

**2009 ANNUAL GENERAL MEETING**

**28 OCTOBER 2009**

**CHAIRMAN'S ADDRESS**

**By Dr Ken Moss**

**Ladies and Gentlemen,**

**Thank you for your attendance and for your continuing support.**

**I don't need to tell you that we have had a challenging 12 months – everyone in the industry has.**

**The past year has seen major upheaval in global markets, resulting in the worst economic downturn since the Great Depression. And although we have**

**With the exception of the Australian roads and infrastructure market segment, which remained strong, all of Boral's major markets deteriorated significantly during the financial year, particularly in the second half of the year. Boral's building products and construction materials businesses were adversely impacted by the significant downturn in the Australian dwellings markets and the decline in non-dwellings.**

**Boral's Australian revenues were down 5% to \$4.1 billion and EBITDA of \$573 million was down 13% on the prior year.**

**I should point out to shareholders that the Board would consider raising equity to fund a value-creating growth acquisition. However, at this point in time, despite the economic downturn, asset prices remain high.**

### **Shareholder returns**

**We were able to avoid raising equity during the year. If we needed to raise equity, we would have**

**Boral's remuneration policies and practices are focused on linking performance and reward while taking into consideration the partic**



**Rod has delivered strong improvements in pricing and in the underlying performance of the business as well as continuous improvements in safety and sustainability outcomes. Under Rod's leadership, around \$2.5 billion has been invested in growth initiatives, which has seen Boral's**

**In July 2009 we also announced that John Cloney will retire as a Director at the end of this Annual General Meeting. John joined the Board in 1998 and was Chairman of Boral's Remuneration Committee for five and a half years until July 2009. Over the past 11 years, John has made a major contribution to the governance and strategic direction of Boral. We will miss his wise counsel and steadying influence. On behalf of Boral's Board and shareholders, I thank John for his significant contribution and wish him the very best for the future.**

**We are well advanced in the process of seeking a new director to replace John, and we expect to make an announcement about a new director in the coming weeks. That person will of course be required to stand for election at next year's Annual General Meeting.**

**In the appointment of a new director, the full Board performs the functions of a Nomination Committee. The selection process includes obtaining assistance from an external consultant to identify suitable candidates and to assess potential candidates. We aim to ensure that any new director to the Board possesses an appropriate range of skills, experience and expertise to enable the Board to carry out its responsibilities most effectively. Each specific appointment focuses on the requirements at the time with overall consideration of Board renewal, succession plans and diversity. In the case of a replacement for Mr Cloney we are looking for a director with operational experience, preferably in a manufacturing or resource based environment.**

**As you know, Elizabeth Alexander was a member of our Board for many years, and we would like to see greater diversity on Boral's Board. Unfortunately the pool of potential candidates for directors with operational management experience is under-represented by women.**

**We are trying to increase the number of women represented in our industry. Boral is recognised as an Employer of Choice for Women by the Federal Government's Equal Opportunity for Women in the Workplace Authority. This government agency monitors how employers manage their female workforce and formally recognises those organisations with Equal Opportunity programs that recognise and advance female employees. We have a range of policies, training programs and career opportunities in place to support female staff. Women occupy 9% of Boral's management**