



**BORAL**<sup>TM</sup>

# Sustainability

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1 April 2022, UBS ESG series

The content of this presentation is based on information previously disclosed in Boral's 2021 Sustainability Report or previously announced to the ASX.

# Our Sustainability Framework

We are committed to leading the way in sustainability



## Linked to materiality

Sustainability Framework priorities address our material sustainability topics identified through our most recent materiality assessment

## Set goals and targets

We have set goals and targets linked to each of the priorities in our Sustainability Framework

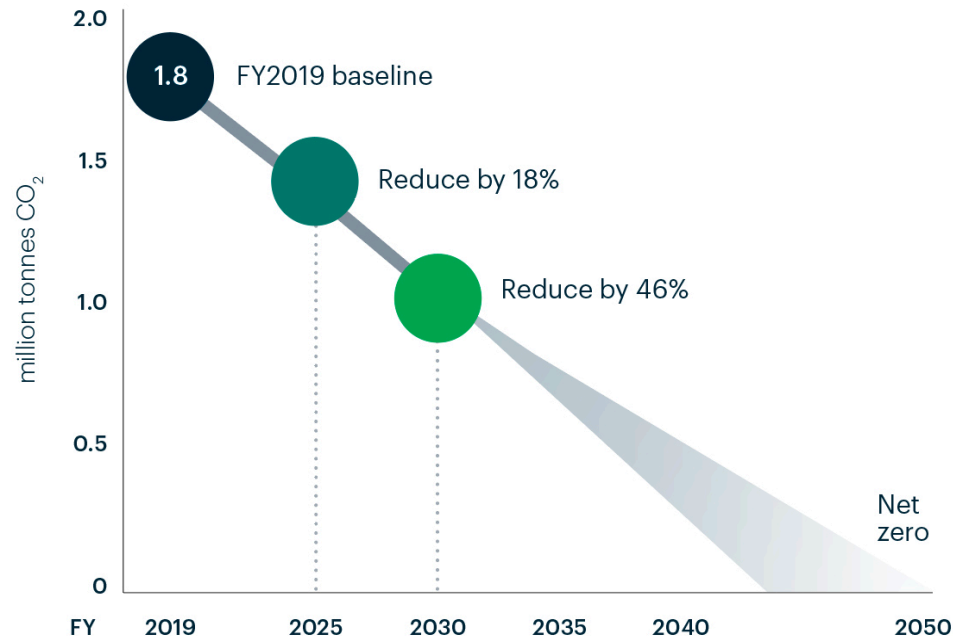
## Underpinned by

Our approach is underpinned by our commitment to a high standard of corporate governance, responsible business conduct, effective risk management and Boral's Values

# Climate targets aligned with Paris Agreement

Committed to net-zero emissions from our operations by no later than 2050<sup>1</sup>

## Scope 1 and 2 TARGETS

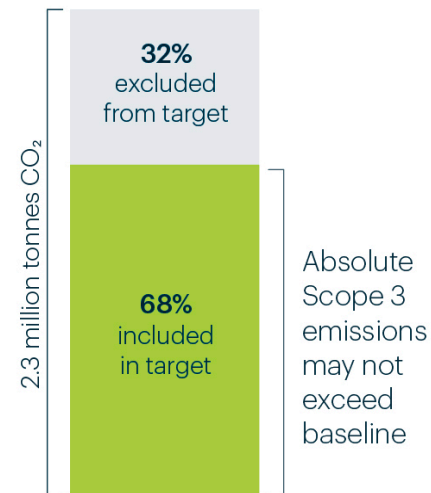


## Scope 3 TARGET



### Physical intensity target<sup>3</sup>

Applies to a minimum of two-thirds of Scope 3 baseline emissions



## SBTi validated targets

FY2030 emissions reduction targets validated by Science Based Targets initiative (SBTi), with Scope 1 and 2 target verified to be aligned with limiting global warming to 1.5°C<sup>4</sup>



1. While SBTi's methodology permits the use of carbon offsets to achieve net-zero emissions post-2030, our decarbonisation pathway post-2030 is focused on achieving absolute emissions reductions for Scopes 1, 2 and 3. This pathway remains dependent on further development and commercial viability of new and emerging technologies

