

# Building a Culture of Sustainability

SUSTAINABILITY REPORT OVERVIEW | FISCAL YEAR 2024

## Our commitments in action

Throughout our company and across our value chain, sustainability is foundational at James Hardie. Environmental, social and governance (ESG) commitments are woven into all aspects of our business.

We have ambitious goals that align directly with our purpose of **Building a Better Future for All™**, with issues that matter most to our stakeholders and with our overall corporate objectives. Our progress is made possible through collaboration and innovation. From our frontline employees to the builders who use our products, each person plays a role in putting sustainability into action.

### BUILDING A FRAMEWORK FOR A BOLD AND BRIGHT FUTURE

#### Purpose

Building a Better Future for All™

#### Vision

To inspire how communities design, build and grow today and tomorrow.

#### Mission

Be the most respected and desired building materials brand in the world.

### SETTING AMBITIOUS GOALS

- Reducing Scope 1+2 emissions
- Recycling water
- Minimizing waste
- Increasing diversity

### FOCUSING OUR ESG STRATEGY

Our ESG strategy is integrated with our global strategy for value creation and operational performance. It focuses on four key pillars:

- Planet
- Innovation
- Communities
- Zero Harm

### PRIORITIZING ZERO HARM

Safety is embedded in our global corporate culture through our Zero Harm standards and our commitment to continuous improvement. We consider safety everyone's responsibility and work diligently 24/7 to ensure the protection of our people and those who use or interact with our products. We believe that every incident is preventable and we address Zero Harm through a focus on safe people, safe places and safe systems.

### RESPECTING HUMAN RIGHTS

We are steadfast in respecting human rights across our operations and throughout our business activities. Our efforts to address human rights issues are guided by international principles, providing a global framework for preventing and addressing the risk of adverse impacts linked to business activity. We are expanding our global social sustainability and human rights programs. Our aim is to ensure that all suppliers operate in line with our values, uphold our [Global Supplier Code of Conduct](#) and local laws, and are committed to combating modern slavery throughout the value chain.



By infusing sustainability throughout our company, our culture and beyond, we're able to bring our purpose of Building a Better Future for All™ to life.

Visit our website to download our annual sustainability report and learn more about our sustainability efforts:

<https://www.jameshardie.com/all-about-james-hardie/sustainability-esg-initiatives/>

# Tracking Progress and Looking Ahead

## Our sustainability goals

James Hardie is committed to proactively improving our sustainability performance by carefully managing our social and environmental impacts. To help us track and assess our progress, we adopted new, more ambitious goals for reducing our environmental impact while improving safety and increasing inclusion and diversity in our workforce in FY23. We continued advancing that work in FY24 by setting near-term regional targets and including funds in regional budgets to support progress at a local level.

Our sustainability goals align directly with issues that matter most to our stakeholders and our overall corporate objectives. This ensures that James Hardie is striving to positively impact our employees, the customers we serve and the communities in which we operate.

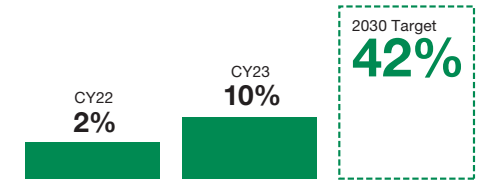
### SUSTAINABILITY GOAL

#### Reducing Scope 1+2 emissions

42% absolute reduction in Scope 1+2 GHG emissions by 2030, compared to CY21 baseline, and work towards net zero by 2050

### PROGRESS

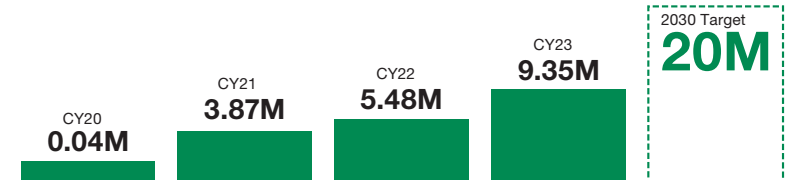
Scope 1+2 emissions reduction from CY21 baseline



#### Recycling water

Recycle an additional 20M cubic feet of water per year by 2030, compared to CY19 baseline

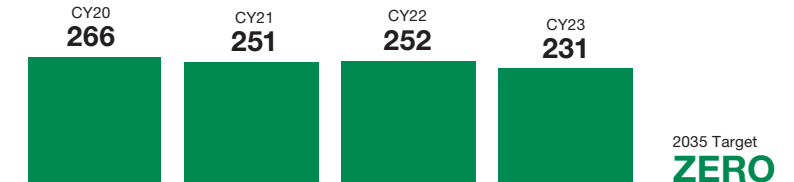
Additional water recycled per year vs CY19 (cubic feet)



#### Minimizing waste

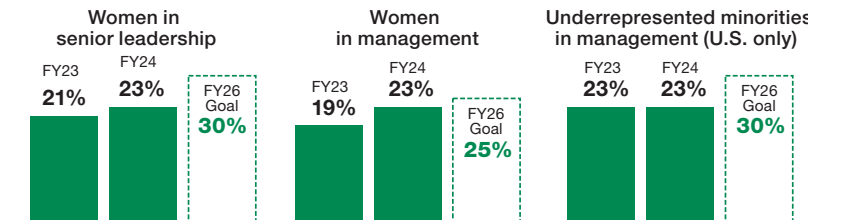
Zero manufacturing waste to landfill by 2035

Manufacturing waste disposed to landfill (thousand MT)



#### Increasing diversity

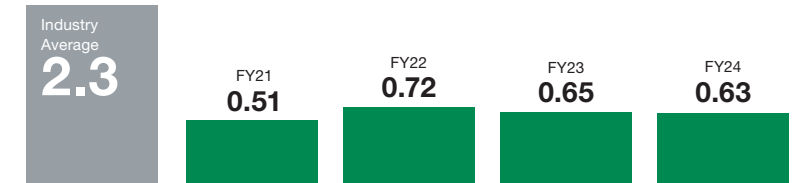
Increase diversity in management and senior leadership



#### Prioritizing safety

Continuously improve our Zero Harm culture, processes and systems

Days away from work, restricted work activity or job transfer rate (DART)



# Our Value Chain

James Hardie is committed to developing a more circular supply chain to minimize our impact while strengthening our business. We manage impacts under our direct operational control through integrated operating and management systems, such as the Hardie™ Manufacturing Operating System (HMOS). In areas where we have influence over impacts as they relate to our operations, we seek collaborative ways upstream and downstream to help reduce negative and maximize positive impacts.

