

CSR Limited

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10 November 2022

Mr Justin Nelson
Principal Adviser - Listings Compliance
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Justin,


CSR Limited (CSR) Investor presentation

CSR Limited (ASX:CSR) is hosting an Investor Briefing today, Thursday 10 November 2022, in North Ryde, New South Wales.

A copy of the Investor presentation is attached. The presentation will be webcast from 9.00am AEDT this morning, and can be accessed from the CSR website at <https://www.csr.com.au/investors-and-news/webcasts> or [Click here](#).

Copies of the presentation material will also be available at <https://www.csr.com.au/investors-and-news/presentations-and-results>.

Yours faithfully



Jill Hardiman
Company Secretary

This announcement has been authorised for release by the Board of Directors of CSR Limited.



CSR LIMITED | 10 NOVEMBER 2022

Investor Presentation

CSR

Agenda

- 1 STRATEGY OVERVIEW – Julie Coates** Managing Director and CEO

 - Safety and Sustainability
 - Streamlined Organisation
 - Customer Solutions
 - Supply Chain
- 2 HEBEL GROWTH STRATEGY – Andrew Rottinger** EGM Construction Systems

- 3 PROPERTY STRATEGY – David Fallu** CFO and EGM Property and Aluminium

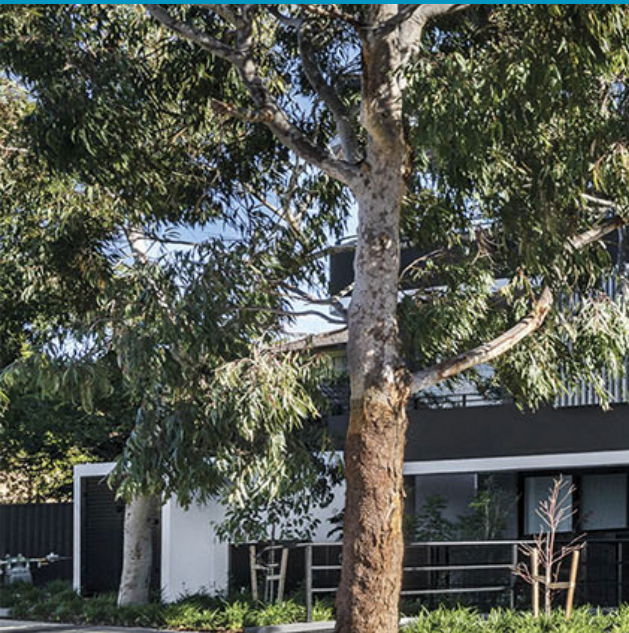
- 4 KEY PROPERTY PROJECTS – Andrew Mackenzie** GM Property

- 5 SUMMARY AND Q&A – Julie Coates and Team**

- 6 DEPART FOR HEBEL SOMERSBY SITE TOUR**

1 Strategy overview

– Julie Coates
Managing Director
and CEO



CSR

Delivering results and improving the business for the future



Progressing strategy and delivering results

- Strategy progressing well – investing in the business while capturing current market opportunity and driving performance
- Work to reorganise the business, build capability, focus on supply chain and establish dedicated customers solutions is supporting growth and resilience



Growth and resilience

- Ongoing manufacturing investment to improve safety, sustainability and productivity
- Making the business more responsive to demand



Optimising network

- Proactive approach to network strategy and development capability is supporting further value unlock from property assets



Strong financial position

- Financial position supports investment and shareholder returns

Strong financial results and strategy momentum positions CSR for long-term growth and improved performance through the cycle

CSR's unique portfolio of leading building products and systems

CSR

Trusted and recognised in construction sector for quality, performance and compliance

MANUFACTURING AND LOGISTICS EXPERTISE

30+

major manufacturing sites across Australia and NZ

Core raw materials sourced locally

2,500+

employees



EXTENSIVE DISTRIBUTION NETWORK

100+

Extensive network of CSR branded outlets and distribution centres (metro and regional reach)



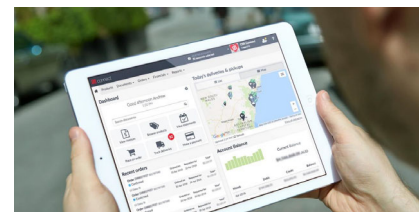
CUSTOMER REACH

18,000+

customers across Australia/NZ



Dedicated customer solutions focus



MARKET LEADING BRANDS

GYPROCK® #1

Bradford™ #1

hebel #1
The better way to build

afs #1

Monier™ #1
ROOFING

CEMINTEL #2

PGH #2
BRICKS & PAVERS

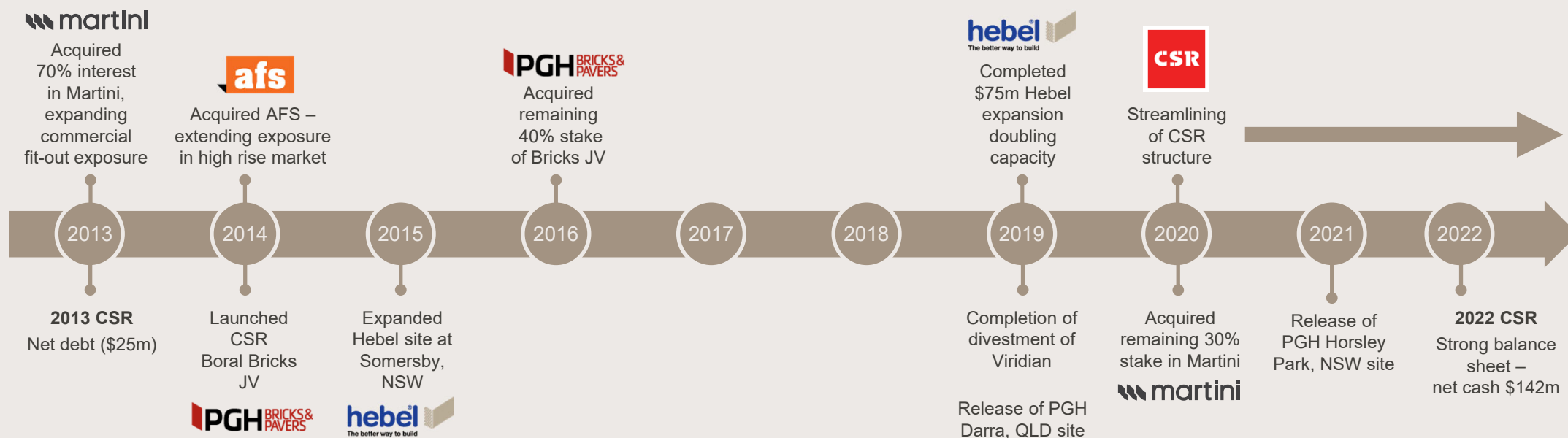
POTTER **martini** **HIMMEL**
INTERIOR SYSTEMS



Underpinned by end-to-end supply chain and customer solutions focus

Improving CSR's performance and financial position

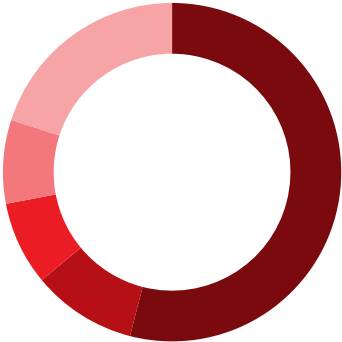
Ongoing portfolio optimisation



CSR is well positioned for improved performance through the cycle

Diversification across end markets, regions and build cycle

CONSTRUCTION MARKET DIVERSIFICATION

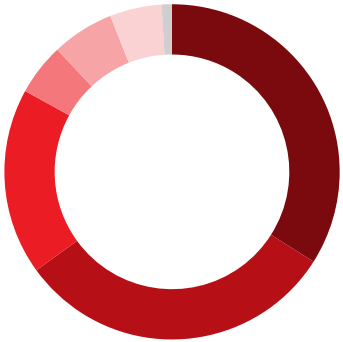


- 54% Detached
- 10% Medium density
- 8% High density
- 8% A&A
- 20% Non-residential

BUILD CYCLE DIVERSIFICATION



GEOGRAPHIC DIVERSIFICATION



- 34% New South Wales / Australian Capital Territory
- 31% Victoria / Tasmania
- 18% Queensland
- 5% South Australia / Northern Territory
- 6% Western Australia
- 5% New Zealand
- 1% Other

Product and systems portfolio adaptable to end market demand, positioning for improved performance through the cycle

Strategy provides a platform for growth and resilience... to deliver improved performance through the cycle

Building solutions for a better future

| MASONRY & INSULATION | INTERIOR SYSTEMS | CONSTRUCTION SYSTEMS | CUSTOMER SOLUTIONS | SUPPLY CHAIN |
|--|---|--|--------------------|--------------|
| <div> <div>Bradford™</div> <div>PGH BRICKS &™ PAVERS</div> <div>Monier™ ROOFING</div> </div> | <div> <div>GYPROCK®</div> <div>HIMMEL INTERIOR SYSTEMS</div> <div>martini</div> <div>POTTER INTERIOR SYSTEMS</div> </div> | <div> <div>hebel The better way to build</div> <div>afs smarter permanent framework™</div> <div>CEMINTEL®</div> </div> | <div> </div> | <div> </div> |
| Safety & Sustainability | | | | |
| Customer Centricity | | | | |
| Streamlined Organisation | | | | |
| Transformation & Growth | | | | |
| High Performance Teams | | | | |
| Network optimisation supporting value unlock from Property assets and development capability | | | | |



CSR's purpose

Our purpose. It informs our decision-making, drives advocacy for our team and our customers and provides our aspiration for future growth and sustainability

**Building solutions
for a better future.**

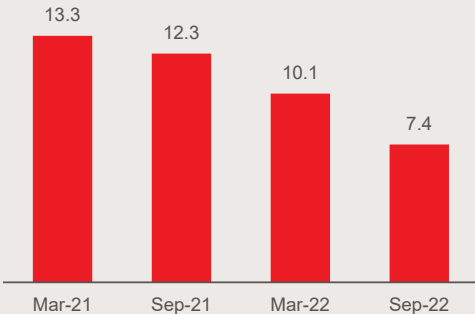
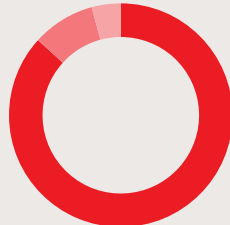


