UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended 31 March 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report
For the transition period from to
Commission file number 1-15240

JAMES HARDIE INDUSTRIES plc

(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Ireland
(Jurisdiction of incorporation or organization)

Europa House, 2nd Floor
Harcourt Centre
Harcourt Street, Dublin 2, D02, WR20, Ireland
(Address of principal executive offices)

Aoife Rockett
Company Secretary
(Contact name)
353 1411 9929 (Telephone) **353 1479 1128** (Facsimile)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol:	Name of each exchange on which registered:
Common stock, represented by CHESS Units of Foreign Securities	JHX	New York Stock Exchange*
CHESS Units of Foreign Securities	JHX	New York Stock Exchange*
American Depositary Shares, each representing one unit of CHESS Units of Foreign Securities	JHX	New York Stock Exchange

* Listed, not for trading, but only in connection with the registered American Depositary Shares, pursuant to the requirements of the U.S. Securities and Exchange Commission

Securities registered or to be registered pursuant to Section 12(g) of the Act.
None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.
None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report: **442,056,296 shares of common stock at 31 March 2023**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ **Yes** ☐ **No**

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ **Yes** ☒ **No**

Note — Checking the box will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. ☒ **Yes** ☐ **No**

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ **Yes** ☐ **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒
Accelerated filer	☐
Non-accelerated filer	☐
Emerging growth company	☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after 5 April 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report	☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP	☒
International Financial Reporting Standards as issued by the International Accounting Standards Board	☐
Other	☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: ☐ Item 17 ☐ Item 18

If this is an Annual Report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

2023
ANNUAL REPORT ON FORM 20-F

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SECTION 1

INTRODUCTION

James Hardie Industries plc is a world leader in the manufacturing of fiber cement building solutions, and a market leader in Europe for fiber gypsum products. Our current primary geographic markets include the United States of America (“US,” “USA” or the “United States”), Australia, Europe, New Zealand and the Philippines.

James Hardie Industries plc is a “public limited company,” incorporated and existing under the laws of Ireland. Except as the context otherwise may require, references in this Annual Report on Form 20-F (this “Annual Report”) to “James Hardie,” the “James Hardie Group,” the “Company,” “JHI plc,” “we,” “our” or “us” refer to James Hardie Industries plc, together with its direct and indirect wholly owned subsidiaries as of the time relevant to the applicable reference.

For certain information about the basis of preparing the financial information in this Annual Report as well as an explanation of forward-looking statements and the risks, uncertainties and assumptions to which they are subject, see “Section 2 – Reading this Report.” Further, a “Glossary of Abbreviations and Definitions” has also been included under Section 4 of this Annual Report.

The term “fiscal year” refers to our fiscal year ended 31 March of such year; the term “dollars,” “US$” or “$” refers to US dollars; the term “A$” refers to Australian dollars; and the term "EUR" or “€” refers to Euros.

Information contained in or accessible through the websites mentioned in this Annual Report does not form a part of this Annual Report unless we specifically state that it is incorporated by reference herein. All references in this Annual Report to websites are inactive textual references and are for information only.

INFORMATION ON THE COMPANY

History and Development of the Company

About James Hardie

James Hardie Industries plc is incorporated and existing under the laws of Ireland. As an Irish plc, we are governed by the Irish Companies Act 2014 and we operate under the regulatory requirements of numerous jurisdictions and organizations, including the Australian Securities Exchange ("ASX"), Australian Securities and Investments Commission ("ASIC"), the New York Stock Exchange (“NYSE”), the United States Securities and Exchange Commission (“SEC”), the Irish Takeover Panel and various other rulemaking bodies.

The address of our registered office in Ireland is Europa House, 2nd Floor, Harcourt Centre, Harcourt Street, Dublin 2, D02 WR20, Ireland. The telephone number is +353 1411 9929. Our corporate website is www.jameshardie.com. Our agent in the United States is CT Corporation. Its office is located at 28 Liberty Street - 42nd Floor, New York, New York 10005. The address of our registered office in Australia is Level 17, 60 Castlereagh Street, Sydney NSW 2000 and the telephone number is +61 13 11 03. Our share registry is maintained by Computershare Investor Services Pty Ltd. All inquiries and correspondence regarding holdings should be directed to: Computershare Investor Services Pty Ltd, Level 5, 115 Grenfell Street, Adelaide, SA 5000; telephone: +61 3 9415 4000 or toll free within Australia: 1300 855 080. Our American Depositary Receipt ("ADR") register is maintained by Deutsche Bank. All inquiries and correspondence regarding American Depositary Shares ("ADSs") should be directed to Deutsche Bank, 1 Columbus Circle Floor 17S, New York, New York 10019, United States; telephone 1-212-250-9100.

Our History

James Hardie was established in 1888 as an import business, listing on the ASX in 1951 to become a publicly owned company in Australia. After becoming a listed company, we built a diverse portfolio of building and industrial products. In the late-1970s, we pioneered the development of asbestos-free fiber cement technology and in the early-1980’s began designing and manufacturing a wide range of fiber cement building products that made use of the benefit that came from the products’ durability, versatility and strength. Using the technical and manufacturing expertise developed in Australia, we expanded into the United States, opening our first fiber cement plant in Fontana, California in February 1990. Since then, we have expanded our product portfolio and global footprint, with fiber cement manufacturing plants across the United States, Australia and the Philippines. In April 2018, we completed the acquisition of Fermacell, a market leader in fiber gypsum and cement-bonded boards, which has plants in Germany, the Netherlands and Spain.

Our Agreement with Asbestos Injuries Compensation Fund

Prior to 1987, ABN 60 Pty Limited (formerly James Hardie Industries Limited, then the ultimate parent company of the James Hardie Group) (“ABN 60”) and two of its former subsidiaries, Amaca Pty Limited (“Amaca”) and Amaba Pty Limited (“Amaba”) (collectively, the “Former James Hardie Companies”), manufactured products in Australia that contained asbestos. The manufacture and sale of these products has resulted in liabilities for the Former James Hardie Companies in Australia.

In February 2007, our shareholders approved the Amended and Restated Final Funding Agreement (“AFFA”) entered into on 21 November 2006 to provide long-term funding to Asbestos Injuries Compensation Fund ("AICF") for the compensation of proven Australian-related personal injuries for which the Former James Hardie Companies are found liable. AICF, an independent trust, subsequently assumed ownership of the Former James Hardie Companies. We do not own AICF, however, we are

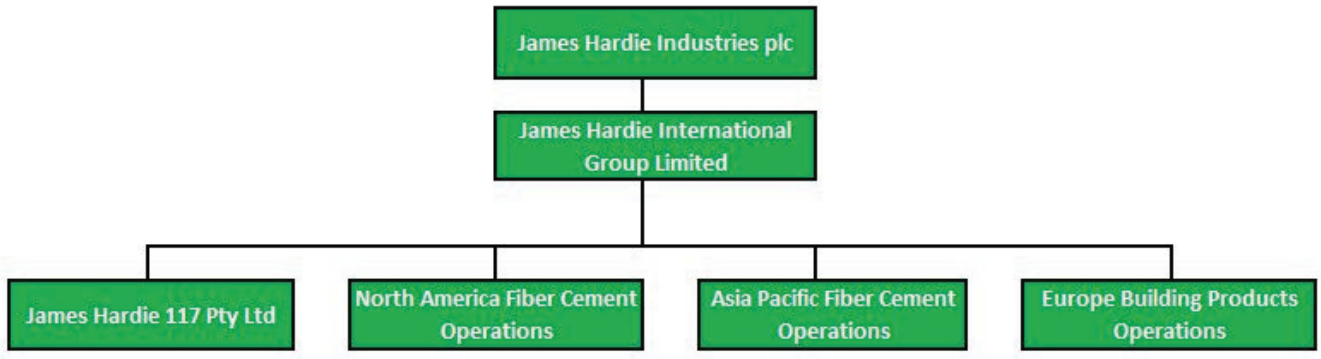
entitled to appoint three directors, including the Chairman, and the New South Wales ("NSW") Government is entitled to appoint two directors.

Under the terms of the AFFA, James Hardie 117 Pty Ltd (the "Performing Subsidiary") will make annual payments to AICF. The amount of these annual payments is dependent on several factors, including our free cash flow (as defined in the AFFA), actuarial estimations, actual claims paid, operating expenses of AICF, changes in the AUD/USD exchange rate and the annual cash flow cap. JHI plc owns 100% of the Performing Subsidiary and guarantees the Performing Subsidiary's obligation. As a result, for US GAAP purposes, we consider JHI plc to be the primary beneficiary of AICF.

Although we have no legal ownership in AICF, for financial reporting purposes, our interest in AICF is considered variable and we consolidate AICF due to our pecuniary and contractual interests in AICF as a result of the funding arrangements outlined in the AFFA. For additional information on our consolidation of AICF and asbestos-related assets and liabilities, see Note 1 to our consolidated financial statements in Section 2.

Corporate Structure

The following diagram summarizes our corporate structure at 31 March 2023:



Business Overview

General Overview of Our Business

James Hardie Industries plc is the world's #1 producer and marketer of high-performance fiber cement and fiber gypsum building solutions. We market our fiber cement products and systems under the Hardie™ brand, such as Hardie® Plank, Hardie® Panel, Hardie® Trim, Hardie® Backer, Hardie® Artisan Siding Hardie™ Architectural Collection, and other brand names such as Cemboard®, Prevail®, Scyon®, Linea® and Hardie™ Oblique™ cladding. We are also a market leader in the European premium timber frame and dry lining business, especially in Germany, Switzerland and Denmark. We market our fiber gypsum and cement-bonded boards under the Fermacell® brand and our fire-protection boards under the AESTUVER® brand.

The Company has three operating segments: North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products. See Notes 2 and 18 to our consolidated financial statements in Section 2 for a description of our operating segments and a breakdown of our net sales by operating segment and geographic market for each of our last three fiscal years.

Products

We manufacture fiber cement, fiber gypsum and cement bonded boards. Our fiber cement building materials includes a wide-range of products for both external and internal use across a broad range of applications, including external applications: siding, cladding, trim, soffit; and internal applications: walls, floors, ceilings. While there are some market specific products, our core fiber cement products, planks and flat panels, are sold across all of the markets in which we operate. Our fiber gypsum and cement-bonded boards are used mainly for interior applications such as dry lining walls, walls in timber frame buildings and flooring solutions. In addition, our cement-bonded boards are used in exterior and industrial applications as well as for fire protection.

Products Used in External Applications

We developed a proprietary technology platform that enables us to produce thicker yet lighter-weight fiber cement products that are generally easier to handle than most traditional building products. Further, we believe that our fiber cement products provide certain durability and performance advantages leading to improved maintenance, while offering comparable aesthetics to competing products, such as wood and stucco, and superior aesthetics when compared to vinyl siding.

Performance and design advantages:

- Our fiber cement products exhibit resistance to the damaging effects of moisture, fire, impact and termites compared to natural and engineered wood and wood-based products;
- Competing products do not duplicate fiber cement aesthetics;
- Our fiber cement products provide the ability to imprint designs that closely resemble the patterns and profiles of traditional building materials such as wood and stucco;
- The surface properties of our products provide an effective paint-holding finish, especially when compared to natural and engineered wood products, allowing for greater periods of time between necessary maintenance and repainting; and
- Compared to masonry construction, fiber cement is lightweight, physically flexible and can be cut using readily available tools, making our products more appealing across a broad range of architectural styles, be it of timber or steel-framed construction.

The benefits associated with our fiber cement products have enabled us to gain a competitive advantage over competing products.

Products Used in Internal Applications

Compared to natural and engineered wood and wood-based products, we believe our product range for internal applications provide the same general advantages provided by our products for external applications. In addition, our fiber cement products for internal applications exhibit less movement in response to exposure to moisture and impact damage than many competing products, providing a more consistent and durable substrate on which to install tiles. Further, we believe our ceramic tile underlayment products exhibit better handling and installation characteristics compared to fiberglass mesh cement boards. We believe our fiber gypsum products offer superior stability, fire safety and sound insulation properties compared to engineered wood and gypsum plaster boards. Furthermore, we believe our fiber gypsum flooring solutions offer superior handling properties, especially in the modernization of existing buildings, compared to wet screed solutions.

Significant New Products

In North America, new products released over the last three years include, an expanded ColorPlus® Technology offering through the Magnolia Home | James Hardie Collection and the Hardie™ Architectural Collection.

In Asia Pacific, we continue to expand our addressable market by extending our product portfolio in both wood look and non-wood look exteriors. In 2021, we launched Hardie™ Fine Texture Cladding in Australia to deliver the modern render look followed by Hardie™ Brushed Concrete Cladding in April 2023, which are now both marketed under the Hardie™ Architectural Collection. Building on the success of Linea™ Oblique™ Weatherboard in New Zealand, we also introduced the product in Australia in 2022 as Hardie™ Oblique™ Cladding to increase design versatility in line with modern design trends.

In Europe, new fiber cement products released over the past three years include Hardie™ VL Plank, a solution that provides interlocking looks for facades of single family and multi-family homes as well as the Hardie Architectural Collection for multi-family homes and commercial buildings, and Fermacell® Therm25™ dry screed elements.

Principal Markets for Our Products

Fiber Cement

In the US and Canada, the largest application for fiber cement building products is in external siding for the residential building industry.

Competition in this market comes primarily from substitute products, such as natural wood or engineered wood, vinyl, stucco and brick. We believe we can continue to increase our market share from these competing products through targeted marketing programs designed to educate distributors, builders, contractors, installers and homeowners on our brand and the performance, design and cost advantages of our products.

In the Asia Pacific region, we principally sell into the Australian, New Zealand and Philippines markets, with the residential building industry representing the principal market for fiber cement products. The largest applications of fiber cement across our three primary markets are in external applications: siding, cladding, trim, soffit; and internal applications: walls, floors, ceilings.

In Australia, competition from imports and the locally based fiber cement manufacturer continues to be strong. Additionally, we have competition from natural and engineered wood, wallboard, masonry and brick products. In New Zealand and the Philippines, competitor fiber cement imports continue as manufacturers look to supplement their primary operating environments with additional markets.

In Europe, our fiber cement building products are used in both residential and commercial building applications in the form of external siding, soffits and internal tile underlayment for walls and floors. Competition includes timber based products as well as other manufacturers of fiber cement.

Fiber Gypsum and Cement-Bonded Boards

Our European Fermacell brand products are sold into the residential repair and remodel, commercial and residential new construction markets. The Fermacell brand of products comprise fiber gypsum and cement-bonded boards, two complementary products in the high performance board space, mainly used in timber frame construction, commercial dry lining projects and repair and remodel. Cement bonded boards are also used for several fire protection projects including tunnels.

Our key markets for Fermacell brand products in Europe include Germany, Switzerland, UK, Denmark, France, Belgium, Netherlands and Luxembourg, where we sell our products to residential and commercial new-build as well as to repair and remodel. In addition, our fire protection AESTUVER® boards are sold to projects worldwide.

Seasonality

We do not have significant seasonality, however our businesses typically follow activity levels in the building and construction industry.

Raw Materials

The principal raw materials used in the manufacture of our fiber cement products are cellulose fiber (wood-based pulp), silica (sand), Portland cement and water. The key raw materials used in the manufacture of our fiber gypsum products are gypsum, recycled paper and water. We have established supplier relationships for all of our raw materials across the various markets in which we operate, and we have supply agreements and plans in place to navigate challenges in the supply environment. The purchase price of these raw materials and other materials can fluctuate depending on the supply-demand situation at any given point in time.

We work hard to reduce the effect of both price fluctuations and supply interruptions by entering into contracts with qualified suppliers and through continuous internal improvements in both our products and manufacturing processes.

Cellulose Fiber

Reliable access to specialized and consistent quality pulp is critical to the production of fiber cement building materials. As a result of our many years of experience and expertise in the industry, we share our internal expertise with pulp producers in New Zealand, the United States, Canada and Chile to ensure they are able to provide us with a highly specialized and proprietary formula crucial to the reinforcing cement matrix of our fiber cement products. We have confidentiality agreements with our pulp producers, and we have obtained patents in the United States and in certain other countries covering certain unique aspects of our pulping formulas and processes that we believe cannot adequately be protected through confidentiality agreements. However, we cannot be assured that our intellectual property and other proprietary information will be protected in all cases. See “Section 3 – Risk Factors.”

Silica

High purity silica is sourced locally by the various production plants. In the majority of locations, we use silica sand as a silica source. In certain other locations, however, we process quartz rock and beneficiate silica sand to ensure the quality and consistency of this key raw material.

Cement

Cement is acquired in bulk from local suppliers.

Water

We primarily use local water supplies and process all wastewater to comply with environmental requirements.

Gypsum

The primary types of gypsum used in the production of our fiber gypsum products are natural and synthetic gypsum. Natural gypsum is extracted and processed in Germany and Spain. Synthetic gypsum is obtained from power plants in Germany and Poland. While synthetic gypsum will be phased out due to the coal power plant phase-out in the European Union, we are well positioned for the future with natural gypsum sources.

Recycled Paper

Recycled paper, utilized in the production of our fiber gypsum products in Europe, is generally sourced locally by the various production plants in Europe.

Sales, Marketing and Distribution

Our brand names, customer education in comparative product advantages, differentiated product range and customer service, including technical advice and assistance, provide the basis for our marketing strategy. In May 2021, the Company launched *It's Possible*™, a global integrated marketing campaign that seeks to empower homeowners to realize their dream home. The campaign is inclusive of television commercials, programmatic digital, social media, public relations, influencer and dynamic media partnerships, and more.

We offer our customers support through a specialized sales force and customer service infrastructure in North America, Australia, New Zealand, the Philippines and Europe.

Our customer service infrastructure includes inbound customer service support coordinated nationally in each country, and is complemented by outbound telemarketing capability. Within each regional market, we provide sales and marketing support to building products dealers and lumber yards and also provide support directly to the customers of these distribution channels, principally homebuilders and building contractors.

We maintain dedicated regional sales management teams in our major sales territories who maintain relationships with national and other major accounts. Our various sales forces, which in some instances manage specific product categories, include skilled trades people who provide on-site technical advice and assistance.

In North America, we sell our exterior fiber cement products for repair and remodel and new residential construction through a combination of distributors, dealers and lumber yards. Where sales are to distributors, they then sell these products to dealers or lumber yards. Our interior fiber cement products in North America are typically sold through the large home center retailers and specialist distributors or dealers. Our products are distributed across North America primarily by road and, to a lesser extent, by rail.

In Australia and New Zealand, both new construction and repair and remodel products are sold through a combination of distributors, dealers and lumber yards. In the Philippines, a network of thousands of small to medium size retail outlets sell our fiber cement products to consumers, builders and real estate developers and DIY type stores. The physical distribution of our product in each country is primarily by road, rail or sea transport.

In Europe, both new construction and repair and remodel products are primarily sold to builder's merchants and DIY type stores. These customers then sell the products to applicators such as dry liners, timber frame companies, smaller applicators and end consumers. Our products are distributed across Europe primarily by road and rail and, to a lesser extent, by sea transport.

Despite the fact that distributors and dealers are generally our direct customers, we also aim to increase primary demand for our products by marketing our products directly to homeowners, architects and builders. We encourage them to specify and install our products because of the quality and craftsmanship of our products.

Geographic expansion of our fiber cement business has occurred in markets where framed construction is prevalent for residential applications or where there are opportunities to change building practices from masonry to framed construction. Expansion is also possible where there are direct substitution opportunities irrespective of the methods of construction. With the exception of our current major markets, as well as Japan and certain rural areas in Asia, and Eastern Europe, most markets in the world principally utilize masonry construction for external walls in residential construction. Accordingly, further geographic expansion depends substantially on our ability to provide alternative construction solutions and for those solutions to be accepted in those markets.

Dependence on Trade Secrets and Research and Development ("R&D")

We pioneered the successful development of cellulose reinforced fiber cement and, since the early-1980s, have progressively introduced products developed as a result of our proprietary product formulation and process technology. The introduction of differentiated products is one of the core components of our global business strategy. This product differentiation strategy is supported by our significant investment in R&D activities.

We view spending on R&D as the key to sustaining our existing product leadership position, by providing a continuous pipeline of innovative new products and technologies with sustainable performance and unique design advantages over our competitors. Further, through our investments in new process technology or by modifying existing process technology, we aim to keep reducing our capital and operating costs and to find new ways to make existing and new products. As such, we expect to continue allocating significant funding to these endeavors.

Our current patent portfolio is based mainly on fiber cement compositions, associated manufacturing processes and the resulting products. Our non-patented technical intellectual property consists primarily of our operating and manufacturing know-how and raw material and operating equipment specifications, all of which are maintained as trade secret information. We have enhanced our abilities to effectively create, manage and utilize our intellectual property and have implemented a strategy that increasingly uses patenting and trade secret protection to protect and increase our competitive advantage.

In addition, we have a variety of industrial, commercial and financial contracts relating to our proprietary manufacturing processes. While we are dependent on the competitive advantage that these items provide as a whole, we are not dependent on any one of them individually and do not consider any one of them individually to be material. We do not materially rely on intellectual property licensed from any outside third parties. However, we cannot assure that our intellectual property and other proprietary information will be protected in all cases. In addition, if our R&D efforts fail to generate new, innovative products or processes, our overall profit margins may decrease and demand for our products may fall. See "Section 3 – Risk Factors."

Governmental Regulation

As an Irish plc, we are governed by the Irish Companies Act 2014 and are also subject to all applicable European Union level legislation. We also operate under the regulatory requirements of numerous jurisdictions and organizations, including the ASX, ASIC, the NYSE, the SEC, the Irish Takeover Panel and various other federal, state, local and foreign rulemaking bodies. See “Section 3 – Constitution” for additional information regarding the Irish Companies Act 2014 and regulations to which we are subject.

Environmental, Health and Safety Regulation

Our operations and properties are subject to extensive federal, state, local and foreign environmental protection, health and safety laws, regulations and ordinances governing activities and operations that may have adverse environmental effects. As it relates to our operations, regulated material, including wastewater and air emissions, may be produced at some of our manufacturing plants. The wastewater produced from our manufacturing plants is internally recycled and reused before eventually being discharged to publicly owned treatment works, a process which is monitored by us, as well as by regulators. In addition, we actively monitor air emissions and other regulated materials produced by our plants so as to ensure compliance with the various environmental regulations under which we operate.

Some environmental laws provide that a current or previous owner or operator of real property may be liable for the costs of investigation, removal or remediation of certain regulated materials on, under, or in that property or other impacted properties. In addition, persons who arrange, or are deemed to have arranged, for the disposal or treatment of certain regulated materials may also be liable for the costs of investigation, removal or remediation of the regulated materials at the disposal or treatment site, regardless of whether the affected site is owned or operated by such person. Environmental laws often impose liability whether or not the owner, operator, transporter or arranger knew of, or was responsible for, the presence of such regulated materials. Also, third parties may make claims against owners or operators of properties for personal injuries, property damage and/or for clean-up associated with releases of certain regulated materials pursuant to applicable environmental laws and common law tort theories, including strict liability.

In the past, we have received notices of alleged discharges in excess of our water and air permit limits. In each case, and in compliance with our Environmental Policy, we have addressed the concerns raised in those notices, in part, through enhanced administrative controls and/or capital expenditures intended to prevent future discharges in excess of permitted levels and, on occasion, the payment of minor associated fines.

Environmental compliance costs in the future will depend, in part, on continued oversight of operations, expansion of operations and manufacturing activities, regulatory developments and future requirements that cannot presently be predicted.

Organizational Structure

JHI plc is incorporated and domiciled in Ireland and the table below sets forth our significant subsidiaries, all of which are wholly-owned by JHI plc, either directly or indirectly, as of 30 April 2023.

Name of Company	Jurisdiction of Establishment	Jurisdiction of Tax Residence
James Hardie 117 Pty Ltd	Australia	Australia
James Hardie Australia Pty Ltd	Australia	Australia
James Hardie Building Products Inc.	United States	United States
James Hardie Europe GmbH	Germany	Germany
James Hardie Europe Holdings GmbH	Germany	Germany
James Hardie Holdings Limited	Ireland	Ireland
James Hardie International Finance Designated Activity Company	Ireland	Ireland
James Hardie International Group Limited	Ireland	Ireland
James Hardie International Holdings Limited	Ireland	Ireland
James Hardie NL1 B.V.	Netherlands	Netherlands
James Hardie NL2 B.V.	Netherlands	Netherlands
James Hardie North America, Inc	United States	United States
James Hardie Technology Holdings 1 Limited	Ireland	Ireland
James Hardie Technology Holdings 2 Limited	Ireland	Ireland
James Hardie Technology Limited	Bermuda	Ireland
James Hardie U.S. Investments Sierra Inc.	United States	United States
RCI Holdings Pty Ltd	Australia	Australia

Property, Plants and Equipment

We believe we have some of the largest and lowest cost fiber cement manufacturing plants across the United States, Australia and the Philippines, with our plants servicing both domestic and export markets. We also have six manufacturing plants in Europe. Our plants are ideally located to take advantage of established transportation networks, allowing us to distribute our products into key markets, while also providing easy access to key raw materials.

Manufacturing Capacity

We own all the manufacturing facilities listed below.

Plant Location	31 March 2023 Nameplate Capacity (mmsf)[1]	Planned Future Nameplate Capacity (mmsf)[1]
United States fiber cement		
Cleburne, Texas	666	666
Peru, Illinois	560	560
Plant City, Florida	600	600
Pulaski, Virginia	600	600
Reno, Nevada	300	300
Tacoma, Washington	500	500
Waxahachie, Texas	413	413
Fontana, California	250	250
Summerville, South Carolina	190	190
Prattville, Alabama	600	1,200
Westfield, Massachusetts[2]	N/A	N/A
Greenfield - Crystal City, Missouri	—	600
Total United States fiber cement	4,679	5,879
Asia Pacific fiber cement		
Rosehill, New South Wales, Australia	180	180
Carole Park, Queensland, Australia	317	317
Greenfield - Melbourne, Victoria, Australia	—	240
Cabuyao City, Philippines	172	172
Total Asia Pacific fiber cement	669	909
Europe fiber gypsum		
Münchehof, Germany	441	441
Orejo, Spain	275	527
Wijchen, the Netherlands	273	273
Siglingen, Germany	154	154
Total Europe fiber gypsum	1,143	1,395
Total Europe fiber cement greenfield plant	—	300
Europe Other		
Calbe, Germany[3]	41	41
Schraplau, Germany[2]	N/A	N/A

1 The calculated annual nameplate capacity is based on management's historical experience with our production process and is calculated assuming continuous operation, 24 hours per day, seven days per week, producing 5/16" medium density product at a targeted operating speed. No accepted industry standard exists for the calculation of our fiber cement, fiber gypsum and cement bonded board manufacturing facility nameplate, design and utilization capacities.

2 Our Westfield, Massachusetts plant will be a finishing facility for fiber cement substrate made at other locations. Our Schraplau, Germany facility is a raw materials processing facility for our fiber gypsum plants. As a result, no annual nameplate capacity is available for either of these facilities.

3 Our Calbe, Germany plant produces cement bonded boards.

For fiscal year 2023, actual capacity utilization across our fiber cement and fiber gypsum plants was an average of 89%, 81% and 95% in the United States, Europe and Asia Pacific, respectively. For fiscal year 2022, we operated all of our manufacturing facilities 24/7 year round, with the exception of our Siglingen plant which had a capacity utilization of 85%.

Mines

In North America, we lease silica quartz mine sites in Tacoma, Washington and Reno, Nevada. The lease for our quartz mine in Tacoma, Washington expires in February 2027, with additional options to renew. The lease for our silica quartz mine site in Reno, Nevada expires in January 2024. We also own property in Victorville, California which could be mined for silica. As of 30 April 2023, we have not begun to mine this site and have no immediate plans to do so.

As a mine operator in the US, we are required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), and rules promulgated by the SEC implementing that section of the Dodd-Frank Act, to provide certain information concerning mine safety violations and other regulatory matters concerning the operation of our mines. During fiscal year 2023, we did not receive any notices, citations, orders, legal action or other communication from the US Department of Labor's Mine Safety and Health Administration that would necessitate additional disclosure under Section 1503(a) of the Dodd-Frank Act. Similarly, we have not experienced any mining-related fatalities in our mining operations. There are currently no pending legal actions before the Federal Mine Safety and Health Review Commission related to our mining operations.

In Europe, we have a license to make use of a mining facility in Schraplau, Germany as a storage site. No active mining is being undertaken. We also have an investment in a natural gypsum mine in Spain.

Capital Expenditures

We utilize a mix of operating cash flow and debt facilities to fund our capital expenditure projects and investments. We continuously invest in safety, equipment maintenance and upgrades, and capacity to ensure continued environmental compliance and operating effectiveness of our plants. The following table sets forth our capital expenditures for the three most recent fiscal years:

(US$ Millions)	2023	2022	2021
North America Fiber Cement	$ 392.0	$ 188.4	$ 76.8
Asia Pacific Fiber Cement	136.2	46.9	18.3
Europe Building Products	57.8	18.7	13.5
R&D and Corporate	5.3	3.8	2.1
Total Capital Expenditures	**$ 591.3**	**$ 257.8**	**$ 110.7**

Significant active capital expenditures

At 31 March 2023, the following significant capital expenditures remain in progress:

Project Description	Approximate Investment (In millions)	Investment to date (In millions)	Project Start Date	Expected Completion Date	Expected Nameplate Capacity Increase (mmsf)
Massachusetts ColorPlus® finishing capacity	US$ 58.2	US$ 48.5	Q1 FY22	FY24	N/A
Prattville Greenfield expansion (sheet machines #3 and #4)	US$ 439.0	US$ 193.7	Q3 FY22	FY25	600
Prattville ColorPlus® finishing capacity	US$ 83.8	US$ 6.6	Q2 FY23	FY25	N/A
Melbourne Greenfield expansion	TBD	US$ 82.4	Q4 FY22	FY27	240
Orejo Brownfield expansion	€ 144.4	US$ 37.1	Q3 FY22	FY25	252

Significant completed capital expenditure projects

The following is a list of significant capital expenditure projects completed in the three most recent fiscal years:

Project Description	Total Investment (US Millions)	Fiscal Year of Expenditure
Prattville Trim finishing capacity	$ 55.1	FY21 - FY23
Carole Park Brownfield expansion	36.8	FY19 - FY23
Prattville Greenfield expansion (sheet machines #1 and #2)	241.2	FY18 - FY22
Summerville restart	$ 11.1	FY21 - FY22

Capital Divestitures

During the three most recent fiscal years, we did not make any material capital divestitures.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

James Hardie Executive Team

Our management is overseen by our executive team, whose members cover the key areas of finance, human resources, investor relations, legal, manufacturing, marketing, operations, production, R&D and sales.

Members of our management executive team at 30 April 2023 are:

Aaron Erter, BS, MBA
Chief Executive Officer
Age 49

Aaron Erter was appointed as Chief Executive Officer ("CEO") in September 2022.

Mr Erter is a highly experienced executive, with deep experience in leading large enterprises in the consumer and industrial sectors.

Mr Erter most recently served as served as Chief Executive Officer of PLZ Corp, a leader of specialty liquid and aerosol manufacturing. Headquartered outside of Chicago, Illinois, USA, with over 2,500 employees throughout North America. Mr Erter was CEO from November 2020 to August 2022.

From 2017 to 2020, Mr Erter held multiple executive leadership roles at Sherwin Williams, the world leader in paints and coatings. While at Sherwin Williams, Mr Erter was Global President of the Consumer Brands Group and Global President of the Performance Coatings Group.

Before joining Sherwin Williams, Mr Erter held various leadership roles at Valspar, including SVP and General Manager of the North America Consumer Division. Prior to Valspar, Mr Erter held various leadership roles at Stanley Black and Decker.

Mr Erter earned a Bachelor of Economics from The Wharton School at The University of Pennsylvania and an MBA at The University of Notre Dame – Mendoza College of Business.

Jason Miele, BA
Chief Financial Officer
Age 46

Jason Miele was appointed as Chief Financial Officer ("CFO") in February 2020. As CFO he oversees the Company's overall financial activities, including accounting, tax, treasury, performance and competitor analysis, internal audit, financial operations, and investor relations.

Mr Miele has over 15 years of experience with James Hardie and has served in a number of important roles during his tenure, including Vice President – Investor and Media Relations, a position he held from February 2017. In that role, Mr Miele had responsibility for overseeing James Hardie's investor relations strategy and communicating James Hardie's business strategy and its financial performance to various stakeholders including shareholders, investment analysts, and the financial media.

Prior to that, Mr Miele served in a variety of roles of increasing responsibility, in finance functions such as Treasury, Controllership and Operational Finance, including reporting to the CFO as the Global Treasurer and later the Global Controller. Mr Miele has supported the James Hardie business during his tenure, working in multiple geographies including Dublin, Ireland, Amsterdam, Netherlands, Mission Viejo, California, Sydney, Australia and Chicago, Illinois in the United States.

Mr Miele has a Bachelor's Degree from the University of California at Santa Barbara, where he graduated with a degree in Business Economics.

Farhaj Majeed, MBA
Chief Human Resources Officer
Age 45

Farhaj Majeed joined James Hardie as Chief Human Resources Officer ("CHRO") in February 2023.

Mr Majeed joins James Hardie with a tremendous career spanning over 20 years in a variety of global and regional HR experiences with top tier companies such as Kraft Foods, Mondelez International, Abbott Laboratories and, most recently with Whirlpool Corporation where he led the Europe and MEA region as VP & CHRO, EMEA. Mr Majeed has held several leadership roles and led HR teams in North America, Europe, Asia and the Middle East.

Mr Majeed holds a Master of Business Administration from the Institute of Business Management with an emphasis on Human Resources and Marketing.

Tim Beastrom, BA, JD
Chief Legal Counsel and Chief Compliance Officer
Age 56

Tim Beastrom joined James Hardie in January 2023 as Chief Legal Counsel and Chief Compliance Officer.

Mr Beastrom joins James Hardie as Legal Counsel from a successful career in corporate governance, securities law, Environmental, Social & Governance ("ESG") risk oversight, M&A, and commercial law. He has 30 years of legal experience, most recently with Ecolab Inc. where he was Chief Securities Counsel and Assistant Secretary and then Sector General Counsel for corporate functions.

Mr Beastrom completed his Juris Doctor at the University of Minnesota Law School and received his undergraduate degree from Gustavus Adolphus College.

Sean Gadd, BEng, MBA
President, North America
Age 50

Sean Gadd joined James Hardie in 2004 as a Regional Engineering Manager for the Asia Pacific business, and progressed to Plant Manager for both the Carole Park and Rosehill facilities in Australia. Mr Gadd then moved to the US in 2006 to take the role of Manufacturing Manager for Trim and various manufacturing facilities across the US.

In 2009, Mr Gadd ran the US trim business for James Hardie with responsibility for both Manufacturing and Sales, followed by a brief assignment leading Supply Chain. In 2012, Mr Gadd was promoted to the role of Vice President of Sales for Western USA and Canada. Over the next year, his role was expanded to include the Midwest and Northeast of the USA.

Mr Gadd was appointed Executive General Manager in September 2013 with full responsibility for the Northern Division and in October 2015, he was appointed Executive Vice President, Markets and Segments, North America with responsibility for Strategic Marketing and Development. In December 2018, Mr Gadd was appointed Executive Vice President, North America Commercial with responsibility for sales, products, segments and marketing. In January 2022, Mr Gadd was appointed President, North America, with responsibility for running the companies' North America activities.

Mr Gadd has a Bachelor of Engineering in Manufacturing Management and an executive MBA from the Australian Graduate School of Management, Australia.

Joe Liu, BS, PhD
Chief Technology Officer
Age 60

Dr Joe Liu joined James Hardie as Senior Vice President and General Manager, Asia Pacific, in December 2021 and was appointed Chief Technology Officer in January 2022.

Before joining James Hardie, Dr Liu concluded an impressive 26-year career with 3M Company, where he held a variety of R&D, Commercial and International Management roles of increasing responsibility over the course of his career. Early assignments in technical roles across multiple 3M product lines led to progression to Vice President R&D of 3M International Operations, Vice President & Managing Director of 3M Southeast Asia Region, to Dr Liu's most recent role of Senior Vice President, R&D and Commercialization of 3M Global Consumer Business Group. Dr Liu utilizes his vast and deep experiences across R&D, Commercial and General Management to help drive the commercialization of innovative new products.

Dr Liu has a Bachelor of Science and a PhD in Thermal Energy and Power Engineering from Xi'an Jiaotong University in China as well as an additional PhD in Mechanics from the University of Minnesota.

James Johnson II, BA, MBA
Chief Information Officer
Age 51

James Johnson II joined James Hardie as Chief Information Officer ("CIO") in December 2021. Mr Johnson is responsible for all aspects of information technology and cyber security globally. Mr Johnson and his team will drive a focused Information Technology vision and strategy which integrates with, and helps enable, the JHX global strategic plan.

Mr Johnson brings over 25 years of relevant and progressive IT experience, including 15 years as CIO for businesses in a variety of industries, including chemicals and metals industries. Most recently, Mr Johnson held the role of CIO at Carpenter Technology since 2013. Prior to joining Carpenter Technology, Mr Johnson held previous IT roles with Honeywell International, Performance Fibers and Trinseo. Mr Johnson has a proven track record of developing effective, leading-edge technology solutions that create business value.

Mr Johnson holds a Bachelor of Arts degree in Economics from the University of Virginia and a Master of Business Administration degree with an emphasis in Marketing and Strategic Management from the University of Maryland.

Ryan Kilcullen, BSc, MS

Executive Vice President, Global Operations

Age 42

Ryan Kilcullen joined James Hardie in 2007 as a Pcl/Pdl Engineer. Since then, Mr Kilcullen has worked for the Company in various manufacturing and supply chain roles including Process Engineer, Production Manager, and Supply Chain Engineer. In 2012, Mr Kilcullen became Supply Chain Manager, ColorPlus® Business Unit, responsible for the end-to-end design and performance of our ColorPlus® product line supply chain. In 2013, Mr Kilcullen became responsible for North American Supply Chain operations, with responsibilities that included Procurement, Network Planning, Production Planning, Transportation, Distribution Management, Customer Service, and Inside Sales. In June 2015, Mr Kilcullen was appointed Vice President – Central Operations, responsible for the Company's Supply Chain Operations and Centralized Manufacturing functions.

In August 2016, Mr Kilcullen was appointed Executive Vice President – North America Operations, responsible for the Company's Supply chain, Manufacturing Engineering and Environmental, Health & Safety Operations. In November 2020, Mr Kilcullen was appointed Senior Vice President – North America Supply Chain Operations with responsibility for the Company's production planning, procurement and logistics operations. In January 2022, he was appointed Executive Vice President, Global Operations in this newly developed role. Mr Kilcullen's experience in the areas of supply chain operations, including engineering, construction and lean/HMOS will transition regional functions into world class, seamlessly integrated and globally focused functions.

Mr Kilcullen has a Bachelor of Science in Industrial Engineering from Rensselaer Polytechnic Institute and a Master of Engineering in Logistics from Massachusetts Institute of Technology.

John Arneil, BBUS, MBA
President, Asia Pacific
Age 43

John Arneil joined James Hardie as a graduate in 2002 and has gained extensive business and leadership experience having worked across James Hardie's European, North American and Asia Pacific businesses in a variety of commercial and operational roles.

This has included time as Country Manager UK and Ireland, Country Manager Canada, Sales and Marketing Director for Australia and most recently Country Manager for Australia and New Zealand where Mr Arneil was responsible for all manufacturing and market activities in this region.

This experience has given Mr Arneil exposure to multiple markets in different phases of business maturity and complexity enabling him to fully understand value creation from a consumer and customer perspective and how this translates end-to-end through Innovation, manufacturing, commercialization and supply chain. This coupled with deep industry relationships has enabled Mr Arneil to deliver record results for the Australian and New Zealand businesses year-over-year while running these business units.

Mr Arneil was appointed to General Manger, Asia Pacific in January 2022 and more recently President, Asia Pacific in January 2023 where he is responsible for running the company's Asia Pacific activities which are headquartered in Sydney, Australia.

Mr Arneil has a Bachelor of Business Management from The University of Queensland in Australia and a Masters of Business Administration from The University of Leicester in the UK.

Christian Claus, MBA
President, Europe
Age 40

Christian Claus joined James Hardie as President, Europe in January 2023 and is responsible for running the companies' European activities.

Mr Claus most recently served as Vice President for West Europe, South Europe and Africa of Tarkett, a global leader of floor and wall coverings headquartered in Paris, France, with over 12,500 employees. Mr Claus was operating in a variety of Vice President roles at Tarkett since January 2018. Prior to joining Tarkett, Mr Claus held multiple commercial leadership roles at Air Liquide, the world leader of industrial gases. Before joining Air Liquide, Mr Claus held various commercial and international management roles of increasing responsibility over the course of his career at 3M.

Mr Claus is a graduate of the Heinrich Heine University in Duesseldorf, holds a Masters degree in Business Administration and has completed multiple Executive Education courses at MIT Sloan, Harvard Business School and the London Business School.

Jill Kolling, BME, MS
Chief Sustainability Officer
Age 57

Jill Kolling joined James Hardie as Vice President, ESG & Chief Sustainability Officer in March 2022. Ms Kolling and her team are responsible for development and execution of James Hardie's global ESG strategy, ensuring integration with the company's overall business strategy and ensuring the ESG strategy is an enabler of future growth.

Ms Kolling began her career as a new product engineer with Hewlett-Packard, then transitioned into management consulting where she provided advisory services in the areas of technology, Sarbanes-Oxley, and ESG to companies in a variety of industries. Most recently, Ms Kolling held the role of Vice President, Global Sustainability at Cargill where she built the first-ever global sustainability function for the corporation. Ms Kolling has a proven track record of applying strategic insights and systems thinking to optimize for shareholder value, positive environmental outcome, and social good.

Ms Kolling holds a Bachelor of Mechanical Engineering degree and a Master of Science in Computer Science degree, both from the University of Minnesota.

Stephen Balsavich, BS, MBA
Global Head of Transformation
Age 42

Stephen Balsavich was named Global Head of Transformation at James Hardie in November 2020. In this capacity, he and his team lead the coordination and execution of strategic initiatives. Mr Balsavich originally started his career at James Hardie in April of 2016 and served in both Finance and IT disciplines. Mr Balsavich served as the PMO and IT lead for the Fermacell acquisition in Europe which included integration efforts post deal closing.

Mr Balsavich has spent most of his 20+ year career in Merger and Acquisition and Business Transformation related work across several industries. Prior to rejoining James Hardie in November 2020, he led the PMO and integration efforts for a $25 billion M&A deal spanning over 100 countries for PricewaterhouseCoopers (PwC). He also spent 8 years in Banking where he started his career and 5 years in Financial Services.

Mr Balsavich has a Bachelor of Science in Finance from the University of Illinois and a Master in Business Administration from Dominican University.

Joel Wasserman, BS

Vice President, Corporate Communications and Global Brand Management

Age 61

Joel Wasserman joined James Hardie in January 2023 as Vice President, Corporate Communications and Global Brand Management.

Mr Wasserman joins James Hardie as Vice President, Corporate Communications and Global Brand Management from Sherwin-Williams where he was responsible for strategic planning and brand management for all brands in the consumer brands group. He has more than 35 years of progressive communications and marketing experience that includes work at various agencies and consumer products companies.

Mr Wasserman holds a Bachelor of Science degree in economics from Northern Illinois University.

Board of Directors

James Hardie's Board of Directors (the "Board") have widespread experience, spanning general management, finance, manufacturing, marketing and accounting. Each non-executive director also brings valuable international experience that assists with James Hardie's growth. For additional information, see "Section 1 - Corporate Governance Report" of this Annual Report.

Members of the Board of Directors (the "Board") at 30 April 2023 are:

Anne Lloyd, BS, CPA
Age 61

Anne Lloyd was appointed as an independent non-executive director of James Hardie in November 2018. Ms Lloyd served as a member of the Audit Committee from the date of her appointment during her entire tenure as a Board member, with the exception of the period from 26 August 2019 through 25 February 2020, during which time she served as Interim CFO. She was appointed Chair of the Audit Committee effective 8 August 2020 and Deputy Chairperson effective 10 August 2022. She also served as Lead Independent Director from 6 January 2022 to 1 September 2022. Ms Lloyd was appointed Chair of the Board effective 3 November 2022 at which time she stepped down as Chair of the Audit Committee.

Experience: Ms Lloyd, an experienced corporate and finance executive, served as Chief Financial Officer of Martin Marietta Materials, Inc. a leading supplier of aggregates and heavy building materials, for over 12 years from June 2005 until her retirement in August 2017. She joined Martin Marietta in 1998 as Vice President and Controller and was promoted to Chief Accounting Officer in 1999. She was subsequently appointed Treasurer (2006-2013) and promoted to Executive Vice President in 2009. Earlier in her career, Ms Lloyd spent 14 years with Ernst & Young LLP (1984-1998), latterly as a senior manager and client service executive for the natural resources, mining, insurance and healthcare industries.

Directorships of listed companies in the past five years: Current - Director of Insteel Industries, Inc (since 2019); Director of Highwoods Properties, Inc. (since 2018). Former - Director of Terra Nitrogen Company, L.P. (2009-2018).

Other: Director of New Frontier Materials LLC (since November 2021); resident of the United States.

Last elected: November 2022
Term expires: November 2025

Peter-John Davis
Age 64

Peter John Davis (PJ) was appointed as an independent non-executive director of James Hardie in August 2022. He is a member of the Remuneration Committee.

Experience: Mr Davis previously served as Chief Operating Officer (COO) of Bunnings Australia & New Zealand. During his 15-year tenure as COO, the division was one of the most profitable of the Wesfarmers Group.

With over 40 years' experience in various retail and trade formats and home improvement industries, Mr Davis commenced his career on the sales floor and held senior roles in operations, marketing, advertising and merchandising before moving into general management and leading the development of the highly successful Bunnings Warehouse concept.

Mr Davis was responsible for the development, strategic direction, and operational management of the Bunnings businesses and its employees. His main objectives were to ensure growth in revenues and profitability and provide satisfactory returns for shareholders.

Mr Davis completed the Advanced Management Program at Harvard Business School in Boston, USA and is the Founding Director ANRA (Australian National Retailers Association) and Foundation Member of the Australian Institute of Company Directors.

Directorships of listed companies in the past five years: Former – Director of Bunnings Homebase BUKI (2016-2018).

Other: Resident of Australia.

Last elected: November 2022
Term expires: November 2025

Persio V. Lisboa, BS
Age 57

Persio Lisboa was appointed as an independent non-executive director of James Hardie in February 2018. He is Chairman of the Remuneration Committee and a member of the Nominating and Governance Committee.

Experience: Mr Lisboa has extensive senior executive experience. He recently served as President and Chief Executive Officer of Navistar, Inc. (Navistar), a leading manufacturer of commercial trucks, buses, defense vehicles and engines, a position he held from July 2020 to September 2021, when he decided to retire. Prior to that position, Mr Lisboa served as the Executive Vice President and Chief Operating Officer of Navistar from March 2017 to July 2020. Prior to that, Mr Lisboa served as President, Operations of Navistar from November 2014 to March 2017. Prior to that, Mr Lisboa served as Senior Vice President, Chief Procurement Officer of Navistar from December 2012 to November 2014, as Vice President, Purchasing and Logistics and Chief Procurement Officer of Navistar from October 2011 to November 2012, and as Vice President, Purchasing and Logistics of Navistar from August 2008 to October 2011. Prior to these positions, Mr Lisboa held various management positions within Navistar's North American and South American operations. Mr Lisboa began his career at Maxion International Motores Brasil, followed by a move to International Engines Argentina S.A., and then to MWM-International South America.

