

Operating with integrity



Our values



Endurance

Operating for the long term rather than the quick fix, ever improving



Collaboration

Working across businesses and developing partnerships



Integrity

Open, honest, respectful and authentic in all our dealings



Excellence

Ambitious and disciplined in pursuit of the highest standards of performance

Culture and business conduct

Working with integrity, respect and fairness is fundamental to how we do business, and is underpinned by our values. We expect all employees and people representing Boral to meet the highest ethical standards and to observe both the letter and spirit of the law.

Demonstrating strong ethical principles in all that we do is vital to our reputation and our ability to deliver long-term value to all of our stakeholders, including shareholders, customers, employees and communities.

Our Code of Business Conduct (Code) and supporting policies set out the high ethical standards we expect everyone to adhere to across our international operations. We are committed to working with third parties – including customers, subcontractors, distributors, suppliers and joint venture partners – whose business ethics and behaviour are consistent with our Code.

Our commitment to anti-corruption compliance is reflected in our Code, which prohibits bribery and corruption in all forms, whether direct or indirect. Our anti-corruption measures include clear policies, accountability, training, reporting and audit review. We also assess conduct risk and corruption risk as part of our enterprise risk management review process.

We complement our policy and risk management framework with clear communication and training on the Code and associated policies in our induction training and through ongoing refresher training programs. The USG Boral joint venture conducts additional risk-based anti-corruption training and has established an externally managed anti-corruption audit program.

The Board and senior management team take breaches of the Code and other misconduct very seriously. We have consistent and transparent policies and practices in place to address any non-compliance with our Code and supporting policies. Formal consequences include additional training, impacts on rewards and promotions, formal warnings and termination.

In FY2020, 333 employees at Boral Australia and Boral North America were dismissed, compared to 246 in FY2019. Of these dismissals, 41 were for breach of policy or misconduct, and the remaining were due to violation of rules or poor performance. They ranged from managers to frontline employees. These matters were considered isolated incidents, not a result of systemic issues.

We provide easy and clear avenues for our people to report ethical concerns and improper behaviour. In addition to internal reporting channels – via the senior management, human resources, internal audit and legal teams – we provide an external independent whistleblower service known as FairCall.

Reports via FairCall can be made on an anonymous basis, and we are committed to maintaining the independence, impartiality and confidentiality of the reporting and investigation processes. These measures enable our people to raise concerns without fear of recrimination. The Company Secretary reports on these matters to the Board Audit & Risk Committee.

Political donations

Boral's Code prohibits political donations or contributions.

Tax transparency

Boral's approach to taxation is consistent with our Code. Our tax function works within clearly defined, fundamental principles and policies, as well as our broader governance and risk management framework.

We are committed to meeting our taxation obligations in the jurisdictions where we conduct business, and to paying our taxes on time. Tax outcomes do not drive our business transactions.

In response to the Australian Voluntary Tax Transparency Code, we publish an annual Tax Transparency Report on our website.

The report discloses Boral's approach to taxation and information on our Australian and global income taxes and other taxes paid in Australia.

Cyber and data security

The risk of cybersecurity breaches and attacks on information systems continues to escalate as businesses face ever-shifting security threats from increasingly sophisticated cyber criminals.

Boral continues to invest in cybersecurity controls and to monitor potential cybersecurity risks to our technical infrastructure, data security and customer privacy.

Our cybersecurity response plan aligns with the National Institute of Standards and Technology (NIST) Cybersecurity Framework, which is recognised as representing global best practice.

Boral's cybersecurity managers in each division are responsible for reviewing our security framework, and developing and implementing mitigation and improvement plans. We also engage third-party cybersecurity specialists to conduct regular penetration testing, assess security controls and identify required remediation measures.

During the year we engaged independent experts to assess Boral's cybersecurity maturity using the NIST Cybersecurity Framework and our divisional cybersecurity improvement roadmaps. The review found that Boral's NIST maturity level is aligned with comparative industry peers and that our divisional cybersecurity improvement roadmaps adequately address risks.

Industry associations

We are members of, and actively participate in, a number of industry associations in Australia and the USA.

These industry associations offer a forum for sharing industry best practice and new ideas; developing technical standards; and advocating on behalf of the industry to the government and the community.

Participants in industry associations are provided competition law training to ensure that association with other industry participants is always compliant with the law.

These associations also develop public policy positions. Typically, the policy positions of our industry associations aim to support regulation in the national and industry interest, and to encourage business to sustainably prosper and remain competitive.

We acknowledge that some industry associations may have policy positions that do not fully align with Boral's positions. When appropriate, we engage with our industry associations to help them understand our position.

We have not identified any major energy and climate policy positions among our industry associations that are materially inconsistent with our own position.

We support:

- a national approach to climate and energy policy that targets lowest-cost carbon emissions abatement while delivering reliable and competitive energy
- climate and energy policies that do not unduly erode the competitiveness of domestic-based businesses
- mechanisms to achieve the objectives of the Paris Agreement, and
- a national approach to climate and energy policy.

Boral's major industry associations are:

- Business Council of Australia
- Cement Industry Federation
- Cement Concrete & Aggregates Australia
- Australian Asphalt Pavement Association, and
- American Coal Ash Association.

Our annual membership fees across industry associations totalled approximately \$3 million in FY2020. Further information is available on our website.