Good momentum to deliver 2030 sustainability targets

| 2009-2020 | Set new targets in 2020 | Progress in 2022 | Sustainability Focus Areas |
|---|--|---|--|
| <ul style="list-style-type: none"> CSR set four intensity targets <p>TEN YEAR TARGETS COMPLETED IN 2020</p> <div>  <p>WASTE PRODUCTION (Kg/Tonne of product) Achieved ↓57% reduction</p> </div> <div>  <p>WATER CONSUMPTION (Ltr/Tonne of product) Achieved ↓13% reduction</p> </div> <div>  <p>ENERGY CONSUMPTION (GJ/tonne of product) Achieved ↓24% reduction</p> </div> <div>  <p>TOTAL SCOPE CO₂e (kg/Tonne of product) Achieved ↓32% reduction</p> </div> <ul style="list-style-type: none"> Completed TCFD climate change scenario analysis on CSR's largest businesses to guide strategic decisions, based on the financial impact analysis Developed staged approach to assess the risks and opportunities | <p>2030 Sustainability Targets</p> <div>  <p>7 AFFORDABLE AND CLEAN ENERGY 50% of electricity generated by renewable energy 20% energy reduction (GJ) p/t of saleable product (intensity)</p> </div> <div>  <p>11 SUSTAINABLE CITIES AND COMMUNITIES 5% of indirect spend by Procurement to be spent with social enterprises</p> </div> <div>  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION 75% reduction in solid waste to landfill 30% reduction of potable water consumed (ltr) p/t of saleable product (intensity)</p> </div> <div>  <p>13 CLIMATE ACTION 30% reduction of greenhouse gas emissions (CO₂e) kg p/t of saleable product</p> </div> <div>  <p>15 LIFE ON LAND Enhance biodiversity outcomes on CSR sites and developments</p> </div> | <ul style="list-style-type: none"> Independent review for alignment to 2030 targets and identification of potential pathway to transition to net zero Developed an overarching Sustainability Framework aligned to CSR's strategy Further work underway on refinement of goals, commitments and metrics across the five pillars Once finalised, this work will be integrated into CSR's sustainability strategy in 2023 | <p>CSR'S SUSTAINABILITY FOCUS AREAS</p> <div>  <p>Empowering our people Thriving, inclusive and high performing team that is empowered to make the change we need</p> </div> <div>  <p>Transition to Net Zero Decarbonising our business to operate in a low/no carbon world</p> </div> <div>  <p>Closing the Loop Contributing to a circular building industry</p> </div> <div>  <p>Leading Through Innovation Innovating to advance sustainability at CSR and across the building sector</p> </div> <div>  <p>Building Communities Building long-term, mutually beneficial community relationships</p> </div> |

Broadening sustainability focus areas, goals and commitments

Driving further improvement in safety

| Improvement in safety over last 18 months | Key focus areas driving improvement | Progress in 2022 | Strategy | | | | | | | | | | | | | | | | |
|--|---------------------------------------|------------------|----------|------|--------|------|--------|------|--------|-----|---|--|-----|---------------------------------------|----|---------------------------------|----|---------------------------------|---|
| <p>44% improvement in total recordable injury frequency rate since March 2021</p>  <table><thead><tr><th>Period</th><th>Frequency Rate</th></tr></thead><tbody><tr><td>Mar-21</td><td>13.3</td></tr><tr><td>Sep-21</td><td>12.3</td></tr><tr><td>Mar-22</td><td>10.1</td></tr><tr><td>Sep-22</td><td>7.4</td></tr></tbody></table> | Period | Frequency Rate | Mar-21 | 13.3 | Sep-21 | 12.3 | Mar-22 | 10.1 | Sep-22 | 7.4 | <ul style="list-style-type: none">Managing high potential consequence risk as core priorityEncouraging transparency of reportingEmpowering teams at site level to help lead and take ownership for safetySignificant improvement in metrics and data transparencyImproved quality of workplace health, safety and environment resources in the Business Units | <ul style="list-style-type: none">All sites have Risk Reduction plans focussed on CSR wide Top Risks. <p>87% of CSR sites with no recordable injuries in the last 12 months</p>  <table><tbody><tr><td>87%</td><td>Zero recordable injuries at 124 sites</td></tr><tr><td>9%</td><td>1 recordable injury at 13 sites</td></tr><tr><td>4%</td><td>>1 recordable injury at 6 sites</td></tr></tbody></table> | 87% | Zero recordable injuries at 124 sites | 9% | 1 recordable injury at 13 sites | 4% | >1 recordable injury at 6 sites | <ul style="list-style-type: none">Continued improvement in the quality of Risk Reduction plansRollout of Never Walk Past – cultural safety change programFocus on leading indicator metrics such as Corrective Action Completion rateIncreased focus on contractor management particularly in Supply and Install |
| Period | Frequency Rate | | | | | | | | | | | | | | | | | | |
| Mar-21 | 13.3 | | | | | | | | | | | | | | | | | | |
| Sep-21 | 12.3 | | | | | | | | | | | | | | | | | | |
| Mar-22 | 10.1 | | | | | | | | | | | | | | | | | | |
| Sep-22 | 7.4 | | | | | | | | | | | | | | | | | | |
| 87% | Zero recordable injuries at 124 sites | | | | | | | | | | | | | | | | | | |
| 9% | 1 recordable injury at 13 sites | | | | | | | | | | | | | | | | | | |
| 4% | >1 recordable injury at 6 sites | | | | | | | | | | | | | | | | | | |

Continuing to build safety leadership culture across CSR

Streamlining the organisation - a key foundation of the strategy

Streamlining for success

Streamlining our organisation is an important enabler of our strategy

- 9 Business Units to 3, aligned to customer market segments
- Removal of duplicate roles
- Re-allocation of resources/capability build
- Customer solutions focus
- Central logistics team – a single integrated network
- More efficient

Changing our ways of working

Driving effectiveness of our day-to-day activities

- Simplified systems and processes
- Capability and knowledge leveraged across CSR
- Business units – design and delivery of new capabilities
- Senior leaders sponsorship – champion the change

Building capability

More efficient logistics, technology, digitisation and manufacturing assets

- System Selector – tool for customers
- Project tracking – tool for Sales teams
- CRM – Customer Relationship Management system
- IBP – Integrated Business Planning
- TMS – Transport Management System
- Warehouse & distribution
- Productivity/automation in manufacturing

Streamlining the organisation has allowed us to promote an end-to-end approach and build capability in the key areas of **Customer Solutions & Supply Chain**.

MASONRY & INSULATION



INTERIOR SYSTEMS



CONSTRUCTION SYSTEMS



CUSTOMER SOLUTIONS



SUPPLY CHAIN



Building capability in Customer Solutions

We are building on our history of product and solution innovation by making it easier for our customers to trade with CSR and get access to information in more efficient ways.

| Customer Solutions Priorities | | Progress to date | What's Next |
|-------------------------------|--|---|---|
| 1 | Complete Solutions Unique portfolio of CSR solutions for housing, commercial and industrial segments delivering value to customers | <ul style="list-style-type: none"> Development of CSR solutions leveraging multiple brands for apartment buildings and residential façades Tech support for architects and designers | <ul style="list-style-type: none"> Continued innovation in product and compliant solutions Sustainability improvements designed into products |
| 2 | Industry-leading technical support Providing quality, performing and compliant solutions for customer | <ul style="list-style-type: none"> Centralised CSR technical expertise Completed product & system review to ensure compliance with NCC 2022 Delivery of first customer digital tools | <ul style="list-style-type: none"> Further digitisation of technical content – accurate product information and efficient format |
| 3 | Go to Market OneCSR approach – delivering a consistent, high quality customer experience | <ul style="list-style-type: none"> Disciplined pricing process implemented Enhancing technology for digitising customer experience | <ul style="list-style-type: none"> Further maturity in pricing capability Greater accessibility and efficiency to CSR product information |
| 4 | Sales Streamlined interactions that deliver value for our customers and CSR | <ul style="list-style-type: none"> Market segment strategies developed across CSR: Residential, A&A, Social & Infrastructure Single pipeline of project opportunities and coordinated response – Project Tracking | <ul style="list-style-type: none"> Market segment strategies implemented Develop and leverage one integrated CRM for CSR |

Supply chain capability driving CSR wide benefits



Supply chain capability driving CSR wide benefits

| Improved customer service | Efficiency and cost management |
|--|---|
| <ul style="list-style-type: none"> ▪ CSR wide customer solutions, leveraging an integrated network plan of factory and fulfilment capability ▪ Integrated business planning managing demand and supply constraints to improve a consistent customer fulfilment experience ▪ Manual to systematic planning processes to drive greater efficiency | <ul style="list-style-type: none"> ▪ Improvements in working capital ▪ Reduction in external service providers in transport and warehouse creating better cost position and stronger partnerships ▪ Better financial management and visibility of freight activity ▪ CSR transport contracts supporting execution of supply chain strategy and group wide commercial outcomes |
| CSR wide capability and responsiveness | Sustainability |
| <ul style="list-style-type: none"> ▪ Capability to contract and expand logistics network ▪ Integrated view of network based on demand ▪ Organisational approach to master data enabling standard processes and better analytics | <ul style="list-style-type: none"> ▪ Contribution to sustainability outcomes (e.g. pallets and packaging reductions, shared fleet) ▪ Optimisation of transport operations reducing total kms travelled ▪ Opportunity to leverage 'closed loop' outcomes |
| <p>Net investment in YEM23 and YEM24 while delivering strong Building Products results Net incremental benefits flowing through from YEM25</p> | |

Supply chain capability driving CSR wide benefits

We are focussing on the CSR network of factories and logistics sites as a single integrated network in order to build capability to better serve customers

| Supply Chain Priorities | | Progress to date | What's Next |
|-------------------------|---|---|---|
| 1 | Industry Leading Capability Advanced Supply Chain solutions delivered by the right people, process and systems | <ul style="list-style-type: none"> Established group logistics capability to lead warehouse and transport operations | <ul style="list-style-type: none"> Embedding logistics capability and service proposition across the network |
| 2 | Integrated Business Planning Strategy driven end-to-end planning linking sales, operational & financial plans and inventory | <ul style="list-style-type: none"> Implemented consistent weekly and monthly planning processes across CSR | <ul style="list-style-type: none"> Deploy new planning system to drive process efficiency |
| 3 | Transport Optimisation Leverage group scale to procure, plan and execute transport | <ul style="list-style-type: none"> Deployed transport management solution for linehaul and internal stock movements | <ul style="list-style-type: none"> Deployment of TMS to customer delivery task |
| 4 | Network Strategy Integrated, responsive and resilient network | <ul style="list-style-type: none"> Network strategies progressing for AFS, Hebel, Cemintel, Gyprock and Commercial Interiors to inform investment across network | <ul style="list-style-type: none"> Continuing network strategy assessment |
| 5 | Master Planning Group wide plans for plant and distribution (DC) sites | <ul style="list-style-type: none"> Completed master plans for Commercial Interiors, Established import DC and master plan for first combined business DC in Qld | <ul style="list-style-type: none"> Business case development for network investment and infrastructure plans |
| 6 | Warehouse Optimisation Leading practice warehouse solutions for the group | <ul style="list-style-type: none"> Operational focus on reduction of overtime and realignment of workforce | <ul style="list-style-type: none"> Review of warehouse management system opportunity |