Directorships of listed companies in the past five years: None

Other: Resident of the United States.

Last elected: August 2021
Term expires: August 2024

Renee J. Peterson, BS, MBA
Age 62

Renee Peterson was appointed as an independent non-executive director of James Hardie in November 2022. She is a member of the Audit Committee.

Experience: Ms Peterson served as CFO for The Toro Company, a leading worldwide provider of innovative solutions for the outdoor environment with responsibility for all aspects of finance, information technology and investor relations, until March 2023. She continues to serve as Vice President until July 2023.

She previously served as Eaton Corporation's Vice President of Finance and Planning for the company's truck and automotive segments.

Prior to joining Eaton, Ms Peterson served in various financial leadership positions of increasing responsibility at Honeywell International over 25 years. Ms Peterson's career has spanned several different areas within the industrial sector, including aerospace, automotive, construction and consumer products.

She earned her Bachelor of Science degree in accounting from St. Cloud State University Herberger Business School and an MBA from the University of Minnesota. She is a certified public accountant (inactive) and holds a six-sigma green belt certification.

Ms Peterson is an independent director for Franklin Electric (FELE), a global leader in the manufacturing and distribution of water and fueling products and solutions, and is currently Audit Committee Chair. She is a member of The Toro Company Foundation and the St. Cloud State University Herberger Business School Advisory Council.

She previously served on the Board of the Greater Twin Cities United Way (GTCUW) as the Treasurer and Finance & Human Capital Committee Chair and was also a member of the GTCUW Executive Committee. Ms Peterson is also a member of the MN Women's Economic Roundtable (MWER), a forum for Twin Cities women leaders to gather insights on broad economic issues, examine their implications, and take action in their individual communities and personal lives.

Directorships of listed companies in the past five years: Current – Director of Franklin Electric Co., Inc (since 2015).

Other: Resident of the United States.

Last elected: Ms Peterson will be standing for election at the August 2023 Annual General Meeting.

Rada Rodriguez, MSc
Age 64

Rada Rodriguez was appointed as an independent non-executive director of James Hardie in November 2018. She is Chair of the Nominating and Governance Committee and a member of the Remuneration Committee.

Experience: Ms Rodriguez serves as Chief Executive Officer of Signify DACH, part of the Signify Group, a world leader in connected LED lighting systems, software and services, since May 2021. She previously served as Chief Executive Officer of Schneider Electric GmbH, part of Schneider Electric Group, a global energy management and automation company and served as Senior Vice President, Corporate Alliances until 2021. On joining the company in 1999, she held a progression of senior roles including Head of International Research and Development for Schneider Electric Sweden, and Senior Vice President and Zone President, Central and Eastern Europe. Prior to joining Schneider Electric GmbH, she worked at Lexel Group (later acquired by Schneider) and before that she worked for 5 years at Colasit Scandinavia AB, a Swiss industrial machinery manufacturer. She started her career with K-Konsult AB, a Swedish technical consulting firm with a focus on installation technology where she worked for 5 years as a design engineer.

Directorships of listed companies in the past five years: None.

Other: Resident of Germany.

Last elected: November 2022
Term expires: November 2025

Suzanne B Rowland, MS, BS

Age 61

Suzanne B Rowland was appointed as an independent non-executive director of James Hardie in February 2021. She is a member of the Audit Committee and the Remuneration Committee.

Experience: Ms Rowland has extensive senior executive experience leading complex global materials and industrial businesses. She most recently served as Group Vice President of the Industrial Specialties business at Ashland Global Holdings Inc. from 2016 to 2019 where she aligned commercial and asset strategies driving focused profitable growth.

Prior to this, Ms Rowland served in separate Vice President and General Manager roles in Tyco International plc between 2009 and 2015 where she led significant improvement in customer relationships, market position, and operational execution. Before joining Tyco, Ms Rowland worked for Rohm and Haas Company for over twenty years, where she held multiple senior executive roles including leading the global Adhesives division and Procurement & Logistics for the company.

Directorships of listed companies in the past five years: Current – Director of Sealed Air Corporation (since 2020). Former - Director of L.B. Foster Co. (2008-2022); Director of SPX Flow, Inc. (2018-2022).

Other: Resident of the United States.

Last elected: August 2021
Term expires: August 2024

Nigel Stein, CA, BSc
Age 67

Nigel Stein was appointed as an independent non-executive director of James Hardie in May 2020. He is the Chairman of the Audit Committee and is a member of the Nominating and Governance Committee.

Experience: Mr Stein has extensive experience in the global automotive and manufacturing sectors. He currently serves as Chairman of Inchcape plc (Inchcape), an automotive distribution, retail and financing company, a position he has held since May 2018. Mr Stein joined Inchcape as a non-executive director in October 2015.

Prior to holding this position, Mr Stein served as Chief Executive Officer of GKN Ltd (GKN) (formerly GKN plc) from January 2012 to December 2017. He joined the automotive and aerospace components supplier in 1994 and during his time with GKN held various senior positions in general management and finance including six years as Group Chief Financial Officer. Earlier in his career, Mr Stein held senior finance positions with Laird plc and Hestair plc. From 2003 until 2011, he served as an independent non-executive director on the Board of Ferguson (formerly Wolseley) plc, the leading specialist distributor of plumbing and heating products in North America. Mr Stein is a member of the Institute of Chartered Accountants of Scotland.

Directorships of listed companies in the past five years: Current – Director of Inchcape plc (since 2015).

Other: Resident of the United Kingdom.

Last elected: November 2020
Term expires: August 2023

Harold Wiens, BS
Age 76

Harold Wiens was appointed as an independent non-executive director of James Hardie in May 2020. In January 2020, Mr Wiens was appointed Interim CEO of James Hardie until September 2022.

Experience: Mr Wiens worked at 3M Company (3M) for thirty-eight years. He served as Executive Vice President, Industrial Business and Transportation Business from 1998 until his retirement from 3M in 2006. It is 3M's largest and most diverse business serving many different end markets ranging from electronic to automotive and aerospace manufacturing. During this time, Mr Wiens restructured the business, leading a global implementation of Six Sigma that drove significant international growth.

Prior to holding this position, Mr Wiens served as Executive Vice President, Sumitomo 3M, 3M's largest subsidiary, headquartered in Tokyo, Japan, from 1995 to 1998 and served as Data Storage Business Leader and Vice President from 1988 to 1995 and as Memory Technologies Group Manufacturing Manager from 1983 to 1988. Mr Wiens began his career with 3M in 1968 and held many positions of increasing responsibility over his first fifteen years with 3M.

Directorships of listed companies in the past five years: Former – Director of Bio-Techne Corporation (2014-2020).

Other: Resident of the United States.

Last elected: November 2020
Term expires: August 2023

Remuneration Report

This Remuneration Report describes the executive remuneration philosophy, programs and objectives of the Remuneration Committee and the Board of Directors (the “Board”), as well as the executive remuneration plans and programs implemented by James Hardie.

We are not required to produce a remuneration report under applicable Irish, Australian or US rules or regulations. However, taking into consideration our significant Australian and US shareholder bases and our primary listing on the Australian Securities Exchange (“ASX”), we have voluntarily produced a remuneration report consistent with those provided by similarly situated companies for non-binding shareholder approval since 2005.

This Remuneration Report outlines the key remuneration plans and programs and share ownership information for our Board of Directors and certain of our senior executive officers (Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and the other three highest paid executive officers based on total compensation that was earned or accrued for fiscal year 2023) (“Senior Executive Officers”) in fiscal year 2023, and also includes an outline of the key changes for fiscal year 2024. Further details of these changes are set out in the 2023 Notice of Annual General Meeting (“AGM”).

For fiscal year 2023, our senior executive officers are:

- Aaron Erter, Chief Executive Officer (effective 1 September 2022);
- Jason Miele, Chief Financial Officer;
- Sean Gadd, President, North America;
- Ryan Kilcullen, Executive Vice President, Global Operations; and
- Joe Liu, Chief Technology Officer.

As previously announced, Mr Harold Wiens was appointed as interim CEO, which ended on 31 August 2022. As compensation for his service as interim CEO, Mr Wiens received a temporary exertion fee of US$130,000 per month for the period he was in the interim CEO role. The exertion fee is in addition to his regular board fees as a director. Reasonable expenses associated with relocation and other costs incurred during this period because of undertaking this role were also compensated. The compensation Mr Wiens received for his service as our interim CEO does not reflect our normal remuneration practices with respect to our executive compensation program due to his service as CEO being interim in nature. As such, Mr Wiens did not participate in the Short-Term Incentive ("STI") and Long-Term Incentive ("LTI") plans and programs that are discussed throughout the remainder of this Remuneration Report.

This Remuneration Report has been adopted by our Board on the recommendation of the Remuneration Committee.

EXECUTIVE SUMMARY

Fiscal Year 2023 Business Highlights[1]

Our operating results for fiscal year 2023 reflected solid financial results, highlighted by record net sales of US$3.8 billion, an increase of 4% compared to fiscal year 2022. Adjusted earnings before interest and taxes ("EBIT") of US$780 million and Adjusted net income of US$606 million in fiscal year 2023 decreased 4% and 2%, respectively, compared to fiscal year 2022. The challenging global macro environment conditions and high input costs that included significant inflationary pressures, impacted all of our segment results for the year.

The following graphs show our performance for key financial measures during fiscal year 2023, with a comparison to prior corresponding periods:

1 Please see the "Glossary of Abbreviations and Definitions" in Section 4 of this Annual Report for a reconciliation of non-GAAP financial measures used in this Remuneration Report to the most directly comparable US GAAP financial measure.

Fiscal Year 2023 Compensation Highlights

Our fiscal year 2023 compensation continued to reflect and promote our pay-for-performance philosophy and our stated goal to position Senior Executive Officer fixed base salary and benefits at the median and total target direct remuneration (comprising fixed and target variable remuneration) at the 75th percentile of our Peer Group (defined herein), if stretch short- and long-term target performance goals are met.

The following is a summary of the key aspects and events that occurred relative to the Company's remuneration policies, programs and arrangements during the course of fiscal year 2023:

- No changes were made to the design of the of our Short-Term Incentive program in fiscal year 2023, which is comprised of both the Company Performance Plan ("CP Plan") and Individual Performance Plan ("IP Plan"). The CP Plan continues to measure both Growth and Returns when assessing Company performance and shareholder value creation. A complete description of the CP Plan for fiscal year 2023 is set out in the section titled "Incentive Arrangements" later in this Remuneration Report.
- No changes were made to the design of the LTI Plan for fiscal year 2023. The LTI plan remains similar to the fiscal year 2022 plan with updated financial targets. A complete description of the LTI program, including the applicable performance hurdles, is set out in the section titled "Incentive Arrangements" later in this Remuneration Report.

Fiscal Year 2023 Total Target Compensation

Remuneration packages for Senior Executive Officers reflect our remuneration philosophy and comprise a mixture of fixed base salary, benefits and variable performance-based incentives. The Remuneration Committee seeks to appropriately balance fixed and variable remuneration in order to align our total compensation structure with our pay-for-performance philosophy. The following chart summarizes total target compensation awarded to each Senior Executive Officer in fiscal year 2023:

Summary of Fiscal Year 2023 Senior Executive Officer Target Compensation				
Senior Executive Officer	**FY2023 Annual Base Salary (US$)**	**FY2023 STI Target Value (US$)**	**FY2023 LTI Target Value (US$)**	**FY2023 Total Target Compensation (US$)**
A Erter	1,000,000	1,200,000	5,000,000	7,200,000
J Miele	550,000	385,000	865,000	1,800,000
S Gadd	650,000	455,000	1,000,000	2,105,000
R Kilcullen	435,000	282,750	600,000	1,317,750
J Liu	375,000	225,000	350,000	950,000

Mr Erter also received a US$2 million stock option award upon hire with three-year cliff vesting and a five-year exercise period.

Results of 2022 Remuneration Report Vote

In August 2022, our shareholders were asked to cast a non-binding advisory vote on our remuneration report for the fiscal year ended 31 March 2022. Although we are not required under applicable Irish, Australian or US laws or regulations to provide a shareholder vote on our executive remuneration practices, the Board believes that it is important to engage shareholders on this important issue and we have voluntarily submitted our remuneration report for non-binding shareholder approval on an annual basis since 2005 and currently intend to continue to do so.

At our 2022 Annual General Meeting, our shareholders approved our remuneration report, with 96.3% of the votes cast in support of our remuneration program. The Remuneration Committee considered the results of this advisory vote, together with investor feedback and other factors and data associated with strategic priorities discussed in this Remuneration Report, in determining our executive remuneration policies, objectives and decisions and related shareholder engagement efforts for fiscal year 2023.

APPROACH TO SENIOR EXECUTIVE REMUNERATION

Remuneration Philosophy

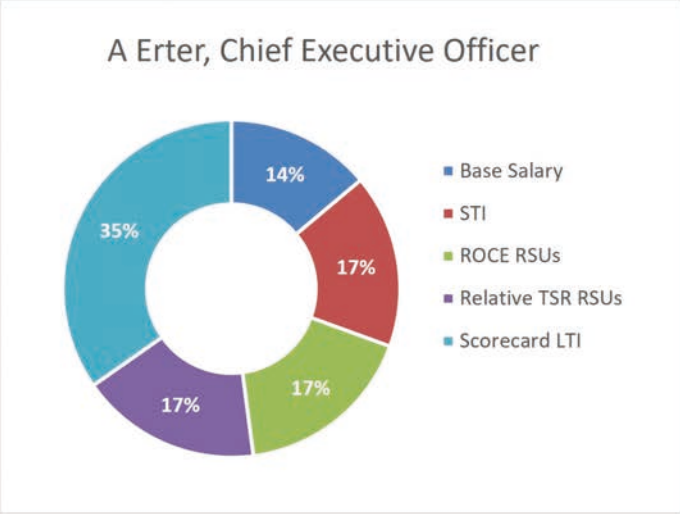
As our largest operating business and all of our Senior Executive Officers are located in the US, our remuneration philosophy is to provide our Senior Executive Officers with an overall package that is competitive with Peer Group companies exposed to the US housing and consumer durables market. Within this philosophy, the executive remuneration framework emphasizes operational excellence and shareholder value creation through incentives that link executive remuneration with the interests of shareholders. Our remuneration plans and programs are structured to enable us to: (i) attract and retain talented executives; (ii) reward outstanding individual and corporate performance; and (iii) align the interests of our executives to the interests of our shareholders, with the ultimate goal of creating long-term value for our shareholders. This pay-for-performance system continues to serve as the framework for executive remuneration, aligning the remuneration received with the performance achieved.

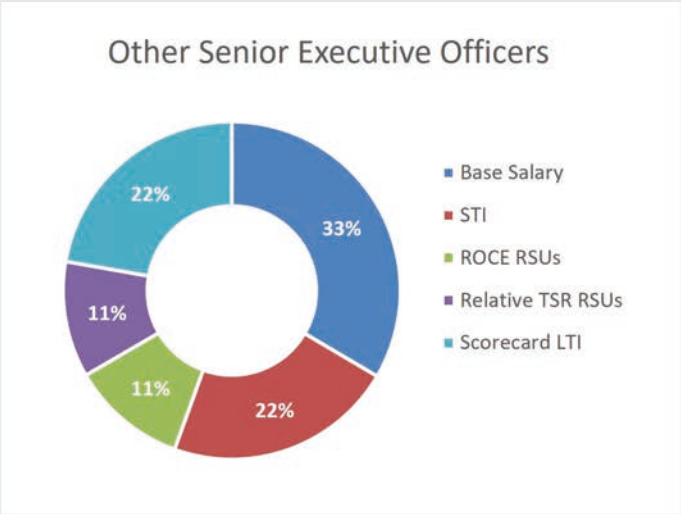
Composition of Remuneration Packages

In line with our remuneration philosophy, our goal is to position Senior Executive Officer fixed base salary and benefits at the median and total target direct remuneration (comprising fixed and target variable remuneration) at the 75th percentile of our Peer Group, if stretch short- and long-term target performance goals are met. Performance goals for target variable performance-based incentive remuneration are set with the expectation that we will deliver results in the top quartile of our Peer Group. Performance below this level will result in variable remuneration payments below target (and potentially zero for poor performance). Performance above this level will result in variable remuneration payments above target.

Relative Weightings of Fixed and Variable Remuneration

The charts below detail the relative weightings of fixed versus variable remuneration for our CEO and other Senior Executive Officers for fiscal year 2023. Fixed remuneration includes base salary and variable remuneration is comprised of target STI awards and the following three LTI components: (i) Relative Total Shareholder Return ("TSR") Restricted Stock Units ("RSUs"); (ii) Return on Capital Employed ("ROCE") RSUs; and (iii) Scorecard LTI at target, each of which are discussed in more detail in this Remuneration Report.





Setting Remuneration Packages

Remuneration decisions are based on the executive remuneration philosophy and framework described in this Remuneration Report. The Remuneration Committee reviews and the Board approves this framework each year.

Remuneration packages for Senior Executive Officers are evaluated each year to make sure that they continue to align with our compensation philosophy, are competitive with our Peer Group and developments in the market, and continue to support our business structure and objectives. In making decisions regarding individual Senior Executive Officers, the Remuneration Committee takes into account both the results of an annual remuneration positioning review provided by the Remuneration Committee's independent advisers and the Senior Executive Officer's responsibilities and performance.

All aspects of the remuneration package for our CEO and CFO are determined by the Remuneration Committee and ratified by the Board. All aspects of the remuneration package for the remaining Senior Executive Officers are determined by the Remuneration Committee on the recommendation of the CEO.

Remuneration Committee Governance

The remuneration program for our Senior Executive Officers is overseen by our Remuneration Committee, the members of which are appointed by the Board. As prescribed by the Remuneration Committee Charter, the duties of the Remuneration Committee include, among other things: (i) administering and making recommendations on our incentive compensation and equity-based remuneration plans; (ii) reviewing the remuneration framework for the Company; and (iii) making recommendations to the Board on recruitment, retention and termination policies and procedures for senior management. The current members of the Remuneration Committee are Persio Lisboa (Chairman), PJ Davis, Rada Rodriguez and Suzanne Rowland, all of whom are independent non-executive directors. A more complete description of these and other Remuneration Committee functions is contained in the Remuneration Committee's Charter, a copy of which is available on our Investor Relations website (ir.jameshardie.com.au).

Summary of Executive Compensation Practices

The following table summarizes certain of the key governance practices employed by the Remuneration Committee relative to our executive compensation practices, including those practices which we believe are important drivers of both short- and long-term corporate performance and those practices which we believe are not aligned with the long-term interests of our shareholders:

Compensation Practices We Employ			
✓	Retain independent compensation advisers reporting directly to the Remuneration Committee	×	Prohibition on hedging of stock held by executives and directors
✓	Pay for performance model, with approximately 86% of our CEO's total target compensation being performance-based "at risk" compensation and an average of approximately 67% total target compensation being performance-based "at risk" compensation for our other Senior Executive Officers	×	Limited employment agreements and severance arrangements
✓	Circuit breaker on annual STI awards to ensure that no annual incentive awards are paid unless minimum North America growth and corporate performance levels are achieved	×	Limited change-in-control benefits
✓	Set share ownership requirements for all directors and Senior Executive Officers	×	No dividends paid on unvested equity awards
✓	Broad clawback policy on performance-based compensation	×	Limited perquisites and other benefits
✓	Set performance-based vesting conditions for all equity grants to Senior Executive Officers	×	No annual time-based LTI equity grants to Senior Executive Officers
✓	Provide the Remuneration Committee with ability to exercise "negative" discretion when determining the vesting and payout of our LTI programs	×	No excessive retirement or deferred compensation arrangements

Remuneration Advisers

As permitted by the Remuneration Committee Charter, the Remuneration Committee retained FW Cook (in the US) and Guerdon Associates (in Australia) as its independent advisers for matters regarding remuneration for fiscal year 2023. The Remuneration Committee reviews the appointment of its advisers each year. Both FW Cook and Guerdon Associates provided the Remuneration Committee with written certification during fiscal year 2023 to support their re-appointment. In those certifications, the advisers: (i) confirmed that their pay recommendations were made without undue influence from any member of our management; and (ii) provided detailed responses to the six independence factors a Remuneration Committee should consider under relevant NYSE rules, and confirmed their independence based on these factors.

The Remuneration Committee reviewed these certifications before re-appointing each advisor for fiscal year 2023

Benchmarking Analysis

To assist the Remuneration Committee in making remuneration decisions, the Remuneration Committee evaluates the remuneration of our Senior Executive Officers against a designated set of companies (the "Peer Group"). The Peer Group, which is reviewed by the Remuneration Committee on an annual basis, consists of companies that are similar to us in terms of certain factors. The Remuneration Committee believes that US based companies are a more appropriate peer group than Australian based companies, as they are exposed to the same macroeconomic factors in the US housing market as those we face.

For fiscal year 2023, the factors used to review and define the Peer Group included:

- Size (revenue and market cap);
- Industry (builders and suppliers);
- Exposure to the US housing market;
- Operates and services global markets; and
- Focus on innovation and intellectual property as a differentiating factor for the business.

As result, it was decided to retain the peer group as identified for FY2022 except that Cornerstone Building Brands, Inc. (acquired by Clayton, Dubilier & Rice in 2022) is no longer a public company and was removed from the group.

Below are the names of the 22 companies comprising the Peer Group, which was used to benchmark the remuneration of our Senior Executive Officers in fiscal year 2023.

A.O. Smith Corporation	Louisiana-Pacific Corp	The Toro Company
Acuity Brands, Inc	Martin Marietta Materials, Inc	Toll Brothers, Inc.
American Woodmark Corp	Masco Corporation	Trex Co., Inc
Armstrong World Indus, Inc	Mohawk Industries, Inc	Valmont Industries, Inc
Builders FirstSource, Inc.	NVR, Inc.	Vulcan Materials Co
Carlisle Companies Incorporated	Newell Brands, Inc.	Watsco, Inc
Fortune Brands Home & Security	Owens Corning	
Lennox International, Inc	Simpson Manufacturing Co., Inc	

Performance Linkage with Remuneration Policy

During its annual review, the Remuneration Committee assessed our performance in fiscal year 2023 against:

- our historical performance;
- our Peer Group;
- the goals in our STI and LTI variable remuneration plans; and
- the key objectives and measures the Board expects to see achieved, which are set forth in what is referred to as the “Scorecard” and further discussed later in this Remuneration Report.

Based on that review, the Board and the Remuneration Committee concluded that management’s performance in fiscal year 2023, during a change in CEO and other executive leadership roles in addition to facing a downturn in the housing market, was strong. Management continued to drive profitable growth achieving record FY23 Net Sales globally and record EBIT in North America. The long-term incentive plan three-year ROCE performance exceeded expectations and the long-term strategic measures included in the Scorecard resulted in above target payouts.

More details about this assessment are set out below in this Remuneration Report.

DESCRIPTION OF 2023 REMUNERATION ELEMENTS

Base Salaries and Other Fixed Remuneration Benefits

Base salary provides a guaranteed level of income that recognizes the market value of the position and internal equities between roles, as well as the individual’s capability, experience and performance. Annual base salary increases are not automatic. Base salaries for Senior Executive Officers are positioned around the market median for positions of similar responsibility and are reviewed by the Remuneration Committee each year.

In addition, Senior Executive Officers may receive certain other limited fixed benefits, such as medical and life insurance benefits, car allowances, participation in executive wellness programs and an annual financial planning allowance. For fiscal year 2023, the base salary and value of other fixed benefits for each of our Senior Executive Officers is provided in the Base Pay and Other Benefits columns of the remuneration table in the section titled “Remuneration Paid to Senior Executive Officers”.

Retirement Plan

In every country in which we operate, we offer employees access to pension, superannuation or individual retirement savings plans consistent with the laws of the respective country.

In the US, we sponsor a defined contribution plan, the James Hardie Retirement and Profit Sharing Plan (the “401(k) Plan”). The 401(k) Plan is a tax-qualified retirement and savings plan covering all US employees, including our Senior Executive Officers, subject to certain eligibility requirements as defined by the Internal Revenue Service (the "IRS"). In addition, we match employee contributions dollar for dollar up to a maximum of the first 6% of an employee’s eligible compensation.

Non-Qualified Deferred Compensation Plan

As of 1 January 2021, we sponsor a non-qualified deferred compensation plan, the James Hardie Executive Deferred Compensation Plan (the "Deferred Compensation Plan"). Participation in the Deferred Compensation Plan is generally limited to individuals whose annual salary exceeds the IRS limits applicable to our qualified plans or are participants in our Long-Term Incentive Plan (the "LTIP"). The

Deferred Compensation Plan allows participants to elect to defer receipt of some or all of their salary or earned cash incentive to a later date. The Deferred Compensation Plan also restores matching employee contributions up to a maximum of the first 6% of an employee's eligible compensation that would not be eligible in the 401(k) Plan due to IRS contribution limits so long as the participant defers eligible compensation to the Deferred Compensation Plan.

Incentive Arrangements

In addition to the base salary and other fixed benefits provided to our Senior Executive Officers, the Remuneration Committee reviews and approves a combination of both short-term and long-term variable incentive programs on an annual basis. For fiscal year 2023, our variable incentive plans for Senior Executive Officers were as follows:

Duration	Plan Name	Amount	Form Incentive Paid
STI (1 year)	IP Plan	20% of STI Target	Cash
	CP Plan	80% of STI Target	Cash
LTI (3 years)	LTIP	25% of LTI Target	ROCE RSUs
		25% of LTI Target	TSR RSUs
		50% of LTI Target	Cash (Scorecard LTI)

STI Plans

On an annual basis, the Remuneration Committee approves an STI target for all Senior Executive Officers, expressed as a percentage of base salary, which is allocated between individual goals and Company goals under the IP and CP Plans, respectively. For fiscal year 2023, the STI target percentage for Mr Erter was 120% of base salary and 70% for Messrs Miele and Gadd, 65% for Mr Kilcullen and 60% for Mr Liu, with 80% allocated to the CP Plan and 20% allocated to the IP Plan for all Senior Executive Officers.

CP Plan

For fiscal year 2023, the core plan design was the same as prior years. We continue to measure both Growth and Returns when assessing Company performance and shareholder value creation.

For fiscal year 2023, the metrics for all regions (North America, Asia Pacific and Europe) are the same as fiscal year 2022 and are a net revenue measure (Growth) and a profit measure (Returns). The metrics are each set with a threshold, target and maximum payout scale. Similar in concept to the matrices used previously and in order to incentivize exceptional company performance in an uncertain and highly volatile market, both net revenue and profitability must be achieved together to derive a payout within the payout scale, reinforcing shareholder value creation. The maximum payout is 3.0x of target.

All Senior Executive Officers continued to be tied to the NA multiple either in part or in whole. Executives with NA responsibility are linked only to the NA multiple (Mr Gadd). For executives with global responsibility (Messrs Erter, Miele, Kilcullen and Liu), their STI is based on the metrics for North America (80%) and the Global Adjusted Net Income of the Company (20%).

IP Plan

Under the IP Plan, the Remuneration Committee approves a series of one-year individual performance goals which, along with our leadership behaviors, are used to assess the performance of our Senior Executive Officers. The IP Plan links financial rewards to the Senior Executive Officer's achievement of specific objectives aligned with the strategic plan and contributions to shareholder value, but are not captured directly by financial measures in the CP Plan. Each Senior Executive Officer can receive between 0% and 150% of their STI target allocated to the IP Plan with Board discretion to award up to 300% of target for members of the Executive Leadership Team ("ELT").

The Remuneration Committee has reserved for itself discretion to change the STI paid. An example of when the Remuneration Committee would consider exercising this discretion includes external factors outside of management's control, such as, a general shift in the housing market that is considered to have a sufficiently material impact on results. The Remuneration Committee will disclose the reasons for any such exercise of its discretion.

The Remuneration Committee believes that the payout scales are appropriate because they provide management with an incentive to achieve overall corporate goals, balance growth with returns, recognize the need to flexibly respond to strategic opportunities, and incorporate Remuneration Committee discretion to ensure appropriate outcomes.

STI Plan Performance for Fiscal Year 2023

For the Senior Executive Officers', our CP Plan results and the subsequent STI payouts for fiscal year 2023 were either between threshold and target or below threshold. The design of the plan states that the company must achieve both goals to receive a payout with the payout being at the level of the lowest achieved. As a result, there are no payouts for the Company Performance portion of the plan:

- The North America business performed between threshold and target for Net Revenue and below threshold for EBIT
- The Adjusted Net Income of the company performed below threshold.

The Remuneration Committee decided to exercise discretion with regard to the payouts upon review of the company's achievements in FY23 and the executive's performance, noting:

- FY23 Adjusted Net Income of US$606 million was 98% of prior year
- FY23 North America Net Sales was an all-time record at US$2.8 billion
- FY23 North America EBIT was an all-time record at US$652 million

The Committee also recognizes the macroeconomic global events that were out of management's control, including: rising interest rates, inflation, high energy costs in Europe due to the war in Ukraine, a significant decline in the housing markets we participate in and a leadership transition.

- Single family US housing starts declined for the 12-month period ended 31 March 2023 of 18% in total increase of inflation globally of US$170 million

Taking the above items into account, along with the FY23 results noted above, the Committee decided to use discretion to award a payout multiple of 0.25x (50% of the threshold) for the Senior Executive Officers. Total payout including CP and IP is 0.40x of target when rating is Fully Performing.

Regarding the IP Plan, the Senior Executive Officers' performance and the subsequent STI payouts for fiscal year 2023 were at or above target based on each Senior Executive Officer's achievement of fiscal year 2023 one-year individual performance and core organizational values and leadership behavior goals.

For fiscal year 2023, the amount to be paid to each of our Senior Executive Officers under the STI Plans, inclusive of the CP portion and IP portion, is provided in the STI Award column of the remuneration table, in the section titled "Remuneration Paid to Senior Executive Officers."

LTI Plans

Each year, the Remuneration Committee approves an LTI target for all Senior Executive Officers. The approved target is allocated between three separate components to ensure that each Senior Executive Officer's performance is assessed across factors considered important for sustainable long-term value creation:

- ROCE RSUs are used as they are an indicator of high capital efficiency required over time;
- Relative TSR RSUs are used as they are an indicator of our performance relative to our US Peer Group; and
- Scorecard LTI is an indicator of each Senior Executive Officer's contribution to achieving our long-term strategic goals.

Awards issued under the LTI are issued pursuant to the terms of the LTIP.

In addition to the regular annual awards, Messrs Miele, Gadd and Kilcullen each received Leadership Team Transition and Alignment grants to ensure full support, alignment, and engagement in a smooth and successful transition of the company's new CEO. The grant also recognized the increased workload during the transition period. These awards align with the annual fiscal year 2023 - 2025 ROCE RSUs, TSR RSUs and Scorecard LTI Units and are included in the table.

Mr Erter was issued a one-time award of nonqualified stock options upon hire as a "Buy Out" award for the forfeiture of his awards from his prior employer. The stock options are under the Equity Incentive Plan.

During fiscal year 2023, our Senior Executive Officers were granted the following awards:

	ROCE RSUs	TSR RSUs	Scorecard LTI Units	Stock options
A Erter	119,174	193,525	305,048	269,221
J Miele	34,243	62,820	102,732	—
S Gadd	40,018	73,511	120,057	—
J Kilcullen	25,378	46,920	76,137	—
J Liu	7,092	11,501	21,276	—

RSUs and stock options issued/exercised under our LTI programs will be settled upon vesting in CHESS Units of Foreign Securities ("CUFS") on a 1-to-1 basis. Unless the context indicates otherwise, when we refer to our common stock, we are referring to the shares of our common stock that are represented by CUFS.

ROCE RSUs (25% of target LTI for Fiscal Years 2023-2025)

The Remuneration Committee introduced ROCE RSUs in fiscal year 2013 because the US housing market had stabilized to an extent which permitted the setting of multi-year financial metrics. The Remuneration Committee believes ROCE RSUs remain an appropriate component of the LTI Plan because they:

- tie the reward's value to share price which provides alignment with shareholder interests;
- promote that we earn appropriate returns on capital invested;
- reward performance that is under management's direct influence and control; and focus management on capital efficiency as the necessary precondition for the creation of additional shareholder value;

Per the plan, the maximum payout for the ROCE RSUs is 2.0x target LTI. ROCE is determined by dividing Adjusted EBIT by Adjusted Capital Employed[1]. The ROCE hurdles will be indexed for changes to US and Asia Pacific addressable housing starts. The resulting Adjusted Capital Employed for each quarter of any fiscal year will be averaged to better reflect capital employed through a year rather than at a single point in time.

ROCE hurdles for the ROCE RSUs are based on historical results and take into account the US housing market and better optimization of our manufacturing plants.

The hurdles for ROCE RSUs granted in fiscal year 2023 (for performance in fiscal years 2023 to 2025) remained the same as fiscal year 2022 as shown in the table below:

Fiscal Years 2023-2025 ROCE	Amount of Target to Vest
< 35.0%	0.0x
≥ 35.0%, but < 37.0%	0.5x
≥ 37.0%, but < 38.5%	1.0x
≥ 38.5%, but < 40.0%	1.5x
> 40.0%	2.0x

At the conclusion of this three-year performance period, the Remuneration Committee will review management's performance based on the quality of the returns balanced against management's delivery of market share growth and performance against the Scorecard. Following this review, the Remuneration Committee can exercise negative discretion to reduce the number of shares received on vesting of the ROCE RSUs. This discretion can only be applied to reduce the number of shares which will vest.

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1 For purposes of ROCE RSU vesting, "Adjusted EBIT" and "Adjusted Capital Employed" will be calculated as follows:

"Adjusted EBIT" will be calculated as (i) EBIT as reported in our financial results; adjusted by (ii) excluding the earnings impact of legacy issues (such as asbestos adjustments); and (iii) adding back asset impairment charges in the relevant period, unless otherwise determined by the Remuneration Committee.

"Adjusted Capital Employed" will be calculated as total assets minus current liabilities as reported in our financial results; adjusted by: (i) excluding balance sheet items related to legacy issues (such as asbestos adjustments), dividends payable and deferred taxes; (ii) adding back asset impairment charges in the relevant period, unless otherwise determined by the Remuneration Committee; (iii) adding back leasehold assets for manufacturing facilities and other material leased assets; and (iv) deducting all greenfield construction-in-progress, and any brownfield construction-in-progress projects involving capacity expansion that are individually greater than US$20 million, until such assets reach commercial production and are transferred to the fixed asset register.

ROCE RSUs Vesting in Fiscal Year 2023 (for Fiscal Years 2021-2023)

As a component of the fiscal year 2021 LTI Plan, we granted ROCE RSUs in August 2020. The ROCE RSUs comprised 25% of each Senior Executive Officer's LTI target and were granted assuming 2.0x target. Vesting of the ROCE RSUs is dependent on the average ROCE performance for fiscal years 2021-2023 and is subject to the Remuneration Committee's negative discretion based on its judgment regarding the quality of returns balanced against management's delivery of market share growth. The ROCE performance hurdles for this grant were approved as follows:

ROCE Performance Level	Amount of Target to Vest
< 24.0%	0.0x
≥ 24.0%, but < 26.0%	0.5x
≥ 26.0%, but < 27.5%	1.0x
≥ 27.5%, but < 28.5%	1.5x
≥ 28.5%	2.0x

Based on the average ROCE result for fiscal years 2021-2023 of 46.4%, a 2.0x target of the ROCE RSUs granted will vest on 17 August 2023.

Relative TSR RSUs (25% of target LTI for Fiscal Years 2023-2025)

The Remuneration Committee believes that Relative TSR RSUs continue to be an appropriate component of the LTI Plan because they provide alignment with shareholders. Even if macro-economic conditions create substantial shareholder value, Senior Executive Officers will only receive payouts if the TSR of our shares exceeds a specified percentage of our Peer Group over a performance period.

Relative TSR RSUs have been a component of our LTI since fiscal year 2009. Consistent with recent prior years, the maximum payout for Relative TSR RSUs granted in fiscal year 2023 is 2.0x target LTI.

Relative TSR measures changes in our share price and the share prices of our Peer Group; and assumes all dividends and capital returns are reinvested when paid. For fiscal year 2023, our relative TSR performance will be measured against the Peer Group over a three-year performance period from grant date. To eliminate the impact of short-term share price changes, the starting point and test date are measured using a 20 trading-day average closing price. Relative TSR RSUs will vest based on the following straight-line schedule:

Performance against Peer Group	Amount of Target to Vest
< 40th Percentile	0.0x
40th Percentile	0.5x
> 40th, but < 60th Percentile	Sliding Scale
60th Percentile	1.0x
> 60th, but < 80th Percentile	Sliding Scale
≥ 80th Percentile	2.0x

The Remuneration Committee will continue to monitor the design of the Relative TSR RSU component of the LTI Plan for Senior Executive Officers with the aim of balancing investor preferences with the ability to motivate and retain Senior Executive Officers.

TSR RSUs Vested for Fiscal Years 2020-2022

As part of the fiscal year 2020 LTI Plan, in August 2019 we granted three-year Relative TSR RSUs to senior executives. Vesting of these Relative TSR RSUs was dependent on our TSR performance relative to the Peer Group in place at that time, based on the following schedule:

Performance against Peer Group	Amount of Target to Vest
< 40th Percentile	0.0x
40th Percentile	0.5x
> 40th, but < 60th Percentile	Sliding Scale
60th Percentile	1.0x
> 60th, but < 80th Percentile	Sliding Scale
≥ 80th Percentile	2.0x

In August 2022, the only test of Relative TSR performance was completed, resulting in our TSR performance at the 84.2 percentile of the Peer Group in place at that time. As a result, 2.0x of target outstanding Relative TSR RSUs vested.

Scorecard LTI (50% of target LTI for Fiscal Years 2023-2025)

Scorecard LTI has been a component of our LTI Plan since fiscal year 2010. Each year, the Remuneration Committee approves a number of key management objectives and the results it expects to see achieved in relation to these objectives. These objectives are incorporated into that year's grant of Scorecard LTI. At the end of the three-year performance period, the Remuneration Committee assesses our Senior Executive Officers' collective performance on each key objective and each individual Senior Executive Officer's contribution to those achievements and the Board reviews this assessment. Senior Executive Officers may receive different ratings depending on the contribution they have made during the three-year performance period. Although most of the objectives in the Scorecard have quantitative targets, we consider some of the targets to be commercial-in-confidence. Consistent since fiscal year 2010, the maximum payout for Scorecard LTI is 3.0x target LTI.

The Remuneration Committee believes that the Scorecard LTI continues to be an appropriate component of its LTI Plan because it:

- allows the Remuneration Committee to set targets for and reward executives on a balance of longer-term financial, strategic, business, customer and organizational development goals which it believes are important contributors to long-term creation of shareholder value;
- ties the reward's value to our share price over the medium-term; and
- allows flexibility to apply rewards across different countries, while providing Senior Executive Officers with liquidity to pay tax or other material commitments at a time that coincides with vesting of shares (via the other components of the LTI Plan), as payment is in cash.

No specific weighting is applied to any single objective and the final Scorecard assessment reflects an element of judgment by the Board. The Board may only exercise negative discretion (i.e., to reduce the amount of Scorecard LTI that will ultimately vest). It cannot enhance the maximum reward that can be received.

The amount received by Senior Executive Officers is based on both our share price performance over the three-year performance period and the Senior Executive Officer's Scorecard rating. At the start of the three-year performance period, we calculate the number of units each Senior Executive Officer could have acquired if they received a maximum payout on the Scorecard LTI at that time (based on a 20 trading-day average closing price). Depending on the Senior Executive Officer's performance, between 0.0x and 3.0x of the Senior Executive Officer's Scorecard LTI awards will vest at the end of the three-year performance period. Each Senior Executive Officer will receive a cash payment based on our share price at the end of the period (based on a 20 trading-day average closing price) multiplied by the number of units they could have acquired at the start of the performance period, adjusted downward in accordance with their Scorecard rating.

Further details related to the Scorecard for fiscal year 2023, including the method of measurement, historical performance against the proposed measures and the Board of Director's expectations, were previously set out in our Remuneration Report included in our Annual Report filed in May 2022. An assessment of our Scorecard performance for fiscal years 2021-2023 is set out below. We will provide an explanation of the final assessment of performance under the Scorecard for fiscal years 2023-2025 at the conclusion of fiscal year 2025.

Scorecard LTI Vesting in Fiscal Year 2023 (for Fiscal Years 2021-2023)

After fiscal year 2023, the Remuneration Committee reviewed our performance over fiscal years 2021-2023 against the Scorecard objectives set forth in fiscal year 2021, and the contribution of individual Senior Executive Officers towards the achievement of such objectives. As a result of this evaluation, the Remuneration Committee determined that Senior Executive Officers would receive a weighted average Scorecard rating between 1.5x and 2.5x of target with an average weighted target of 2.0x.

Performance Measure/Rationale	Performance Metric/Results	Board Assessment for the Three-year Period
PDG (Primary Demand Growth)	**Goal:** APAC: 3% - 6%; NA: 6% -8 % **Result:** APAC: 0.9%; NA: 3.8%	**Below expectations**
Organic Revenue Growth	**Goal:** Europe: 5% - 12% **Result:** 9%	**Meets expectations**
EBIT Margin	**Goal:** APAC: 20% - 25%; Europe: 10% - 15%; NA 22% - 27% **Result:** APAC: 27.8%; Europe: 9.6% NA: 28.2%	**Exceeds expectations**
Lean - Cumulative over 3 years	**Goal:** APAC: US$19 million; Europe: US$20 million; NA: US$100 million **Result:** APAC: US$54 million; Europe US$48 million; NA: US$203 million	**Exceeds expectations**
Zero Harm ("ZH") The safety of our employees is an essential objective of the Company	**Goal:** **APAC**: Safe Start Implementation DART rate: 0.20 **Europe:** Replicate systems from NA and APAC; Safe Start Implementation DART rate: 0.36 **NA:** 5S World Class Facilities DART rate: 0.36 **Result:** APAC and Europe completed their Safe Start and Driver/Fleet Safety programs. APAC DART rate is 0.0. EU achieved 30% reduction in DART rate from FY21-23. Moved from a 3.2 DART rate from time of acquisition to 0.54. NA completed their 5S program Implemented ZH critical priorities. NA DART rate was at 0.83	**APAC Exceeded expectations; EU and NA were below expectations; However, EU significantly improved DART rate since acquisition in 2018**

Performance Measure/Rationale	Performance Metric/Results	Board Assessment for the Three-year Period
Innovation	Commercial-in-confidence metrics for products and process efficiencies	**Meets expectations**
Environmental, Social & Governance	**Goal:** Continue to globally drive ESG reporting improvement; strengthen CDP disclosures with TCFD recommendations; receive zero negative shareholder votes across any resolution due to lack of clarity, FY23 ESG report to show improvement across areas reported on **Result:** Achieved all ESG deliverables and received significant positive feedback from proxy firms and investors. CDP score increased from B- to B during FY23 as a result of expanded reporting. FY22 report showed all key targets have been met or exceeded	**Meets expectations**
People and Culture	**Goal: 3-Year average turnover:** APAC: 13%; Europe 7%; NA: 13% Enhance leadership capabilities in key area, Diversity & Inclusion **Result:** Turnover: APAC: 8.9%; Europe: 7%; NA: 11% Hired Diversity & Inclusion Director, Achieved Gender diversity in management of 20%; launched Employee Resource Groups; APAC delivered engagement survey showing 90% employee engagement	**Meets expectations**

CHANGES TO REMUNERATION FOR FISCAL YEAR 2024

Remuneration for Fiscal Year 2024

During our May 2023 meeting, the Board, with the assistance of the Remuneration Committee and its independent remuneration advisers, undertook its annual review of our existing remuneration policies, programs and arrangements and determined to implement certain changes for fiscal year 2024.

Other Senior Executive Officer Compensation

Base pay, target STI and LTI increases in fiscal year 2023 and 2024 for the CFO and other Senior Executive Officers are as follows:

Name	Base Salary		Target STI		LTI Target	
	Fiscal Year 2023 (US$)	Fiscal Year 2024 (US$)	Fiscal Year 2023 (US$)	Fiscal Year 2024 (US$)	Fiscal Year 2023 (US$)	Fiscal Year 2024 (US$)
A Erter	1,000,000	1,038,000	120%	120%	5,000,000	5,320,000
J Miele	550,000	570,900	70%	70%	865,000	865,000
S Gadd	650,000	672,750	70%	70%	1,000,000	1,000,000
R Kilcullen	435,000	480,000	65%	65%	600,000	650,000
J Liu	375,000	391,125	60%	60%	350,000	350,000

Mr Erter's FY24 LTI target is being increased by 6.4% and Mr Kilcullen's base salary is being increased 10% and LTI target 8.3% to align his pay closer to the market median for his role; otherwise, there are no other target STI or LTI changes for the Senior Executive Officers for fiscal year 2024. Base salary increases are made in line with our annual compensation review guidelines and were adjusted as required to maintain positioning relative to market merit increase levels.

STI Plans

For fiscal year 2024, the core plan design will continue to be the same as fiscal year 2023. However, we changed our metrics to align with our strategic direction. We will continue to measure profitable growth primarily by using share gain metrics and profitability metrics when assessing Company performance and shareholder value creation. These metrics will continue to strengthen the connection between consistent growth and strong returns. The metrics for North America and Asia Pacific will be Primary Demand Growth ("PDG") and EBIT margin. Europe will be measured against three metrics - High Value Product Volume Growth, Total Net Sales and EBIT margin. The metrics are each set with a threshold, target and maximum payout scale. The metrics and scales will incentivize outstanding company performance in a unpredictable market; both driving profitable share gain to derive a payout within the payout scale reinforcing shareholder value creation. The maximum payout will be 3.0x of target. For fiscal year 2024, Mr Gadd will continue to be tied to the North America STI plan.

For executives with global responsibility (Messrs Erter, Miele, Kilcullen and Liu), their bonus will be based on global metrics of Adjusted Net Income, Return on Capital Employed ("ROCE") and Hardie Operating Systems ("HOS") cost savings. We believe these metrics properly align executives with global responsibility to be focused on profitable share gain in all three regions.

There will be no material change to the operation of the IP or CP Plans ("STI Plans") for fiscal year 2024.

LTI Plan

The Remuneration Committee believes the three components of the LTI Plan continue to (i) align management objectives with shareholder interests (Relative TSR RSU component), (ii) promote the appropriate internal management behaviors related to operating efficiency and the profitability of the Company's assets (ROCE RSU component), and (iii) emphasize strategic long-term priorities (Scorecard LTI component). As such, the fiscal year 2024 LTI Plan is consistent with the plan for fiscal year 2023 with updates to measures based on company strategy and financial targets.

The 2023 Notice of AGM will contain further details on the Relative TSR RSU and ROCE RSU grants for fiscal year 2024.

