Building Something Great

Our goal is to sustainably deliver sector best performance and market leading returns

About this report

This Sustainability Report is Boral's seventh annual sustainability report.

The data included in this Report is for Boral Limited and 100% Boral owned and controlled subsidiaries, unless otherwise stated, for the year ended 30 June 2010.

We have considered the Global Reporting Initiative (GRI) reporting framework. We have provided an explanation about any core indicators that we have not reported against. The is available on our website www.boral.com.au/sustainability.

Any feedback or queries on our sustainability performance and reporting should be directed through the link above or by contacting Boral Corporate Affairs at CorporateAffairs@boral.com.au or on (02) 9220 6300.

External recognition

FTSE4Good
Since 2005

EOWA
Employer of Choice for Women
Since 2008

Dow Jones Sustainability Indexes
Member 2009/10

CORPORATE RESPONSIBILITY INDEX 2008
Gold Star Achieved
CRI Leaders Network in 2009

CARBON DISCLOSURE PROJECT
Climate Leadership Index (Aus-NZ) member since 2006

Chief Executive's Statement

> Boral has demonstrated a clear commitment to sustainable development and the ability to lift and sustain performance to a level of industry best practice. Boral's commitment to sustainability remains firm, and we are prioritising initiatives to ensure that our businesses are focused on areas that will make the most difference to our shareholders, our customers, our communities, our employees and the environment.

Over the past decade Boral has demonstrated a clear commitment to sustainable development and the ability to lift and sustain performance to a level of industry best practice. This is evident through the external recognition that Boral has received including membership of the FTSE4Good Index, the Dow Jones Sustainability Index and the 2010 Global 100 list of the world's most sustainable companies, announced at the Davos World Economic Forum.

Between 2001 and 2009 the Boral Sustainability Diagnostic Tool (BSDT) was an integral tool in developing sustainability management in Boral. In 2001 we set a target of 'industry specific best practice' across 20 sustainability elements. This target was broadly achieved in 2007 and was verified with external assurance. All of Boral's divisions are now achieving high levels of sustainability performance and since 2004 we have provided extensive sustainability reporting by division to assure our stakeholders that this is the case. Our sustainability reporting has provided Boral with a strong foundation to move forward and our businesses are well equipped to respond to regulatory reporting and business specific requirements. We have now streamlined our corporate reporting with a summary report in the 2010 Annual Report supplemented by a more comprehensive online report.

Boral's commitment to sustainability remains firm and we are prioritising initiatives to ensure that our businesses are focused on those areas that will make the most difference to our shareholders, our customers, our communities, our employees and the environment. Key areas of focus include health and safety, energy efficiency and emissions reduction, water management, sustainable product development, and community partnerships. These priorities remain critical in terms of business continuity and they present opportunities for cost reductions, revenue enhancement, reputation management and stakeholder engagement.

Mark Selway
CHIEF EXECUTIVE

Managing Sustainability

Managing sustainability is the reponsibility of all of Boral's managers and they are supported by a robust corporate governance framework and management system.

Boral's Board of Directors is accountable to shareholders for overseeing Boral's business, including sustainability matters. The Company's corporate governance practices and frameworks provide the means by which the Board monitors performance on behalf of shareholders.

Boral's Values, policies and operating frameworks provide guidance to its employees and managers in managing their businesses in a sustainable way.

Corporate governance

Details of Boral's governance framework and practices are disclosed in the Corporate Governance section of the Annual Review on our website. Responsibilities of Boral's Board which relate to sustainability are:

- oversight of the Company, including its conduct and accountability systems;

- reviewing the performance of the chief executive officer and senior management;

- reviewing sustainability performance and overseeing occupational health and safety and environmental management performance;

- meeting legal requirements and ensuring that the Company acts responsibly and ethically and prudently manages business risks and assets; and

- remuneration policies and practices for Boral and the remuneration arrangements for senior executives.

Divisional Managing Directors, functional heads and the Chief Executive regularly report to the Board on progress and performance as it relate to health and safety, climate change and broader aspects of environmental and community management, human resources and risk management.

Management responsibility

Boral's Operations Executive Committee, which comprises Boral's Chief Executive, divisional Managing Directors and key functional General Managers, is responsible for delivering Boral's sustainability objectives.

Sustainability management is integrated into the day-to-day activities of line management. Specialists in health and safety, environmental services, corporate affairs and human resources provide advisory support and corporate functions. Sustainability matters are also integrated into individual managers' objectives.

Our Values

Boral's Values describe how we do things and influence our business activities. Our Values are: Leadership, Respect, Focus, Performance and Persistence. Our corporate Values are incorporated into annual performance reviews to assess behaviour or workplace style and effectiveness.

Our policies

The Boral Management Guidelines contain our formal Code of Corporate Conduct and more than 50 policies and guidelines setting out

legal and ethical standards for employees. Our Code of Corporate Conduct articulates the standards of behaviour that are expected of Boral employees in the performance of their duties. The Boral Management Guidelines are reviewed triennially and have been reviewed in 2010. Boral's key policies are available on Boral's website at www.boral.com.au/sustainability.

Boral Sustainability Diagnostic Tool

The Boral Sustainability Diagnostic Tool (BSDT) assessment process was an integral tool in developing Boral's sustainability management between 2001 and 2009. In 2001 Boral set a target to achieve "industry specific best practice" performance across the 20 sustainability elements of the BSDT. This target was broadly achieved in 2007 and was verified with an external assurance process in 2009. Refer to Sustainability Priorities and Performance in Boral's 2009 Sustainability Report for more information.

Our management approach to our people

Most Human Resources (HR) activities are managed within divisional management structures, including:
performance management; development plans; employee surveys; employee relations; organisational effectiveness reviews; recruitment and induction management; and maintenance of employee records.

Boral's line managers play a significant role in managing their employees. HR specialist staff are actively involved in business processes to ensure that support is provided to line managers to deliver business plans and objectives.

The corporate HR team provides an advisory and support service to divisional managers, as well as managing centralised HR activities such as: superannuation; annual remuneration reviews; incentive plans; learning and organisational development; health and safety direction; and workers' compensation.

The corporate function performs a governance and assurance role for HR processes and behaviours across Boral and is responsible for: HR policies; succession planning; graduate recruitment; indigenous employment; management of expatriates; and workforce planning including diversity and equal employment.

HR policies and guidelines incorporated into the Boral Management Guidelines include: diversity, employee complaints, harassment, induction, leave and performance management.

Our management approach to health and safety

In line with our Value of Respect, Boral is committed to providing safe and healthy working environments for all people involved in our business, including employees, contractors, visitors and the general public.

We require all contractors to comply with Boral's health and safety requirements and they are also subject to Boral's internal audit and assessment programs.

Responsibilities

Across Boral's businesses, there is an emphasis on all managers demonstrating commitment and leadership – on being role models by doing what is right and not just what is expedient. This creates an environment where employees take personal responsibility for health and safety issues and for sharing information.

In addition to the health and safety professionals working in Boral's divisions, there is a small corporate health and safety function that provides advice and support to divisions and assurance to the Board of Directors and the Operations Executive Committee. The corporate function assists in safety management planning and Boral-wide or cross-divisional initiatives, audits and assessments, and reporting systems.

Management system

Boral's Health and Safety Management System embodies the requirements contained within Australian Standards 4801:2001 and 4804:2001 and has been designed to take account of the scope and diversity of Boral business functions.

Boral's Health and Safety Management System, which is built on a foundation of solid corporate policies, standards and procedures, provides for the diversity and geographic spread of Boral's operations, and ensures accountability at the site level.
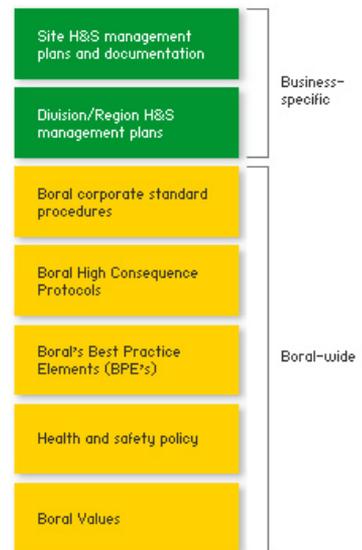
Site H&S management plans and documentation
Division/Region H&S management plans
— Business-specific

Boral corporate standard procedures
Boral High Consequence Protocols
Boral's Best Practice Elements (BPE's)
Health and safety policy
Boral Values
— Boral-wide

Boral's Health and Safety Management System articulates the minimum requirements to ensure consistent practice across Boral's businesses whilst enabling each division and business unit to develop Health and Safety Management Systems that address their individual requirements.

Boral has a formal Health and Safety Policy which applies across all Boral businesses globally. The policy states our fundamental commitment to providing safe and healthy working conditions for all people involved in our operations, including employees, contractors, visitors and the general public, and how we work towards meeting that commitment. The policy is displayed at all Boral worksites and posted on our intranet and website.

Boral's Best Practice Elements (BPEs) broadly define the fundamental principles of health and safety activity at Boral. The BPEs are designed to enable each business to develop health and safety systems and processes that address individual business requirements while ensuring consistent high quality practice in critical safety areas across the organisation (refer to Figure 1).

Boral's High Consequence Protocols set out rules and procedures to manage specific hazards that are associated with serious injuries and fatalities. Boral's high risk hazards include mobile equipment; equipment safeguarding; isolation of plant and equipment; and working at heights. These protocols are integrated into Boral's Health and Safety Management System.

Compliance review and reporting
The corporate health and safety team undertakes formal reviews of divisional performance, reporting back to the Operations Executive Committee and the Board on a regular basis.

In addition to business level reporting, the following internal reporting takes place:

- Divisional management teams present their health and safety plans to the Board annually.

- The Operations Executive Committee reviews employee and contractor safety, including serious and potentially serious incidents, on a monthly basis.

- Safety results and updates are reviewed monthly by the Board of Directors.

Divisional Managing Directors and business managers meet with the Board as soon as practicable to discuss and review all Boral-related accidents involving fatalities.

Boral's health and safety audit and assessment programs include corporate reviews against Boral's BPEs as well as a range of internal and independent third party audits and assessments which include:

- assessments of electrical safety management;

- management systems audits;

- physical hazards audits;

- corrective action closeouts;

- regulatory compliance audits;

- contractor safety management audits; and

- audits against safety programs.

Continuous improvement
Boral's BPEs require continuous improvement in health and safety performance. Essential components of continuous improvement in safety outcomes include: engagement of Boral's people, communication, training and review.

Engagement is aided by safety programs which focus on changing behaviours and include such activities as "safety conversations". Hazard identification and corrective actions are closely monitored and communicated to ensure that corrective actions are taking place within planned time periods.

Communication and consultation with employees on health and safety is achieved through a number of different consultative mechanisms at sites. Boral has an estimated 250 health and safety groups which cover a substantial proportion of Boral's workforce. These groups take on a number of roles including hazard identification, monitoring corrective actions, reviewing safe working practices, and overviewing health, safety and ergonomic considerations before purchase of materials and equipment.

Divisional safety alerts are broadcast to communicate serious accidents and near miss cases. Where cross-divisional learning opportunities exist, safety alerts are communicated throughout Boral's global operations. Incidents are captured in Boral's safety management information system and responsibilities are assigned against corrective actions to ensure tracking and monitoring through to completion.

Health and safety training is conducted extensively across Boral's global operations. The Leading Health and Safety residential program is designed to enable leaders to influence behaviours and manage safety activities leading to a culture of zero harm. Other training programs include site-specific safety training for employees and contractors which includes consultation, risk management, safe work practices, emergency procedures and first aid.

Boral's divisions maintain employee training databases to ensure that required competencies have been identified and are monitored to ensure that ongoing training needs are met.

Our management approach to environment
Responsibilities
Most environmental responsibilities are managed within Boral businesses, with around 30 full-time equivalent environmental professionals

working across Boral's divisions. All divisions have a sustainability or environment manager at divisional level.

Boral's Environmental Services General Manager provides advisory support services to all divisions globally and undertakes a governance role, including auditing the businesses, and reporting back to divisional management, the Chief Executive and the Board.

Management system

Boral's approach to environmental management is to develop business level environmental management systems based on an overarching Boral Environmental Management System (EMS), which is based on the International Standard ISO 14001 "Environmental Management System – Specification with guidance for use".

Boral has a formal Environmental Policy which applies across all of Boral's businesses. Our policy states that we are committed to pursuing industry-specific best practice in environmental performance or more specifically:

- reducing greenhouse gas (GHG) emissions;
- protecting and, where possible, enhancing biodiversity;
- remediating our contaminated sites;
- complying with environmental legislation; and
- continual improvement of environmental performance.