Investing in supply chain to become more efficient and responsive to demand

Network optimisation maximising value of operational footprint

PGH SITE NETWORK



PGH Oxley, QLD

Key manufacturing site servicing QLD, Northern NSW and NZ

Network strategy has improved competitive positioning of bricks manufacturing and enabled release of nearby Darra, QLD PGH site for property development

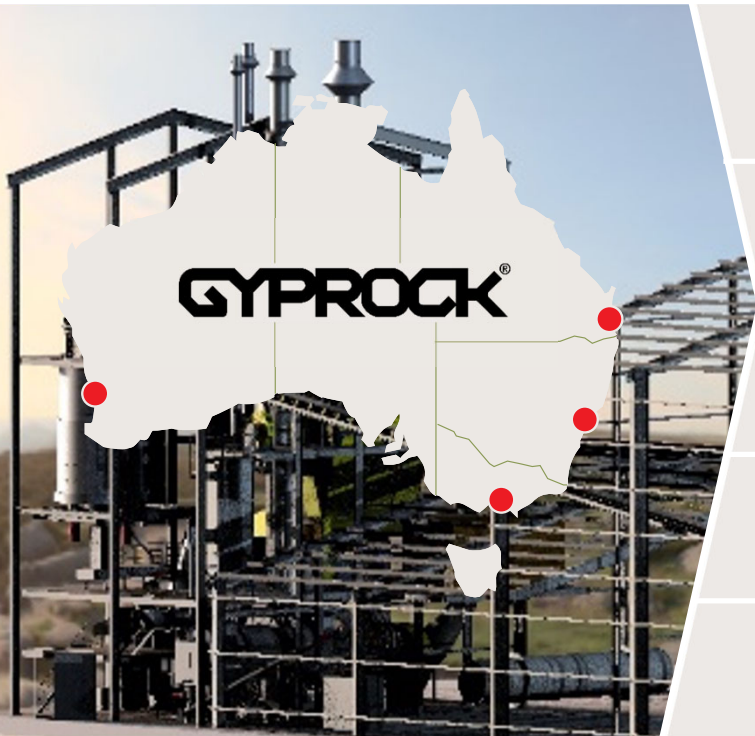
Investment at Oxley site improved capacity to better support market demand, product quality and network and factory cost position

Capex underway to improve kiln and dryer automation, unlocking additional capacity of 10m bricks per year

Improving performance through the cycle

Investment to broaden capability and optimise performance

GYPROCK SITE NETWORK



Gyprock Wetherill Park, NSW

Key operating asset producing plasterboard and compounds, strategically located close to important end markets and distribution links

\$23m capital spend to build new capability to convert raw gypsum into stucco, a key plasterboard material input. Provides pathway for additional expansion

Increased stucco capacity will improve quality of finished product and support new product development

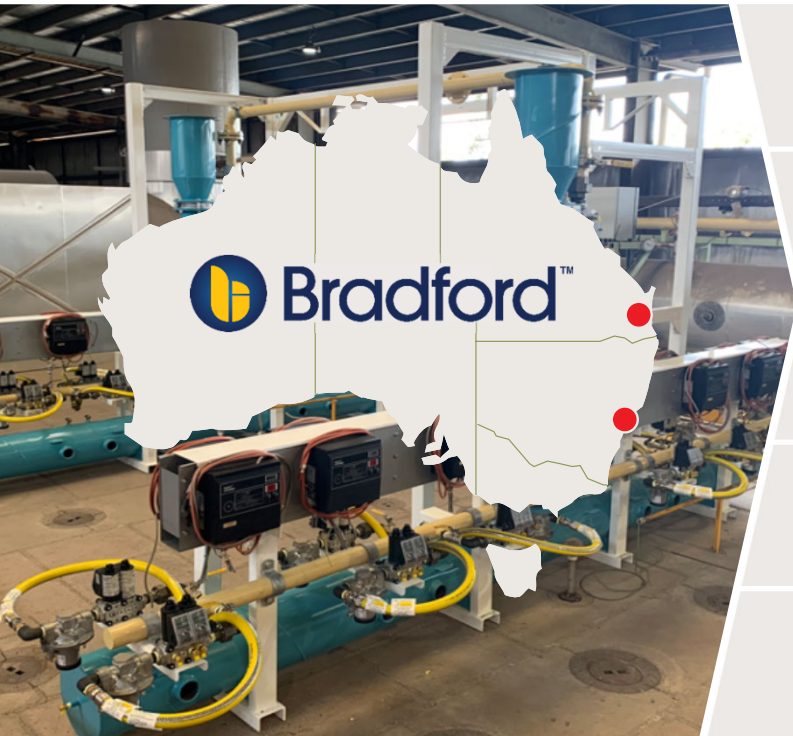
Significant reduction in GHG emissions through lower gas and electricity usage, and increase in recycled board capacity

Reduce operating costs and increased value capture across manufacturing process

Capturing earnings opportunity from market leading position in Gyprock

Incremental investment to optimise performance

BRADFORD SITE NETWORK



Bradford Brendale, QLD

One of two key insulation manufacturing sites in Bradford network, servicing key markets in Australia and NZ

Capex of \$13m in packing automation and warehouse expansion and new water treatment plant

Increase total Bradford insulation capacity by 10% to service increased demand (NCC2022) and reduce reliance on imported product

Improve safety performance and cost position and increase earnings opportunity

Supporting Climate Change targets – will reduce water consumption by 80% or 35 million litres pa

Capturing earnings opportunity from growing demand for insulation

Hebel – strategy to double volumes in medium term



- \$75m investment delivered world class capability
- Capacity to support demand over 5 year time frame
- Significant opportunity for increased penetration across residential housing, apartments and civil infrastructure and industrial
- Compelling environmental and build time attributes will support increased adoption
- Opportunity to leverage supply chain capability from local manufacturing base

| | | | | | | |
|--|--|--|--|---|---|--|
|  <p>Safety and productivity</p> <p>Increased automation</p> |  <p>Energy</p> <p>Peak load flexibility</p> |  <p>Water</p> <p>Aimed to have zero water waste</p> |  <p>Local sourcing</p> <p>Collaboration with local manufacturers and raw material suppliers</p> |  <p>Environment</p> <p>Underground storage of raw materials to minimise dust emissions</p> |  <p>Recycling</p> <p>Waste dust capture recycled back into the manufacturing process</p> |  <p>Product innovation</p> <p>Unique product range and service capability</p> |
|--|--|--|--|---|---|--|

2

Hebel growth strategy

– Andrew Rottinger EGM
Construction Systems



CSR

Hebel – The Better Way to Build



Hebel is an ideal material for building walls and floors in construction and is a mainstream product in Europe since the 1920s and Japan since the 1960s. AAC adoption in these markets ranges between 20% to 40% respectively

Hebel is a strong, versatile, high performance building product made from Autoclaved Aerated Concrete (AAC)

- Non toxic, non combustible and has high thermal insulation properties and is breathable
- Shaped with common tools, easy to handle and quick to build with
- Hebel panels contain anti-corrosion steel reinforcement for added strength and are available in a range of lengths and thicknesses
- Fully recyclable and uses relatively low amounts of energy in its manufacture

How Hebel is Made Video



AAC is made from mixing cement, sand, gypsum, lime, aluminum and water into a slurry, pouring into a mould, combining steel reinforcement (for panels) and cutting into shapes (blocks or panels), then autoclaving under high pressure steam

Growth through innovation



CSR built the first plant in 1989, expanded in 2015 and built another plant in 2019 at Somersby NSW - Capacity is 530,000 m3 pa

Hebel brand is exclusively licensed from Xella Germany (worlds largest AAC producer)

Material technology exchanges across the world coupled with our application technology has delivered unique systems for the Australian and NZ market

Hebel home strategy grows external cladding with rendered finishes



2010

Thinner party wall systems developed for multi res homes



2015

Decorative cladding adds design versatility (PowerPattern & PowerProfile)

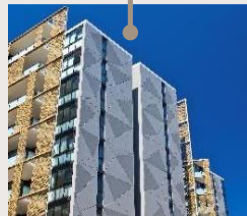


2020

Ongoing innovation including super smooth panels, curves and arches as well as new patterns and designs



Civil – Customised designs in sound barriers



Highrise façade systems feature new pressure equalised system and decorative options


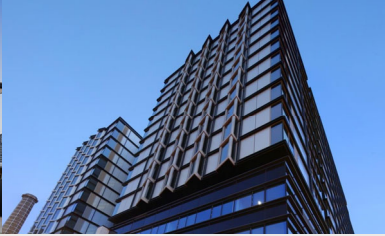


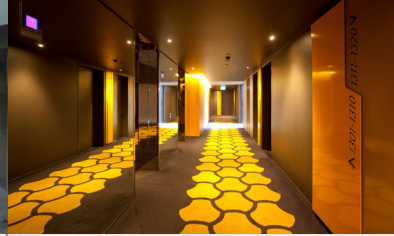


Commercial flooring systems complement design flexibility of steel structures

Application development and innovation capability underpinning product pipeline

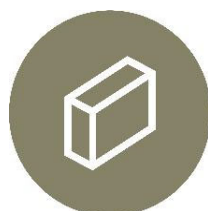
Growth through diverse market segments and applications **hebel**[®]