For fiscal year 2024, the Remuneration Committee has set the following seven Scorecard goals for each region (for the performance period in fiscal years 2024 to 2026) to ensure alignment with our strategic priorities:

	APAC	Europe	North America
Zero Harm	• Empower all employees to be Zero Harm Leaders • Machine guarding • DART rate: • FY24= 0.08; FY25=0.07, FY26=0.07	• Empower all employees to be Zero Harm Leaders • Machine guarding • DART Rate: . • FY24= 0.45; FY25=0.43, FY26=.41	• Empower all employees to be Zero Harm Leaders • Machine guarding • DART rate: • FY24= 0.76; FY25=0.73, FY26=.70
Profitable Share Gain	4%	High Value Product Growth: 25% CAGR	4%
EBIT Margin	>25%	7% - 10%	>25%
Hardie Operating System ("HOS")	• GTMO Projects: Deliver projects on time and on budget • HMOS Savings: Continued year over year savings in all regions totaling more than US$100 million globally across the three-year period versus FY23 baseline • Working Capital ◦ FY24 – improvement of 50 million from 31 March 2023 baseline ◦ FY25 – improvement of 75 million from 31 March 2023 baseline ◦ FY26 – improvement of 100 million from 31 March 2023 baseline • Procurement and R&D Value Improvement savings of more than US$60 million across the three-year period versus FY23 baseline • Capacity Expansion: Deliver projects on time and on budget		
Innovation	• Commercial-in-confidence metrics for products and process efficiencies	• Commercial-in-confidence metrics for products and process efficiencies	• Commercial-in-confidence metrics for products and process efficiencies
People & Culture	• Embed our Purpose, Vision, Mission and Values • Establish Baseline of Net Promoter Score via Employee Engagement Survey (FY24); FY25-FY26 Increase/maintain Net Promoter Score • Align organization design with company strategy • Inclusion & Diversity strategy: Drive improvement against strategy • Voluntary employee turnover by region (management and above) improvement		
Environmental, Social & Governance ("ESG")	FY24: • Cross functional collaboration and HMOS integration to deliver progress towards goals • Expanded Task Force for Climate Change Disclosure ("TFCD") reporting • Develop strategy to evolve external and internal ESG reporting FY25: • Evolve social impact strategy and goals. • Develop strategy for reduction of Scope 3 (value chain) greenhouse gas emissions and set interim goal for landfill waste • ESG efforts support consumer brand strategy FY26: • Develop strategy for improved circularity and set interim goal for landfill waste • Global adoption of responsible sourcing program • Develop ESG advocacy strategy • Greenhouse gas; zero to landfill • Be on track with goals published in July 2023 sustainability report		

OTHER EXECUTIVE COMPENSATION PRACTICES

Clawback Provisions

The Remuneration Committee has established an executive performance-based compensation clawback policy in connection with performance-based compensation paid or awarded to certain executives. The clawback policy provides that the Board may, in all appropriate circumstances, recover from any current or former executive regardless of fault, that portion of any performance-based compensation erroneously awarded: (i) based on financial information required to be reported under applicable US or Australian securities laws or applicable exchange listing standards that would not have been paid in the three completed fiscal years preceding the year(s) in which an accounting restatement is required to correct a material error; or (ii) during the previous three completed fiscal years as a result of any errors or omissions in objective, calculable performance measures contained in formal papers presented to and relied upon by the Board for purposes of determining compensation to be paid or awarded, where the absence of such errors or omissions would have resulted in there being a material negative impact on the amount of performance-based compensation paid or awarded.

The clawback policy applies to any person designated as a participant by the Board in the annual LTI Plan and applies to any compensation that is granted, earned or vested based wholly or in part upon the attainment of any financial or other objective, calculable performance measure under any incentive, bonus, retirement or equity compensation plan maintained by the Company, including, without limitation, the STI Plan and LTI Plan. Salaries, discretionary bonuses, time-based equity awards and bonuses or equity awards based on subjective, non-financial measures, including strategic or personal performance metrics, are excluded.

The excess compensation requiring recovery shall be the amount of performance-based compensation that an executive received, based on the erroneous data, less the amount that would have been paid to the executive based on the restated or corrected data. All recoverable amounts shall be calculated on a pre-tax basis. For equity awards still held at the time of the recovery, the recoverable amount shall be the amount vested in excess of the number that should have vested under the restated or corrected financial reporting measure. For vested equity awards which have already been sold, the recoverable amount shall be the sale proceeds the executive received with respect to the excess number of shares.

In addition, all fiscal year 2023, LTI grants made to Senior Executive Officers are subject to a specific clawback provision for violation of a limited non-compete provision that specifically prohibits executives from working for designated competitors or for any company that may enter the fiber cement market within two years of departure. For fiscal year 2024, all LTI grants made to Senior Executive Officers will be subject to the clawback provision.

Stock Ownership Guidelines

The Remuneration Committee believes that Senior Executive Officers should hold a meaningful level of our stock to further align their interests with those of our shareholders. In February 2023, we reviewed our guidelines and increased the multiple of base salary. For the CEO and other Senior Executive Officers, respectively, our increased guidelines require them to accumulate holdings of five times and two times their base salary, respectively, in our stock over a period of five years. New ELT will have five years from the date the Senior Executive Officer first becomes subject to the applicable guideline. In addition, an estimated after-tax amount of time-based restricted stock units will be counted toward the guidelines. All other features of the stock ownership guidelines remain the same.

Until the stock ownership guidelines have been met, Senior Executive Officers are required to retain at least 75% of shares obtained under our LTI Plans (net of taxes and other costs). Once Senior Executive Officers have met or exceeded their stock ownership guidelines, they are required to retain at least 25% of shares issued under our LTI Plans through the vesting of RSUs (net of taxes and other costs) for a period of two years (by way of a holding lock), after which time those shares can be sold (provided the Senior Executive Officer remains at or above the stock ownership guideline).

As of 31 March 2023, all Senior Executive Officers have either achieved the minimum share ownership threshold or are within the initial five year accumulation period.

Equity Award Practices

The fiscal year 2024 annual equity awards under the LTI Plan were approved by the Remuneration Committee in May with awards generally issued in August of each year. We do not time the granting of equity awards to the disclosure of material information.

For details of the application of our insider-trading policy for equity award grant participants, including our prohibition on employee hedging transactions, see the “Insider Trading” section of this Annual Report.

Loans

We did not grant loans to Senior Executive Officers during fiscal year 2023. There are no loans outstanding to Senior Executive Officers.

Employment and Severance Arrangements

During fiscal year 2023, we maintained employment or severance agreements with Mr Erter and the Senior Executive Officers. Other than as provided under the terms of their respective employment agreements, no other termination payments are payable, except as required under the terms of the applicable STI or LTI plans.

Employment Agreement with Aaron Erter

Below is a summary of the key terms of Mr Erter’s employment agreement:

- The Employment Agreement is effective 1 September 2022 providing for service as CEO.
- Mr Erter is an employee-at-will and either he or the Company may terminate his employment at any time or for any reason.
- Base salary at an initial annual rate of US$1,000,000, subject to annual review and approval by the Remuneration Committee.
- Participation in the Company’s annual STI and LTI Plans, with a minimum STI target of 120% of his annual base salary, as established by the Company’s Board.
- Participation in the Company’s benefit, health and welfare plans and certain fringe benefits made generally available to Senior Executive Officers in accordance with his agreement and Company policies.
- In the event that Mr Erter’s employment is terminated by the Company for any reason other than for “Cause”, or if Mr Erter voluntarily terminates his employment for “Good Reason”, in addition to those benefits that would be considered standard for any employee at termination (*i.e.*, unpaid base salary, accrued vacation, unreimbursed business expenses and the payment of any earned but unpaid annual incentive award) Mr Erter will be entitled to receive the following benefits:

- An aggregate amount equal to the sum of: (i) two times Mr Erter's base salary plus (ii) two times Mr Erter's target annual incentive, payable in substantially equal periodic installments over the two year period following the date of termination;
- An amount, if any, with respect to the annual incentive award opportunity for the fiscal year in which termination of employment occurs, as determined under the terms and conditions of annual incentive program(s) then in-effect;
- All outstanding equity awards will be subject to the terms and conditions of the applicable equity incentive plan and any corresponding award agreement(s); provided, however, that the nonqualified stock options shall vest in full and become exercisable (to the extent then unvested);
- Monthly payments for a period of up to 24 months following the date of termination equal to the premium Mr Erter would be required to pay for continuing coverage under the Company's health benefit plans; and
- Reasonable professional outplacement services for a period of up to 24 months following the date of termination.

Severance Agreements with Messrs Jason Miele, Sean Gadd and Joe Liu

During fiscal year 2023, we entered into a severance agreement with Messrs Miele, Gadd, Kilcullen and Liu in order to provide them with certain severance benefits under various termination scenarios. In the event of termination by the Company without cause or by the executive for good reason or death and disability, these benefits would be in addition to what would be considered standard for any employee at termination (i.e., lump sum unpaid base salary, accrued vacation, unreimbursed business expenses and the payment of any earned but unpaid annual incentive award) and would include:

- In the event that Messrs Miele, Gadd, Kilcullen and Liu are terminated by the Company without "Cause" or terminated by the executive for "Good Reason", in addition to those benefits that would be considered standard for any employee at termination (*i.e.*, unpaid base salary, accrued vacation, unreimbursed business expenses and the payment of any earned but unpaid annual incentive award) Messrs Miele, Gadd, Kilcullen and Liu will be entitled to receive the following benefits:
  - Salary continuation for the 1.5 year period following the date of termination, provided the aggregate amount of such continuation payments shall be equal to the sum of (i) 1.5 times the base salary plus (ii) 1.5 times the annual incentive award opportunity, as then in-effect;
  - All outstanding equity awards under the Company's equity incentive plans will be subject to the terms and conditions of the applicable plan and any corresponding award agreement(s); except that performance-based awards will fully accelerate vesting at target upon termination due to death or disability and the LTI Scorecard would pay out at 1.0x of target
  - Monthly payments for a period of 1.5 years following the date of termination equal to the premium the executive would be required to pay for continuing coverage under the Company's health benefit plans; and
  - Reasonable professional outplacement services for a period of up to 12 months following the date of termination.

REMUNERATION PAID TO SENIOR EXECUTIVE OFFICERS

Total Remuneration for Senior Executive Officers

Details of the remuneration for Senior Executive Officers in fiscal years 2023, 2022 and 2021 are set out below:

(US dollars)	Primary			Post-employment	Equity Awards		Other	TOTAL
Name	Base Pay[1]	STI Award[2]	Other Benefits[3]	401(k)	Ongoing Vesting [4]	Mark-to Market[5]	Relocation Allowances, and Other Nonrecurring[6]	
A Erter[7]								
Fiscal Year 2023	**556,996**	**278,795**	**29,123**	**12,830**	**2,339,393**	**93,635**	**1,832,434**	**5,143,206**
J Miele								
Fiscal Year 2023	**550,000**	**154,000**	**36,229**	**18,300**	**2,054,001**	**(644,967)**	**329,636**	**2,497,199**
Fiscal Year 2022	487,000	1,462,785	42,480	17,400	1,291,915	148,071	—	3,449,651
Fiscal year 2021	411,692	648,960	111,469	17,100	533,914	754,806	283,744	2,761,685
S Gadd								
Fiscal Year 2023	**650,000**	**182,000**	**62,333**	**18,300**	**2,758,207**	**(1,123,392)**	**—**	**2,547,448**
Fiscal Year 2022	597,487	1,403,340	62,027	17,400	2,443,365	503,632	—	5,027,251
Fiscal year 2021	573,299	901,415	38,808	17,100	1,438,684	3,082,202	—	6,051,508
R Kilcullen								
Fiscal Year 2023	**435,000**	**113,100**	**54,973**	**18,300**	**1,457,435**	**(546,586)**	**—**	**1,532,222**
Fiscal Year 2022	398,627	650,278	45,927	18,922	1,232,884	205,533	—	2,552,171
Fiscal year 2021	379,030	593,649	33,788	12,453	635,010	1,132,357	—	2,786,287
J Liu								
Fiscal Year 2023	**375,000**	**102,250**	**57,776**	**18,300**	**197,031**	**(2,881)**	**37,694**	**785,170**
TOTAL								
Fiscal Year 2023	**2,566,996**	**830,145**	**240,434**	**86,030**	**8,806,067**	**(2,224,191)**	**2,199,764**	**12,505,245**

1 Base pay for fiscal years 2023, 2022 and 2021 includes salary paid to Senior Executive Officers for the 26 bi-weekly paychecks received during the fiscal years.

2 For further details on STI awards payable for fiscal year 2023, see “Incentive Arrangements” above in this Remuneration section. Amounts reflect actual STI awards to be paid in June 2023 and paid in June 2022 and 2021, for fiscal years 2023, 2022 and 2021, respectively. In fiscal year 2022, Messrs Miele and Gadd also receive a bonus due to the additional work from the departure of the CEO.

3 Includes the aggregate amount of all other benefits received in the year indicated. Examples of benefits that may be received include medical and life insurance benefits, car allowances, membership in executive wellness programs, and financial planning and tax services.

4 Includes equity award expense for grants of Scorecard LTI awards, relative TSR RSUs, ROCE RSUs and Stock Options. Relative TSR RSUs are valued using a Monte Carlo simulation method and stock options are valued using the Black-Scholes option pricing model. ROCE RSUs and Scorecard LTI awards are valued based on the Company’s share price at each balance sheet date adjusted for the fair value of estimated dividends as well as the Remuneration Committee’s current expectation of the amount of the RSUs or awards which will vest. The fair value of equity awards granted are included in compensation over the periods in which the equity awards vest. For ROCE RSUs and Scorecard LTI awards, this amount excludes adjustments to the equity award expense in previous fiscal years resulting from changes in the Company’s share price, which is disclosed separately in the Equity Awards “Mark-to-Market” column.

5 The amount included in this column is the equity award expense in relation to ROCE RSUs and Scorecard LTI awards resulting from changes in fair market value of the US dollar share price during the fiscal years 2023, 2022 and 2021 as well as adjustments to performance ratings based on review by Executive Management and the Board of Directors. During fiscal year 2023, there was a 29.7% decrease in our share price from US$30.38 to US$21.36. During fiscal year 2022, there was a 0.3% increase in our share price from US$30.28 to US$30.38.

6 Includes the aggregate of non-recurring payments or other benefits received in the year indicated. Examples include one-time signing bonus or other limited payments connected to initial retention, one-time discretionary bonus payments, relocation allowances and costs and severance payments.

7 For Mr Erter, amounts reflect compensation received during fiscal year 2023 based on his start date of 1 September 2022. Mr Erter's base pay includes US$123,206 in fiscal year 2023, which a portion is allocated for tax purposes to his services on the Company's Board.

Additional Summary Remuneration Table

This table shows the compensation provided to the executive that more closely reflects the amount of pay earned during each fiscal year reported. The footnotes below the table define each compensation component. The main difference between the two tables is the equity incentives. This table shows the value of the LTI Scorecard payout (not shown in previous table) in the Non-Equity Incentive Plan Compensation column, which also includes the annual STI payout. The Stock Awards column shows the value of the fiscal years 2023-2025 equity awards that were granted to each executive.

Name	Base Pay[1]	Bonus[2]	Stock Awards[3]	Options Awards[4]	Non-Equity Incentive Plan Compensation[5]	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation[6]	Total
A Erter[7]								
Fiscal year 2023	**556,996**		**2,499,965**	**1,999,996**	**278,795**	**—**	**1,874,387**	**7,210,139**
J Miele								
Fiscal year 2023	**550,000**	**—**	**844,974**	**—**	**937,329**	**—**	**384,165**	**2,716,468**
Fiscal year 2022	487,000	600,000	300,003	—	1,289,402	—	59,880	2,736,285
Fiscal year 2021	411,692	—	225,005	—	795,901	—	412,313	1,844,911
S Gadd								
Fiscal year 2023	**650,000**	**—**	**987,480**		**2,301,587**	**—**	**80,633**	**4,019,700**
Fiscal year 2022	597,487	400,000	400,003	—	2,349,680	—	79,427	3,826,597
Fiscal year 2021	573,299	—	399,998	—	2,095,596	—	55,907	3,124,800
R Kilcullen								
Fiscal year 2023	**435,000**	**—**	**626,226**		**1,000,727**	**—**	**73,273**	**2,135,226**
Fiscal year 2022	398,627	—	199,993	—	1,076,895	—	64,849	1,740,364
Fiscal year 2021	379,030	—	199,999	—	985,476	—	46,241	1,610,746
J Liu								
Fiscal year 2023	**375,000**	**—**	**174,997**	**—**	**101,250**	**—**	**113,770**	**765,017**
TOTAL								
Fiscal Year 2023	**2,566,996**	**—**	**5,133,642**	**1,999,996**	**4,619,688**	**—**	**2,526,228**	**16,846,550**

1 Base pay for fiscal years 2023, 2022 and 2021 includes salary paid to Senior Executive Officers for the 26 bi-weekly paychecks received during the fiscal years.

2 Includes non-performance bonuses such as a special award for retention or a sign-on bonus for a new hire. Messrs Miele and Gadd received special bonuses for their work in FY22 due to the departure of the CEO in the amounts of US$600,000 and US$400,000 respectively.

3 Shows the value on the date of grant for the TSR RSUs and ROCE RSUs granted to the executive during each fiscal year. Relative TSR RSUs are valued using a Monte Carlo simulation method. ROCE RSUs are valued based on the Company's share price on the grant date. The TSR RSU valuation for fiscal year 2022 is US$15.22 and ROCE RSU 20-day average share price of US$35.37.

4 Mr Erter was granted an award of nonqualified stock options upon hire. The stock options were granted at an exercise price of AUD33.05 and become exercisable 3 years after the grant date of 3 November 2022 with a 5 year exercise period.

5 For further details on STI awards paid for fiscal year 2023, see “Incentive Arrangements” above in this Remuneration section. Amounts reflect actual STI awards to be paid in June 2023 and paid in June 2022 and 2021, for fiscal years 2023, 2022 and 2021, respectively. In addition, the LTI Scorecard cash payouts are included that were paid in August 2022, 2021 and 2020.

6 Includes the aggregate amount of all other benefits received in the year indicated. Examples of benefits that may be received include medical and life insurance benefits, 401(K) company match, relocation, car allowances, membership in executive wellness programs, and financial planning and tax services.

7 Mr Erter's base pay includes US$120,009.83 in fiscal year 2023 which is allocated for tax purposes to his services on the Company’s Board.

Variable Remuneration Payable in Future Years

Details of the accounting cost of the variable remuneration for fiscal year 2023 that may be paid to Senior Executive Officers in future years are set out below. The minimum amount payable is nil in all cases. The maximum amount payable will depend on the share price at time of vesting, and is therefore not possible to determine. The table below is based on the fair value of the RSUs and Scorecard LTI according to US GAAP and our estimate of the rating to be applied to Scorecard LTI.

Scorecard LTI[1]

(US dollars)

	FY2023	FY2024	FY2025	FY2026	TOTAL
A Erter	1,200,058	1,740,182	1,143,187	380,127	**4,463,554**
J Miele	357,876	617,842	391,047	96,194	**1,462,959**
S Gadd	419,168	723,659	455,645	111,208	**1,709,680**
R Kilcullen	268,774	464,016	284,712	66,725	**1,084,227**
J Liu	59,365	102,489	102,209	38,923	**302,986**
	2,305,241	**3,648,188**	**2,376,800**	**693,177**	**9,023,406**

ROCE RSUs[2]

(US dollars)

	FY2023	FY2024	FY2025	FY2026	TOTAL
A Erter	518,820	947,452	611,457	202,763	**2,280,492**
J Miele	156,564	270,295	171,078	42,085	**640,022**
S Gadd	183,380	316,590	199,337	48,651	**747,958**
R Kilcullen	117,583	202,997	124,554	29,190	**474,324**
J Liu	25,970	44,835	44,713	17,028	**132,546**
	1,002,317	**1,782,169**	**1,151,139**	**339,717**	**4,275,342**

Relative TSR RSUs[3]

(US dollars)

	FY2023	FY2024	FY2025	FY2026	TOTAL
A Erter	453,524	877,434	619,051	210,707	**2,160,716**
J Miele	176,590	304,867	201,151	52,505	**735,113**
S Gadd	206,638	356,743	234,178	60,701	**858,260**
R Kilcullen	131,877	227,674	145,681	36,420	**541,652**
J Liu	32,402	55,939	55,787	21,245	**165,373**
	1,001,031	**1,822,657**	**1,255,848**	**381,578**	**4,461,114**

1 Represents annual SG&A expense for Scorecard LTI granted in fiscal year 2023. The fair value of each award is adjusted for changes in JHI plc's common stock price at each balance sheet date until the final scorecard rating is applied in August 2023, August 2024 and August 2025 at which time the final values are based on the Company's share price and the senior executive's scorecard rating at time of vesting.

2 Represents annual SG&A expense for the ROCE RSUs granted in fiscal year 2023. The fair value of each award is adjusted for changes in JHI plc's common stock price at each balance sheet date until August 2023, August 2024, and August 2025 when ROCE results are known and the Remuneration Committee makes a determination on the amount of negative discretion to be applied and some, all or none of the awards become vested.

3 Represents annual SG&A expense for the Relative TSR RSUs granted in fiscal 2023 with fair market value estimated using a binomial lattice model that incorporates a Monte Carlo simulation.

OUTSTANDING EQUITY AWARDS HELD BY SENIOR EXECUTIVE OFFICERS

The following tables set forth information regarding outstanding equity awards held by our Senior Executive Officers as of 30 April 2023.

Nonqualified Stock Options

As of 30 April 2023, Mr Erter is the only executive to hold nonqualified stock options. These stock options were granted upon hire to "Buy Out" awards he forfeited when leaving his prior employer. The nonqualified stock options vest and become exercisable three years from the grant date and have a five-year exercise period.

Name	Grant Date	Vest Date	Holding and Unvested at 1 April 2022	Granted	Total Value at Grant[1] (US$)	Vested	Lapsed	Holding and Unvested at 30 April 2023	Fair Value per RSU[2] (US$)
A Erter	03-Nov-22	03-Nov-25	—	269,221	$ 1,930,004	—	—	269,221	$ 7.17

Restricted Stock Units

Name	Grant Date	Release Date	Holding and Unvested at 1 April 2022	Granted	Total Value at Grant[1] (US$)	Vested	Lapsed	Holding and Unvested at 30 April 2023	Fair Value per RSU[2] (US$)
A Erter	03-Nov-22[3]	17-Aug-23	—	38,387	$ 308,631	—	—	38,387	$ 8.04
	03-Nov-22[4]	17-Aug-23		19,862	$ 417,499	—	—	19,862	$ 21.02
	03-Nov-22[3]	17-Aug-24	—	39,450	$ 308,894	—	—	39,450	$ 7.83
	03-Nov-22[4]	17-Aug-24	—	19,862	$ 417,499	—	—	19,862	$ 21.02
	03-Nov-22[3]	17-Aug-25	—	115,688	$ 1,543,278	—	—	115,688	$ 13.34
	03-Nov-22[4]	17-Aug-25	—	79,450	$ 1,670,039	—	—	79,450	$ 21.02
J Miele	17-Aug-19[3]	17-Aug-22	16,599	16,599	$ 177,277	(16,599)	—	—	$ 10.68
	17-Aug-19[4]	17-Aug-22	8,993	8,993	$ 125,093	(5,621)	(3,372)	—	$ 13.91
	25-Feb-20[5]	17-Aug-22	6,676	6,676	$ 90,660	(2,226)	—	4,450	$ 13.58
	25-Feb-20[6]	17-Aug-22	4,767	4,767	$ 85,186	(993)	(1,788)	1,986	$ 17.87
	17-Aug-20[3]	17-Aug-23	16,457	16,457	$ 239,778	—	—	16,457	$ 14.57
	17-Aug-20[4]	17-Aug-23	10,636	10,636	$ 236,226	—	—	10,636	$ 22.21
	17-Aug-21[3]	17-Aug-24	13,619	13,619	$ 342,382	—	—	13,619	$ 25.14
	17-Aug-21[4]	17-Aug-24	8,594	8,594	$ 309,298	—	—	8,594	$ 35.99
	17-Aug-22[7]	17-Aug-25	—	34,396	$ 326,418	—	—	34,396	$ 9.49
	17-Aug-22[8]	17-Aug-25	—	16,716	$ 374,438	—	—	16,716	$ 22.40
	17-Aug-22[3]	17-Aug-25	—	28,424	$ 408,737	—	—	28,424	$ 14.38
	17-Aug-22[4]	17-Aug-25	—	17,527	$ 386,996	—	—	17,527	$ 22.08
S Gadd	21-Aug-17[5]	21-Aug-20	16,460	49,380	$ 376,809	(16,460)	—	—	$ 7.63
	21-Aug-17[6]	21-Aug-20	9,096	27,288	$ 387,269	(5,685)	(3,411)	—	$ 14.19
	17-Aug-19[3]	17-Aug-22	53,117	53,117	$ 567,290	(53,117)	—	—	$ 10.68
	17-Aug-19[4]	17-Aug-22	28,779	28,779	$ 400,316	(17,987)	(10,792)	—	$ 13.91
	17-Aug-20[3]	17-Aug-23	29,256	29,256	$ 426,260	—	—	29,256	$ 14.57
	17-Aug-20[4]	17-Aug-23	18,908	18,908	$ 419,947	—	—	18,908	$ 22.21
	17-Aug-21[3]	17-Aug-24	18,158	18,158	$ 456,492	—	—	18,158	$ 25.14
	17-Aug-21[4]	17-Aug-24	11,459	11,459	$ 412,409	—	—	11,459	$ 35.99
	17-Aug-22[7]	17-Aug-25	—	40,650	$ 385,769	—	—	40,650	$ 9.49
	17-Aug-22[8]	17-Aug-25	—	19,756	$ 442,534	—	—	19,756	$ 22.40
	17-Aug-22[3]	17-Aug-25	—	32,861	$ 472,541	—	—	32,861	$ 14.38
	17-Aug-22[4]	17-Aug-25	—	20,262	$ 447,385	—	—	20,262	$ 22.08
R Kilcullen	17-Aug-19[3]	17-Aug-22	26,559	26,559	$ 283,650	(26,559)	—	—	$ 10.68
	17-Aug-19[4]	17-Aug-22	14,390	14,390	$ 200,165	(8,994)	(5,396)	—	$ 13.91
	17-Aug-20[3]	17-Aug-23	14,628	14,628	$ 213,130	—	—	14,628	$ 14.57
	17-Aug-20[4]	17-Aug-23	9,454	9,454	$ 209,973	—	—	9,454	$ 22.21
	17-Aug-21[3]	17-Aug-24	9,079	9,079	$ 228,246	—	—	9,079	$ 25.14
	17-Aug-21[4]	17-Aug-24	5,729	5,729	$ 206,187	—	—	5,729	$ 35.99
	17-Aug-22[7]	17-Aug-25	—	27,204	$ 258,166	—	—	27,204	$ 9.49
	17-Aug-22[8]	17-Aug-25	—	13,221	$ 296,150	—	—	13,221	$ 22.40
	17-Aug-22[3]	17-Aug-25	—	19,716	$ 283,516	—	—	19,716	$ 14.38
	17-Aug-22[4]	17-Aug-25	—	12,157	$ 268,427	—	—	12,157	$ 22.08
J Liu	12/21/2021[9]	9-Jun-24	3,784	3,784	$ —	—	—	3,784	$ 37.05
	17-Aug-22[3]	17-Aug-25	—	11,501	$ 165,384	—	—	11,501	$ 14.38
	17-Aug-22[4]	17-Aug-25	—	7,092	$ 156,591	—	—	7,092	$ 22.08

1 Total Value at Grant = Fair Value per RSU multiplied by number of RSUs granted. The number of RSUs granted are at maximum achievement.

2 The Fair Value of TSR RSUs is estimated on the date of grant using the binomial lattice model that incorporates a Monte Carlo simulation. The Fair Value for all other RSUs is the share price on the date of grant adjusted for the fair value of estimated dividends as the RSU holder is not entitled to dividends over the vesting period. The Fair Value of Stock Options is estimated on the date of grant using the Black-Scholes option pricing model.

3 Relative TSR RSUs granted under the LTIP. These RSUs are subject to performance hurdles.

4 ROCE RSUs granted under the LTIP. These RSUs are subject to performance hurdles as well as the potential application of negative discretion.

5 Special one-time retention grant of Relative TSR RSUs granted under the LTIP. These RSUs are subject to performance hurdles and service-based vesting criteria.

6 Special one-time retention grant of ROCE RSUs granted under the LTIP. These RSUs are subject to performance hurdles and service-based vesting criteria as well as the potential application of negative discretion.

7 Leadership Team Transition and Alignment grant of Relative TSR RSUs granted under the LTIP. These were awarded due to the termination of the CEO in January 2022 and These RSUs are subject to performance hurdles and service-based vesting criteria.

8 Leadership Team Transition and Alignment grant of ROCE RSUs granted under the LTIP. These RSUs are subject to performance hurdles and service-based vesting criteria as well as the potential application of negative discretion.

9 Time-based RSUs granted upon hire to make whole from prior employer. RSUs vest 50% 9 June 2023 and 9 June 9 2024.

Scorecard LTI

Name	Grant Date	Release Date	Holding at 1 April 2022	Granted	Vested[1]	Lapsed	Holding at 30 April 2023[2]
A Erter	1-Sep-22	17-Aug-23	—	50,841	—	—	50,841
	1-Sep-22	17-Aug-24	—	50,841	—	—	50,841
	1-Sep-22	17-Aug-25	—	203,366	—	—	203,366
J Miele	17-Aug-19	17-Aug-22	26,980	26,980	(26,980)	—	—
	25-Feb-20[4]	17-Aug-22	14,301	14,301	(4,767)	—	9,534
	17-Aug-20	17-Aug-23	31,907	31,907	—	—	31,907
	17-Aug-21	17-Aug-24	25,782	25,782	—	—	25,782
	17-Aug-22[5]	17-Aug-25	—	50,150	—	—	50,150
	17-Aug-22	17-Aug-25	—	52,582	—	—	52,582
S Gadd	21-Aug-17[3]	21-Aug-20	27,288	81,865	(13,826)	(13,462)	—
	17-Aug-19	17-Aug-22	86,337	86,337	(71,948)	(14,389)	—
	17-Aug-20	17-Aug-23	56,724	56,724	—	—	56,724
	17-Aug-21	17-Aug-24	34,376	34,376	—	—	34,376
	17-Aug-22[5]	17-Aug-25	—	59,269	—	—	59,269
	17-Aug-22	17-Aug-25	—	60,788	—	—	60,788
R Kilcullen	17-Aug-19	17-Aug-22	43,169	43,169	(35,974)	(7,195)	—
	17-Aug-20	17-Aug-23	28,362	28,362	—	—	28,362
	17-Aug-21	17-Aug-24	17,188	17,188	—	—	17,188
	17-Aug-22[5]	17-Aug-25	—	39,664	—	—	39,664
	17-Aug-22	17-Aug-25	—	36,473	—	—	36,473
J Liu	17-Aug-22	17-Aug-25	—	21,276	—	—	21,276

1 Represents the number of Scorecard LTI awards vesting after the Remuneration Committee's application of the Scorecard in respect of fiscal years 2018-2022. A detailed assessment of the reasons for the Scorecard ratings was set out in the fiscal year 2022 Remuneration Report.

2 Scorecard LTI awards in respect of fiscal years 2021-2023 will vest on 17 August 2023. A detailed assessment of the Remuneration Committee's assessment of management's performance is set out on pages 44 to 46 of this Remuneration Report.

3 Special retention award grant of Scorecard LTI awards granted under the LTIP, which are also subject to service-based vesting criteria.

4 Granted upon promotion to SVP, CFO; performance period ends 17 August 2022 with vesting one-third on 17 August 2022, 2023 and 2024.

5 Leadership Team Transition and Alignment grant of Scorecard LTI units granted under the LTIP. The LTI Scorecard awards are subject to performance hurdles and service-based vesting criteria.

REMUNERATION FOR NON-EXECUTIVE DIRECTORS

Fees paid to non-executive directors are determined by the Board, with the advice of the Remuneration Committee's independent external remuneration advisers, within the maximum total amount of base and committee fees pool approved by shareholders from time-to-time. Shareholders at the 2019 AGM approved the current maximum aggregate base and committee fee pool of US$3.8 million per annum.

Remuneration Structure

Non-executive directors are paid a base fee for service on the Board. Additional fees are paid to the person occupying the positions of Chairman and Board Committee Chairmen, as well as for attendance at ad-hoc sub-committee meetings.

During fiscal year 2023, the Nominating and Governance Committee (previously the Remuneration Committee) together with the Company's external executive remuneration advisers, reviewed the Company's non-executive director compensation program ("Director Remuneration Program") to ensure it remained competitive with similarly sized companies. Based on the survey of the market, the Nominating and Governance Committee recommended updating the Program to achieve the primary objectives of ensuring that director compensation remains competitive to attract candidates necessary to support the Company's strategic objectives and including equity as a component of the Program to establish a cash/ equity position that is consistent with best practice. The Nominating and Governance recommended (i) an increase in the non-executive base fee for calendar year 2023 (and the fee increase was effective from the start of the calendar year) with the goal over a three-year period of reaching, approximately, the median compensation level of the Company's peer group, and (ii) to include an annual equity grant as part of non-executive directors fees whereby a portion of their base Board member fee is applied to acquiring the Company's shares. Details of the Company's Non-Executive Director Equity Plan are provided below.

Position	Fiscal Year 2022 (US$)	Fiscal Year 2023 (US$)
Chairman	420,794	424,361
Board member	205,734	209,301
Audit Committee Chair	20,000	20,000
Remuneration Committee Chair	20,000	20,000
Nominating & Governance Committee Chair	20,000	20,000
Ad-hoc Board sub-committee attendance[1]	3,000	3,000

1 Fee is payable in respect of each ad-hoc Board sub-committee attended.

Since 2016, the Company has maintained a remuneration policy to ensure that the Company continues to attract highly qualified persons to serve on the Board irrespective of their tax residence. In accordance with the policy, the Company will ensure that each non-executive director does not have an increased income tax liability as a direct result of their appointment to the Board. Accordingly, non-executive directors who are resident outside of Ireland may receive supplemental compensation depending on their country of residence, if Irish income taxes levied on their director compensation exceed net income taxes owed on such compensation in their country of tax residence, assuming it had been derived solely in their country of tax residence.

On occasion, the Nominating and Governance Committee may approve special exertion fees in the event of an extraordinary workload imposed on a director in special circumstances. For example, (1) Mr Hammes received a temporary exertion fee of US$40,000 per month for the period he was in the Executive Chairman role (from January 2022 to September 2022); and (2) as compensation for his service as interim CEO, Mr Wiens received a temporary exertion fee of US$130,000 per month for the period he was in the interim CEO role (from January 2022 to September 2022). For both Messrs Hammes and Wiens, the exertion fees were in addition to their regular board fees as a director. Reasonable expenses associated with relocation and other costs incurred during this interim period for both Messrs Hammes and Wiens were also compensated. The focus of the Board is on maintaining the Company's long-term direction and well-being, and there is no direct link between non-executive directors' remuneration and the Company's short-term results.

Board Accumulation Guidelines

Non-executive directors are required to accumulate a minimum of 1.5 times (and 2 times for the Chair of the Board) the base Board member fee (the "Ownership Target") in the Company's shares (either personally, in the name of their spouse, or through a personal superannuation, retirement or pension plan) over a reasonable time following their appointment. In fiscal year 2021, the Company introduced a Non-Executive Director Equity Plan whereby approved non-executive directors could elect to receive some or all of their base fee in the form of ADRs or CUFS, which was approved by shareholders at the 2020 Annual General Meeting. In addition to this, in November 2022, the Board adopted a new guideline requiring approved non-executive directors to apply a portion of their base Board member fee towards acquiring the Company's shares until such time as the application Ownership Target has been met. The applicable portion for the 2023 calendar year is US$75,000 in shares. The Nominating and Governance Committee reviews the guidelines and non-executive directors' shareholdings on a periodic basis. During fiscal year 2023, a total of 7,897 ADRs and 496 CUFS were issued under the Non-Executive Director Equity Plan.

Director Retirement Benefits

We do not provide any benefits for our non-executive directors upon termination of their service on the Board.

Total Remuneration for Non-Executive Directors for the Years Ended 31 March 2023 and 2022

The table below sets out the remuneration for those non-executive directors who served on the Board during the fiscal years ended 31 March 2023 and 2022:

(US dollars)

Name	Primary Directors' Fees[1]	Other Payments[2]	Other Benefits[3]	TOTAL
M Hammes				
Fiscal Year 2023	**261,275**	**482,921**	**18,147**	**762,343**
Fiscal Year 2022	429,794	254,566	5,729	690,089
D Harrison				
Fiscal Year 2023	**—**	**59,328**	**—**	**59,328**
Fiscal Year 2022	132,395	110,208	724	243,327
A Gisle Joosen				
Fiscal Year 2023	**—**	**—**	**—**	**—**
Fiscal Year 2022	89,300	—	—	89,300
P Lisboa				
Fiscal Year 2023	**238,301**	**192,780**	**—**	**431,081**
Fiscal Year 2022	210,401	—	—	210,401
A Lloyd				
Fiscal Year 2023	**324,891**	**—**	**—**	**324,891**
Fiscal Year 2022	228,734	—	—	228,734
R Rodriguez				
Fiscal Year 2023	**223,507**	**—**	**1,598**	**225,105**
Fiscal Year 2022	217,734	—	—	217,734
M Nozari				
Fiscal Year 2023	**—**	**—**	**—**	**—**
Fiscal Year 2022	158,301	—	—	158,301
N Stein				
Fiscal Year 2023	**232,301**	**—**	**—**	**232,301**
Fiscal Year 2022	231,734	—	—	231,734
H Wiens				
Fiscal Year 2023	**209,301**	**650,000**	**—**	**859,301**
Fiscal Year 2022	211,665	364,839	—	576,504
S Rowland				
Fiscal Year 2023	**221,301**	**—**	**—**	**221,301**
Fiscal Year 2022	205,734	—	—	205,734
D Seavers				
Fiscal Year 2023	**—**	**—**	**—**	**—**
Fiscal Year 2022	205,734	—	—	205,734
PJ Davis				
Fiscal Year 2023	**135,505**	**—**	**—**	**135,505**
Fiscal Year 2022	—	—	—	—
R Peterson				
Fiscal Year 2023	**72,890**	**—**	**—**	**72,890**
Fiscal Year 2022	—	—	—	—
Total Compensation for Non-Executive Directors				
Fiscal Year 2023	**1,919,272**	**1,385,029**	**19,745**	**3,324,046**
Fiscal Year 2022	2,321,526	729,613	6,453	3,057,592

1 Amount includes base, Chairman and Committee Chairman fees, as well as fees for attendance at ad hoc sub-committee meetings.

2 Amount for M Hammes for fiscal year 2023 relates to: (i) a supplemental compensation payment of US$202,921 in relation to income for the calendar year ended 31 December 2022 in circumstances where Irish income taxes levied on director compensation exceeded net income taxes owed on such compensation in their country of tax residence and paid in accordance with the remuneration policy for non-executive directors; and (ii) an exertion fee of US$280,000 for his Executive Chairman role. Mr Hammes received a temporary exertion fee of US$40,000 per month for the period he was in the Executive Chair role.

Amount for D Harrison for fiscal year 2023 relates to a supplemental compensation payment of US$59,328 in relation to income for the calendar year ending 31 December 2021 in circumstances where Irish income taxes levied on director compensation exceeded net income taxes owed on such compensation in their country of tax residence and paid in accordance with the remuneration policy for non-executive directors.

Amount for P Lisboa for fiscal year 2023 relates to a supplemental compensation payment of US$192,780 in relation to income for the calendar years ended 31 December 2018 to 31 December 2021 in circumstances where Irish income taxes levied on director compensation exceeded net income taxes owed on such compensation in their country of tax residence and paid in accordance with the remuneration policy for non-executive directors.

Amount for H Wiens for fiscal year 2023 relates to a supplemental compensation payment of US$650,000 in relation to his service as interim CEO. Mr Wiens received a temporary exertion fee of US$130,000 per month for the period he was in the interim CEO role.

3 Amount includes the cost of non-executive directors' fiscal compliance in Ireland and other costs connected with Board-related events paid for by the Company.

Director Remuneration for the years ended 31 March 2023 and 2022

For Irish reporting purposes, the breakdown of director's remuneration between managerial services (which only relate to Mr Erter) and director services is:

	Years Ended 31 March	
(In US dollars)	**2023**	2022
Managerial Services[1]	**$ 5,020,000**	$ 722,721
Director Services[2]	**3,447,252**	423,151
	$ 8,467,252	$ 1,145,872

1 Includes cash payments, non-cash benefits (examples include medical and life insurance benefits, car allowances, membership in executive wellness programs, financial planning and tax services), 401(k) benefits, and amounts expensed for outstanding equity awards for the CEO .

2 Includes compensation for all non-executive directors, which includes base, Chairman, supplemental compensation fees (as described in footnote 2 of the table above which sets out the remuneration for non-executive directors), Committee Chairman fee and cost of non-employee directors' fiscal compliance in Ireland. It includes costs connected with Board-related events paid for by the Company and it includes a proportion of the CEO's remuneration paid as fees for his service on the JHI plc Board in fiscal years 2023 and 2022.

SHARE OWNERSHIP AND STOCK BASED COMPENSATION ARRANGEMENTS

As of 31 March 2023 and 31 March 2022, the number of CUFS and RSUs beneficially owned by Senior Executive Officers is set forth below:

Name	CUFS at 31 March 2023	CUFS at 31 March 2022	RSUs at 31 March 2023	RSUs at 31 March 2022	Stock Options at 31 March 2023	Stock Options at 31 March 2022
A Erter	—	—	312,699	—	269,221	—
J Miele	55,189	41,022	152,805	64,128	—	—
S Gadd	195,679	140,419	191,310	155,616	—	—
R Kilcullen	67,466	42,331	111,188	65,031	—	—
J Liu	—	—	22,377	3,784	—	—

As of 31 March 2023 and 31 March 2022, the number of CUFS and RSUs beneficially owned by non-executive directors is set forth below:

Name	CUFS at 31 March 2023	CUFS at 31 March 2022
PJ Davis [1]	496	—
P Lisboa [2]	17,802	5,412
A Lloyd [3]	19,374	18,167
R Peterson	—	—
R Rodriguez [4]	2,821	1,230
S Rowland [5]	5,486	2,000
N Stein [6]	6,093	4,573
H Wiens [7]	11,329	10,841

1 496 CUFS held in the name of Mr Davis.

2 17,802 CUFS held as ADSs in the name of Mr Lisboa.

3 18,000 CUFS held as ADSs in the name of Ms and Mr Lloyd and 1,374 CUFS held as ADSs in the name of Ms Lloyd.

4 2,821 CUFS held as ADSs in the name of Ms Rodriguez.

5 5,486 CUFS held as ADSs in the name of Ms Rowland.

6 3,400 CUFS held in the name of Mr Stein and 2,693 CUFS held as ADSs in the name of Mr Stein.

7 7,370 CUFS held as ADSs in the name of Mr and Mrs Wiens and 3,959 CUFS held as ADSs in the name of Mr Wiens.

Based on 442,056,296 shares of common stock outstanding at 30 April 2023 (all of which are subject to CUFS), no director or Senior Executive Officer beneficially owned 1% or more of the outstanding shares of the Company at 30 April 2023 and none of the shares held by directors or Senior Executive Officers have any special voting rights. As of 30 April 2023, there are 269,221 stock options outstanding under the Company's stock-based compensation arrangements. Individual's holding stock options and RSUs have no voting or investment power over these units.

Stock-Based Compensation Arrangements

At 31 March 2023, we had the following equity award plans:

- the LTIP; and
- the 2001 Equity Incentive Plan ("2001 Plan").

LTIP

The Company uses the LTIP as the plan for LTI grants to Senior Executive Officers and selected members of executive management. Participants in the LTIP receive grants of RSUs and Scorecard LTI, each of which is subject to performance goals. Participants and award levels are approved by the Remuneration Committee based on local market standards, and the individual's responsibility, performance and potential to enhance shareholder value. The LTIP was first approved at our 2006 AGM, and our shareholders have subsequently approved amendments to the LTIP in 2008, 2009, 2010, 2012, 2015, 2018 and 2021.

The LTIP provides for plan participants' early exercise of certain benefits or early payout under the plan in the event of a "change in control," takeover by certain organizations or liquidation. For RSUs, a "change of control" is deemed to occur if (1) a takeover bid is made to acquire all of the shares of the Company and it is recommended by the Board or becomes unconditional, (2) a transaction is announced which would result in one person owning all the issued shares in the Company, (3) a person owns or controls sufficient shares to enable them to influence the composition of the Board, or (4) a similar transaction occurs which the Board determines to be a control event. On a change of control, the Board can determine that all or some RSUs have vested on any conditions it determines, and any remaining RSUs lapse.

RSUs - From fiscal year 2009, the Company commenced using RSUs granted under the LTIP. RSUs issued under the LTIP are unfunded and unsecured contractual entitlements and generally provide for settlement in shares of our common stock, subject to performance vesting hurdles prior to vesting. Additionally, the Company has on occasion issued a small number of cash settled awards.

As of 31 March 2023, there were 1,242,073 RSUs granted and outstanding under the LTIP, as follows:

Restricted Stock Units				
Grant Type	**Grant Date**	**Granted**	**Vested as of 31 March 2023**	**Outstanding as of 31 March 2023**
TSR	February 2020	6,676	2,226	**4,450**
ROCE	February 2020	4,767	993	**3,178**
TSR	August 2020	294,574	—	**107,691**
ROCE	August 2020	190,376	—	**69,597**
TSR	August 2021	223,469	—	**65,570**
ROCE	August 2021	141,015	—	**41,376**
TSR	August 2022	489,610	—	**457,407**
ROCE	August 2022	125,767	—	**115,636**
TSR	November 2022	193,525	—	**193,525**
ROCE	November 2022	119,174	—	**119,174**
TSR	March 2023	41,401	—	**41,401**
ROCE	March 2023	23,068	—	**23,068**
			Total Outstanding	**1,242,073**

Scorecard LTI - From fiscal year 2010, the Company commenced using Scorecard LTI units granted under the LTIP. The Scorecard LTI is used by the Remuneration Committee to set strategic objectives which change from year to year, and for which performance can only be assessed over a period of time. The vesting of Scorecard LTI units is subject to the Remuneration Committee's exercise of negative discretion. The cash payment paid to award recipients is based on JHI plc's share price on the vesting date (which was amended from fiscal year 2012 to be based on a 20 trading-day closing average price).

As of 31 March 2023, there were 1,063,634 Scorecard LTI units granted and outstanding under the LTIP, as follows:

Scorecard LTI		
Grant Type	**Grant Date**	**Granted and Outstanding as of 31 March 2023**
Scorecard	February 2020	9,534
Scorecard	August 2020	208,794
Scorecard	August 2021	124,131
Scorecard	August 2022	346,919
Scorecard	September 2022	305,048
Scorecard	March 2023	69,208
		1,063,634

For additional information regarding the LTIP and award grants made thereunder, see Note 16 to our consolidated financial statements.

2001 Plan

The 2001 Plan is intended to promote the Company's long-term financial interests by encouraging management below the senior executive level to acquire an ownership position in the Company and align their interests with our shareholders. Selected employees under the 2001 Plan are eligible to receive awards in the form of RSUs, nonqualified stock options, performance awards, restricted stock grants, stock appreciation rights, dividend equivalent rights, phantom stock or other stock-based benefits. Award levels are determined based on the Remuneration Committee's review of local market standards and the individual's responsibility, performance and potential to enhance shareholder value.

