



# JHX Investor Day 2022

New York, 12-13 September 2022 – Day 2



**JamesHardie™**

# CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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This Management Presentation contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. James Hardie Industries plc (the “Company”) may from time to time make forward-looking statements in its periodic reports filed with or furnished to the Securities and Exchange Commission on Forms 20-F and 6-K, in its annual reports to shareholders, in media releases and other written materials and in oral statements made by the Company’s officers, directors or employees to analysts, institutional investors, representatives of the media and others. Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “aim,” “will,” “should,” “likely,” “continue,” “may,” “objective,” “outlook” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These forward-looking statements are based upon management's current expectations, estimates, assumptions, beliefs and general good faith evaluation of information available information at the time the forward-looking statements were made concerning future events and conditions. Readers are cautioned not to place undue reliance on any forward-looking statements or rely upon them as a guarantee of future performance or results or as an accurate indications of the times at or by which any such performance or results will be achieved

Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are unforeseeable and beyond the Company’s control. Many factors could cause actual results, performance or achievements to be materially different from those expressed or implied in this Management Presentation, including, among others, the risks and uncertainties set forth in Section 3 “Risk Factors” in James Hardie’s Annual Report on Form 20-F for the year ended 31 March 2022, which include, but are not necessarily limited to risks such as changes in general economic, political, governmental and business conditions globally and in the countries in which the Company does business, including the impact of COVID-19; changes in interest rates; changes in inflation rates; changes in exchange rates; the level of construction generally; changes in cement demand and prices; changes in raw material and energy prices; changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. James Hardie assumes no obligation to update or correct the information contained in this Management Presentation except as required by law.

## USE OF NON-GAAP FINANCIAL INFORMATION; AUSTRALIAN EQUIVALENT TERMINOLOGY

This Management Presentation includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States (GAAP). These financial measures are designed to provide investors with an alternative method for assessing our performance from on-going operations, capital efficiency and profit generation. Management uses these financial measures for the same purposes.

These financial measures are or may be non-GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with GAAP. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with GAAP, may not be reported by all of the Company’s competitors and may not be directly comparable to similarly titled measures of the Company’s competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Management Presentation, including a reconciliation of each non-GAAP financial measure to the equivalent GAAP measure, see the slide titled “Non-GAAP Financial Measures” included in the Appendix to this Management Presentation.

In addition, this Management Presentation includes financial measures and descriptions that are considered to not be in accordance with GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with GAAP, the Company provides investors with definitions and a cross-reference from the non-GAAP financial measure used in this Management Presentation to the equivalent GAAP financial measure used in the Company’s Consolidated Financial Statements. See the section titled “Non-GAAP Financial Measures” included in the Appendix to this Management Presentation.

# AGENDA – DAY 2 ZIEGFELD BALLROOM

## Day 2 – Tuesday, September 13<sup>th</sup>

<b>Breakfast</b>	7:00-8:00 AM	All
<b>APAC</b>	8:00-9:15 AM	John Arneil & Travis Johnson
<b>Q&amp;A</b>	9:15-9:30 AM	All
<b>Experience Session #1</b>	9:30-10:00 AM	Breakout Groups
<b>Break</b>	10:00-10:15 AM	All
<b>Europe</b>	10:15-11:15 AM	Tobias Bennerscheidt & Henning Risse
<b>Q&amp;A</b>	11:15-11:30AM	All
<b>Experience Session #2</b>	11:30-12:00 PM	Breakout Groups
<b>Lunch</b>	12:00-1:15 PM	All
<b>Global Innovation</b>	1:15-2:15 PM	Joe Liu & Alan Miller
<b>Q&amp;A</b>	2:15-2:30 PM	All
<b>Experience Session #3</b>	2:30-3:00 PM	Breakout Groups
<b>Break</b>	3:00-3:15 PM	All
<b>Global Capacity</b>	3:15-4:00 PM	Ryan Kilcullen
<b>Q&amp;A</b>	4:00-4:15 PM	All
<b>Closing with CEO</b>	4:15-4:45 PM	Aaron Erter
<b>Q&amp;A</b>	4:45-5:00 PM	All
<b>Happy Hour</b>	5:00-6:30 PM	All
<b>Dinner</b>	6:30-9:00 PM	All





**INVESTOR DAY 2022 – APAC**



# APAC – PRESENTERS



**John Arneil**  
General Manager  
APAC



**Travis Johnson**  
Director – Commercial  
Australia



# AGENDA

## Investor Day 2022 – APAC

<u>Topic</u>	<u>Presenter</u>
APAC Overview	John Arneil
Value Chain	John Arneil
Homeowner	John Arneil
Contractor/Builder	Travis Johnson
Customer	Travis Johnson
Summary	John Arneil



## APAC – SUMMARY

Strong base business built over 40+ years in fiber cement with significant fiber cement market share and category share

Significant growth opportunities exist in all our APAC regions

We have the insight led innovation, consumer marketing focus, proven market development model and deep customer integration in place for sustained profitable growth





**INVESTOR DAY 2022 – APAC: OVERVIEW**  
**John Arneil, General Manager - APAC**





# APAC – A SUSTAINABLE PROFITABLE GROWTH BUSINESS

## Drive Profitable Global Growth

- 1 Market to Homeowners to Create Demand
- 2 Penetrate and Drive Profitable Growth in Existing and New Segments
- 3 Commercialize Global Innovations by Expanding Into New Categories

Continued Execution and Expansion of Foundational Initiatives:

- i) LEAN Manufacturing
- ii) Customer Engagement
- iii) Supply Chain Integration



**Zero Harm & ESG**

**10 Year CAGR  
Net Sales**

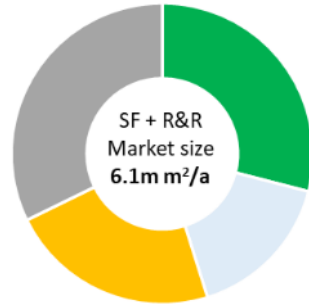
**8%**

**10 Year CAGR  
EBIT\$**

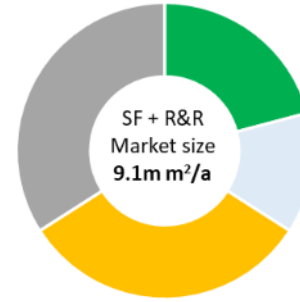
**10%**

# APAC – STRONG SHARE IN ALL APAC MARKETS WITH ROOM TO GROW

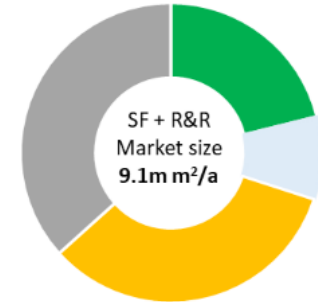
## Australia



**QUEENSLAND+**  
29% FC share

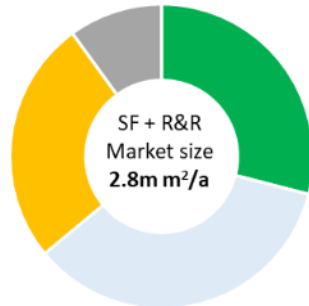


**NSW+**  
21% FC share



**VICTORIA+**  
19% FC share

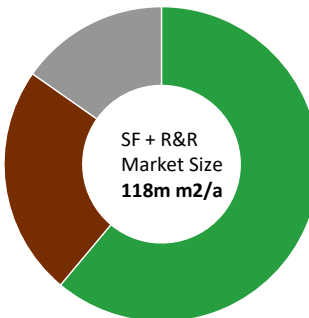
## New Zealand



**NEW ZEALAND+**  
32% FC share

- FC
- Wood Look
- Brick
- Render

## Philippines



**PHILIPPINES+**  
61% FC share

- FC
- Gypsum
- Plywood

# APAC – A CLEAR, TARGETED GAME PLAN FOR GROWTH

## Region

## How



### 1. Queensland - Australia

- Hamptons/Coastal – Axon™, Linea™
- Modern - Hardie™ Architectural Collection
- R&R interiors – Secura™

- Leverage strong position for adjacent modern construction
- Increase penetration for full R&R offering



### 2. New Zealand

- Modern timber – Oblique™, Linea™, Axon™
- Modern design - Hardie™ Architectural Collection

- Drive design homeowners want



### 3. NSW and Victoria - Australia

- Modern - Hardie™ Architectural Collection
- Hamptons/Coastal – Axon™, Linea™
- R&R interiors – Secura™

- Transform large brick and render markets
- Increase penetration for full R&R offering



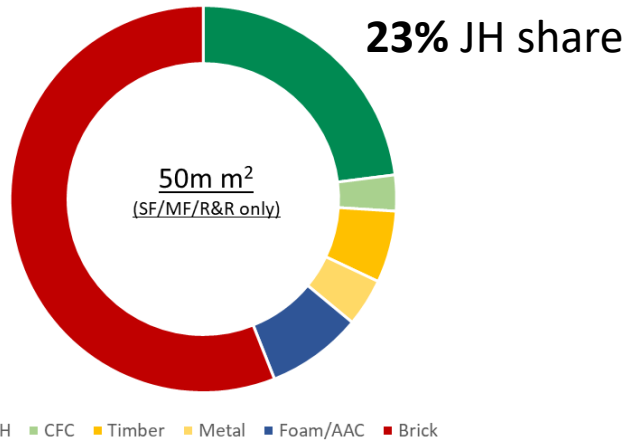
### 4. Philippines

- Moldblock – HardieFlex® NEXGEN

- JH Market-Led Innovation - HardieFlex® NEXGEN re-set

# ANZ – DESIGN TRENDS FAVORABLE TO HIGH VALUE GROWTH

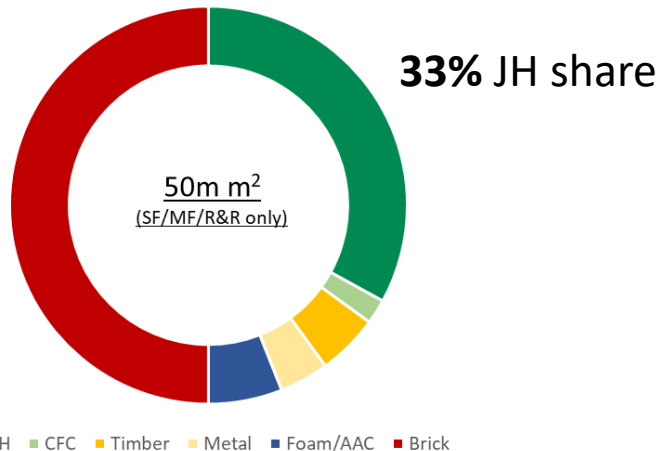
FY22



■ JH ■ CFC ■ Timber ■ Metal ■ Foam/AAC ■ Brick

Market share growth from Innovation and Consumer Marketing

Future



■ JH ■ CFC ■ Timber ■ Metal ■ Foam/AAC ■ Brick

	HAMPTONS / COASTAL	MODERN	CONVENTIONAL
Look			
Share	Market 23% JH 15%	Market 46% JH 6%	Market 31% JH 2%
Product	<ul style="list-style-type: none"> <li>Hardie™ Axon™ Cladding</li> <li>Hardie™ Linea™ Cladding</li> <li>Hardie™ Stria™ Cladding</li> </ul>	<b>Hardie™ Architectural Collection</b> <ul style="list-style-type: none"> <li>Hardie™ Fine Texture Cladding</li> <li>Hardie™ Sea Drift™ Cladding</li> <li>Hardie™ Oblique™ Cladding</li> <li>Hardie™ Axon™ Cladding</li> <li>Hardie™ Linea™ Cladding</li> <li>Hardie™ Stria™ Cladding</li> </ul>	Hardie™ Fine Texture Cladding

Clear Path to 33% Market Share

# APAC PRODUCT OVERVIEW

## JH Innovation



Hardie™ Fine Texture Cladding

## JH High Value Exteriors



Linea™ Weatherboard



Stria™ Cladding



Matrix™ Cladding



Axon™ Cladding



Oblique™ Cladding



Secura™ Exterior Flooring

## JH High Value Interiors



Hardie™ Groove Lining



Secura™ Interior Flooring

## JH Core Products



Hardie™ Flex Eaves and Cladding



Hardie™ Plank



EasyLap™ Panel



Villaboard™ Lining

# ANZ – INNOVATION FOCUS ON FURTHER UNLOCKING MODERN LOOK



**Hardie™ Fine Texture Cladding** – well positioned in modern uppers and against render



FTP 0.9m panels SL 0.6m high horizontal panels, corners mitred BC, minimal joins, corners mitred FTP 0.9m p

**Hardie™ Architectural Collection** – unlocking single storey and lowers of double storey

# ANZ - EXPANDING OBLIQUE™ TO AUSTRALIA



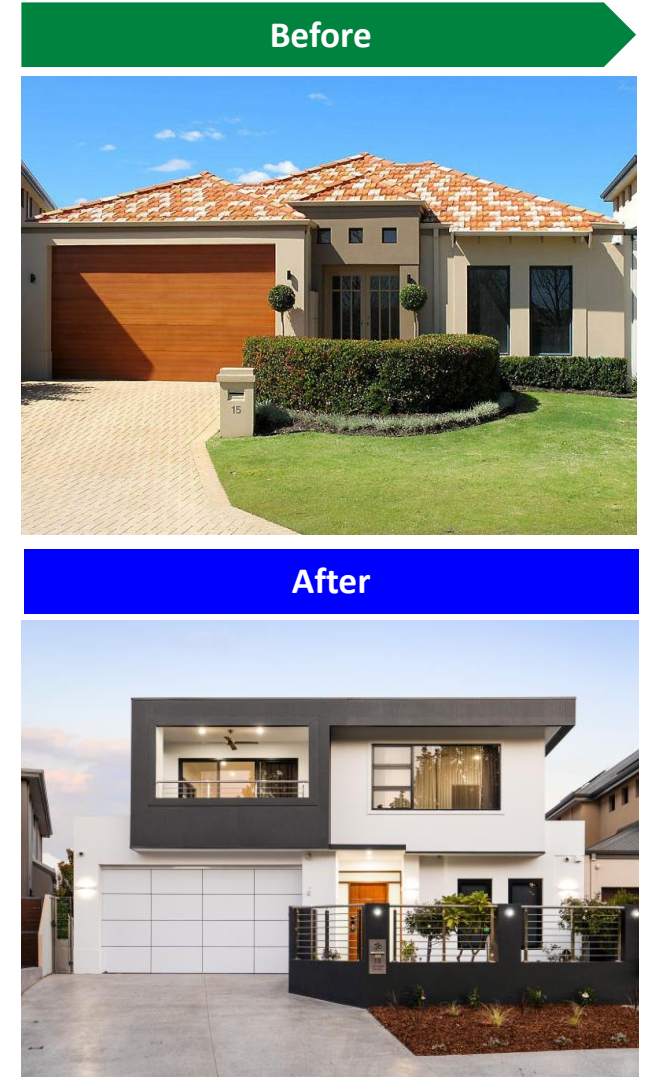
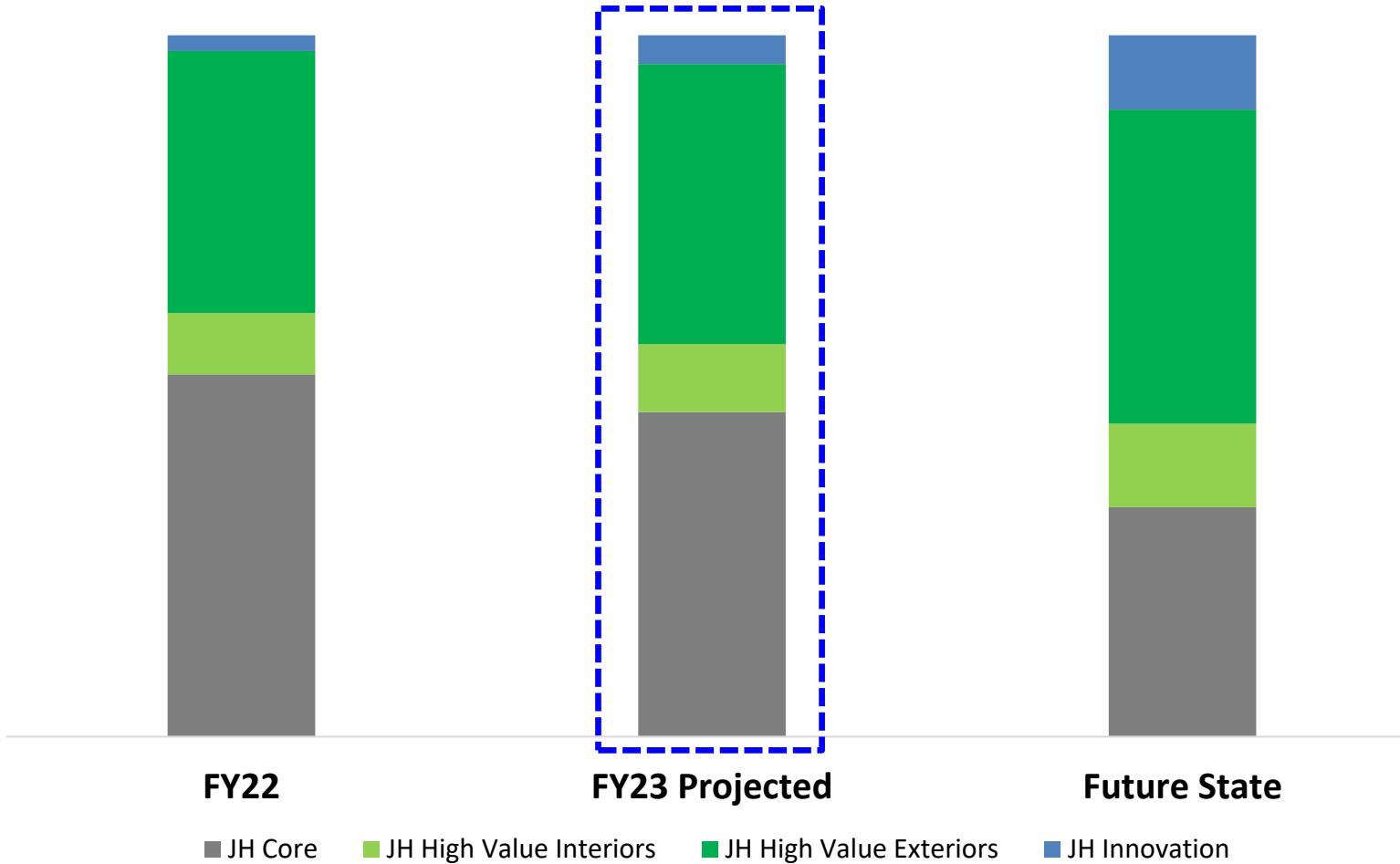
## Hardie™ Oblique™

