

Diversity report

Adelaide Brighton is committed to being an inclusive workplace that values and promotes diversity. For us this encompasses gender, race, ethnicity, age, physical ability, mental ability, religious beliefs, industry and life experience and thinking styles.

We recognise that an inclusive culture encourages diversity of thought leading to innovation and enables us to attract and retain the best people with the appropriate skills to contribute to the continuing success of our business. In 2016 we launched the revised Diversity and Inclusion Policy which outlines seven core objectives which form the foundations of our approach to diversity and upon which we measure our performance in this area.

An overview of these objectives, and our progress towards achieving these objectives during the 2016 financial year, are set out below:

<i>Objectives</i>	<i>Diversity measures to facilitate achievement of objectives</i>	<i>Progress</i>
To promote a culture of diversity and inclusion	<ul style="list-style-type: none"> > Launch of the revised Diversity and Inclusion Policy and deployment of the plan to deliver progress towards achieving the objectives which were approved by the Board and Nomination, Remuneration and Governance Committee of Adelaide Brighton as being relative to the industry structure in which the Company operates. > Proactively engage with our people to develop inclusion > Company wide training in workplace policies (including Diversity and Inclusion, Bullying and Harassment, Equal Employment Opportunity). 	<ul style="list-style-type: none"> > In 2016, the Board and the Nomination, Remuneration and Governance Committee discussed the Company's diversity measures and reviewed progress towards achieving the objectives, to continue to develop a positive workplace culture that values diversity and inclusion. > Externally facilitated focus groups were held in each Division to gain further insight into our employee value proposition - what makes Adelaide Brighton a great place to work. > Employee and contractor inductions include information on Company policies.
To ensure that recruitment and selection processes seek out candidates from a diverse background, with selection decisions being based on merit	<ul style="list-style-type: none"> > Recruitment sourcing strategies and practices deliver diverse candidate pools. Employment decisions are made without regard to factors that are not applicable to the inherent requirements of a position and unconscious bias does not influence outcomes. > Promote Adelaide Brighton as a diverse employer with an inclusive culture. 	<ul style="list-style-type: none"> > Recruitment training continues across the business with a view to creating diverse candidate pools and to eliminate any unconscious bias that may occur. 19% of all new hires in 2016 were female. > Refreshed advertising templates and copy writing training delivered to ensure job advertisements are attractive to a diverse pool of job seekers. 62% of roles advertised in 2016 attracted female applicants. > Website page dedicated to career profiles of female employees, 'Women in Adelaide Brighton'.
Build talent pipelines through investment in skills and capabilities	<ul style="list-style-type: none"> > Executive Leadership Team sponsored mentoring program for high potential employees, to continue to develop inclusive leadership. > Ensure performance, development and succession management processes support the career progression of individuals including the identification of future executive talent. > Sponsor or encourage professional networking, coaching programs and cross divisional projects to give employees the opportunity to connect with other professionals. 	<ul style="list-style-type: none"> > Mentoring program launched with 28 mentors and mentees attending workshop training, webinars and 1:1 coaching sessions for a shared positive mentoring experience. > Development programs are provided for individuals and facilitated via an online portal. > Talent and Succession Management process proactively challenges and promotes gender representation. > 17% of women and 13% of men were promoted internally in 2016. > Where identified, these programs continue to be supported across the organisation.