The 2001 Plan was first approved by our shareholders and Board in 2001 and reapproved to continue until September 2021 at the 2011 AGM. In August 2021, the plan was reapproved at the 2021 AGM for another three years. An aggregate of 45,077,100 shares of common stock were made available for issuance under the 2001 Plan, subject to adjustment in the event of a number of prescribed events set out on the 2001 Plan. Outstanding RSUs granted under the 2001 Plan generally vest at the rate of 25% on the 1st anniversary of the grant, 25% on the 2nd anniversary date and 50% on the 3rd anniversary date.

The 2001 Plan is administered by our Remuneration Committee, and the Remuneration Committee or its delegate is authorized to determine: (i) who may participate in the 2001 Plan; (ii) the number and types of awards made to each participant; and (iii) the terms, conditions and limitations applicable to each award. The Remuneration Committee has the exclusive power to interpret and adopt rules and regulations to administer the 2001 Plan, including a limited power to amend, modify or terminate the 2001 Plan to meet any changes in legal requirements or for any other purpose permitted by law.

The purchase or exercise price of any award granted under the 2001 Plan may be paid in cash or other consideration at the discretion of our Remuneration Committee, including cashless exercises.

The exercise price for all options is the market value of the shares on the date of grant. The Company may not reduce the exercise price of such an option or exchange such an option or stock appreciation right for cash, or other awards or a new option at a reduced exercise price without shareholder approval or as permitted under specific restructuring events.

No unexercised options or unvested RSUs issued under the 2001 Plan are entitled to dividends or dividend equivalent rights.

The 2001 Plan also permits the Remuneration Committee to grant stock options, performance awards, restricted stock awards, stock appreciation rights, dividend equivalent rights or other stock based benefits.

The 2001 Plan provides for the automatic acceleration of certain benefits and the termination of the plan under certain circumstances in the event of a "change in control." A change in control will be deemed to have occurred if either (1) any person or group acquires beneficial ownership equivalent to 30% of our voting securities, (2) individuals who are currently members of our Board cease to constitute at least a majority of the members of our Board, or (3) there occurs the consummation of certain mergers (other than a merger that results in existing voting securities continuing to represent more than 5% of the voting power of the merged entity or a recapitalization or reincorporation that does not result in a material change in the beneficial ownership of the voting securities of the Company), the sale of substantially all of our assets or our complete liquidation or dissolution.

Options - Until fiscal year 2008, the Company issued options to purchase shares of our common stock issued under the 2001 Plan. The first grant since 2008 has been awarded to Aaron Erter due to his hire in September 2022. The grants were awarded in November 2022. As of 31 March 2023, there were 269,221 options outstanding under the 2001 Plan.

Stock Options			
Grant Date	**Granted**	**Vested as of 31 March 2023**	**Outstanding as of 31 March 2023**
November 2022	269,221	—	269,221
		Total Outstanding	**269,221**

RSUs - Since fiscal year 2009, the Company has issued restricted stock units under the 2001 Plan, which are unfunded and unsecured contractual entitlements for shares to be issued in the future and may be subject to time vesting or performance hurdles prior to vesting. On vesting, restricted stock units convert into shares. We granted 1,249,526 restricted stock units under the 2001 Plan in the fiscal year ended 31 March 2023. As of 31 March 2023, there were 1,136,526 restricted stock units outstanding under this plan, divided as follows:

Restricted Stock Units			
Grant Date	Granted	Vested as of 31 March 2023	Outstanding as of 31 March 2023
June 2020	330,961	270,009	—
August 2020	32,628	15,310	660
December 2020	7,792	3,900	2,635
February 2021	425	213	85
June 2021	216,220	93,332	80,807
August 2021	7,122	1,580	926
December 2021	10,101	2,719	5,807
June 2022	505,465	125,398	330,813
August 2022	24,233	152	24,081
December 2022	668,457	5,586	639,341
March 2023	80,972	29,601	51,371
		Total Outstanding	**1,136,526**

For additional information regarding the 2001 Plan and award grants made thereunder, see Note 16 to our consolidated financial statements.

CORPORATE GOVERNANCE REPORT

Corporate Governance Statement

The Company believes strong corporate governance is essential to achieving both its short and long-term performance goals and to maintaining the trust and confidence of investors, employees, regulatory agencies, customers and other stakeholders. The Board follows, both formally and informally, corporate governance principles designed to assure that the Board, through its membership, composition, Board committee structure and governance practices, is able to provide informed, competent and independent guidance and oversight and thereby promote long-term shareholder value. This Corporate Governance Statement (this "Statement") describes the key aspects of the Company's corporate governance framework.

During fiscal year 2023, the Board evaluated the Company's corporate governance framework and practices and approved this Statement. This Statement is current as at 30 April 2023.

Overall Approach to Corporate Governance

The Company operates under the regulatory requirements of numerous jurisdictions, including those of its corporate domicile (Ireland) and its principal stock exchange listings (Australia and the United States). In presenting this Statement, the Board has evaluated the Company's corporate governance framework in relation to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (the "ASX Principles"), as well as the NYSE Corporate Governance Standards (the "NYSE Standards").

ASX Principles

Pursuant to ASX Listing Rule 4.10.3, the Company is required to disclose in this Annual Report the extent to which it has followed the ASX Principles for fiscal year 2023 and must identify any areas where the Company has determined not to follow the ASX Principles and provide the reasons for not following them.

NYSE Standards

As a foreign private issuer with ADSs listed on the NYSE, the Company is required to disclose in this Annual Report any significant ways in which its corporate governance practices differ from those followed by domestic companies under NYSE listing standards. Based on the requirements of the NYSE Standards, the Company believes that its corporate governance framework and practices were consistent with the NYSE Standards during fiscal year 2023, except as otherwise noted below:

- Generally, in the United States, an audit committee of a public company is directly responsible for appointing the company's independent registered public accounting firm, with such appointment being subsequently ratified by shareholders. Under Irish law, the independent registered public accounting firm is directly appointed by the shareholders where there is a new appointment. Otherwise, the appointment is deemed to continue unless the firm retires, is asked to retire or is unable to perform their duties; and
- NYSE rules require each issuer to have an audit committee, a compensation committee (equivalent to a remuneration committee) and a nominating committee composed entirely of independent directors. As a foreign private issuer, the Company does not have to comply with this requirement; however, the Board committee charters reflect Australian and Irish practices, in that such Board committees have a majority of independent directors, unless a higher number or percentage is mandated. As of the date of this Statement, the membership of each of the Audit, Remuneration and Nominating and Governance Committee is comprised solely of independent directors.

Availability of Key Governance Documents

This Statement, as well as the Company's Constitution, Board committee charters and the other key governance and corporate policies referenced in this Statement, as updated from time to time, are available on the Company's investor relations website (ir.jameshardie.com.au) or by requesting a copy from the Company Secretary at the Company's corporate headquarters, Europa House, 2nd Floor, Harcourt Centre, Harcourt Street, Dublin 2, D02 WR20, Ireland.

The Board committee charters and other key governance and corporate policies referenced in this Statement were reviewed by the Board during fiscal year 2023.

Discussion of Corporate Governance Framework and Practices

The following discussion of the Company's corporate governance framework and practices incorporates the disclosures required by the ASX Principles, and generally follows the order of the ASX Principles.

Principle 1: Lay Solid Foundations for Management and Oversight

The Role of the Board and Management

The principal role of the Board is to promote and protect shareholder value by providing strategic guidance to management and overseeing management's implementation of the Company's strategic goals and objectives. On an annual basis, the Board reviews the Company's strategic priorities with management, including the Company's business plan, and leads discussions on execution strategy, including budgetary considerations, to ensure that the Company has the appropriate resources to deliver the agreed strategy. The Board also monitors management, operational and financial performance against the Company's goals on an ongoing basis throughout the year. To enable it to do this, the Board receives operational and financial updates at every scheduled Board meeting.

The Board is accountable to shareholders by whom they are elected for delivering long-term shareholder value. To achieve this, the Board ensures that the Company has in place a framework of controls, which enables management to appraise and manage risk effectively with oversight from the Board, through clear and robust procedures and delegated authorities.

In accordance with the provisions of the Company's Constitution, the Board committee charters and other applicable governance and corporate policies, the Board has delegated a number of powers to Board committees and responsibility for the day-to-day management of the Company's affairs and the implementation of corporate strategy to the CEO[1]. The responsibilities delegated to the CEO are established by the Board and include limits on the way in which the CEO can exercise such authority. In addition, the Board has also reserved certain matters to itself for decision, including:

- appointing, removing and assessing the performance and remuneration of the CEO and CFO;
- the appointment and removal of the Company Secretary;
- succession planning for the Board and the CEO and defining the Company's management structure and responsibilities;
- approving the overall strategy for the Company, including the business plan and annual operating and capital expenditure budgets;
- ensuring that the Company has in place an appropriate risk management framework and that the risk appetite and tolerances are set at an appropriate level;
- ensuring that the Company has in place an appropriate framework for relevant information to be reported by management to the Board;

[1] References to CEO in this Corporate Governance Report include any person acting as the CEO in an interim capacity or otherwise.

- convening and monitoring the operation of shareholder meetings and approving matters to be submitted to shareholders for their consideration;
- approving annual and periodic reports, results announcements and related media releases, and notices of shareholder meetings;
- approving the dividend policy and interim dividends and, when appropriate, making recommendations to shareholders regarding the annual dividend;
- reviewing the authority levels of the CEO and management;
- approving the remuneration framework for the Company;
- overseeing corporate governance matters for the Company;
- approving corporate-level Company policies;
- considering management's recommendations on various matters which are above the authority levels delegated to the CEO or management;
- oversight of sustainability-related topics and strategy; and
- any other matter which the Board considers appropriate to be approved by the Board.

In discharging its duties, the Board aims to take into account, within the context of the industry in which the Company operates, the interests of the Company (including the interests of its employees), shareholders, and other stakeholders, and where possible, aligns its activities with current best practices in the jurisdictions in which the Company operates.

The full list of those matters reserved to the Board is formalized in our Board Charter. The Board Charter is available on our investor relations website (ir.jameshardie.com.au).

Board Committees

In order to ensure that the Board properly discharges its responsibilities and fulfills its oversight role, the Board has established the following standing Board committees:

- Audit Committee;
- Remuneration Committee; and
- Nominating and Governance Committee.

Additionally, from time to time, the Board may establish ad hoc Board committees to address particular matters. Each standing Board committee meets at least quarterly and has scheduled an annual calendar of meetings and discussion topics to assist it to properly discharge all of its responsibilities. Each Board committee Chair reports to the Board at each scheduled Board meeting on their activities.

Each of the standing Board committees operates under a written charter adopted by the Board. On an annual basis, each committee, with the assistance of the Nominating and Governance Committee, undertakes a review of its charter for consistency with applicable regulatory requirements and current corporate governance principles and practices. Each of the standing Board committee charters is available on our investor relations website (ir.jameshardie.com.au).

Full discussions of the role and oversight responsibilities for each standing committee are provided below under Principle 2 (Nominating and Governance Committee), Principle 4 (Audit Committee) and Principle 8 (Remuneration Committee).

Board and Board Committee Meetings

The Board and each of the standing Board committees meet formally at least four times a year and on an ad hoc basis as deemed necessary or appropriate. Scheduled Board meetings are normally held over a period of one or two days, with Board committee meetings also taking place during such time. This meeting structure enhances the effectiveness of the Board and the Board committees. The majority of

Board and Board committee meetings are held at the Company's corporate headquarters in Ireland. At each scheduled meeting, the Board holds executive session without management present.

Prior to each scheduled Board or Board committee meeting, directors are provided timely and necessary information by Company management to allow them to fulfill their duties. The Nominating and Governance Committee periodically reviews the format, timeliness and content of information provided to the Board and Board committees. All directors receive access to all Board committee materials and may attend any Board committee meeting, whether or not they are members of such committee. Directors also receive the minutes of each committee's deliberations and findings, as well as oral reports from each Board committee Chair, at each scheduled Board meeting.

In discharging their duties, directors are provided with direct access to executive management and outside advisors and auditors.

The Board has regular discussions with the CEO and executive management regarding the Company's strategy and performance, during which Board members formally review the Company's progress. During the year, the Board and each Board committee develop and review an annual work plan created from the standing Board committee charters so that the responsibilities of each Board committee are addressed at appropriate times throughout the year.

The following table provides the composition of each standing Board committee during fiscal year 2023, as well as sets out the number of Board and Board committee meetings held, and each director's attendance:

	Board		Audit			Remuneration			Nominating & Governance		
Name	H	A	Member	H	A	Member	H	A	Member	H	A
M Hammes[1]	3	3				•	3	3	•	3	3
A Lloyd[2]	4	4	C*	3	3	•	3	3			
PJ Davis[3]	3	3				•	2	2			
P Lisboa	4	4				C*	4	4	•	4	4
R Peterson[4]	1	1	•	1	1						
R Rodriguez	4	4				•	4	4	C*	4	4
S Rowland	4	4	•	4	4	•	4	4			
N Stein	4	3	C*	3	3				•*	3	3
H Wiens	4	4									

•	Board Committee member
C	Board Committee chair
*	A Lloyd and N Stein held the Audit Committee chair position during the fiscal year. R Rodriguez and N Stein held the Nominating & Governance Committee chair position during the fiscal year.
H	Number of meetings held during the time the director held office or was a member of the Board committee during the fiscal year.
A	Number of meetings attended during the time the director held office or was a member of the Board committee during the fiscal year. Non-committee members may also attend Board committee meetings from time to time; these attendances are not shown.
1	M Hammes retired as director and Chairman at our 2022 Annual General Meeting.
2	In November 2022, A Lloyd was appointed to the role of Board Chair and is no longer a member of the Audit Committee or Remuneration Committee, effective February 2023.
3	PJ Davis appointed as director in August 2022.
4	R Peterson appointed as director in November 2022.

Company Secretary

The Company Secretary is accountable to the Board through the Chair of the Board on all matters relative to the proper functioning of the Board. The Company Secretary is also responsible for ensuring that Board procedures are complied with. All directors have access to the Company Secretary for advice and services. The Board appoints and removes the Company Secretary. The duties required of the Company Secretary include:

- advising the Board and its committees on governance matters;
- monitoring that Board and committee policy and procedures are followed;
- coordinating the timely completion and dispatch of Board and committee papers;
- ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
- helping to organize and facilitate the induction and professional development of directors.

Evaluation of Director Candidates

Before appointing a director or nominating a candidate to shareholders for election as a director, the Company typically undertakes background checks, including checks as to the candidate's education, experience, criminal history, bankruptcy and character. To facilitate shareholders making an informed decision on whether or not to elect or re-elect a director, the Board details in the Notice of Meeting all material information it possesses relevant to the decision. This information includes biographical details, relevant qualifications and experience and the skills they bring to the Board and details of any other material directorships currently held by the candidate as well as the term of office currently served by the director, and if the Board considers that the director is independent.

In addition, when a director is being elected for the first time, the following information will be presented in the Notice of Meeting:

- material adverse information revealed by the checks the Company has performed about the director;
- details of any interest, position, association or influence in a material respect; and
- if the Board considers that the candidate if elected, will qualify as an independent director.

Agreements with Directors and Senior Executives

Each incoming director receives a letter of appointment setting out the key terms and conditions of his or her appointment and the Company's expectations of them in that role. No benefits are provided to our non-executive directors upon termination of appointment. The Company has executive agreements in place with certain senior executives where it is in the Company's strategic interest. The letter of appointment includes:

- a requirement to disclose directors' interests and any matters which could affect the director's independence;
- the requirement to comply with key corporate policies, including the Company's Code of Conduct, its Anti-Bribery and Corruption Policy and its Insider Trading Policy;
- the requirement to notify the Company of, or to seek the Company's approval before accepting, any new role that could impact upon the time commitment expected of the directors or give rise to a conflict of interest;
- the Company's policy on when directors may seek independent professional advice at the expense of the Company;
- indemnity and insurance arrangements;
- ongoing rights of access to corporate information; and
- ongoing confidentiality obligations.

Management Performance Evaluations

On an annual basis, the Remuneration Committee, and subsequently the Board, review the performance of the CEO against performance measures approved by the Board and Remuneration Committee. The CEO reviews the performance of each of the CEO's direct reports throughout the year, assessing their performance against performance measures approved by the Remuneration Committee and the Board and reports to the Board through the Remuneration Committee on the outcome of those reviews annually. Performance evaluations for fiscal year 2023 were conducted in accordance with the process outlined above in April and May 2023. Further details on the assessment criteria for the CEO and other senior executive officers are set out in "Section 1 – Remuneration Report" of this Annual Report.

Board & Board Committee's Performance Evaluation

The Nominating and Governance Committee oversees the Board and Board committee's evaluation process and makes recommendations to the Board. During fiscal year 2023, the process, which was undertaken in March 2023, involved the completion of purpose-designed surveys by each director and a private discussion between the Chair of the Board and each director, and the results were reviewed and discussed by the Nominating and Governance Committee and the Board. Further, during fiscal year 2023, the Chair of the Nominating and Governance Committee discussed with the Board, the Chair's performance and contribution to the effectiveness of the Board as well as the performance of each of the Board committees. The Board also has responsibility for overseeing and evaluating the Nominating and Governance Committee.

Winning Culture: Inclusion and Diversity

James Hardie is fully committed to building and sustaining an inclusive culture which naturally drives the attraction, retention, and engagement of highly skilled, innovative, diverse talent; inspired to build a better future for all. Guided by our core values and rooted in our efforts to sustain a "winning culture" where all employees have a sense of belonging. James Hardie continues to recognize the value of the diverse perspectives, experiences, skills, and capabilities. We unequivocally reject any form of intolerance and advocate for respect in all environments including the plant, office or at a customer / vendor site. We believe fostering this type of environment is part of our overall commitment to employee wellbeing.

The Workplace Diversity Policy, which is located on the Company's investor relations website (ir.jameshardie.com.au), applies to all individuals recruited or employed by the Company and reflects the organization's inclusive view of diversity, which embraces individual differences related to race, gender, age, national origin, religion, sexual orientation or disability.

The Board, with assistance from management, and guidance from Executive Leadership and newly appointed Global Director of Diversity and Inclusion, is responsible for approving and monitoring the Company's diversity policy and measurable objectives in the context of the Company's unique circumstances and industry. The Board assesses the policy and objectives annually and the Company's progress in achieving them.

The Board has delegated responsibility to the Nominating and Governance Committee for monitoring the effectiveness of this policy to the extent it relates to diversity of the Board's composition, senior leadership, management, and the organization as a whole and for reviewing and recommending any updates to this policy, as deemed necessary.

Details of diversity composition across various levels of the organization at the end of fiscal year 2023 are set out below:

Level	Percentage of female employees	Percentage of employees with diversity characteristics
James Hardie Board[1]	50%	63%
US BUSINESS [2]		
Senior leadership positions[3]	22%	36%
All management positions	21%	34%
Total workforce	14%	43%
NON-US BUSINESSES [4]		
Senior leadership positions[3]	16%	
All management positions	16%	
Total workforce	17%	

1 Includes gender and race diversity characteristics for the Board. CEO is reported with US Business Senior leadership positions.

2 Includes US employees with diversity characteristics including gender, race or national origin.

3 Senior Leaders are defined as individuals at senior manager and director level and above who participate in the Company and Individual Performance (CIP) Plan (collectively known as the Short-Term Incentive Plans).

4 Race/national origin diversity characteristics vary between countries and are therefore not captured in aggregate for Non-US businesses.

James Hardie plans to introduce new diversity goals in their upcoming Sustainability Report to be issued in July and have identified the priorities in the table below to assess progress and guide efforts to drive their inclusion and diversity goals year over year.

Objectives	FY23 Actions and Outcomes	FY24 Plans
Culture of Inclusion	• Continued to develop and expand our global inclusion and diversity programs. Objectives are to align and refine our culture, define employee value proposition, grow and develop talent, and improve our hiring processes. • Maintained 5 Employee Resource Groups ("ERG") (2 with global reach via chapters in APAC and EU). • Global Celebrations of International Women's Day and other diversity recognition days led by ERGs.	• Continue to develop and expand our global inclusion and diversity programs. In alignment with our newly launched Purpose, Mission, Vison, and Values. • Launch Global Engagement Survey (FY24) with pulse capabilities throughout the year • Explore launch of additional ERGs. • Launch of Giving Playbook to support causes important to employees and provide more impact within our communities.
Talent Acquisition ("TA")	• Implemented candidate surveys, for feedback on their experience with the TA team member and process. • Achieved notable success in increasing completed requisitions with diverse &/or female applicants. • The North America's Engineering Development Program ("EDP") continues to be a great source of diverse talent, this year's full time starts are 50% female and 40% ethnically diverse. • Launched updated career site which included mobile apply. • Continued scholarship program for high school students local to our operations in North America with diversity characteristics as one of the selection criteria to create a pipeline of local talent for our organization.	• Recruitment of diverse candidates for senior leadership and management roles will continue to be a focus across all global locations including requirements to have diverse candidates interview as part of each leadership opening globally. • Global, Regional and Functional action plans for diverse slates, inclusion efforts and training opportunities. • Revamp scholarship program to better fit needs of our local communities where we live and operate.

Talent Management and Organization Development	• Continued success in early careers Engineering Development Program.
	• Introduced and piloted R&D mentorship program and will look to replicate it following best practice learnings.
	• Refreshed Onboarding (global).
	• Hardie Heroes recognition program (APAC).
	• Continued Executive Assessments/ role fit initiatives.
	  • Caliper.
	  • Sarah Bridges Executive Coaching (NA).
	  • LSI Assessment (APAC).
		• Build a Robust and Sustainable Talent Pool via refreshed talent assessment and succession planning tools.
		• Increased focus on Leadership Development & Capability.
		• Development Plans for high-potential and critical role successors.
		• Focus on retention and voluntary turnover global, regionally, and functionally.

Strategy, Governance & Accountability	• Hired Global Director of Inclusion and Diversity • Introduction and implementation of new and updated paid time off, family, and parental leave programs in North America. • Flexible working arrangements continued to be offered across all global locations post-COVID as job requirements allow and continue to be discussed with employees throughout the organization.	• Establish and operate a true global Inclusion and Diversity Ecosystem: Council, ERGs, External Partners, Human Resources Business Partners with clear responsibilities and KPIs to execute on our goals. • Drive accountability through goal setting and data driven insights. • Global focus on employee well-being (physical, financial, emotional, and social). Continue to promote & expand local programs as needed. Review regional best practice & programs that could be expanded globally. • Begin audit of select policy and procedures to ensure inclusivity throughout the employee lifecycle.

Principle 2: Structure the Board to Add Value

Composition of the Board

As of the date of this Annual Report, the Board comprises eight non-executive directors and one executive director (being the CEO). In accordance with the Company's Constitution, the Board must have no less than three and not more than twelve directors, with the precise number to be determined by the Board having regard to the requirements of the business and the need to manage changes to board composition and board committees without undue disruption.

Director	Board tenure	Independence
Anne Lloyd	4 November 2018	Chair
Aaron Erter	1 September 2022	Chief Executive Officer and executive director
Peter-John Davis	10 August 2022	Independent non-executive director
Persio Lisboa	2 February 2018	Independent non-executive director
Renee Peterson	30 November 2022	Independent non-executive director
Rada Rodriguez	13 November 2018	Independent non-executive director
Nigel Stein	14 May 2020	Independent non-executive director
Suzanne B Rowland	4 February 2021	Independent non-executive director
Harold Wiens	14 May 2020	Independent non-executive director

For additional information on each director, see "Section 1 – Directors, Senior Management and Employees" of this Annual Report.

Mr Michael Hammes retired as Chairman of the Board on 3 November 2022 and was replaced by Ms Anne Lloyd on that date. This change was in line with the Board's ongoing succession plan. As anticipated, the Board was renewed with two new non-executive directors in fiscal year 2023, Peter-John Davis on 10 August 2022 and Renee Peterson on 30 November 2022. In addition, Mr Aaron Erter was appointed as Chief Executive Officer and Executive Director on 1 September 2022.

Directors may be elected by the Company's shareholders at general meetings or appointed by the Board and elected at the next general meeting if there is a vacancy. A person appointed as a director by the Board must submit his or herself for election at the next AGM. The Board and our shareholders have the right to nominate candidates for the Board. Directors may be dismissed by the Company's shareholders at a general meeting. In accordance with the Company's Constitution and the ASX Listing Rules, no director (other than the CEO) shall hold office for a continuous period of more than three years without being re-elected by shareholders at an AGM. The Company's Constitution provides for a classified Board structure and the Board is divided into three classes (excluding the CEO). Upon the expiration of the term of a class of directors at an AGM, each director in that class may, if willing to act and if the Board so recommends, put themselves forward for re-election at that same AGM to serve from the time of re-election until the third AGM following his or her re-election.

The Board's overriding desire is to maximize its effectiveness by appointing the best candidates for vacancies and closely reviewing the performance of directors subject to re-election. Directors are not automatically nominated for re-election. Nomination for re-election is based on a number of factors, including an assessment of their individual performance, independence, tenure, and their skills and experience relative to the needs of the Company. The Nominating and Governance Committee and the Board discuss the performance of each director due to stand for re-election at the next AGM before deciding whether to recommend their re-election.

As part of the appointment process, the Nominating and Governance Committee, in consultation with the Board, considers the size and composition of the Board, the current range of skills, competencies and experience and the desired range of skills, as well as Board renewal, succession and diversity plans. The Nominating and Governance Committee identifies suitable candidates, with assistance from an external consultant, where appropriate, and a number of directors meet with those candidates. Prior to the Board selecting the most suitable candidate (based on a recommendation from the Nominating and Governance Committee), the Board, with the assistance of external consultants, conducts appropriate background and reference checks.

During fiscal year 2023, the Nominating and Governance Committee executed its forward-looking plan for Board and Committee succession, to ensure orderly succession to key posts (including for the Chair of the Board and the CEO), effective recruitment and smooth onboarding of new members (including any required transition). The plan is regularly reviewed by the Board supported by updates and reports to the Board from the Nominating and Governance Committee.

Director Independence

In accordance with applicable listing standards and its Board and committee charters, the Company requires that a majority of directors on the Board and the Board committees be independent, unless a greater number is required to be independent under the rules and regulations of the ASX, the NYSE or other applicable regulatory body. Additionally, the Company's board and committee charters provide that the Chair of the Board and each committee must also be independent, non-executive directors, except in unusual circumstances. During the CEO succession process, Mr Wiens was appointed as interim CEO which ended on 1 September 2022 with the appointment of Mr Erter as the new CEO. Mr Wiens no longer performs executive, non-independent responsibilities. In addition, in November 2022, Ms Lloyd was appointed as Non-Executive Chairperson of the Board. Previously Ms Lloyd served as Lead Independent Director, a position she held since January 2022, whereby she had the responsibility of ensuring proper governance of the Board and the independence and objectivity of the Board in its stewardship of the Company.

All directors are expected to bring their independent views and judgment to the Board and Board committees and must declare any potential or actual conflicts of interest. For a director to be considered independent, the Board must determine the director does not have any direct or indirect business or other relationship that could materially interfere with such director’s exercise of independent judgment and to act in the best interests of the entity as a whole rather than in the interests of an individual shareholder or other party. In assessing the independence of each director, the Board considers the standards for determining director independence set forth in the ASX Principles and the NYSE Standards and evaluates all potential conflicting relationships on a case-by-case basis, considering the materiality of each potential or actual conflict of interest.

During fiscal year 2023, the Board, with the assistance of the Nominating and Governance Committee, undertook an independence assessment of each director. The Board determined that, with the exception of Aaron Erter, the current CEO of the Company, all other members of the Board of Directors are independent.

In assessing Mr Wiens' independence, the Board considered his role as interim Chief Executive Officer of the Company from 6 January 2022 to 1 September 2022 and determined that notwithstanding his performing this role, Mr Wiens is independent. The Board considered that, given its short term nature, the position held did not influence or reasonably be perceived to influence, in a material respect, Mr Wiens' capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.

Director Qualifications and Board Diversity

The Board seeks to achieve a mix of skills, experience and expertise to maximize the effectiveness of the Board and utilizes a skills matrix in reviewing Board composition and in succession planning. The following lists the mix of skills, experience and diversity the Board has and is looking to achieve, taking into consideration the strategic objectives of the Company.

Key Board Skills and Experience

Skill and Experience	Definition
Executive leadership	• Successful business history at a senior executive level, including international business management.
Board experience	• Experience as a non-executive director of a listed company.
Succession planning	• Experience in identifying and growing talent to fill leadership and business-critical positions.
Strategy	• Demonstrable ability to develop and implement successful business strategy. • Experience in overseeing management for the delivery of strategic objectives.
Governance	• Awareness of global governance practices and trends. • Experience in the identification and resolution of regulatory issues across a wide range of jurisdictions.
Financial acumen/ Corporate finance	• Experience in financial accounting and reporting and evaluating financial risks and the adequacy of financial controls. • Understanding of key financial drivers of business and corporate finance. • Understanding of capital markets.
Information Technology/Data Analytics/Cybersecurity	• Understanding of information technology systems and data analytics. • Cybersecurity experience.
Risk management	• Experience in anticipating, evaluating and managing risks across various countries, regulatory systems or business environments.
Global experience	• Experience in developing and implementing successful and sustainable operational/ governance structures in new geographies and jurisdictions. • Exposure to different political, cultural and regulatory business environments.
Environmental, Health and Safety	• Experience in a role with responsibility for the health and safety of employees. • Experience implementing and improving health and safety processes/ management systems. • Experience with environmental, social responsibility and governance issues.
Human resources and executive remuneration	• Experience leading large, diverse and geographically distributed teams, promoting inclusion and diversity. • Experience in talent management and culture. • Senior executive role or board experience of remuneration frameworks that aim to attract and retain high caliber of executives and other employees.
Manufacturing	• Senior executive experience or technical experience in the manufacturing sector, including end-to-end supply chain and LEAN Manufacturing.
Market experience/ Customer Centricity/Innovation	• Experience in next generation insight, digital and customer experience. • Experience in technical innovation and new product development. • Experience in retail industry and merchandise expertise. • Industry knowledge. • Australian market and investor base experience.
Sales/Marketing	• Experience in brand and product marketing. • Experience in sales leadership. • Building material and/or adjacent knowledge.

The Board regularly reviews its skills matrix to make sure it covers the skills needed to address existing and emerging business and governance issues relevant to the Company. During the year, we identified a number of areas that could be strengthened on the Board, including (i) executive leadership, (ii) financial acumen/corporate finance, (iii) sales and marketing experience, and (iv) operational experience, particularly in end-to-end supply chain. Additionally, IT/cybersecurity and ESG remain focus areas. Each of these areas are key considerations as part of the Board renewal process and are aligned with the Company's strategic plan.

Information regarding Board diversity can be found in the “Workplace Diversity” section above.

Directors must be able to devote a sufficient amount of time to prepare for, and effectively participate in, Board and Board committee meetings. The Nominating and Governance Committee reviews the other commitments of directors annually and otherwise, as required. In fiscal year 2023, as part of the review, the Nominating and Governance Committee and Board noted that no audit committee member simultaneously serves on the audit committee of more than three public companies.

Biographical information for each member of the Board, along with the skills, qualifications, experience and relevant expertise for each director, and his or her date and term of appointment, are summarized in the Board biography section of this Annual Report and also appear on the Company’s investor relations website (ir.jameshardie.com.au).

Nominating and Governance Committee

Director	Committee tenure	Independence
Rada Rodriguez – Committee Chair	13 November 2018 Chair since 3 November 2022	Independent non-executive director
Persio Lisboa	26 October 2020	Independent non-executive director
Nigel Stein	26 October 2020	Independent non-executive director

The Board has established the Nominating and Governance Committee to identify and recommend to the Board individuals qualified to become members of the Board, develop and recommend to the Board a set of corporate governance principles, and perform a leadership role in shaping the Company’s corporate governance policies. The duties and responsibilities of the Nominating and Governance Committee include:

- identifying and recommending to the Board individuals qualified to become directors;
- overseeing the evaluation of the Board and senior management and formulating succession plans for the CEO, CFO and senior executives;
- assessing the independence of each director;
- reviewing the remuneration of directors;
- reviewing the conduct of the AGM; and
- performing a leadership role in shaping the Company’s culture and corporate governance policies.

A more complete description of these duties and responsibilities and other Nominating and Governance Committee functions is contained in the Nominating and Governance Committee’s Charter, a copy of which is available on the Company’s investor relations website (ir.jameshardie.com.au).

Management Succession Planning

The Board, together with the Nominating and Governance Committee, has developed, and periodically reviews with the CEO, management succession plans, policies and procedures for the CEO and certain other members of executive management.

Retirement and Tenure Policy

The Company does not have a retirement and tenure policy. The length of tenure of individual directors is one of many factors considered by the Board when assessing the independence, performance and contribution of a director, in succession planning, and as part of the Board’s decision-making process when considering whether a director should be recommended by the Board for re-election.

Related Party Transactions

Other than the compensation arrangements with our executive officers and directors, which are disclosed in “Section 1 – Remuneration Report” of this Annual Report, the Company has not entered into any related party transactions requiring disclosure during fiscal year 2023.

Induction and Continuing Development

The Company has an induction program for new directors, tailored to their existing skills, knowledge and experience, to position them to discharge their responsibilities effectively and to add value. The program includes an overview of the Company’s governance arrangements and directors’ duties in Ireland, the United States and Australia, plant and market tours to understand the Company’s strategic plans and impart relevant industry knowledge, briefings on the Company’s risk management and control framework, financial results and key risks and issues, and meeting other directors, the CEO and members of management. New directors are also provided with comprehensive orientation materials including relevant corporate documents and policies.

The Nominating and Governance Committee regularly assesses whether the directors as a group have the skills, knowledge and experience to deal with new and emerging business and governance issues and professional development is provided for identified gaps. For example, training on key accounting matters is provided through internal and external sources for directors with little accounting skills or knowledge.

In addition, the Company regularly schedules time at Board meetings to develop the Board’s understanding of the Company’s operations, regulatory environment and material developments in laws, including updates on topical developments from management and external experts.

Board Leadership Structure

In an effort to promote efficient undertaking of its roles and responsibilities, the Board has appointed one of its independent, non-executive members, Anne Lloyd as Chair of the Board. In her role as Chair of the Board, Ms Lloyd co-ordinates the Board's duties and responsibilities and acts as an active liaison between management and the Company's non-executive directors, maintaining frequent contact with the CEO and being advised generally on the progress of Board and Board committee meetings. In her role as Chair of the Board, Ms Lloyd also:

- provides leadership to the Board and helps set the annual board calendar and quarterly meeting agendas;
- chairs Board and shareholder meetings;
- facilitates Board discussions; and
- monitors, evaluates and assesses the performance of the Board and Board committees, and is a member of and attends meetings of the Remuneration and Nominating and Governance committees.

Remuneration

For a detailed discussion of the Company’s remuneration policies for directors and executives, and the link between remuneration and overall corporate performance, see “Section 1 – Remuneration Report” of this Annual Report.

Board Accumulation Guidelines

Non-executive directors are required to accumulate up to 1.5 times (and 2 times for the Chair of the Board) the base Board member fee (the "Ownership Target") in the Company’s shares (either personally,

in the name of their spouse, or through a personal superannuation, retirement or pension plan) over a reasonable time following their appointment. In addition to this, in November 2022, the Board adopted a new guideline requiring non-executive directors to apply a portion of their base Board member fee towards acquiring the Company's shares until such time as the application Ownership Target has been met. The applicable portion for the 2023 calendar year is US$75,000 in shares. The Nominating and Governance Committee reviews the guidelines and non-executive directors' shareholdings on a periodic basis. Details of the Company's Non-Executive Director Equity Plan are set out in "Section 1 – Remuneration Report" of this Annual Report.

Independent Advice and Access to Information

In addition to their access to the Company Secretary and senior management, the Board, the Board committees and individual directors may all seek independent professional advice at the Company's expense for the proper performance of their duties.

Indemnification

The Company's Constitution provides for indemnification of any person who is (or who was) a director, the Company Secretary, or an employee or any other person deemed by the Board to be an agent of the Company, who suffers any loss as a result of any action in discharge of their duties, in the absence of a willful act or default and subject to the provisions of the Irish Companies Acts.

The Company and certain of its subsidiaries have provided Deeds of Access, Insurance and Indemnity to directors and executives who are directors or officers of the Company or its subsidiaries.

Principle 3: Instill a culture of acting lawfully, ethically and responsibly

The Company's newly updated purpose, vision, mission and values are integral to our business and express the standards and behaviors expected of all employees.

Purpose – Building a better future for all.

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

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

Values – Do the right thing, Embrace our diversity, Be bold and progressive, Collaborate for greatness, Honor our commitments.

Global Code of Business Conduct

The Company seeks to maintain high standards of integrity and is committed to ensuring that the Company conducts its business in accordance with high standards of ethical behavior. The Company requires its employees to comply with both the spirit and the letter of all laws and other statutory requirements governing the conduct of the Company's activities in each country in which the Company operates. The Company has adopted a Global Code of Business Conduct (the "Code of Conduct") which applies to all of the Company's employees and directors. The Code of Conduct covers many aspects of corporate policy and addresses compliance with legal and other responsibilities to stakeholders. All directors and employees of the Company worldwide are required to review the Code of Conduct on an annual basis. As part of its oversight functions, the Audit Committee oversees the Code of Conduct and reviews the policy on an annual basis. A copy of the Code of Conduct is available in the Corporate Governance section of the Company's investor relations website (ir.jameshardie.com.au).

The Company did not grant any waivers from the provisions of the Code of Conduct during fiscal year 2023.

Complaints/Ethics Hotline

The Code of Conduct provides employees with advice about who they should contact if they have information or questions regarding potential violations of the policy. Globally, the Company maintains an ethics hotline operated by an independent external provider which allows employees to report anonymously any concerns. All Company employees worldwide are reminded annually of the existence of the ethics hotline.

All complaints, whether to the ethics hotline or otherwise, are initially reported directly to the Chief Legal Counsel and Chief Compliance Officer, Employment Counsel, Chief Human Resources Officer and the Director of Internal Audit (except in cases where the complaint refers to one of them). The material complaints are referred immediately to the Chair of the Board and the Audit Committee. Less serious complaints are reported to the Audit Committee on a quarterly basis.

Interested parties who have a concern about the Company's conduct, including accounting, internal controls or audit matters, may communicate directly with the Company's Chair of the Board, directors as a group, the Chair of the Audit Committee or Audit Committee members. These communications may be confidential or anonymous, and may be submitted in writing to the Company Secretary at the Company's corporate headquarters or submitted by phone on +353 1 4119929. All concerns will be forwarded to the appropriate directors for their review and will be simultaneously reviewed and addressed by the Company's Chief Legal Counsel and Chief Compliance Officer in the same way that other concerns are addressed. The Company's Code of Conduct, which is described above, prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve a concern about integrity.

Insider Trading

All directors and employees of the Company are subject to the Company's Insider Trading Policy. Under the Insider Trading Policy, employees and directors may generally conduct transactions in the Company's securities during a four week period beginning two days after the announcement of quarterly or full year results, or such other periods as may be designated by the Board provided that such persons are not in possession of material, non-public information. The Insider Trading Policy also contains preclearance requirements for certain designated employees and directors, as well as general prohibitions on hedging activities or selling any shares for short-swing profit. There is a general prohibition on hedging unvested shares, options or RSUs.

The Board recognizes that it is the individual responsibility of each director and employee to ensure he or she complies with the Insider Trading Policy and applicable insider trading laws.

A copy of the Insider Trading Policy is available on the Company's investor relations website (ir.jameshardie.com.au).

Anti-Bribery and Corruption

James Hardie is committed to ensuring a workplace free from bribery and corruption. This zero tolerance is endorsed and supported by senior management and the Board. All employees must comply with the Company's Anti-Bribery and Corruption Policy.

All complaints are initially reported directly to the Chief Legal Counsel and Chief Compliance Officer, Employment Counsel, Chief Human Resources Officer and the Director of Internal Audit (except in cases

where the complaint refers to one of them). The material complaints are referred immediately to the Chair of the Board and the Audit Committee. Less serious complaints are reported to the Audit Committee on a quarterly basis.

A copy of the Anti-Bribery and Corruption Policy is available on the Company's investor relations website (ir.jameshardie.com.au).

Principle 4: Safeguard Integrity in Corporate Reporting

Audit Committee

Director	Committee tenure	Independence
Nigel Stein – Committee Chair	1 June 2020 Chair since 3 November 2022	Independent non-executive director
Suzanne B Rowland	6 February 2021	Independent non-executive director
Renee Peterson	30 November 2022	Independent non-executive director

The Board has established the Audit Committee to oversee the adequacy and effectiveness of the Company's accounting and financial policies and controls. The Audit Committee provides advice and assistance to the Board in fulfilling its responsibilities and, amongst other matters:

- overseeing the Company's financial reporting process and reports on the results of its activities to the Board;
- reviewing with management and the external auditor the Company's annual and quarterly financial statements and reports to shareholders; discussing earnings releases as well as information and earnings guidance provided to analysts;
- reviewing and assessing the Company's risk management strategy, policies and procedures and the adequacy of the Company's policies, processes and frameworks for managing risk to include strategic, operational, financial, treasury and IT/cybersecurity risk;
- exercising general oversight of the appointment and provision of all external audit services to the Company, the remuneration paid to the external auditor, and the performance of the Company's internal audit function;
- reviewing the adequacy and effectiveness of the Company's internal compliance and control procedures;
- reviewing the Company's compliance with legal and regulatory requirements; and
- establishing procedures for complaints regarding accounting, internal accounting controls and auditing matters, including any complaints from whistle-blowers.

To ensure the appropriateness and integrity of any periodic corporate records, the Audit Committee also reviews this Annual Report, together with other reports and materials provided to stakeholders, including annual and half-yearly financial statements, quarterly results materials and our Sustainability Report, and recommend them to the Board for approval. This ensures any estimates, judgments and disclosures made by management are materially accurate and balanced.

A more complete description of these and other Audit Committee functions is contained in the Audit Committee's Charter, a copy of which is available on the Company's investor relations website (ir.jameshardie.com.au).

The Audit Committee meets at least quarterly in a separate executive session with the external auditor and internal auditor, respectively. The Chair of the Audit Committee reports to the full Board following each Audit Committee meeting. As part of such report, the Chair of the Audit Committee will inform the Board of any general issues that arise with respect to the quality or integrity of the Company's financial

statements, the Company's compliance with legal or regulatory requirements, the Company's risk management framework, the performance and independence of the external auditor, or the performance of the internal audit function.

All members of the Audit Committee are financially literate and have sufficient business, industry and financial expertise to act effectively as members of the Audit Committee. In addition, in accordance with the SEC rules, the Nominating and Governance Committee and the Board have determined that Mr Stein and Ms Peterson qualify as "audit committee financial experts". The skills, qualifications, experience and relevant expertise for each member are summarized in the Board biography section of this Annual Report.

Internal Audit

The Vice President of Internal Audit heads the internal audit department. It is the role of the internal audit department to provide assurance, independent of management, that the Company's internal processes, controls and procedures are operating to provide an effective financial reporting and risk management framework. The Internal Audit Charter sets out the independence of the internal audit department, its scope of work, responsibilities, and audit plan. The internal audit department's work plan is approved annually by the Audit Committee. The Vice President of Internal Audit reports to the Chair of the Audit Committee and meets quarterly with the Audit Committee in executive sessions.

External Audit

Ernst & Young LLP has served as the Company's external auditor since fiscal year 2009. The external auditor reviews each quarterly and half-year consolidated financial statements and audits the full year consolidated financial statements. The external auditor attends each meeting of the Audit Committee, including an executive session where members of the Audit Committee are present. The Audit Committee has approved policies to ensure that all non-audit services performed by the external auditor, including the amount of fees payable for those services, receive prior approval. The Audit Committee also reviews the remuneration paid to the external auditor and makes recommendations to the Board regarding the maximum compensation to be paid to the external auditor and concerning their reappointment as external auditor. The lead audit engagement partner is required to rotate every five years.

The Audit Committee reviews and approves management representations made to the external auditor as part of the audit of the full year results.

Representatives of Ernst & Young LLP are present at each AGM to make a statement if they desire to do so and are available to respond to appropriate questions from shareholders.

Management Representations

Consistent with applicable SEC rules, the CEO and CFO of the Company have provided the certifications required by Section 302 and 906 of the Sarbanes Oxley Act 2002, which, among other things, certify that to the best of each individual's knowledge:

- the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this Annual Report; and
- this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Annual Report.

Principle 5: Make Timely and Balanced Disclosure

Continuous Disclosure and Market Communication

The Company strives to comply with all relevant disclosure laws and listing rules in Australia (ASIC and ASX) and the United States (SEC and NYSE).

The Company's Continuous Disclosure and Market Communication Policy aims to ensure timely communications so that investors can readily:

- understand the Company's strategy and assess the quality of its management;
- examine the Company's financial position and the strength of its growth prospects; and
- receive any news or information that might reasonably be expected to materially affect the price or market for the Company securities.

Furthermore, the Company releases any new and substantive investor or analyst presentation on the ASX Market Announcements Platform ahead of the presentation.

The CEO is responsible for ensuring the Company complies with its continuous disclosure obligations. A Disclosure Committee comprised of senior management (CEO, CFO, Chief Legal Counsel and Chief Compliance Officer and the Vice President – Investor and Media Relations) is responsible for all decisions regarding market disclosure obligations outside of the Company's normal financial reporting calendar. The Nominating and Governance Committee reviewed the Continuous Disclosure and Market Communication policy and the Audit Committee reviewed the Company's disclosure practices under the Continuous Disclosure and Market Communication policy during fiscal year 2023. A copy of the Continuous Disclosure and Market Communication policy is available on the Company's investor relations website (ir.jameshardie.com.au).

Principle 6: Respect the Rights of Security Holders

Communication

The Company is committed to communicating effectively with the Company's shareholders and engaging them through its dedicated investor relations program that includes:

- making management briefings and presentations accessible via a live webcast and/or teleconference following the release of quarterly and annual results;
- audio webcasts of other management briefings and the annual shareholder meeting;
- a comprehensive investor relations website that displays all announcements and notices (promptly after they have been cleared by the ASX), major management and investor road show presentations;
- site visits and briefings on strategy for investment analysts;
- regular engagement with institutional shareholders to discuss a wide range of governance issues;
- an email alert service to advise shareholders and other interested parties of announcements and other events; and
- equality of access for shareholders and investment analysts to briefings, presentations and meetings and equality of media access to the Company, on a reasonable basis.

Shareholders can also elect to receive communications from the Company and its Share Registry, Computershare Investor Services Pty Ltd, by electronic means. In addition, shareholders can communicate directly with the Company and its registry via the Company's investor relations website (ir.jameshardie.com.au).

Annual General Meeting

The 2022 AGM was held in Ireland and shareholders were able to participate in the AGM via teleconference of proceedings. The Company currently anticipates that the 2023 AGM will be held in Ireland, and shareholders who wish to participate in the meeting, including asking questions about the management of the Company, can do so in person or via teleconference. In addition, shareholders have the opportunity to submit questions to the Company online or by returning the question form enclosed with the Notice of Meeting in advance of the meeting. Questions received from shareholders will be collated and the Chair of the Board will address as many questions as possible at the meeting. Shareholders also have the opportunity to ask questions of the external auditor at the AGM about the conduct of the audit and the preparation of the auditor's report.