Boral's Environmental Management System

Site environmental plans, EMS and documentation	Business-specific
Divisional environmental strategic plans	
Environmental Management System and procedures	Boral-wide
Environmental policy	
Boral Values	
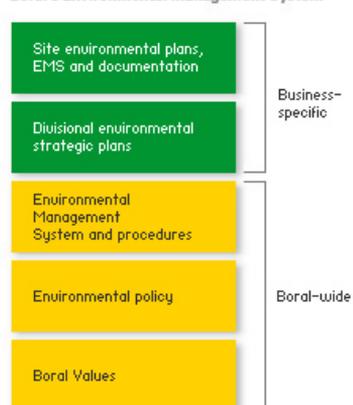
Boral's environmental management procedures include tools to be used by Boral's businesses to develop and implement their own EMS, as set out in Boral's Environmental Policy, and include EMS System Procedures and Environmental General Procedures. The EMS System Procedures are designed to interpret ISO 14001 for Boral users, while the Environmental General Procedures are designed to set out Boral's particular operational requirements and to assist Boral's divisions to develop and maintain their own EMS.

Formal ISO 14001 certification is maintained by Boral Roofing at Wyee, our cement facility at Waurn Ponds and the SEPL woodchip operation at Kooragang Island. Boral Construction Materials (BCM) has also developed a business specific EMS in accordance with ISO 14001.

Audit and assurance programs are integral to Boral's EMS. Boral's environmental audit and assurance programs undertaken during 2009/10 are outlined under the Environmental performance section in Our Environment.

Budgeting and financial management

Environmental strategic plans are prepared annually by each of Boral's operating divisions and reviewed and approved by the Chief Executive and Boral's General Manager, Environmental Services.

These plans have a one and five year outlook but include consideration of energy and GHG emission implications out to at least 2020. The plans focus on priority areas covered in Boral's Environmental Policy and areas of importance specific to individual businesses; they include targets and action plans.

Compliance review and reporting

The Boral Group level Environment function maintains a monthly group environmental report to the Operations Executive, and undertakes formal verification of divisional controls on environmental risks.

Improved collection and management of environmental data, particularly relating to energy/GHG emissions and water, has been a focus across Boral's businesses in recent years. Independent verification of environmental data has taken place as part of Boral's annual sustainability reporting from 2005 to 2009, as well as a number of government schemes. In 2009 Boral's energy and GHG emissions data reported to the National Greenhouse Energy Reporting Scheme (NGERS) was independently verified by KPMG.

Continuous improvement

Environmental training and communication are integral to continued improvement in environmental management and performance. Details of Boral's environmental training programs during 2009/10 are covered under Environmental performance section in Our Environment.

Environmental best practice is communicated internally through a number of channels, including: environmental conferences, Boral's Awards for Excellence, an environmental newsletter, and Boral in the News.

Top

Ethical standards and compliance

Boral's Code of Conduct states that Boral companies and employees must observe both the letter and the spirit of the law and adhere to high standards of business conduct and strive for best practice. We take adherence to legal and ethical standards seriously. During 2009/10, 89 Boral employees were dismissed for serious breach of policy.

Boral's employees have access to a whistleblowing service known as FairCall to report possible fraud, illegal acts or misconduct. Calls made via the FairCall hotline are received by an independent service provider, KPMG, which then provides this information to appropriate Boral senior management. Outcomes are reported back to Boral's Audit Committee. FairCall has been in place since 2001. During 2009/10, 10 calls making new allegations to the FairCall hotline were logged, resulting in investigations.

In addition to our Code of Conduct and FairCall whistleblowing services, we have formal policies in place that relate to offering or accepting bribes, kickbacks or gifts. They include our Gifts, Entertainment and Financial Inducements policy, Business Expenses policy, and Government Relations policy. These policies apply to all of Boral's operations globally. Induction programs for new managers and ongoing annual performance reviews are used for training and discussion regarding these matters. In addition, internal risk management processes include consideration of "high risk" countries[1]. In summary, Boral's policies and/or compliance systems:

- prohibit Boral's businesses, and agents acting on our behalf, from giving and receiving bribes;

- commit to obeying all relevant laws;

- restrict and ensure controls relating to political donations;

- restrict and ensure controls relating to facilitation payments; and

- restrict the giving and receiving of gifts.

Boral's joint venture business, Lafarge Boral Gypsum Asia (LBGA), which operates in countries including those identified as "high risk", is a 50/50 joint venture with Lafarge SA. Lafarge is a large French multinational company which comprehensively discloses information on its policies and practices, including those in relation to its Code of Business Conduct and bribery and corruption. Refer to www.lafarge.com for more information.

Boral typically derives around 4-5% of revenues from "high risk" countries.

[1] "High risk" countries identified by the FTSE4Good Index include the following countries in which Boral operates: Indonesia, Thailand and Mexico (and through joint ventures in China, the Philippines, India, Vietnam and Trinidad).

Human Resources - Our People

Our objective is to have the best people in our industries. To achieve this it is crucial that we attract, develop, engage and retain the best people at all levels. Our human resource (HR) strategies are designed to meet our internal needs while taking account of external challenges.

Our workforce

At 30 June 2010, Boral had 14,806 full-time equivalent (FTE) employees and around 6,000 FTE contractors working across its global operations. In addition, approximately 3,000 employees were working in joint venture operations. The number of FTE employees was broadly steady on the prior year with a 5% decrease in the USA offset by an increase in employee numbers in Asia.

Boral businesses increased the number of contractors due mainly to improved economic conditions in the second half of the financial year. Boral engages contractors in a range of activities including transport, maintenance, roof tiling, plasterboard installations, concrete placement and various professional services such as finance and information technology.

Age Profile

The average age of Boral's workforce is 44, with 30% of employees over the age of 50 and 17% under the age of 30. In recent years the proportion of older employees has increased reflecting broader social changes and the ageing of the population. In response to an ageing workforce, greater emphasis is being placed on health and safety and flexible working arrangements.

Figure 2
Employees by region

- Australia, 64%
- Asia, 26%
- USA, 10%
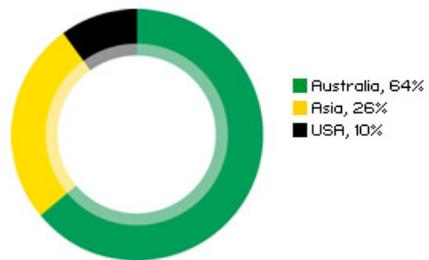
Figure 3
Employment type

- Contractors, 29%
- Full-Time, 67%
- Part-Time, 1%
- Casual, 3%
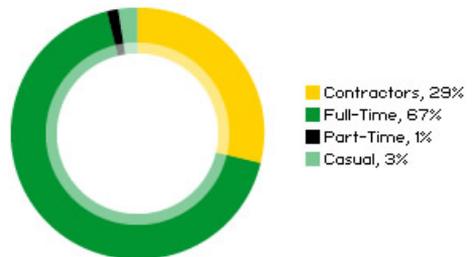
Figure 4
Age profile of Boral's employees

- Male
- Female

Age	Percentage
<20	0.1%
20-29	17%
30-39	27%
40-49	26%
50-59	19%
60+	11%
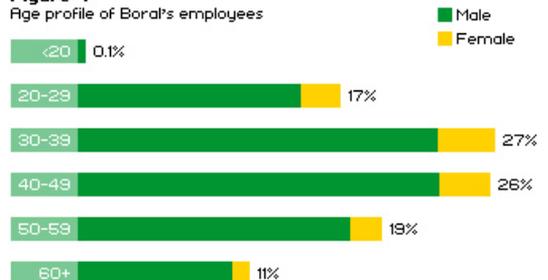
Employee turnover

Employee turnover in Australia was 16% in 2009/10, down from 20% last year. The lower turnover reflected the uncertainty in employment markets and the lower levels of job vacancies in Australia. In the USA, as the market downturn began to stabilise,

Figure 5
Turnover by Age

<20	53%
20-29	26%
30-39	18%
40-49	13%
50-59	11%
60+	19%
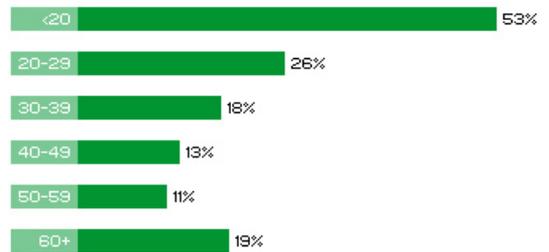
staff turnover of 26% was significantly lower than the high level of 60% in the prior year. In Asia, turnover remained steady at 18%.

Length of Service

The average length of service of Boral employees globally is around eight years. In the USA, the average length of service is high at 11.8 years, in Australia it is 8.7 years and in Asia it is just under five years.

Top

Diversity

Boral is committed to operating in a manner that respects differences among employees, customers and communities. Diversity is the variety of skills, abilities, experiences and cultural backgrounds that enables our people to achieve superior business and personal results. Diversity brings many benefits; we encourage greater diversity within our workplaces.

Gender

Boral has maintained its status as an Employer of Choice for Women as recognised by the Australian Government's Equal Opportunity for Women in the Workplace Agency. The award recognises Boral's initiatives to create an equal workplace for women including our pay, recruitment and promotion processes which are merit-based and transparent.

Women represent 13% of Boral's employees at 30 June 2010, which is consistent with our industry sector, and is in line with last year. Women occupy 9% of Boral's management positions. This is also consistent with the industry average. Some of Boral's initiatives aimed at attracting and retaining women include: Boral's parental policy, the "Springboard for Women" training program and the online Care for Kids program.

Indigenous employment

Boral's Indigenous Employment Strategy demonstrates the company's commitment to the employment of Aboriginal and Torres Strait Islander people. Boral works in partnership with the Federal Government's Corporate Leader Program.

Our strategy has seen a steady increase in the number of indigenous people applying for and being successful in obtaining jobs with Boral. A total of 46 indigenous people have been employed under the current Structured Training and Employment Program (STEP) which is managed by our Indigenous Employment Manager in conjunction with the Federal Government (Department of Education, Employment and Workplace Relations). Boral has applied for funding for another STEP Program for 2010-2012.

Boral supports the NSW Government's Aboriginal Job Compacts, which are aiming to improve employment outcomes for indigenous people in Dubbo, Tweed Heads, South Western Sydney, Eastern Sydney and Western Sydney. Through this initiative Boral is connecting better with local Aboriginal communities, schools and TAFE Colleges and assisting to improve community awareness of local employment opportunities.

Boral works hard to retain and develop the careers of indigenous employees through Aboriginal Cross Cultural Training, a mentoring program for indigenous staff and improving relations with local indigenous communities. This year, Boral has continued its sponsorship of the Bangarra Dance Theatre as well as sponsoring an Outward Bound Aboriginal Leadership Program for 15 indigenous youth from Kempsey in northern NSW.

Top

Personal development and training

Ensuring that our people have the right skills and capabilities to perform their jobs effectively and develop their careers is a key part of our people strategy.

We provide a range of training and development tools to our people, such as on-the-job training, mentoring, coaching and leadership development programs. Typically on-the-job training and competency-based training for operational, frontline employees and contractors is delivered and managed within each business. Boral's Organisational Development team provides leadership training and career direction to support the development of managers and future leaders.

Enhanced personal development programs are being developed to identify high potential employees and a new executive leadership training program will cultivate the next generation of leaders. Focus is also being given to improving employee appraisal, career development and succession planning processes.

Registered training organisation

Boral's Construction Materials division operates a registered training organisation (RTO) which uses the national training system to establish rigorous performance benchmarks for operator, frontline, supervisor and management roles.

Employee relations

Further changes to Australia's workplace relations legislative framework occurred during the year with the introduction of the Fair Work Act.

An extensive review of internal procedures was conducted together with an education program for management to assist with the introduction of new legislation. Boral took on a lead role for building and construction materials industry groups in the award modernisation process.

All of Boral's Australian non-salaried employees work under registered industrial instruments. Some 104 collective enterprise agreements operate in Australia, supplemented by a diminishing number of individual agreements, Australian Workplace Agreements and Individual Transitional Employment Agreements.

Managing and rewarding our people

Boral's remuneration practices are designed to be market competitive to help us attract and retain the best people.

We use variable at-risk remuneration to reward good performance and motivate employees to meet and exceed agreed targets.

Approximately 58% of Boral's Australian employees work under an enterprise or industrial agreement with an agreed hourly rate of remuneration and in some cases a productivity bonus. A further 34% are in salaried staff positions and 8% are in managerial roles. An annual short-term incentive plan focuses managers on achieving business-specific objectives which are linked to the financial performance of the business. Details of Boral's remuneration policy and structure for senior executives are included in the Remuneration Report found in the 2010 Annual Report.

We estimate from our records of union payroll deductions that in Australia 38% of our non-salaried employees are financial members of a trade union and in the USA 7% of Boral's employees are members of a trade union.

Employee Benefits

In Australia, Boral provides eight weeks paid maternity leave and one week paid paternity leave. The "Boral Care for Kids" program assists employees to find online appropriate child care services.

Boral's community partnership programs enable employees to combine community-giving activities with their work schedules and with their family life. Through these programs, employees have access to complimentary family zoo passes to Taronga and Western Plains Zoos and discounted tickets for partner events. Boral funded eight Family Re-Discovery scholarships with Outward Bound Australia in 2009/10 to employees with a high school aged son or daughter.