The better way to build

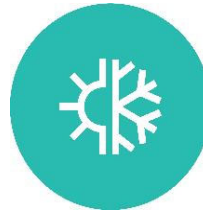
| | | | | |
|---|---|---|--|---|
|  |  |  |  |  |
| HOUSES | APARTMENTS | MULTI-RESIDENTIAL | CIVIL & UTILITIES | COMMERCIAL & INDUSTRIAL |
| <ul style="list-style-type: none"> External walls Floors Fences DIY | <ul style="list-style-type: none"> Intertenancy walls Corridor walls Shaft walls Service walls High Rise facades Balcony blades Floors | <ul style="list-style-type: none"> Zero Party walls External walls Intertenancy and party walls Floors Fencing | <ul style="list-style-type: none"> Fire walls Acoustic / Firewalls Sound barriers | <ul style="list-style-type: none"> External walls Internal walls Fire tunnels Intertenancy walls Corridor walls Shaft walls Service walls High Rise facades Balcony blades Floors |



**FAST
CONSTRUCTION
TIMES**



**STRONG
AND SOLID**



**THERMAL
PERFORMANCE**



**NOISE
REDUCTION**



NON COMBUSTIBLE

Significant growth opportunity across market segments



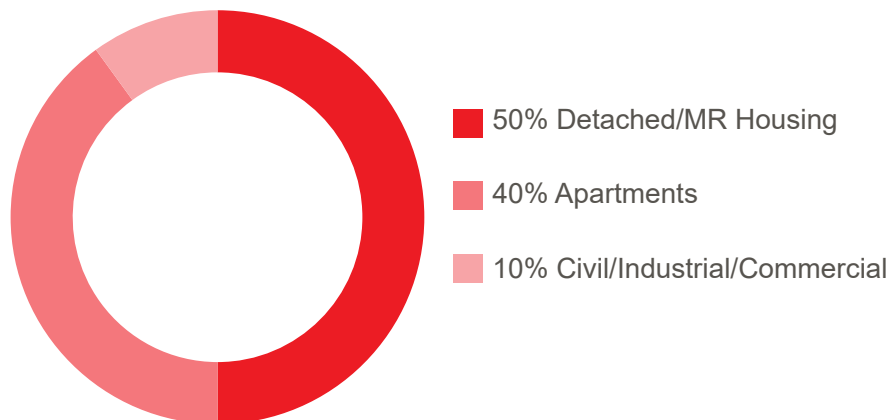
Hebel strong momentum with relatively low share across key markets

Potential to more than double volumes in the medium term

Significant penetration upside based on comparable mature markets (eg Germany and Japan at ~30%)

Housing and Apartments remain core segments, Commercial, Civil and Industrial an opportunity

% of Hebel volume



- Significant opportunity to grow share across all key segments
 - Detached
 - Multi-Residential
 - Apartments
 - Civil/Industrial/Commercial

Residential Housing – application and opportunity



| | |
|--------------------------|---|
| External Cladding | <ul style="list-style-type: none">▪ Largest application in the segment▪ Pricing in line with bricks with 3x thermal performance▪ Larger installer base vs brick and reduces build time by 10 days▪ Product development improving aesthetics and reducing system cost |
| Party and Boundary Walls | <ul style="list-style-type: none">▪ Shared walls in adjacent dwellings and key application in Multi-Res▪ Growing demand due to higher density housing▪ Preferred system due to long, thin panel design▪ Installation post framing reduces build time by 2 weeks |
| Mid Floors | <ul style="list-style-type: none">▪ Mid-floors in 2+ storey dwellings replacing 19mm particleboard▪ Reduce sound transfer from higher floors▪ Powerfloor emerging as standard offering for premium home brands |

New product development (NPD) aimed at reducing installed cost and increasing aesthetic options

Addressable market is 3x current volumes



Apartments – expanding applications per building

| | |
|--|--|
| Internal Party & Corridor Walls | <ul style="list-style-type: none">▪ Importance of acoustic and fire performance▪ Popular system with large developers due to lower compliance risk and ease of installation |
| External Facades | <ul style="list-style-type: none">▪ Lower cost solution for non load bearing walls vs precast▪ Flexible design including patterned panels and modern renders▪ Lower weight aids freight and crane utilisation – important in high density building areas |
| Performance Walls | <ul style="list-style-type: none">▪ Include blade, shaft walls, components for offsite construction▪ Fire rated solution that is simple and cost effective to install |
| Structural Floors | <ul style="list-style-type: none">▪ Cost effective solution when combined with steel structures (reduce structural steel costs by up to 30% vs concrete floors)▪ Light weight without compromising the feel of concrete |

NPD aimed at lower installed cost systems and structural solutions

Addressable market is 50% increase on current volumes



Civil Infrastructure and Industrial Buildings

| | |
|-----------------------------|--|
| Civil Sound Walls | <ul style="list-style-type: none"> ▪ Lower cost acoustic solution ▪ Meets strict fire regulations ▪ Custom patterns meet landscape design requirements |
| Utilities | <ul style="list-style-type: none"> ▪ Require high levels of fire and acoustic performance ▪ Hebel can be tuned to remove substation “hum” to increase available land for housing ▪ Lower weight vs precast provides more cost effective transport (particularly regional / rural areas) |
| Industrial Buildings | <ul style="list-style-type: none"> ▪ Hebel is versatile and provides high levels of fire and acoustic performance ▪ Hebel engineering team provide specific technical design for each project |

NPD aimed
at improving
engineered solutions

Significant
addressable
market based on
potential Hebel
applications

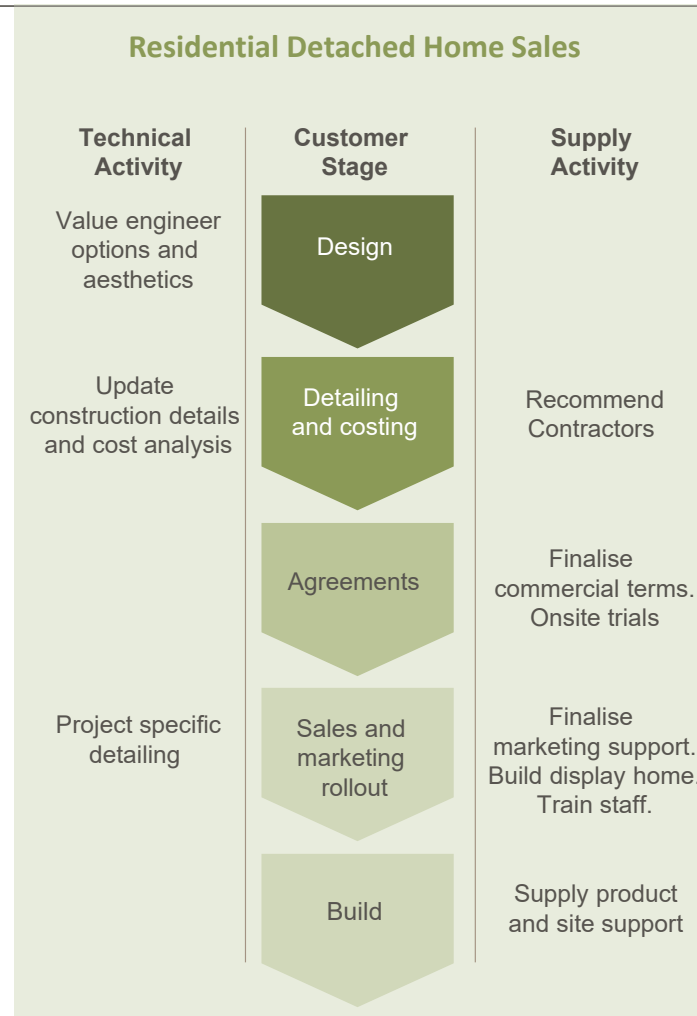
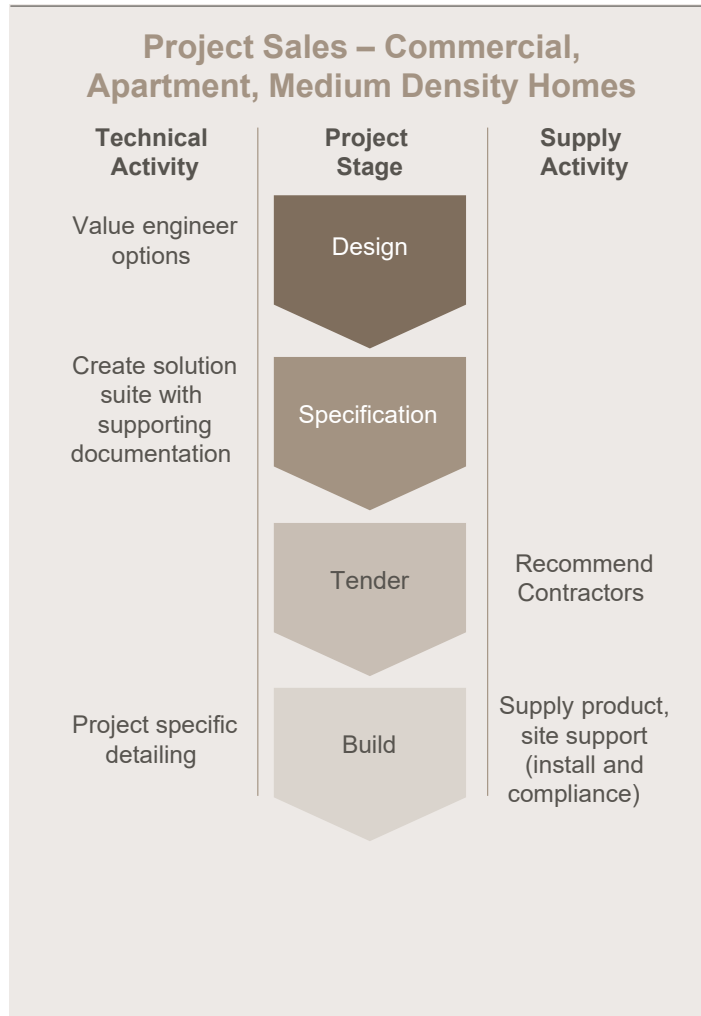


How to unlock it



- Conducive external environment
 - Building margins under pressure
 - Labour shortages
 - Increased focused on sustainability

Creating demand across projects and residential customers



- Sales and Technical teams configured to drive Project and Customer sales
- Portfolio scale supports the sales effort. CSR systems enhance process capability – Project tracking and CRM tools
- Marketing drives brand relevance and aspiration amongst consumers, support material for trade and channels

*Project sales are 50% of demand and are based on targeting and converting projects with a defined timeframe
Customer sales are the balance and are based on building customer advocacy and repeat business*