Notices of Meeting are accompanied by explanatory notes which provide clear and concise information regarding the business to be transacted at the meeting.

Further details regarding the 2023 AGM will be set out in the 2023 AGM Notice of Meeting. This will be available electronically to all shareholders and made available on the Company's website.

Each shareholder (other than an ADS holder) has the right to:

- attend the AGM virtually, in person or by proxy;
- speak at the AGM; and
- exercise voting rights, including at the AGM, subject to their instructions on the Voting Instruction Form.

While ADS holders cannot vote directly, ADS holders can direct the voting of their underlying shares through the ADS depositary.

At any general meeting, and as provided in the Company's constitution, a resolution put to the vote of the meeting shall be decided on a poll.

Principle 7: Recognize and Manage Risk

Risk Management Objectives

The Company believes that sound risk management policies, procedures and controls produce a system of risk oversight, risk management and internal control that is fundamental to good corporate governance and compliance and creation of shareholder value. The objective of the Company's risk management policies, procedures and controls is to ensure that:

- the Company's principal strategic, operational and financial risks are identified and assessed;
- the Company's risk appetite for each risk is considered;
- effective systems are in place to monitor and manage risks; and
- reporting systems, internal controls and arrangements for monitoring compliance with laws and regulations are adequate.

Risk management does not involve avoiding all risks. The Company's risk management policies seek to strike a balance between ensuring that the Company continues to generate financial returns while simultaneously managing risks appropriately by setting appropriate strategies, objectives, controls and tolerance levels.

The Company's business, operations and financial condition are subject to various risks and uncertainties, including risks related to economic and regulatory concerns. For additional information, see "Section 3 – Risk Factors" of this Annual Report which outlines the significant factors that may adversely

affect the Company's business, operations, financial performance and condition or industry, and information as to how the Company manages a number of these risks.

Risk Management Framework

The Board and its standing Board committees oversee the Company's overall strategic direction, including setting risk management strategy, processes, tolerance and parameters. Generally, the Audit Committee is responsible for oversight of the Company's risk management strategy, policies, procedures and controls. As there is currently no separate Risk Committee at Board level, the Audit Committee reviews, monitors and discusses these matters with the CEO, CFO, Chief Legal Counsel and Chief Compliance Officer, Vice President of Internal Audit and other senior business leaders. The Audit Committee, CEO, CFO and Chief Legal Counsel and Chief Compliance Officer report periodically to the Board on the Company's risk management policies, processes and controls. The Audit Committee and the Board review and evaluate the Company's risk management strategies and processes on an on-going basis throughout the course of each fiscal year.

The Audit Committee is supported in its oversight role by the policies put in place by management to oversee and manage material business risks, as well as the roles played by internal risk management committees, as described below, and internal and external audit functions. The internal and external audit functions are separate from and independent of each other and each has a direct reporting line to the Audit Committee. The CEO and the CEO's direct reports are the primary management forum for risk assessment and management within the Company.

Consistent with its oversight functions, the Audit Committee reviewed the Company's risk management framework and internal controls during fiscal year 2023. As part of the review, information was reported by management to the Audit Committee to enable it to assess the effectiveness of the Company's risk management and internal control systems. In addition, consistent with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, during fiscal year 2023, management assessed the effectiveness of the Company's internal controls over financial reporting and the effectiveness of the Company's internal control over financial reporting has been audited by Ernst & Young LLP. Based on its assessment, management concluded that the Company's internal controls over financial reporting were effective as of 31 March 2023. For additional information, see "Section 3 – Controls and Procedures" of this Annual Report.

Risk Management Committee

The Company maintains management level risk committees that focus on operation-related risks in the regions in which the Company operates and corporate-related risks (the "Risk Management Committees"). The Risk Management Committees comprise a cross-functional group of employees who review and monitor the risks facing the Company from the perspective of their particular business region and area of responsibility. The Risk Management Committee is coordinated by the Chief Legal Counsel and Chief Compliance Officer. The Vice President of Internal Audit and the Chief Legal Counsel and Chief Compliance Officer also provide quarterly reports to the Audit Committee on key risks and the procedures in place for mitigating them.

Financial Statements Disclosure Committee

The Financial Statements Disclosure Committee is a management committee comprised of senior finance, accounting, compliance, legal, tax, treasury and investor relations executives in the Company, which meets with the CEO, CFO and Chief Legal Counsel and Chief Compliance Officer prior to the Board's consideration of any quarterly or annual results. The Financial Statements Disclosure Committee is a forum for the CEO, CFO and Chief Legal Counsel and Chief Compliance Officer to discuss, and, on

the basis of those discussions, report to the Audit Committee, about a range of risk management procedures, policies and controls, covering the draft results materials, business unit financial performance and the current status of legal, tax, treasury, accounting, compliance, internal audit, complaints and disclosure control matters.

Policies for Management of Material Business Risks

Management has put in place a number of key policies, processes and independent controls to provide assurance as to the integrity of the Company's systems of internal control and risk management. In addition to the measures described elsewhere in this Annual Report, the more significant policies, processes or controls adopted by the Company for oversight and management of material business risks are:

- engagement with members of the Risk Management Committee, at least quarterly, to assess the key strategic, operations, reporting and compliance risks facing the Company, the level of risk and the processes implemented to manage each of these key risks over the upcoming twelve months;
- quarterly reporting to executive management, the Audit Committee, and annual reporting to the Board, of the Risk Management Committee's assessment regarding the key strategic, operations, reporting and compliance risks facing the Company;
- a program for the Audit Committee to review in detail each year the Company's general risk tolerance and all items identified by the Risk Management Committee as high focus risks;
- quarterly meetings of the Financial Statements Disclosure Committee to review all quarterly and annual financial statements and results;
- an internal audit department with a direct reporting line to the Chair of the Audit Committee;
- regular monitoring of the liquidity and status of the Company's finance facilities;
- maintaining an appropriate global insurance program;
- maintaining policies and procedures in relation to treasury operations, including the use of financial derivatives and issuing procedures requiring significant capital and recurring expenditure approvals; and
- implementing and maintaining training programs in relation to legal and regulatory compliance issues such as trade practices/antitrust, insider trading, foreign corrupt practices and anti-bribery, employment law matters, trade secrecy and intellectual property protection.

Building its commitment to address matters relating to Environmental, Social and Governance ("ESG"), the Company appointed its first Chief Sustainability Officer ("CSO") in March 2022. In October 2022, to drive accountability across global operations, the CSO role was added to the Executive Leadership team, reporting directly to the CEO.

The Company's sustainability strategy integrates its global strategy for value creation and operational performance, and focuses on four key pillars of Communities, Environment, Innovation and Zero Harm. Progress against the Company's commitments was reported in its FY22 sustainability report, which was published in July 2022 and prepared in accordance with Global Reporting Initiative Standards. In FY22, the Company began the initial stage of its roadmap for implementing the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD"). Through engagement with external and internal stakeholders, the Company identified initial key climate-related risks and opportunities which were shared in its FY22 sustainability report.

Limitations of Control Systems

Due to the inherent limitations in all control systems and the fact that there are resource constraints in the design of any control system, management does not expect that the Company's internal risk management and control systems will prevent or detect all error and all fraud. No matter how well it is designed and operated, no evaluation of controls can provide absolute assurance that misstatements due

to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

The inherent limitations in all control systems include the realities that judgments in decision making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls' effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Principle 8: Remunerate Fairly and Responsibly

Remuneration Committee

Director	Committee tenure	Independence
Persio Lisboa – Committee Chair	9 August 2018 Chair since 6 January 2022	Independent non-executive director
Rada Rodriguez	21 April 2022	Independent non-executive director
Suzanne B Rowland	21 April 2022	Independent non-executive director
Peter-John Davis	10 August 2022	Independent non-executive director

The Remuneration Committee oversees the Company's overall remuneration structure, policies and programs, assesses whether the Company's remuneration structure establishes appropriate incentives for management and employees, and approves any significant changes in the Company's remuneration structure, policies and programs. Amongst other things, the Remuneration Committee:

- administers and makes recommendations on the Company's incentive compensation and equity-based remuneration plans for senior management;
- reviews the remuneration framework for the Company; and
- makes recommendations to the Board on the Company's recruitment, retention and termination policies and procedures for senior management.

No individual director or senior executive is involved in deciding his or her own remuneration.

A more complete description of these and other Remuneration Committee functions is contained in the Remuneration Committee's Charter, a copy of which is available on the Company's investor relations website (ir.jameshardie.com.au), and in "Section 1 – Remuneration Report" of this Annual Report. In addition, details of the Company's remuneration philosophy, policies, plans and procedures during fiscal year 2023 are disclosed in "Section 1 – Remuneration Report" of this Annual Report.

SECTION 2

READING THIS REPORT

Forward-Looking Statements

This Annual Report contains forward-looking statements. 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 offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by the Company's officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Examples of forward-looking statements include:

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations concerning the costs associated with the significant capital expenditure projects at any of the Company's plants and future plans with respect to any such projects;
- expectations regarding the extension or renewal of the Company's credit facilities including changes to terms, covenants or ratios;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the Company's corporate and tax domiciles and structures and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the Company's warranty provisions and estimates for future warranty-related costs;
- statements regarding the Company's ability to manage legal and regulatory matters (including, but not limited to, product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic or housing market conditions in the regions in which we operate, including but not limited to, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

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. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on the Company’s current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company’s control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under “Risk Factors” in Section 3 of this Annual Report, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former Company subsidiaries; required contributions to AICF, any shortfall in AICF funding and the effect of currency exchange rate movements on the amount recorded in the Company’s financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; the consequences of product failures or defects; exposure to environmental, asbestos, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company’s products; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company’s customer base; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; use of accounting estimates; and all other risks identified in the Company’s reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company’s forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company’s current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes, including the accounting policies affecting our financial condition and results of operations, which are fully described in Note 1 to our consolidated financial statements, presented later in this Annual Report.

In the following discussion and analysis, we intend to provide management's explanation of the factors that have affected our financial condition and results of operations for the fiscal years covered by the financial statements included in this Annual Report, as well as management's assessment of the factors and trends which are anticipated to have a material effect on our financial condition and results of operations in future periods.

Our Management's Discussion and Analysis is presented in the following sections and should be read in conjunction with our consolidated financial statements and the related notes, presented later in this Annual Report:

- Critical Accounting Estimates
- Operating Results
- Liquidity and Capital Allocation
- Outlook and Trend Information

Critical Accounting Estimates

As stated in Note 1 to our consolidated financial statements, the preparation of our financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported revenue and expenses during the periods presented therein.

We have identified the following most critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods:

Accounting for the AFFA

The amount of the asbestos liability has been recognized by reference to (but not exclusively based upon) the most recent actuarial estimate of projected future cash flows as calculated by KPMG. Based on their assumptions, KPMG arrived at a range of possible total future cash flows and calculated a central estimate, which is intended to reflect a probability-weighted expected outcome of those actuarially estimated future cash flows projected by the actuary to occur through 2071.

We recognize the asbestos liability in the consolidated financial statements on an undiscounted and uninflated basis. We considered discounting when determining the best estimate under US GAAP. We have recognized the asbestos liability by reference to (but not exclusively based upon) the central estimate as undiscounted on the basis that it is our view that the timing and amounts of such cash flows are not fixed or readily determinable. We considered inflation when determining the best estimate under US GAAP. It is our view that there are material uncertainties in estimating an appropriate rate of inflation over the extended period of the AFFA. We view the undiscounted and uninflated central estimate as the best estimate under US GAAP.

Adjustments in the asbestos liability due to changes in the actuarial estimate of projected future cash flows and changes in the estimate of future operating costs of AICF are reflected in the consolidated statements of operations and comprehensive income during the period in which they occur. Claims paid by AICF and claims-handling costs incurred by AICF are treated as reductions in the asbestos liability balances.

In estimating the potential financial exposure, KPMG has made a number of assumptions, including, but not limited to, assumptions related to the peak period of claims, total number of claims that are reasonably estimated to be asserted through 2071, the typical cost of settlement (which is sensitive to, among other factors, the industry in which a plaintiff claims exposure, the alleged disease type, the age of the claimant and the jurisdiction in which the action is brought), the legal costs incurred in the litigation of such claims, the rate of receipt of claims, the settlement strategy in dealing with outstanding claims and the timing of settlements. Changes to the assumptions may be necessary in future periods should mesothelioma claims reporting escalate or decline.

An updated actuarial assessment is performed as of 31 March each year. Any changes in the estimate will be reflected as a charge or credit to the consolidated statements of operations for the year then ended.

Inventory

Inventories are recorded at the lower of cost or net realizable value. In order to determine net realizable value, management regularly reviews inventory quantities on hand and evaluates significant items to determine whether they are excess, slow-moving or obsolete. The estimated value of excess, slow-moving and obsolete inventory is recorded as a reduction to inventory and an expense in cost of sales in the period in which it is identified. This estimate requires management to make judgments about the future demand for inventory and is therefore at risk to change from period to period. If our estimate for the future demand for inventory is greater than actual demand and we fail to reduce manufacturing output accordingly, we could be required to record additional inventory reserves, which would have a negative impact on our gross profit.

Accrued Warranty Reserve

We have offered, and continue to offer, various warranties on our products. Because our fiber cement products have only been used in North America since the early 1990s, there is a risk that these products will not perform in accordance with our expectations over an extended period of time. A typical warranty program requires that we replace defective products within a specified time period from the date of sale. We record an estimate for future warranty-related costs based on an analysis by us, which includes the historical relationship of warranty costs to installed product at an estimated remediation cost per standard foot. Based on this analysis and other factors, we adjust the amount of our warranty provisions as necessary. Although our warranty costs have historically been within calculated estimates, if our experience is significantly different from our estimates, it could result in the need for additional reserves.

Accounting for Income Tax

We recognize deferred tax assets and deferred tax liabilities for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts using enacted tax rates in effect for the year in which we expect the differences to reverse. We record a valuation allowance to reduce the deferred tax assets to the amount that we are more likely than not to realize. We must assess whether, and to what extent, we can recover our deferred tax assets. If we cannot satisfy a more-likely-than-not threshold for full or partial recovery, we must increase our income tax expense by recording a valuation allowance against the portion of deferred tax assets that we cannot

recover. If facts later indicate that we will be unable to recover all or a portion of our net deferred tax assets, our income tax expense would increase in the period in which we determine that recovery does not meet the more-likely-than-not threshold.

We evaluate our uncertain tax positions in accordance with the guidance for accounting for uncertainty in income taxes. Positions taken by an entity in its income tax returns must satisfy a more-likely-than-not recognition threshold, assuming that the positions will be examined by taxing authorities with full knowledge of all relevant information, in order for the positions to be recognized in the consolidated financial statements. Each quarter we evaluate the income tax positions taken, or expected to be taken, to determine whether these positions meet the more-likely-than-not threshold. We are required to make subjective judgments and assumptions regarding our income tax positions and must consider a variety of factors, including the current tax statutes and the current status of audits performed by tax authorities in each tax jurisdiction. To the extent an uncertain tax position is resolved for an amount that varies from the recorded estimated liability, our income tax expense in a given financial statement period could be materially affected.

Goodwill and Other Intangible Assets

Goodwill is the excess of purchase price over the fair value of tangible and identifiable intangible net assets acquired in various business combinations. Goodwill is not amortized but is tested at the reporting unit level for impairment annually, or more often if indicators of impairment exist. Factors that could cause an impairment in the future could include, but are not limited to, adverse macroeconomic conditions, deterioration in industry or market conditions, decline in revenue and cash flows or increases in costs and capital expenditures compared to projected results. A goodwill impairment charge is recorded for the amount by which the carrying value of the reporting unit exceeds the fair value of the reporting unit.

Intangible assets from acquired businesses are recognized at their estimated fair values at the date of acquisition and consist of trademarks, customer relationships and other intangible assets. Finite-lived intangibles are amortized to expense over the applicable useful lives, ranging from 2 to 13 years, based on the nature of the asset and the underlying pattern of economic benefit as reflected by future net cash inflows. We perform an impairment test of intangibles annually, or whenever events or changes in circumstances indicate their carrying value may be impaired.

Impairment of Long-Lived Assets

Long-lived assets, such as property, plant and equipment, are evaluated each quarter for events or changes in circumstances that indicate that an asset might be impaired because the carrying amount of the asset may not be recoverable. These include, without limitation, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used, a current period operating or cash flow loss combined with a history of operating or cash flow losses, a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group and/or a current expectation that it is more likely than not that a long-lived asset or asset group will be sold or otherwise disposed of significantly before the end of its previously estimated useful life. Identifying these events and changes in circumstances, and assessing their impact on the appropriate valuation of the affected assets requires us to make judgments, assumptions and estimates.

When such indicators of potential impairment are identified, recoverability is tested by grouping long-lived assets that are used together and represent the lowest level for which cash flows are identifiable and distinct from the cash flows of other long-lived assets, which is typically at the production line or plant facility level, depending on the type of long-lived asset subject to an impairment review.

Recoverability is measured by a comparison of the carrying amount of the asset group to the estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount exceeds the estimated undiscounted future cash flows, an impairment charge is recognized at the amount by which the carrying amount exceeds the estimated fair value of the asset group.

The methodology used to estimate the fair value of the asset group is typically based on a discounted cash flow analysis or a relative, market-based approach based on purchase offers or appraisals received from third parties, that considers the asset group's highest and best use that would maximize the value of the asset group. In addition, the estimated fair value of an asset group also considers, to the extent practicable, a market participant's expectations and assumptions in estimating the fair value of the asset group. If the estimated fair value of the asset group is less than the carrying value, an impairment loss is recognized at an amount equal to the excess of the carrying value over the estimated fair value of the asset group.

In estimating the fair value of the asset group, we are required to make certain estimates and assumptions that include forecasting the useful lives of the assets, selecting an appropriate discount rate that reflects the risk inherent in future cash flows, forecasting market demand for our products and recommissioning idle assets to meet anticipated capacity constraints in the future. We have not made any material changes in the accounting methodology we use to assess impairment loss during the past three fiscal years. However, if actual results are not consistent with our estimates and assumptions used in estimating future cash flows and asset fair values, we may be exposed to material impairment losses in future periods.

Operating Results

Overview

James Hardie Industries plc is a world leader in the manufacturing of fiber cement building solutions, and a market leader in fiber gypsum and cement-bonded boards in Europe. Our fiber cement building materials include a wide-range of products for both external and internal use across a broad range of applications. We have four reportable segments: North America Fiber Cement, Asia Pacific Fiber Cement, Europe Building Products and Research and Development.

Year ended 31 March 2023 compared to year ended 31 March 2022

Financial Highlights

US$ Millions (except per share data)	FY23	FY22	Change
Net sales	$ 3,777.1	$ 3,614.7	4%
Gross margin (%)	34.7	36.3	(1.6)pts
Operating income	741.4	682.6	9%
Operating income margin (%)	19.6	18.9	0.7 pts
Net income	512.0	459.1	12%
Earnings per share - basic	$ 1.15	$ 1.03	
Earnings per share - diluted	$ 1.15	$ 1.03	

Net sales increased 4% to US$3,777.1 million, driven by Price/Mix growth of 9% as all three regions delivered value added solutions to our customers. This growth was partially offset by a volume decrease of 5% resulting from weaker global housing markets.

Operating income increased 9% due to the change in asbestos adjustments and higher North America operating income, partially offset by lower earnings in Europe and Asia Pacific. Operating income margin increased 0.7 percentage points. The challenging global macro environment conditions and high input costs that included significant inflationary pressures, impacted all of our segment results for the year.

Overall, the Company finished fiscal year 2023 strong by delivering record net sales globally and for all three regions in local currency for the full year. In the fourth quarter of fiscal year 2023, all three regions achieved sequential EBIT margin improvement by continuing to execute our strategy to drive profitable share gain. While the outlook for the housing markets we participate in is still uncertain, management is remaining thoughtful and focused on where we can accelerate our competitive advantages moving into fiscal year 2024.

We have a superior value proposition with the right products and solutions that our customers are seeking, which allows us to continue to deliver differentiated results. We are homeowner focused, customer and contractor driven, providing the entire value chain with world class products and services.

North America Fiber Cement Segment

Operating results for the North America Fiber Cement segment were as follows:

US$ Millions unless otherwise noted	FY23	FY22	Change
Volume (mmsf)	3,038.5	3,112.2	(2%)
Fiber cement net sales	2,787.6	2,551.3	9%
Gross profit			5%
Gross margin (%)			(1.5 pts)
Operating income	767.5	741.2	4%
Operating income margin (%)	27.5	29.1	(1.6 pts)

FY23 vs FY22

Net sales increased 9% on the strength of Price/Mix growth of 11%. Price/Mix growth resulted from the execution of our strategy to drive profitable share gain by providing the right solutions our customers are seeking, combined with our strategic price increases.

Gross margin decreased as a result of the following components:

Higher average net sales price	6.6 pts
Higher production and distribution costs	(8.1 pts)
Total percentage point change in gross margin	(1.5 pts)

Higher production and distribution costs resulted from significant inflationary pressures across almost all categories, with the largest impacts being increased costs of pulp, labor, cement and energy.

SG&A expenses increased 10% primarily driven by a higher investment in marketing, with the first half up 27% and the second half down 6% versus the prior corresponding periods. The first half was reflective of our strategy to increase our investment in marketing, talent and other SG&A initiatives which began in fiscal year 2022, and then later in the year we reallocated and prioritized our SG&A expenditures to adapt to the market conditions. As a percentage of sales, SG&A expenses were flat.

Operating income margin decreased 1.6 percentage points to 27.5%, driven by lower gross margin.

Asia Pacific Fiber Cement Segment

The Asia Pacific Fiber Cement segment is comprised of the following regions: (i) Australia; (ii) New Zealand; and (iii) the Philippines.

Operating results for the Asia Pacific Fiber Cement segment in US dollars were as follows:

US$ Millions unless otherwise noted	FY23	FY22	Change
Volume (mmsf)	577.2	633.3	(9%)
Fiber cement net sales	539.2	574.9	(6%)
Gross profit			(8%)
Gross margin (%)			(0.6 pts)
Operating income	142.8	160.8	(11%)
Operating income margin (%)	26.5	28.0	(1.5 pts)

Operating results for the Asia Pacific Fiber Cement segment in Australian dollars were as follows:

A$ Millions unless otherwise noted	FY23	FY22	Change
Volume (mmsf)	577.2	633.3	(9%)
Fiber cement net sales	787.0	777.7	1%
Gross profit			(1%)
Gross margin (%)			(0.6 pts)
Operating income	208.8	217.4	(4%)
Operating income margin (%)	26.5	28.0	(1.5 pts)

FY23 vs FY22 (A$)

Net sales increased 1%, driven by Price/Mix growth of 10% offset by lower volumes of 9%. The growth in Price/Mix resulted from the execution of our strategy to drive profitable share gain by providing the right solutions our customers are seeking combined with our strategic price increases. The decline in volumes is primarily attributable to softening of housing market activity in Australia and New Zealand.

The decrease in gross margin can be attributed to the following components:

Higher average net sales price	5.5 pts
Higher production and distribution costs	(6.1 pts)
Total percentage point change in gross margin	(0.6 pts)

Higher production and distribution costs resulted from significant inflationary pressures across almost all categories, with the largest impacts being increased costs of energy, pulp and freight.

SG&A expenses increased 10%, primarily driven by higher employee costs, with the first half up 21% and the second half down 1% versus the prior corresponding periods. The first half was reflective of our strategy to increase our investment in talent, and then later in the year we reallocated and prioritized our SG&A expenditures to adapt to the market conditions. As a percentage of sales, SG&A expenses increased 0.8 percentage points.

Operating income margin of 26.5% decreased 1.5 percentage points, driven by lower gross margin and higher SG&A expenses.

Europe Building Products Segment

The Europe Building Products segment is comprised of: (i) Europe Fiber Cement and (ii) Europe Fiber Gypsum.

Operating results for the Europe Building Products segment in US dollars were as follows:

US$ Millions unless otherwise noted	FY23	FY22	Change
Volume (mmsf)	849.0	952.6	(11%)
Fiber cement net sales	68.6	76.3	(10%)
Fiber gypsum net sales[1]	381.7	412.2	(7%)
Net sales	450.3	488.5	(8%)
Gross profit			(23%)
Gross margin (%)			(4.5 pts)
Operating income	26.5	62.9	(58%)
Operating income margin (%)	5.8	12.9	(7.1 pts)

1 Also includes cement bonded board net sales.

Operating results for the Europe Building Products segment in Euros were as follows:

€ Millions unless otherwise noted	FY23	FY22	Change
Volume (mmsf)	849.0	952.6	(11%)
Fiber cement net sales	65.8	65.6	—%
Fiber gypsum net sales[1]	366.0	354.9	3%
Net sales	431.8	420.5	3%
Gross profit			(14%)
Gross margin (%)			(4.5 pts)
Operating income	25.2	54.2	(54%)
Operating income margin (%)	5.8	12.9	(7.1 pts)

1 Also includes cement bonded board net sales.

FY23 vs FY22 (€)

Net sales increased 3%, due to a 14% growth in Price/Mix driven by our strategic price increases, partially offset by a 11% decrease in volumes. The volume decrease resulted from both lower fiber gypsum and fiber cement volumes as housing market activity decreased.

The decrease in gross margin is attributed to the following components:

Higher average net sales price	8.4 pts
Higher production and distribution costs	(12.9 pts)
Total percentage point change in gross margin	(4.5 pts)

Higher production and distribution costs resulted from significant inflationary pressures across almost all categories, with the largest impacts being increased costs of energy, gypsum and freight.

SG&A expenses increased 18% primarily due to higher employee and marketing costs. As a percentage of sales, SG&A expenses increased 2.2 percentage points.

Operating income margin of 5.8% decreased 7.1 percentage points primarily driven by lower gross margin and higher SG&A expenses.

General Corporate

Results for General Corporate were as follows:

US$ Millions	FY23	FY22	Change %
General Corporate SG&A expenses	$ 123.7	$ 114.9	8
Asbestos:			
Asbestos adjustments loss	37.0	131.7	(72)
AICF SG&A expenses	1.4	1.3	8
General Corporate costs	**$ 162.1**	**$ 247.9**	**(35)**

General Corporate SG&A expenses increased US$8.8 million primarily due to higher employee costs, stock compensation expenses and New Zealand Weathertightness expenses, partially offset by lower other legal costs.

Asbestos adjustments primarily reflect the annual actuarial adjustment recorded in line with KPMG's actuarial report, as well as the non-cash foreign exchange re-measurement impact on asbestos related balance sheet items, driven by the change in the AUD/USD spot exchange rate from the beginning balance sheet date to the ending balance sheet date, for each respective period. In addition, these amounts are partially offset by gains and losses on foreign currency forward contracts related to future AICF payments.

The AUD/USD spot exchange rates are shown in the table below:

FY23		FY22	
31 March 2022	0.7482	31 March 2021	0.7601
31 March 2023	0.6711	31 March 2022	0.7482
Change	(10)%	Change	(2)%

Asbestos adjustments recorded by the Company were made up of the following components:

US$ Millions	FY23	FY22
Change in estimates	$ 57.1	$ 140.9
Effect of foreign exchange on Asbestos net liabilities	(45.9)	(13.2)
Loss on foreign currency forward contracts	24.5	5.3
Other	1.3	(1.3)
Asbestos adjustments loss	**$ 37.0**	**$ 131.7**

The change in estimate for the actuarial adjustment for fiscal year 2023 is due to the annual inflation adjustment, higher expected claim numbers, partially offset by a reduction in the assumed average claims settlement costs.

Changes to the assumptions may be necessary in future periods should mesothelioma claims reporting escalate or decline. Potential variation in the estimated peak period of claims has an impact much greater than the other assumptions used to derive the discounted central estimate. In performing the sensitivity assessment of the estimated incidence pattern reporting for mesothelioma, if the pattern of incidence was shifted by two years, the central estimate could increase by approximately 21% on a discounted basis.

Readers are referred to Note 12 to our consolidated financial statements for further information on asbestos.

The following is an analysis of claims data for the fiscal years ended 31 March:

	FY23	FY22	Change %
Claims received	555	555	—
Direct claims	403	411	(2)
Cross claims	152	144	6
Actuarial estimate for the period	543	573	(5)
Difference in claims received to actuarial estimate	12	(18)	
Average claim settlement (A$)	303,000	314,000	(4)
Actuarial estimate for the period (A$)	331,000	312,000	6
Difference in claims paid to actuarial estimate	(28,000)	2,000	

For the fiscal year ended 31 March 2023, we noted the following related to asbestos-related claims:

- Total claims received were 2% above actuarial expectations and flat compared to prior year;
- Mesothelioma claims reported were 1% above actuarial expectations and 2% lower than prior year;
- Number of claims settled were 4% above actuarial expectations and 2% above prior year;
- Average claim settlement was 8% below actuarial expectations and 4% below prior year; and
- Direct mesothelioma average claim settlement sizes were higher than expected for the younger two age cohorts and lower than expected for the older two age cohorts.

Interest, net

US$ Millions	FY23	FY22	Change %
Gross interest expense	$ 45.5	$ 42.2	8
Capitalized interest	(8.5)	(1.9)	347
Interest income	(2.1)	(0.1)	NM
AICF interest income, net	(4.2)	(0.9)	367
Interest, net	**$ 30.7**	**$ 39.3**	(22)

NM = not meaningful

Interest, net decreased primarily due to higher capitalized interest related to our capital expansion projects, and higher net AICF interest income driven by higher interest rates and AICF investments.

Income Tax Expense

	FY23	FY22
Income tax expense (US$ Millions)	211.5	184.0
Effective tax rate (%)	29.2	28.6

The effective tax rate increased 0.6 percentage points primarily due to asbestos and other tax adjustments.

Year ended 31 March 2022 compared to year ended 31 March 2021

Readers are referred to the "Management's Discussion and Analysis" in Section 2 our fiscal year 2022 Form 20-F filed with the SEC on 17 May 2022 for comparative analysis relating to fiscal years 2022 and 2021.

Liquidity and Capital Allocation

Overview

Our treasury policy regarding liquidity management, foreign exchange risk management, interest rate risk management and cash management is administered by our treasury department which is centralized in Ireland. The policy is reviewed annually and is designed to ensure that we have sufficient liquidity to support our business activities and meet future business requirements in the countries in which we operate. We aim to mitigate certain risks associated with fluctuations in interest rates and foreign currency. Our strategies to reduce such risks may result in us entering into non-speculative interest rate swaps and foreign currency forward contracts. For a more detailed discussion on our financial instruments, see Note 13 to our consolidated financial statements. For a more detailed discussion on foreign currency exchange rate and interest rate risks, see ‘Quantitative and Qualitative Disclosures About Market Risk’ in Section 3 of this document.

Our cash position decreased by US$12.0 million, from US$125.0 million at 31 March 2022 to US$113.0 million at 31 March 2023.

Our gross debt balance increased from US$886.4 million at 31 March 2022 to US$1,066.1 million at 31 March 2023. At 31 March 2023, we had outstanding borrowings of US$230.0 million, and US$7.2 million of issued but undrawn letters of credit and bank guarantees. These letters of credit and bank guarantees

relate to various operational matters including insurance, performance bonds and other items, leaving the Company with US$362.8 million of available borrowing capacity under the revolving credit facility.

Readers are referred to Note 10 of our 31 March 2023 consolidated financial statements for further information on our borrowings.

Sources of Liquidity

During fiscal year 2023, we met our liquidity and capital requirements through a mix of external debt facilities, cash reserves and cash flows from operations. These internal and external sources of liquidity were primarily used to fund:

- expansion, renovation and maintenance of production capacity;
- our annual contribution to AICF in accordance with the terms of the AFFA;
- the payment of an ordinary dividend declared in the prior year;
- our new share buyback program implemented in the third quarter of fiscal year 2023; and
- our working capital requirements.

There are certain restrictions that are either imposed upon us as an Irish plc operating under Irish law, or imposed upon us as a party to the AFFA, which may restrict the ability of subsidiaries to transfer funds to us in the form of cash dividends, loans or advances. For more detailed discussion on these restrictions, see “Section 3 – Risk Factors.” Even with these restrictions, based on our existing cash balances, together with anticipated operating cash flows and unutilized credit facilities, we anticipate we will have sufficient funds to meet our planned working capital and other expected cash requirements for the next twelve months.

Cash Flow

US$ Millions	FY23	FY22	Change	Change %
Net cash provided by operating activities	$ 607.6	$ 757.2	$ (149.6)	(20)
Net cash used in investing activities	660.1	348.2	311.9	90
Net cash used in financing activities	25.4	449.6	(424.2)	(94)

Significant sources and uses of cash during fiscal year 2023 included:

- Cash provided by operating activities:
  - Net income, adjusted for non-cash items, of US$818.9 million;
  - Working capital increased by US$101.9 million, primarily due to higher inventory and lower accounts payable, partially offset by lower accounts receivable; and
  - Asbestos claims paid of US$107.9 million.
- Cash used in investing activities:
  - Capital expenditures of US$591.3 million, including global capacity expansion project spend of US$378.4 million; and
  - AICF net investments of US$74.4 million.
- Cash used in financing activities:
  - Dividend payment of US$129.6 million;
  - Repurchase of shares under the share buyback program of US$78.4 million; and
  - US$190.0 million net proceeds on our revolving credit facility.

Capital Expenditures and Lease Obligations

Our total capital expenditures for fiscal years 2023 and 2022 were US$591.3 million and US$257.8 million, respectively. Our capacity expansion program is guided by our expectation for sustainable long term profitable share gain. We continue to monitor macro-economic conditions and the impacts on the housing markets we do business in to ensure the program is aligned with our global strategy:

During fiscal year 2023, we:

- Completed construction of Trim finishing capacity in Prattville, Alabama and commissioned in Q1 FY23
- Completed construction of Brownfield expansion in Carole Park, Queensland and commissioned in Q4 FY23
- Decided to cancel plans for Pilot Plants, saving approximately US$130 million in capital

In fiscal year 2024, we estimate total Capital Expenditures will be approximately US$550 million and plan to:

- Complete construction of ColorPlus® finishing capacity in Westfield, Massachusetts in Q1 FY24
- Continue construction of Sheet Machines #3 and #4 in Prattville, Alabama, with Sheet Machine #3 expected to be completed in Q4 FY24
- Continue construction of ColorPlus® finishing capacity in Prattville, Alabama
- Continue construction of our Greenfield site in Truganina, Victoria
- Continue Brownfield expansion of the fiber gypsum facility in Orejo, Spain
- Purchase land in Q1 FY24 for our future USA Greenfield site in Crystal City, Missouri. We do not intend to begin construction of this site in FY24
- Purchase land for our future Fiber Cement Greenfield site in Europe in the first half of FY24. We do not intend to begin construction of this site in FY24

Refer to “Section 1 – Property, Plants and Equipment – Capital Expenditures” for further discussion and a listing of our significant capital expenditures in fiscal years 2023 and 2022.

Refer to Note 8 of our 31 March 2023 consolidated financial statements for our future lease payments for non-cancellable leases at 31 March 2023.

Capital Management

Our Capital Allocation framework prioritizes the use of free cash flow as follows:

- Invest in organic growth;
- Maintain a flexible balance sheet; and
- Deploy excess capital to shareholders via a share buyback program.

For the fiscal year ended 31 March 2023, we repurchased a total of 3.8 million shares for a total of US$78.4 million. Refer to "Section 3 - Purchases of Equity Securities by the Issuer and Affiliated Purchasers " for further discussion of our share repurchase program.

AICF Funding

We funded US$109.6 million (A$158.8 million) to AICF during fiscal year 2023, as provided under the AFFA. From the time AICF was established in February 2007 through the date of this Annual Report, we have contributed approximately A$2,057.8 million to the fund.

In accordance with the terms of the AFFA, the Company anticipates that it will contribute approximately A$128 million (US$86 million based on the exchange rate at 31 March 2023) to AICF during the fiscal year ending 31 March 2024.

Readers are referred to Notes 1 and 12 to our consolidated financial statements for further information on asbestos.

Outlook and Trend Information

We expect US residential end markets to contract significantly in fiscal year 2024 versus fiscal year 2023.

A number of external factors will impact underlying demand for our products including but not limited to, changes in the following: United States' GDP, interest rates, mortgage affordability, household debt levels, home values, home prices, unemployment levels, consumer preferences and new household formation.

We are the largest fiber cement producer in North America with ten plants. The scale of our operations and manufacturing capabilities improves our position with our customers, who continue to seek a partner who can manufacture and deliver the right products at the right time. Our plants are positioned near attractive end markets in the United States to help minimize transportation costs for product distribution and raw material sourcing. Input costs including raw materials, labor and freight costs have increased year over year and we are actively engaged in mitigating actions to moderate its impact on the business.

In Australia, we anticipate that the addressable underlying housing market will decrease in fiscal year 2024 versus fiscal year 2023. Net sales from our Australian business are expected to trend above the average growth of the domestic alterations and additions and single family detached housing markets.

We expect our Europe Building Products segment to achieve growth in year over year net sales and operating income margin.

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of James Hardie Industries plc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of James Hardie Industries plc (the Company) as of 31 March 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended 31 March 2023, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at 31 March 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended 31 March 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of 31 March 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated 16 May 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgment. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Asbestos Liability Valuation

Description of the Matter

At 31 March 2023, the aggregate asbestos liability was US$977.1 million. As disclosed in Note 12 to the consolidated financial statements, the liability relates to an agreement to provide long-term funding to the Asbestos Injuries Compensation Fund ("AICF"), a special purpose fund established to provide compensation of proven Australian-related personal injuries.

Auditing management's estimate of the asbestos liability is challenging because the estimation process is based on actuarial estimates of projected future cash flows which are inherently uncertain. The projected cash flows are complex and use subjective assumptions including the projected number of claims, estimated cost of settlement per claim, inflation rates, legal costs, and timing of receipt of claims and settlements.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's internal controls over the identification of claims, review of calculations performed by the Company's third-party actuary and management's review of the use of historical claim data and actuarial assumptions mentioned above to project the future liability.

To evaluate the estimate of the asbestos liability, our audit procedures included, among others, testing the underlying claims data used in the calculation to internal and external data on a sample basis. We involved our actuarial specialists to assist in evaluating the methodologies and key assumptions mentioned above to independently develop a range for the asbestos liability and compared that range to management's recorded liability. We also assessed the adequacy of the related disclosures in the Company's consolidated financial statements.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2008.
Irvine, California
16 May 2023

(Millions of US dollars)	31 March 2023	31 March 2022
Assets		
Current assets:		
Cash and cash equivalents	**$ 113.0**	$ 125.0
Restricted cash and cash equivalents	**5.0**	5.0
Restricted cash and cash equivalents - Asbestos	**67.6**	141.9
Restricted short-term investments - Asbestos	**140.9**	119.7
Accounts and other receivables, net	**354.8**	398.4
Inventories	**344.2**	279.7
Prepaid expenses and other current assets	**41.0**	43.2
Insurance receivable - Asbestos	**6.8**	7.9
Workers' compensation - Asbestos	**1.8**	3.2
Total current assets	**1,075.1**	1,124.0
Property, plant and equipment, net	**1,839.6**	1,457.0
Operating lease right-of-use-assets	**59.4**	57.8
Finance lease right-of-use-assets	**2.0**	2.3
Goodwill	**194.9**	199.5
Intangible assets, net	**155.2**	162.8
Restricted long-term investments - Asbestos	**36.2**	—
Insurance receivable - Asbestos	**28.2**	37.8
Workers' compensation - Asbestos	**16.4**	18.6
Deferred income taxes	**755.6**	819.2
Deferred income taxes - Asbestos	**298.6**	360.1
Other assets	**17.9**	4.1
Total assets	**$ 4,479.1**	$ 4,243.2
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 387.7**	$ 458.0
Accrued payroll and employee benefits	**108.3**	116.6
Operating lease liabilities	**18.1**	12.5
Finance lease liabilities	**0.8**	1.1
Accrued product warranties	**5.4**	6.7
Income taxes payable	**15.4**	9.5
Asbestos liability	**119.4**	132.9
Workers' compensation - Asbestos	**1.8**	3.2
Other liabilities	**40.4**	29.4
Total current liabilities	**697.3**	769.9
Long-term debt	**1,059.0**	877.3
Deferred income taxes	**93.6**	86.9
Operating lease liabilities	**61.1**	63.1
Finance lease liabilities	**1.4**	1.5
Accrued product warranties	**30.2**	31.0
Income taxes payable	**2.3**	2.3
Asbestos liability	**857.7**	1,010.8
Workers' compensation - Asbestos	**16.4**	18.6
Other liabilities	**48.7**	48.9
Total liabilities	**2,867.7**	2,910.3
Commitments and contingencies (Note 14)		
Shareholders' equity:		
Common stock, Euro 0.59 par value, 2.0 billion shares authorized; 442,056,296 shares issued and outstanding at 31 March 2023 and 445,348,933 shares issued and outstanding at 31 March 2022	**230.0**	232.1
Additional paid-in capital	**237.9**	230.4
Retained earnings	**1,196.8**	892.4
Accumulated other comprehensive loss	**(53.3)**	(22.0)
Total shareholders' equity	**1,611.4**	1,332.9
Total liabilities and shareholders' equity	**$ 4,479.1**	$ 4,243.2

The accompanying notes are an integral part of these consolidated financial statements.

(Millions of US dollars, except per share data)	Years Ended 31 March 2023	2022	2021
Net sales	**$ 3,777.1**	$ 3,614.7	$ 2,908.7
Cost of goods sold	**2,465.1**	2,301.2	1,857.0
Gross profit	**1,312.0**	1,313.5	1,051.7
Selling, general and administrative expenses	**494.0**	461.2	389.6
Research and development expenses	**39.6**	38.0	34.3
Restructuring expenses	**—**	—	11.1
Asbestos adjustments loss	**37.0**	131.7	143.9
Operating income	**741.4**	682.6	472.8
Interest, net	**30.7**	39.3	47.8
Loss on early debt extinguishment	**—**	—	13.1
Other (income) expense	**(12.8)**	0.2	(0.1)
Income before income taxes	**723.5**	643.1	412.0
Income tax expense	**211.5**	184.0	149.2
Net income	**$ 512.0**	$ 459.1	$ 262.8
Income per share:			
Basic	**$ 1.15**	$ 1.03	$ 0.59
Diluted	**$ 1.15**	$ 1.03	$ 0.59
Weighted average common shares outstanding (Millions):			
Basic	**445.1**	444.9	443.7
Diluted	**445.6**	445.9	445.4
Comprehensive income, net of tax:			
Net income	**$ 512.0**	$ 459.1	$ 262.8
Pension adjustments	**2.1**	(0.7)	(0.4)
Currency translation adjustments	**(33.4)**	(14.7)	55.9
Comprehensive income	**$ 480.7**	$ 443.7	$ 318.3

The accompanying notes are an integral part of these consolidated financial statements.

(Millions of US dollars)	Years Ended 31 March 2023	2022	2021
Cash Flows From Operating Activities			
Net income	**$ 512.0**	$ 459.1	$ 262.8
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**172.6**	161.8	135.0
Lease expense	**23.4**	23.2	17.0
Deferred income taxes	**48.4**	49.8	85.8
Stock-based compensation	**15.7**	9.0	18.0
Asbestos adjustments loss	**37.0**	131.7	143.9
Excess tax benefits from share-based awards	**(0.2)**	(2.4)	(3.5)
Gain on sale of land	**(12.7)**	—	—
Loss on early debt extinguishment	**—**	—	13.1
Other, net	**22.7**	17.7	20.3
Changes in operating assets and liabilities:			
Accounts and other receivables	**32.1**	(70.9)	46.4
Inventories	**(70.8)**	(64.3)	98.7
Lease assets and liabilities, net	**(19.0)**	(19.2)	(19.1)
Prepaid expenses and other assets	**(12.3)**	(5.7)	(14.2)
Insurance receivable - Asbestos	**6.2**	8.3	5.8
Accounts payable and accrued liabilities	**(63.2)**	136.7	25.0
Claims and handling costs paid - Asbestos	**(107.9)**	(118.8)	(106.4)
Income taxes payable	**5.5**	0.2	(14.7)
Other accrued liabilities	**18.1**	41.0	73.0
Net cash provided by operating activities	**$ 607.6**	$ 757.2	$ 786.9
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	**$ (591.3)**	$ (257.8)	$ (110.7)
Proceeds from sale of property, plant and equipment	**14.1**	—	1.6
Capitalized interest	**(8.5)**	(1.9)	(9.5)
Purchase of restricted investments - Asbestos	**(180.1)**	(114.6)	(25.0)
Proceeds from restricted investments - Asbestos	**105.7**	26.1	23.2
Net cash used in investing activities	**$ (660.1)**	$ (348.2)	$ (120.4)
Cash Flows From Financing Activities			
Proceeds from credit facilities	**$ 450.0**	$ 390.0	$ —
Repayments of credit facilities	**(260.0)**	(350.0)	(130.0)
Repayment of senior unsecured notes	**—**	—	(400.0)
Call redemption premium paid to note holders	**—**	—	(9.5)
Debt issuance costs	**—**	(2.1)	—
Proceeds from issuance of shares	**0.2**	0.3	0.1
Repayment of finance lease obligations and borrowings	**(1.5)**	(1.0)	(0.8)
Shares repurchased	**(78.4)**	—	—
Dividends paid	**(129.6)**	(484.0)	—
Taxes paid related to net share settlement of equity awards	**(6.1)**	(2.8)	—
Net cash used in financing activities	**$ (25.4)**	$ (449.6)	$ (540.2)
Effects of exchange rate changes on cash and cash equivalents, restricted cash and restricted cash - Asbestos	**$ (8.4)**	$ (5.9)	$ 6.3
Net (decrease) increase in cash and cash equivalents, restricted cash and restricted cash - Asbestos	**(86.3)**	(46.5)	132.6
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at beginning of period	**271.9**	318.4	185.8
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at end of period	**$ 185.6**	$ 271.9	$ 318.4
Non-Cash Investing and Financing Activities			
Capital expenditures incurred but not yet paid	**$ 34.7**	$ 32.3	$ 18.0
Supplemental Disclosure of Cash Flow Activities			
Cash paid during the year for interest	**$ 41.0**	$ 37.0	$ 56.4
Cash payment (refund) during the year for income taxes, net	**$ 117.1**	$ 92.7	$ (3.7)
Cash paid to AICF	**$ 109.6**	$ 248.5	$ 153.3

The accompanying notes are an integral part of these consolidated financial statements.