In the USA, Boral provides six Educational Scholarships of US$4,000 per year for four years towards the college tuition fees for children of employees.

In 2009/10 Boral introduced a new School Educational Scholarship program to benefit 200 children of our Indonesian employees.

Boral's employees in Australia have access to the BWell health and well being program and an employee counselling service, BEAP. Further information on these programs is detailed in the Health and Safety section of this report.

1 Reported as ~5,700 in Boral's 2008 Sustainability Report and has been revised to ~ 7,000 due to enhanced data collection.
2 Reported as 23% in Boral's 2008 Sustainability Report and has been revised to 24% due to reclassification of USA data.
3 Reported as 29% in Boral's 2008 Sustainability Report and has been restated to 37% due to reclassification of USA data.

Human Resources - Health and Safety

Boral's approach to health and safety continues to be built on a solid foundation of corporate policies, best practice elements, standards and procedures. Details of Boral's approach to managing health and safety are provided in the Managing Sustainability section.

Safety performance

During 2009/10, Boral's lost time injury frequency rate (LTIFR) for employees at 2.1 was up from 1.8 in the prior year. Percentage hours lost improved to 0.05 versus 0.06 last year. Contractor LTIFR of 2.3 was an improvement over last year's 2.4 but percentage hours lost of 0.05 was up from last year's 0.03.

Our group's overarching strategy has been to reduce LTIFR and percentage hours lost by 25% on the previous three year average. The 2010 LTIFR of 2.1 for employees represents an 11% improvement on the prior three year average, which is below our targeted improvement and will remain a critical area of our focus. The percentage hours lost of 0.05 for employees is 35% improvement, which is well above targeted gains. Contractor LTIFR of 2.3 is a 50% improvement on the prior three year average and percentage hours lost of 0.05 is also better than target at 29% down.

While the results show some significant improvement, the year-on-year outcome in 2010 is disappointing and reflects the considerable work still required to achieve a "zero accident" culture across all our operations. While reliance is placed on the lag indicators of LTIFR and hours lost for reporting purposes, Boral also uses a number of lead measures to assess performance and trends.

During 2009/10, prosecutions for four past safety incidents were finalised, two in New South Wales, and one each in Western Australia and South Australia. Three of the four incidents occurred in 2006 while the other occurred in 2007. One NSW prosecution related to an incident where a contractor was fatally electrocuted while rewiring an electrical cabinet. The company pleaded guilty and was fined $250,000. In the second incident, a workbox which was suspended from a crane fell approximately 1.5 metres after a failure of the crane. While the owner of the crane was prosecuted and fined, Boral was also prosecuted and after pleading guilty was fined $90,000. The prosecution in Western Australia related to an incident where an employee lost his arm after it was caught in a conveyor. Boral pleaded guilty and was fined $70,000. The prosecution in South Australia related to an incident in 2007, in which an apprentice boilermaker was removing a pick from an excavator bucket and when he struck the pick with a hammer a steel splinter broke off striking him in the thigh. Boral pleaded guilty and was fined $26,250. Lessons from all of these incidents have resulted in a significant enhancement to our systems of work and

Figure 6
Lost time injury frequency rate * (LTIFR) for employees
*per million hours worked

06	3.1
07	2.8
08	2.5
09	1.8
10	2.1
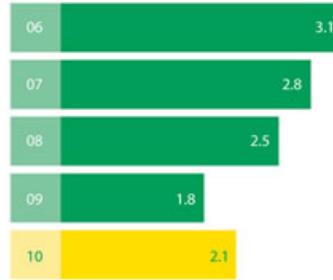
Figure 7
Lost time injury frequency rate * (LTIFR) for contractors
*per million hours worked

06	7.3
07	5.7
08	5.7
09	2.4
10	2.3

Figure 8
Percentage hours lost for employees

06	0.11
07	0.09
08	0.08
09	0.06
10	0.05
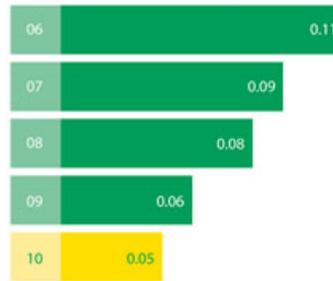
Figure 9
Percentage hours lost for contractors

06	0.11
07	0.09
08	0.09
09	0.03
10	0.05
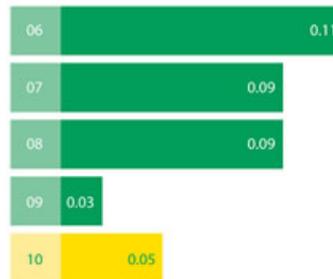
work practices.

There were no fatalities in Boral wholly owned operations in 2009/10, however, tragically there was an incident in a joint venture operation in China that resulted in the death of a contractor. A team of Boral staff were involved in reviewing the management systems of the joint venture operation to ensure the same standard expected of Boral's own operations. The factors that contributed to the incident have now been comprehensively addressed.

Risk management and injury types
All of Boral's businesses are required to effectively integrate the management of health and safety risks into all work activities and processes. This requires a systematic process for hazard identification, risk assessment and development of control measures. Risks associated with identified hazards are assessed, recognising both the probability of a hazard causing an incident and the potential severity of consequences of such an incident. Control measures are then required to be implemented to effectively manage identified and assessed risks.

Figure 10
Mechanism of injury

- Muscular stress
- Hitting objects with part of the body
- Hit by moving object
- Falls on same level
- Repetitive movement
- Other
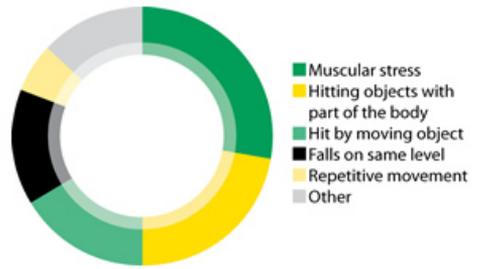
Boral uses statistical injury analysis to develop corrective action plans, including training and process redesign, to address specific risks and areas of concern. As shown in Figure 10, nearly two-thirds of injuries in Boral's Australian workplaces in 2009/10 resulted from "muscular stress," "hitting objects with part of the body," and "being hit by a moving object". Figure 11 shows that over 50% of the injuries sustained were to hand/fingers, back/neck or leg/knee. Our corporate actions will concerntrate on these incident types in the year ahead.

Figure 11
Body part injured

- Hand/fingers 542
- Back/neck 498
- Leg/knee 384
- Arm/elbow/wrist 379
- Head/face/eye 367
- Foot/ankle 176
- Shoulder 217
- Other 149
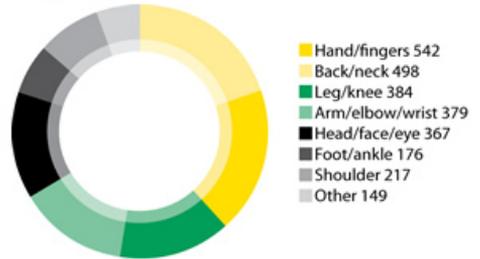
Employee health and wellbeing

Boral requires its employees to be fit for work, with the required level of fitness depending on the nature of the work. Pre-employment medicals are conducted for most employees, to ensure that they are physically able to meet the demands of the job, and in some higher-risk roles, regular employment medicals are also conducted.

Drug and alcohol-free workplaces are expected and Boral's operations have in place a range of activities to adhere to this policy. This requirement is complemented by the Company's promotion of drug and alcohol rehabilitation and assistance to employees who elect to enter a treatment program.

Beyond Boral's requirement for employees to be "fit for the job", Boral is committed to supporting the health and wellbeing of its employees. Boral's employee wellbeing program, BWell, is available to employees in Australia and is under consideration globally. BWell provides three core services: regular health assessments, wellbeing awareness seminars and provision of educational information on health issues for employees and their families.

BWell aims to improve the health and awareness of our employees through improvements in their lifestyle and diet. Amongst Boral's employees who have had two or more health assessments, the average number of risk factors has remained steady at 2.8 and the number of employees at the high end of the health risk spectrum with five or more undesirable risks has reduced by a further 2% following a 9% improvement last year.

Many examples of improved health and wellbeing have been reported by employees as a result of increased health awareness and positive lifestyle changes.

Boral also offers employees and family members in Australia a confidential, free counselling program called BEAP (Boral Employee Assistance Program). BEAP provides short-term assistance and/or specialist advice on a range of personal and work issues that may affect their wellbeing. During 2009/10, a total of 329 employees and family members accessed the service for a new issue. The BEAP service also provided professional support and coaching to 15 managers in dealing with difficult or complex people issues.

Managing security issues

The security issues facing Boral's employees and joint venture staff working in countries of political and social unrest are closely monitored. Boral engages global security advisers and our travel and security policies are reviewed and adjusted in response to the changing global situations. Boral regularly considers emerging global health and security issues that may affect Boral's operations and employees abroad.

Strategic initiatives

In line with Boral's newly defined strategic direction which is underpinned by a 'one-Boral approach', we are currently working toward the development of a single group-wide safety management system, simplifying our workers compensation insurance arrangements, and training initiatives to support these changes.

Our Environment

As an international resources-based company, we acknowledge that our shareholders, employees and the community at large expect responsible environmental practice by Boral's businesses.

Boral's approach to environmental management including information on our management and review systems are discussed on Boral's website at www.boral.com.au/sustainability.

Boral is committed to pursuing and maintaining industry specific best practice in environmental performance. Audit and assurance programs are an important part of Boral's environmental management systems. In 2009/10, Boral's corporate Environmental Services team undertook 47 compliance and/or systems corporate audits, and 22 acquisition and divestment audits. Business-specific auditing also continued to take place across the Group.

During 2009/10, Boral incurred two Penalty Infringement Notices (PINs) related to environmental contraventions in Australia (resulting in $4,000 in fines). Both were issued in Queensland for minor technical non-compliances, being a contravention of a license relating to polluting of waters, and failure to report a monitoring exceedence in a timely fashion.

There were no infringements in the USA or Asia for environmental contraventions in 2009/10.

Energy use and GHG emissions

Boral's operations consume a significant amount of energy and some businesses are particularly emissions intensive. In 2009/10, greenhouse gas (GHG) emissions from Boral's wholly owned businesses in Australia, the USA and Asia totalled 3.14 million tonnes of CO_{2e}. In addition, approximately 0.17 million tonnes of CO_{2e} were emitted from Boral's equity share of joint venture businesses.

Boral's absolute GHG emissions in 2009/10 decreased by 12% year on year. This decrease in emissions primarily reflects lower production in the USA and in Australia. Emissions from Boral's US operations were down by around 23% on a comparable basis or around 43,000 tonnes of CO_{2e}, reflecting the continued housing market downturn and Boral's associated reduction in production. US brick and roof tile plants were running at an average utilisation rate of between 20-35% during the year. In Australia, emissions were down by a significant 382,000 tonnes of CO_{2e} or around 11%, primarily as a result of Boral's strategy to reduce clinker inventories. Clinker inventories reduced by 55% on the prior year which was achieved in part by lowering production volumes by 19%. In Asia, Boral's GHG emissions were broadly steady.

The distribution of Boral's energy use and related GHG emissions across Boral's businesses is summarised in Figure 14. Around two thirds of Boral's emissions were from Boral Cement (previously known as Blue Circle Southern Cement).

Approximately half of Boral Cement's emissions were from calcination, the chemical process of forming clinker from limestone

Figure 12
Boral's GHG emissions ('000 tonnes of CO_2)
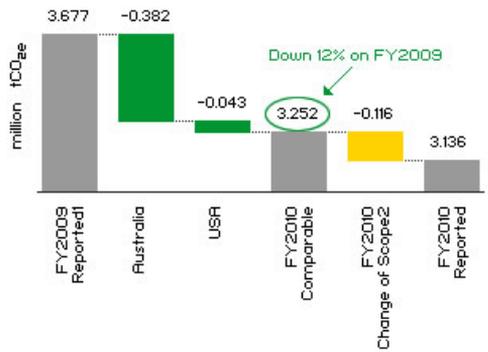
1 An additional 62,000 t CO2e from wholly owned Asian operations has been added to Boral's FY2009 reported emissions of 3.62 million t CO2e. This was under-reported in FY2009. Note that emissions from Asia were steady year-on-year.

2 In FY2009, GHG reported emissions included emissions from contract transport operators however, in FY2010 the definition of "operational control" as defined under NGERS reporting was reviewed and it was considered that Boral should no longer include the emissions associated with contract transport operators as Boral does not have "operational control" over these emissions. In addition, a change of methodology in reporting landfill emissions resulted in a 51,000 t CO2e decrease in emissions in FY2010 compared to the prior year methodology.

