

Health, safety and environmental management



ZERO HARM TODAY

Our goal is to achieve Zero Harm Today. We strive to achieve this by identifying, understanding and eliminating conditions and behaviours that have the potential to result in injury to people or harm the environment.

Where eliminating adverse environmental impacts is not possible, we aim to minimise any harmful effects from our operations, which means that we typically target performance exceeding our environmental compliance requirements.

Our approach

Visible and proactive leadership, robust governance, accountability and effective frameworks and systems are all essential to driving a culture focused on our goal of Zero Harm Today.

Boral's CEO & Managing Director and senior executives regularly spend time at our operations, which provides an opportunity to discuss safety and environmental management challenges directly with site teams.

Divisional management teams and the corporate Health, Safety and Environment (HSE) function report on HSE performance, risks and management actions to the Board's HSE Committee on a quarterly basis and to Boral's Executive Committee on a monthly basis.

More serious HSE incidents, including near-miss events, are directly communicated to the CEO & Managing Director, with CEO-led incident review meetings held for serious HSE incidents (including near-miss events) involving relevant divisional executives, the Group HSE Director and local line management.

Divisional leadership teams are responsible for implementing divisional HSE strategies. Accountability and management of day-to-day HSE matters rests with line managers, with support from divisional HSE specialists who provide expert technical advice and coaching, and a small corporate HSE team. This team, headed by the Group HSE Director, is responsible for policy, governance and functional leadership, in consultation with divisional specialists.

HSE performance and actions are communicated at sites through forums including daily pre-start meetings, and at larger sites those meetings are supplemented with monthly HSE meetings.

HSE issues and risks are reviewed and assessed as part of due diligence processes on all potential acquisitions and, commensurate with HSE risks, new or expansion projects.

HSE strategy

Our priorities and approach to managing HSE are guided by four Group-wide strategic objectives and supported by 14 contributing programs outlined in the table on page 21.

Each division is responsible for implementing its own HSE strategies and improvement plans, consistent with Boral's Group-wide HSE strategy.

HSEQ Management System

In FY2018, our Group-wide Health, Safety, Environment and Quality Management System (HSEQ MS) continued to evolve to meet business needs, with all standards reviewed and enhanced to be more universally applicable across the organisation.

Boral's HSEQ MS provides the standards, guidelines and tools that enable us to achieve continuous performance improvement, robust governance and, where appropriate, standardised processes, while providing our operation teams flexibility on how they meet minimum requirements. We actively engage with our workforce to drive continuous improvement in our HSEQ MS and to ensure our standards and tools are both practical and workable in the workplace. Our HSEQ MS also incorporates a risk-based approach to supplier safety management.

In our USG Boral joint venture, adoption of Boral's HSEQ MS has facilitated rapid improvement of its management system and upgraded critical controls and processes.

Our HSEQ MS has enhanced our capacity to certify operations to external standards.

Boral Australia's operating activities have ISO 9001 (Quality) certification at 362 sites, with the Asphalt business maintaining AS/NZS 4801 certification at 38 locations, and 26 Asphalt sites in NSW and Queensland being ISO 14001 (Environment) certified.

Progress against our HSE programs

The table below provides a summary of progress achieved in FY2018 against our HSE strategic objectives.

 <p>OBJECTIVE 1 Capable and confident leaders</p>	 <p>OBJECTIVE 2 Engaged, empowered and competent workforce</p>	 <p>OBJECTIVE 3 Fit-for-purpose HSEQ systems and processes</p>	 <p>OBJECTIVE 4 Maintaining our license to operate and grow</p>
<p>PROGRAMS</p> <ul style="list-style-type: none"> Leading Zero Harm Today 	<ul style="list-style-type: none"> Operationalising HSE Fitness for work and life Contractor safety and engagement 	<ul style="list-style-type: none"> Serious harm prevention Knowledge and sharing Reporting and information Self-insurance Personal and property security 	<ul style="list-style-type: none"> Healthy workplaces Driver safety Regulatory and stakeholder engagement Climate impacts adaptation and resilience Environmental compliance
<p>PROGRESS</p> <ul style="list-style-type: none"> ✓ Clear mandate to all our business leaders that safety is the most important priority ✓ Boral Australia launched zero one ten Leader program to further develop operational leaders ✓ Group-wide Safety Climate Survey underway to provide frontline leaders with information on their own team culture to inform site improvement plans 	<ul style="list-style-type: none"> ✓ Improved suite of HSE training material focused on operational responsibilities and induction available across Boral Australia through learning management system ✓ In USG Boral: <ul style="list-style-type: none"> – Program under way across all plants leading to better understanding of “at risk” conditions – CCTV review program standardised, leveraging employee engagement and collaborative reviews of potential risk – “SafeStart” behavioural program being rolled out in parallel with reinstating “iCARE” leadership behaviours ✓ Supplier safety strategy established across Boral incorporating pre-qualification process and implemented in Boral Australia 	<ul style="list-style-type: none"> ✓ Comprehensive review and update of Safe Systems of Work process completed, with rollout commenced in Boral Australia ✓ Early work to improve productivity tools and content management systems to establish a globally accessible “HSEQ knowledge hub” ✓ Continuing to collaborate with a research partner to enhance data analysis of incidents via artificial intelligence to further focus preventative strategies ✓ Self-insurance application in NSW successful (complementing self-insurance in South Australia) ✓ Incident and hazard reporting module for workers' compensation claims management implemented across Boral Australia ✓ Implementing new physical security standards in Quarries business 	<ul style="list-style-type: none"> ✓ Smoke-free pilot site established in Quarries business ✓ Upgraded heavy vehicle safety improvement program implemented across Boral Australia ✓ Group-wide strategic review of climate-related risks and opportunities guiding business strategies and scenario analysis of Cement business – refer to pages 26–32 ✓ Alternative fuels facility commissioned at Berrima cement plant in NSW – refer to case study page 30 ✓ Environmental compliance audit program delivering benefits in Boral Australia, with reduced penalties and infringements incurred in FY2018