Building trade advocacy to deliver a good experience



- Hebel trades are easier to find and faster to develop vs masonry
- Developing and supporting a growing and diverse contractor base
 - Training new recruits
 - Creating estimates and project layouts that minimise site waste
 - Testing new tools and improving site safety
 - On-site advice and feedback to ensure projects run smoothly and trade crews learn

| | Hebel | Brick |
|---------------------|--|---|
| Training period | 12 weeks | 4 year apprenticeship |
| Build time | 5 days | 10 days |
| Site requirements | Ease of supply and install and limited coordination requirements | Coordination of multiple product delivery, mortar etc |
| Upskill opportunity | Carpenters often add Hebel in skill base | Not applicable |

Attracting and training labour to install Hebel is easier than brick

Supporting trade channels - increased role of aggregation

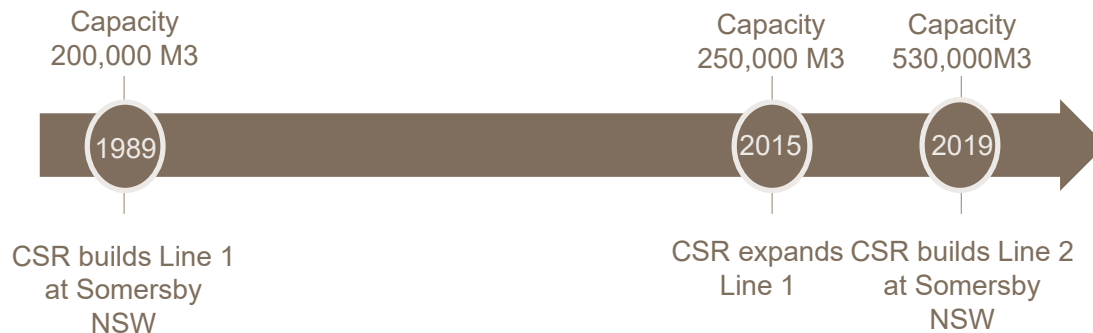


- Role of aggregation is becoming more important in cladding and in regional areas
- CSR Pricing Systems ensures channel margins remain correct
- Hebel and Cemintel Fibre Cement provides better support for reseller service
- Distribution through all major aggregators and resellers including Bunnings and Mitre10



World class AAC panel making capability

- \$75m capacity expansion completed in 2019 enhances capacity and capability
 - Improved panel size and surface finishes
 - Improved productivity and low cost base
 - Improved energy efficiency and capability to recycle
- Well established partnerships bolster local capability








Capacity headroom to double volumes over medium term



Sustainability credentials a key competitive advantage

- Sustainability credentials becoming an increasingly important key point of difference
- Manufacturing process is less energy intensive vs traditional building materials
 - Technology available to completely recycle heat, water and waste
 - Electrification of steam production is technically simpler
 - Future potential to use low carbon cement

|  Safety and productivity |  Energy |  Water |  Environment |  Recycling |
|--|---|--|--|---|
| Increased automation | Peak load flexibility enables 30% of steam to be transferred between autoclaves with the remaining steam diverted back into the boiler system | Aimed to have zero water waste including rain recycling into an 800,000 litre basin | Underground storage of raw materials to minimise dust emissions | Waste dust capture recycled back into the manufacturing process. All excess waste materials are reused in the production process while plant automation allows for more efficient use of raw materials and reduced shutdown times |



Summary



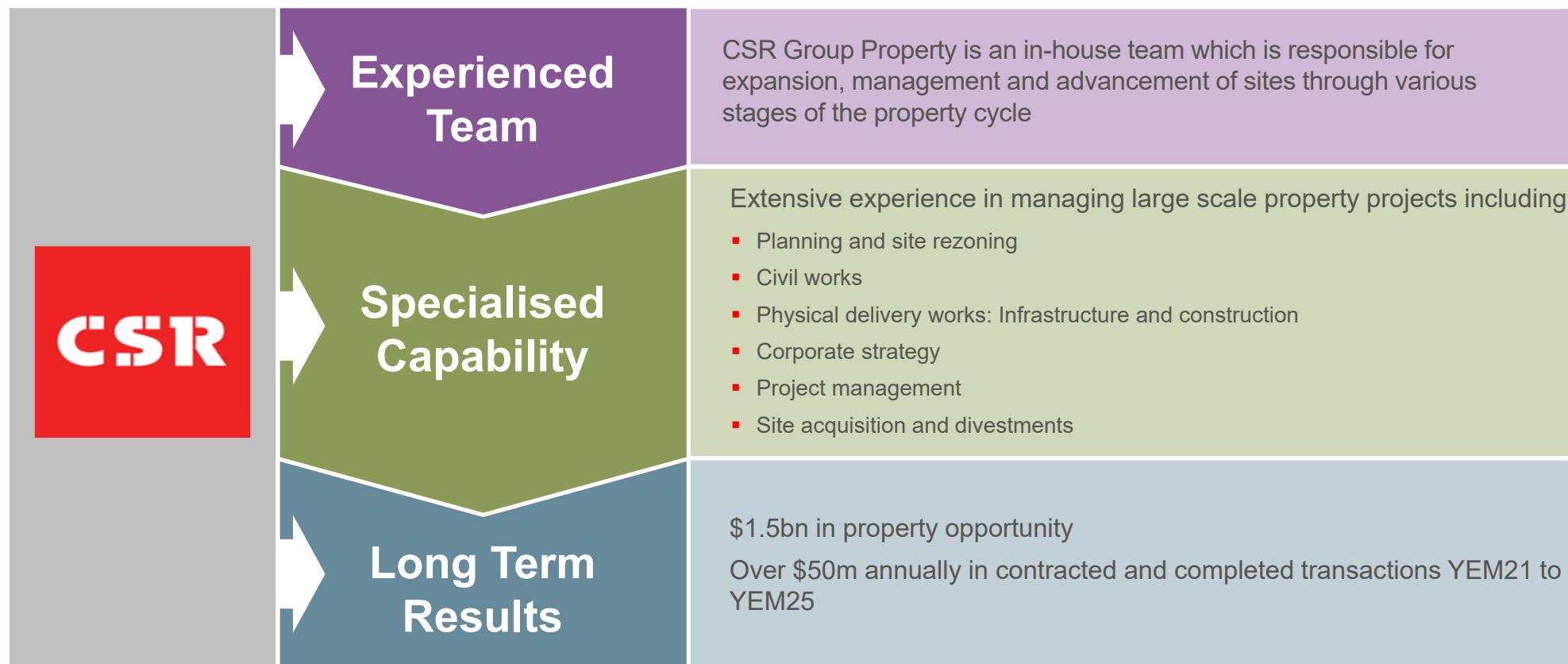
- Hebel is a unique and low energy building material used in the construction of walls and floors
- Hebel adoption is growing within the ANZ building sector with the major markets being residential detached and multi unit dwellings and apartment buildings
- Hebel market share is relatively low with clear opportunity to double volumes in the medium term
- The growth strategy centres on
 - Creating demand for AAC,
 - Building trade advocacy,
 - Supporting trade channels,
 - Having a local manufacturing capability that is low cost and can make the products of the future
- Manufacturing capacity exists to support growth and has a competitive advantage in delivering sustainability goals

3 Property strategy

– David Fallu
CFO and EGM Property
and Aluminium



CSR Group Property



Property supports the strategic positioning of our sites, ensuring operational flexibility, managing the transition of sites and maximising the value of our Property assets once released.

Property Strategy delivering strong results

End of operating life (Residential): Chirnside Park, VIC

OVERVIEW

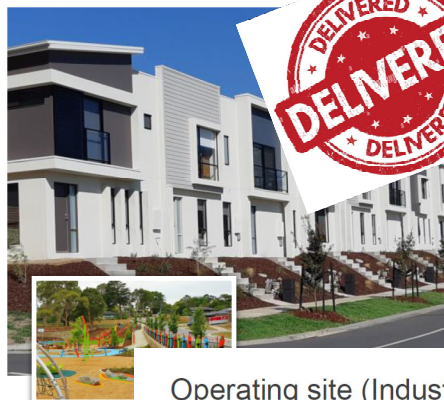
- › Monier owned land in a key urban growth area north east of Melbourne which was used as a clay quarry
- › Chirnside Park country club had aspirations to re-locate its golf course in the area
- › A sale and purchase agreement was negotiated for CSR to acquire the former golf course for residential development and sell the country club the clay quarry for a new golf course
- › Group Property obtained the rezoning for a 581 lot residential sub division

OUTCOME

- › Enabled Monier to extract the remaining clay resources prior to the sale
- › CSR Building Products benefits from additional product pull through

EBIT

- › \$44m EBIT to March 2019 with settlement of 517 lots



Current development projects - Queensland

BRENDALE, QLD (20km from Brisbane)

- › CSR is completing the final stages of its Brendale Industrial estate which has approximately 35ha under development
- › Contracts have been exchanged on 15 lots (8ha) at a gross sales amount of \$19.5m. Construction expected to be completed in late 2019.

WARNER, QLD (20km from Brisbane)

- › The Warner landholdings are currently being used as an operational quarry
- › Morton Bay Council have identified our land within previous urban land investigation studies
- › CSR has lodged an application for a residential zoning



Operating site (Industrial): Horsley Park, NSW

OVERVIEW

The site is currently being used for brick manufacturing. Clay resources onsite were exhausted which provided an opportunity to rehabilitate the site as an industrial park. The site totals 50 hectares (ha) and can be categorized into 3 stages:

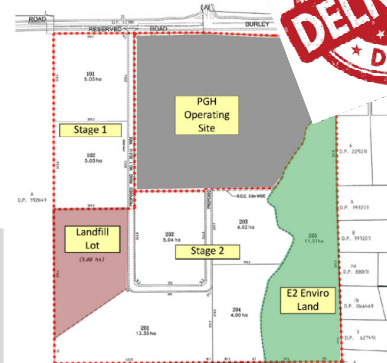
- › **Stage 1 (10ha):** recently sold to Frasers Property Group for \$58m and recognized in YEM19 results
- › **Stage 2 (20ha):** subject to an EOI process while it is being developed
- › **Stage 3 (20ha):** currently a PGH Brick operating plant

STRATEGY

- › Finalise remediation + earthworks and take through to full development
- › Aim to transact Stage 2 in YEM 2021/2022

