, which pumps concrete up to the fifth floor formwork to create walls. Darren and Jude will each deliver another four loads for the Meriton site today.



In the community

NOV



SECURING A FUTURE FOR THE FLATBACK SEA TURTLE

Boral Construction Materials has partnered with the Care for Hedland Environmental Association in Port Hedland, Western Australia, to protect the local flatback sea turtle. Boral donated concrete, equipment and expertise to install a camera to help monitor the threatened species, and sponsored a female turtle named Tabba – after Boral's Tabba Tabba quarry east of the town.

NOV



CRISIS MANAGEMENT UNDER CONTROL

Boral conducted a crisis management simulation exercise in Sydney to rehearse head office's response to a crisis incident. It was designed to ensure all parts of the organisation are well prepared in the event of a crisis, and can keep the community and stakeholders informed during the process of securing the safety of all involved, while safeguarding the environment.

MAR



BORAL COMES TO THE BACKYARD RESCUE

Together with Channel Nine's *A Current Affair* television program, Boral Concrete and other suppliers helped renovate a backyard in Brisbane for a family impacted by cancer. The family's young father has received a third diagnosis of the disease. Boral was proud to help the family with a concrete donation for their new backyard.

MAR



CONCRETE INNOVATION IN THE NAME OF ART

Boral's Innovation Factory has been working with artist, Jamie North, to supply materials for a sculptural piece for the National Gallery of Victoria (NGV). The artwork, *Rock Melt*, consists of six monumental concrete columns entwined with native flora. The Innovation Factory worked with Jamie to develop and supply an innovative lightweight concrete. *Rock Melt* is on display to the public in NGV's Federation Court.

DEC



INCLUSIVE PLAYSPACE IN CASEY, VICTORIA

Boral is pleased to support Touched by Olivia's latest playspace, Livvi's Place Casey in Victoria, with construction materials and cash donations. Livvi's Place Casey will be the first inclusive playspace for south-east Victoria, where children of all abilities and those with special needs can play together. Boral is supporting Touched by Olivia's strategy to create such playgrounds at 42 sites across Australia.

DEC



GOLF DAY RAISES \$34,000 FOR DIABETES RESEARCH

Ten Boral businesses in Victoria participated in the seventh golf day raising funds for Juvenile Diabetes Research Foundation. More than 120 players, including Boral staff and customers, teed off at Commonwealth Golf Club, raising a total of \$34,000 on the day. Ace efforts! The funds raised go towards crucial research into finding a cure for type 1 diabetes.

FEB



LEADING IN CULTURAL HERITAGE MANAGEMENT

Boral manages Aboriginal cultural heritage places and objects on all its quarry sites. This involves working with archaeologists and traditional land owners in identifying how Indigenous people may have used the site historically, employing local Indigenous people in the process. Boral recently signed three Cultural Heritage Agreements with local Aboriginal groups – Yirrganydi (Irukandji), Djabugay People and Gimuy Walubara Yidinji – at the Redlynch Quarry in Far North Queensland.

FEB



MUD, GLORIOUS MUD FOR PERTH ZOO'S RHINOS AND ELEPHANTS

Boral Midland Brick supports Perth Zoo through a variety of sponsorships and recently donated 80 cubic metres of clay to the mud wallows in the rhinoceros and elephant exhibits. The animals love it, using it – as they do in the wild – to stay cool and protect their skin from sun and insects, especially in warmer months.

MAR



CONCRETE FOR NEW HABITAT HOME IN WA

Boral is committed to helping local communities in areas in which we operate by sharing our products, technology and expertise with Habitat for Humanity Australia projects. Boral donated 20 cubic metres of concrete for a foundation slab as part of a house build for a family in housing stress and living below the poverty line in Seville Grove, Western Australia.

APR



YOUTH LEADERSHIP ABOUNDS IN SOUTHERN NSW

As part of the Boral Youth Leadership Project in New South Wales, ten Year 9 students who live near Boral's Marulan South Limestone mine, Peppertree Quarry and Berrima Cement Works will have the opportunity to visit these operations. Participants will also attend a personal development program run by Outward Bound Australia and be mentored by a Boral manager.

APR



HABITAT HOME BUILT IN THE MEKONG DELTA

Twenty-four USG Boral Vietnam staff took part in a house build with Habitat for Humanity in Tien Giang Province in southern Vietnam. The build focused on disaster risk reduction, water sanitation facilities and training as part of Boral's Building Community Resilience program with Habitat for Humanity. Boral has also been helping train communities in the disaster-prone Quang Nam province in disaster risk management.