Figure 13
Boral's restated historical GHG emissions ('000 tonnes of CO_2)

Scope 1 emissions (direct emissions from sources within Boral's facilities)

Scope 2 emissions (indirect from consumption of purchased electricity)
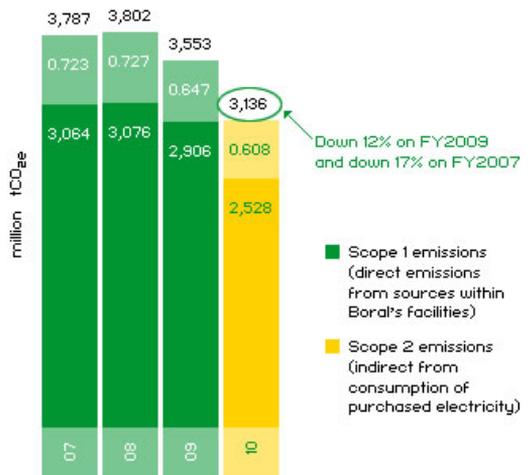
Note that Scope 1 emissions for FY2010 were 116,000 tonnes of CO2e lower than the prior year due to changes in scope for contract transport emissions and methodology changes in landfill emissions. A prorated amount has been deducted from prior year Scope 1 emissions for comparison purposes.

at high temperatures. In addition to GHG emissions from calcination of limestone, some 2.1 million tonnes of emissions per annum result from Boral's electricity, gas, coal and diesel consumption.

In 2007, Boral set a climate change target to at least hold absolute GHG emissions steady and to offset any increase in emissions associated with market demand growth by reducing emissions per tonne of production. On a comparative basis, Boral's emissions in 2009/10 were 17% below 2006/07 emissions. We are currently developing a comprehensive energy efficiency strategy, which coupled with our focus on LEAN manufacturing, will lead to a quantifiable energy reduction target. This will support our goal of lower emissions intensive production.

While Boral's reduction in absolute emissions during 2009/10 was primarily due the market downturn and inventory reductions, Boral's businesses continue to undertake a range of projects to reduce energy consumption and GHG emissions. As markets recover and production increases, alternative fuel and energy efficiency improvements will deliver greater benefits. We have identified further abatement opportunities in the areas of energy efficiency, renewable energy, alternate fuels and alternate materials. The implementation and effectiveness of these initiatives largely depend on the anticipated cost of carbon in a trading environment, when compared to the costs of implementing identified abatement initiatives and available technologies. For a longer-term solution, we need to see the development of new technologies and fuel options.

Boral has been an active participant in voluntary energy efficiency and emission reduction schemes for more than a decade. Participation in these schemes generally requires Boral's businesses to establish improvement targets and develop action plans, which are audited as part of the program.

Boral is one of only seven elective benchmark participants in the NSW GGAS, a Baseline & Credit carbon trading scheme that generates Large User Abatement Certificates (LUACs) for reducing GHG. Based on a kiln efficiency upgrade project at our Berrima cement works, Boral has created more than 637,000 LUACs since

Figure 14
Boral's energy use and related GHG emissions
('000 tonnes of CO_2)

2,500	

2,000

1,500

1,000

500

0

- ■ Other
- ■ Electricity
- ■ Natural gas
- ■ Liquid fuels
- Coal
- Calcination

Cement

Building Products

Construction Materials

USA
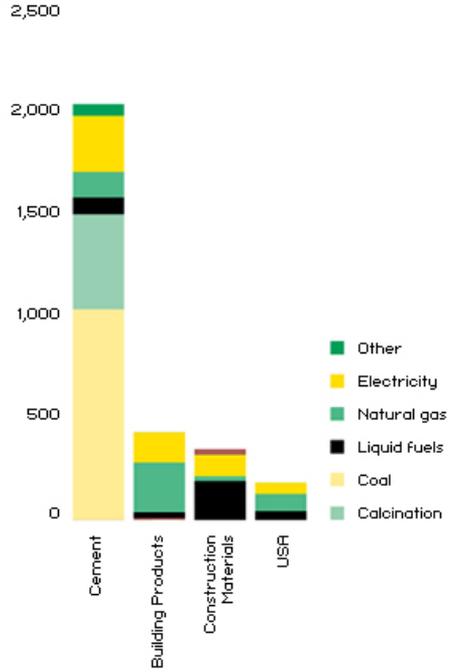
2004, saving more than 163,000 tonnes of CO_{2e} in 2008. While the abatement project would have created a further 160,000 or so LUACs in 2009, Boral chose not to register them as they were then surplus to scheme requirements. Boral also created around 83,000 NSW Greenhouse Abatement Certificates (NGACs) under the GGAS, and over 6,000 Energy Savings Certificates (ESCs) under the NSW Energy Savings Scheme (ESS) in 2009 for reducing electricity consumption at Berrima and generating renewable electricity at our landfill operations (Boral Waste Solutions) in Victoria. This latter initiative avoided the production of around 89,000 tonnes of CO_{2e}. Boral's ongoing strategy within GGAS is to increase our abatement/ renewable energy capacity at our landfill, and continue to seek efficiency gains at our cement kilns in particular.

Boral Waste Solutions uses landfill gas to produce renewable electricity which is exported into the national grid. Commissioning in 2009 of the third 1.1 MW generating module brought total electricity export capacity to 3.3 MW, which is sufficient to provide the electricity needs of around 3,000 homes. This process also generated just on 20,000 Renewable Energy Certificates (RECs) under the national Renewable Energy Target Scheme (RET) requirements, and these were sold to our electricity supplier.

In addition to reporting in this Sustainability Report, Boral reports externally on climate change risks through the Carbon Disclosure Project. Boral's response can be found at www.cdproject.net.

Top

Other emissions

Data on pollutant emissions for 66 of Boral's Australian facilities was reported to the National Pollutant Inventory (NPI) for FY2010, as required under the NPI National Environmental Protection Measure. This data is available at www.npi.gov.au. In the USA, 14 Boral sites report their releases and transfers of hazardous and toxic chemicals on the annual Toxic Release Inventory as required under The Emergency Planning and Community Right-to-Know Act (EPCRA) 1986 and the Pollution Prevention Act (1990). This data is available at www.epa.gov/tri.

Water management

Boral recognises the need to sustainably manage our valuable water resources. Throughout our operations we rely on water for manufacturing and maintenance processes, to suppress dust, for cleaning and for sanitation.

We use water from a range of sources, including mains/town water, ground/bore water, surface water (including rainwater) and on-site recycled water (as shown in the 2010 Sustainability Data Table at www.boral.com.au/sustainability). Mains/town water usage is material to Boral.

A total of 2,270 million litres of mains water was used by Boral's wholly owned and controlled businesses in Australia, the USA and Asia in 2009/10. Mains water use was down 1% on a comparative
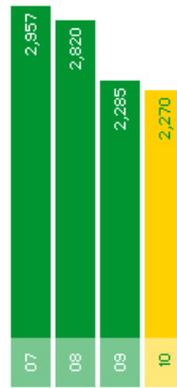
basis on the prior year (as shown in Figure 15) due to lower production volumes, the increased use of rainwater, and water efficiency gains.

Since 2007, numerous Boral sites in Australia have participated in formal water conservation programs in partnership with governments and/or water authorities.
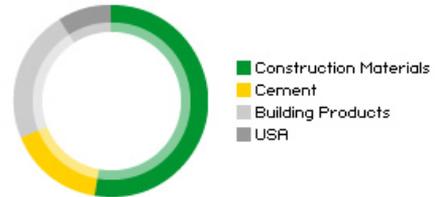
Waste, recycling and re-use

Boral Waste Solutions' landfill site at Deer Park in Victoria is one of the largest landfill sites in Australia. Deer Park received more than 700,000 tonnes of commercial and municipal waste in 2009/10. Of this, around 5% was green waste which was recycled or composted to produce manufactured topsoil.

Depending on the specific product manufactured, Boral recycles or re-uses between 40% and 100% of production waste. Our own returned waste materials re-used to produce the same product include concrete washout slurry, recycled asphalt pavement (RAP), plasterboard waste from production and building sites, brick bats and bricks from customers' sites, and green and cured masonry product.

Throughout our production processes we also use a considerable amount of external waste products or secondary resources to manufacture our products including: cementitious waste materials and by-products in cement, crushed demolition concrete in new concrete ("Envirocrete™") and granulated used tyres in LoNoise™ Asphalt.

Two types of Boral's businesses are based primarily on the utilisation of other people's waste – Boral Recycling in Australia and our fly ash operations in the USA and Australia.

Land management and biodiversity

Responsible land management starts with environmental due diligence before acquisition of new land assets or businesses, and continues through to divesting sites only when they are "fit for purpose". Key aspects of our land management activities are: complying with environmental and planning regulatory requirements; minimising Boral's "environmental footprint"; progressively rehabilitating our extraction sites; and maximising the sustainability and financial end use of our extraction sites.

Where practicable, Boral progressively rehabilitates its extractive operations on an ongoing basis. Landscape rehabilitation works improve the visual amenity of our quarry sites, enhance biodiversity and minimise erosion through planting of native trees and revegetation.

In addition to the already developed or proposed nature reserves at various Boral locations, Boral continues to develop quarry rehabilitation plans in greater alignment with current thinking regarding biodiversity, such as re-establishment of natural ecosystems relevant to the local area, rather than just addressing visual impact.

Boral's efforts in biodiversity enhancement and land management generally involve long-term commitments. Previously reported efforts which are still ongoing include protecting the Western Swamp Tortoise in the Swan Valley in Western Australia, the Striped Legless Lizard and Spiny Riceflower on the Basalt Plains west of Melbourne and the Grey-headed Flying Fox in New South Wales.

Some Boral locations are subject to Native Title claims and these are dealt with according to local statutory requirements. Boral is committed to working cooperatively with traditional land owners and where necessary Boral's businesses draw on the expertise of Boral's Indigenous Employment Coordinator who assists with indigenous cultural issues. There is currently ongoing dialogue with claimants with respect to one quarry site, in Western Australia.

Through the Boral Living Green initiative, in partnership with Conservation Volunteers Australia, we continue to support projects to enhance the habitat of threatened species. During 2009/10, Boral's Living Green projects included: planting koala habitat trees with the Mount Emu Landcare Group in Victoria; preserving the remnant coastal habitat at Brighton Beach in South Australia; maintenance of the walking track at the historic Newnes shale works in Mudgee, NSW to control access to this heritage site and habitat for many threatened species; continuation of our work on the Barron River project in Cairns in Queensland; and, work on the Moore River Nature Reserve north of Perth which has been chosen as a suitable site for the critically endangered Western Swamp Tortoise.

Marketplace and Supply Chain

We aim to manage Boral's supply chain in a sustainable way including consideration of compliance, environment, health and safety, labour rights, innovation and cost.
We aim to provide our customers with better value and service than our competitors and consult and collaborate with customers in the development of sustainable products.

Suppliers

Processes systems and monitoring performance
Boral has procurement managers for all key supply categories at a corporate level.

Boral's standard global procurement process specifically factors in consideration and assessment of sustainability credentials and performance of suppliers.

Boral undertakes formal performance reviews of its prioritised suppliers which includes social and environmental performance where relevant and compliance with Boral policies.

Working with our suppliers
Boral's application of its procurement process specifically aims to engage with suppliers to continuously improve sustainability through the supply chain. Three recent cases where together we have made a significant difference by effectively working with our suppliers are in the areas of transport services, packaging for cement products, and contractors.

Transport Services
Boral's road logistics are critical to the success of our businesses and also provide the face of Boral to many customers and general road users. Engaging a broad range of logistics providers and leveraging existing internal core competencies, Boral has delivered improvements in transport sustainability, safety, service and costs. While immediate benefits have been around service and costs, longer term improvements include the aggregation of loads to reduce truck movements on roads, and improved supplier training and audits to ensure compliance with Boral safety standards and Chain of Responsibility regulations. In delivering these important outcomes we have partnered with suppliers who are aligned with Boral's high safety and environmental standards.

Packaging for Cement Products
When Boral questioned how we could improve paper sack packaging for cement and concrete products, we set off a quest that not only improved Boral's packaging, but also improved the sustainability standard for the broader cement industry. By identifying and working with like-minded suppliers we have successfully changed our cement and concrete bags from a three-ply to a two-ply paper sack which reduced annual paper consumption by 860 tonnes, and has set a global benchmark with regard to paper grammage, strength, customer satisfaction and lowest environmental impacts. More specifically, we have delivered: a 39% reduction in paper use per sack, which has associated lower environmental impacts in terms of emissions, water use and waste; a 20% reduction in price; elimination of perforations which created dust leakages and consequential safety hazards; an average 50% decrease in plastic film weight per sack; and reduction in leakage during transport by over 90%.

This initiative was recognised with the 2010 Award for Excellence in Green Purchasing (Business) at the Australian ECO-Buy Awards.

Contractor Related Services
The use and development of contractors is a critical component of Boral's success. Engaging in the order of $800 million of contractor related services annually, Boral has, over a number of years, placed an increasing focus on initiatives to enhance the value of contractor relationships. Recent programs include ongoing development and implementation of sustainable contractor management processes across its business units. The outcomes of these programs include risk mitigation, cost management and alignment of contractors' sustainability capability with Boral's requirements.