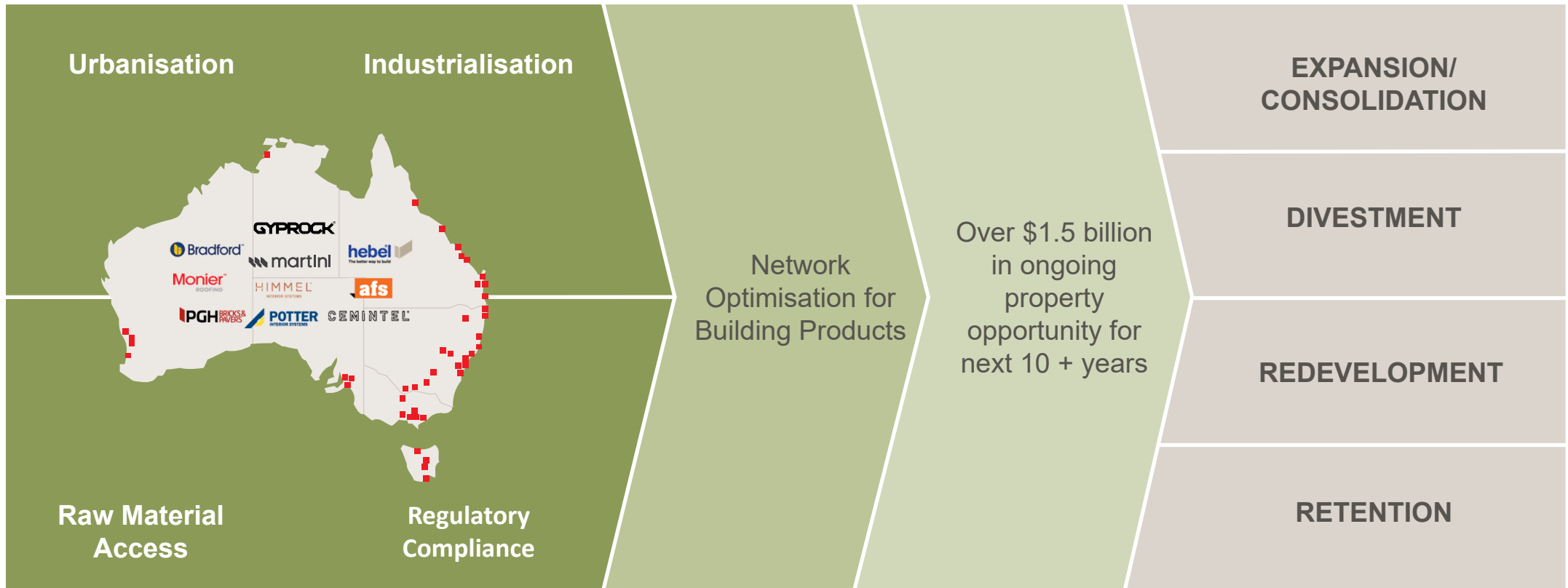
CONSIDERATIONS

Operating site is surrounded by industrial development. This is primarily due to a shortage of zoned and serviced industrial land in Western Sydney, NSW



Property delivering average EBIT from completed and contracted transactions of over \$50m per year from 2021 to 2025

Property supporting strategic positioning of site network



Property supports the strategic positioning of our sites, ensuring operational flexibility, managing the transition of sites and maximising the value of our Property assets once released.

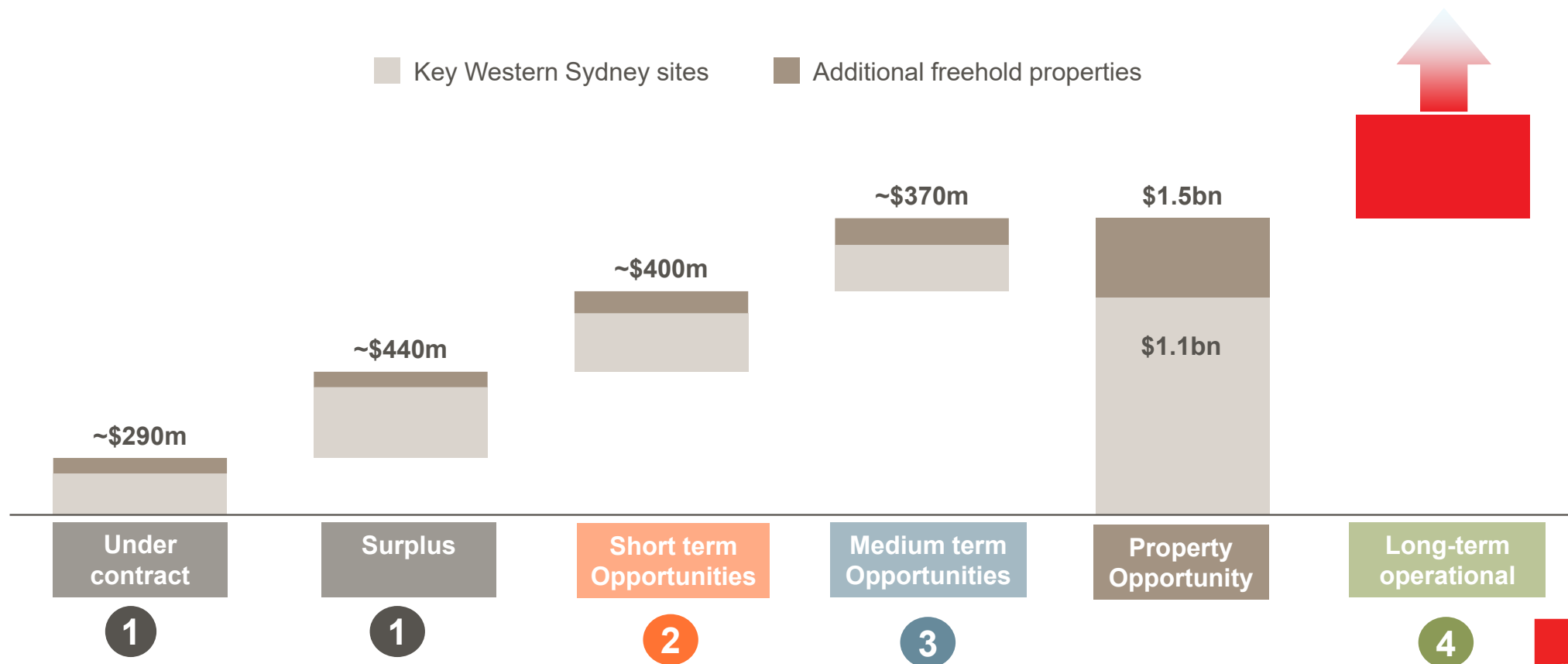
Market leading Property capability supporting strategic position of sites over all stages of lifecycle