- proven in NZ
- validated in AU
- refined and ready to scale



# ANZ – DRIVING A HIGH VALUE PRODUCT MIX WITH CUSTOMERS

ANZ Product Mix



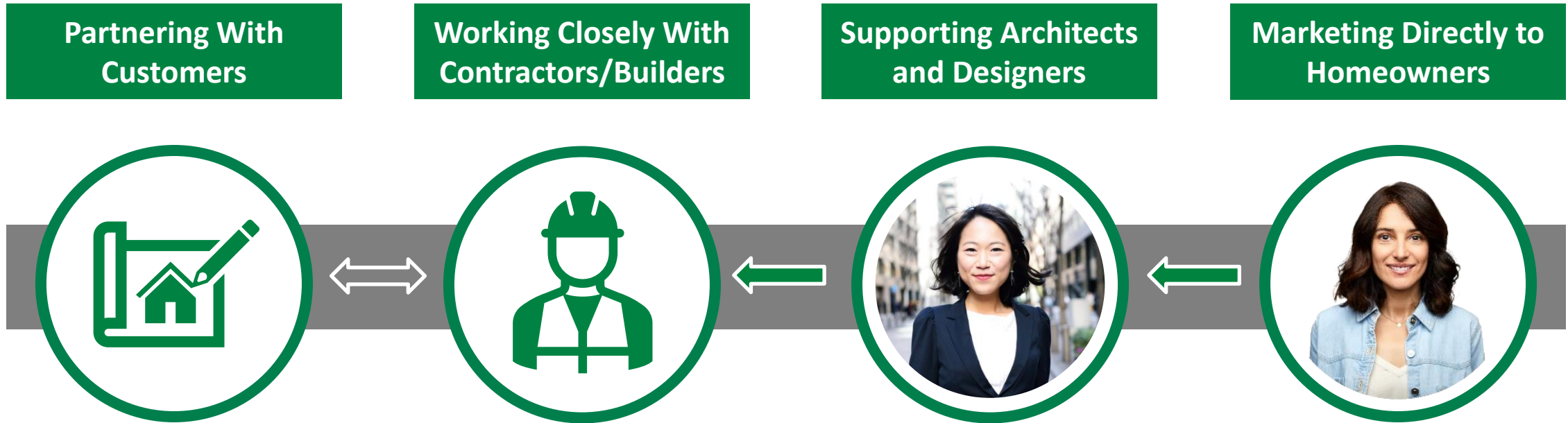




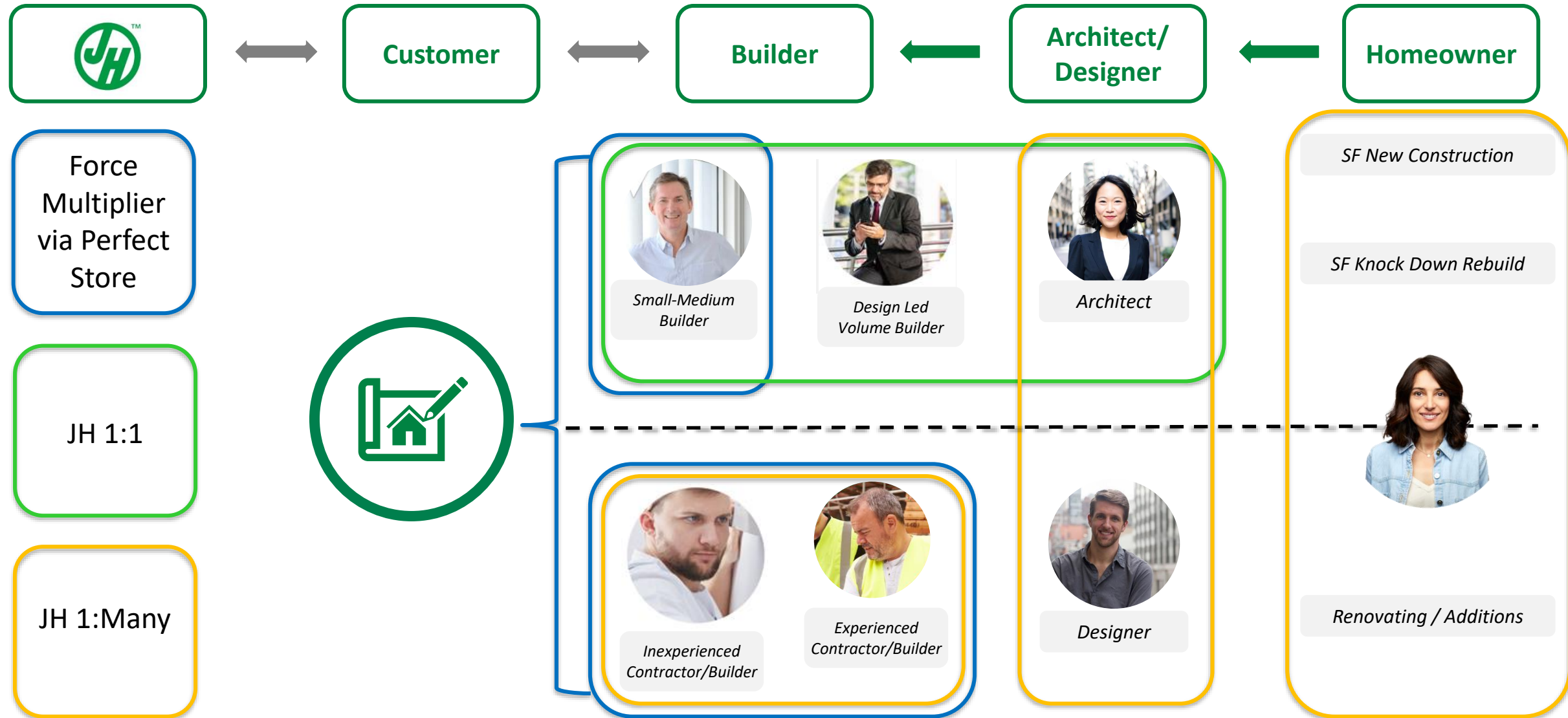
**APAC: VALUE CHAIN OVERVIEW**  
**John Arneil, General Manager - APAC**



# ANZ – HOW WE GET TO MARKET



# ANZ – HOW WE INFLUENCE ACROSS THE VALUE CHAIN



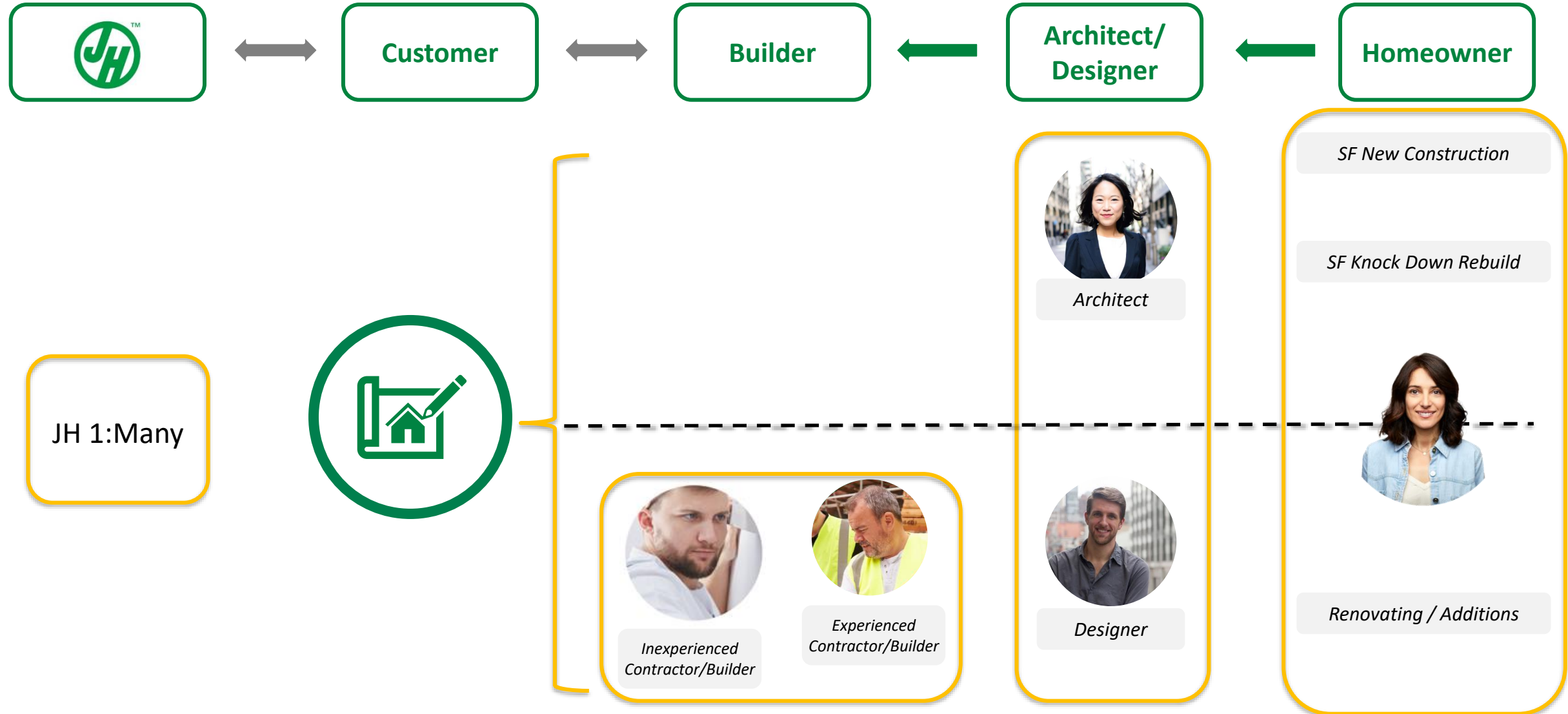


**INVESTOR DAY 2022 – APAC: INFLUENCING HOMEOWNER**  
**John Arneil, General Manager - APAC**





# ANZ – HOW WE INFLUENCE ACROSS THE VALUE CHAIN



# ANZ – CONSUMER MARKETING TO DRIVE GROWTH

1

## Market to Homeowners to Create Demand (PULL)

*High Value Exteriors*

- “Purposeful Modern Home Design” campaign in key geographies
  - Amplify “The Block” partnership
- Accelerate her path to purchase and generate leads
- Insight-led with Christine at the Centre

2

## Connect the Value Chain

*Hardie™ Fine Texture Cladding*

- Lay foundation to scale future innovation
  - Hardie™ Home Guide digital platform & retail experience
- Connect R&R funnel from Christine to Builder to Customer

3

## Commercialise Global Innovations

*Hardie™ Architectural Collection*

- NEW textures to unlock single storey and lowers of double storey
- Shoppable & curated collection of profiles and textures to drive full modern Hardie™ exteriors

# AU – PURPOSEFUL MODERN DESIGN CAMPAIGN IN-MARKET

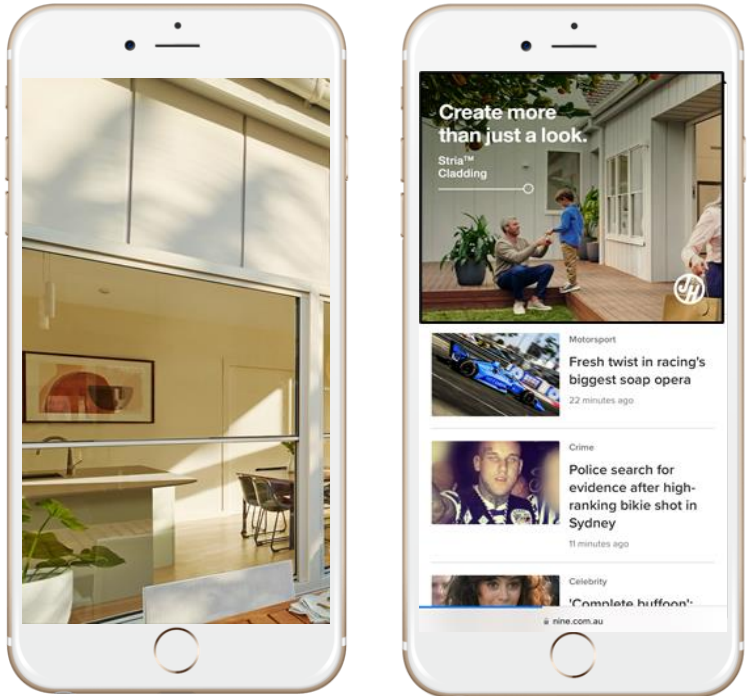
## Digital BVOD



## Paid Social Posts

A collage of Instagram posts and social media assets for James Hardie. It includes a screenshot of an Instagram post from 'jameshardieau' with the text 'Take a tour' and 'Learn More'. Below it are four individual images: a modern house exterior, a bright interior with large windows, a family sitting on a wooden deck, and a woman touching a wall labeled 'Stria™ Cladding'. A green banner at the bottom of the collage reads 'Digital Retargeting Assets'.

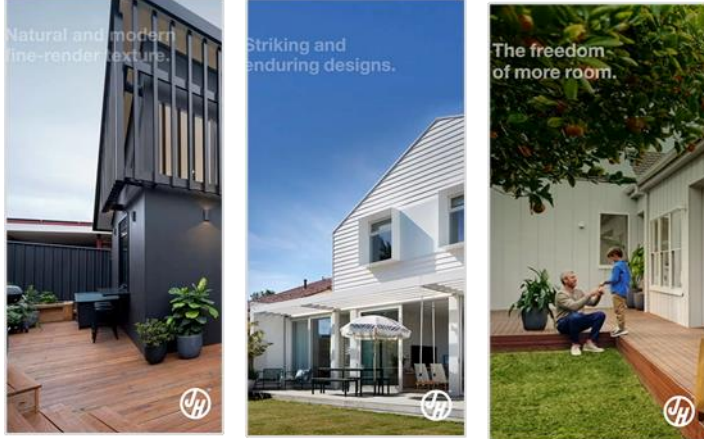
## Targeted Digital Media



## Modern Look Book



[DOWNLOAD THE LOOK BOOK](#)





# ANZ – BUILD OUT AND AMPLIFY A VIRTUAL SHOWROOM FOR MODERN HOMES



# AU - CAMPAIGN PERFORMANCE AND IMPACT



## CAMPAIGN METRICS

(topline findings only)

Key campaign metrics across the funnel (Homeowners only)

### 3 in 4

Homeowners recall seeing the “Its Possible” campaign



## IMPACT

### 9 in 10

Motivate - more interested to renovate or build

### 9 in 10

Persuade – more interested to shop JH



## MESSAGE

Main message takeaways

- ✓ *Design vision possible*
- ✓ *Improves street appeal*
- ✓ *Wide variety of options*
- ✓ *Brand I trust*



## BRAND IMPACT

Brand funnel health

### ~ +10%

Increase in ‘consider JH cladding brand above others’

### ~ +30%

increase in **JH brand** ‘most preferred’ brand in exterior cladding

# AU – THE BLOCK 2022



>2021 saw 11.4 million viewers (40%+ of AU population)

High proportion of audience is Christine: 55% aged 25-54 60% women

Eastern seaboard audience location: 82% NSW, QLD, VIC and 76% metro.