Customers

We work closely with our customers to understand their needs and the challenges they face so that we can deliver the best solutions. To understand what is important we hold focus groups, conduct quantitative studies and undertake regular customer surveys.

Sales & Marketing Excellence
During the year, a structured group-wide Sales & Marketing Excellence program was established to improve collaboration between sales teams and to strengthen Boral's sales and marketing effectiveness and customer service across the Group. Sustained improvements are being targeted in the following seven core areas of sales and marketing: strategic marketing; customer/product mix; pricing; key account/contract management; sales force effectiveness; customer back innovation; and channel management.

Innovation and Sustainable Products
Also through a structured Group-wide program, we are developing processes to improve generation of innovative ideas, and then develop robust plans for commercialising great new products. We will invest in innovation training, technical development and market trials to commercialise successful innovations faster.

Through our Innovation program, we intend to capitalise on the use of fly ash in Australia and the USA and other by-products and recycled materials to produce products that are recognised for their environmental credentials. In the USA, we have restructured our development team to focus our Technology Centre on more efficient and effective commercialisation of product innovation. With significantly lower embodied energy than most competing materials and consisting of over 75% recycled or rapidly renewable materials, Boral Trim is set to lead the market in sustainability and environmental stewardship. Boral Trim uses patented bio-based polymer chemistry together with Boral's own Celceram® technology, to maximise fly ash by-products from coal combustion. The Board has approved US$12m to construct a leading edge facility to produce Boral Trim for the US$3b US housing trim market.

With new product developments including the integrated solar panel tile, The Solé Power Tile, and with "Cradle to Cradle" and US Green Building Council accreditations, Boral is recognised as the premier sustainable and socially responsible roofing manufacturer in the USA. Boral has now supplied several 'LEED' certified projects and Cool Roof rated tile which is provides the Southern California Air Quality Management District with real life case studies of cool roof options.

The Group continues to improve the sustainability features of its products with recent examples including ENVIRO Plasterboard and Envirocrete, which can be found at http://www.boral.com.au/buildsustainable/.

Product Lifecycle and Chain of Custody
During the year, Boral continued projects to develop appropriate and consistent methodologies for undertaking product lifecycle assessments both internally and through industry groups, including the Building Products Innovation Council. Boral's internal lifecycle assessment project has helped clarify the relative environmental performance of key building products in a typical residential building over its lifetime. This study will provide scientifically based, robust data to improve decision making and develop a better understanding in support of environmental related marketing.

In December 2009, Boral's US Brick business published a discussion paper entitled: "Building with Brick: Sustainable and Energy Efficient - A White Paper on Performance Benefits of One of Man's Oldest Building Materials". This paper is available at www.boralbricks.com.

An important part of product lifecycle management is ensuring raw materials are sourced in a sustainable way. As a resource-based manufacturer, Boral has direct responsibility for the extraction and management of its input materials such as limestone, clay, gypsum and quarry products. In the case of Boral's timber business however, Boral sources its resources from third party suppliers, predominately from Forests NSW and Boral Timber is at the forefront in its endeavours to certify resource authenticity. To ensure our own standards are met and to provide our customers with assurance, Boral Timber products have full Chain of Custody certification aligned with the Australian Forestry Standard (AFS), which tracks a forest or wood product from its origin in a certified forest through to its end use by the consumer. The Chain of Custody certification verifies that Boral Timber products are produced from certified, legal and sustainable resources, providing an environmental assurance standard for the sustainable use of Australia's forest resources.

Customer Feedback, Safety and Privacy
Regular feedback from customers including regular customer satisfaction surveys, is used to improve Boral's customer service. We aim to provide the best service to our customers; however, in the event that dissatisfaction occurs, all of Boral's businesses have systems in place for dealing with customer complaints.

Boral's businesses also have processes in place to manage product performance and health and safety risks, including appropriate product labelling and training and Material Safety Data Sheets. Material Safety Data Sheets advise users of our products on safe use and handling and optimal application procedures.

With the increasing migration to electronic data management, we maintain extensive and robust security systems and procedures, and give continued priority to customer data protection and privacy. Boral's Privacy Policy is available on Boral's website.

Industry sustainability initiatives
Boral is actively involved in industry based sustainability initiatives in Australia and the USA.

Since 2005, Boral has been a National Leader of the Housing Industry of Australia (HIA) GreenSmart initiative. Boral continues to sponsor the HIA Boral GreenSmart Awards, which recognise excellence in environmentally sustainable housing construction.

GreenSmart is a practical approach to building which focuses on educating builders, designers, product manufacturers and consumers about the benefits of environmentally responsible housing.

Boral is also represented at a senior level on the Australian Federal Government's Built Environment Industry Innovation Council, and is a Foundation Partner with the Urban Development Institute of Australia (UDIA) in its EnviroDevelopment project in Queensland, Victoria and Western Australia. EnviroDevelopment is a scientifically-based branding system designed to make it easier for purchasers to recognise and select more environmentally sustainable homes and lifestyles.

In the USA, Boral was a proud sponsor of the Potomac Valley Brick International "Brick-Stainable" Competition which saw 95 entries from more than 17 countries in its first international sustainable architectural competition. The contest recognised six winners from Cyprus, Mexico, Qatar and the United States. The competition sought integrative solutions for a building using clay bricks as a primary material. The contest challenged participants to address issues of net-zero energy, material innovation, the use of brick as a primary thermal material and deal with the design challenges of creating a diplomatic campus.

Compliance and ethics
From trade practices compliance to product labelling, we aim to ensure that our marketing and sales activities meet both the spirit and the letter of the law. Marketing and sales people are provided with information on trade practices and other requirements related to acceptable standards for marketplace behaviour. All managers and sales staff in Australia are required to complete an online, regularly updated Trade Practices Compliance training program and a biennial refresher course, and in the USA face-to-face training sessions concentrated on antitrust and Code of Conduct are undertaken annually. In Asia, formal training programs have been strengthened in recent year including training on Boral's policies, guidelines and required standards of behaviour.

Jamie Durie: Boral's Brand Champion

During the year Boral announced that celebrity landscaper Jamie Durie has become the company's brand advocate, helping Boral engage with a broader audience of architects, developers, builders and consumers.

"It's great to be working with such a well-known Australian brand and a company that plays a vital role in today's building industry," said Jamie Durie.

"I think there's a good synergy between Boral's goals and my own and I look forward to developing the relationship."

Jamie Durie was selected as he is the ideal fit for the Boral brand to communicate our contemporary, forward-thinking, environmentally responsible and innovative business ethos.

Boral Design Awards:

Celebrating new conceptual solutions in residential building design, the Boral Design Awards invite architects, designers, homebuilders and students design a residential building that demonstrates a commitment to sustainability, adaptability and affordability. The design must have a reasonable expectation of construction feasibility and must specify materials from a range of selected Boral products, including bricks, concrete pavers, retaining walls, roof tiles, timber flooring, concrete, windows and bi-fold doors.

In 2009, xxx submission were received. The winning designs can be viewed at www.boral.com.au/boral-design-awards/2009_winners.asp.

The 2010 Awards close on 30 September 2010.

2009 Boral Design Award winner: Jacaranda House by Cox Rayner Architects

Social Responsibility - Our Stakeholders

Establishing and maintaining strong relationships and considering the interests of our stakeholders is critical to our business success.

Stakeholder engagement is integrated into the Group's business systems and processes.

The table below outlines the main methods used to engage with our key stakeholders in addition to Boral's Annual, Sustainability and half-yearly reports and website, which are targeted at all key stakeholders.

Methods of stakeholder engagement	
Stakeholder group	**Engagement during 2009/10**
Shareholders	• Annual General Meeting, annual and interim results announcements, formal meetings with institutional investors, presentations and webcasts. • Media releases and Boral in the News. • Carbon Disclosure Project (CDP8), which seeks information from companies on climate change risks and opportunities on behalf of institutional investors. • Independent surveys to assist the investment community in benchmarking Boral's performance.
Employees	• Independent employee surveys undertaken across Boral's Australian and US operations to identify key issues which affect employee engagement. • Boral in the News, Boral's intranet, divisional newsletters, tool box meetings, consultative safety groups and "safety conversations", webcasting. • Regular performance reviews for salaried staff.
Suppliers/ contractors	• Regular feedback and performance reviews with critical suppliers covering: operational activities, safety, environment and continuous improvement. • Supply Chain Sustainability Survey to strategically critical suppliers. • Safety and site inductions.
Customers	• Customer surveys and focus groups. • One-on-one meetings, site visits. • Product information, Material Safety Data Sheets and brochureware. • Customer events, eg product launches, Boral Design Awards.
Local communities and neighbours	• Community consultation and engagement groups. • Open days, site tours, one-on-one meetings, public meetings, newsletters and targeted communications. • Independent community perception interviews undertaken where needed to better understand local community concerns.
Government and regulators	• Meetings with government and regulatory officials. • Conferences and selected events to understand public policy developments. • Submissions to government consultation processes. • Participation in industry associations.

Communicating Our Sustainability Performance to stakeholders
Between 2004 and 2009 Boral published a comprehensive stand-alone, externally verified sustainability report. In 2010, a decision was taken to streamline Boral's sustainability reporting by using Boral's website as the primary vehicle for communicating the company's sustainability to our stakeholders.

Government and regulators
Boral aims to have regular dialogue with key external decision makers and engage in policy shaping on sustainability issues. Boral has regular dialogue with public officials both directly and through membership of industry associations.

Boral has a Government Relations policy which recognises the role of governments and outlines our approach to working with government.

Boral is actively engaged in commenting on government consultation processes relating to sustainability issues and other issues to help shape decision making and policy. During 2009/10, government consultation largely focused on the National Greenhouse and Energy Reporting System (NGERS) requirements and the proposed Resource Super Profit Tax (RSPT). Boral was pleased with the Federal Governments decision to revert to the recommendations in the Henry Tax Review and exclude so-called 'low-rent' resources (i.e. hardrock, gypsum, lime and clay quarries) fr om the proposed RSPT.

At the business level, Boral directly engages with local councils and regulators such as state EPAs and planning authorities.

Political contributions
Boral is apolitical and does not make donations to political parties or individuals. The Australian Electoral Commission's reportable funding from Boral in 2009/10 was nil.

Industry influence
Boral actively participates in major business and industry associations and initiatives which to varying extents focus on sustainable development. These associations include: Cement Industry Federation; Cement, Concrete and Aggregates Australia; Housing Industry Association; Think Brick Australia; Association of Wall and Ceiling Industries; Gypsum Board Manufacturers Association; The Urban Development Institute of Australia; and the Business Council of Australia (BCA).

Boral is continuing to work with the Building Products Innovation Council (BPIC) and other industry associations to develop a robust lifecycle analysis and inventory methodology to ensure a scientific and consistent approach in comparing building materials across their lifecycle.

Boral is represented on the Federal Government's Built Environment Industry Innovation Council.

Community and neighbours
Boral's objective is to maintain support and goodwill of communities surrounding Boral's activities through engaging and consulting on relevant issues.

Community liaison groups exist at key Boral operations and a number of smaller operations to facilitate the exchange of open and transparent communication.

The most common issues of local concern raised through community consultation processes are about local noise and vibration impacts, dust or emissions, traffic conditions or biodiversity. In operations that raise considerable concern or contention, we may engage specialist consultants to investigate these concerns and/or provide expert advice. When appropriate, we also establish dust, noise and vibration monitoring devices on our neighbours' properties to help ensure that we are operating within acceptable levels.

We actively consult with communities when considering major new investments and land management issues. Stakeholder reference groups are formed for major developments to facilitate risk assessments to identify and rank perceived risks. On land management issues, we often work in partnership with local community members, special interest groups and/or government bodies. For information about specific issues go to **Community Consultation Programs**.

Social Responsibility - Community Investment

Through our community support programs we aim to make a meaningful contribution to the social and economic well-being of our communities.

Boral partnership framework

Boral's strategic community partnership model based on Our People, Our Products and Our Places, is supported by key selection criteria, and helps to determine the most effective partnerships for the Company. The core platform of Boral's partnership program is to make a valued and sustainable contribution to the communities in which we operate. We involve our People to encourage a better work/life balance and to use our expertise to benefit the wider community. We use our Products to build communities and for conservation initiatives and we focus on our Places, to address environmental and social issues.

Boral has seven key strategic partnerships. These community partnership programs and their key outcomes are listed below. In 2009/10, a total of $505,051 was invested in these community programs, together with a further $371,191 donated through employee fundraising efforts in Australia, the USA and Asia, to the Juvenile Diabetes Research Foundation and to a children's charity in Indonesia.

In addition to Boral's corporate partnerships, Boral's businesses support local community activities, including charities, emergency services and environmental groups, within Boral's Partnership Framework and Criteria and subject to Boral's Limits of Authority policy.