Significant opportunity over the next decade for property realisation

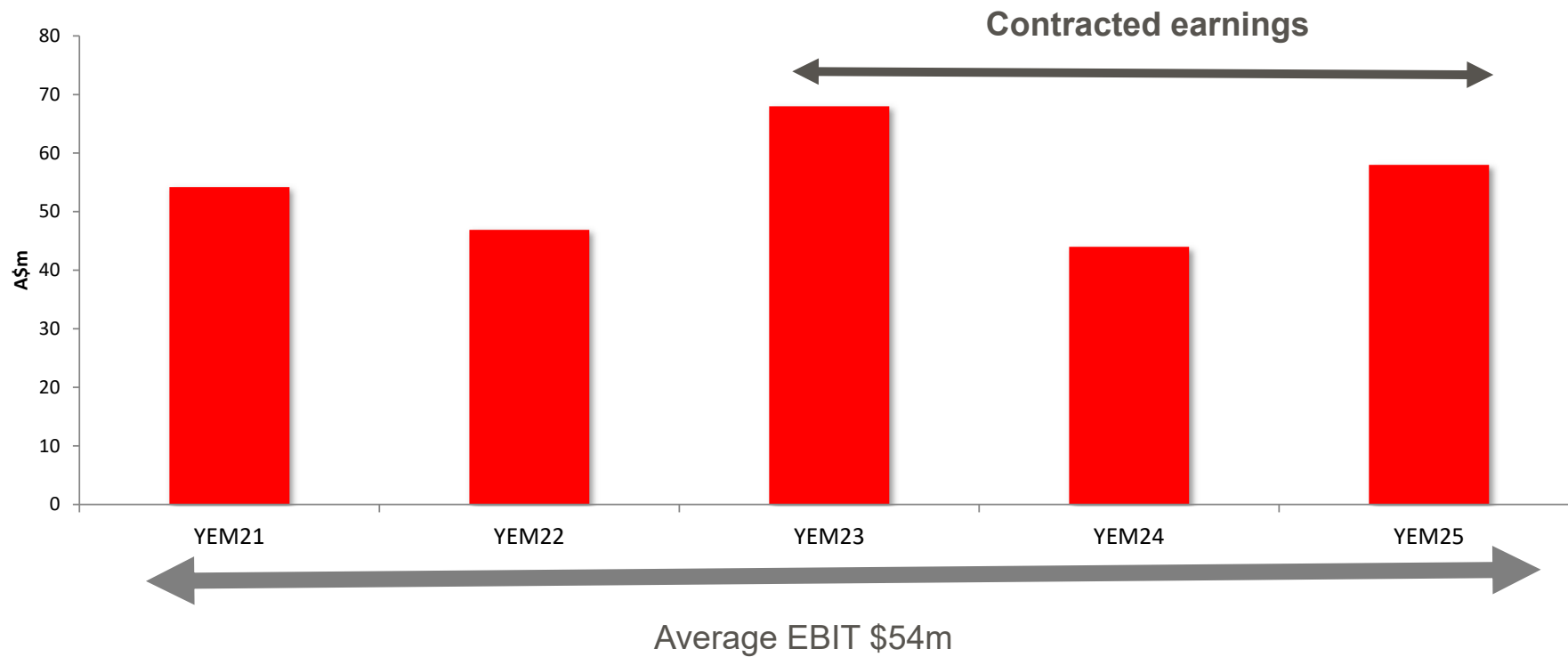
Increase in property valuation

Independent valuation of property on an “as is” basis assessed as \$1.5 billion

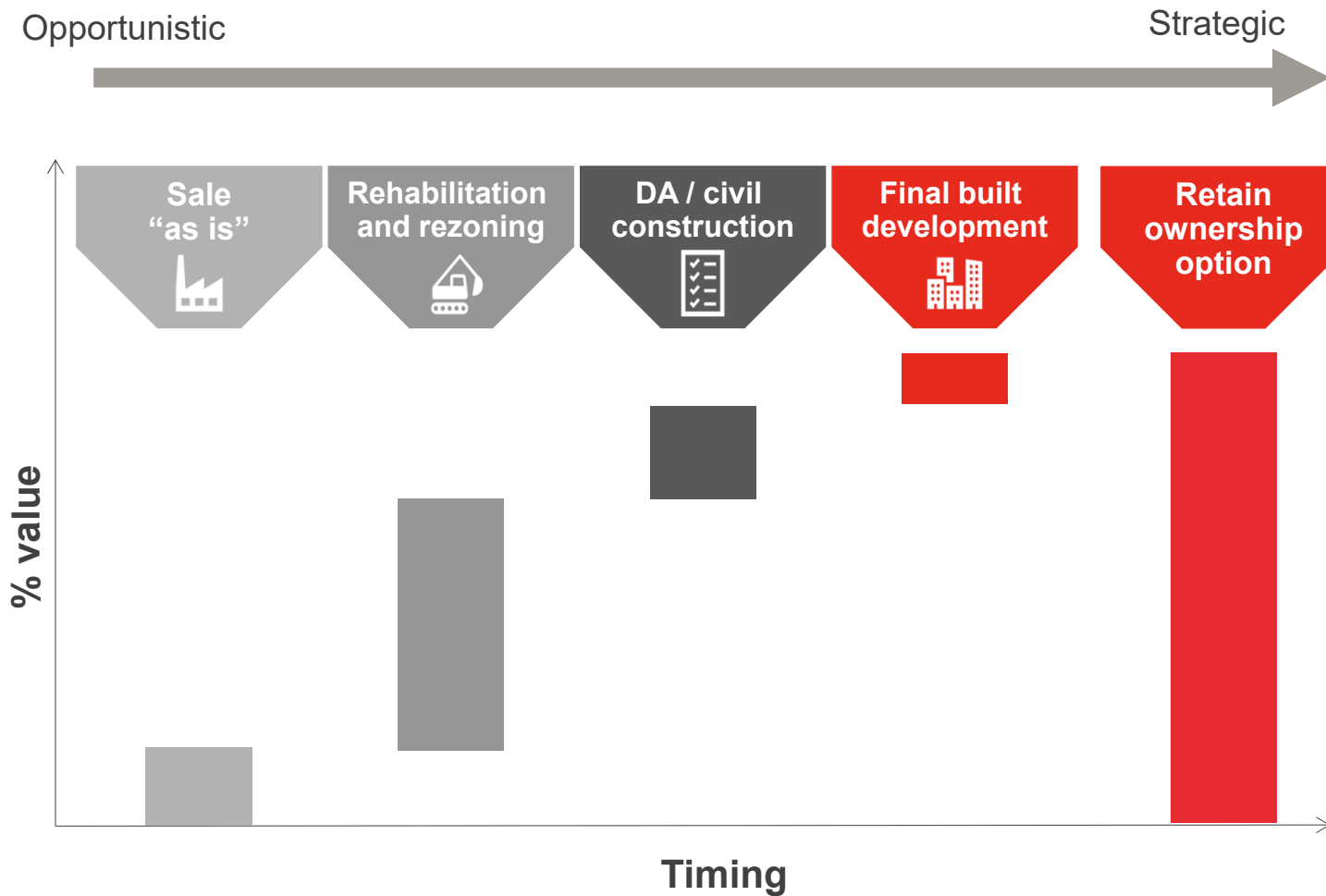


Value-led approach to maximise Property returns

CSR Property EBIT (A\$m)



Additional option for value creation – strategic site ownership



- For sites which are strategically located in favourable long term positions, CSR has the capability to:
 - Develop and retain 100%
 - Joint venture – particularly for scale sites or for partner value add
- CSR land portfolio examples include:
 - Badgerys Creek, NSW – 200ha co-located to Western Sydney Airport
 - Darra, QLD – 20ha industrial site well located between Brisbane and Ipswich with favourable infrastructure access
- The scale of these two sites presents numerous options as to how CSR retains ownership for ongoing annuity income and non-cash capital growth or monetises for value.

4

Key property projects

– Andrew Mackenzie
GM Property



Horsley Park, NSW

OVERVIEW

Former PGH brick plant, developable area 51 hectares (ha) delivered in 3 stages.

Stage 1 (10ha): sold to Frasers Property Group for \$58m and recognised in YEM19 results

Stage 2 (20ha): sold to ESR for \$142m and recognised in YEM21 and YEM22 results

Stage 3 (21ha): Under contract currently to Digital Realty and NEXTDC for \$208m to be recognised in YEM24 and YEM25.

CONSTRUCTION UPDATE

Final stage well advanced

Construction on track

Horsley Park Aerial Video



Chirnside Park, VIC

OVERVIEW

- Group Property obtained the rezoning for a 582 lot residential subdivision
- Delivered 582 lots including 112 townhouses over the last 6 years
- Final 8 townhouses to complete in December 2022

OUTCOME

- CSR Building Products benefits from additional product pull through

EBIT

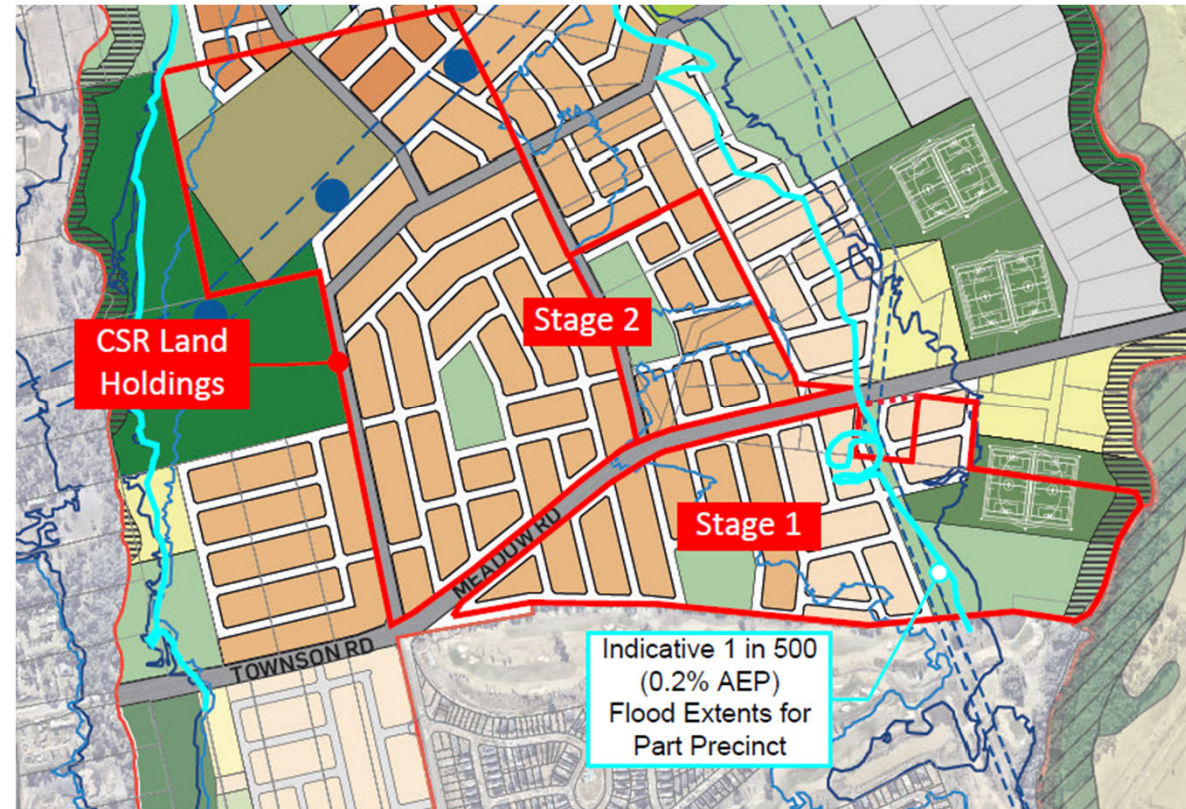
- \$47.2m EBIT to September 2022 with settlement of 574 lots to date



Schofields, NSW

OVERVIEW

- PGH Bricks is currently manufacturing bricks on site; which falls in the NSW Government Northwest priority growth sector
- The land totals 91ha and is proposed to be rezoned to residential, producing circa 1,525 lots total
- NSW Government imposed a moratorium on releasing further residential land for development until the flood studies are completed
- Rezoning is now pending on the studies outcome, we have advanced the road design with Transport for NSW and commenced early planning with Local Council
- All our lots are above the 1-100 flood level with 1,513 lots being above 1-500 year flood level



Schofields, NSW



Badgerys Creek, NSW

OVERVIEW

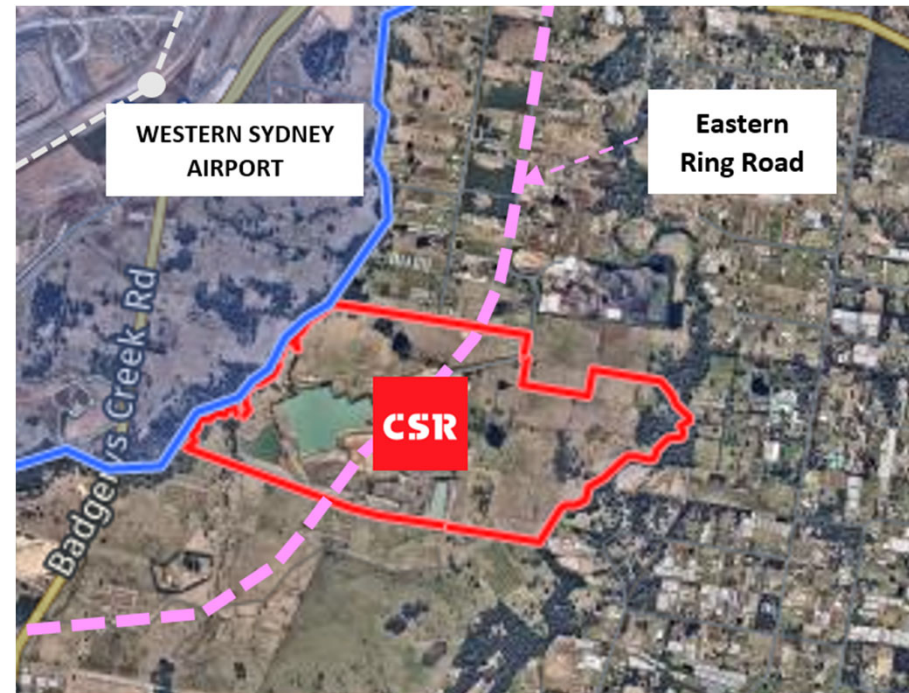
- The site totals 196ha and is strategically located directly adjacent to Western Sydney International Airport. Site advantage includes predominantly a flat level site