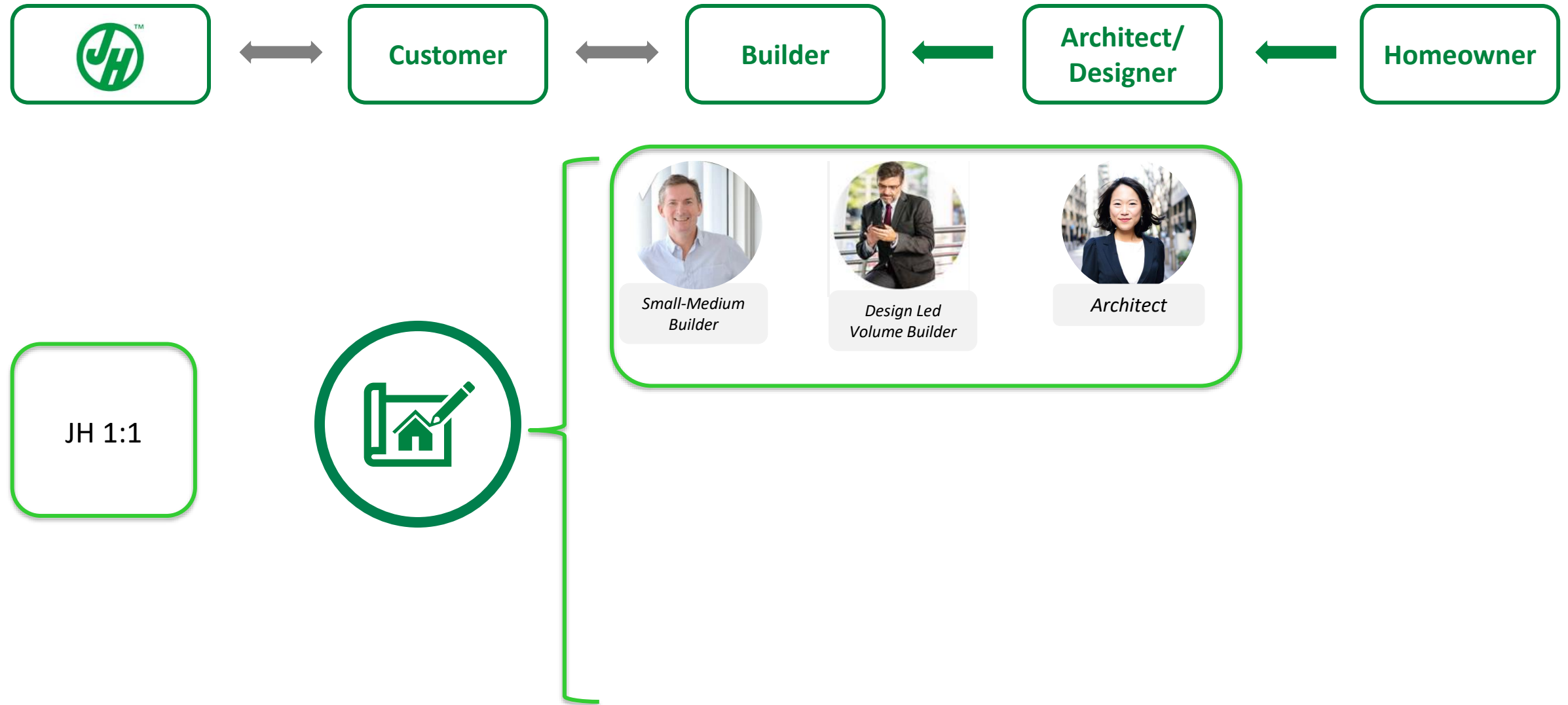




**APAC: DRIVING DEMAND IN SFNC WITH THE BUILDER**  
**Travis Johnson, Director - Commercial Australia**



# ANZ – 1:1



# ANZ – DRIVING DEMAND WITH BUILDERS

## Transforming the Way Australia Builds

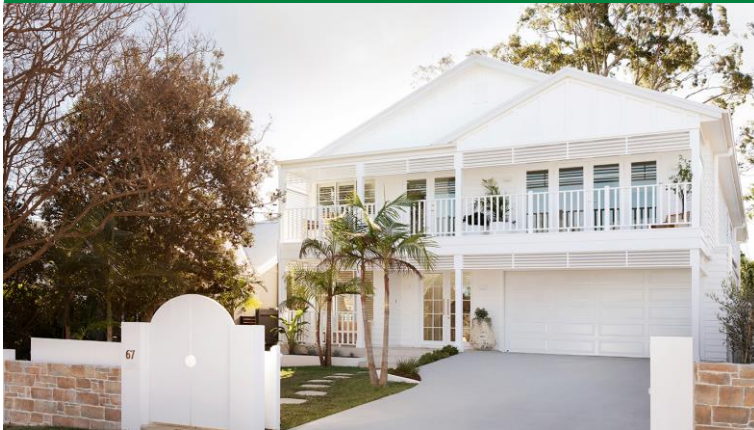
ABN Group



Coral Homes



Rawson Homes



Metricon



NXT Building Group



# ANZ – 1:1 CO-CREATION WITH TOP 20 SFNC BUILDER

CORAL  
HOMES

Takes insight selling beyond converting current to co-creating new home ranges together



Meeting the **needs of the consumer**



Using experts to create **market leading Full Hardie™ exteriors**



Maximise the benefits of lightweight cladding – **speed, cost**



Project management – **removing switching barriers**



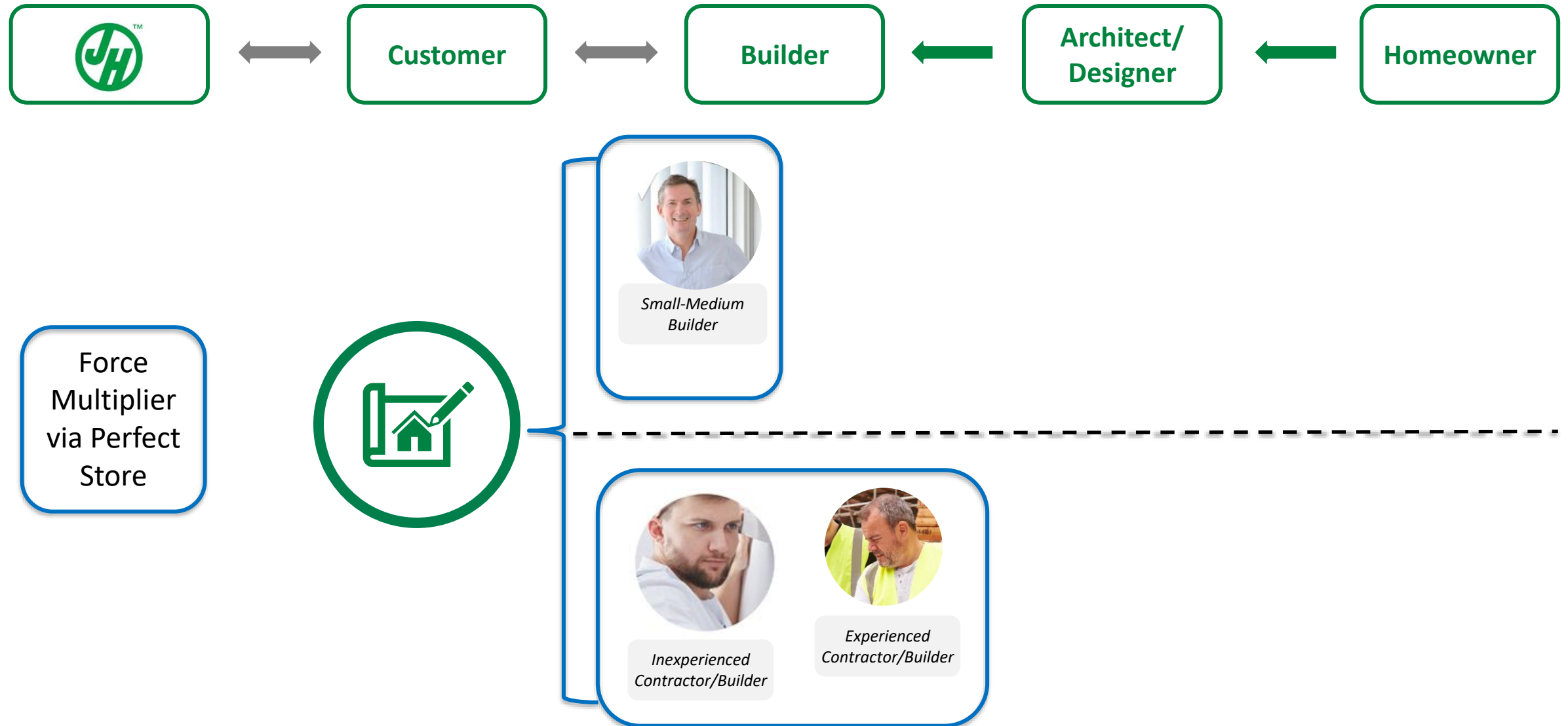




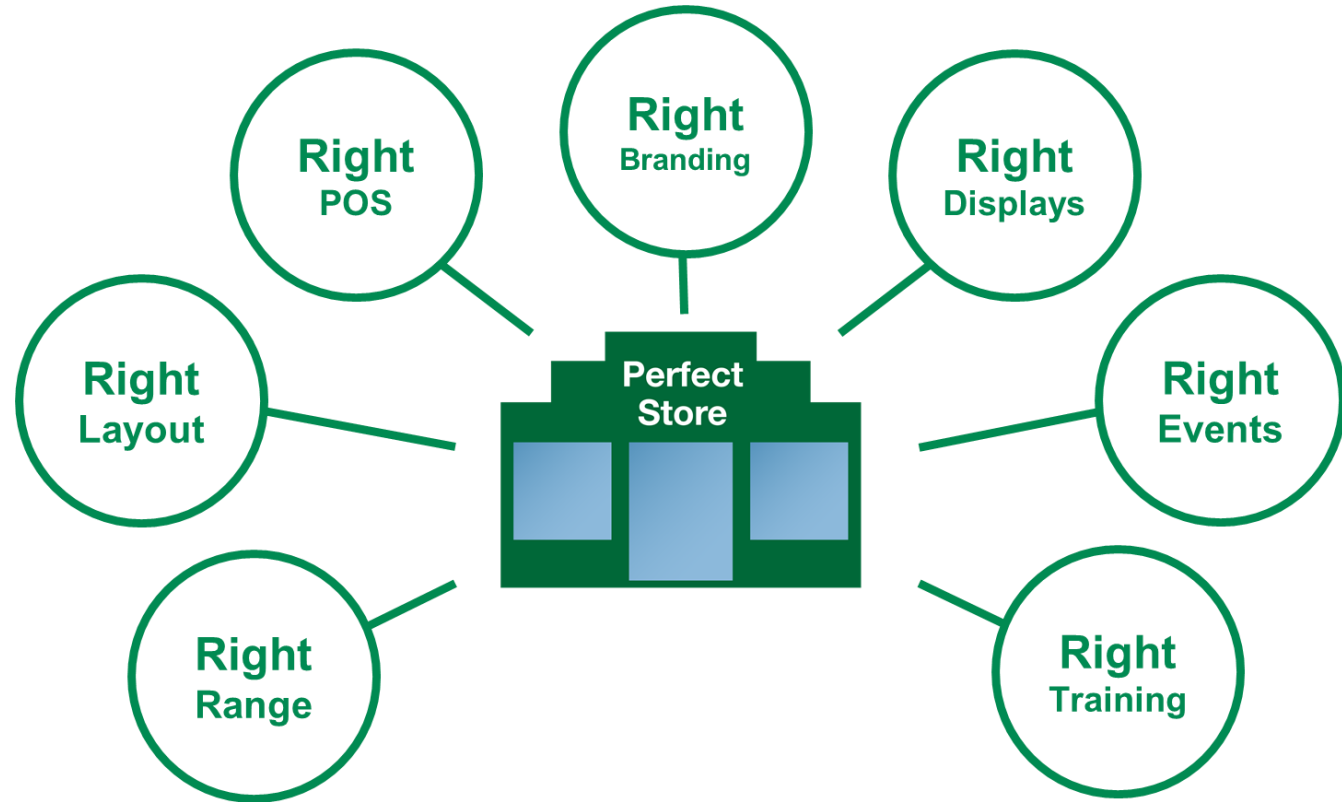
**APAC: ENABLING OUR CUSTOMERS TO DRIVE GROWTH WITH BUILDERS**  
**Travis Johnson, Director - Commercial Australia**



# ANZ – INFLUENCING THE CUSTOMER AND BUILDER VIA THE PERFECT STORE



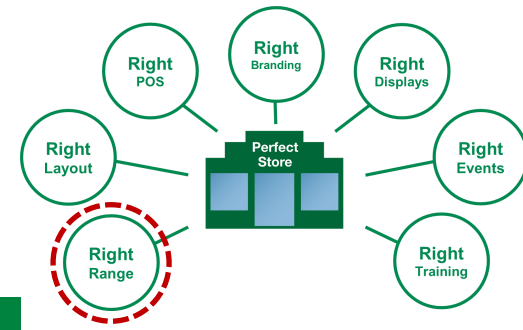
# ANZ – THE PERFECT STORE



**Perfect Store** is the James Hardie™ customer blueprint on **How to Win**



# ANZ – KEEPING CUSTOMERS STOCKED WITH THE RIGHT RANGE IS OUR #1 PRIORITY

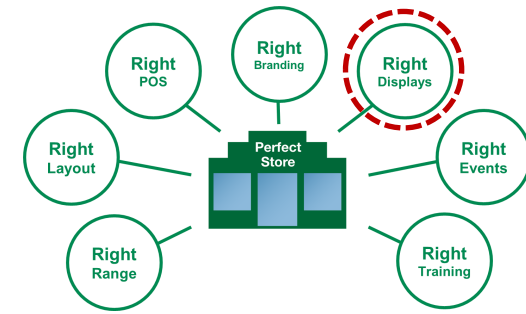


## RIGHT RANGE Collaborate Planning and Forecasting



**Right Range to the Right Customer at the Right Time**

# ANZ – SIMPLIFYING THE SELECTION PROCESS THROUGH THE RIGHT DISPLAY



## Right Displays - NEW Modern Look Displays

Design a home that's better outside than in.  
**It's Possible™** with our range of exterior cladding solutions.



The Hardie™ difference



Beautiful

Endless versatility so you can create your unique dream home.



Enduring

Built for tough Australian conditions.



Efficient

Live larger and make the most of space and comfort.



Easy

Faster, easier construction so you can start living sooner.