From time-to-time Boral also provides assistance and financial support to communities impacted by natural disasters. In 2008/09 Boral pledged $100,000 in the form of 50% cash and 50% in-kind materials to re-build communities affected by the Victorian bushfires. The first of the Boral supported re-building projects in Maryborough, Victoria was completed during the past year.

Partnership initiative	Outcomes/achievements in 2009/10		
Conservation Volunteers Australia (CVA) – Boral Living Green Boral's partnership with CVA is its longest standing community partnership. Boral Living Green continued to focus on not only Living Green outdoors through volunteering opportunities and family conservation days but by raising awareness for Boral staff by providing information on how they can live greener lives through CVA's Action for Climate Change program.	• 488 volunteer days across 61 conservation projects including grasses, shrubs and trees planted; walking tracks and fencing constructed and maintained, plants propagated, and tortoise hides checked and reset. These projects were located in WA, Qld, NSW, ACT, SA and Vic. During the year, 5620 trees/stems were planted and an area of 21,470m² weeded and regenerated. • CVA helped to celebrate the Boral Asphalt plant opening at Mt Rowan, Victoria with the Victorian Premier in attendance by planting trees with volunteers and local Boral staff.		
Taronga Conservation Society Australia Boral has partnered with the Taronga Conservation Society Australia since early 2003. The partnership gives Boral naming rights sponsorship of the Youth at the Zoo (YATZ) program and is further developing our involvement with the Zoo's education department with a special focus on YATZ scholarships for indigenous, disadvantaged and regional participants.	• Many Boral employees, families and customers visited the Zoo in 2009/10 including 204 Boral attendees at the Twilight concerts in early 2010; and around 600 Boral staff and families at Boral's Family Day in November 2010. • The YATZ Eco Fair was held in April 2010 with Boral and Conservation Volunteers Australia participation. • Boral products continue to be used in Taronga's major master plan developments.		
Bangarra Dance Theatre Boral has partnered with the Bangarra Dance	• In 2009/10, 320 Boral staff and their guests attended Bangarra's capital city main stage performances or		

Theatre, Australia's leading Indigenous dance company, since 2002. Since March 2007 we have been the Sydney season sponsor. In 2009 the partnership was recognised as the Partnership of the Year by the Australian Business Arts Foundation.

regional performances.

- In May 2010, Boral and Bangarra held their second family day with Boral employees and their families attending a special performance and dance workshop at Bangarra's Walsh Bay Theatre.
- Boral is the main Sydney sponsor for Bangarra's 2010 season.

**Outward Bound Australia
– Boral Family Re-Discovery Programs**
Boral continues to offer Outward Bound Family Scholarships to Boral employees with a high school aged son or daughter and Outward Bound also manage a program for Boral's Emerging Leaders. Outward Bound is widely recognised for delivering a program focused on work/life balance and the scholarships are a key platform of Boral's broader commitment to corporate responsibility and to supporting, nurturing and developing its employees.

- Since the Boral Family Re-Discovery program was developed in 2003, a total of 96 family groups have participated in the program across five states.
- Eight family groups received Boral scholarships in 2009/10.

Juvenile Diabetes Research Foundation (JDRF)
JDRF has been Boral's preferred charity since 2001. It provides Boral with structured opportunities to participate in fundraising and promote employee engagement whilst increasing awareness of Type 1 diabetes and the need for further research towards finding a cure. Since 2006, Boral has been a Global Walk Leader for the Walk to Cure Diabetes campaign. In 2009 Boral jointly won the JDRF Freedom Award for the largest corporate fundraising achievement.

- Boral has contributed over $2.5 million to JDRF since our partnership began in 2001 including around 85% from employee fundraising efforts.
- In 2009/10, Boral's employees raised over $128,000 for JDRF through the Walk to Cure Diabetes and the Spin for a Cure events in Australia. 1,400 employees and family members participated in the October 2009 Walk to Cure Diabetes.
- 72 riders participated in the Ride to Cure Diabetes in January 2010 and raised $276,000.
- The focus on engaging managers through JDRF corporate committees and Walk Captains continues.

Building Communities in Asia
Through its Building Communities in Asia program, Boral is investing directly in community building activities around the Bayah land acquired during the last four years of development in Indonesia. In 2009/10 Boral established a School Scholarship program for 200 children of our Indonesian employees.

- $48,800 was invested in community building activities in the Bayah region, particularly education involving 380 secondary school students to improve their prospects of gaining a tertiary education; education to 60 children who left school during the previous two years; English classes for 20 local teachers, 12 local government clinic staff and employees; and crop growing in JVs, crop enhancement by training, tree nurseries and plantations and payment of electricity for pumps previously installed by Boral to provide fresh water supply to five villages.
- Employees in Indonesia were involved in raising $5,000 for 10 children to undergo restorative facial surgery.

HomeAid
Boral USA has partnered with HomeAid, a leading national non-profit organisation providing shelter for the homeless. Boral's initial two-year commitment is for US$50,000 in cash and US$50,000 in-kind product donations.

- Boral is represented on both the National Board of Directors and the Board of Directors of HomeAid's Atlanta Chapter.
- A project in Georgia for which Boral committed brick was completed in May 2010.
- Boral provided concrete, block and squeegee for a project in Colorado in October 2009.

Glossary

Glossary and abbreviations

ABS	Australian Bureau of Statistics	H&S	Health and safety
ACCC	Australian Competition and Consumer Commission	HSE	Health, safety and environment
ASX	Australian Securities Exchange	JDRF	Juvenile Diabetes Research Foundation
BCA	Business Council of Australia	JV	Joint venture
BCSC	Blue Circle Southern Cement	LBGA	Lafarge Boral Gypsum in Asia; the joint venture is 50% owned by Boral and 50% owned by Lafarge
BFS	Boral Formwork & Scaffolding	LCI/LCA	Life-cycle inventory/life-cycle analysis
BMTI	Boral Material Technologies Inc	LEED	Leadership in Industry and Environment Design, an internationally recognised green building certification system
BPE	Best Practice Element		
BPIC	Building Products Innovation Council		
BSDT	Boral Sustainability Diagnostic Tool		
C&C	Clay & Concrete Products	Lime	Oxide of calcium (CaO) produced by heating limestone
Calcination	The process of reducing limestone to lime and carbon dioxide to produce cement	Limestone	A rock consisting chiefly of calcium carbonate (CaCO)
CCS	Carbon capture and storage	LTI	Lost time injury; an injury which causes an employee to be absent from work for one or more full days or shifts on any day subsequent to the injury occurring
CDM	Clean Development Mechanism		
CDP	Carbon Disclosure Project		
Cement	A mixture of calcined limestone and clay; cement is a binder used with water and sand or gravel to make concrete	LTI	Long term incentive
		LTIFR	Lost time injury frequency rate; the number of employee lost time injuries per million hours worked during a period.
CO_{2e}	Carbon dioxide equivalent		
Concrete	A building material composed of sand, gravel, cement & water	LUAC	Large User Abatement Certificate
		MLT	MonierLifetile
CNG	Compressed Natural Gas	NGAC	NSW Greenhouse Abatement Certificate
CRB	Construction Related Businesses	NGERS	National Greenhouse and Energy Reporting System
CRI	Corporate Responsibility Index	NPI	National Pollutant Inventory
CPRS	Carbon Pollution Reduction Scheme	NSW GGAS	NSW Greenhouse Gas Reduction Scheme
CVA	Conservation Volunteers Australia	OHS	Occupational health and safety
DECC	Department of Environment and Climate Change (NSW)	Operating sites	Wholly owned or at least 50% owned JV operating site excluding sales, administration and distribution offices
Demerger	The separation of Boral's building and construction materials business and energy business, which occurred in February 2000. The energy business is now a separate Australian listed company, Origin Energy	PACT	Powdered activated carbon treatment
		Precautionary Principle	Where there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation
DEUS	Department of Energy Utilities and Sustainability (now DECC)		
DJSI	Dow Jones Sustainability (Asia Pacific) Index	QEU	Quarry End Use
DMD	Divisional Managing Director	RAP	Recycled asphalt pavement
DMG	De Martin & Gasparini	Recycle	Waste material used in a new product
DRET	Department of Resources, Energy and Tourism	Re-use	Waste material used back into the same product
DRP	Dividend Reinvestment Plan	RHS&B	Roads, highways, subdivisions and bridges
EBIT	Earnings before interest and tax	RIFR	Recordable injury frequency rate; the number of employee injuries that result in medical treatment as well as those that result in lost work time per million work hours
EBITDA	Earnings before interest, tax, depreciation and amortisation		
		ROFE	Return on funds employed
		SAR	Share Acquisition Rights

EEO	Energy Efficiency Opportunities		SBE	Standard brick equivalent
EITE	Emissions-intensive trade-exposed		SEDA	Sustainable Energy Development Authority (now integrated into DECC)
EMS	Environment Management System		SIB	Stay-in-business
EOWA	Equal Opportunity for Women in the Workplace Agency		Squares	A measure of area used in roofing in the USA; one square = 100 square feet
EPA	Environmental Protection Authority		Staff turnover	The number of employee departures during the year divided by the average number of full-time equivalent employees during year, and multiplied by 100
EPS	Earnings per share			
FACT	Fly ash carbon treatment		STI	Short term incentive
Fly Ash	A by-product of coal-fired electricity generating plants; with cementitious properties it is used as an additive in cement		TSR	Total shareholder return; an annualised calculation which takes into consideration both capital and dividend returns
FTE	Full-time equivalent; used for reporting the number of employees and contractors		Total sites	Wholly owned or at least 50% owned JV operating sites and sales, administration and distribution offices
FY	Financial Year		Tranches	Additional securities/loans based on a common attribute such as date issued
GJ	Gigajoule			
GHG	Greenhouse gases are gases in the atmosphere that are linked to the greenhouse effect. The main GHG are CO_2 and methane.		Water usage	Reported water usage is the amount of mains water consumed for the 12 month period to 30 June or in some cases for the 12 month period covered by usage invoices that most closely match the financial year ended 30 June
GRI	Global Reporting Initiative			
GRA	Gypsum Resources Australia			
HIA	Housing Industry Association		WACC	Weighted average cost of capital (including the cost of debt and the cost of equity)
HR	Human resources			

Sustainability Data Table

For the year ended 30 June

	2010	2009	2008	2007
Boral's sites				
Operating sites	**696**	706	718	707
Total sites	**848**	854	867	851
Operating countries	**13**	13	12	11

Human Resources

People and safety

	2010	2009	2008	2007
Employees, FTEs	**14,806**	14,766	15,928	16,194
Contractors, FTEs	**~6,000**	~5,700	~7,000	—
Joint venture employees	**~3,000**	~3,000	~3,400	~3,500
Employee LTIFR, per million hours worked	**2.1**	1.8	2.5	2.8
Contractor LTIFR, per million hours worked	**2.3**	2.4	5.7	5.7
Employee hours lost, %	**0.05**	0.06	0.08	0.09
Contractor hours lost, %	**0.05**	0.03	0.09	0.09

Environment

Greenhouse gas emissions

	2010	2009	2008	2007
CO_2, tonnes (millions)	**3.14**	3.55	3.80	3.79
Equity share of JV CO_2, tonnes (millions)	**0.17**	0.18	0.20	0.19

Energy consumed

	2010	2009	2008	2007
Coal, tonnes ('000)	**224.36**	282.72	283.67	273.95
Natural gas, petajoules	**9.91**	10.53	13.20	14.31
Electricity, GWh	**666.5**	704.35	830.12	795.20
Diesel, litres (millions)	**113.18**	155.99	162.23	156.90
LPG, litres (millions)	**13.44**	13.07	4.72	5.15
Petrol, litres (millions)	**6.86**	6.85	8.44	9.31
Alternative fuels, petajoules	**1.81**	2.09	1.79	2.16

Water consumption

	2010	2009	2008	2007
Mains water, litres (millions)	**2,270**	2,285	2,819	2,932

Social responsibility

Community investment

	2010	2009	2008	2007
Community investment in eight key partnerships (total cash and materials)	**$505,051**	$569,853	$591,500	$594,280
Employee fundraising	**$371,191**	$600,422	$443,000	$336,000

NOTE: Data is for Boral Limited and 100% owned and controlled subsidiaries, unless otherwise stated.

Boral Limited Sustainability Reporting

Global Reporting Initiative

The Global Reporting Initiative (GRI) provides a globally applicable framework against which organisations can report their economic, environmental and social performance. Boral has considered the GRI Sustainability Reporting Guidelines (G3 Guidelines) in determining the content of its 2009 Sustainability Report, including aligning non-financial indicator definitions with GRI where appropriate.

Boral's 2009 Sustainability Report applies the G3 reporting framework to an A+ level (the highest level available) which means that we have undertaken all G3 Profile and Management Approach disclosures and reported on all core indicators. We have provided an explanation about any core indicators that we have not reported against.

Net Balance Management Group Pty Ltd (Net Balance) have undertaken a third-party application level check of Boral's 2009 Sustainability Report against the requirements of the GRI G3 Guidelines. For a copy of Net Balance's GRI Application Level Statement, click here.