STRATEGY

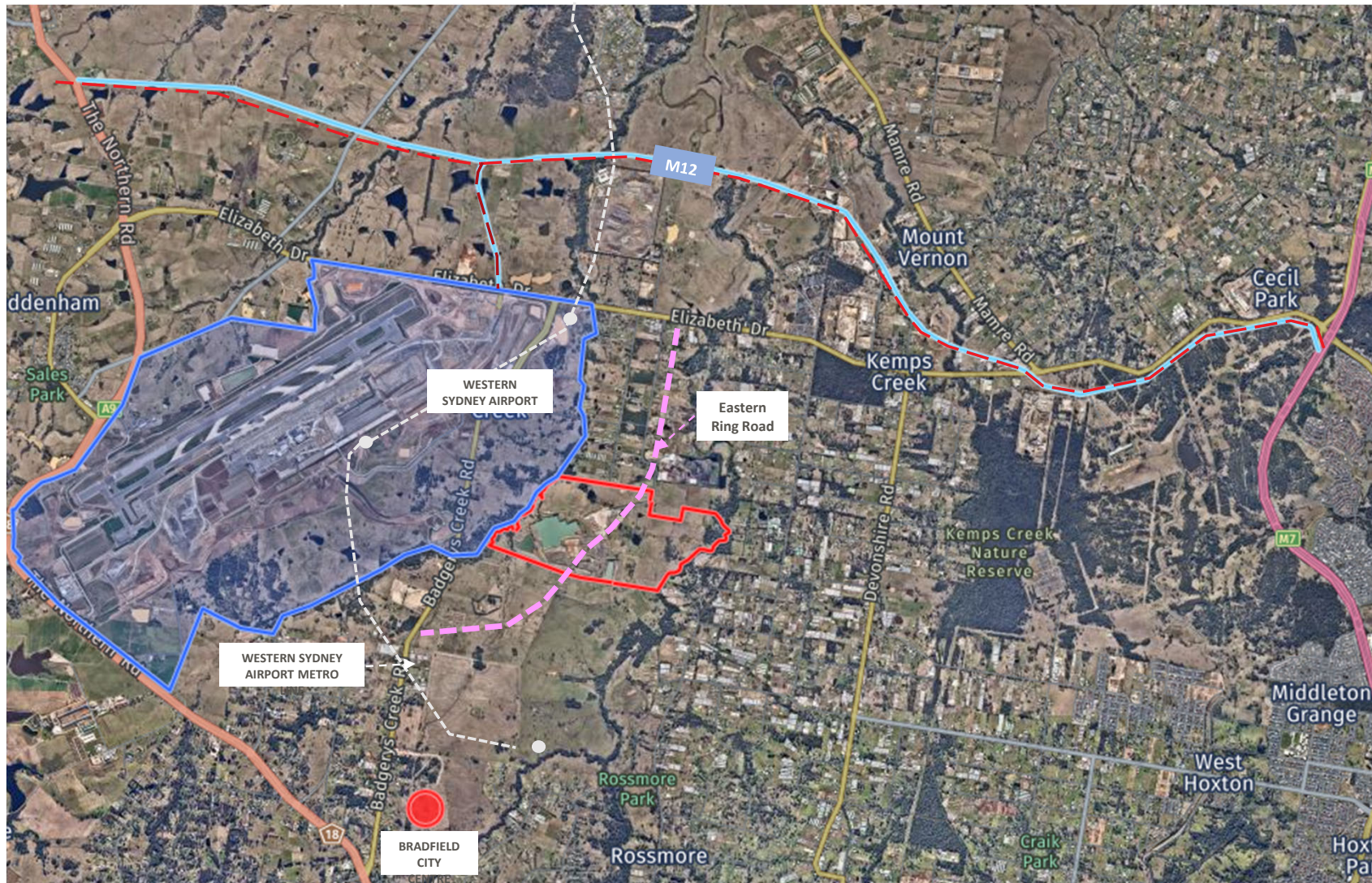
- Accelerate site rehabilitation
- Work with statutory authorities on planning infrastructure delivery

CONSIDERATIONS

- Airport due to open December 2026
- M12 and Metro line to be delivered in 2026
- State Government accelerating employment opportunities in this growth area



Badgerys Creek, NSW



Darra, QLD

OVERVIEW

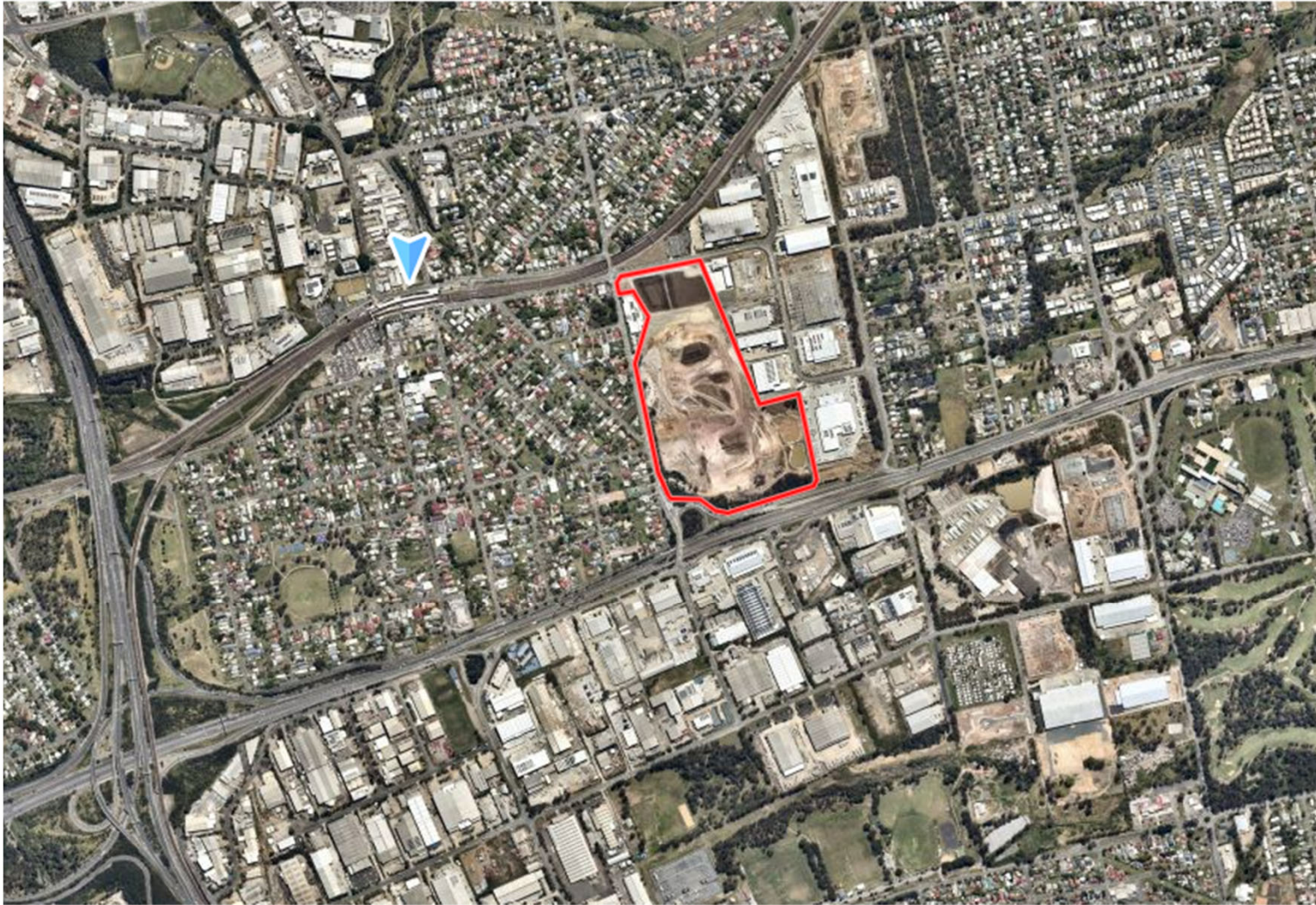
- 20ha site (17km from Brisbane)
- Site rehabilitation works to be completed in early 2023
- High demand for Industrial land with limited supply
- Rezoning and development approval expected 1st half of 2023
- Proposed 11 lot subdivision

STRATEGY

- Darra is an ideal site for the Develop and Retain strategy



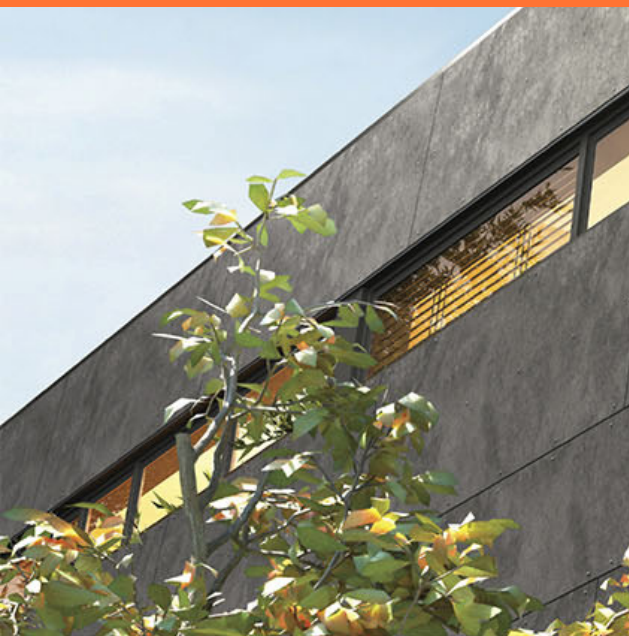
Darra, QLD



5

Summary and Q&A

— Julie Coates and Team



Positioning CSR for improved performance through the cycle

- CSR more responsive to demand with greater adaptability to serve different end markets
- Improved margin through the cycle
 - Growth of higher margin products (eg Hebel)
 - Better cost position
- Targeted investment in manufacturing and supply chain to deliver improved efficiency and resilience
- Net supply chain benefits pull through from YEM25
- Network strategy underpinning improved performance and value unlock from property
- Strong financial position supports investment and shareholder returns

Strategy supporting growth and resilience

Disclaimer

The material contained in this document is a presentation of information about the Group's activities current as of 10 November 2022. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

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