Download the Modern Look Book



### Box Modern



### Scandi Barn



### Modern Coastal



### Hamptons



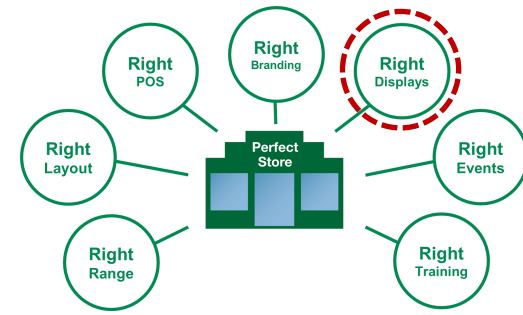
### Mixed Cladding



### Mid-Century Modern



# ANZ – NEW MODERN LOOK DISPLAYS



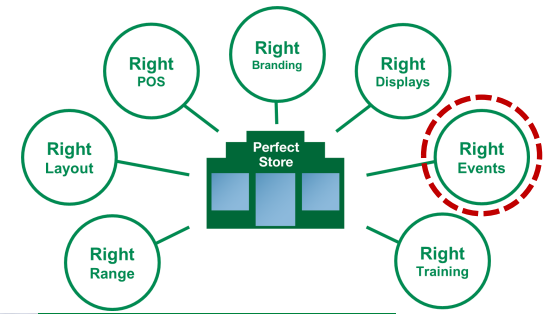
## Right Displays - Cubby Displays



## Right Displays – Façade Displays



# ANZ – SCALABLE EXECUTION OF PUSH WITH CUSTOMERS



## Right Events - Mobile Construction Clinics Trailers



10,000 builders targeted across FY23



## **APAC: SUMMARY**

**John Arneil, General Manager - APAC**





## APAC – SUMMARY

Strong base business built over 40+ years in fiber cement with significant fiber cement market share and category share

Significant growth opportunities exist in all our APAC regions

We have the insight led innovation, consumer marketing focus, proven market development model and deep customer integration in place for sustained profitable growth





**Q&A**





**EXPERIENCE SESSION #1**





**15 MINUTE BREAK**





**INVESTOR DAY 2022 – EUROPE**



# PRESENTERS



**Tobias Bennerscheidt**  
Director Marketing  
& Segments –  
Europe



**Henning Risse**  
Sales Director –  
Europe



# AGENDA

## Investor Day 2022 – Europe

Topic

Presenter

Europe Overview

Tobias Bennerscheidt

Fiber Gypsum Growth

Henning Risse

Fiber Cement Growth

Tobias Bennerscheidt



## EUROPE – SUMMARY

Europe's long term ambition remains unchanged at €1 billion in Net Sales and 20+% EBIT Margin

Clear path to €500 million of Fiber Gypsum Net Sales with proven track record

Two key Fiber Cement growth opportunities to take a significant step toward €500 million in Fiber Cement Net Sales





# EUROPE – LONG TERM AMBITION UNCHANGED

Revenue



EBIT Margin





## EUROPE: OVERVIEW

Tobias Bennerscheidt, Director Marketing & Segments



# EUROPE LONG TERM AMBITION UNCHANGED: € 1BILLION NET SALES AT 20+% MARGIN

## Drive Profitable Global Growth

- 1 Market to Homeowners to Create Demand
- 2 Penetrate and Drive Profitable Growth in Existing and New Segments
- 3 Commercialize Global Innovations by Expanding Into New Categories

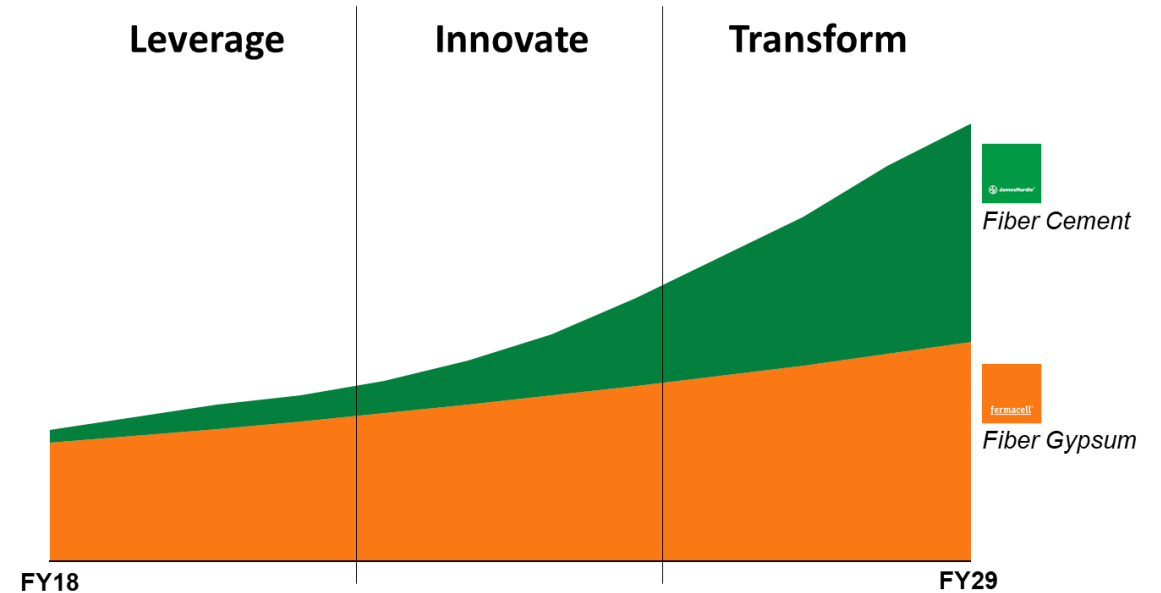
Continued Execution and Expansion of Foundational Initiatives:

- i) LEAN Manufacturing
- ii) Customer Engagement
- iii) Supply Chain Integration



Zero Harm & ESG

## Europe Path to € 1BN at 20+% Margin

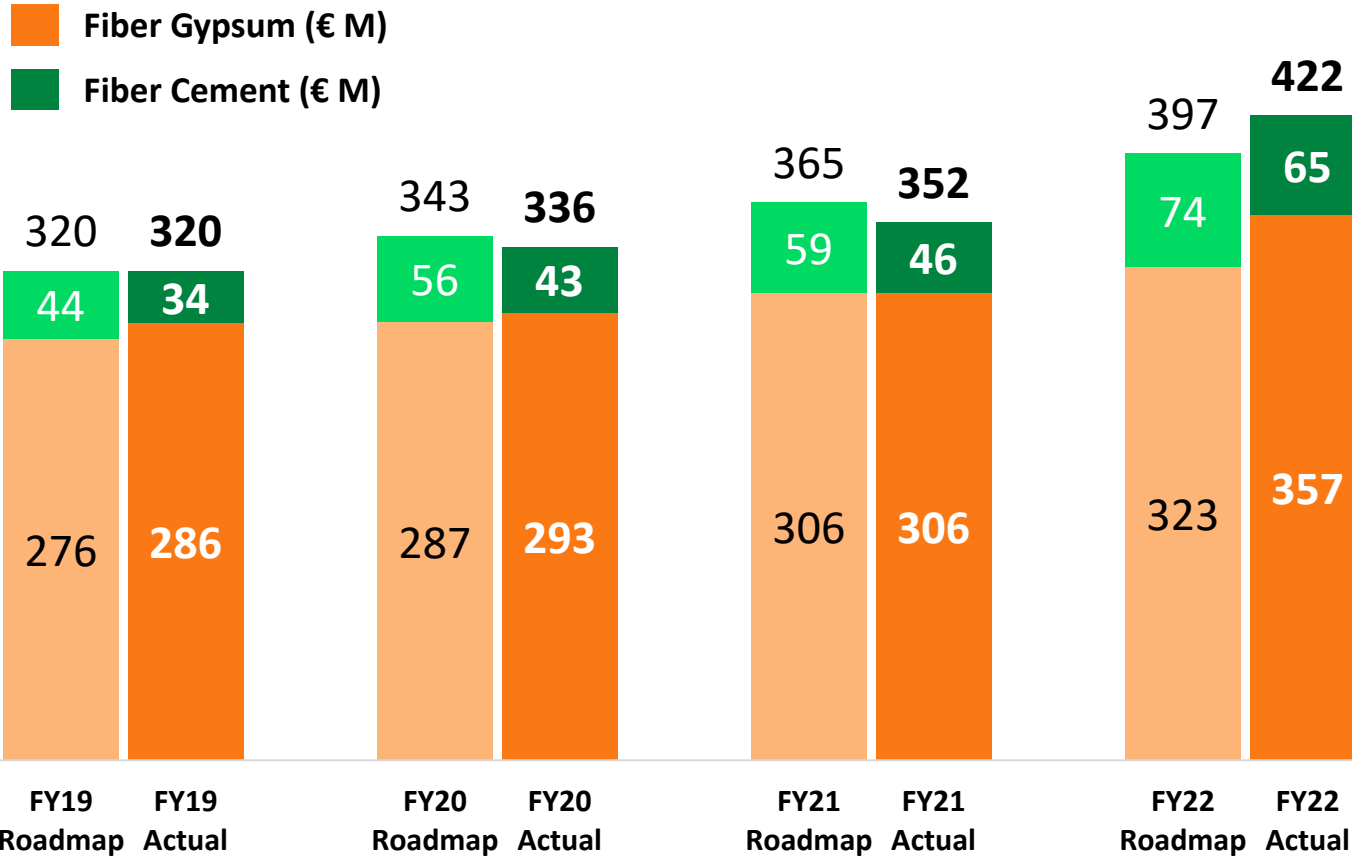


As first presented June 25<sup>th</sup>, 2018

# EUROPE LONG TERM AMBITION ON TRACK THROUGH FIRST FOUR FISCAL YEARS

## Historical Europe Net Sales

Original €1Bn Roadmap vs. Actuals (€ Millions)



	Last 4 years	To Reach €500M by FY29
Fiber Cement	20% CAGR	34% CAGR
Fiber Gypsum	7% CAGR	5% CAGR
Total	9% CAGR	13% CAGR

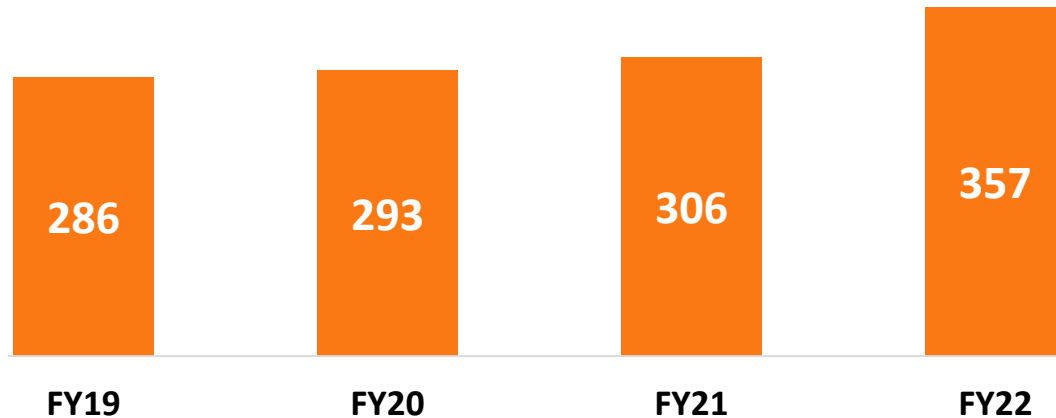


**EUROPE: FIBER GYPSUM GROWTH**  
**Henning Risse, Sales Director – Europe**



# CLEAR PATH TO €500 MILLION IN FIBER GYPSUM NET SALES

## Historical Fiber Gypsum Net Sales (€ Millions)



- 2004-17: 5.4% Net Sales CAGR
- Last 4 years; 7% Net Sales CAGR with clear, proven strategy to get to €500 million in Net Sales
- Focus on key growth segments:
  - Renovation segment
  - Pre-fabrication segment
- Demand generation program for high-margin products



Pre-fabrication construction in Germany

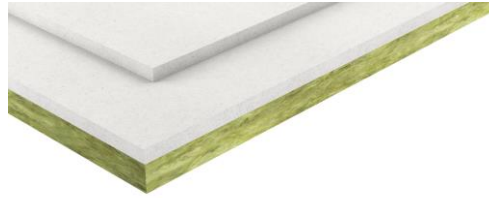
# FIBER GYPSUM PRODUCT SUMMARY



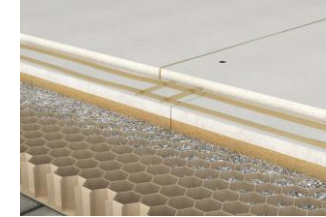
## Product

## Application

Flooring Elements  
for Renovation



fermacell® Flooring Element



Renovation Application



Wall Board for  
Pre-Fabrication



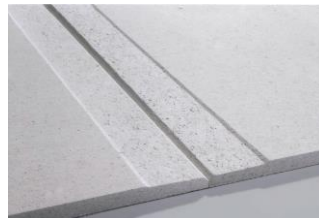
fermacell® Large Format Wall Boards



Pre-Fabrication Application



Wall Board for  
Dry Lining



fermacell® Tapered Edge Wall Boards

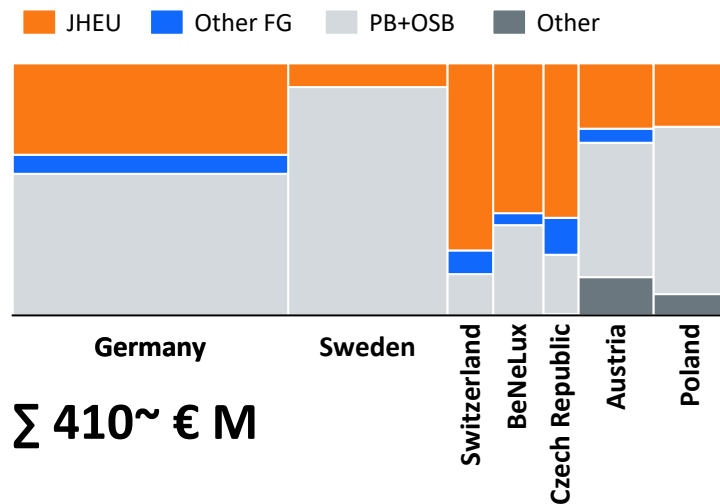


Dry-Lining Application



# SELECTED GROWTH OPPORTUNITIES IN FIBER GYPSUM

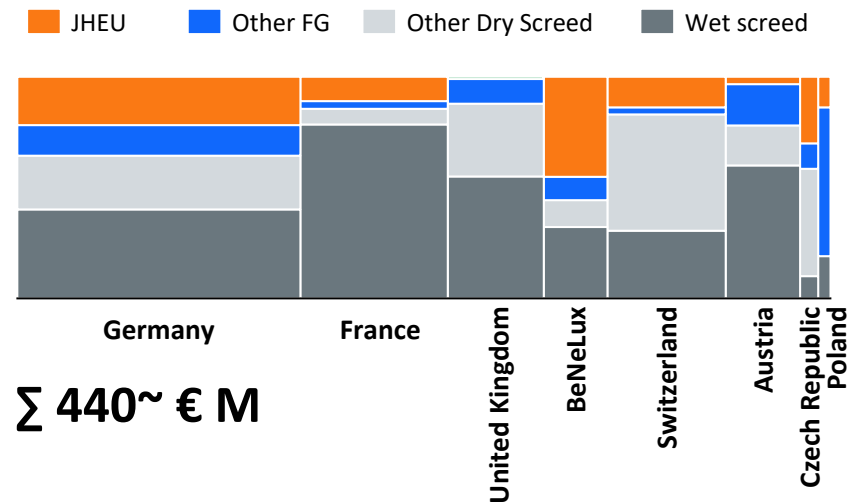
## Pre-Fabrication Timber Frame Market (€ M)



### Value Proposition

1. One layer vs. two layer
2. Fire protection (A2 rated)
3. Price and supply reliability vs. OSB

## Addressable Flooring Renovation Market (€ M)



### Value Proposition

1. Fast – continue working after 24h
2. 100% dry solution
3. Low installation height – from 20mm



# LAUNCH OF FLOORING INNOVATION TO ENABLE GROWTH IN NEW APPLICATIONS

- Main Fiber Gypsum product for renovation is fermacell® flooring
- In the past JHEU did not offer a competitive solution for underfloor heating
- Roughly 50% of renovations in Germanic region include an underfloor heating solution\*



First Therm 25 reference project (Germany)



New fermacell® Therm 25 is a thin, fast and dry solution for underfloor heating launched in Germanic region, and additional countries to follow in FY23

## EUROPE – FIBER GYPSUM SUMMARY

Clear path to €500 million of Fiber Gypsum Net Sales with proven track record of >5% CAGR

Two substantial growth opportunities in Pre-Fabrication and Flooring

New innovation (Therm25) for significant under floor heating market





## **EUROPE: FIBER CEMENT GROWTH**

**Tobias Bennerscheidt, Director Marketing & Segments**



# INNOVATION BUILDING THE PATH TO €500 MILLION IN FIBER CEMENT NET SALES



**Fiber Cement Plank: €120 - €150 Million in Net Sales  
(from FY22 Net Sales of €38 Million)**



**Fiber Cement Panel: €180 - €230 Million in Net Sales  
(from FY22 Net Sales of €4 Million)**

- Fiber Cement Backer/Accessories: €50 - €75 Million in Net Sales  
(from FY22 Net Sales of €23 Million)
- Additional innovation, existing and new market penetration, and shift into  
adjacencies will enable us to reach Net Sales of €500 million and beyond



**Two key Fiber Cement growth opportunities to take a significant step  
toward €500 million in Fiber Cement Net Sales**

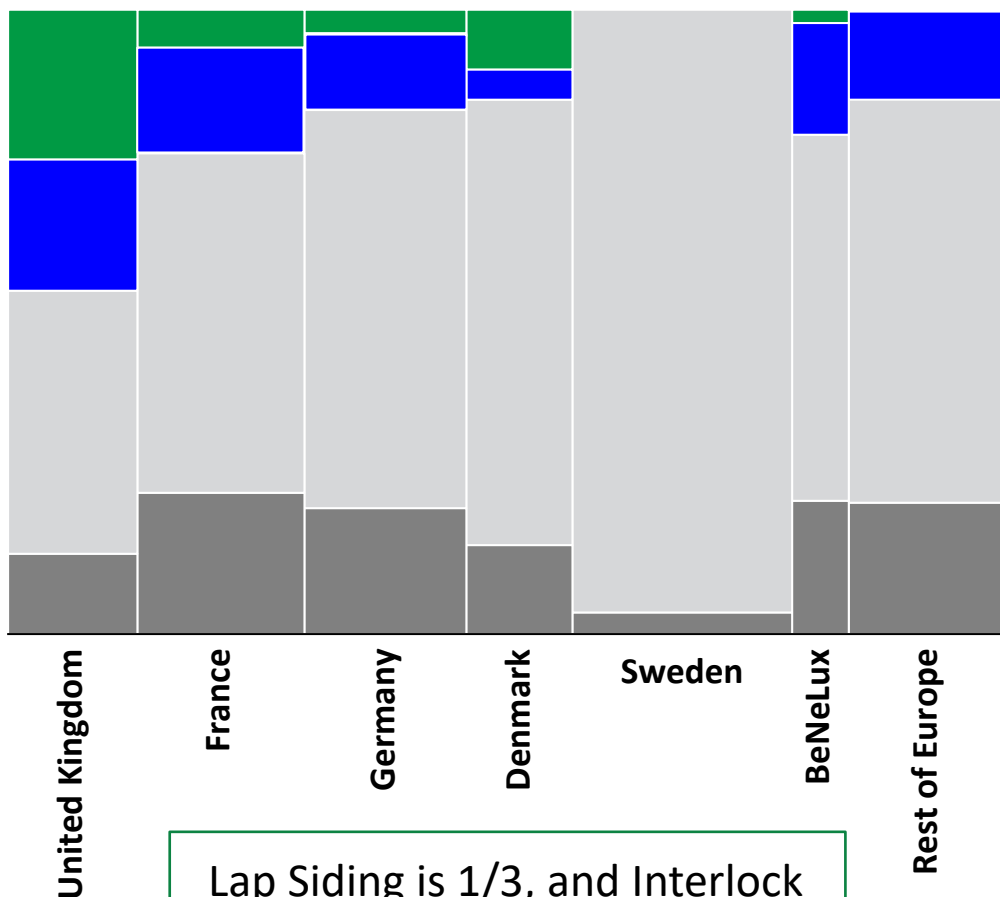
# LAP SIDING AND INTERLOCK SIDING



# SIGNIFICANT FIBER CEMENT GROWTH POTENTIAL IN PLANK MARKET

European Plank Market  $\Sigma \sim \text{€}660 \text{ Million}$

■ JH  
 ■ Competitive FC  
 ■ Wood  
 ■ Other



Lap Siding is 1/3, and Interlock is 2/3 of the Plank market\*

## Plank Growth Strategy

- 1** Deliver Full Plank portfolio with innovation of Hardie® VL Plank product
- 2** Win Category Share vs Competitive Fiber Cement
- 3** Enter the largest Plank market in Europe – Sweden
- 4** Win Market Share as the Fiber Cement category leader vs. wood

Long term ambition: 120-150 Million € in Net Sales

# HARDIE® VL PLANK – WINNING CATEGORY SHARE



## Winning Share vs Fiber Cement Competition

- At least 20% faster installation
- Most natural wood look
- IP protected
- Durability and low maintenance:
  - James Hardie proven Fiber Cement substrate
  - ColorPlus® Technology
- 15 year warranty – better than competitors





# SOCIAL MEDIA STRATEGY DRIVING INSTALLER LEAD GENERATION...

**James Hardie** Gesponsert · 🌐

Gut. Einfach. Schnell. Hardie® VL Plank Fassadenverkleidungen. Überzeugen Sie sich und Ihre Kunden mit einem kostenlosen Muster.

