



## Our Commitment

Boral continues to be an industry leader in the construction materials sector with an unwavering commitment to more sustainable practices and decarbonisation.

We were the first global company in our industry to align our FY30 science-based Scope 1 and 2 targets with limiting global warming to 1.5°C, in line with the United Nations Framework Convention on Climate Change Race to Zero.

Our aim remains to be a net-zero company by 2050, and we are now working hard to transition from our current FY2030 targets to new intensity targets aligned with viable decarbonisation pathways for the cement and concrete industry.

## Our key milestones

**FY25 Targets:** Boral is on track to achieve a 12% to 14% reduction in our absolute Scope 1 and 2 carbon emissions by FY25, based on FY19 levels.

- **Carbon Border Adjusted Mechanism (CBAM):** Boral urges the implementation of a CBAM, warning that failure to do so could result in shifting carbon emissions to other nations, with no competitive benefits for Australia.
- **More Sustainable Innovations:** Exploring recarbonation of concrete - the process whereby concrete absorbs carbon dioxide through its lifecycle. Continue with our thriving Recycling and Circular Economy solutions. In FY23 over 2 million tonnes of construction and demolition waste was recycled for re-use or repurpose.
- **Lower Carbon Concrete:** Our more sustainable concrete offering continues to grow and is increasingly sought after by customers.
- **Regulatory Alignment:** With the newly commenced Safeguard Mechanism reforms as of July 1, 2023, we are diligently realigning our strategies to meet the new baseline decline rate requirements at our Berrima Cement plant in New South Wales.

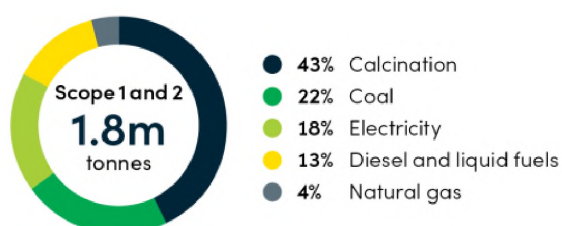
## Our decarbonisation levers

We have established a detailed decarbonisation pathway based on five key levers.

|                             |                                                                                                                                                                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1<br>Energy                 |  <b>Alternative kiln fuels:</b> Transition Berrima Cement's kiln fuel away from coal by increasing the thermal energy derived from alternative fuels to 60% and exploring hydrogen and renewable gas |
|                             |  <b>Renewable energy:</b> Aim to transition to power from renewable sources                                                                                                                          |
|                             |  <b>Energy efficiency:</b> Improve energy efficiency by 5% to 10%                                                                                                                                    |
| 2<br>Cementitious intensity |  <b>Lower carbon concrete:</b> Increase the use of supplementary cementitious materials                                                                                                              |
|                             |  <b>Kiln feed and cement plant optimisation:</b> Implement processes to increase cement plant efficiency                                                                                             |
| 3<br>Transport              |  <b>Optimise supply chain:</b> Optimise supply chain logistics and routes                                                                                                                            |
|                             |  <b>Renewable fuels:</b> Explore and implement alternative fuels for Boral and contractor fleets, including electrification, biofuels, and hydrogen                                                  |
| 4<br>Sourcing               |  <b>Lower carbon supply chain:</b> Prioritise lower CO <sub>2</sub> -e intensity suppliers, including for imported clinker                                                                           |
| 5<br>CCUS <sup>3</sup>      |  <b>Mineralised carbon products:</b> Pilot and implement a mineralised carbon product stream                                                                                                        |
|                             |  <b>Carbon capture use and storage:</b> Explore and implement emerging CCUS technologies                                                                                                           |

We are assessing and realigning our FY30 targets to reflect an achievable decarbonisation rate with current available pathways while considering our new obligations under the Safeguard Mechanism reforms.

## Our starting point: FY19 baseline CO<sub>2</sub> emissions



## Scope 1 emissions

Direct emissions such as from the use of fuels in manufacturing, process emissions from calcination in cement manufacturing, and transport of raw materials.

## Scope 2 emissions

Indirect emissions from purchased electricity.

## **Business Ambition for 1.5°C**

is a global initiative calling for action on climate from a global coalition of UN agencies, business and industry leaders, in partnership with the Race to Zero.