2. Cementitious materials produced is defined following the Global Cement and Concrete Association definition

3. Consistent with SBTi's Scope 3 physical intensity target methodology

4. Our targets and baseline are for Boral's continuing operations



# Decarbonisation pathway – eight priority initiatives

Decarbonisation levers		Scope 1 & 2	Scope 3	FY2022–FY2025 Priorities
Energy	1. Kiln: Coal to alternative fuels Low carbon energy solutions	✓		• Transition kiln fuel away from coal, increasing alternative fuels from ~15% to 60%, and explore hydrogen
	2. Renewable electricity supply	✓	✓	• Transition to 100% net power supply from renewable sources
	3. Electrification/energy efficiency	✓		• Improve energy efficiency by 5% to 10%
Cementitious intensity	4. Kiln feed and cement plant optimisation	✓		• Implement processes to increase cement plant efficiency
	5. Lower carbon concrete strategy	✓	✓	• Increase use of SCMs in concrete
Transport	6. Supply chain optimisation Boral and contractor fleet transition	✓	✓	• Optimise supply chain logistics and routes, and explore alternative fuel fleet options
Sourcing	7. Prioritise lower CO <sub>2</sub> intensity suppliers		✓	• Prioritise lower CO <sub>2</sub> intensity suppliers, including for imported clinker
CCUS	8. Mineralised carbon products Carbon capture, use and storage (CCUS)	✓		• Explore and test emerging CCUS technologies
	FY	2025	2030	2050

# Continuing to execute decarbonisation pathways

## Alternative fuels, Berrima

Investing in Berrima Cement chlorine bypass to enable flexibility in our alternative fuel mix, and **increase alternative fuel usage** from 15% to 30% – will also reduce coal usage

Working to further increase alternative fuel use to 60% by FY25

## Renewable electricity

Progressing **shift to 100% renewable electricity** by FY25

Working on assessing appropriate balance of renewable energy purchase price agreements or behind-the-meter for our larger sites

## Lower carbon concrete strategy

**Working to accelerate penetration of target segments** with full suite of lower carbon concrete product offering: ENVISIA<sup>®</sup>, Envirocrete<sup>®</sup> Plus, Envirocrete<sup>®</sup>



Alternative fuels facility at Berrima, NSW

ENVISIA<sup>®</sup> has up to **43-49%** lower embodied carbon<sup>1</sup>

1. Compared to IS Council reference case for concrete products between 20 MPa and 40 MPa in the Sydney region

# Lower carbon concrete: full suite product offering

	<b>Embodied carbon reduction</b> (for 20MPa concrete in Sydney region)		<b>Typical applications</b>	<b>Engineering performance</b> versus conventional concrete <sup>1</sup>
	<i>Compared to IS Council reference case</i>	<i>Compared to Boral conventional mix</i>		
<b>ENVISIA®</b>	<b>43%</b>	35%	<b>Advanced applications</b> such as high-rise, infrastructure and architectural projects	Early-age strength, lower shrinkage, improved durability
<b>Envirocrete® Plus</b>	<b>39%</b>	31%	<b>All mainstream uses:</b> house slabs, multi-res, commercial office, industrial	Matches standard concrete blends
<b>Envirocrete® 40%</b>	<b>38%</b>	30%	<b>All mainstream uses:</b> such as house slabs, paving, etc, where high-performance concrete is not required	Matches standard concrete blends

We also offer Climate Active-certified **net carbon neutral concrete**



1. For products between 20 MPa and 40 MPa compared to Green Building Council of Australia and IS Council reference cases

# Recycling

## Our 2H FY22 priorities include:

- Maturing the **‘Materials Manager’ concept** as part of a broader offering to support customers in their construction and demolition processes
  - Offering ‘waste’ materials collection and management solutions: Demolition rubble – concrete, bricks, etc and excavation materials – sand, sandstone, etc
- Evaluating broader application of **‘Earth Exchange’ concept** to generate revenue and mitigate quarry rehabilitation costs
  - Optimises utilisation of our quarry voids
  - Generates revenue from gate fees
  - Mitigates future rehabilitation obligations

## Boral Recycling

- One of the largest recyclers of construction and demolition (C&D) materials in Australia
- In FY2021, processed >2 million tonnes of materials
- Produces recycled products from C&D waste for road base-type materials and for input into our concrete and asphalt mixes, that would otherwise go to landfill
- Use of recycled materials in road base construction is increasingly being mandated by government



Widemere recycling site, NSW