Dank innovativem Nut-Feder-System ohne zusätzliche Clips.

Jetzt **Gratis-Muster bestellen.** [Mehr dazu](#)

👍❤️👍 27

👍 Gefällt mir    💬 Kommentieren    ➦ Teilen

**James Hardie** Gesponsert · 🌐

Easy. Fast. Better. Hardie VL facade cladding wins you over with a remarkably genuine cedar finish in six colours.

Hardie® VL Plank samples: Order now free of charge.

Secure a free sample to wow your clients. [Order now](#)

👍❤️👍 27

👍 Gefällt mir    💬 Kommentieren    ➦ Teilen

**James Hardie** Gesponsert · 🌐

Bestill vareprover i dag. Du får en gratis sompisto til en værdi af 5.000kr. Ved din første ordre på 50m2 eller mere.

Hurtig montage. Overbevisende resultat.

Bestil en vareprøve i dag.

Gratis Hardie VL Plank ... [Angebot nu](#)

👍❤️👍 27


👍 Gefällt mir    💬 Kommentieren    ➦ Teilen

More than 3,000 installer leads generated in the three months from May-July 2022



# ...TURNING THESE LEADS INTO BUSINESS TOGETHER WITH CUSTOMERS...



 Execution of push/pull strategy: converting installer leads into sales for our customers



# ...LEADING TO NEW PROJECTS WITH HARDIE® VL PLANK IN EUROPE



Switzerland



United Kingdom



Netherlands



Germany

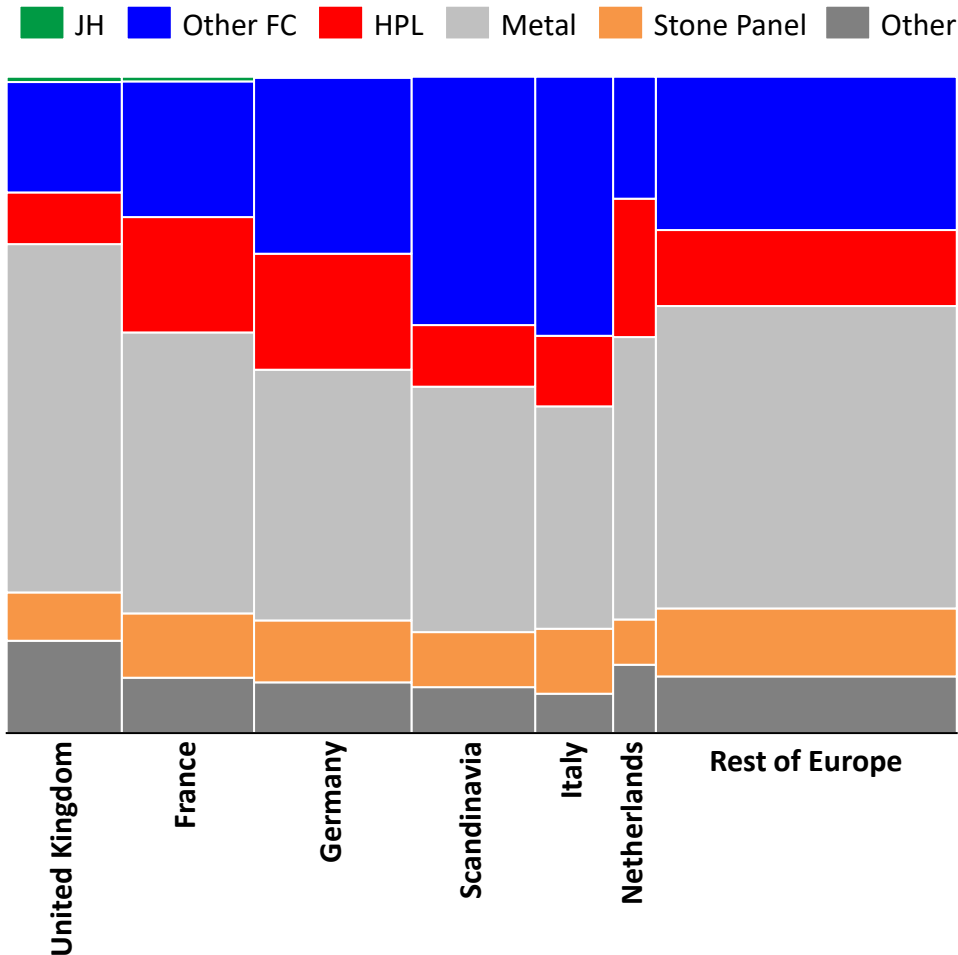
Hardie® VL Plank helped drive Fiber Cement growth of 41% in FY22 over FY21



**Hardie® Panel**

# SIGNIFICANT GROWTH OPPORTUNITY IN EUROPEAN PANEL MARKET

European Panel Market  $\Sigma \sim \text{€ } 1.6 \text{ Billion}$



- Large addressable market of ~€1.6 Billion annually
- Fiber Cement is a proven and accepted technology in this market with ~20-22% market share
- HPL with ~10-15% market share; being removed and/or banned from certain markets due to flammability concerns
- Market has begun to shift to textured aesthetics
- Market demanding high fire rated products

## JAMES HARDIE RIGHT TO WIN IN EUROPEAN PANEL MARKET

- World leader in Fiber Cement – entering a market with high Fiber Cement acceptance
- James Hardie Fiber Cement with A2 Fire rating
- James Hardie offers the low cost solution, delivering cost savings to the project
- James Hardie can deliver superior textured aesthetics
- James Hardie medium density fiber cement manufacturing capability enabling low cost leadership cannot be matched in Europe



**JHEU Long term  
ambition: 180-  
230 Million € in  
Net Sales**

# LAUNCHING HARDIE® ARCHITECTURAL PANEL IN EUROPE IN SEPTEMBER 2022



## Design Flexibility

A choice of 'Smooth Sand' or 'Brushed Concrete'<sup>1</sup> textures will enable you to build modern, contemporary designs.

## A2 Fire Rating

James Hardie™ is the global leader of fiber cement products. We offer A2, s1-d0 rated cladding, backed by an industry leading 15-year warranty.

## Affordable Performance

A smart, cost effective solution for every project, giving you style, quality and A2 fire rating at a great price.

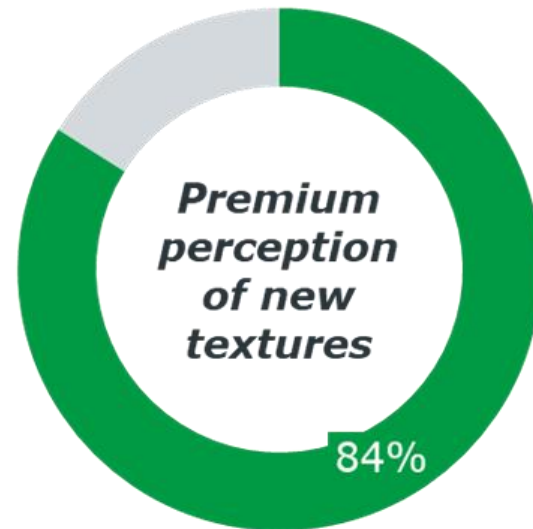


Hardie® Architectural Panel project (Worcester, UK)

# LEVERAGING INSIGHTS TO DEVELOP TEXTURES FOR THE PANEL MARKET

Premium perception of **Brushed Concrete** and **Smooth Sand** textures:

- *“Modern and stylish”*
- *“Top end of the market”*
- *“Love the design options it offers me”*



Based on >90 insight sessions in DE, FR, UK and DK





## A2 FIRE RATED

James Hardie products are A2 rated, meeting the required standards in each country we operate in

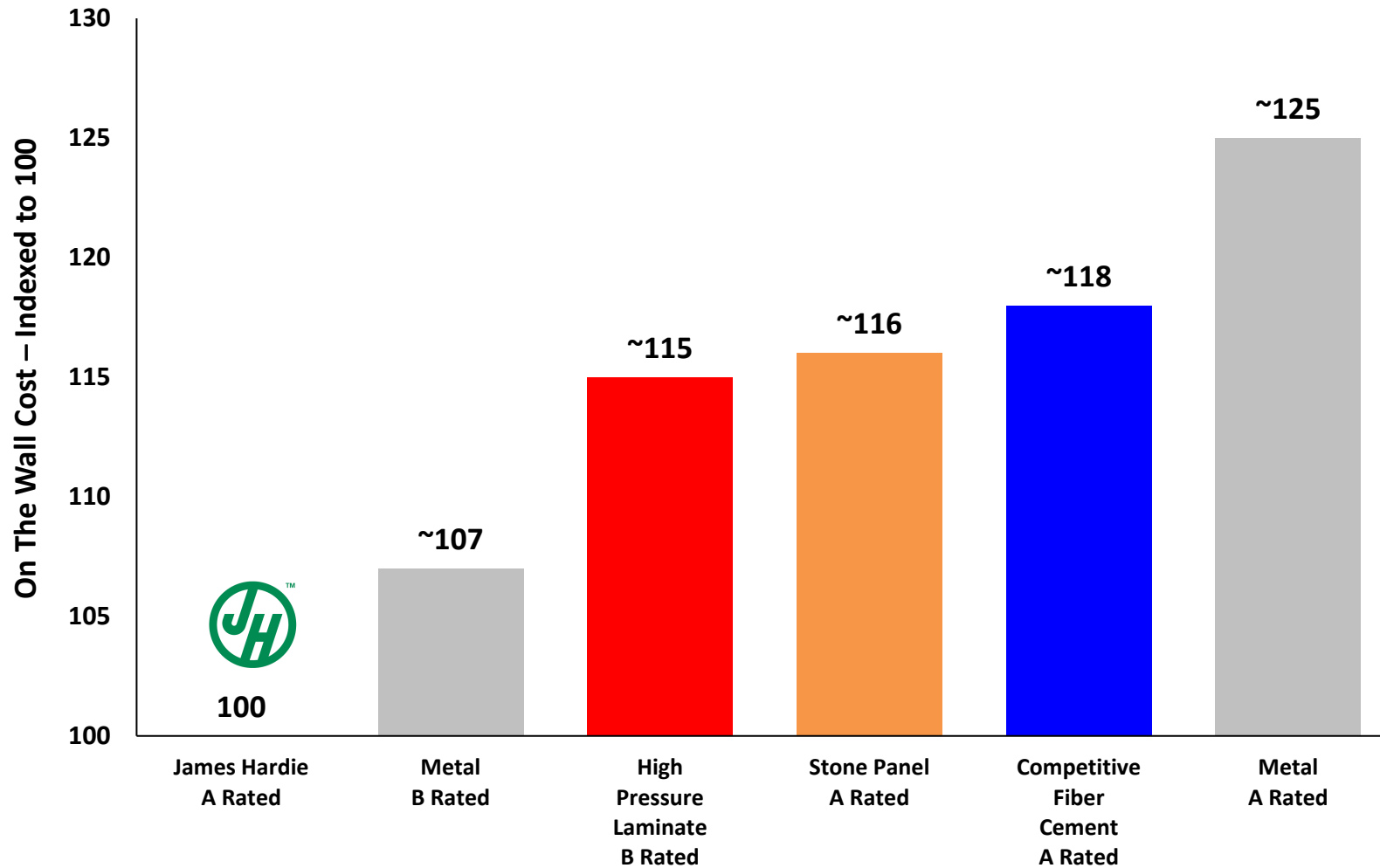
UK fire safety regulations have banned combustible materials in high rise projects over 18 meters<sup>1</sup>

We anticipate similar regulatory fire safety requirements throughout Europe



# LOWEST ON THE WALL COST

### Comparison of Total On The Wall Cost of Panel Applications



**We are the Low Cost Solution for a Large Market Opportunity in Panel Applications**

## EUROPE – FIBER CEMENT SUMMARY

Proven capability to launch innovation successfully (Hardie® VL Plank)

Two key Fiber Cement growth opportunities to take significant step toward €500 million in Fiber Cement Net Sales

New innovation Hardie® Architectural Panel to unlock largest Fiber Cement opportunity in Europe (Panel)



## EUROPE – SUMMARY

Europe's long term ambition remains unchanged at €1 billion in Net Sales and 20+% EBIT Margin

Clear path to €500 million of Fiber Gypsum Net Sales with proven track record

Two key Fiber Cement growth opportunities to take a significant step toward €500 million in Fiber Cement Net Sales





**Q&A**





**EXPERIENCE SESSION #2**





**75 MINUTE LUNCH**





**INVESTOR DAY 2022 – GLOBAL INNOVATION**





# GLOBAL INNOVATION – PRESENTERS



**Dr. Joe Liu**  
Chief Technology Officer



**Dr. Alan Miller**  
Director, Global Innovation -  
Europe



# AGENDA

## Investor Day 2022 – Global Innovation

### Topic

### Presenter

Innovation Approach

Joe Liu

Global Technologies  
and Capabilities

Joe Liu

Innovation Driving  
Future Growth

Alan Miller



# GLOBAL INNOVATION – SUMMARY

Targeted innovation approach driven by mega trends and customer insights that inform our innovation process

James Hardie has the capability to deliver innovations through our Global technologies and unique capabilities that help enable innovation with market valued features

Innovation is critical to driving profitable growth in all current markets as well as potential new markets





**GLOBAL INNOVATION: INNOVATION APPROACH**  
**Joe Liu, Chief Technology Officer**



# INNOVATION - A CRITICAL ELEMENT TO OUR STRATEGY

## Drive Profitable Global Growth

- 1 Market to Homeowners to Create Demand
- 2 Penetrate and Drive Profitable Growth in Existing and New Segments
- 3 Commercialize Global Innovations by Expanding Into New Categories

Innovation is important to help continue to drive Profitable Global Growth

### Continued Execution and Expansion of Foundational Initiatives:

- i) LEAN Manufacturing
- ii) Customer Engagement
- iii) Supply Chain Integration



**Zero Harm & ESG**

# OUR INNOVATION – CONTINUES TO BUILD ON GLOBAL MEGA TRENDS

## Mega Trends



**Labor Shortages**



**Affordable Housing**



**Urbanization**



**Mixed Design  
& Materials**

## Implications

- Need for increased productivity
- On-the-wall cost challenge
- Need for quality materials made to last

- Shortage of urban housing; Building up instead of out
- Increased pollution, use of virgin resources, waste

- Homeowners desire multiple textures, profiles, colors
- Increased builder and trade complexity