JUN

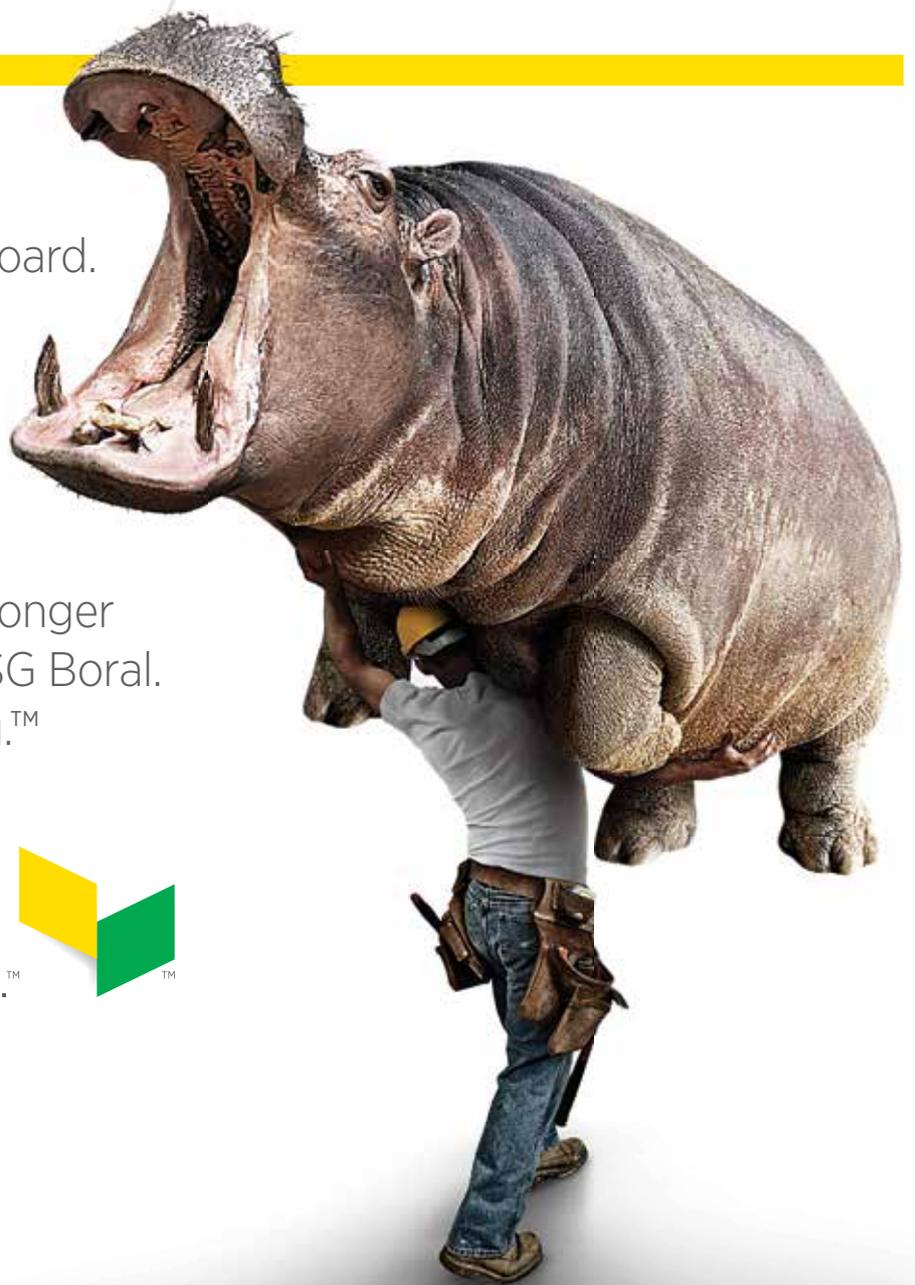


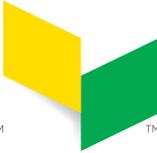
BANGARRA DANCE THEATRE NATIONAL TOUR

Boral has supported Bangarra Dance Theatre since 2002. This year Bangarra is presenting its national tour, Lore, from June to September across Sydney, Canberra, Wollongong, Brisbane and Melbourne. Lore takes a fresh look at Indigenous stories, tracing the history and drawing on a sustainable future for its people. Boral staff are eligible for discounted tickets to Lore – contact Corporate Affairs for details.

DON'T LET HEAVY BOARDS WEIGH DOWN YOUR PRODUCTIVITY.

Introducing USG Boral
Sheetrock® Brand Plasterboard.
15% lighter than standard
plasterboard* And a
consistent core that's
easier to score and snap.
So builders can do what
they do best. Only faster, longer
and with better results. USG Boral.
Innovation inspired by you.™



USG BORAL 
INNOVATION INSPIRED BY YOU.™

USGBoral.com

*Comparison to USG Boral standard plasterboard

© 2014 USG BORAL. All rights reserved. The trademarks USG BORAL, SAG-DEFYING STRENGTH and INNOVATION INSPIRED BY YOU are trademarks of USG Boral Building Products or one or more of its affiliates. SHEETROCK is a trademark owned by United States Gypsum Company and used under license.

Build something great™