(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive (Loss) Gain	Total
Balances as of 31 March 2020	**$ 230.6**	**$ 207.3**	**$ 659.5**	**$ —**	**$ (62.1)**	**$ 1,035.3**
Net income	—	—	262.8	—	—	262.8
Other comprehensive gain	—	—	—	—	55.5	55.5
Stock-based compensation	0.8	17.2	—	—	—	18.0
Issuance of ordinary shares	—	0.1	—	—	—	0.1
Dividends declared	—	—	(310.9)	—	—	(310.9)
Balances as of 31 March 2021	**$ 231.4**	**$ 224.6**	**$ 611.4**	**$ —**	**$ (6.6)**	**$ 1,060.8**
Net income	—	—	459.1	—	—	459.1
Other comprehensive loss	—	—	—	—	(15.4)	(15.4)
Stock-based compensation	0.7	5.5	—	—	—	6.2
Issuance of ordinary shares	—	0.3	—	—	—	0.3
Dividends declared	—	—	(178.1)	—	—	(178.1)
Balances as of 31 March 2022	**$ 232.1**	**$ 230.4**	**$ 892.4**	**$ —**	**$ (22.0)**	**$ 1,332.9**
Net income	—	—	512.0	—	—	512.0
Other comprehensive loss	—	—	—	—	(31.3)	(31.3)
Stock-based compensation	0.3	9.3	—	—	—	9.6
Issuance of ordinary shares	—	0.2	—	—	—	0.2
Dividends declared	—	—	(133.6)	—	—	(133.6)
Shares repurchased	—	—	—	(78.4)	—	(78.4)
Shares cancelled	(2.4)	(2.0)	(74.0)	78.4	—	—
Balances as of 31 March 2023	**$ 230.0**	**$ 237.9**	**$ 1,196.8**	**$ —**	**$ (53.3)**	**$ 1,611.4**

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization and Significant Accounting Policies

Nature of Operations

James Hardie Industries plc ("JHI plc") manufactures and sells fiber cement, fiber gypsum and cement-bonded building products for interior and exterior building construction applications, primarily in the United States, Australia, Europe, New Zealand and the Philippines.

Basis of Presentation

The consolidated financial statements represent the financial position, results of operations and cash flows of JHI plc and its wholly-owned subsidiaries and variable interest entity (“VIE”). Unless the context indicates otherwise, JHI plc and its direct and indirect wholly-owned subsidiaries and VIE (as of the time relevant to the applicable reference) are collectively referred to as “James Hardie”, the “James Hardie Group” or the “Company”. The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). All intercompany balances and transactions have been eliminated in consolidation.

Summary of Significant Accounting Policies

Variable Interest Entities

A VIE is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis is based on: (i) what party has the power to direct the most significant activities of the VIE that impact its economic performance; and (ii) what party has rights to receive benefits or is obligated to absorb losses that are significant to the VIE. The analysis of the party that consolidates a VIE is a continual assessment.

In February 2007, the Company’s shareholders approved the Amended and Restated Final Funding Agreement (the “AFFA”), an agreement pursuant to which the Company provides long-term funding to Asbestos Injuries Compensation Fund (“AICF”), a special purpose fund that provides compensation for the Australian-related personal injuries for which certain former subsidiary companies of James Hardie in Australia (being Amaca Pty Ltd (“Amaca”), Amaba Pty Ltd (“Amaba”) and ABN 60 Pty Limited (“ABN 60”) (collectively, the “Former James Hardie Companies”)) are found liable. JHI plc owns 100% of James Hardie 117 Pty Ltd (the “Performing Subsidiary”), which, under the terms of the AFFA, has an obligation to make payments to AICF on an annual basis subject to the provisions of the AFFA. JHI plc guarantees the Performing Subsidiary’s obligation. Additionally, the Company appoints three AICF directors and the New South Wales (“NSW”) Government appoints two AICF directors.

Although the Company has no ownership interest in AICF, for financial reporting purposes, the Company consolidates AICF, which is a VIE as defined under US GAAP, due to its pecuniary and contractual interests in AICF as a result of the funding arrangements outlined in the AFFA. The Company’s consolidation of AICF results in AICF’s assets and liabilities being recorded on its consolidated balance sheets and AICF’s income and expense transactions being recorded in the consolidated statements of operations and comprehensive income. These items are Australian dollar-denominated and are subject to remeasurement into US dollars at each reporting date.

For the fiscal years ended 31 March 2023, 2022 and 2021, the Company did not provide financial or other support to AICF that it was not previously contractually required to provide.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Foreign Currency Translation/Remeasurement

All assets and liabilities are translated or remeasured into US dollars at current exchange rates while revenues and expenses are translated or remeasured at average exchange rates in effect for the period. The effects of foreign currency translation adjustments are included directly in other comprehensive income in shareholders' equity. Gains and losses arising from foreign currency transactions are recognized in income.

The Company has recorded on its consolidated balance sheet certain foreign assets and liabilities, including asbestos-related assets and liabilities under the terms of the AFFA, that are denominated in foreign currencies and subject to translation (foreign entities) or remeasurement (AICF entity and Euro denominated debt) into US dollars at each reporting date. Unless otherwise noted, the Company converts foreign currency denominated assets and liabilities into US dollars at the spot rate at the end of the reporting period; while revenues and expenses are converted using an average exchange rate for the period. The Company records gains and losses on its Euro denominated debt which are economically offset by foreign exchange gains and losses on loans between subsidiaries, resulting in a net immaterial translation gain or loss which is recorded in the *Selling, general and administrative expenses* in the consolidated statements of operations and comprehensive income.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents, other than those amounts directly related to the AICF, generally relate to amounts subject to letters of credit with insurance companies, which restrict the cash from use for general corporate purposes.

Accounts Receivable

The Company evaluates the collectability of accounts receivable on an ongoing basis based on historical bad debts, customer credit-worthiness, current economic trends and changes in the Company's customer payment activity. An allowance for doubtful accounts is provided for known and estimated bad debts. Although credit losses have historically been within expectations, the Company cannot guarantee that it will continue to experience the same credit loss rates that it has had in the past.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is generally determined under the first-in, first-out method, except that the cost of raw materials and supplies is determined using actual or average costs. Cost includes the costs of materials, labor and applied factory overhead. On a regular basis, the Company evaluates its inventory balances for excess quantities and obsolescence by analyzing demand, inventory on hand, sales levels and other information. Based on these evaluations, inventory costs are adjusted to net realizable value, if necessary.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Property, plant and equipment of businesses acquired are recorded at their estimated fair value at the date of acquisition. Depreciation of property, plant and equipment is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings	10 to 50
Buildings Improvements	1 to 27
Leasehold Improvements	1 to 40
Machinery and Equipment	1 to 39

Leases

At lease commencement, which is generally when the Company takes possession of the asset, the Company records a lease liability and a corresponding right-of-use ("ROU") asset. Lease liabilities represent the present value of minimum lease payments over the expected lease term, which includes options to extend the lease when it is reasonably certain those options will be exercised. Determining the lease term and amount of lease payments to include in the calculation of the ROU asset and lease liability for leases containing options requires the use of judgment to determine whether the exercise of an option is reasonably certain, and if the option period and payments should be included in the calculation of the associated ROU asset and liability. In making this determination, the Company considers all relevant economic factors that would compel the Company to exercise an option. The Company's leases generally do not provide a readily determinable implicit borrowing rate. As such, the discount rate used to calculate present value is the lessee's incremental borrowing rate, which is primarily based upon the periodic risk-adjusted interest margin and the term of the lease.

Minimum lease payments include base rent as well as fixed escalation of rental payments. In determining minimum lease payments, the Company separates non-lease components such as common area maintenance or other miscellaneous expenses that are updated based on landlord estimates for real estate leases. Additionally, many of the Company's transportation and equipment leases require additional payments based on the underlying usage of the assets such as mileage and maintenance costs. Due to the variable nature of these costs, the cash flows associated with these costs are expensed as incurred and not included in the lease payments used to determine the ROU asset and associated lease liability.

ROU assets represent the right to control the use of the leased asset during the lease term and are initially recognized as an amount equal to the lease liability. In addition, prepaid rent, initial direct costs, and adjustments for lease incentives are components of the ROU asset. Over the lease term, the lease expense is amortized on a straight-line basis beginning on the lease commencement date. ROU assets are assessed for impairment as part of the impairment of long-lived assets, which is performed whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable.

A ROU asset and lease liability are not recognized for leases with an initial term of 12 months or less, and the lease expense is recognized on a straight-line basis over the lease term.

Depreciation and Amortization

The Company records depreciation and amortization under both *Cost of goods sold* and *Selling, general and administrative* expenses, depending on the asset's business use. All depreciation and amortization related to plant building, machinery and equipment is recorded in *Cost of goods sold*.

Goodwill and Other Intangible Assets

Goodwill is the excess of purchase price over the fair value of tangible and identifiable intangible net assets acquired in various business combinations. Goodwill is not amortized but is tested at the reporting unit level for impairment annually, or more often if indicators of impairment exist. Factors that could cause an impairment in the future could include, but are not limited to, adverse macroeconomic conditions, deterioration in industry or market conditions, decline in revenue and cash flows or increases in costs and capital expenditures compared to projected results. A goodwill impairment charge is recorded for the amount by which the carrying value of the reporting unit exceeds the fair value of the reporting unit.

Intangible assets from acquired businesses are recognized at their estimated fair values at the date of acquisition and consist of trademarks, customer relationships and other intangible assets. Finite-lived intangibles are amortized to expense over the applicable useful lives, ranging from 2 to 13 years, based on the nature of the asset and the underlying pattern of economic benefit as reflected by future net cash inflows.

The Company performs an impairment test of goodwill and intangibles annually, or whenever events or changes in circumstances indicate their carrying value may be impaired. During the third quarter of fiscal year 2023, the Company performed its annual test noting no impairment.

Impairment of Long-Lived Assets

Long-lived assets, such as property, plant and equipment, are evaluated each quarter for events or changes in circumstances that indicate that an asset might be impaired because the carrying amount of the asset may not be recoverable. These include, without limitation, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used, a current period operating or cash flow loss combined with a history of operating or cash flow losses, a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group and/or a current expectation that it is more likely than not that a long lived asset or asset group will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

When such indicators of potential impairment are identified, recoverability is tested by grouping long-lived assets that are used together and represent the lowest level for which cash flows are identifiable and distinct from the cash flows of other long-lived assets, which is typically at the production line or plant facility level, depending on the type of long-lived asset subject to an impairment review.

Recoverability is measured by a comparison of the carrying amount of the asset group to the estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount exceeds the estimated undiscounted future cash flows, an impairment charge is recognized at the amount by which the carrying amount exceeds the estimated fair value of the asset group.

The methodology used to estimate the fair value of the asset group is based on a discounted cash flow analysis or a relative, market-based approach based on purchase offers or appraisals received from third parties, that considers the asset group’s highest and best use that would maximize the value of the asset group. In addition, the estimated fair value of an asset group also considers, to the extent practicable, a market participant’s expectations and assumptions in estimating the fair value of the asset group. If the estimated fair value of the asset group is less than the carrying value, an impairment loss is recognized at an amount equal to the excess of the carrying value over the estimated fair value of the asset group.

Accrued Product Warranties

An accrual for estimated future warranty costs is recorded based on an analysis by the Company, which includes the historical relationship of warranty costs to installed product at an estimated remediation cost per standard foot. Based on this analysis and other factors, the adequacy of the Company's warranty provision is adjusted as necessary.

Debt

The Company's debt consists of senior unsecured notes and an unsecured revolving credit facility. Each of the Company's debt instruments is recorded at cost, net of any original issue discount or premium, where applicable. The related original issue discount, premium and debt issuance costs are amortized over the term of each respective borrowing using the straight line method. Debt is presented as current if the liability is due to be settled within 12 months after the balance sheet date, unless the Company has the ability and intention to refinance on a long-term basis in accordance with US GAAP. See Fair Value Measurements below and Note 10 for the Company's fair value considerations.

In addition, the Company consolidates AICF which has a loan facility, which is included in Asbestos-related Accounting Policies below.

Revenue Recognition

The Company recognizes revenues when the requisite performance obligation has been met, that is, when the Company transfers control of its products to customers, which depending on the terms of the underlying contract, is generally upon delivery. The Company records estimated reductions in sales for customer rebates and discounts including volume, promotional, cash and other discounts. Rebates and discounts are recorded based on management's best estimate when products are sold. The estimates are based on historical experience for similar programs and products. Management reviews these rebates and discounts on an ongoing basis and the related accruals are adjusted, if necessary, as additional information becomes available.

A portion of the Company's revenue is made through distributors under vendor managed inventory agreements whereby revenue is recognized upon the transfer of title and risk of loss to the distributors.

Advertising Costs

Advertising costs are expensed as incurred and were US$83.1 million, US$53.7 million and US$27.2 million for the fiscal years ended 31 March 2023, 2022 and 2021, respectively.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred income taxes are recognized by applying enacted statutory rates applicable to future years to differences between the tax bases and financial reporting amounts of existing assets and liabilities. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. The realization of the US deferred tax assets is affected primarily by the continued profitability of the US business. A valuation allowance is provided when it is more likely than not that all or some portion of deferred tax assets will not be realized.

Income taxes payable represents taxes currently payable which are computed at statutory income tax rates applicable to taxable income derived in each jurisdiction in which the Company conducts business. Interest and penalties related to uncertain tax positions are recognized in *Income tax expense* on the consolidated statements of operations and comprehensive income.

The Company accrues for tax contingencies based upon its best estimate of the taxes ultimately expected to be paid, which it updates over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate. If the Company ultimately determines that payment of these amounts is unnecessary, the Company reverses the liability and recognizes a tax benefit during the period in which the Company determines that the liability is no longer necessary. The Company records additional tax expense in the period in which it determines that the recorded tax liability is less than the ultimate assessment it expects.

Taxing authorities from various jurisdictions in which the Company operates are in the process of reviewing and auditing the Company's respective jurisdictional tax returns for various ranges of years. The Company accrues tax liabilities in connection with ongoing audits and reviews based on knowledge of all relevant facts and circumstances, taking into account existing tax laws, its experience with previous audits and settlements, the status of current tax examinations and how the tax authorities view certain issues.

Financial Instruments

The Company calculates the fair value of financial instruments and includes this additional information in the notes to the consolidated financial statements. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Periodically, forward exchange contracts are used to manage market risks and reduce exposure resulting from fluctuations in foreign currency exchange rates. Changes in the fair value of financial instruments that are not designated as hedges are recorded in earnings within *Asbestos adjustments loss, Other expense, net* and *Selling, general and administrative expenses* at each measurement date. The Company does not use derivatives for trading purposes.

Fair Value Measurements

Assets and liabilities of the Company that are carried or disclosed at fair value are classified in one of the following three categories:

Level 1	Quoted market prices in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date;
Level 2	Observable market-based inputs or unobservable inputs that are corroborated by market data for the asset or liability at the measurement date;
Level 3	Unobservable inputs that are not corroborated by market data used when there is minimal market activity for the asset or liability at the measurement date.

Fair value measurements of assets and liabilities are assigned a level within the fair value hierarchy based on the lowest level of any input that is significant to the fair value measurement in its entirety.

The carrying amounts of Cash and cash equivalents, Restricted cash and cash equivalents, Trade receivables, Trade payables and the Revolving Credit Facility approximates their respective fair values due to the short-term nature of these instruments.

Stock-based Compensation

Stock-based compensation expense represents the estimated fair value of equity-based and liability-classified awards granted to employees and is recognized as an expense over the vesting period. Forfeitures of stock-based awards are accounted for as they occur. Stock-based compensation expense is included in the line item *Selling, general and administrative* expenses on the consolidated statements of operations and comprehensive income.

Equity awards with vesting based solely on a service condition are typically subject to graded vesting, in that the awards outstanding generally vest as follows: 25% at the first anniversary date of the grant; 25% at the second anniversary date of the grant; and 50% at the third anniversary date of the grant. For equity awards subject to graded vesting, the Company has elected to use the accelerated recognition method. Accordingly, each vesting tranche is valued separately, and the recognition of stock-based compensation expense is more heavily weighted earlier in the vesting period. Stock-based compensation expense for equity awards that are subject to performance or market vesting conditions are based upon an estimate of the number of awards that are expected to vest and typically recognized ratably over the vesting period. The Company issues new shares to award recipients when the vesting condition for restricted stock units (“RSUs”) has been satisfied or when a stock option is exercised.

For RSUs subject to a service vesting condition, the fair value is equal to the market value of the Company’s common stock on the date of grant, adjusted for the fair value of estimated dividends as the restricted stock holder is not entitled to dividends over the vesting period.

For RSUs subject to a performance vesting condition, the vesting of these units is subject to a return on capital employed (“ROCE”) performance hurdle being met and is subject to negative discretion by the Board. The Board’s discretion will reflect the Board’s judgment of the quality of the returns balanced against management’s delivery of market share growth and a scorecard of key qualitative and quantitative performance objectives. The expense is recognized ratably over the vesting period and is adjusted for subsequent changes in JHI plc’s common stock price at each balance sheet date adjusted for the fair value of estimated dividends as the restricted stock unit holder is not entitled to dividends over the vesting period.

For RSUs subject to a market vesting condition, the vesting of these units is based on James Hardie’s performance against its Peer Group for the 20 trading days preceding the test date. The fair value of each of these units is estimated using a binomial lattice model that incorporates a Monte Carlo simulation (the “Monte Carlo” method).

For cash settled units ("CSUs"), compensation expense is recognized based upon an estimate of the number of awards that are expected to vest and the fair market value of JHI plc’s common stock on the date of the grant. The expense is recognized ratably over the vesting period and the liability is adjusted for subsequent changes in JHI plc’s common stock price at each balance sheet date adjusted for the fair value of estimated dividends as the restricted stock unit holder is not entitled to dividends over the vesting period.

Stock options have a 3-year cliff vesting schedule from the date of grant. The Company estimates the fair value of stock options on the date of grant using the Black-Scholes option-pricing model.

Loss Contingencies

The Company recognizes a liability for asserted and unasserted claims in the period in which a loss becomes probable and estimable. The amount of a reasonably probable loss is dependent on a number of factors including, without limitation, the specific facts and circumstances unique to each claim, the existence of any co-defendants involved in defending the claim, the solvency of such co-defendants

(including the ability of such co-defendants to remain solvent until the related claim is ultimately resolved), and the availability of claimant compensation under a government compensation scheme.

To the extent that it is probable and estimable, the estimated loss for these matters, incorporates assumptions that are subject to the foregoing uncertainties and are principally derived from, but not exclusively based on, historical claims experience together with facts and circumstances unique to each claim. If the nature and extent of claims in future periods differ from historical claims experience, the Company's assessment of probable and estimable liability with respect to current asserted claims changes and/or actual liability is different to the estimates, then the actual amount of loss may be materially higher or lower than estimated losses accrued.

Asbestos-related Accounting Policies

Asbestos Liability

The amount of the asbestos liability has been recognized by reference to (but not exclusively based upon) the most recent actuarial estimate of projected future cash flows as calculated by KPMG, who are engaged and appointed by AICF under the terms of the AFFA. Based on their assumptions, KPMG arrived at a range of possible total future cash flows and calculated a central estimate, which is intended to reflect a probability-weighted expected outcome of those actuarially estimated future cash flows projected by KPMG to occur through 2071.

The Company recognizes the asbestos liability in the consolidated financial statements by reference to (but not exclusively based upon) the undiscounted and uninflated central estimate. The Company considered discounting when determining the best estimate under US GAAP. The Company has recognized the asbestos liability by reference to (but not exclusively based upon) the central estimate as undiscounted on the basis that the timing and amounts of such cash flows are not fixed or readily determinable. The Company considered inflation when determining the best estimate under US GAAP. It is the Company’s view that there are material uncertainties in estimating an appropriate rate of inflation over the extended period of the AFFA. The Company views the undiscounted and uninflated central estimate as the best estimate under US GAAP.

Adjustments in the asbestos liability due to changes in the actuarial estimate of projected future cash flows and changes in the estimate of future operating costs of AICF are reflected in the consolidated statements of operations and comprehensive income during the period in which they occur. Claims paid by AICF and claims-handling costs incurred by AICF are treated as reductions in the Asbestos liability balances.

Insurance Receivable

The insurance receivable recorded by the Company has been recognized by reference to (but not exclusively based upon) the most recent actuarial estimate of recoveries expected from insurance policies and insurance companies with exposure to the asbestos claims, as calculated by KPMG. The assessment of recoveries is based on the expected pattern of claims against such policies less an allowance for credit risk based on credit agency ratings. The insurance receivable generally includes these cash flows as undiscounted and uninflated, however, where the timing of recoveries has been agreed with the insurer, the receivables are recorded on a discounted basis. The Company records insurance receivables that are deemed probable of being realized.

Adjustments in the insurance receivable due to changes in the actuarial estimate, or changes in the Company's assessment of recoverability are reflected in the consolidated statements of operations and comprehensive income during the period in which they occur. Insurance recoveries are treated as a reduction in the insurance receivable balance.

Workers' Compensation

An estimate of the liability related to workers' compensation claims is prepared by KPMG as part of the annual actuarial assessment. This estimate contains two components - amounts that will be met by a workers' compensation scheme or policy and amounts that will be met by the Former James Hardie Companies.

The estimated liability is included as part of the asbestos liability and adjustments to the estimate are reflected in the consolidated statements of operations and comprehensive income during the period in which they occur. Amounts that are expected to be paid by the workers' compensation schemes or policies are recorded as workers' compensation receivable. Adjustments to the workers' compensation liability result in an equal adjustment in the workers' compensation receivable recorded by the Company and have no effect on the consolidated statements of operations and comprehensive income.

Restricted Cash and Cash Equivalents

Cash and cash equivalents of AICF are reflected as restricted assets, as the use of these assets is restricted to the settlement of asbestos claims and payment of the operating costs of AICF. Since cash and cash equivalents are highly liquid, the Company classifies these amounts as a current asset on the consolidated balance sheets.

Restricted Investments

Restricted investments of AICF consist of highly liquid investments held in the custody of major financial institutions and are classified as held to maturity ("HTM") due to AICF's ability and intent to hold these securities to maturity. These restricted investments are carried at amortized cost.

Deferred Income Taxes

The Performing Subsidiary can claim a tax deduction for its contributions to AICF over a five-year period commencing in the year the contribution is incurred. Consequently, a deferred tax asset has been recognized equivalent to the anticipated tax benefit over the life of the AFFA.

Adjustments are made to the deferred income tax asset as adjustments to the asbestos-related assets and liabilities are recorded.

Asbestos Adjustments loss

The *Asbestos adjustments loss* reflected in the consolidated statements of operations and comprehensive income reflect the net change in the actuarial estimate of the asbestos liability and insurance receivables, and the change in the estimate of AICF claims handling costs. Additionally, as the asbestos-related assets and liabilities are denominated in Australian dollars, the reported values of these asbestos-related assets and liabilities in the Company's consolidated balance sheets in US dollars are subject to adjustment depending on the closing exchange rate between the two currencies at the balance sheet dates, the effect of which is also included in *Asbestos adjustments loss* in the consolidated statements of operations and comprehensive income. Further, changes in the fair value of forward exchange contracts entered into to reduce exposure to the change in foreign currency exchange rates associated with AICF payments are recorded in *Asbestos adjustments loss*.

Accounting Pronouncements

Adopted in Fiscal Year 2023

In November 2021, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2021-10, Government Assistance (Topic 832). The amendments in the standard were issued to require annual disclosures about transactions with a government that are accounting for by analogizing to a grant on contribution model. The new guidance requires disclosure of the nature of the transactions and related accounting policy used, the line items on the balance sheets or consolidated statements of operations and comprehensive income and the amounts applicable to each financial statement line item, and significant terms of the transactions. The Company adopted ASU No. 2021-10 on 31 March 2023 with no impact to our financial statements or related disclosures as the transactions in scope of this guidance were immaterial.

Earnings Per Share

Basic earnings per share ("EPS") is calculated using net income divided by the weighted average number of common shares outstanding during the period. Diluted EPS is similar to basic EPS except that the weighted average number of common shares outstanding is increased to include the number of additional common shares calculated using the treasury method that would have been outstanding if the dilutive potential common shares, such as stock options and RSUs, had been issued.

Basic and dilutive common shares outstanding used in determining net income per share are as follows:

	Years Ended 31 March		
(Millions of shares)	**2023**	2022	2021
Basic common shares outstanding	**445.1**	444.9	443.7
Dilutive effect of stock awards	**0.5**	1.0	1.7
Diluted common shares outstanding	**445.6**	445.9	445.4

There were no potential common shares which would be considered anti-dilutive for the fiscal years ended 31 March 2023, 2022 and 2021.

Unless they are anti-dilutive, RSUs which vest solely based on continued employment are considered to be outstanding as of their issuance date for purposes of computing diluted EPS and are included in the calculation of diluted EPS using the Treasury Method. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

RSUs which vest based on performance or market conditions are considered contingent shares. At each reporting date prior to the end of the contingency period, the Company determines the number of contingently issuable shares to include in the diluted EPS calculation, as the number of shares that would be issuable under the terms of the RSU arrangement, if the end of the reporting period were the end of the contingency period. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

Potential common shares of 0.4 million, 0.7 million and 0.9 million for the fiscal years ended 31 March 2023, 2022 and 2021, respectively, have been excluded from the calculation of diluted common shares outstanding as they are considered contingent shares which are not expected to vest.

2. Revenues

The following represents the Company's disaggregated revenues:

	Year Ended 31 March 2023			
(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 2,787.6	$ 539.2	$ 68.6	$ 3,395.4
Fiber gypsum revenues	—	—	381.7	381.7
Total revenues	$ 2,787.6	$ 539.2	$ 450.3	$ 3,777.1

	Year Ended 31 March 2022			
(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 2,551.3	$ 574.9	$ 76.3	$ 3,202.5
Fiber gypsum revenues	—	—	412.2	412.2
Total revenues	$ 2,551.3	$ 574.9	$ 488.5	$ 3,614.7

	Year Ended 31 March 2021			
(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 2,040.2	$ 458.2	$ 55.3	$ 2,553.7
Fiber gypsum revenues	—	—	355.0	355.0
Total revenues	$ 2,040.2	$ 458.2	$ 410.3	$ 2,908.7

The process by which the Company recognizes revenues is similar across each of the Company's reportable segments. Fiber cement and fiber gypsum revenues are primarily generated from the sale of siding and various boards used in external and internal applications, as well as accessories. Fiber gypsum revenues also includes the sale of cement-bonded boards in the Europe Building Products segment.

The Company recognizes revenues when the requisite performance obligation has been met, that is, when the Company transfers control of its products to customers, which depending on the terms of the underlying contract, is generally upon delivery. The Company considers shipping and handling activities that it performs as activities to fulfill the sales of its products, with amounts billed for such costs included in net sales and the associated costs incurred for such services recorded in cost of sales, in accordance with the practical expedient provided by Accounting Standards Codification ("ASC") 606.

Certain of the Company's customers receive discounts and rebates as sales incentives, amounts which are recorded as a reduction to revenue at the time the revenue is recognized. These amounts are an estimate recorded by the Company based on historical experience and contractual obligations, the underlying assumptions of which are periodically reviewed and adjusted by the Company, as necessary.

The Company’s contracts are generally short-term in nature, generally not exceeding twelve months, with payment terms varying by the type and location of products or services offered; however, the period between invoicing and when payment is due is not significant.

3. Cash and Cash Equivalents, Restricted Cash and Restricted Cash - Asbestos

The following table provides a reconciliation of *Cash and cash equivalents, Restricted cash and Restricted cash - Asbestos* reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	31 March	
(Millions of US dollars)	**2023**	2022
Cash and cash equivalents	**$ 113.0**	$ 125.0
Restricted cash	**5.0**	5.0
Restricted cash - Asbestos	**67.6**	141.9
Total cash and cash equivalents, restricted cash and restricted cash - Asbestos	**$ 185.6**	$ 271.9

4. Accounts and Other Receivables

Accounts and other receivables consist of the following components:

	31 March	
(Millions of US dollars)	**2023**	2022
Trade receivables	**$ 301.2**	$ 336.4
Income taxes receivable	**29.6**	29.8
Other receivables and advances	**26.6**	35.6
Provision for doubtful trade receivables	**(2.6)**	(3.4)
Total accounts and other receivables	**$ 354.8**	$ 398.4

The following are changes in the provision for doubtful trade receivables:

	31 March		
(Millions of US dollars)	**2023**	2022	2021
Balance at beginning of period	**$ 3.4**	$ 6.1	$ 4.4
Adjustment to provision	**(0.6)**	(2.2)	3.1
Write-offs, net of recoveries	**(0.2)**	(0.5)	(1.4)
Balance at end of period	**$ 2.6**	$ 3.4	$ 6.1

5. Inventories

Inventories consist of the following components:

	31 March	
(Millions of US dollars)	**2023**	2022
Finished goods	**$ 237.8**	$ 187.3
Work-in-process	**23.0**	16.2
Raw materials and supplies	**93.9**	82.1
Provision for obsolete finished goods and raw materials	**(10.5)**	(5.9)
Total inventories	**$ 344.2**	$ 279.7

6. Goodwill and Other Intangible Assets

Goodwill

The following are the changes in the carrying value of goodwill:

(Millions of US dollars)	Europe Building Products
Balance - 31 March 2021	$ 209.3
Foreign exchange impact	(9.8)
Balance - 31 March 2022	$ 199.5
Foreign exchange impact	(4.6)
Balance - 31 March 2023	$ 194.9

Intangible Assets

The following are the net carrying amount of indefinite lived intangible assets other than goodwill:

	31 March	
(Millions of US dollars)	**2023**	2022
Tradenames	**$ 112.3**	$ 115.0
Other	**7.4**	7.4
Total	**$ 119.7**	$ 122.4

The following are the net carrying amount of amortizable intangible assets:

	Year Ended 31 March 2023		
(Millions of US dollars)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer Relationships	$ 47.9	$ (12.4)	$ 35.5
Total	$ 47.9	$ (12.4)	$ 35.5

	Year Ended 31 March 2022		
(Millions of US dollars)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer Relationships	$ 52.9	$ (12.5)	$ 40.4
Total	$ 52.9	$ (12.5)	$ 40.4

The amortization of intangible assets was US$3.8 million, US$3.5 million and US$2.6 million for the fiscal years ended 31 March 2023, 2022 and 2021, respectively.

At 31 March 2023, the estimated future amortization of intangible assets is as follows:

Years ended 31 March (Millions of US dollars):	
2024	$ 4.3
2025	4.5
2026	4.6
2027	4.9
2028	5.0

7. Property, Plant and Equipment

Property, plant and equipment consist of the following components:

	31 March	
(Millions of US dollars)	**2023**	2022
Land	**$ 79.8**	$ 83.6
Buildings	**568.1**	530.6
Machinery and equipment	**2,044.2**	1,880.0
Construction in progress	**502.6**	167.9
Property, plant and equipment, at cost	**3,194.7**	2,662.1
Less accumulated depreciation	**(1,355.1)**	(1,205.1)
Property, plant and equipment, net	**$ 1,839.6**	$ 1,457.0

Depreciation expense for the fiscal years ended 31 March 2023, 2022 and 2021 was US$166.8 million, US$155.6 million and US$129.6 million, respectively.

The amount of capitalized interest was US$8.5 million and US$1.9 million for the years ended 31 March 2023 and 2022, respectively.

8. Leases

The Company's lease portfolio consists primarily of real estate, forklifts at its manufacturing facilities and a fleet of vehicles primarily for sales representatives. The lease term for all of its leases includes the non-cancellable period of the lease plus any additional periods covered by either an option to extend (or not to terminate) the lease that the Company is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor. ASC 842 requires a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate.

The following table represents the Company's ROU assets and lease liabilities:

	31 March	
(Millions of US dollars)	**2023**	2022
Assets:		
Operating leases, net	**$ 59.4**	$ 57.8
Finance leases, net	**2.0**	2.3
Total right-of-use assets	**$ 61.4**	$ 60.1
Liabilities:		
Operating leases:		
Current	**$ 18.1**	$ 12.5
Non-Current	**61.1**	63.1
Total operating lease liabilities	**$ 79.2**	$ 75.6
Finance leases:		
Current	**$ 0.8**	$ 1.1
Non-Current	**1.4**	1.5
Total finance lease liabilities	**$ 2.2**	$ 2.6
Total lease liabilities	**$ 81.4**	$ 78.2

The following table represents the Company's lease expense:

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Operating leases	**$ 20.2**	$ 21.6	$ 17.0
Short-term leases	**3.2**	1.7	2.1
Finance leases	**1.4**	1.0	0.9
Interest on lease liabilities	**0.2**	0.1	0.1
Total lease expense	**$ 25.0**	$ 24.4	$ 20.1

The weighted-average remaining lease term of the Company's leases is as follows:

	31 March	
(In Years)	**2023**	2022
Operating leases	**7.9**	8.0
Finance leases	**3.1**	3.2

The weighted-average discount rate of the Company's leases is as follows:

	31 March	
	2023	2022
Operating leases	**4.6 %**	4.3 %
Finance leases	**4.3 %**	4.1 %

The following are future lease payments for non-cancellable leases at 31 March 2023:

Years ended 31 March (Millions of US dollars):	Operating Leases	Finance Leases	Total
2024	$ 20.2	$ 0.8	$ 21.0
2025	15.4	0.7	16.1
2026	11.8	0.5	12.3
2027	7.4	0.1	7.5
2028	6.7	—	6.7
Thereafter	35.9	—	35.9
Total	$ 97.4	$ 2.1	$ 99.5
Less: imputed interest			18.1
Total lease liabilities			$ 81.4

Supplemental cash flow and other information related to leases were as follows:

	Years Ended 31 March	
(Millions of US dollars)	**2023**	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used for operating leases	**$ 20.9**	$ 23.8
Operating cash flows used for finance leases	**0.2**	0.1
Financing cash flows used for finance leases	**1.5**	1.0
Non-cash ROU assets obtained in exchange for new lease liabilities	**16.8**	31.8
Non-cash remeasurements increasing ROU assets and lease liabilities	**5.7**	1.3

9. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following components:

	31 March	
(Millions of US dollars)	**2023**	2022
Trade creditors	**$ 198.2**	$ 273.6
Accrued interest	**4.7**	4.6
Accrued customer rebates	**126.2**	126.2
Other creditors and accruals	**58.6**	53.6
Total accounts payable and accrued liabilities	**$ 387.7**	$ 458.0

10. Long-Term Debt

(Millions of US dollars)	31 March 2023	2022
Senior unsecured notes:		
Principal amount 3.625% notes due 2026 (€400.0 million)	**$ 436.1**	$ 446.4
Principal amount 5.000% notes due 2028	**400.0**	400.0
Total	**836.1**	846.4
Unsecured revolving credit facility	**230.0**	40.0
Unamortized debt issuance costs:	**(7.1)**	(9.1)
Total Long-term debt	**$ 1,059.0**	$ 877.3
Weighted average interest rate of Long-term debt	**4.7 %**	4.2 %
Weighted average term of available Long-term debt	**4.0 years**	5.0 years
Fair value of Senior unsecured notes (Level 1)	**$ 785.2**	$ 845.1

Unsecured Revolving Credit Facility

In December 2021, James Hardie International Finance Designated Activity Company ("JHIF") and James Hardie Building Products Inc. ("JHBP"), each a wholly-owned subsidiary of JHI plc, entered into a new US$600.0 million revolving credit facility with certain commercial banks and HSBC Bank USA, National Association, as administrative agent. The size of the revolving credit facility may be increased by up to US$250.0 million through the exercise of an accordion option. The revolving credit facility, which will mature in December 2026 and may be extended for two additional one year terms, replaces the prior credit facility agreement of US$500.0 million which was scheduled to mature in December 2022. Debt issuance costs in connection with the revolving credit facility will be amortized as interest expense over the stated term of five years.

Borrowings under the revolving credit facility bear interest at per annum rates equal to, at the borrower's option, either: (i) the London Interbank Offered Rate ("LIBOR") plus an applicable margin for LIBOR loans; or (ii) a base rate plus an applicable margin for base rate loans. For LIBOR Loans, the applicable margin ranges from 1.25% to 2.00%, and for base rate loans it ranges from 0.25% to 1.00%. Included in the revolving credit facility is a benchmark provision for the migration from LIBOR, which will be in effect no later than June 2023. The Company also pays a commitment fee of between 0.20% and 0.35% on the actual daily amount of the unutilized revolving loans.

Guarantees and Compliance

The indenture governing the senior unsecured notes contain covenants that, among other things, limit the ability of the guarantors and their restricted subsidiaries to incur liens on assets, make certain restricted payments, engage in certain sale and leaseback transactions and merge or consolidate with or into other companies. These covenants are subject to certain exceptions and qualifications as described in the indenture. At 31 March 2023, the Company was in compliance with all of its requirements under the indenture related to the senior unsecured notes.

The senior unsecured notes are guaranteed by James Hardie International Group Limited ("JHIGL"), JHBP and James Hardie Technology Limited ("JHTL"), each of which are wholly-owned subsidiaries of JHI plc.

The revolving credit facility agreement contains certain covenants that, among other things, restrict JHIGL and its restricted subsidiaries' ability to incur indebtedness and grant liens other than certain types of permitted indebtedness and permitted liens, make certain restricted payments, and undertake certain types of mergers or consolidations actions. At 31 March 2023, the Company was in compliance with all covenants contained in the revolving credit facility agreement.

The revolving credit facility is guaranteed by each of JHIGL and JHTL, each of which are wholly-owned subsidiaries of JHI plc.

Off Balance Sheet Arrangements

As of 31 March 2023, the Company had a total borrowing base capacity under the revolving credit facility of US$600.0 million with outstanding borrowings of US$230.0 million, and US$7.2 million of issued but undrawn letters of credit and bank guarantees. These letters of credit and bank guarantees relate to various operational matters including insurance, performance bonds and other items, leaving the Company with US$362.8 million of available borrowing capacity under the revolving credit facility.

11. Product Warranties

The Company offers various warranties on its products, including a 30-year limited warranty on certain fiber cement siding products in the United States. A typical warranty program requires the Company to replace defective products within a specified time period from the date of sale. It is possible that future warranty costs could differ from those estimates.

The following are the changes in the product warranty provision:

	31 March		
(Millions of US dollars)	**2023**	2022	2021
Balance at beginning of period	**$ 37.7**	$ 39.6	$ 42.4
Increase in accrual	**1.2**	1.9	2.4
Settlements made in cash or in kind	**(3.3)**	(3.8)	(5.2)
Balance at end of period	**$ 35.6**	$ 37.7	$ 39.6

12. Asbestos

The AFFA was approved by shareholders in February 2007 to provide long-term funding to AICF. For a discussion of the AFFA and the accounting policies utilized by the Company related to the AFFA and AICF, see Note 1.

Asbestos Adjustments loss

The *Asbestos adjustments loss* included in the consolidated statements of operations and comprehensive income comprise the following:

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Change in estimates:			
Change in actuarial estimate - asbestos liability	**$ 56.0**	$ 145.6	$ 33.0
Change in actuarial estimate - insurance receivable	**(0.1)**	(5.3)	(2.0)
Change in estimate - AICF claims-handling costs	**1.2**	0.6	1.5
Subtotal - Change in estimates	**57.1**	140.9	32.5
Effect of foreign exchange on Asbestos net liabilities	**(45.9)**	(13.2)	123.0
Loss (gain) on foreign currency forward contracts	**24.5**	5.3	(11.7)
Other	**1.3**	(1.3)	0.1
Asbestos adjustments loss	**$ 37.0**	$ 131.7	$ 143.9

Actuarial Study; Claims Estimate

AICF commissioned an updated actuarial study of potential asbestos-related liabilities as of 31 March 2023. Based on KPMG's assumptions, KPMG arrived at a range of possible total cash flows and calculated a central estimate, which is intended to reflect a probability-weighted expected outcome of those actuarial estimated future cash flows.

The following table sets forth the central estimates, net of insurance recoveries, calculated by KPMG as of 31 March 2023:

	As of 31 March 2023	
(Millions of US and Australian dollars, respectively)	**US$**	**A$**
Central Estimate – Discounted and Inflated	1,012.0	1,508.0
Central Estimate – Undiscounted but Inflated	1,289.0	1,920.8
Central Estimate – Undiscounted and Uninflated	895.6	1,334.6

The asbestos liability has been revised to reflect the most recent undiscounted and uninflated actuarial estimate prepared by KPMG as of 31 March 2023.

In estimating the potential financial exposure, KPMG has made a number of assumptions, including, but not limited to, assumptions related to the peak period of claims, total number of claims that are reasonably estimated to be asserted through 2071, the typical cost of settlement (which is sensitive to, among other factors, the industry in which a plaintiff claims exposure, the alleged disease type, the age of the claimant and the jurisdiction in which the action is brought), the legal costs incurred in the litigation of such claims, the rate of receipt of claims, the settlement strategy in dealing with outstanding claims and the timing of settlements. Changes to the assumptions may be necessary in future periods should mesothelioma claims reporting escalate or decline.

Due to inherent uncertainties in the legal and medical environment, the number and timing of future claim notifications and settlements, the recoverability of claims against insurance contracts, and estimates of future trends in average claim awards, as well as the extent to which the above named entities will contribute to the overall settlements, the actual liability could differ materially from that which is currently recorded.

The potential range of costs as estimated by KPMG is affected by a number of variables such as nil settlement rates, peak year of claims, past history of claims numbers, average settlement rates, past history of Australian asbestos-related medical injuries, current number of claims, average defense and plaintiff legal costs, base wage inflation and superimposed inflation. The potential range of losses disclosed includes both asserted and unasserted claims.

A sensitivity analysis was performed by KPMG to determine how the actuarial estimates would change if certain assumptions (i.e., the rate of inflation and superimposed inflation, the average costs of claims and legal fees, and the projected numbers of claims) were different from the assumptions used to determine the central estimates. The sensitivity analysis performed in the actuarial report is directly related to the discounted but inflated central estimate and the undiscounted but inflated central estimate. The actual cost of the liabilities could be outside of that range depending on the results of actual experience relative to the assumptions made.

The following table summarizes the results of the analysis:

	As of 31 March 2023	
(Millions of US and Australian dollars, respectively)	**US$**	**A$**
Discounted (but inflated) - Low	783.5	1,167.5
Discounted (but inflated) - High	1,581.8	2,357.0
Undiscounted (but inflated) - Low	978.3	1,457.8
Undiscounted (but inflated) - High	2,114.9	3,151.4

Potential variation in the estimated peak period of claims has an impact much greater than the other assumptions used to derive the discounted central estimate. In performing the sensitivity assessment of the estimated incidence pattern reporting for mesothelioma, if the pattern of incidence was shifted by two years, the central estimate could increase by approximately 21% on a discounted basis.

Claims Data

The following table shows the activity related to the numbers of open claims, new claims and closed claims during each of the past five years and the average settlement per settled claim and case closed:

	For the Years Ended 31 March				
	2023	2022	2021	2020	2019
Number of open claims at beginning of period	**365**	360	393	332	336
Number of new claims					
Direct claims	**403**	411	392	449	430
Cross claims	**152**	144	153	208	138
Number of closed claims	**561**	550	578	596	572
Number of open claims at end of period	**359**	365	360	393	332
Average settlement amount per settled claim	**A$303,000**	A$314,000	A$248,000	A$277,000	A$262,000
Average settlement amount per case closed [1]	**A$271,000**	A$282,000	A$225,000	A$245,000	A$234,000
Average settlement amount per settled claim	**US$208,000**	US$232,000	US$178,000	US$189,000	US$191,000
Average settlement amount per case closed [1]	**US$186,000**	US$208,000	US$162,000	US$167,000	US$171,000

[1] The average settlement amount per case closed includes nil settlements.

Under the terms of the AFFA, the Company has rights of access to actuarial information produced for AICF by the actuary appointed by AICF, which is currently KPMG. The Company's disclosures with respect to claims statistics are subject to it obtaining such information, however, the AFFA does not provide the Company an express right to audit or otherwise require independent verification of such information or the methodologies to be adopted by the approved actuary. As such, the Company relies on the accuracy and completeness of the information provided by AICF to the approved actuary and the resulting information and analysis of the approved actuary when making disclosures with respect to claims statistics.

The following is a detailed rollforward of the Net Unfunded AFFA liability, net of tax, for the fiscal year ended 31 March 2023:

(Millions of US dollars)	Asbestos Liability	Insurance Receivables	Restricted Cash and Investments	Other Assets and Liabilities	Net Unfunded AFFA Liability	Deferred Tax Assets	Income Tax Payable	Net Unfunded AFFA Liability, net of tax
Opening Balance - 31 March 2022	$ (1,143.7)	$ 45.7	$ 261.6	$ (1.1)	$ (837.5)	$ 360.1	$ 43.9	$ (433.5)
Asbestos claims paid	106.8	—	(106.8)	—	—	—	—	—
Payment received in accordance with AFFA	—	—	109.6	—	109.6	—	—	109.6
AICF claims-handling costs incurred (paid)	1.1	—	(1.1)	—	—	—	—	—
AICF operating costs paid - non claims-handling	—	—	(1.5)	—	(1.5)	—	—	(1.5)
Change in actuarial estimate	(56.0)	0.1	—	—	(55.9)	—	—	(55.9)
Change in claims handling cost estimate	(1.2)	—	—	—	(1.2)	—	—	(1.2)
Impact on deferred income tax due to change in actuarial estimate	—	—	—	—	—	17.1	—	17.1
Insurance recoveries	—	(6.2)	6.2	—	—	—	—	—
Movement in income tax payable	—	—	—	—	—	(41.1)	1.0	(40.1)
Other movements	—	—	1.8	—	1.8	(1.2)	0.3	0.9
Effect of foreign exchange	115.9	(4.6)	(25.1)	0.5	86.7	(36.3)	(4.5)	45.9
Closing Balance - 31 March 2023	**$ (977.1)**	**$ 35.0**	**$ 244.7**	**$ (0.6)**	**$ (698.0)**	**$ 298.6**	**$ 40.7**	**$ (358.7)**

AICF Funding

During the fiscal years ended 31 March 2023, 2022 and 2021, the Company contributed US$109.6 million (A$158.8 million), US$248.5 million (A$328.2 million) and US$153.3 million (A$220.9 million), respectively, to AICF.

Restricted Investments

AICF invests its excess cash in time deposits, which are classified as HTM investments and the carrying value materially approximates the fair value for each investment. The following table represents the investments outstanding as of 31 March 2023:

Date Invested	Maturity Date	Interest Rate	A$ Millions
February 2023	13 July 2023	4.74%	70.0
February 2023	13 October 2023	4.74%	40.0
February 2023	13 January 2024	4.74%	39.0
February 2023	13 February 2024	4.74%	1.0
April 2022	5 April 2024	2.75%	54.0
January 2022	25 January 2024	1.41%	30.0
October 2021	6 October 2023	0.60%	30.0

AICF – NSW Government Secured Loan Facility

AICF may borrow, subject to certain conditions, up to an aggregate amount of A$320.0 million (US$214.8 million, based on the exchange rate at 31 March 2023). The AICF Loan Facility is guaranteed by the Former James Hardie Companies and is available to be drawn for the payment of claims through 1 November 2030, at which point, all outstanding borrowings must be repaid. At 31 March 2023 and 2022, AICF had no amounts outstanding under the AICF Loan Facility.

13. Derivative Instruments

Foreign Currency Forward Contracts

The Company's foreign currency forward contracts are valued using models that maximize the use of market observable inputs including interest rate curves and both forward and spot prices for currencies and are categorized as Level 2 within the fair value hierarchy.