## JH Positioning and Plans

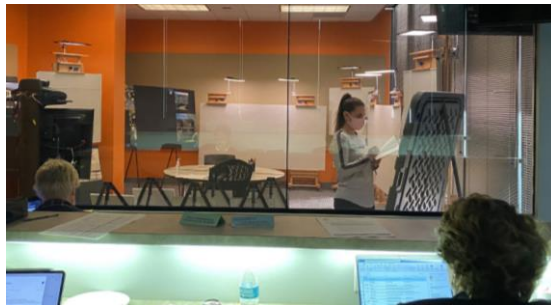
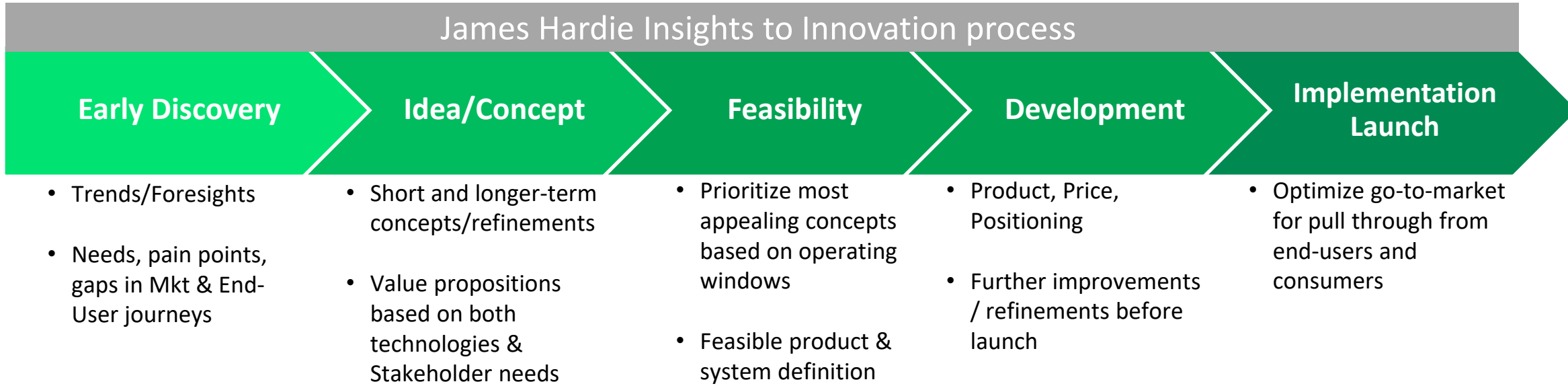
- Pre-finished color and textures
- Systems approach to solutions
- Fiber cement recognized for cost effective performance, durability & low maintenance

- Solutions for Multi-Family, Single Family, and Repair & Remodel
- Sustainability focus in raw materials, products, and manufacturing processes

- Innovation roadmap delivering curated portfolio of looks, formats, textures to gain share from other cladding types and materials

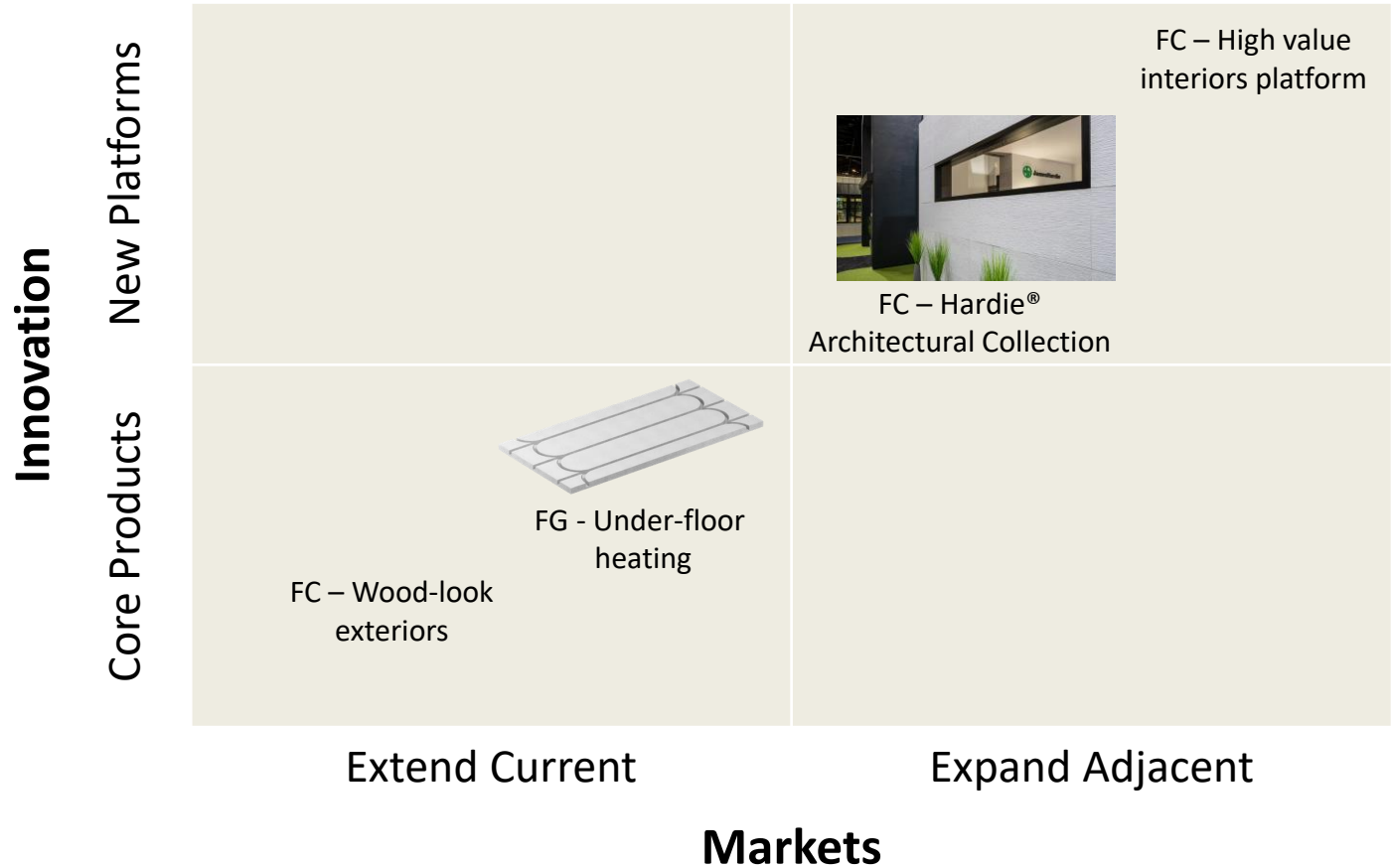
# OUR INNOVATION – CONSUMER-FOCUSED & CUSTOMER-DRIVEN WITH THE INSIGHTS

## James Hardie Insights to Innovation process



Insights from all key stakeholders throughout the entire Innovation process

# OUR PORTFOLIO OF INNOVATION COVERS BOTH CORE & NEW PLATFORMS (Examples)



FC: Fiber Cement  
FG: Fiber Gypsum

Growing our business across the product portfolio





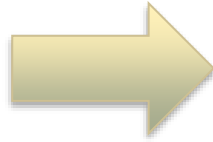
**GLOBAL INNOVATION: TECHNOLOGIES AND CAPABILITIES**  
**Joe Liu, Chief Technology Officer**



# OUR GLOBAL TECHNOLOGIES & ENABLERS – DELIVER INNOVATION TO MEET MARKET NEEDS



Insights to Innovation



Surfaces & Aesthetics



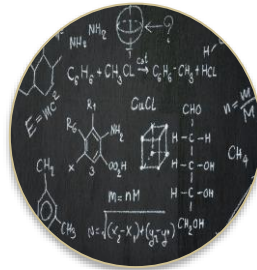
Coatings



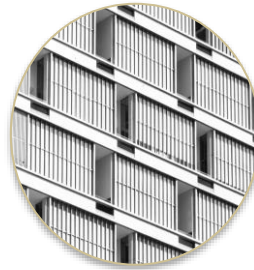
Joining Systems



Intellectual Property



Materials Technology



Composites



Analytical Labs

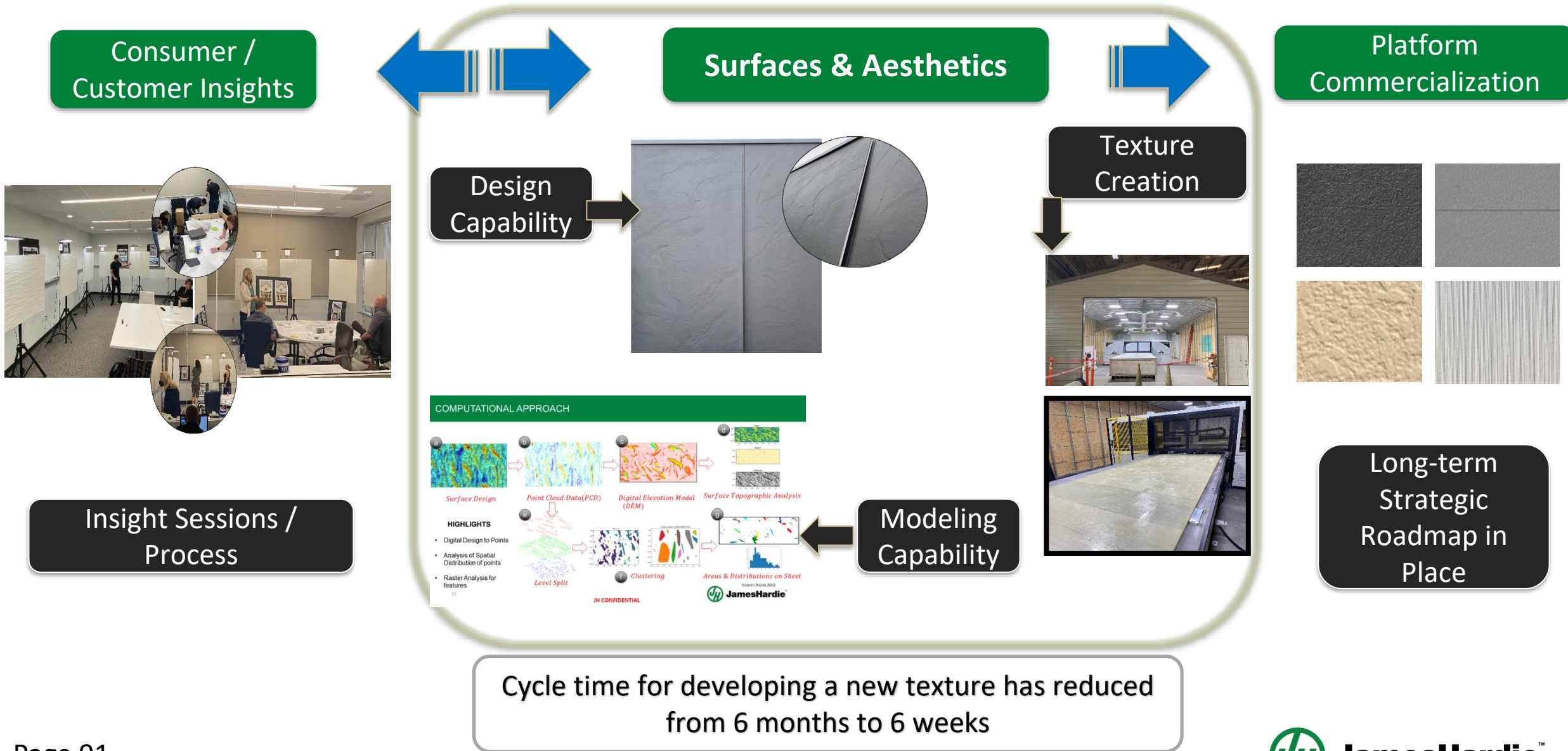


Application Engineering



















Process Design & Technology

# GLOBAL TECHNOLOGY CASE STUDY – SURFACES & AESTHETICS



# OUR CAPABILITIES – ARE ALIGNED AND LEVERAGED TO DELIVER GROWTH OUTCOMES

Functional Capabilities		New Platforms			Core Products		
		EXTERIORS	INTERIORS	Fiber Gypsum	NA Core	APAC Core	EU Core
Insights to Innovation							
Surfaces		✓	✓		✓	✓	✓
Coatings		✓	✓		✓		
Joining Systems		✓	✓		✓	✓	✓
Composites			✓	✓			✓
Materials Technology							
Process Design & Technology							
Analytical Labs							
Intellectual Property							
Application Engineering							

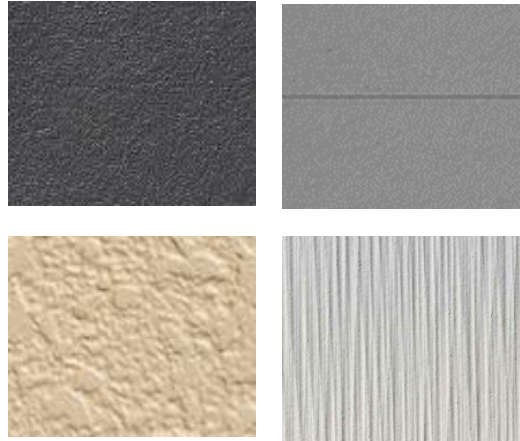


**GLOBAL INNOVATION: INNOVATION DRIVING FUTURE GROWTH**  
**Alan Miller, Director, Global Innovation - Europe**

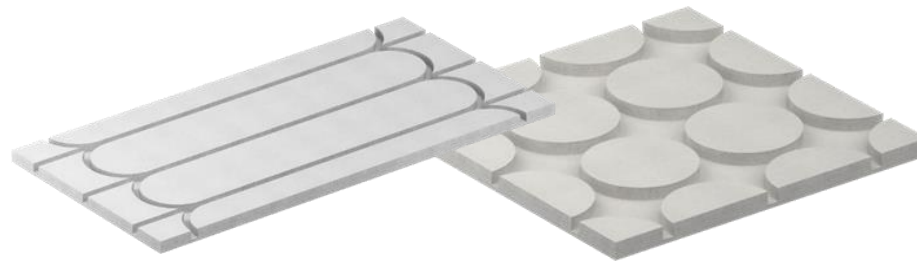


# ALIGNING MEGA TRENDS AND OUR CAPABILITIES TO DELIVER INNOVATION

## Mega Trends



**Hardie™ Architectural Collection**



**Therm25 Under-floor Heating**

## Our Technologies & Capabilities



# UNLOCKING THE MODERN LOOK WITH HARDIE ARCHITECTURAL COLLECTION



APAC

NA

EU



# TRANSFORMING THE UNDER-FLOOR HEATING MARKET IN EUROPE WITH THERM25

## The Innovation:

Replacing traditional wet screed process with easy & fast dry FG product



## The Benefits:

Benefits to every stakeholder in the value chain

## Customers/Contractor

- **More profitable** vs. wet screed
- **Less time** needed

## Home-owner

- **Fast** – Wet screed takes 28 days to dry
- **Dry** – No moisture damages



# GLOBAL INNOVATION – SUMMARY

Targeted innovation approach driven by mega trends and customer insights that inform our innovation process

James Hardie has the capability to deliver innovations through our Global technologies and unique capabilities that help enable innovation with market valued features

Innovation is critical to driving profitable growth in all current markets as well as potential new markets





**Q&A**





**EXPERIENCE SESSION #3**





**15 MINUTE BREAK**





**INVESTOR DAY 2022 – GLOBAL CAPACITY**



# PRESENTER



**Ryan Kilcullen**  
EVP Operations



# AGENDA

## Investor Day 2022 – Global Capacity

Topic

Presenter

JH Operational Advantage

Ryan Kilcullen

Global Capacity Expansion Strategy

Ryan Kilcullen



## GLOBAL CAPACITY – SUMMARY

Operational scale advantage centered around a network of strategically located plants near our customers & inputs

A culture of continuous improvement with clear strategies to enhance our capabilities

We have a global capacity expansion strategy to enable the profitable growth plans in all three regions