Report Application Levels

		2002 In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared							✓
Optional	Third Party Checked			Report Externally Assured		Report Externally Assured		GRI REPORT 3rd PARTY CHECKED A+
	GRI Checked							

In 2010, we streamlined our sustainability reporting. The GRI reporting framework was considered in the 2010 report but was not applied to the same level as it was applied in 2009.

GRI Content Index

We have provided an index with the list of all core and additional indicators from the G3 Guidelines and references to where the indicators have been reported in both 2009 and 2010. If we have not reported on an indicator, then an explanation is contained within the GRI index table. Indicator descriptions are a summary of the descriptions provided by the GRI.

For further information on the GRI indicators and reporting framework refer to www.globalreporting.org.

Key for GRI content index	
2010 Annual Report	AR10
2009 Annual Review	AR
2009 Sustainability Report	SR, page numbers start with 's'
2009 Financial Report	FR
Inside front cover	IFC
Core Performance Indicators	Core
Additional Performance Indicators	Add

1. Strategy & Analysis

GRI Indicator	Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
1.1	Chairman/ CEO's statement	Message from the Managing Director 2009 Chief Executive's Statement 2010	s2 - s3	C
1.2	Key impacts, risks and opportunities	Message from the Managing Director 2009 Chief Executive's Statement 2010 Sustainability Priorities and Performance 2009	s2 - s3 s4 - s6	C

2. Organisational Profile

GRI Indicator	Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
2.1	Name of organisation	Boral Limited	AR - IFC	C
2.2	Primary brands, products and/or services	Introductory page 2009 Review of Operating Divisions 2009 Group Overview 2010	s1 AR 14-27 AR10 2-3	C
2.3	Operational structure of organisation	Introductory page 2009 Review of Operating Divisions 2009 Group Overview 2010	s1 AR 14-27 AR10 2-3	C
2.4	Location of headquarters		AR IFC AR10 IFC	C
2.5	Number of countries where the organisation operates, and names of countries with major operations	Introductory page 2009 Review of Operating Divisions 2009 Group Overview 2010 Sustainability Data Table 2010	s1 AR 14-27 AR10 2-3	C
2.6	Nature of ownership and legal form	Introductory page 2009 AR - Inside front cover 2009 Shareholder information 2009 Shareholder information 2010	s1 AR IFC AR 80 AR10 134	C
2.7	Markets served	Introductory page 2009 Review of Operating Divisions 2009 Group Overview 2010	s1 AR 14-27 AR10 2-3	C
2.8	Scale of organisation	Introductory page 2009 Group Overview 2010	s1 AR10 2-3	C
2.9	Significant changes regarding size, structure, or ownership	Message from the Managing Director 2009 Sustainability Priorities and Performance 2009 Sustainability Data Table 2009 Our People - At a Glance, Employee turnover 2009 Our Environment - At a glance 2009 Our Environment - Energy use and climate change 2009 Sustainability Data Table 2010	s2 - s3 s5 s7 s12 s18 s19	C
2.10	Awards received	External recognition 2009 Celebrating our sustainability successes 2009 External Recognition 2010 Website under "Awards and Achievements" www.boral.com.au/sustainability	SR IFC s15	C

3. Report Parameters »

GRI Indicator	Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
Report Profile				
3.1	Reporting period	About this report 2009 About this report 2010	SR - IFC	C
3.2	Date of most recent previous report	September 2009 www.boral.com.au/sustainability		C
3.3	Reporting cycle	About this report 2009 About this report 2010	SR - IFC	C
3.4	Contact point for questions regarding the report or its contents	About this report 2009 About this report 2010 Contact Us	SR - IFC	C
Report scope and boundary				
3.5	Process for defining report content	About this report 2009 Sustainability Priorities and Performance 2009 Our Stakeholders 2009 Our Stakeholders 2010	SR - IFC s4 - s6 s26	C
3.6	Boundary of the report	About this report 2009 About this report 2010	SR - IFC	C
3.7	Limitations on scope or boundary of the report	About this report 2009 About this report 2010	SR - IFC	C
3.8	Basis for reporting on entities that can significantly affect comparability	About this report 2009 Our People - At a glance 2009 Our Environment - Energy use and GHG emissions 2009 Our Environment 2010	SR - IFC s12 s19	C
3.9	Data measurement techniques and the bases of calculations	Our Environment - Energy use and GHG emissions 2009 Our Environment - Waste, recycling and re-use 2009 Review of Operating Divisions 2009 Our Environment 2010	s20 s22 s30 - s41	C
3.10	Explanation of the effect of re-statements of information	Sustainability Priorities and Performance 2009 Sustainability Data Table 2009 Our People 2009	s5 s7 s12	C

			Our Environment 2009	s18 - s20	
			Our Environment 2010		
3.11		Significant changes in scope, boundary, or measurement methods	Sustainability Priorities and Performance 2009 Our People 2009 Our Environment 2009 Our Environment 2010	s5 s12 s20	C

GRI content index

| 3.12 | | Table identifying the location of the (GRI) standard disclosures | SR - Inside front cover 2009
www.boral.com.au/sustainability | SR - IFC | C |

Assurance

| 3.13 | | Policy and current practice on external assurance of the report | Independent Assurance Statement (short form)
Independent Assurance Statement | s42 | C |

4. Governance, Commitments, and Engagement

GRI Indicator	Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
Governance				
4.1	Governance structure	Corporate Governance 2009 Managing Sustainability - Corporate governance 2009 Managing Sustainability 2010	AR 31 - 36 s8	C
4.2	Whether the Chair of the board is also an executive officer	Board of Directors 2009 Board of Directors 2010	AR 30 AR10 30	C
4.3	Independent and/or non-executive board members	Board of Directors 2009 Board of Directors 2010	AR 30 AR10 30	C
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the board	Managing Sustainability 2009 Corporate Governance 2009 Managing Sustainability 2010 Corporate Governance 2010	s8 - s11 AR 31 - 36 AR10 35	C
4.5	Linkage between compensation for board members, senior managers and executives and the organisation's performance	Corporate Governance - Remuneration of non-executive Directors 2009 Our People 2009 Remuneration Report 2009 Remuneration Report 2010	AR 36 s15 AR 49	C
4.6	Processes for the board to avoid conflicts of interest	Corporate Governance - Conflicts of interest 2009 Corporate Governance - Conflicts of interest 2010	AR 33 AR10 35	C
4.7	Process for determining qualifications and expertise of board members	Corporate Governance - Nomination and appointment of directors 2009 Corporate Governance 2010	AR 32 - 33 AR10 35	C
4.8	Mission, values, code of conduct and policies	Sustainability Priorities and Performance 2009 Managing Sustainability 2009 www.boral.com.au/sustainability 2009 (for Values and policies)	s4 - s6 s8	C
4.9	Procedures for the board to oversee identification and management of economic, environmental and social risks and opportunities	Managing Sustainability 2009 Corporate Governance 2009 Corporate Governance 2010	s8 - s11 AR 31 - 36 AR10 32-39	C
4.10	Processes for evaluating the board's own performance	Corporate Governance - Evaluation of Board performance 2009 Corporate Governance 2010	AR 33 AR10 35	C
Commitments to external initiatives				
4.11	Explanation of whether and how the precautionary approach is addressed	Sustainability Priorities and Performance 2009 Glossary 2009	s4 AR 82	C
4.12	Endorsement of externally developed economic, environmental and social charters, principles or other initiatives	External recognition 2009 Celebrating our sustainability successes 2009 External recognition 2010	SR- IFC s15	C
4.13	Significant memberships in associations and/or advocacy organisations	Our Stakeholders - Industry influence 2009 Our Stakeholders 2010	s26	C
Stakeholder engagement				
4.14	List of stakeholder groups engaged by organisation	Our Stakeholders - Methods of stakeholder engagement 2009 Our Stakeholders 2010	s27	C
4.15	Basis for identification and selection of stakeholders to engage	Our Stakeholders 2009 *Specific stakeholders are identified depending on what the issue is. Generally stakeholders fall within the groups identified in "Our Stakeholders". The processes are defined at the business level and are verified through the BSDT process.* Our Stakeholders 2010	s26 - s27	C
4.16	Approaches to stakeholder engagement	Our Stakeholders 2009 Our Stakeholders 2010	s26 - s27	C
4.17	Key topics and concerns raised through stakeholder engagement and response	Our Stakeholders 2009 Our Stakeholders 2010	s26 - s27	C

5. Management Approach and Performance Indicators

Economic

GRI Indicator		Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
		Disclosure on management approach	Income Statement 2009 Results announcement 30 June 2009 - Management Discussion & Analysis - Performance against objectives 2009 Our People 2009 Results announcement 30 June 2010	AR 60 s12	PC

Economic performance

GRI Indicator		Description	Cross-reference / Explanation		Compliance
Core	EC1	Direct economic value generated and distributed	Income Statement & Notes to the Concise Financial Report 2009 Community Investment 2009 Financial Report 2010 Community Investment 2010	AR 60 - 71 s28 - s29 AR10 61	C
Core	EC2	Financial implications of climate change	Message from the Managing Director 2009 Our Environment - Energy use and GHG emissions 2009 Our Environment 2010	s2 - s3 s19 - s20	C
Core	EC3	Coverage of defined benefit pension plan obligations	2009 Financial Report - Employee benefits 2009 2010 Financial Report - Employee benefits 2010	FR59 - 61 AR10 100	C
Core	EC4	Financial assistance received from government	*No material financial assistance from government*		C

Market presence

GRI Indicator		Description	Cross-reference / Explanation		Compliance
Add	EC5	Range of ratios of standard entry level wage compared to local minimum wage	*As at 30 June 2009, Boral had <1% of the total workforce below 20 years old, the youngest being 17 years of age* *Entry level employees are paid at or above minimum wage requirements* Our People 2009	s13 s13 - s15	C
Core	EC6	Policy, practices, and proportion of spending on locally-based suppliers	*Boral does not disclose supplier spending* Marketplace and Supply Chain - Our contractors 2009 Marketplace and Supply Chain 2010	 s24	PC
Core	EC7	Procedures for local hiring and local hiring of senior management	Our People - Personal development and training 2009	s13	PC

Indirect economic impacts

GRI Indicator		Description	Cross-reference / Explanation		Compliance
Core	EC8	Infrastructure investments and services provided primarily for public benefit	Community Investment 2009 Community Investment 2010	s28 - s29	C
Add	EC9	Significant indirect economic impacts	Community Investment 2009 Our Stakeholders - Recent and current community issues (regional employment and the economic downturn) 2009 Our People - Our workforce 2009 Our People - Diversity 2009 Community Investment 2010	s28 - s29 s27 s12 s13	C

Environmental

GRI Indicator		Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
		Disclosure on management approach	Message from the Managing Director 2009 Sustainability Priorities and Performance - Environment 2009 Managing Sustainability - Our management approach to environment 2009 Managing Sustainability 2010	s2 - s3 s5 - s6 s10 - s11	C

Materials

GRI Indicator		Description	Cross-reference / Explanation		Compliance
Core	EN1	Material used by weight or volume	Sustainability Data Table 2009	s7	C
Core	EN2	Recycled input materials used	Our Environment - At a Glance 2009 & Waste, recycling and re-use 2009	s18, s22	PC

Energy

GRI Indicator		Description	Cross-reference / Explanation		Compliance
Core	EN3	Direct energy consumption by primary energy source	Our Environment - Energy use and GHG emissions 2009 Our Environment 2010	s21	C
Core	EN4	Indirect energy consumption by primary energy source	Our Environment - Energy use and GHG emissions 2009 Our Environment 2010	s21	C
Add	EN5	Energy saved due to conservation and efficiency improvements	Our Environment - Energy use and GHG emissions 2009	s19 - s20	C

			Review of Operating Divisions: 2009	s30	
			Australian Construction Materials	s32	
			Cement and Construction Related Businesses	s34	
			Clay & Concrete	s40	
			USA		
			Our Environment 2010		
Add	EN6	Energy-efficient or renewable energy based products and services	Our Environment - energy use and GHG emissions 2009	s20	C
			Review of Operating Divisions: 2009	s30	
			Australian Construction Materials	s32	
			Cement & Construction Related Businesses	s34	
			Clay & Concrete	s40	
			USA		
			Our Environment 2010		
Add	EN7	Initiatives to reduce indirect energy consumption	Marketplace and Supply Chain - Our suppliers 2009	s24	C
			Review of Operating Divisions: 2009		
			Cement and Construction Related Businesses	s32	
			Timber	s36	
			Plasterboard	s38	
			USA	s40	

Water

Core	EN8	Total water withdrawal by source	Sustainability Data Table 2009	s7	C
Add	EN9	Water sources significantly affected by withdrawal of water	Sustainability Data Table 2009	s7	C
Add	EN10	Percentage and total volume of water recycled and reused	*Water recycling initiatives have been reported by individual divisions, where appropriate, however we have not quantified the total volume apart from specific case studies 2009*		PC
			Our Environment - Water management 2009	s21 - s22	
			Review of Operating Divisions: 2009		
			Australian Construction Materials	s31	
			Plasterboard	s39	
			Our Environment Water 2010		