Derivative Balances

The following table sets forth the total outstanding notional amount and the fair value of the Company's derivative instruments held at 31 March 2023 and 2022:

			Fair Value as of			
(Millions of US dollars)	Notional Amount		31 March 2023		31 March 2022	
Derivatives not accounted for as hedges	**31 March 2023**	**31 March 2022**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Foreign currency forward contracts	$ 269.0	$ 251.0	$ 2.2	$ 11.4	$ 2.0	$ 1.9

The following table sets forth the gain and loss on the Company's foreign currency forward contracts recorded in the Company's consolidated statements of operations and comprehensive income as follows:

	31 March		
(Millions of US dollars)	**2023**	2022	2021
Asbestos adjustments loss (gain)	**$ 24.5**	$ 5.3	$ (11.7)
Selling, general and administrative expenses	**4.0**	(2.1)	7.2
Total loss (gain)	**$ 28.5**	$ 3.2	$ (4.5)

14. Commitments and Contingencies

Legal Matters

The Company is involved from time to time in various legal proceedings and administrative actions related to the normal conduct of its business, including general liability claims, putative class action lawsuits and litigation concerning its products.

Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows, except as they relate to asbestos and New Zealand weathertightness ("NZWT") claims as described in these consolidated financial statements.

New Zealand Weathertightness Claims

Since fiscal year 2002, the Company's New Zealand subsidiaries have been joined in a number of weathertightness claims in New Zealand that relate to residential buildings (single dwellings and apartment complexes) and a small number of non-residential buildings, primarily constructed from 1998 to 2004. The claims often involve multiple parties and allege that losses were incurred due to excessive moisture penetration of the buildings' structures. The claims typically include allegations of poor building design, inadequate certification of plans, inadequate construction review and compliance certification and deficient work by sub-contractors.

Historically, the Company's New Zealand subsidiaries have been joined to these claims as one of several co-defendants, including local government entities responsible for enforcing building codes and practices, resulting in the Company's New Zealand subsidiaries becoming liable for only a portion of each claim. In addition, the Company's New Zealand subsidiaries have had access to third-party recoveries to defray a portion of the costs incurred in resolving such claims.

The resolution of one or more NZWT litigation matters by way of a court decision or settlement has the potential to impact the accounting treatment regarding the probability of a potential loss and the Company's ability to reasonably estimate a reserve with regards to other NZWT litigation matters. Furthermore, an adverse judgement in one or more NZWT litigation matters could have a material adverse impact on our consolidated financial position, results of operations or cash flows.

There remains one claim filed in 2015 on behalf of multiple plaintiffs against the Company and/or its subsidiaries as the sole defendants, which alleges that the New Zealand subsidiaries' products were inherently defective. The Company believes it has substantial factual and legal defenses to the claim and is defending the claim vigorously.

Cridge, et al. *(Case Nos. CIV-2015-485-594 and CIV-2015-485-773), In the High Court of New Zealand, Wellington Registry* (hereinafter the "Cridge litigation"). From August to December 2020, the trial of phase one of the Cridge litigation was held in Wellington, New Zealand solely to determine whether the Company's New Zealand subsidiaries had a duty to the plaintiffs and breached that duty. In August 2021, the Wellington High Court issued its decision finding in favor of the Company on all claims (the "Cridge Decision"). In September 2021, plaintiffs filed a notice of appeal of the trial court's decision, and subsequently the appellate court held a hearing in August 2022. The Company anticipates the appellate court will issue its decision during calendar year 2023. As of 31 March 2023, the Company has not recorded a reserve related to the Cridge litigation as the chance of loss remains not probable following the Cridge Decision.

Waitakere, et al. *(Case No. CIV-2015-404-3080), In the High Court of New Zealand, Auckland Registry* was settled on 24 April 2023 via a negotiated commercial agreement, the terms of which are confidential. As of 31 March 2023, under the applicable accounting guidance, the Company has accrued all costs associated with this agreement.

Readers are referred to Note 1 for further information related to our policies related to asserted and unasserted claims.

Australia Class Action Securities Claim

On 8 May 2023, a group proceeding (class action) was filed in The Supreme Court of Victoria, Australia by Raeken Pty Ltd against James Hardie Industries plc on behalf of persons who purchased certain James Hardie equity securities from 7 February 2022, through 7 November 2022. The litigation is being funded by a litigation funder in Australia, CASL Funder Pty Ltd. The proceeding includes allegations that James Hardie breached relevant provisions of the Corporations Act 2001 (Cth) and the Australian and Securities Investment Act 2001 (Cth), including with respect to certain forward-looking statements James Hardie made about forecasted financial performance measures during the period specified above. The Company is reviewing this matter and will defend the allegations vigorously. As of 31 March 2023, the Company has not recorded a reserve related to this matter as the chance of loss is not probable and the amount of loss, if any, cannot be reasonably estimated.

Environmental

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of laws and regulations on air, soil and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated.

15. Income Taxes

Income tax expense includes income taxes currently payable and those deferred because of temporary differences between the financial statement and tax bases of assets and liabilities. Income tax expense consists of the following components:

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Income before income taxes:			
Domestic	**$ 270.0**	$ 295.0	$ 241.9
Foreign	**453.5**	348.1	170.1
Income before income taxes:	**$ 723.5**	$ 643.1	$ 412.0
Income tax expense:			
Current:			
Domestic	**$ 42.9**	$ 44.4	$ 38.5
Foreign	**81.4**	53.9	(8.6)
Current income tax expense	**124.3**	98.3	29.9
Deferred:			
Domestic	**11.8**	9.4	1.4
Foreign	**75.4**	76.3	117.9
Deferred income tax expense	**87.2**	85.7	119.3
Total income tax expense	**$ 211.5**	$ 184.0	$ 149.2

Income tax expense computed at the statutory rates represents taxes on income applicable to all jurisdictions in which the Company conducts business, calculated at the statutory income tax rate in each jurisdiction multiplied by the pre-tax income attributable to that jurisdiction.

Income tax expense is reconciled to the tax at the statutory rates as follows:

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Income tax expense computed at the statutory tax rates	**$ 135.1**	$ 109.7	$ 58.1
US state income taxes, net of the federal benefit	**10.6**	9.2	8.0
Asbestos - effect of foreign exchange	**(13.3)**	(3.5)	36.8
Expenses not deductible	**3.3**	1.9	2.0
Stock and executive compensation	**1.9**	(0.8)	5.5
Foreign taxes on domestic income	**61.2**	55.2	49.8
Prior year tax adjustments	**(0.1)**	(1.2)	(5.9)
Taxes on foreign income	**12.0**	9.9	1.6
US net operating loss carryback	**—**	—	(4.9)
Other items	**0.8**	3.6	(1.8)
Total income tax expense	**$ 211.5**	$ 184.0	$ 149.2
Effective tax rate	**29.2 %**	28.6 %	36.2 %

The tax effects of significant temporary differences creating deferred tax assets and liabilities were:

(Millions of US dollars)	31 March 2023	2022
Deferred tax assets:		
Intangible assets	**$ 879.0**	$ 958.2
Asbestos liability	**298.6**	360.1
Tax credit carryforwards	**115.0**	118.7
Other provisions and accruals	**85.3**	73.3
Net operating loss carryforwards	**75.4**	66.2
Total deferred tax assets	**1,453.3**	1,576.5
Valuation allowance	**(258.0)**	(261.2)
Total deferred tax assets net of valuation allowance	**1,195.3**	1,315.3
Deferred tax liabilities:		
Depreciable and amortizable assets	**(167.3)**	(164.0)
Other	**(67.4)**	(59.0)
Total deferred tax liabilities	**(234.7)**	(223.0)
Total deferred taxes, net	**$ 960.6**	$ 1,092.3

At 31 March 2023, the Company had tax loss carry-forwards in Australia, New Zealand, Europe and the US of US$75.4 million, that are available to offset future taxable income in the respective jurisdiction. Carry-forwards in Australia, New Zealand and Europe are not subject to expiration.

The Australian net operating loss carry-forwards primarily result from current and prior year tax deductions for contributions to AICF. James Hardie 117 Pty Limited, the performing subsidiary under the AFFA, is able to claim a tax deduction for its contributions to AICF over a five-year period commencing in the year the contribution is incurred. At 31 March 2023, the Company recognized a tax deduction of US$137.4 million (A$200.6 million) for the current year relating to total contributions to AICF of US$722.5 million (A$1,002.8 million) incurred in tax years 2019 through 2023.

The Company establishes a valuation allowance against a deferred tax asset if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

At 31 March 2023, the Company had foreign tax credit carry-forwards of US$111.3 million that are available to offset future taxes payable and against which there is a 100% valuation allowance. The Company also had US tax credit carry-forwards of US$3.7 million that are available to offset future taxes payable which expire between tax years 2023 through 2026, and against which there is a partial valuation allowance of US$2.1 million.

In determining the need for and the amount of a valuation allowance in respect of the Company's asbestos related deferred tax asset, management reviewed the relevant empirical evidence, including the current and past core earnings of the Australian business and forecast earnings of the Australian business considering current trends. Although realization of the deferred tax asset will occur over the life of the AFFA, which extends beyond the forecast period for the Australian business, Australia provides an unlimited carry-forward period for tax losses. Based upon managements' review, the Company believes that it is more likely than not that the Company will realize its asbestos related deferred tax asset and that no valuation allowance is necessary as of 31 March 2023. In the future, based on review of the empirical evidence by management at that time, if management determines that realization of its asbestos related

deferred tax asset is not more likely than not, the Company may need to provide a valuation allowance to reduce the carrying value of the asbestos related deferred tax asset to its realizable value.

During the fiscal year ended 31 March 2023, total income tax and withholding tax paid, net of refunds received, was US$117.1 million.

The US Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted in March 2020 providing wide ranging economic relief for individuals and businesses. One component of the CARES Act provides the Company with an opportunity to carryback US net operating losses (“NOLs”) arising during the years ended 31 March 2021 and 2020 to the prior five tax years. The Company has utilized and intends to further utilize these carryback provisions to obtain tax refunds. At 31 March 2023, the Company recorded current taxes receivable of US$29.6 million.

The Company or its subsidiaries files income tax returns in various jurisdictions including Ireland, the United States, Australia and various jurisdictions in Europe and Asia Pacific. Due to the size and nature of its business, the Company is subject to ongoing audits and reviews by taxing jurisdictions on various tax matters, including by the Australian Taxation Office in Australia and the Internal Revenue Service ("IRS") in the US. The Company is no longer subject to general tax examinations in Ireland for the tax years prior to tax year 2019, Australia for tax years prior to tax year 2016 and in the US for tax years prior to tax year 2014.

Unrecognized Tax Benefits

For the fiscal years ended 31 March 2023, 2022, and 2021, the total amount of penalties and interest recorded in Income tax expense related to unrecognized tax benefits were immaterial. The liabilities associated with uncertain tax benefits are included in *Other liabilities* on the Company’s consolidated balance sheets. At 31 March 2023, the total amount of unrecognized tax benefits and the total amount of interest and penalties accrued by the Company that, if recognized, would affect the effective tax rate were US$0.9 million.

16. Stock-Based Compensation

Total stock-based compensation expense consists of the following:

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Liability Awards	**$ 2.7**	$ 3.2	$ 21.7
Equity Awards	**15.7**	9.0	18.0
Total stock-based compensation expense	**$ 18.4**	$ 12.2	$ 39.7

As of 31 March 2023, the unrecorded future stock-based compensation expense related to outstanding equity awards was US$30.6 million and will be recognized over an estimated weighted average amortization period of 1.9 years.

2001 Equity Incentive Plan

Under the Company’s 2001 Equity Incentive Plan (the “2001 Plan”), which was amended and restated in August 2021 and approved by shareholders, the Company can grant equity awards in the form of nonqualified stock options, performance awards, restricted stock grants, stock appreciation rights, dividend equivalent rights, phantom stock or other stock-based benefits such as restricted stock units.

Long-Term Incentive Plan 2006

The Company's shareholders approved the establishment of a Long-Term Incentive Plan in 2006 (the "LTIP") to provide incentives to certain members of senior management ("Executives"). The Company determines the conditions or restrictions of any awards, which may include requirements of continued employment, individual performance or the Company's financial performance or other criteria. Currently, the plan only allows for RSUs to be granted under the LTIP.

The following table summarizes the Company's shares available for grant as options, RSUs or other equity instruments under the LTIP and 2001 Plan:

	Shares Available for Grant
Balance at 31 March 2021	**22,087,623**
Granted	(597,927)
Balance at 31 March 2022	**21,489,696**
Granted	(2,540,893)
Balance at 31 March 2023	**18,948,803**

Stock Options

There were no stock options granted during the years ended 31 March 2022 or 2021. The following table summarizes the Company's stock options activity during the noted period:

	Outstanding Options	
	Number of Options	Weighted Average Exercise Price (A$)
Balance at 31 March 2022	—	—
Granted	269,221	33.05
Balance at 31 March 2023	269,221	33.05
Options exercisable at 31 March 2023	—	—

Stock options vest on the third anniversary of the date of grant provided continuous employment at the applicable vesting date. Vested stock options can be exercised for shares for the exercise price at any time. As of 31 March 2023, the weighted-average remaining contractual term is 4.6 years and the aggregate intrinsic value is nil.

RSUs

The Company estimates the fair value of RSUs on the date of grant and recognizes this estimated fair value as compensation expense over the periods in which the RSU vests.

The following table summarizes the Company's RSU activity:

(Units)	Service Vesting (2001 Plan)	Performance Vesting (LTIP)	Market Conditions (LTIP)	Total	Weighted Average Fair Value at Grant Date (A$)
Outstanding at 31 March 2021	**593,486**	**726,288**	**1,286,922**	**2,606,696**	**19.01**
Granted	233,443	141,015	223,469	597,927	41.73
Vested	(313,641)	(248,202)	(565,878)	(1,127,721)	14.96
Forfeited	(98,613)	(327,397)	(450,480)	(876,490)	27.73
Outstanding at 31 March 2022	**414,675**	**291,704**	**494,033**	**1,200,412**	**27.83**
Granted	1,279,127	268,009	724,536	2,271,672	26.12
Vested	(449,458)	(87,307)	(256,787)	(793,552)	25.17
Forfeited	(107,818)	(100,377)	(91,738)	(299,933)	28.46
Outstanding at 31 March 2023	**1,136,526**	**372,029**	**870,044**	**2,378,599**	**26.97**

The following table includes the assumptions used for RSU grants (market condition) valued:

Vesting Condition:	**Market** FY23	**Market** FY23	**Market** FY23	**Market** FY23	**Market** FY23	**Market** FY23	**Market** FY22	**Market** FY22
Date of grant	31-Aug-22	31-Aug-22	3-Nov-22	3-Nov-22	3-Nov-22	13-Mar-23	27-Aug-21	9-Sep-21
Dividend yield (per annum)	1.5 %	1.5 %	— %	— %	— %	— %	2.0 %	2.0 %
Expected volatility	41.9 %	33.4 %	42.5 %	35.1 %	43.8 %	36.3 %	40.0 %	40.2 %
Risk free interest rate	3.5 %	3.5 %	4.7 %	4.7 %	4.7 %	4.0 %	0.4 %	0.4 %
Expected life in years	3.0	2.0	0.8	1.8	2.8	2.4	3.0	2.9
JHX stock price at grant date (A$)	33.51	33.51	33.05	33.05	33.05	30.98	52.66	52.12
Number of restricted stock units	387,360	102,250	38,387	39,450	115,688	41,401	130,513	92,956

The following table presents the total fair value of all of our restricted stock units vested:

	Years ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
Total fair value vested	**$ 18.4**	$ 42.6	$ 27.8

Scorecard LTI – CSUs

Under the terms of the LTIP, the Company grants scorecard LTI CSUs to executives and the vesting of awards is based on the individual's performance measured over a three year period against certain performance targets. These awards provide recipients a cash incentive based on an average 20 trading-day closing price of JHI plc's common stock price and each executive's scorecard rating.

The following represents the activity related to the CSUs:

	FY23	FY22
Granted	751,569	423,051
Vested	237,600	433,872
Cancelled	325,459	1,292,934

For the fiscal years ending 31 March 2023, 2022 and 2021, US$5.9 million, US$15.2 million and US$8.2 million, respectively, was paid in cash upon vesting of CSU units.

17. Capital Management

The following table summarizes the dividends declared or paid during the fiscal years 2023, 2022 and 2021:

(Millions of US dollars)	US Cents/Security	US$ Millions Total Amount Paid	Announcement Date	Record Date	Payment Date
FY 2022 second half dividend	0.30	129.6	17 May 2022	27 May 2022	29 July 2022
FY 2022 first half dividend	0.40	174.1	9 November 2021	19 November 2021	17 December 2021
FY 2021 special dividend	0.70	309.9	10 February 2021	19 February 2021	30 April 2021

On 8 November 2022, the Company announced a share buyback program to acquire up to US$200 million of its outstanding shares through October 2023. Below is the activity under this program:

In Millions, except price per share	Total Number of Shares Purchased	Average Price Paid per Share (US$)	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet be Purchased Under the Program (US$)
1 December 2022 - 31 December 2022	1.6	$19.34	1.6	$168.8
1 January 2023 - 31 January 2023	—	$—	—	$168.8
1 February 2023 - 28 February 2023	1.1	$21.72	1.1	$144.3
1 March 2023 - 31 March 2023	1.1	$20.78	1.1	$121.6
Total as of 31 March 2023	3.8		3.8	$121.6

All shares repurchased were subsequently cancelled by the Company and are no longer available for issuance.

18. Operating Segment Information and Concentrations of Risk

The Company reports its operating segment information in the format that the operating segment information is available to and evaluated by the Chief Operating Decision Maker. The North America Fiber Cement segment manufactures fiber cement interior linings, exterior siding products and related accessories in the United States; these products are sold in the United States and Canada. The Asia Pacific Fiber Cement segment includes all fiber cement products manufactured in Australia and the Philippines, and sold in Australia, New Zealand, Asia, the Middle East and various Pacific Islands. The Europe Building Products segment includes fiber gypsum product manufactured in Europe, and fiber cement product manufactured in the United States that is sold in Europe. The Research and Development segment represents the cost incurred by the research and development centers. General Corporate primarily consist of *Asbestos adjustments loss*, officer and employee compensation and related benefits, professional and legal fees, administrative costs and rental expense on the Company's

corporate offices. The Company does not report net interest expense for each segment as the segments are not held directly accountable for interest expense.

Operating Segments

The following is the Company's operating segment information:

	Net Sales Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
North America Fiber Cement	**$ 2,787.6**	$ 2,551.3	$ 2,040.2
Asia Pacific Fiber Cement	**539.2**	574.9	458.2
Europe Building Products	**450.3**	488.5	410.3
Worldwide total	**$ 3,777.1**	$ 3,614.7	$ 2,908.7

	Operating Income Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
North America Fiber Cement	**$ 767.5**	$ 741.2	$ 585.5
Asia Pacific Fiber Cement	**142.8**	160.8	124.8
Europe Building Products	**26.5**	62.9	37.6
Research and Development	**(33.3)**	(34.4)	(28.9)
Segments total	**903.5**	930.5	719.0
General Corporate	**(162.1)**	(247.9)	(246.2)
Total operating income	**741.4**	682.6	472.8

	Depreciation and Amortization Years ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
North America Fiber Cement	**$ 126.1**	$ 114.4	$ 89.1
Asia Pacific Fiber Cement	**14.7**	13.6	13.9
Europe Building Products	**28.0**	29.8	28.0
General Corporate	**1.8**	2.8	2.8
Research and Development	**2.0**	1.2	1.2
Total	**$ 172.6**	$ 161.8	$ 135.0

	Total Identifiable Assets 31 March	
(Millions of US dollars)	**2023**	2022
North America Fiber Cement	**$ 1,672.9**	$ 1,434.8
Asia Pacific Fiber Cement	**509.7**	429.1
Europe Building Products	**781.5**	745.2
Research and Development	**15.6**	13.5
Segments total	**2,979.7**	2,622.6
General Corporate [1]	**1,499.4**	1,620.6
Worldwide total	**$ 4,479.1**	$ 4,243.2

The following is the Company's geographical information:

	Net Sales Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
North America [2]	**$ 2,787.6**	$ 2,551.3	$ 2,040.2
Australia	**380.9**	391.7	321.9
Germany	**137.8**	165.0	143.0
New Zealand	**88.1**	115.9	81.9
Other Countries [3]	**382.7**	390.8	321.7
Worldwide total	**$ 3,777.1**	$ 3,614.7	$ 2,908.7

	Total Identifiable Assets 31 March	
(Millions of US dollars)	**2023**	2022
North America [2]	**$ 1,679.8**	$ 1,442.7
Australia	**398.8**	314.4
Germany	**490.9**	503.7
New Zealand	**41.2**	48.9
Other Countries [3]	**369.0**	312.9
Segments total	**2,979.7**	2,622.6
General Corporate [1]	**1,499.4**	1,620.6
Worldwide total	**$ 4,479.1**	$ 4,243.2

1 Included in General Corporate are deferred tax assets for each operating segment that are not held directly accountable for deferred income taxes and Asbestos-related assets.

2 The amounts disclosed for North America are substantially all related to the USA.

3 Included are all other countries that account for less than 5% of net sales and total identifiable assets individually, primarily in the Philippines, Spain and other European countries.

Research and development expenditures are expensed as incurred and are summarized by segment in the following table. Research and development segment operating income also includes *Selling, general and administrative expenses* of US$2.2 million, US$4.1 million and US$2.9 million in fiscal years 2023, 2022 and 2021, respectively.

	Years Ended 31 March		
(Millions of US dollars)	**2023**	2022	2021
North America Fiber Cement	**$ 5.5**	$ 5.3	$ 5.6
Asia Pacific Fiber Cement	**1.3**	1.5	1.1
Europe Building Products	**1.7**	0.9	1.6
Research and Development	**31.1**	30.3	26.0
	$ 39.6	$ 38.0	$ 34.3

Concentrations of Risk

The distribution channels for the Company's fiber cement products are concentrated. The Company has one customer who has contributed greater than 10% of net sales in each of the past three fiscal years. The following represents net sales generated by this customer, which is from the North America Fiber Cement segment:

	Years Ended 31 March					
(Millions of US dollars)	**2023**		2022		2021	
Customer A	**$ 450.1**	**12.0 %**	$ 418.3	12.0 %	$ 347.3	12.0 %

Approximately 30%, 33% and 33% of the Company's net sales in fiscal year 2023, 2022 and 2021, respectively, were from outside the United States. Consequently, changes in the value of foreign currencies could significantly affect the consolidated financial position, results of operations and cash flows of the Company's non-US operations on translation into US dollars.

19. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss is comprised of the following at 31 March 2023:

(Millions of US dollars)	Cash Flow Hedges	Pension Actuarial (Loss) Gain	Foreign Currency Translation Adjustments	Total
Balance at 31 March 2022	$ 0.2	$ (0.3)	$ (21.9)	$ (22.0)
Other comprehensive gain (loss)	—	2.1	(33.4)	(31.3)
Balance at 31 March 2023	**$ 0.2**	**$ 1.8**	**$ (55.3)**	**$ (53.3)**

20. Employee Benefit Plan

In the United States, the Company sponsors a defined contribution plan, the James Hardie Retirement and Profit Sharing Plan (the "401(k) Plan") which is a tax-qualified retirement and savings plan covering all US employees, including the Senior Executive Officers, subject to certain eligibility requirements. In addition, the Company matches employee's contributions dollar for dollar up to a maximum of the first 6% of an employee's eligible compensation.

For the fiscal years ended 31 March 2023, 2022 and 2021, the Company made matching contributions of US$16.3 million, US$14.1 million and US$11.1 million, respectively.

In January 2021, the Company established a deferred compensation plan for its executives whereby the plan assets are held in a rabbi trust. The deferred compensation is funded to the rabbi trust which holds investments directed by the participants and are accounted for as held for sale. The Company will match up to a maximum of the first 6% of an employee's eligible compensation that would not be eligible in the 401(k) Plan due to IRS contribution limits so long as the participant defers eligible compensation to the deferred compensation plan. As of 31 March 2023, the assets held in trust and related deferred compensation liability recorded in the accompanying consolidated balance sheets are immaterial.

REMUNERATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
(UNAUDITED, NOT FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS)

Fees billed for each of the last three fiscal years for professional services provided by our independent registered public accounting were as follows:

	US$ Millions		
Description of Service	**FY23**	**FY22**	**FY21**
Audit fees[1]	$ 6.8	$ 6.1	$ 5.6
Audit-related fees[2]	—	0.1	—
Tax fees	—	—	—
All other fees	$ —	$ —	$ —

1 Audit Fees include the aggregate fees for professional services rendered by our independent registered public accounting firm. Professional services include the audit of our annual financial statements and services that are normally provided in connection with statutory and regulatory filings.

2 Audit-Related Fees include the aggregate fees billed for assurance and related services rendered by our independent registered public accounting firm. Our independent registered public accounting firm engaged one temporary employee to participate in a minor portion of the audit of our consolidated financial statements for fiscal year 2022. In fiscal years 2023 and 2021, no temporary employees were used to conduct the audits of our consolidated financial statements.

Audit Committee Pre-Approval Policies and Procedures

In accordance with our Audit Committee's policy and the requirements of the law, all services provided by our independent registered public accounting firm are pre-approved from time to time by the Audit Committee. Pre-approval includes a list of specific audit and non-audit services in the following categories: audit services, audit-related services, tax services and other services. Any additional services that we may ask our independent registered public accounting firm to perform will be set forth in a separate document requesting Audit Committee approval in advance of the service being performed.

All of the services pre-approved by the Audit Committee are permissible under the SEC's auditor independence rules. To avoid potential conflicts of interest, the law prohibits a publicly traded company from obtaining certain non-audit services from its independent registered public accounting firm. We obtain these services from other service providers as needed.

SECTION 3

RISK FACTORS

Our business, operations and financial condition are subject to various risks and uncertainties. We have described below significant factors that may adversely affect our business, operations, financial performance and condition or industry. Readers should be aware that the occurrence of any of the events described in these risk factors, elsewhere in or incorporated by reference into this Annual Report, and other events that we have not predicted or assessed, could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Business and Operational Risks

Our business is dependent on the residential and commercial construction markets.

Demand for our products depends in large part on the residential construction markets and, to a lesser extent, on commercial construction markets. The level of activity in residential construction markets depends on residential remodeling projects and new housing starts, which are a function of many factors outside our control, including general economic conditions, the availability of financing, regulatory changes, mortgage and other interest rates, inflation, household income and wage growth, unemployment, the inventory of unsold homes, the level of foreclosures, home resale rates, housing affordability, demographic trends, gross domestic product growth and consumer confidence in each of the countries and regions in which we operate.

Any slowdown in the markets we serve would likely result in decreased demand for our products and cause us to experience decreased sales and operating income. In addition, deterioration or continued weaknesses in general economic conditions, such as higher interest rates, high levels of unemployment, restrictive lending practices, restricted covenants, heightened regulation and increased foreclosures, could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Substantial and increasing competition in the building products industry would likely materially adversely affect our business.

Competition in the building products industry is based largely on price, quality, performance, service and brand recognition. Our products compete with products manufactured from natural and engineered wood, vinyl, stucco, masonry, brick, gypsum and other materials, as well as fiber cement and fiber gypsum products offered by other manufacturers. Some of our competitors may have greater product diversity, greater financial and other resources, and better access to raw materials than we do and, among other factors, may be less affected by reductions in margins resulting from price competition.

Increased competition in any of the markets in which we compete would likely cause pricing pressures in those markets. Any of these factors would likely have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

We may experience unforeseen delays and/or cost overruns in our planned capital expenditures in future periods, and such delays and/or cost overruns could result in additional expenses and impairment charges. Unforeseen delays may also impact our ability to add additional manufacturing capacity at the appropriate time.

We have incurred significant levels of capital expenditures in the past and we expect to incur significant capital expenditures in future periods on facility upgrades and expansions, equipment to ensure regulatory compliance, the implementation of new technologies and to improve efficiency. We may incur unforeseen delays and/or cost overruns due to a variety of factors, including, but not limited to, a decline in general economic conditions, a downturn in the principal markets in which we operate, the entrance of a key competitor, increased costs resulting from tariffs or other international trade disputes or an adverse change in the regulatory environment impacting our business. Any one or combination of these or other factors could have a significant adverse effect on the nature, timing, extent and amount of our planned capital expenditures, and may also result in potential additional expenses and a write-down in the carrying value of our capital projects and other existing production assets. Such delays, cost overruns and asset impairment charges could have a material adverse effect on our financial position, results of operations and liquidity.

As a result of unforeseen delays, we may also fail to achieve the levels of additional manufacturing capacity we have forecasted for our plants, as described elsewhere in this Annual Report. We cannot provide assurances that these additional manufacturing capacities will be achieved or that the related projects will be completed as anticipated or at all or that such additional capacities will operate at their expected utilization rate. These projections are based on our current estimates, but they involve risks, uncertainties, assumptions and other factors that may cause actual results to be materially different from our estimates. Neither our independent auditors nor any other independent auditors have examined, compiled or performed any procedures with respect to these projections, nor have they expressed any opinion or any other form of assurance on such information or their achievability. Although management believes these estimates and the assumptions underlying them to be reasonable, they could be inaccurate, and investors should not place undue reliance upon them.

We may experience adverse fluctuations in the supply and cost of raw materials and energy supply necessary to our business, which could have a material adverse effect on our business.

Cellulose fiber (wood-based pulp), silica, cement and water are the principal raw materials used in the production of fiber cement, and the availability and cost of such raw materials are critical to our operations. Our fiber cement business periodically experiences fluctuations in the supply and costs of raw materials, and some of our supply markets are concentrated.

Gypsum, paper, water and cement are the principal raw materials used in the production of fiber gypsum and cement bonded boards, and the availability and cost of such raw materials are critical to our operations. Our fiber gypsum business periodically experiences fluctuations in the supply and costs of raw materials, and some of our supply markets are concentrated.

Price fluctuations, significant cost inflation, or material delays may occur in the future due to lack of raw materials, suppliers, or supply chain disruptions. The loss or deterioration of our relationship with a major supplier, an increase in demand by third parties for a particular supplier’s products or materials, delays in obtaining materials, or significant increases in fuel and energy costs, including continued significant inflation of key energy prices in Europe which may be exacerbated by ongoing conflict in the region, could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Our reliance on third-party distribution channels could impact our business.

We offer our products directly and through a variety of third-party distributors and dealers. Changes in the financial or business condition, or continued consolidation of these distributors and dealers could subject us to losses and affect our ability to bring our products to market and could have a material adverse effect on our business, financial position, liquidity, results of operations and cash flows.

Severe weather, natural disasters and climate change could have an adverse effect on our overall business.

Natural disasters and widespread adverse climate changes that directly impact our plants, other facilities or suppliers could materially adversely affect our manufacturing or other operations and, thereby, harm our overall financial position, liquidity, results of operations and cash flows.

Additionally, we rely on a continuous and uninterrupted supply of electric power, water and, in some cases, natural gas, as well as the availability of water, waste and emissions discharge facilities. Any future shortages or curtailments could significantly disrupt our operations and increase our expenses. While our insurance includes coverage for certain "business interruption" losses (i.e., lost profits) and for certain "service interruption" losses, any losses in excess of the insurance policy's coverage limits or any losses not covered by the terms of the insurance policy could have a material adverse effect on our financial condition. Any future material and sustained interruptions in our ability to continue operations at our facilities could damage our reputation, harm our ability to retain existing customers or obtain new customers and could result in lost revenue, any of which could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Financial Risks

Warranty claims relating to our products and exceeding our warranty reserves could have a material adverse effect on our business.

We have offered, and continue to offer, various warranties on our products, including a 30-year limited warranty on certain fiber cement siding products in the United States. We accrue for such warranties within "Accrued product warranties" on our consolidated balance sheet and have disclosed the movements in our consolidated warranty reserves in Note 11 to our consolidated financial statements in Section 2. Although we maintain reserves for warranty-related claims that we believe are adequate, we cannot assure you that warranty cost levels will not exceed our reserves. Costs significantly exceeding our warranty reserves could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Because we have significant operations outside the United States and report our earnings in US dollars, unfavorable fluctuations in currency values and exchange rates could have a material adverse effect on our business.

Because our reporting currency is the US dollar, our non-US operations face the additional risk of fluctuating currency values and exchange rates. Such operations may also face hard currency shortages and controls on currency exchange. Approximately one third of our net sales in fiscal years 2021, 2022 and 2023 were from sales outside the United States. Consequently, changes in the value of foreign currencies (principally Australian dollars, New Zealand dollars, Philippine pesos, Euros, UK pounds and Canadian dollars) could have a material adverse effect on our business, results of operations and financial condition. We evaluate and consider foreign exchange risk mitigation by entering into contracts that require payment in local currency, hedging transactional risk, where appropriate, and having non-US operations borrow in local currencies. We enter into such financial instruments from time to time to

manage our foreign exchange risks. There can be no assurance that we will be successful in these mitigation strategies, or that fluctuation in foreign currencies and other foreign exchange risks will not have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Legal and Regulatory Risks

Our ability to sell our products is influenced by local building codes and ordinances which may hinder our ability to compete effectively in certain markets and to increase or maintain our current market share for our products.

Most countries, states and localities in the markets in which we sell our products maintain building codes and ordinances that regulate both the building materials and the methods of construction that may be used to construct homes and buildings for which our products are intended. Our products may not qualify under building codes and ordinances in certain markets or for certain applications, preventing or limiting our customers' use of our products and limiting our ability to sell our products in those markets. In addition, ordinances and codes may change over time and any such changes may, from the time they are implemented, prospectively limit or prevent the use of our products, causing us to lose sales in those markets. Although we keep up to date on the current and proposed building codes and ordinances of the markets in which we sell or plan to sell our products and, when appropriate, seek to become involved in the ordinance and code setting process, our efforts may be ineffective, which could have a material adverse effect on our financial condition, liquidity, results of operations and cash flows.

Losses and expenses relating to ongoing New Zealand product liability litigation could have a material adverse effect on our business.

Since 2015, our New Zealand subsidiaries (as well as certain other members of the James Hardie Group) have been defending a number of large construction defect and/or product liability claims in New Zealand that relate to weathertightness claims in residential buildings and a number of non-residential buildings, primarily constructed from 1998 to 2004. The claims allege generic defects in certain fiber cement products and systems and breach of certain legal duties related to the testing, warnings and marketing of those products and systems. Losses incurred in connection with defending and resolving New Zealand weathertightness claims could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

For additional information, see Notes 1 and 14 to our consolidated financial statements in Section 2 and Legal Proceedings in Section 3.

We may incur significant costs, including capital expenditures, in complying with applicable environmental and health and safety laws and regulations.

In each jurisdiction, we are subject to environmental, health and safety laws and regulations. Under these laws and regulations, we may be held jointly and severally responsible for the remediation of regulated materials at our or our predecessors’ past or present facilities and at third-party waste disposal sites. We may also be held liable for any claims, penalties or fines arising out of human exposure to regulated materials, other environmental damage, including damage to natural resources, or our failure to comply with applicable environmental regulations.

Many of our products contain crystalline silica, which can be released in a respirable form in connection with the manufacturing of our fiber cement products or while cutting our fiber cement products during installation or demolition. The inhalation of respirable crystalline silica at high and prolonged exposure levels is identified as a carcinogen by certain governmental entities and is associated with certain lung diseases, including silicosis, which has been the subject of tort litigation.

Many jurisdictions, including the United States, Australia and New Zealand, have recently adopted or are considering adopting regulations that significantly reduce the occupational exposure limit to respirable crystalline silica, as well as imposing additional training, employee medical surveillance and exposure monitoring and recordkeeping requirements. It is possible that these regulations could have additional impacts on our business as a result of further increased compliance efforts and associated costs, if any, for our manufacturing operations, as well as those of our business partners (e.g., suppliers, home builders, distributors, installers, etc.); and, as such, the rule changes may possibly have a material adverse effect on our financial position, liquidity, results of operations, and cash flows.

The costs of complying with environmental and health and safety laws relating to our operations or the liabilities arising from our failure to comply may result in us making future expenditures that could have a material adverse effect on our financial position, liquidity, results of operations and cash flows. Such regulations and laws may also increase the cost to procure energy or other products necessary to our operation, thereby increasing our operating costs. In addition, we cannot make any assurances that the laws currently in place that directly or indirectly relate to environmental liability will not change. Such changes could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Because our intellectual property and other proprietary information may become publicly available, we are subject to the risk that competitors could copy our products or processes.

Our success depends, in part, on the proprietary nature of our technology, including non-patentable intellectual property, such as our process technology. To the extent that a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain adequate legal or equitable relief. Also, the laws of some foreign countries may not protect our intellectual property to the same extent as do the laws of the United States. In addition to patent protection of intellectual property rights, we consider elements of our product designs and processes to be proprietary and confidential and/or trade secrets. To safeguard our confidential information, we rely on employee, consultant and vendor nondisclosure agreements and contractual provisions and a system of internal and technical safeguards to protect our proprietary information. However, any of our registered or unregistered intellectual property rights may be subject to challenge or possibly exploited by others in the industry, which could materially adversely affect our financial position, liquidity, results of operations, cash flows and competitive position.

Cybersecurity risks related to the technology used in our operations, as well as security breaches of company, customer, employee, or vendor information, could result in a major disruption or failure of our information technology systems, which could adversely affect our business and operations.

We rely on information systems to run most aspects of our business, including manufacturing, sales and distribution, raw material procurement, accounting and managing data and records for employees and other parties. Like other large business organizations, we face numerous and evolving cyber risks of increasing scale and volume.

Despite the significant investments we have made to maintain our information systems and careful security and controls design, implementation, updating, and internal and independent third-party assessments, our systems and facilities, as well as those of third parties with which we do business, are targeted by those seeking to gain unauthorized access to technology systems and may be vulnerable to security breaches, cyber-attacks, employee theft or misconduct, computer viruses and malware infections, misplaced or lost data, programming and/or human errors or other similar events. Network,

system, and data breaches could result in misappropriation of sensitive data or significant operational disruptions, including interruption to systems availability and denial of access to and misuse of applications required by our customers to conduct business with us. In addition, misuse of internal applications, theft of intellectual property, trade secrets, or other corporate assets, and inappropriate disclosure of confidential information could stem from such incidents. Theft of personal or other confidential data and sensitive proprietary information could also occur as a result of a breach in cybersecurity, exposing us to costs and liabilities associated with privacy and data security laws in the jurisdictions in which we operate. Furthermore, we face additional cybersecurity risks related to some of our employees continuing to work remotely. Although we strive to have appropriate security controls in place, prevention of all computer security incidents cannot be assured.

Any security breach involving the misappropriation, loss or other unauthorized disclosure of our confidential information, whether by us or by third parties with which we do business, could result in losses, regulatory penalties, damage to our reputation, risk of litigation, significantly disrupt our operations and have a material adverse effect on our business, results of operations and financial condition. We may be required to expend additional resources to continue to enhance our security measures or to investigate and remediate any security vulnerabilities.

Privacy and data security concerns and regulation could result in additional costs and liabilities.

As a global organization, we are subject to various regulations regarding privacy, data protection and data security, including among others those set forth in the European Economic Area's General Data Protection Regulation (“GDPR”), the California Consumer Privacy Act ("CCPA"), and the California Privacy Rights Act (“CPRA”, which became effective January 2023). Laws such as the GDPR, CCPA, and CPRA regulate and place limitations on the collection, processing, storing, sharing, and transfer of personal and customer data and impose substantial penalties for non-compliance. Our efforts to comply with GDPR, CCPA, and the CPRA and other privacy and data protection laws increases compliance complexity and related costs, with such complexities and costs likely to increase over time. We could also incur costs, penalties, reputational harm, or litigation expenses due to any violations of existing or future data privacy laws and regulations.

Asbestos-Related Risks

Our wholly-owned Australian Performing Subsidiary is required to make payments to a special purpose fund that provides compensation for Australian asbestos-related personal injury and death claims for which certain Former James Hardie Companies are found liable. These payments may affect our ability to grow the Company.

On 21 November 2006, JHI plc, AICF, the NSW Government and the Performing Subsidiary entered into the AFFA to provide long-term funding to AICF, a special purpose fund that provides compensation for Australian asbestos-related personal injury and death claims for which the Former James Hardie Companies are found liable.

The initial funding was made to AICF in February 2007 and annual or quarterly payments are to be made each year, subject to the terms of the AFFA. The amounts of these annual payments are dependent on several factors, including our free cash flow (as defined in the AFFA), actuarial estimations, actual claims paid, operating expenses of AICF and the Annual Cash Flow Cap set forth in the AFFA. Our obligation to make future payments to AICF continues to be linked under the terms of the AFFA to our long-term financial success, especially our ability to generate net operating cash flow.

As a result of our obligation to make payments under the AFFA, our funds available for capital expenditures (either with respect to our existing business or new business opportunities), repayments of

debt, payments of dividends or other distributions have been, and will be, reduced by the amounts paid to AICF, and consequently, our financial position, liquidity and cash flows have been, and will be, reduced or materially adversely affected. Our obligation to make these payments could also affect or restrict our ability to access equity or debt capital markets.

Potential escalation in proven claims made against, and associated costs of AICF could require an extension of the period of time that the Company is obliged to make annual funding payments of up to 35% of its free cash flow, as defined in the AFFA, beyond the currently anticipated expiration date of that obligation, which may cause us to have to increase our asbestos liability in the future.

The amount of our asbestos liability is based, in part, on actuarially determined, anticipated (estimated) future annual funding payments to be made to AICF on an undiscounted and uninflated basis. Future annual payments to AICF are based on updated actuarial assessments that are to be performed as of 31 March of each year to determine expected asbestos-related personal injury and death claims to be funded under the AFFA for the financial year in which the payment is made and the next two financial years. Estimates of actuarial liabilities are based on many assumptions, which may not prove to be correct, and which are subject to considerable uncertainty, since the ultimate number and cost of claims are subject to the outcome of events that have not yet occurred, including social, legal and medical developments, as well as future economic conditions.

If future proven claims are more numerous or the liabilities arising from them are larger than that currently estimated by AICF's actuary, KPMG, it is possible we will be required to pay to AICF our current annual funding payments for an extended period of time. If this occurs, we may be required to increase our asbestos liability, which would be reflected as a charge in our consolidated statements of operations and comprehensive income at that date. Any such changes to actuarial estimates which require us to increase our asbestos liability could have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Even though the AFFA has been implemented, we may be subject to potential additional liabilities (including claims for compensation or property remediation outside the arrangements reflected in the AFFA), because certain current and former companies of the James Hardie Group previously manufactured products that contained asbestos.

Prior to 1987, ABN 60, which is now owned and controlled by AICF, manufactured products in Australia that contained asbestos. In addition, prior to 1987, two former subsidiaries of ABN 60, Amaca and Amaba, which are now also owned and controlled by AICF, manufactured products in Australia that contained asbestos. ABN 60 also held shares in companies that manufactured asbestos-containing products in Indonesia and Malaysia, and held minority shareholdings in companies that conducted asbestos-mining operations based in Canada and Southern Africa. Former ABN 60 subsidiaries also exported asbestos-containing products to various countries. AICF is designed to provide compensation only for certain claims and to meet certain related expenses and liabilities, and legislation in New South Wales, Australia in connection with the AFFA seeks to defer all other claims against the Former James Hardie Companies. The funds contributed to AICF will not be available to meet any asbestos-related claims made outside Australia, or claims made arising from exposure to asbestos occurring outside Australia, or any claim for pure property loss or pure economic loss or remediation of property. In these circumstances, it is possible that persons with such excluded claims may seek to pursue those claims directly against us. Defending any such litigation could be costly and time consuming, and consequently, our financial position, liquidity, results of operations and cash flows could be materially adversely affected.

Prior to 1988, a New Zealand subsidiary in the James Hardie Group manufactured products in New Zealand that contained asbestos. In New Zealand, the majority of asbestos-related disease

compensation claims are managed by the state-run Accident Compensation Corporation ("ACC"). Our New Zealand subsidiary that manufactured products that contained asbestos contributed financially to the ACC fund as required by law via payment of an annual levy while it carried on business. All decisions relating to the amount and allocation of payments to such claimants in New Zealand are made by the ACC in accordance with New Zealand law. The Injury Prevention, Rehabilitation and Compensation Act 2001 (NZ) bars compensatory damages for claims that are covered by the legislation which may be made against the ACC fund. However, we may be subject to potential liability if any of these claims are found not to be covered by the legislation and are later brought against us, and consequently, our financial position, liquidity, results of operations and cash flows could be materially adversely affected.

Because the asbestos liability is denominated in Australian dollars and payments pursuant to the AFFA are made in Australian dollars, we may experience unpredictable volatility in our reported results due to changes in the US dollar compared to the Australian dollar.

Payments pursuant to the AFFA are required to be made to AICF in Australian dollars. In addition, annual payments to AICF include calculations based on various estimates that are denominated in Australian dollars. To the extent that our future obligations exceed Australian dollar cash flows from our Australian operations and to the extent we do not hedge this foreign exchange exposure, we will need to convert US dollars or other foreign currency into Australian dollars in order to meet our obligations pursuant to the AFFA.

In addition, because our results of operations are reported in US dollars and the asbestos liability is based on estimated payments denominated in Australian dollars, fluctuations in the AUD/USD exchange rate will cause unpredictable volatility in our reported results.

The AFFA imposes certain non-monetary obligations.

Under the AFFA, we are also subject to certain non-monetary obligations that could prove onerous or otherwise materially adversely affect our ability to undertake proposed transactions or pay dividends. For example, the AFFA contains certain restrictions that generally prohibit us from undertaking transactions that would have a material adverse effect on the relative priority of AICF as a creditor, or that would materially impair our legal or financial capacity and that of the Performing Subsidiary, in each case such that we and the Performing Subsidiary would cease to be likely to be able to meet the funding obligations that would have arisen under the AFFA had the relevant transaction not occurred. Those restrictions apply to dividends and other distributions, reorganizations of, or dealings in, share capital which create or vest rights in such capital in third parties, and non-arm's length transactions. While the AFFA contains certain exemptions from such restrictions (including, for example, exemptions for arm's-length dealings; transactions in the ordinary course of business; certain issuances of equity securities or bonds; and certain transactions provided certain financial ratios are met and certain amounts of dividends), implementing such restrictions could materially adversely affect our ability to enter into transactions that might otherwise be favorable to us and could materially adversely affect our financial position, liquidity, results of operations and cash flows.

The AFFA does not eliminate the risk of adverse action being taken against us.

There is a possibility that, despite certain covenants agreed to by the NSW Government in the AFFA, adverse action could be directed against us by one or more of the NSW Government, the government of the Commonwealth of Australia, governments of the other states or territories of Australia or any other governments, unions or union representative groups, or asbestos disease groups, with respect to the asbestos liabilities of the Former James Hardie Companies or other current and former companies of the James Hardie Group. Any such adverse action could materially adversely affect our financial position, liquidity, results of operations and cash flows.

The complexity and long-term nature of the AFFA and related legislation and agreements may result in litigation as to their interpretation.

Certain legislation, the AFFA and related agreements, which govern the implementation and performance of the AFFA, are complex and have been negotiated over the course of extended periods between various parties. There is a risk that, over the term of the AFFA, as has already occurred, some or all parties may become involved in disputes as to the interpretation of such legislation, the AFFA or related agreements or the terms of the AFFA may change. We cannot guarantee that no party will commence litigation seeking remedies with respect to such a dispute, nor can we guarantee that a court will not order other remedies not previously anticipated which may materially adversely affect us.

There is no certainty that the AICF Loan Facility will remain in place for its entire term.

Drawings under the AICF Loan Facility are subject to satisfaction of certain specified conditions precedent and the NSW Government (as lender) has the right to cancel the AICF Loan Facility, require repayment of money advanced and enforce security granted to support the loan in the various circumstances prescribed in the facility agreement and related security documentation. There are also certain positive covenants given by, and restrictions on the activities of, AICF and the Former James Hardie Companies which apply during the term of the loan. A breach of any of these covenants or restrictions may also lead to cancellation of the AICF Loan Facility, early repayment of the loan and/or enforcement of the security. As such, there can be no certainty that the facility will remain in place for its intended term.