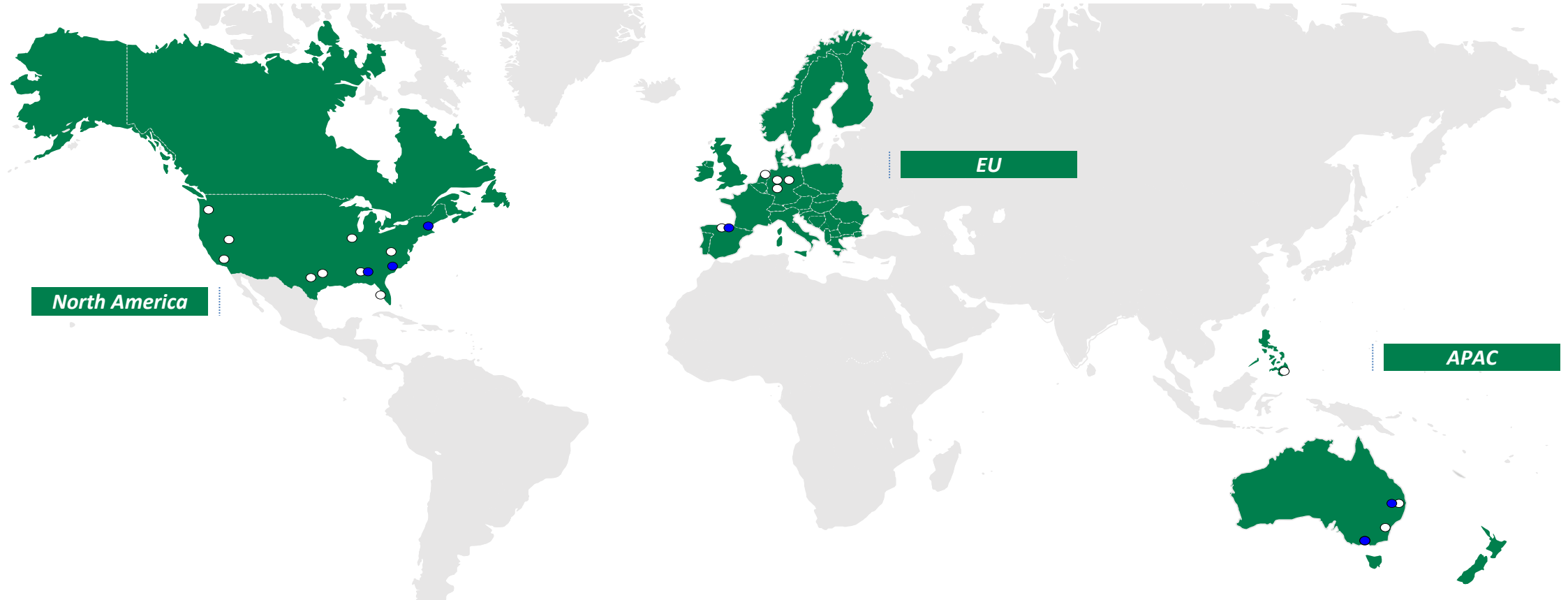




**GLOBAL CAPACITY: JH OPERATIONAL ADVANTAGE**  
**Ryan Kilcullen, EVP Operations**



# GLOBAL MANUFACTURING & ENGINEERING CAPABILITIES



## World Leader in Fiber Cement

- 14 fiber cement factories globally, 5 fiber gypsum factories in EU
- 28 installed fiber cement sheet machines globally
- 10 installed ColorPlus® lines in North America
- Protected capabilities enabling unique product differentiation

## Industry Leading Expertise

- 3 Innovation and R&D centers across the globe
- 100+ engineers in our central teams
- Regional centers of excellence in Lean manufacturing
- 3,000+ global manufacturing employees

# JH MANUFACTURING ADVANTAGE

## 1 FC Manufacturing Scale Advantage



Significant scale advantage (throughput)  
in our sheet machine technology

Internal capabilities to continue to  
advance our FC process technology

## 2 Agile Manufacturing Network

Flexible lines allow us to produce a range  
of products on each sheet machine



## 3 High Value Product Capabilities & Scale



ColorPlus® manufacturing scale  
advantage while enabling full offering

Specialized Trim, Soffit, & Shingle  
manufacturing

**Delivering wide range of high value products with industry leading  
manufacturing scale advantage**

# JH SUPPLY CHAIN ADVANTAGE

## 1 Strategically located network of plants

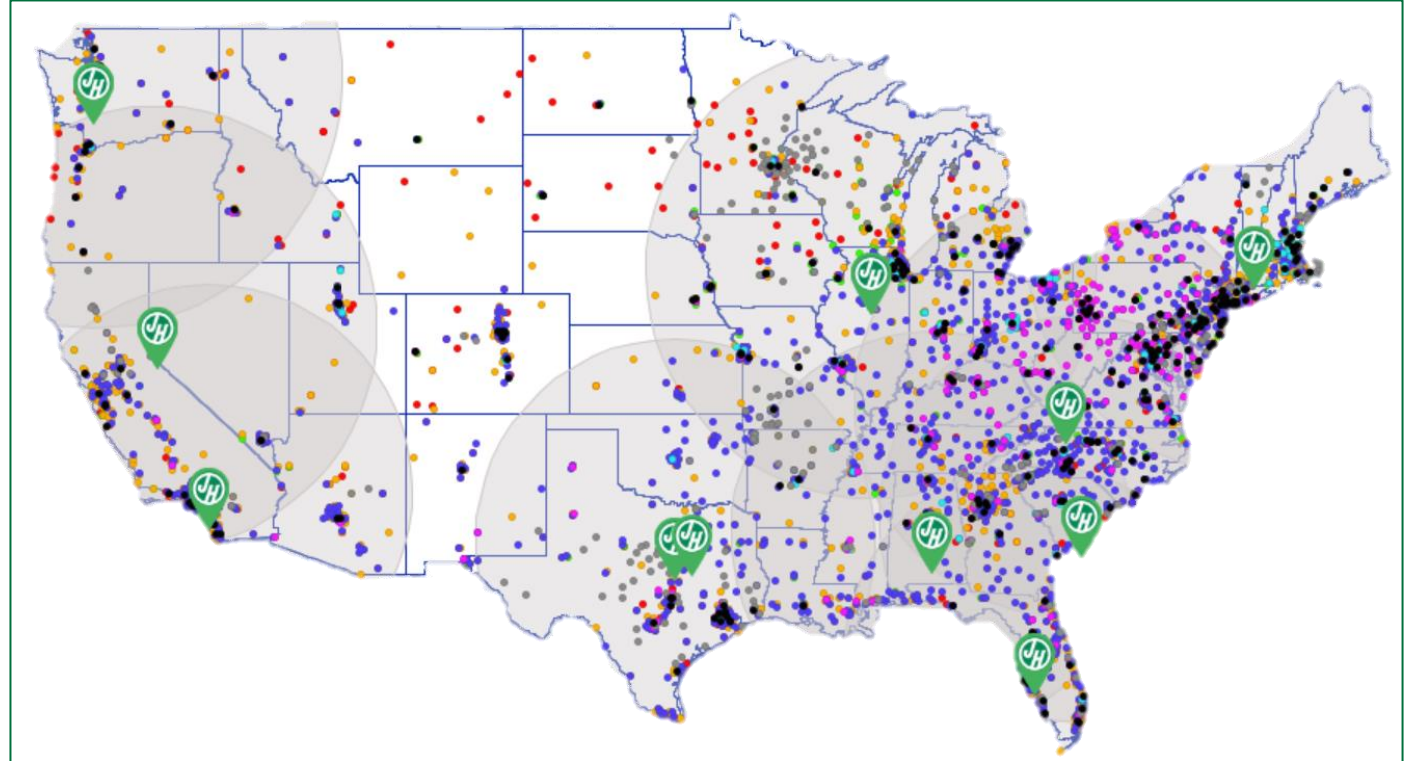
- Raw material availability enables proximity to our customers with a local supply chain

## 2 Responsive to regional shifts in demands

- Network footprint enables highly efficient & fast plant/customer sourcing adjustments

## 3 Scale enables high degree of customer choice while maintaining logistical efficiencies

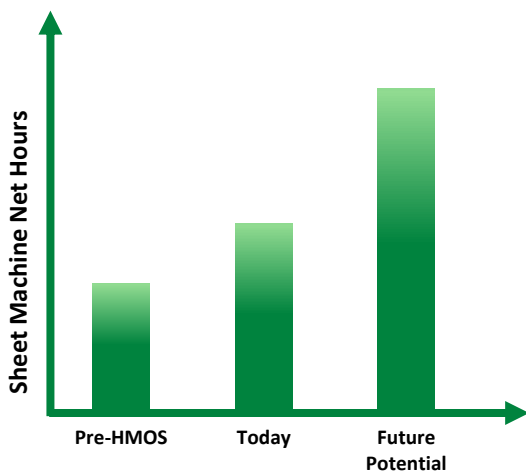
- Able to service customers of all sizes with the right balance of product choice & supply chain efficiency



*\*Represents James Hardie North America manufacturing locations and largest North America customer locations.*

# CONTINUOUS IMPROVEMENT OPPORTUNITIES REMAIN LARGE

## Hardie® Manufacturing Operating System



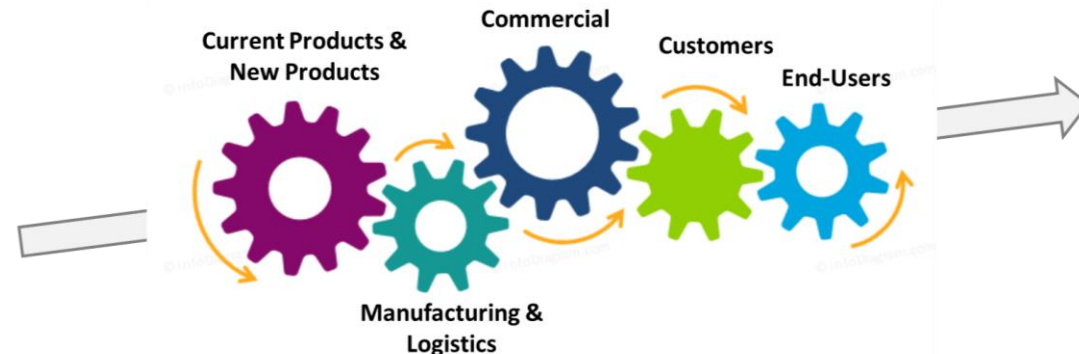
Similar opportunities exist in:

- Total Site Yield (on-going)
- Sheet Machine Speed (planned, not started)
- Post-Autoclave Operations & Process Automation (not started)

HMOS Delivered \$215M in savings FY20 – FY22

## Integrated Supply Chain

Building on our Supply Chain Advantage with digital transformation that further integrates us with the customer



**We have clear strategies to drive continuous improvement in our operations to add to our competitive advantage**

## OPERATIONAL ADVANTAGES SUMMARY

James Hardie is the world leader in fiber cement & embraces continuous improvement.

Significant scale advantage in our Fiber Cement operations

Network of plants that is strategically located near our Customers & inputs

Flexible supply chain that can quickly & efficiently respond to shifts in demand

Culture of continuous improvement with clear strategies to enhance our capabilities



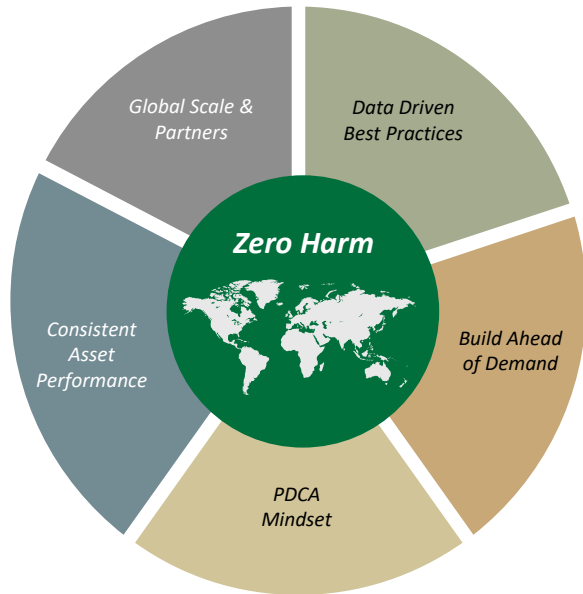
# GLOBAL CAPACITY: GLOBAL CAPACITY EXPANSION STRATEGY

Ryan Kilcullen, EVP Operations



# AN INTEGRATED STRATEGY TO ENABLE PROFITABLE GROWTH

## Key pillars of Global Capacity Expansion strategic plan:

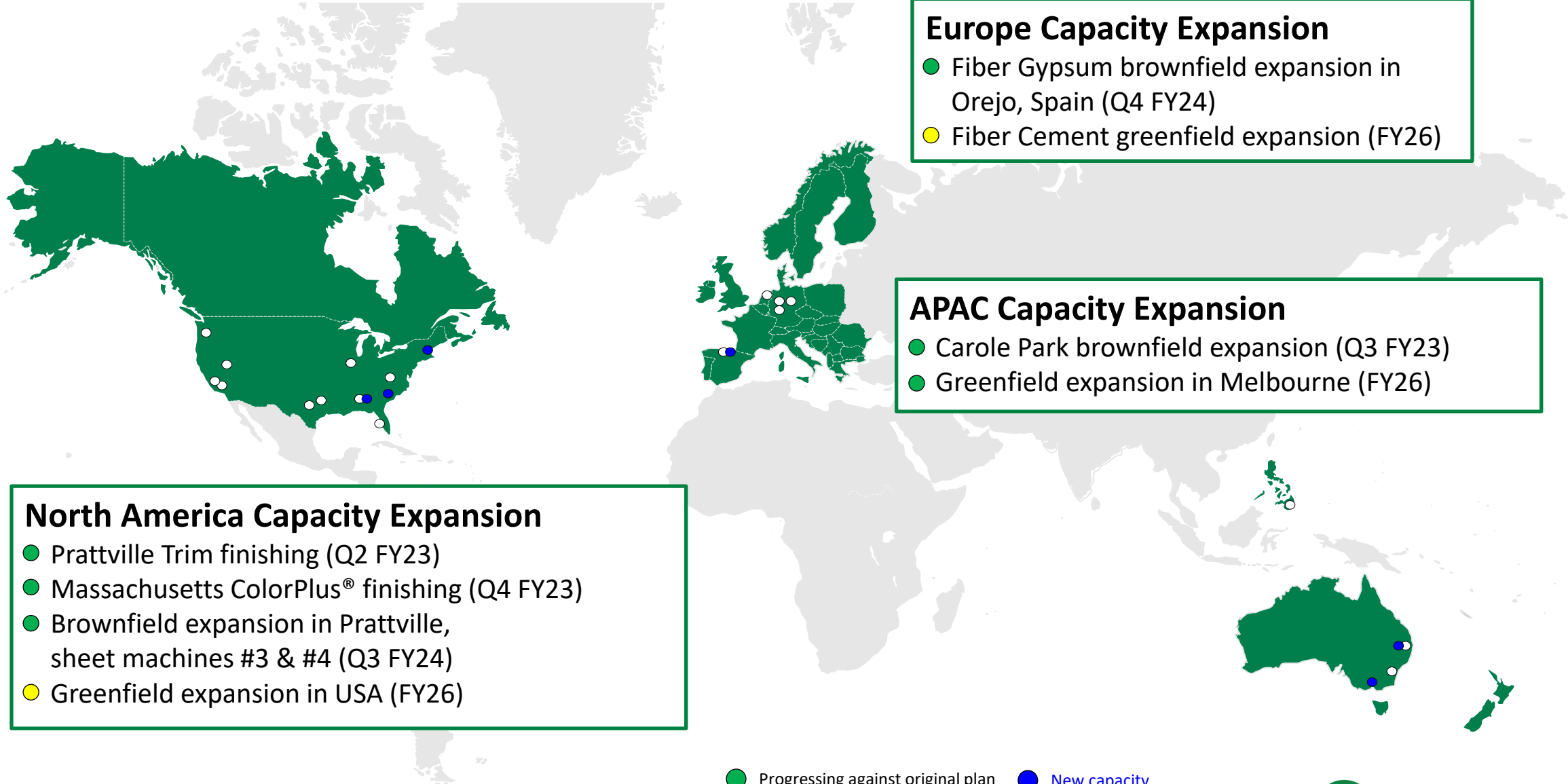


- 1 Zero Harm foundation
- 2 High category share regions: bias to always invest ahead of demand
- 3 Global organization created to leverage JH & partner capabilities
- 4 Data driven best practice focus in people, process, & systems
- 5 Management systems in place to continuously check & adjust
- 6 Build assets with financial returns inline with historical JH results

**Our Global Capacity Expansion plan will enable profitable growth in all regions & build on impressive JH ROCE outcomes**



# GLOBAL CAPACITY EXPANSION



## North America Capacity Expansion

- Prattville Trim finishing (Q2 FY23)
- Massachusetts ColorPlus® finishing (Q4 FY23)
- Brownfield expansion in Prattville, sheet machines #3 & #4 (Q3 FY24)
- Greenfield expansion in USA (FY26)

## Europe Capacity Expansion

- Fiber Gypsum brownfield expansion in Orejo, Spain (Q4 FY24)
- Fiber Cement greenfield expansion (FY26)

## APAC Capacity Expansion

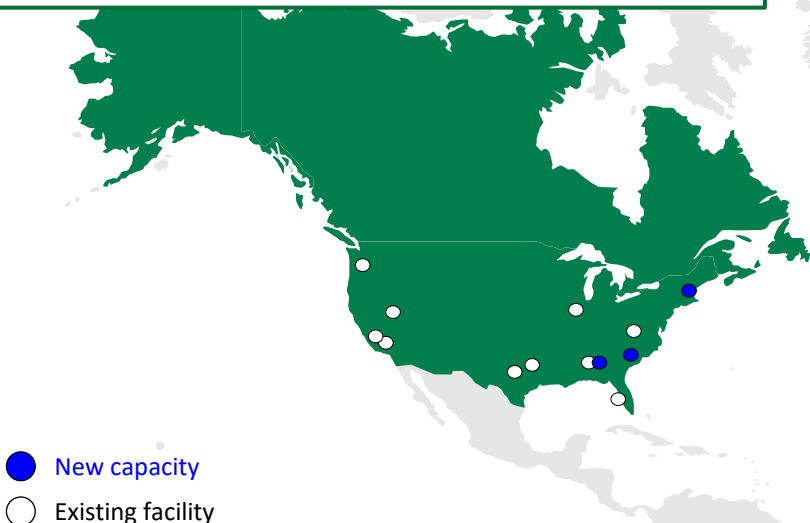
- Carole Park brownfield expansion (Q3 FY23)
- Greenfield expansion in Melbourne (FY26)