Biodiversity

Core	EN11	Land in areas of high biodiversity value	Our Environment - Land management and biodiversity 2009	s23	PC
			Our Environment 2010		
Core	EN12	Impacts of activities, products, and services on biodiversity rich areas	Our Environment - Land management and biodiversity 2009	s23	PC
			Our Environment 2010		
Add	EN13	Habitats protected or restored	Our Environment - Land management and biodiversity 2009	s23	C
			Our Environment 2010		
Add	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	Our Environment - Land management and biodiversity 2009	s23	C
			Our Environment 2010		
Add	EN15	Endangered species affected by operations	Our Environment - Land management and biodiversity 2009	s23	C
			Our Environment 2010		

Emissions, effluents, and waste

Core	EN16	Total direct and indirect greenhouse gas emissions	Introductory page 2009	s1	C
			Message from the Managing Director 2009	s2 - s3	
			Sustainability Data Table 2009	s7	
			Our Enviroment - Energy use and GHG emissions 2009	s19 - s20	
			Our Environment 2010		
Core	EN17	Other indirect greenhouse gas emissions	Our Environment - Energy use and GHG emissions 2009	s19 - s20	C
			Our Environment 2010		
			Boral's Carbon Disclosure Report		
			www.boral.com.au/sustainability		
Add	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Our Environment - Energy use and GHG emissions 2009	s20	C
			Review of Operating Divisions: 2009	s30	
			Australian Construction Materials	s32	
			Cement and Construction Related Businesses	s34	
			Clay & Concrete	s36	
			Timber	s38	
			Plasterboard	s40	
			USA		
			Our Environment - Energy use and GHG emissions 2010		
Core	EN19	Emissions of ozone-depleting substances	Our Environment - Other emissions 2009	s21	C
			www.npi.gov.au		
Core	EN20	NOx, SOx, and other significant air emissions	Our Environment - At a glance 2009	s18	C
			Our Environment - Other emissions 2009	s21	
			Our Environment 2010		
Core	EN21	Total water discharge by quality and destination	*Any water discharge is in accordance with an environmental protection agency or equivalent licence*		NM
Core	EN22	Weight of waste by type and disposal method	Sustainability Data Table 2009	s7	PC
Core	EN23	Number and volume of significant	Our Environment - Environmental performance 2009	s18 - s19	C

		spills	*Our Environment 2010*		
Add	EN24	Waste deemed hazardous	*Due to the nature of Boral's operations and manufacturing processes, hazardous waste is not material*		NM
			Our Environment - Waste, recycling and re-use 2009	s22 - s23	
Add	EN25	Water bodies and related habitats significantly affected by discharges of water and runoff	*The listing of affected water bodies is immaterial, as such activities are regulated by the relevant environmental protection authority, usually through a licence. Boral has over 700 operating sites across 13 countries*		NM

Products and services

Core	EN26	Initiatives to mitigate environmental impacts of products and services	Our environment - Working with partners to build energy efficient housing 2009 Marketplace and Supply Chain 2009 Review of Operating Divisions 2009 Marketplace and Supply Chain 2010	s21 s24 - s25 s30 - s41	C
Core	EN27	Percentage of products and packaging materials reclaimed	Sustainability Data Table 2009 Our Environment - Waste, recycling and re-use 2009 Review of Operating Divisions 2009	s7 s22 s30 - s31	C

Compliance

Core	EN28	Fines and sanctions for non-compliance with environmental laws and regulations	Our Environment - Environmental performance 2009 Our Environment - Environmental performance 2010	s18 - s19	C

Transport

Add	EN29	Environmental impacts of logistics	Sustainability Data Table 2009 Sustainability Data Table 2010	s7	C

Overall

Add	EN30	Total environmental protection expenditures and investments	*Not disclosed due to the confidential nature of the projects. Payback periods are provided in Boral's EEO submission* www.boral.com.au/sustainability		C

Social:

Labour Practices and Decent Work

GRI Indicator		Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
		Disclosure on management approach	Managing Sustainability - Our management approach to our people 2009 and Our management approach to health and safety 2009 Our People (including Health and Safety) 2009 Sustainability Priorities and Performance - Human resources 2009 Managing Sustainability 2010	s8 - 10 s12 - s17 s4 - s5	C

Employment

Core	LA1	Workforce by employment type, employment contract, and region	Sustainability Data Table 2009 Our People - At a Glance 2009 Our People - Our workforce 2009 Our People - Managing and rewarding our people 2009 Sustainability Data Table 2010	s7 s12 s12 s15	C
Core	LA2	Employee turnover by age group, gender, and region	Our People - Employee turnover 2009 Our People 2010	s12 - s13	C
Add	LA3	Benefits provided to full-time employees not provided to temporary or part-time employees	Our People - Managing and rewarding our people 2009	s15	C

Labour / management relations

Core	LA4	Employees covered by collective bargaining agreements	Our People - Employee relations 2009 Our People - Employee relations 2010	s14	C
Core	LA5	Minimum notice period(s) regarding operational changes	*Notice periods in line with statutory requirements and specified in collective agreements*		C

Occupational health and safety

Add	LA6	Workforce represented in formal health and safety committees	*Boral has some 250 safety committees and other representative groups covering around 90% of the workforce* Managing Sustainability - Our management approach to health and safety 2009 Managing Sustainability 2010	s9 - s10	C
Core	LA7	Rates of injury, occupational diseases, lost days, absenteeism and fatalities	Health and Safety - Safety performance 2009 Our people 2009 Health and Safety 2010 Our people 2010	s16 s12	C
Core	LA8	Programs relating to serious diseases	Health and Safety - Employee health and wellbeing	s16 - s17	C

			2009 Health and Safety 2010		
Add	LA9	Health and safety in formal agreements with trade unions	*OH&S is the subject of detailed statutory regulation and because of this OH&S is not a usual feature of collective agreements with trade unions*		NM

Training and education

Core	LA10	Average hours of training per employee	Our People - Personal development and training 2009 *Reported number of staff attending programs offered through Boral's global learning teams only as system for collection is diverse and across multiple businesses*	s13 - s14	PC
Add	LA11	Programs for skills management and lifelong learning	Personal development and training 2009 Our People - Personal development and training 2010	s13 - s14	C
Add	LA12	Percentage of employees receiving regular performance and career development reviews	Our People - Managing and rewarding our people 2009	s15	C

Diversity and equal opportunity

Core	LA13	Gender, age group, work role and other indicators of diversity	Our People - Diversity 2009 Our People 2010	s13	C
Core	LA14	Salary ratio of men to women	Our People - Diversity 2009 Our People - Diversity 2010	s13	C

Human Rights					
GRI Indicator		**Description**	**Cross-reference / Explanation**		**Fully complies (C) / Partially complies (PC) / Not Material (NM)**
		Disclosure on management approach	Managing Sustainability - Our Values and Our policies; Ethical standards and compliance 2009 Sustainability Priorities and Performance - Human Resources 2009 Managing Sustainability 2010	s8; s11 s4 - s5	PC

Investment and procurement practices

Core	HR1	Investment agreements with human rights considerations	Managing Sustainability - Ethical standards and compliance 2009 Managing Sustainability 2010	s11	PC
Core	HR2	Significant suppliers and contractors screened on human rights	Marketplace and Supply Chain - Our suppliers 2009 Marketplace and Supply Chain 2010	s24	PC
Add	HR3	Employee training on human rights	Managing Sustainability - Ethical standards and compliance 2009	s11	PC

Non-discrimination

Core	HR4	Incidents of discrimination and actions taken	*None reported to Boral*		NM

Freedom of association and collective bargaining

Core	HR5	Operations identified where the right to collective bargaining may be at significant risk	*No operations identified at significant risk. The Company's Diversity Policy requires, among other things, a workplace free of discrimination or hostility with respect to trade union activity* Our People - Employee relations 2009 Our People - Our Workforce 2010	 s14	C

Child labour

Core	HR6	Operations identified as having significant risk for incidents of child labour	Our workforce 2009 *(Boral does not employ children)* Marketplace and Supply Chain - Our suppliers *The BSDT Strategic Sourcing (Procurement) and Supply Chain element specifically refers to the evaluation of human rights 2009*	s13 s24	C

Forced and compulsory labour

Core	HR7	Operations identified as having significant risk for forced or compulsory labour	*No operations identified at significant risk* *The Company's Harassment Policy covers discrimination, bullying, victimisation, vilification or hostility with respect to gender, race, religion, ethnicity, national origin, age, disability, marital status, family responsibilities, pregnancy, sexual orientation, political conviction or trade union activity*		NM

Security practices

Add	HR8	Security personnel trained in human rights	*Not material to Boral's operations*		NM

Indigenous rights

Add	HR9	Incidents of violations involving rights of indigenous people and actions taken	*There were no incidents of violations involving rights of indigenous people* *The Company's Diversity Policy requires a workplace free of discrimination or hostility with respect to, among other things, race, ethnicity and national origin* Our People - Diversity 2009	 s13	C

Society

GRI Indicator		Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
		Disclosure on management approach	Sustainability management - Ethical standards and compliance 2009	s11	
			Our stakeholders - Government and regulators 2009	s26	
			Our customers - Compliance and ethics 2009	s25	
			Sustainability Priorities and Performance - Social responsibility 2009	s6	
			Managing Sustainability 2010		
			Our stakeholders 2010		
Community					
Core	S01	Programs that assess and manage the impacts of operations on communities 2009	Sustainability Performance and Priorities - Community relations and engagement 2009	s6	C
			Our Stakeholders - Community and neighbours 2009	s26	
			Our Stakeholders - Recent and current community issues 2009	s27	
			www.boral.com.au/sustainability (Consulting with our Communities)		
Corruption					
Core	S02	Business units analysed for risks related to corruption	Corporate Governance - Risk identification and management 2009	AR 35 - 36	C
			Managing Sustainability - Ethical standards and compliance 2009	s11	
			Corporate Governance 2010	AR10 37-38	
Core	S03	Employees trained in anti-corruption policies and procedures	Sustainability Priorities and Performance - Business ethics and corporate governance 2009	s6	C
			Marketplace and Supply Chain - Our customers 2009	s25	
Core	S04	Actions taken in response to incidents of corruption	Managing Sustainability - Ethical standards and compliance 2009	s11	C
			Sustainability in Boral - Policies and Values 2010	AR10 26	
Public policy					
Core	S05	Positions and participation in public policy development and lobbying	Our Stakeholders - Government and regulators 2009	s26	C
			Our Stakeholders 2010		
Add	S06	Political donations	Our Stakeholders - Political contributions 2009	s26	C
			Our Stakeholders - Political Donations 2010		
Anti-competitive behaviour					
Add	S07	Legal actions for anti-competitive behaviour, antitrust, and monopoly practices	*No legal actions*		C
Compliance					
Core	S08	Significant fines and sanctions for non-compliance with laws and regulations	Health and Safety - safety performance 2009	s16	C
			Environment - Environmental performance 2009	s18	
			Health and Safety 2010		
			Environment 2010		

Product Responsibility

GRI Indicator		Description	Cross-reference / Explanation		Fully complies (C) / Partially complies (PC) / Not Material (NM)
		Disclosure on management approach	Marketplace and Supply Chain - Our customers 2009	s25	C
			Sustainability Priorities and Performance - Marketplace and Supply Chain 2009	s6	
			Sustainability Priorities and Performance - Marketplace and Supply Chain 2010		
Customer health and safety					
Core	PR1	Health and safety impacts across life cycle of products and services	Managing Sustainability - Our management approach to health and safety 2009	s9 - s10	PC
			Assessed through BSDT Sales and Marketing element		
			Marketplace and Supply Chain - Our customers 2009	s25	
			Our Stakeholders - Industry influence 2009	s26	
			Marketplace and Supply Chain - Our customers 2010		
			Our Stakeholders - Industry influence 2010		
Add	PR2	Incidents of non-compliance with regulations/codes concerning health and safety impacts of products and services	*None reported to Boral*		C
Product and service labelling					

Core	PR3	Product and service information required by procedures	Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010 *Material safety data sheets (MSDS) are available on Boral's website* www.boral.com.au	s25	C
Add	PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling	*No incidents of non-compliance reported to Boral* Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C
Add	PR5	Practices relating to customer satisfaction	Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C
Marketing communications					
Core	PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications	Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C
Add	PR7	Incidents of non-compliance with marketing regulations and codes	*No incidents of non-compliance reported to Boral* Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C
Customer privacy					
Add	PR8	Substantiated complaints regarding breaches of customer privacy and losses of customer data	*No incidents of non-compliance reported to Boral* Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C
Compliance					
Core	PR9	Significant fines for non-compliance with laws concerning the provision and use of products and services	*No incidents of non-compliance reported to Boral* Marketplace and Supply Chain - Our customers 2009 Marketplace and Supply Chain - Our customers 2010	s25	C