## BUILDING A CULTURE OF SUSTAINABILITY

### Reducing Scope 1+2 emissions

- + Jack introduced a new metric to monitor natural gas usage at our Rosehill, Australia, plant.
- + We are integrating sustainability into the Hardie™ Manufacturing Operating System to empower our people to champion improvements to environmental performance.

**Planet** →



**Jack Walsh**  
Electrical Engineer

### Prioritizing safety

- + Mario identified high-risk tasks for the Maintenance team at the plant in Calbe, Germany, and worked with the team to lower the risks.
- + We made a significant investment in global safety infrastructure projects in FY24, including installing more than 1,200 machine guards to provide additional protection for employees.

**Zero Harm** →



**Mario Stange**  
HMOS Lead

### Collaborating for innovation

- + Noel is implementing Phase 1 of our Low Carbon Cement Technology Roadmap.
- + Our Research & Development team is collaborating with Supply Chain, Central Engineering, and Manufacturing to address the raw materials that go into our products.

**Innovation** →



**Noel Dones**  
Team Leader, RPD  
Research & Development

### Creating a welcoming work environment for all

- + As a leader of our Employee Resource Group AMIGOS, Nancy guided an effort to expand the amount of benefits information available in Spanish.
- + Our Employee Resource Groups (ERGs) promote a positive and inclusive work environment through local, specialized programs that increase cultural awareness, engagement and retention.

**Communities** →



**Nancy Phan**  
Claims Coordinator  
and AMIGOS Leader



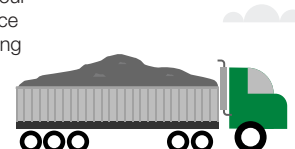
#### RAW MATERIALS & SUPPLY

Our footprint includes the mining and processing of raw materials. We work with our suppliers to reduce our impact.



#### TRANSPORT OF RAW MATERIALS

Our facilities are located near our suppliers, reducing the distance and emissions from transporting dense raw materials.



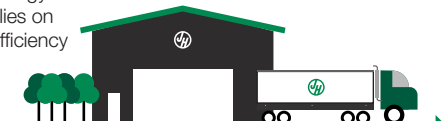
#### DISTRIBUTION OF OUR PRODUCT

Our products are used all over the globe, requiring transport from plant to job site. We prioritize shipping locally wherever possible.



#### MANUFACTURING & GLOBAL OPERATIONS

Manufacturing products generates emissions and waste, uses energy and natural resources and relies on our employees. Innovation, efficiency and safety are priorities.





VALUE CHAIN COLLABORATION

## 2024 Sustainable Product of the Year

Green Builder named Hardie® Artisan Lap Siding a 2024 Sustainable Product of the Year for its lower carbon footprint than traditional heavyweight building products, durability, and resilience to harsh weather and natural disasters. [Learn More](#) →



## Teaming up to tackle waste

We've collaborated with suppliers at six plants to pilot recycling solutions successfully used by our Asia Pacific operations for over 15 years. Rejects that don't meet our high-quality standards are crushed by local cement providers and used to supplement raw materials in new cement production.



**Yuliya Kravtsov**  
President, Sapphire Americas, a subsidiary of Ash Grove Cement

“ Our partnership with James Hardie turns manufacturing waste into sustainability gains. This collaboration benefits our companies, communities and the environment. Together, we're achieving our sustainability goals and looking forward to expanding our joint efforts.”

## Constructing climate-resilient homes

We are a corporate sponsor of the Habitat Strong program, which addresses the need to build affordable and climate-resilient homes that can withstand severe weather conditions. [Learn More](#) →



**Jonathan Reckford**  
CEO, Habitat for Humanity



“ As global warming and climate change continue to make weather events more frequent and severe, the need for stronger homes is increasingly apparent. We're thankful to James Hardie for their support of the Habitat Strong program and look forward to working with them together to build resilient homes and communities across the country.”

## Building three resilient homes for the future

Our products were selected by three leading U.S. home builders in FY24 to highlight low carbon construction, including a sustainable home that the average family can afford. [Learn More](#) →



**Gene Myers**  
Founder and Chief Sustainability Officer, Thrive Home Builders

“ Fiber cement siding, soffit and trim from James Hardie combine to wrap the walls of Panorama House. The Arapaho National Forest offers a great backdrop, but also wildfire risk. I have peace of mind knowing that whatever nature may have in store, Hardie® products are helping to protect the Panorama House.”

### INSTALLATION OF OUR PRODUCT

Efficient and innovative solutions can reduce the time and impact of product installation.



### USE OF OUR PRODUCT

Our durable products are built to last, and our fiber cement siding even absorbs CO<sub>2</sub> during its life.



### DEMOLITION AND DISPOSAL

At end of life, dismantled products are taken back and recycled by James Hardie or sent to landfill.



### PRODUCT MAINTENANCE

Our products are engineered for climate resilience and stand up to extreme weather, reducing the need for maintenance.