- Progressing against original plan
- New capacity
- Delayed, planning to continue
- Existing facility

# NORTH AMERICA CAPACITY EXPANSION

## Current N. America Capacity Summary:

- Nameplate FC Capacity: 4,626 mmsf
- Number of FC Sheet Machines: 21
- Number of ColorPlus® Lines: 10



## North America Capacity Expansion

- Prattville Trim finishing (Q2 FY23)
- Massachusetts ColorPlus® finishing (Q4 FY23)
- Brownfield expansion in Prattville, sheet machines #3 & #4 (Q3 FY24)
- Greenfield expansion in USA (FY26)

### Q2 FY23

High Value Product Capability	HZ10 Trim
-------------------------------	-----------

3<sup>rd</sup> Specialized Trim Line



### Q4 FY23

High Value Product Capability	ColorPlus®
-------------------------------	------------

11<sup>th</sup> ColorPlus Line



### Q3 FY24

Fiber Cement Capacity	Nameplate: 600mmsf
-----------------------	--------------------

22<sup>nd</sup> & 23<sup>rd</sup> FC Sheet Machines



# APAC CAPACITY EXPANSION

## Current APAC Capacity Summary:

- Nameplate FC Capacity: 612 mmsf
- Number of FC Sheet Machines: 7



## APAC Capacity Expansion

- Carole Park brownfield expansion (Q3 FY23)
- Greenfield expansion in Melbourne (Q1 FY26)

### Q3 FY23

Fiber  
Cement  
Capacity

Nameplate:  
59mmsf

Expansion of Existing  
FC Plant



### Q1 FY26

Fiber  
Cement  
Capacity

Nameplate:  
240mmsf

8<sup>th</sup> Sheet Machine



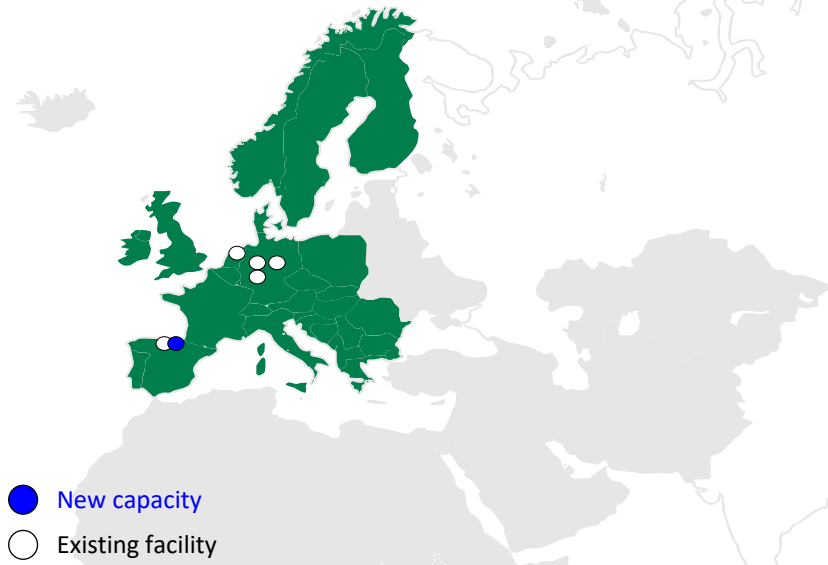
## APAC Greenfield Investment Approach:

- Acquired land and building infrastructure for 2+ FC sheet machines
- Phase 1 (referenced above) will deliver 1 FC sheet machine & product capabilities to continue high value product mix shift

# EUROPE CAPACITY EXPANSION

## Current EU Capacity Summary:

- Nameplate FG Capacity: 1,143 mmsf
- Number of FG Production Lines: 5
- Nameplate FC Capacity: 0 mmsf



## Europe Capacity Expansion

- Fiber Gypsum brownfield expansion in Orejo, Spain (Q4 FY24)
- Fiber Cement greenfield expansion (FY26+)

### Q4 FY24

Fiber Gypsum Capacity	Nameplate: 252mmsf
-----------------------	--------------------

6<sup>th</sup> Fiber Gypsum Line

Orejo Fiber Gypsum Brownfield



### FY26+

Fiber Cement Capacity	Nameplate: 300mmsf
-----------------------	--------------------

1<sup>st</sup> FC Sheet Machine

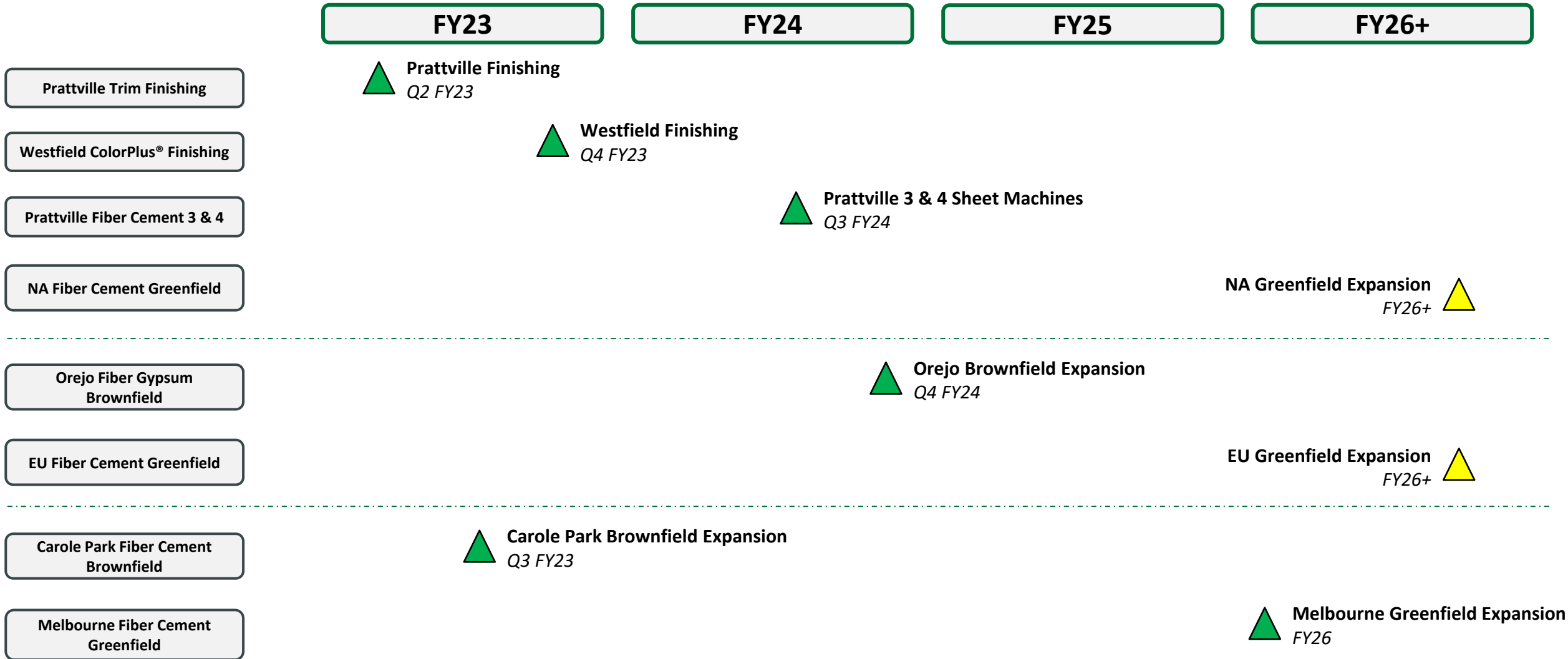
EU Fiber Cement Greenfield



## EU Greenfield Investment Approach:

- Project is in final stages of land acquisition
- Site planned to have multi-phase expansion capabilities, with Phase 1 (shown above) delivering 1 FC sheet machine (similar to APAC)
- Current FC demand in EU is sourced from N. America plants

# GLOBAL CAPACITY TIMELINES



## GLOBAL CAPACITY EXPANSION SUMMARY

We have a fully integrated plan to deliver capacity ahead of demand while leveraging our vast, global capacities.

We have a global capacity expansion strategy to enable the profitable growth plans in all three regions

We have built a global organization to leverage the vast experience of our teams & partners to ensure efficient replication of best practices

We have a management system in place to continuously monitor the timing requirements of our capacity adds. We will continue to adjust when needed

## GLOBAL CAPACITY – SUMMARY

Operational scale advantage centered around a network of strategically located plants near our customers & inputs

A culture of continuous improvement with clear strategies to enhance our capabilities

We have a global capacity expansion strategy to enable the profitable growth plans in all three regions





Q&A







# **CLOSING: WHY JAMES HARDIE?**

## **Aaron Erter, CEO**



# CONTROL WHAT WE CAN CONTROL

We are navigating market uncertainty

We will control what we can control

We plan to win regardless of market conditions

We will accelerate and expand our competitive advantages



# RIGHT GLOBAL STRATEGY TO DELIVER GROWTH

1

**Market to Homeowners to Create Demand**

2

**Penetrate and Drive Profitable Growth in Existing and New Segments**

3

**Commercialize Global Innovations by Expanding Into New Categories**

**Continued Execution and Expansion of Foundational Initiatives:**

- i) **LEAN Manufacturing**
- ii) **Customer Engagement**
- iii) **Supply Chain Integration**



## Zero Harm & ESG

# ZERO HARM & ESG UNDERPIN THE GLOBAL STRATEGY



Our conviction that every incident is preventable

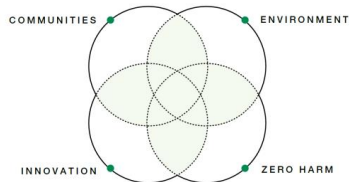


Zero Harm is a Foundational, Non Negotiable element of our Global Culture

James Hardie Investor Day 2022

## OUR PILLARS

James Hardie's sustainability strategy integrates our global strategy for value creation and operational performance. It focuses on our four key pillars of Communities, Environment, Innovation and Zero Harm.



### COMMUNITIES

With a global mindset, we carefully manage our business impact by employing, sourcing, delivering and giving locally.



### ENVIRONMENT

We seek to minimize our impact on the environment, and we prioritize the management of water, waste, energy and emissions.



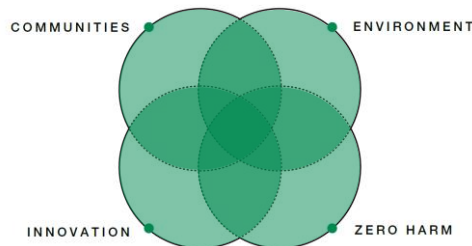
### INNOVATION

We use new technologies to produce high-quality sustainable products, solutions and building practices.



### ZERO HARM

Safety is a non-negotiable value of our company. Our Zero Harm culture empowers all employees to ensure the safety of fellow employees, partners, customers and communities.



Our sustainability strategy integrates our global strategy for value creation and operational performance

# PROVEN SUSTAINABLE PROFITABLE GROWTH IN EVERY REGION...

10 Year Net Sales CAGR

10 Year Adj. EBIT CAGR



12%

16%



8%

10%

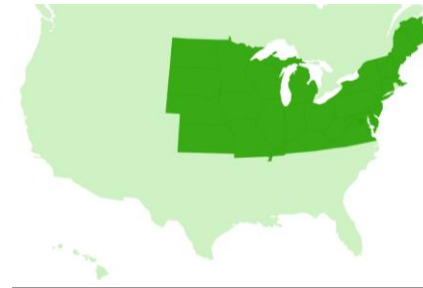
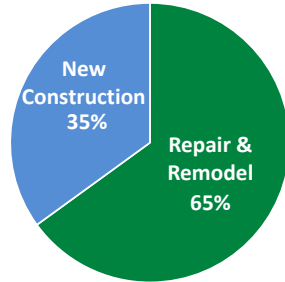


10%<sup>1</sup>

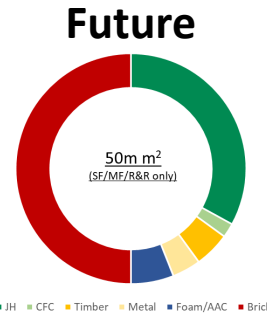
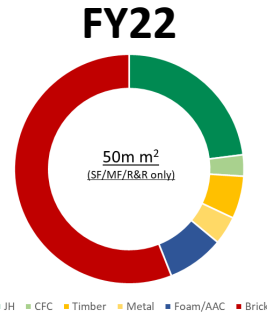
81%<sup>1</sup>

1. Europe values are based on 3 Year CAGR since acquisition (FY22 vs FY19)

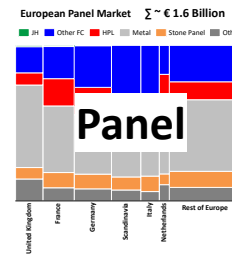
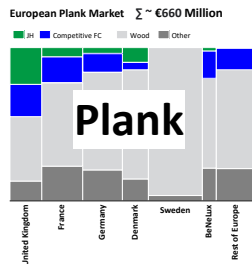
# ...WITH SIGNIFICANT GROWTH OPPORTUNITIES IN ALL 3 REGIONS...



**We Want to Win in All Regions**  
 Northeast & Midwest R&R Represents Largest Opportunity



**Significant Market Share Growth Opportunity in ANZ**



**€660 M Plank Market**

**€1.6 Bn Panel Market**

# ...A STRATEGY TO DELIVER GROWTH IN EACH REGION...



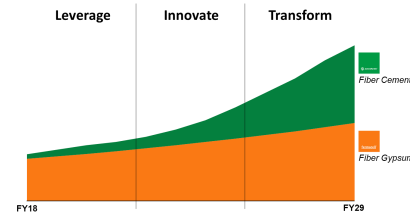
## North America Value Chain



## Perfect Store in ANZ



## Fiber Cement and Fiber Gypsum in Europe

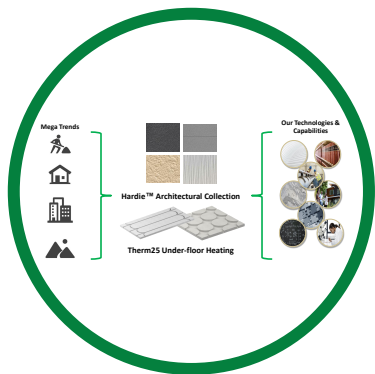


Revenue  
€ 1.0 Bn

EBIT Margin  
20+%

# ...& THE RIGHT ENABLERS TO PROPEL GROWTH

## Market Driven Global Innovation



Proven Execution of Innovation:

**North America**

Full Wrap Solutions and ColorPlus®

**Europe**

Hardie™ Architectural Collection in Multi Family

**APAC**

Hardie™ Architectural Collection



## Marketing to Homeowners in North America and APAC

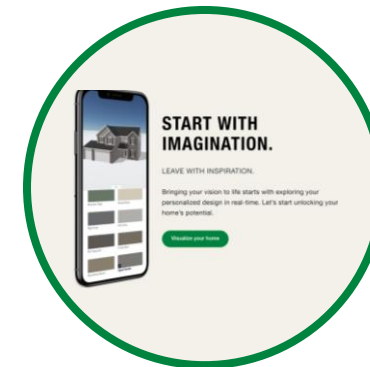


## Global Capacity Expansion



Adj. ROCE<sup>1</sup>

**51%**





# CREATING GLOBAL VALUE

**Global Net Sales**

10 Year CAGR



**Global Operating  
Cash Flow**

3 Year Avg FY22 vs FY12<sup>1</sup>



**Global Adj. ROCE<sup>2</sup>**

Avg. FY19-FY22



**Global Adj. Net  
Income**

10 Year CAGR



1. Comparison of average Global Operating Cash Flow FY20-FY22 and FY10-FY12  
2. From FY22 20-F Page 186, FY22 Adj. ROCE of 51.1%

## WHY JHX?



Strong Growth Opportunities



Experienced Management Team



Emerging Homeowner-Focused Brand



Strong Balance Sheet & Cash Generation



Innovative Product Pipeline



Attractive Returns



Integrated Localized Supply Chain



Premium Product Portfolio



Multi-Segment Focus



Responsible Corporate Citizen

**Homeowner Focused, Customer & Contractor Driven**



**North America**



**North America**



**APAC**



**Europe**



**THANK YOU**





Q&A





**END OF DAY 2**





# JHX Investor Day 2022

New York, 12-13 September 2022 – Day 2



**JamesHardie™**