Objectives	Diversity measures to facilitate achievement of objectives	Progress
	<ul style="list-style-type: none"> > Sponsor MBA or post-graduate studies for high potential employees. > In recognition of the low numbers of females entering into engineering and manufacturing vocations and to increase the diversity of our workforce: <ul style="list-style-type: none"> - implement programs designed to engage graduate engineers; - offer undergraduate scholarship opportunities and sponsor vacation work programs to engage students who are undertaking tertiary education to consider engineering as a career option; - offer opportunities for high school students to become aware of diverse career opportunities within our industry. 	<ul style="list-style-type: none"> > Adelaide Brighton supports external study and development for high potential employees. > Continued sponsorship of the Women in Engineering program at the University of Wollongong in 2016 that provides both a financial benefit and a work placement opportunity. > Engineering scholarships in place at University of Adelaide and University of Technology Sydney. > Participation in the STEM Program (Science, Technology, Engineering and Math) for Year 10 and 11 high school students. > Vacation programs in place in Adelaide, Perth and Sydney. Participation in WA Kwinana Industries Council "iWomen project". Sponsorship of the SA Law Society Indigenous Law Student Mentoring Program and establishment of a Scholarship for an indigenous high school student at St Peter's College in Adelaide.
To reward and remunerate fairly and equitably	<ul style="list-style-type: none"> > Adelaide Brighton has a policy to provide equal pay for equal work. > As part of the annual salary review process, Adelaide Brighton undertakes a review of pay parity. Pay parity is also considered at the time of hiring new employees, to eliminate potential gaps in pay arising from hiring decisions. 	<ul style="list-style-type: none"> > A gender pay parity review was completed in 2016 as part of Adelaide Brighton's annual remuneration review processes.
To provide flexible work practices	<ul style="list-style-type: none"> > Adelaide Brighton seeks to provide suitable working arrangements for employees returning from maternity leave. > Flexible working arrangements are available to all employees under our flexible work policy, to recognise that employees may have different domestic responsibilities throughout their career. > We also offer 12 weeks' paid parental leave for the primary carer. > Formal review of all part time work arrangements to ensure roles are appropriate to maintain career development. 	<ul style="list-style-type: none"> > As per previous years, 100% of the women who commenced and finished maternity leave in 2016 have returned to work in either a full or part time capacity. > 3% of the workforce have a part time work arrangement. > 60% of employees who returned from maternity leave are still with Adelaide Brighton three years later. > 16% of employees have taken 'Paternity Leave' in 2016.
Understand the diversity of our workforce	<ul style="list-style-type: none"> > Measure age, gender, and cultural identity of our workforce. 	<ul style="list-style-type: none"> > Results of employee survey of cultural identity plus diversity data is collected from candidates during the recruitment process.

Adelaide Brighton is committed to the regular review of its objectives to ensure that these continue to be appropriate and relevant. This commitment includes the completion of the workplace profile report as required by the Workplace Gender Equality Act 2012.

A copy of the workplace profile report is available from our website: www.adbri.com.au/ourresponsibilities#reporting. The Board is committed to build upon the achievements to date and reinforce the continued efforts in promoting and cultivating a culture of diversity and inclusiveness.

The proportion of women across Adelaide Brighton's workforce is reflective of the generally low level of female representation in the building, manufacturing and construction materials industries in which we operate.

We recognise that the available pool of female candidates in manufacturing and engineering roles relevant to our business operations is limited, and this impacts our ability to increase the number of female new hires. In an effort to make our Company (and industry) more attractive to women, we have focused on measures designed to increase the proportion of female candidates and graduates and to support the development of female employees who are recognised as having future potential. We believe that, over time, our diversity objectives and measures will achieve an improvement in the level of female representation and inclusiveness across the organisation.

The following table shows the proportional representation of women employees at various levels within the Adelaide Brighton Group (as at 31 December 2016 and 2015 respectively).

We are pleased to report that improvements have been made at the senior executive and senior manager level contributing to an overall gender improvement between 2015 and 2016.

% Females	31 Dec 2016	31 Dec 2015
Board ⁽¹⁾	17%	17%
Senior executives ⁽²⁾	14%	0%
Senior managers ⁽³⁾	21%	17%
Total workforce	13%	12%

⁽¹⁾ Executive and non-executive Directors

⁽²⁾ Direct reports to the CEO and Managing Director (Chief Financial Officer, General Counsel and Company Secretary and Executive General Managers)

⁽³⁾ Senior managers include a variety of positions which report directly to the senior executives.

A copy of Adelaide Brighton's Diversity and Inclusion Policy is available in the Governance section of Adelaide Brighton's website under Our Responsibilities.