

Our people

We strive to have a diverse, talented and capable workforce, so we can continue to succeed and innovate. We work to develop our people, build a culture of respect and trust, and enhance our employees' experience.

As at 30 June 2019, we had 17,104 full-time equivalent employees, including in joint ventures, and approximately 9,400 contractors working across 17 countries.

Our contractors work in a variety of roles, including as product installers and drivers in our transport operations.

Full-time equivalent	FY2019	FY2018	FY2017
Boral employees	11,916	11,898	11,499 ¹
Boral contractors	~5,300	~5,200	~4,800
Joint venture employees ²	5,188	5,233	4,976
Joint venture contractors ²	~4,100	~3,500	~3,400

At end FY2019	Boral Group	Boral Australia ³	USG Boral ³	Boral North America ⁴
Women at Boral	19%	13%	17%	25%
Average length of service (years)	8.0	8.9	9.3	6.5
Average age (years)	43.4	44.8	40.6	43.5
20+ years service	12%	12%	16%	9%
Employee turnover	23%	18%	9%	36%
Voluntary	16%	12%	6%	25%
Involuntary	7%	6%	3%	11%

Boral North America's employee turnover of 36% was up from 29% last year, reflecting a tight labour market in the USA as voluntary turnover increased to 25%, up from 19% in FY2018. However, total turnover was in line with the average for the manufacturing sector in the USA. Involuntary turnover of 11%, compared to 10% last year, was impacted by plant closures in the Meridian Brick and Stone businesses.

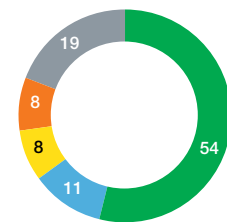
We have undertaken a number of initiatives to reduce employee turnover in the division. These include implementing direct hires, improving recruitment processes and practices, assessment and selection capabilities, and leadership development to strengthen frontline leader capabilities.

DIVERSITY, INCLUSION AND EQUALITY

We value and actively promote workforce diversity. We respect and value the unique talents and contributions of each employee and aim to deliver gender pay equity.

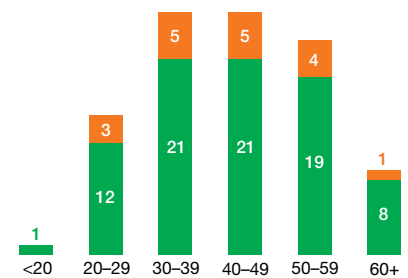
Our Diversity and Inclusion Plan, sponsored by Boral's Diversity and Inclusion Council, provides a robust framework that supports our commitment to a diverse and inclusive workplace and culture.

- Includes 4,016 full-time equivalent employees from Headwaters and excludes employees from Boral Bricks in North America, who were included as joint venture employees.
- Includes USG Boral, Meridian Brick and other small Australia-based joint ventures.
- Excludes joint ventures.
- Includes Meridian Brick joint venture.



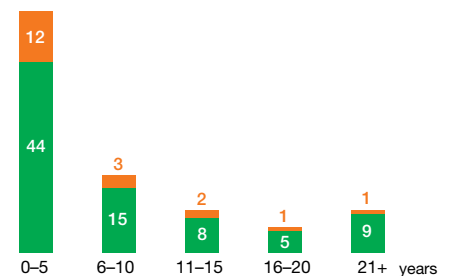
EMPLOYEES BY OCCUPATION (%)

- Operators and drivers
- Technicians and trade
- Clerical and administrative
- Sales
- Other



AGE PROFILE OF EMPLOYEES

- Male (%)
- Female (%)



LENGTH OF SERVICE OF EMPLOYEES

- Male (%)
- Female (%)

Our framework focuses on six elements: leadership, communication and education, system and process design, gender equality and pay equity, generational diversity, and Indigenous relations.

In FY2019, we continued to focus on increasing the representation of women, particularly in leadership roles, and provided education and training on the impact of unconscious bias. Women represented 19% of our employees, compared to 18% the prior year.

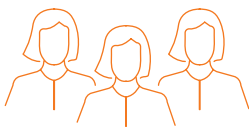
WORK180, a global advocate for working women, endorsed us as an employer that proactively supports the increased representation of women.

Pay equity outcomes in Boral Australia continue to be favourable, with a female-to-male average base salary ratio¹ of 1:1.

Boral recognises the importance of having work environments that support employees' work and family responsibilities and, where practicable, the opportunity to access flexible work arrangements. To increase awareness and uptake of flexible work arrangements among employees, we rolled out our flexible work guidelines and online education module to support our flexible work policy.

Boral's 2019–2020 Reflect Reconciliation Action Plan extends and broadens our existing Indigenous Employment Program. Our Reconciliation Action Plan outlines planned actions to further support Aboriginal and Torres Strait Islander peoples through employment – including through long-term career pathways and training.

WOMEN REPRESENT



43%

of Directors

25%

of Executive Committee members²

16%

of management positions

33%

of professional positions

24%

of new hires



Boral Asphalt Williamstown team, Victoria

ORGANISATIONAL CULTURE

We have been monitoring the findings and recommendations of several inquiries into corporate governance and practices, including the Hayne Royal Commission, which released its report in February 2019.

While not directly involved in financial services, we recognise that there may be opportunities for companies like Boral to learn from past practices in other sectors, and to ensure our practices continue to meet internal and external expectations.

We have been strengthening opportunities to keep customers at the centre of what we do and to ensure our decision making is in the interests of our customers.

We already have strong cultural markers for safety and transparency. But we are also looking at how we can use our organisational culture to reinforce governance and accountability.

EMPLOYEE ENGAGEMENT

A motivated and engaged workforce, supported by a culture of safety, transparency and performance, are critical drivers of our business success.

We regularly measure employee engagement to better understand and track our employees' experiences. This provides insights to identify opportunities for improvement, enabling us to develop targeted strategies to enhance our employees' experiences.

Our three divisions use formal surveys to gather feedback on our employees' experience every few years.

In FY2019, USG Boral completed its third Aon Hewitt Employee Survey, involving 89% of the workforce across 14 countries. The engagement score of 65% was a nine-point improvement on 2017 and a 15-point improvement on the first survey completed in 2015. In FY2020, USG Boral will continue to focus on collaboration, learning and development, and empowerment to achieve its objective of being an Asia Pacific Best Employer.

Boral North America conducted a Safety Cultural Awareness Survey, which is informing improvement programs that focus on delivering the next evolution of Zero Harm Today. Information on the survey findings and focus areas for improvement is on page 31.

EMPLOYEE WELLBEING

Through our Boral Employee Assistance Program (BEAP), we provide our employees and their immediate families with free, confidential access to qualified psychologists, social workers and management coaches to help them manage issues and concerns that may be affecting their work and personal life.

1. Calculated as the average base cash salary for females as a proportion of the average base cash salary for males, as included in our confidential report to the Workplace Gender Equality Agency.
 2. Calculation factors the Group HSE Director who ceased employment on 5 August 2019.

Our people (continued)

With a top quartile score of 72/100 in Boral Australia's 2018 employee satisfaction survey – using the McKinsey & Company Organizational Health Index¹ – the division continued to focus on the three areas identified for improvement: customer-centricity, innovation, and people development and recognition. It will roll out a three-year plan for leadership programs in FY2020. The plan will complement the division's broader strategic initiatives, focusing on enhancing customer-centricity and innovation.

TRAINING AND DEVELOPMENT

We invest in training and developing our people to enable them to perform at their best, providing opportunities to build their skills, capabilities and knowledge. These range from job-related skills training to senior leadership development and coaching.

Our leadership programs, together with placements, coaching and mentoring, focus on developing capable and effective leaders. In FY2019, more than 680 employees undertook the zero|one|ten Leader program, with 29 completing the General Manager and Emerging Leader programs. The more than 900 frontline leaders who completed the zero|one|ten Leader program in recent years will build on their learning by participating in the Leading Safe Systems of Work program in FY2020.

In Australia, 1,330 employees completed Certificates II, III or IV, diploma qualifications, units of competency, and tailored learning solutions and training modules, in areas like chain of responsibility, sales and marketing, surface extraction, laboratory skills, driving operations, and work health and safety.

Our centralised training and compliance system, My Learning Space, provides standardised access to online training and monitors the ongoing training needs of more than 6,000 staff members across Boral Australia.

Brandon Hall Group, a leading independent research and analyst firm, awarded Boral a Gold medal for its use of the My Learning Space technology to monitor training and learning requirements.

Boral's Executive Committee, divisional leadership teams and other managers have continued to participate in a bespoke, multi-year development program designed to help our leaders to be more effective by being more self-aware and others-focused.

In FY2019, Boral North America started deploying Skilled4Action training modules to frontline leaders, providing hands-on training in management, leadership and lean principles.

HUMAN RIGHTS AND MODERN SLAVERY

Boral is committed to respecting and promoting internationally recognised human rights in its global operations. This includes providing a workplace free from discrimination and harassment, and contributing to eliminating all forms of forced or compulsory labour, and the effective abolition of child labour.

We have revised our Human Rights and Labour Policy, with our supporting policy framework to be updated in FY2020.

An initial desktop assessment of the risk of modern slavery in our operations, including joint ventures, was completed during the year. While the risk of modern slavery in our operations was assessed as low, where we have identified areas of potential risk, we undertake robust employment checks as part of the commencement and onboarding processes for all new employees.

An internal training program on human rights and modern slavery for human resources managers and key leaders will be developed and launched in FY2020.

WORKPLACE RELATIONS

We respect the rights of our employees to freedom of association and to be represented by trade unions, in line with local laws. We are committed to working honestly and transparently with labour unions and engaging in constructive negotiations to reach agreements on employment conditions.

We have 82 enterprise or industrial agreements covering approximately 3,400 employees in Australia, South Korea, Indonesia and Vietnam. These agreements on average cover a term of two to four years.

Our approach is to work collaboratively and cooperatively with our people and their representatives, and provide fair and equitable employment conditions that deliver sustainable performance.

We have accessible, fair and accountable grievance mechanisms in place. These include Boral's independent external whistleblowing service, FairCall, through which people can raise anonymous concerns. These measures enable our people to raise concerns without fear of retribution.

FUTURE OF WORK

Rapid changes and developments in automation, digitalisation and global demographics are transforming labour markets and the skills required for emerging jobs. These offer both significant opportunities and challenges.

In Boral Australia, we created a dedicated innovation facility called B/HUB to help us adapt and further develop the innovation capability of our people. At B/HUB, we consider conceptual ideas and work collaboratively with customers, and in partnership with startups, to test, validate and commercialise these ideas. Through our 'learn to fail fast' and accelerator programs, we have strengthened our problem-solving capabilities, allowing us to develop services for industry trends and new emerging markets.

1. Benchmarked against a global database of 1,500 companies.