If the AICF Loan Facility does not remain in place for its intended term, AICF may experience a short-term funding shortfall. A short-term funding shortfall for AICF could subject us to negative publicity. Such negative publicity could materially adversely affect our financial position, liquidity, results of operations and cash flows, as well as employee morale and the market prices of our publicly traded securities.

We may have insufficient Australian taxable income to utilize tax deductions.

We may not have sufficient Australian taxable income to utilize the tax deductions resulting from the funding payments under the AFFA to AICF. Further, if as a result of making such funding payments we incur tax losses, we may not be able to fully utilize such tax losses in future years of income. Any inability to utilize such deductions or losses could materially adversely affect our financial position, liquidity, results of operations and cash flows.

Certain AFFA tax conditions may not be satisfied.

Despite Australian Taxation Office (“ATO”) rulings for the expected life of the AFFA, it is possible that new (and adverse) tax legislation could be enacted in the future. It is also possible that the facts and circumstances relevant to operation of the ATO rulings could change over the life of the AFFA. We may elect to terminate the AFFA if certain tax conditions are not satisfied for more than 12 months. However,

we do not have a right to terminate the AFFA if, among other things, the tax conditions are not satisfied as a result of the actions of a member of the James Hardie Group.

Under certain circumstances, we may still have an obligation to make annual funding payments on an adjusted basis if the tax conditions remain unsatisfied for more than 12 months. If the tax conditions are not satisfied in a manner which does not permit us to terminate the AFFA, our financial position, liquidity, results of operations and cash flows may be materially adversely affected. The extent of this adverse effect will be determined by the nature of the tax condition which is not satisfied.

Risks Related to Ireland

Irish law contains provisions that could delay or prevent a change of control that may otherwise be beneficial to you.

Irish law contains several provisions that could have the effect of delaying or preventing a change of control of our ownership. The Irish Takeover Rules would generally (subject to certain very limited exceptions) require a mandatory cash offer to be made for our entire issued share capital if, because of an acquisition of a relevant interest (including interests held in our ordinary shares, CUFS or ADSs) in such shares, the voting rights of the shares in which a person (including persons acting in concert with that person) holds relevant interests increase: (i) from below 30% to 30% or more; or (ii) from a starting point that is above 30% and below 50%, by more than 0.05% in a 12-month period. However, this prohibition is subject to exceptions, including acquisitions that result from acceptances under a mandatory takeover bid made in compliance with the Irish Takeover Rules. Although the Irish Takeover Rules may help to ensure that no person acquires voting control of us without making an offer to all shareholders, they may also have the effect of delaying or preventing a change of control that may otherwise be beneficial to you. In addition to the operation of the Irish Takeover Rules, we may, from time to time, put in place appropriate retention arrangements to ensure that we retain our key employees during periods of corporate change.

Our ability to pay dividends and conduct share buy-backs is dependent on Irish law and may be limited in the future if we are not able to maintain sufficient levels of distributable profits.

Under Irish law, in order to pay dividends and/or conduct a buy-back of shares, an Irish company requires sufficient distributable profits which are determined under the Irish Companies Act 2014 and applicable accounting practices generally accepted in Ireland. We believe that our current corporate structure has allowed us to maintain sufficient levels of distributable profits to continue paying dividends and/or conduct share buy-backs in accordance with our publicly disclosed capital management policy, which is updated from time to time. However, transactions or events could cause a reduction in our distributable profits, resulting in our inability to pay dividends on our securities or to conduct share buy-backs, which could have a material adverse effect on the market value of our securities.

Risks Related to Taxation

We are subject to risks related to taxation in multiple jurisdictions.

We operate in multiple jurisdictions and pay tax on our income according to the tax laws of these jurisdictions. Various factors, some of which are beyond our control, determine our effective tax rate. The primary drivers of our effective tax rate are the tax rates of the jurisdictions in which we operate, the level and geographic mix of pre-tax earnings, intra-group royalties, interest rates and the level of debt which gives rise to interest expense on external debt and intra-group debt, and the value of adjustments for timing differences and permanent differences, including the non-deductibility of certain expenses, all of which are subject to change and which could result in a material increase in our effective tax rate. Such

changes to our effective tax rate could materially adversely affect our financial position, liquidity, results of operations and cash flows.

Tax laws are dynamic and subject to change as new or revised laws and treaties are passed and new interpretations are issued or applied. Due to the nature of our historic and current operations, we are exposed to potential tax risks in a number of jurisdictions, including, without limitation, Ireland, the United States, Australia, New Zealand, the Netherlands and various parts of Europe. For example, many countries are actively considering making changes to existing tax laws and treaties, which could alter or increase our tax obligations, could materially affect our business, financial condition or results of operations and could potentially have a material adverse impact on holders of our securities.

Exposure to additional tax liabilities due to audits and reviews could materially adversely affect our business.

Due to our size and the nature of our business, we are subject to ongoing audits and reviews by authorities, including the Internal Revenue Service in the United States and the Australian Taxation Office in Australia, on various tax matters, including challenges to various positions we assert on our income tax and withholding tax returns. We accrue for tax contingencies based upon our best estimate of the taxes ultimately expected to be paid, which we update over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate.

We record additional tax expense in the period in which we determine that the recorded tax liability is less than the ultimate assessment we expect. The amounts ultimately paid on resolution of reviews by taxing jurisdictions could be materially different from the amounts included in taxes payable or other non-current liabilities and result in additional tax expense which could materially adversely affect our financial position, liquidity, results of operations and cash flows.

Tax benefits are available under the US-Ireland Income Tax Treaty to US and Irish taxpayers that qualify for those benefits. Our eligibility for benefits under the US-Ireland Income Tax Treaty is determined on an annual basis and we could be audited by the Internal Revenue Service ("IRS") for this issue. If during a subsequent tax audit or related process, the IRS determines that we are not eligible for benefits under the US-Ireland Income Tax Treaty, we may not qualify for treaty benefits. As a result, our effective tax rate could significantly increase and we could be subject to a 30% US withholding tax rate on payments of interest and dividends from our US subsidiaries to our Irish resident subsidiaries.

We believe that interest and dividends paid by our US subsidiaries to our Irish resident subsidiaries qualify for treaty benefits in the form of reduced withholding tax under the US-Ireland Income Tax Treaty.

We believe that, under the limitation on benefits ("LOB") provision of the US-Ireland Treaty, no US withholding tax applies to interest that our US subsidiaries paid to our Irish resident subsidiaries. The LOB provision has various conditions of eligibility for reduced US withholding tax rates and other treaty benefits, all of which we believe are satisfied. If, however, we do not qualify for benefits under the US-Ireland Income Tax Treaty, those interest payments would be subject to a 30% US withholding tax.

We believe that, under the US-Ireland Income Tax Treaty, a 5% US withholding tax applies to dividends paid by our US subsidiaries to our Irish resident subsidiaries. The LOB provision of the US-Ireland Income Tax Treaty has various conditions of eligibility for reduced US withholding tax rates and other treaty benefits, all of which we believe we have satisfied. If, however, we do not qualify for benefits under the US-Ireland Treaty, dividend payments by our US subsidiaries would be subject to a 30% US withholding rate.

Our eligibility for benefits under the US-Ireland Tax Treaty is determined on an annual basis and we could be audited by the IRS for this issue. If during a subsequent tax audit or related process, the IRS determines that we are not eligible for benefits under the US-Ireland Income Tax Treaty, we may not qualify for treaty benefits. As a result, our effective tax rate could significantly increase beginning in the fiscal year that such determination is made and we could be liable for taxes owing for calendar year 2021 and subsequent periods, which could adversely affect our financial position, liquidity, results of operations and cash flows.

LEGAL PROCEEDINGS

Legal Matters

The Company is involved from time to time in various legal proceedings and administrative actions related to the normal conduct of its business, including general liability claims, putative class action lawsuits and litigation concerning its products.

Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows, except as they relate to asbestos, tax contingencies, New Zealand weathertightness claims and the matters described in the sections below. For further details, see "Section 3 – Risk Factors" of this Annual Report.

Tax Contingencies

Due to our size and the nature of our business, we are subject to ongoing audits and reviews by taxing authorities, including the Internal Revenue Service in the United States and the Australian Taxation Office in Australia, on various tax matters. We accrue for tax contingencies based upon our best estimate of the taxes ultimately expected to be paid, which we update over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate. If we ultimately determine that payment of these amounts is unnecessary, we reverse the liability and recognize a tax benefit during the period in which we determine that the liability is no longer necessary. We record additional tax expense in the period in which we determine that the recorded tax liability is less than the ultimate assessment we expect.

We file income tax returns in various jurisdictions, including Australia, Germany, Ireland, the Netherlands, New Zealand, the Philippines, Spain and the United States.

New Zealand Weathertightness Claims

Since fiscal year 2002, the Company's New Zealand subsidiaries have been joined in a number of weathertightness claims in New Zealand that relate to residential buildings (single dwellings and apartment complexes) and a small number of non-residential buildings, primarily constructed from 1998 to 2004. The claims often involve multiple parties and allege that losses were incurred due to excessive moisture penetration of the buildings' structures. The claims typically include allegations of poor building design, inadequate certification of plans, inadequate construction review and compliance certification and deficient work by sub-contractors.

Historically, the Company's New Zealand subsidiaries have been joined to these claims as one of several co-defendants, including local government entities responsible for enforcing building codes and practices, resulting in the Company's New Zealand subsidiaries becoming liable for only a portion of each claim. In addition, the Company's New Zealand subsidiaries have had access to third-party recoveries to defray a portion of the costs incurred in resolving such claims.

The resolution of one or more NZWT litigation matters by way of a court decision or settlement has the potential to impact the accounting treatment regarding the probability of a potential loss and the Company's ability to reasonably estimate a reserve with regards to other NZWT litigation matters. Furthermore, an adverse judgement in one or more NZWT litigation matters could have a material adverse impact on our consolidated financial position, results of operations or cash flows.

There remains one claim filed in 2015 on behalf of multiple plaintiffs against the Company and/or its subsidiaries as the sole defendants, which alleges that the New Zealand subsidiaries' products were inherently defective. The Company believes it has substantial factual and legal defenses to the claim and is defending the claim vigorously.

Cridge, et al. *(Case Nos. CIV-2015-485-594 and CIV-2015-485-773), In the High Court of New Zealand, Wellington Registry* (hereinafter the "Cridge litigation"). From August to December 2020, the trial of phase one of the Cridge litigation was held in Wellington, New Zealand solely to determine whether the Company's New Zealand subsidiaries had a duty to the plaintiffs and breached that duty. In August 2021, the Wellington High Court issued its decision finding in favor of the Company on all claims (the "Cridge Decision"). In September 2021, plaintiffs filed a notice of appeal of the trial court's decision, and subsequently the appellate court held a hearing in August 2022. The Company anticipates the appellate court will issue its decision during calendar year 2023. As of 31 March 2023, the Company has not recorded a reserve related to the Cridge litigation as the chance of loss remains not probable following the Cridge Decision.

Waitakere, et al. *(Case No. CIV-2015-404-3080), In the High Court of New Zealand, Auckland Registry* was settled in 24 April 2023 via a negotiated commercial agreement, the terms of which are confidential. As of 31 March 2023, under the applicable accounting guidance, the Company has accrued all costs associated with this agreement.

Readers are referred to Note 1 to our consolidated financial statements in Section 2 for further information related to our policies related to asserted and unasserted claims.

Australia Class Action Securities Claim

On 8 May 2023, a group proceeding (class action) was filed in The Supreme Court of Victoria, Australia by Raeken Pty Ltd against James Hardie Industries plc on behalf of persons who purchased certain James Hardie equity securities from 7 February 2022, through 7 November 2022. The litigation is being funded by a litigation funder in Australia, CASL Funder Pty Ltd. The proceeding includes allegations that James Hardie breached relevant provisions of the Corporations Act 2001 (Cth) and the Australian and Securities Investment Act 2001 (Cth), including with respect to certain forward-looking statements James Hardie made about forecasted financial performance measures during the period specified above. The Company is reviewing this matter and will defend the allegations vigorously. As of 31 March 2023, the Company has not recorded a reserve related to this matter as the chance of loss is not probable and the amount of loss, if any, cannot be reasonably estimated.

Environmental

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of laws and regulations on air, soil and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated.

CONTROLS AND PROCEDURES

Management's Annual Report on Internal Control Over Financial Reporting

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report. In designing and evaluating our disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and are subject to certain limitations, including the exercise of judgment by individuals, the difficulty in identifying unlikely future events, and the difficulty in eliminating misconduct completely. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, our disclosure controls and procedures were effective at a reasonable assurance level as of 31 March 2023 to ensure the information required to be disclosed in the reports that we file or submit under the Exchange Act were recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information was accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow for timely decisions regarding required disclosures.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Exchange Act. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We assessed the effectiveness of our internal control over financial reporting as of 31 March 2023. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework (2013). Based on our assessment using those criteria, we concluded that our internal control over financial reporting was effective as of 31 March 2023.

The effectiveness of our internal control over financial reporting as of 31 March 2023 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report below.

Changes in Internal Control over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the period covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of James Hardie Industries plc

Opinion on Internal Control Over Financial Reporting

We have audited James Hardie Industries plc's internal control over financial reporting as of 31 March 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, James Hardie Industries plc (the Company) maintained, in all material respects, effective internal control over financial reporting as of 31 March 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of 31 March 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended 31 March 2023, and the related notes and our report dated 16 May 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Irvine, California
16 May 2023

EMPLOYEES

During each of the last three fiscal years, we employed the following average number of people:

	Fiscal Years Ended 31 March		
	2023	2022	2021
Fiber Cement United States and Canada	3,228	3,014	2,662
Europe Building Products	981	935	937
Fiber Cement Australia	594	583	580
Fiber Cement New Zealand[1]	45	53	116
Fiber Cement Philippines	360	362	348
Research & Development, including Technology	181	186	155
General Corporate	84	63	63
Total Employees	**5,473**	**5,196**	**4,861**

1 In fiscal year 2021, based on our strategic decision to move to a regional model for the manufacture and supply of fiber cement products for the New Zealand market, we ceased all manufacturing of products in New Zealand and shifted manufacturing from New Zealand to Australia.

As of the end of 31 March 2023, of the 5,473 average number of people employed, approximately 894 employees have their employment conditions determined by collective agreements negotiated with labor unions (approximately 673 and 221 employees in Europe and Australia, respectively). Under European law, employees that are part of a collective agreement are not required to inform their employer if they are a member of a labor union. In Australia, it is a matter of individual choice whether an employee in a collective agreement is a member of a union. As such, it is possible that some of our employees covered by collective agreements in Europe and Australia may not be members of a union. In accordance with Australian law, we do not keep records of union membership. Our management believes that we have a satisfactory relationship with these unions and there are currently no ongoing labor disputes. We currently have no employees who are members of a union in the United States.

LISTING DETAILS

Trading Markets

As a company incorporated under the laws of Ireland, we have listed our securities for trading on the ASX, through the Clearing House Electronic Subregister System (“CHESS”), via CHESS Units of Foreign Securities (“CUFS”). CUFS are a form of depositary security that represent a beneficial ownership interest in the securities of a non-Australian corporation. Each of our CUFS represents the beneficial ownership of one share of common stock of JHI plc, the legal ownership of which is held by CHESS Depositary Nominees Pty Ltd ("CDN"). The CUFS are listed and traded on the ASX under the symbol “JHX.”

We have also listed our securities for trading on the NYSE. We sponsor an ADS program, whereby beneficial ownership of CUFS is represented by ADS. These ADSs trade on the NYSE in the form of ADRs, under the symbol “JHX.” Deutsche Bank Trust Company Americas (“Deutsche Bank“) has acted as the depository for our ADS program. Unless the context indicates otherwise, when we refer to ADSs, we are referring to ADRs or ADSs and when we refer to our common stock we are referring to the shares of our common stock that are represented by CUFS.

We cannot predict the prices at which our shares and ADSs will trade or the volume of trading for such securities, nor can we assure you that these securities will continue to meet the applicable listing requirements of these exchanges.

Trading on the Australian Securities Exchange

The ASX is headquartered in Sydney, Australia, with branches located in each Australian state capital. Our CUFS trade on the ASX under the symbol "JHX." The ASX is a publicly listed company with trading being undertaken by brokers licensed under the Australian Corporations Act. Trading principally takes place between the hours of 10:00 a.m. and 4:00 p.m. Australian Eastern Standard Time on each weekday (excluding Australian public holidays). Settlement of trades in uncertificated securities listed on the ASX is generally effected electronically. This is undertaken through CHESS, which is the clearing and settlement system operated by the ASX.

Trading on the New York Stock Exchange

In the United States, our ADSs trade on the NYSE under the symbol "JHX." Trading principally takes place between the hours of 9:30 a.m. and 4:00 p.m. Eastern Time on each weekday (excluding US public holidays). All inquiries and correspondence regarding ADSs should be directed to Deutsche Bank, 1 Columbus Circle Floor 17S, New York, New York 10019, United States. To speak directly to a Deutsche Bank representative, please call 1-212-250-9100. You may also send an e-mail inquiry to adr@db.com or visit the Deutsche Bank website at https:\\www.adr.db.com.

Fees and Charges Payable by Holders of our ADSs

The following is a summary of the fee provisions of our deposit agreement with Deutsche Bank. For more complete information regarding our ADS program, investors are directed to read the entire amended deposit agreement, a copy of which has been filed as Exhibit 2.1 and 2.2 to this Annual Report.

Service	Fees
Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property	Up to US$0.05 per ADS issued
Cancellation of ADSs	Up to US$0.05 per ADS issued
Distribution of cash dividends or other cash distributions	Up to US$0.05 per ADS issued
Operational and maintenance costs	An annual fee of US $0.05 per ADS held on the applicable record date established by the depositary

Additionally, under the terms of our deposit agreement, Deutsche Bank is entitled to charge each registered holder the following:

- taxes and other governmental charges;
- registration fees as may from time to time be in effect for the registration of transfers of CUFS generally on the CHESS;
- expenses for cable, telex and fax transmissions and delivery services;
- expenses incurred for converting foreign currency into US dollars;
- fees and expenses incurred in connection with compliance with exchange control regulations and other regulatory requirements applicable to CUFS, deposited securities, ADSs and ADRs; and
- fees and expenses incurred in connection with the delivery or servicing of CUFS on deposit.

If any tax or other governmental charge becomes payable with respect to any security on deposit, such tax or other governmental charge is payable by the ADS holder to Deutsche Bank. Deutsche Bank may refuse to affect any transfer or withdrawal of a deposited security until such payment is made. Deutsche Bank may withhold any dividends or other distributions or may sell for the account of the ADS holder any part or all of the deposited securities, and may apply such dividends, other distributions, or proceeds of any such sale in payment of such tax or other governmental charge and the ADS holder will remain liable for any deficiency.

Generally, Deutsche Bank collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. Additionally, Deutsche Bank collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. Deutsche Bank may collect its annual fee for depositary services by deductions from cash distributions or by directly billing investors or by charging the book-entry system of accounts of participants acting for them. Deutsche Bank may generally refuse to provide fee-attracting services until its fees for those services are paid.

As part of its service as depositary, Deutsche Bank has agreed: (i) to arrange for the local custody of the underlying shares and absorb the costs of servicing the same; (ii) to make certain annual reimbursements to us based on a percentage of net revenues collected for ADS issuance and cancellation fees, net of custody costs, which we will use toward investor relations expenses and other expenses related to the maintenance of the ADS program (we received US$52,004 in reimbursements of this type in fiscal year 2023); (iii) to waive the cost associated with administrative and reporting services under the ADS program, such costs being valued at US$60,000 per year; and (iv) to waive the access charges to www.adr.db.com, such costs being valued at US$10,000 per year.

PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On 8 November 2022, the Company announced a share buyback program to acquire up to US$200 million of its outstanding shares through October 2023. Activity under the program was as follows:

In Millions, except price per share	Total Number of Shares Purchased	Average Price Paid per Share (US$)	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet be Purchased Under the Program (US$)
1 December 2022 - 31 December 2022	1.6	$ 19.34	1.6	$ 168.8
1 January 2023 - 31 January 2023	—	—	—	168.8
1 February 2023 - 28 February 2023	1.1	21.72	1.1	144.3
1 March 2023 - 31 March 2023	1.1	$ 20.78	1.1	121.6
Total as of 31 March 2023	**3.8**		**3.8**	$ 121.6

CONSTITUTION

Our corporate domicile is in Ireland and our registered office is located at Europa House, 2nd Floor, Harcourt Centre, Harcourt Street, Dublin 2, D02 WR20, Ireland. We are registered at the Companies Registration Office of the Department of Jobs, Enterprise and Innovation in Dublin, Ireland under number 485719. Copies of our Memorandum of Association and our Articles of Association are filed as Exhibits 1.1 and 1.2 to this Annual Report. A description of each class of securities registered under Section 12 of the Securities Exchange Act of 1934 is included in Exhibit 2.17 to this Annual Report and is incorporated herein by reference.

MATERIAL CONTRACTS

Other than the contracts that are described elsewhere in this Annual Report, including, without limitation, the AFFA and related agreements, our revolving credit facility, the indentures governing our senior unsecured notes, the deposit agreement governing our ADS program, our executive compensation and equity incentive plans and certain material employment contracts described in “Section 1 – Remuneration Report” and any material contracts that have been entered into in the ordinary course of business, the Company does not have any material contracts otherwise requiring disclosure in this Annual Report.

EXCHANGE CONTROLS

The European Union ("EU") has imposed financial sanctions on a number of governments, entities, groups and individuals throughout the world in furtherance of the EU's common foreign and security policy. Ireland has given effect to these sanctions through the implementation of regulations and statutory instruments. We do not have any subsidiaries located in countries with imposed financial sanctions by the EU. In addition, we do not conduct business or other revenue-generating activities contrary to any such sanctions.

Except for restrictions contained in the regulations or statutory instruments referred to above, there are no legislative or other legal provisions currently in force in Ireland or arising under our Constitution restricting the import or export of capital, including the availability of cash and cash equivalents for use by JHI plc and its wholly owned subsidiaries, or remittances to our security holders not resident in Ireland. In addition, except for restrictions contained in the regulations or statutory instruments referred to above, cash dividends payable in US dollars on our common stock may be officially transferred from Ireland and converted into any other convertible currency.

There are no limitations, either by Irish law or in our Constitution, on the right of non-residents of Ireland to hold or vote our common stock.

TAXATION

The following summarizes the material US and Irish tax consequences of an investment in shares of our common stock. This summary does not address every aspect of taxation relevant to a particular investor subject to special treatment under any applicable law and is not intended to apply in all respects to all categories of investors. In addition, except for the matters discussed under “Irish Taxation”, this summary does not consider the effect of other foreign tax laws or any state, local or other tax laws that may apply to an investment in shares of our common stock. This summary assumes that we will conduct our business in the manner described in this Annual Report. Changes in our organizational structure or the manner in which we conduct our business may invalidate all or parts of this summary. The laws on which this summary is based could change, perhaps with retroactive effect, and any law changes could invalidate all or parts of this summary. We will not update this summary for any law changes after the date of this Annual Report.

This discussion does not bind either the US or Irish tax authorities or the courts of those jurisdictions. Except where outlined below, we have not sought a ruling nor will we seek a ruling of the US or Irish tax authorities about matters in this summary. We cannot assure you that those tax authorities will concur with the views in this summary concerning the tax consequences of the purchase, ownership or disposition of our common stock or that any reviewing judicial body in the United States or Ireland would likewise concur.

Prospective investors should consult their tax advisors regarding the particular tax consequences of acquiring, owning and disposing of shares of our common stock, including the effect of any foreign, state or local taxes.

United States Taxation

The following is a summary of the material US federal income tax consequences generally applicable to “US Shareholders” (as defined below) who beneficially own shares of our common stock and hold the shares as capital assets. For purposes of this summary, a “US Shareholder” means a beneficial owner of our common stock that is: (1) an individual who is a citizen or resident of the United States (as defined for US federal income tax purposes); (2) a corporation or other entity created or organized in or under the law of the United States or any of its political subdivisions; (3) an estate whose income is subject to US federal income taxation regardless of its source; or (4) a trust if (i) a court in the United States can exercise primary supervision over the administration of the trust, and one or more United States persons can control all of the substantial decisions of the trust, or (ii) the trust has in effect a valid election to be treated as a United States person for US federal income tax purposes. If a partnership (including for this purpose any entity treated as a partnership for US federal tax purposes) is a beneficial owner of a share of our common stock, the US federal tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of our common stock that is a partnership and partners in that partnership should consult their own tax advisers regarding the US federal income tax consequences of holding and disposing of those shares.

This summary does not comprehensively describe all possible tax issues that could influence a current or prospective US Shareholder’s decision to buy or sell shares of our common stock. In particular, this summary does not discuss: (1) the tax treatment of special classes of US Shareholders, like financial institutions, life insurance companies, tax exempt organizations, tax-qualified employer plans and other tax-qualified or qualified accounts, investors liable for the alternative minimum tax, dealers in securities, shareholders who hold shares of our common stock as part of a hedge, straddle or other risk reduction arrangement, or shareholders whose functional currency is not the US dollar; (2) the tax treatment of US Shareholders who own (directly or indirectly by attribution through certain related parties) 10% or more of our voting stock; and (3) the application of other US federal taxes, like the US federal estate tax. The

summary is based on the Internal Revenue Code (the "Code"), applicable US Department of Treasury regulations, judicial decisions and administrative rulings and practice, all as of the date of this Annual Report.

Treatment of ADSs

For US federal income tax purposes, a holder of an ADS is considered the owner of the shares of stock represented by the ADS. Accordingly, except as otherwise noted, references in this summary to ownership of shares of our common stock includes ownership of the shares of our common stock underlying the corresponding ADSs.

Taxation of Distributions

Subject to the passive foreign investment company rules discussed below, the tax treatment of a distribution on shares of our common stock held by a US Shareholder depends on whether the distribution is from our current or accumulated earnings and profits (as determined under US federal income tax principles). To the extent a distribution is from our current or accumulated earnings and profits, a US Shareholder will include the amount of the distribution in gross income as a dividend. To the extent a distribution exceeds our current and accumulated earnings and profits, a US Shareholder will treat the excess first as a non-taxable return of capital to the extent of the US Shareholder's tax basis in those shares and thereafter as capital gain. See the discussion of "Capital Gain Rates" below. Notwithstanding the foregoing described treatment, we do not intend to maintain calculations of our current and accumulated earnings and profits. Dividends received on shares of our common stock will not qualify for the inter-corporate dividends received deduction.

Distributions to US Shareholders that are treated as "qualified dividend income" are generally subject to a maximum rate of 20%. "Qualified dividend income" includes dividends received from a "qualified foreign corporation." A "qualified foreign corporation" includes (1) a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States that contains an exchange of information program and (2) a foreign corporation that pays dividends with respect to shares of its stock that are readily tradable on an established securities market in the United States. We believe that we are, and will continue to be, a "qualified foreign corporation" and that dividends we pay with respect to our shares will qualify as "qualified dividend income." To be eligible for the 20% tax rate, a US Shareholder must hold our shares un-hedged for a minimum holding period (generally, 61 days during the 121-day period beginning on the date that is 60 days before the ex-dividend date of the distribution). Although we believe we presently are, and will continue to be, a "qualified foreign corporation," we cannot guarantee that we will so qualify. For example, we will not constitute a "qualified foreign corporation" if we are classified as a "passive foreign investment company" (discussed below) in either the taxable year of the distribution or the preceding taxable year. In addition, the net investment income (including dividend income) of certain taxpayers are subject to an additional 3.8% tax rate.

Distributions to US Shareholders that are treated as dividends are generally considered income from sources outside the United States and, for purposes of computing the limitations on foreign tax credits that apply separately to specific categories of income, foreign source "passive category" income or, in the case of certain holders, "general category" income. In addition, special rules will apply to determine a US Shareholder's foreign tax credit limitation if a dividend distributed with respect to our shares constitutes "qualified dividend income" (as described above). See the discussion of "Credit of Foreign Taxes Withheld" below.

The amount of any distribution we make on shares of our common stock in foreign currency generally will equal the fair market value in US dollars of that foreign currency on the date a US Shareholder receives it. A US Shareholder will have a tax basis in the foreign currency equal to its US dollar value on the date

of receipt and will recognize ordinary US source gain or loss when it sells or exchanges the foreign currency. US Shareholders who are individuals will not recognize gain upon selling or exchanging foreign currency if the gain does not exceed US$200 in a taxable year and the sale or exchange constitutes a "personal transaction" under the Code. The amount of any distribution we make with respect to shares of our common stock in property other than money will equal the fair market value of that property on the date of distribution.

Credit of Foreign Taxes Withheld

Under certain conditions, including a requirement to hold shares of our common stock un-hedged for a certain period, and subject to limitations, a US Shareholder may claim a credit against the US Shareholder's federal income tax liability for the foreign tax owed and withheld or paid with respect to distributions on our shares. Alternatively, a US Shareholder may deduct the amount of withheld foreign taxes, but only for a year for which the US Shareholder elects to deduct all foreign income taxes. Complex rules determine how and when the foreign tax credit applies, and US Shareholders should consult their tax advisers to determine whether and to what extent they may claim foreign tax credits.

Sale or Other Disposition of Shares

Subject to the passive foreign investment company rules discussed below, a US Shareholder will recognize capital gain or loss on the sale or other taxable disposition of shares of our common stock, equal to the difference between the US Shareholder's adjusted tax basis in the shares sold or disposed of and the amount realized on the sale or disposition. Individual US Shareholders may benefit from lower marginal tax rates on capital gains recognized on shares sold, depending on the US Shareholder's holding period for the shares. See the discussion of "Capital Gain Rates" below. Capital losses that do not offset capital gains are subject to limitations on deductibility. The gain or loss from the sale or other disposition of shares of our common stock generally will be treated as income from sources within the United States for foreign tax credit purposes, unless the US Shareholder is a US citizen residing outside the United States and certain other conditions are met.

Capital Gain Rates

Long-term capital gains of certain US individual Shareholders are subject to a maximum rate of 20%. In addition, the "net investment income" (including long and short-term capital gain income) of certain taxpayers is subject to an additional tax of 3.8%.

Passive Foreign Investment Company ("PFIC") Status

Special US federal income tax rules apply to US Shareholders owning capital stock of a PFIC. A foreign corporation will be a PFIC for any taxable year in which 75% or more of its gross income is passive income or in which 50% or more of the average value of its assets is "passive assets" (generally assets that generate passive income or assets held for the production of passive income). For these purposes, passive income excludes certain interest, dividends or royalties from related parties. If we were a PFIC, each US Shareholder would likely face increased tax liabilities upon the sale or other disposition of shares of our common stock or upon receipt of "excess distributions," unless the US Shareholder elects (1) to be taxed currently on its pro rata portion of our income, regardless of whether the income was distributed in the form of dividends or otherwise (provided we furnish certain information to our shareholders), or (2) to mark its shares to market by accounting for any difference between the shares' fair market value and adjusted basis at the end of the taxable year by either an inclusion in income or a deduction from income (provided our ADSs, CUFS or common shares satisfy a test for being regularly traded on a qualified exchange or other market). Because of the manner in which we operate our business, we are not, nor do we expect to become, a PFIC.

Controlled Foreign Corporation Status

If more than 50% of either the voting power of all classes of our voting stock or the total value of our stock is owned, directly or indirectly, by citizens or residents of the United States, United States domestic partnerships and corporations or estates or trusts other than foreign estates or trusts, each of which owns 10% or more of the total combined voting power of all classes of our stock entitled to vote, which we refer to as "10-Percent Shareholders," we could be treated as a Controlled Foreign Corporation ("CFC"), under the Code. This classification would, among other consequences, require 10-Percent Shareholders to include in their gross income their pro rata shares of our "Subpart F income" (as specifically defined by the Code) and our earnings invested in US property (as specifically defined by the Code).

In addition, gain from the sale or exchange of our common shares by a United States person who is or was a 10-Percent Shareholder at any time during the five-year period ending with the sale or exchange is treated as dividend income to the extent of the earnings and profits attributable to the stock sold or exchanged. Under certain circumstances, a corporate shareholder that directly owns 10% or more of our voting shares may be entitled to an indirect foreign tax credit for income taxes we paid in connection with amounts so characterized as dividends under the Code.

US Federal Income Tax Provisions Applicable to Non-United States Holders

A Non-US Holder means a beneficial owner of our common stock that is (1) a non-resident alien of the United States for US federal income tax purposes; (2) a corporation created or organized in or under the law of a country, or any of its political subdivisions, other than the United States; or (3) an estate or trust that is not a US Shareholder. A Non-US Shareholder generally will not be subject to US federal income taxes, including US withholding taxes, on any dividends paid on our shares or on any gain realized on a sale, exchange or other disposition of the shares unless the dividends or gain is effectively connected with the conduct by the Non-US Shareholder of trade or business in the United States (and is attributable to a permanent establishment or fixed base the Non-US Shareholder maintains in the United States if an applicable income tax treaty so requires as a condition for the Non-US Shareholder to be subject to US taxation on a net income basis on income related to the common stock). A corporate Non-US Shareholder under certain circumstances may also be subject to an additional "branch profits tax" on that type of income, the rate of which may be reduced pursuant to an applicable income tax treaty. In addition, gain recognized on a sale, exchange or other disposition of our shares by a Non-US Shareholder who is an individual generally will be subject to US federal income taxes if the Non-US Shareholder is present in the United States for 183 days or more in the taxable year in which the sale, exchange or other disposition occurs and certain other conditions are met.

US Information Reporting and Backup Withholding

Dividend payments on shares of our common stock and proceeds from the sale, exchange or redemption of shares of our common stock may be subject to information reporting to the Internal Revenue Service and possible US backup withholding at a current rate of 24%. Backup withholding will not apply to a shareholder who furnishes a correct taxpayer identification number or certificate of foreign status and makes any other required certification or who is otherwise exempt from backup withholding. United States persons who are required to establish their exempt status generally must provide that certification on a properly completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification). Non-US Shareholders generally will not be subject to US information reporting or backup withholding. However, Non-US Shareholders may be required to provide certification of non-US status in connection with payments received in the United States or through certain US related financial intermediaries.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a shareholder's US federal income tax liability, and a shareholder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the Internal Revenue Service and furnishing any required information.

Irish Taxation

The following is a summary of the material Irish tax consequences generally applicable to shareholders who invest in shares of our common stock, who are neither tax resident, nor ordinarily resident in, Ireland. This summary does not contain a detailed description of all of the Irish tax consequences for all shareholders, which depend on that shareholder's particular circumstances, and should not be a substitute for advice from an appropriate professional adviser in relation to all of the possible tax issues that could influence a prospective shareholder's decision to acquire shares of our common stock. This summary is based on Irish tax legislation, relevant Irish case law, other Irish Revenue guidance and published opinions and administrative pronouncements of the Irish tax authorities, income tax treaties to which Ireland is a party, and such other authorities as we have considered relevant, all as in effect and available as at the date of this Annual Report, any of which may change possibly with retroactive effect.

Treatment of ADSs

In general, for Irish tax purposes, an owner of depositary receipts is considered the owner of the shares of stock represented by depositary receipts. Accordingly, except as otherwise noted, references in this Annual Report to ownership of shares of our common stock includes ownership of the shares underlying the corresponding ADSs.

Irish Dividend Withholding Tax

Distributions made by us to non-Irish resident shareholders will, subject to certain exceptions, be subject to Irish dividend withholding tax at a standard rate of income tax of 25% unless you are a shareholder who falls within one of the categories of exempt shareholders referred to below. Where dividend withholding tax applies, we will be responsible for withholding the dividend withholding tax at source. For dividend withholding tax purposes, a dividend includes any distribution made by us to our shareholders, including cash dividends, non-cash dividends and additional shares taken in lieu of a cash dividend.

Dividend withholding tax is not payable where an exemption applies provided that we have received all necessary documentation required by the relevant legislation from our shareholders prior to payment of the dividend.

Certain of our non-Irish tax resident shareholders (both individual and corporate) are entitled to an exemption from dividend withholding tax. In particular, a non-Irish tax resident shareholder is not subject to dividend withholding tax on dividends received from us where the shareholder is:

- an individual shareholder resident for tax purposes in either a member state of the EU (apart from Ireland) or in a country with which Ireland has a double tax treaty, and the individual is neither resident nor ordinarily resident in Ireland;
- a corporate shareholder not resident for tax purposes in Ireland nor ultimately controlled, directly or indirectly, by persons so resident and which is resident for tax purposes in either a member state of the EU (apart from Ireland) or a country with which Ireland has a double tax treaty;
- a corporate shareholder that is not resident for tax purposes in Ireland and which is ultimately controlled, directly or indirectly, by persons resident in either a member state of the EU (apart from Ireland) or in a country with which Ireland has a double tax treaty;

- a corporate shareholder that is not resident for tax purposes in Ireland and whose principal class of shares (or those of its 75% parent) is substantially and regularly traded on a recognized stock exchange in either a member state of the EU (including Ireland where the Company trades only on the Irish stock exchange) or in a country with which Ireland has a double tax treaty or on an exchange approved by the Irish Minister for Finance; or
- a corporate shareholder that is not resident for tax purposes in Ireland and is wholly-owned, directly or indirectly, by two or more companies the principal class of shares of each of which is substantially and regularly traded on a recognized stock exchange in either a member state of the EU (including Ireland where the Company trades only on the Irish stock exchange) or in a country with which Ireland has a double tax treaty or on an exchange approved by the Irish Minister for Finance; and
- provided that, in all cases noted above, the shareholder has made the appropriate non-resident declaration to us prior to payment of the dividend.

Where the shareholder is not the beneficial owner, we will be required to withhold Irish dividend withholding tax at an income tax rate of 25% unless the shareholder is a qualifying intermediary under Irish law and that shareholder has received all necessary documentation required by the relevant legislation, as described above, from the beneficial owner prior to payment of the dividend.

Where our shareholders hold ADSs, they may not be required to submit an appropriate declaration in order to receive dividends without deduction of Irish dividend withholding tax provided their registered address is in the US.

Shareholders must complete and send to us a non-resident declaration form in order to avoid Irish dividend withholding tax. If the appropriate declaration is not made, these shareholders will be liable for Irish dividend withholding tax of 25% on dividends paid by us and may not be entitled to offset this tax. In this case, it will be necessary for shareholders to apply for a refund of the withholding tax directly from the Irish Revenue authorities.

Shareholders that do not fulfill the documentation requirements or otherwise do not qualify for one of the withholding tax exemptions outlined above may be able to claim treaty benefits under a double taxation convention. In this regard, where a double taxation convention is in effect between Ireland and the country of residence of a non-resident shareholder, depending on the terms of that double taxation convention, such a non-resident shareholder may be eligible for a full or partial exemption resulting in a lower dividend withholding tax rate than 25%.

For example, under the US-Ireland Treaty, certain US corporate shareholders owning directly at least 10% of our voting power, are eligible for a reduction in withholding tax to 5% with respect to dividends that we pay, unless the shares of common stock held by such residents form part of the business property of a business carried on through a permanent establishment in Ireland. The same exception applies if the beneficial owner of the shares, being a citizen or resident of the United States, performs independent personal services from a fixed base situated in Ireland and the holding of the shares of common stock in respect of which the dividends are paid pertains to such fixed base in Ireland. A shareholder of our common stock, other than an individual, will be ineligible for the benefits of the US-Irish Treaty unless the shareholder satisfies certain tests under the LOB provisions of Article 23 of the US-Ireland Treaty. To prevent so-called dividend stripping, Irish law generally denies the treaty benefit of a reduced dividend withholding tax rate for any dividend paid to a recipient who is not the “beneficial owner” of the dividend.

Irish Taxes on Income and Capital Gains

Shareholders who are neither tax resident of, nor ordinarily resident in, Ireland should not be subject to any Irish taxes in respect of dividends distributed by us (other than the dividend withholding tax described above) or capital gains realized on the disposition of shares of our common stock unless such shares are used, held or acquired for the purposes of a trade carried on in Ireland through a branch or an agency. An individual who is temporarily a non-resident of Ireland at the time of the disposal may, under anti-avoidance legislation, still be liable to Irish taxation on any chargeable gains realized (subject to the availability of exemptions).

Capital Acquisitions Tax

Irish capital acquisitions tax ("CAT") applies to gifts and inheritances. Subject to certain tax-free thresholds (which are determined by the relationship between the donor and successor or donee), gifts and inheritances are liable to tax at the rate of 33%. Gifts and inheritances passing between spouses are exempt from CAT.

Where a gift or inheritance is taken under a disposition made on or after 1 December 1999, it will be within the charge of CAT:

- to the extent that the property of which the gift or inheritance consists is situated in Ireland at the date of the gift or inheritance;
- where the person making the gift or inheritance is or was resident or ordinarily resident in Ireland at the date of the disposition under which the gift or inheritance is taken; or
- where the person receiving the gift or inheritance is resident or ordinarily resident in Ireland at the date of the gift or inheritance.

Please note that the charge to CAT in respect of appointments from a discretionary trust can be different and as a result, specific advice should be taken in this regard.

A non-Irish domiciled individual will not be regarded as resident or ordinarily resident in Ireland for CAT purposes on a particular date unless they are resident or ordinarily resident in Ireland on that date and have been resident in Ireland for the five consecutive tax years immediately preceding the year of assessment in which the date falls.

A gift or inheritance of our common stock will be within the charge of CAT, notwithstanding that the person from whom or by whom the gift or inheritance is received is domiciled or resident outside Ireland.

The Estate Tax Convention between Ireland and the United States generally provides for CAT paid on inheritances in Ireland to be credited against US federal estate tax payable in the United States and for tax paid in the United States to be credited against tax payable in Ireland, based on priority rules set forth in the Estate Tax Convention. The Estate Tax Convention does not apply to CAT paid on gifts. Irish domestic legislation also provides for a general relief from double taxation in respect of gifts and inheritances.

Irish Stamp Duty

If a shareholder undertakes an off-market transaction involving a transfer of the underlying shares, this will be subject to Irish stamp duty at a rate of 1% of market value or consideration paid, whichever is greater, and will not be able to be registered until duly stamped. A transfer of CUFS (whether off-market and evidenced in writing or through the CHESS system) will be subject to the 1% Irish stamp duty. However, in the case of electronic transfers of shares (CUFS) through the CHESS system, no stamp duty will be collected on such transfers unless and until such time as a collection and administration process has been determined by the Revenue Commissioners in Ireland. For completeness, a conversion of

shares into CUFS or ADSs or a conversion of CUFS or ADSs into underlying shares will be liable to 1% Irish stamp duty where the conversion is on a sale or in contemplation of a sale. In each case, payment of this stamp duty will be the responsibility of the person receiving the transfer. Any electronic transfers of shares through the ADR system will not be regarded as transfers of interests in securities and will not be brought within the charge to Irish stamp duty.

Documents Available for Review

We are subject to the reporting requirements of the Exchange Act applicable to "foreign private issuers" and in accordance therewith file reports, including annual reports, and other information with the SEC. Such reports and other information have been filed electronically with the SEC since 4 November 2002. The SEC maintains a site on the Internet, at www.sec.gov, which contains reports and other information regarding issuers that file electronically with the SEC. In addition, such reports may be obtained, upon written request, from our company secretary at our corporate headquarters in Ireland or our Investor Relations department in Australia. Such reports and other information filed with the SEC prior to November 2002 may be inspected and copied at prescribed rates at the public reference facilities maintained by the SEC at 100 F Street N.E., Washington, D.C. 20549, or obtained by written request to our company secretary. Although, as a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of proxy statements and annual reports to shareholders and the quarterly reporting requirements of the Exchange Act, we:

- furnish our shareholders with annual reports containing consolidated financial statements examined by an independent registered public accounting firm; and
- furnish quarterly reports for the first three quarters of each fiscal year containing unaudited consolidated financial information in filings with the SEC under Form 6-K.

Annual Report to Security Holders

We will submit the annual report to security holders in electronic format in accordance with the EDGAR Filer Manual.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Cash and cash equivalents include amounts on deposit in banks and cash invested temporarily in various highly liquid financial instruments with original maturities of three months or less when acquired.

We have operations in foreign countries and, as a result, are exposed to foreign currency exchange rate risk inherent in purchases, sales, assets and liabilities denominated in currencies other than the US dollar. We also are exposed to interest rate risk associated with our long-term debt, foreign exchange risk relative to our AFFA liability and our Euro denominated long-term debt and commodity price risk relative to changes in prices of commodities we use in production.

Periodically, interest rate swaps and forward exchange contracts are used to manage market risks and reduce exposure resulting from fluctuations in interest rates, commodity prices and foreign currency exchange rates. Our policy is to enter into derivative instruments solely to mitigate risks in our business and not for trading or speculative purposes. There can be no assurance that we will be successful in these mitigation strategies or that fluctuation in interest rates, commodity prices and foreign currency exchange rates will not have a material adverse effect on our financial position, liquidity, results of operations and cash flows.

Foreign Currency Exchange Rate Risk

We have significant operations outside of the United States and, as a result, are exposed to changes in exchange rates which affect our financial position, results of operations and cash flow. In addition, payments to AICF are required to be made in Australian dollars which, because the majority of our revenues are produced in US dollars, exposes us to risks associated with fluctuations in the US dollar/ Australian dollar exchange rate. See “Section 3 – Risk Factors” of this Annual Report.

For our fiscal year ended 31 March 2023, the following currencies comprised the following percentages of our net sales, expenses and liabilities:

	US$	A$	Euros	NZ$	Other[1]
Net sales	70.0 %	10.1 %	11.9 %	2.3 %	5.7 %
Expenses[2]	68.6 %	9.3 %	14.4 %	3.1 %	4.6 %
Liabilities (excluding borrowings)[2]	25.7 %	59.2 %	11.9 %	2.3 %	0.9 %

For our fiscal year ended 31 March 2022, the following currencies comprised the following percentages of our net sales, expenses and liabilities:

	US$	A$	Euros	NZ$	Other[1]
Net sales	66.6 %	10.8 %	13.5 %	3.2 %	5.9 %
Expenses[2]	63.5 %	13.7 %	14.8 %	3.4 %	4.6 %
Liabilities (excluding borrowings)[2]	25.3 %	61.7 %	10.0 %	2.4 %	0.6 %

1 Comprised of Philippine pesos and Canadian dollars.

2 Liabilities include A$ denominated asbestos liability. Expenses include cost of goods sold, SG&A expenses, R&D expenses and adjustments to the asbestos liability. See “Section 3 – Risk Factors,” and Note 12 to our consolidated financial statements further information regarding the asbestos liability.

We purchase raw materials and fixed assets and sell some finished product for amounts denominated in currencies other than the functional currency of the business in which the related transaction is generated. Further, in order to protect against foreign exchange rate movements, we may enter into forward exchange contracts timed to mature when settlement of the underlying transaction is due to occur. For further information, see Note 13 to our consolidated financial statements in Section 2.

Funding Under the AFFA

The Australian dollar to US dollar assets and liabilities rate moved from 0.7482 as of 31 March 2022 to 0.6711 as of 31 March 2023, a 10% movement, resulting in a US$45.9 million favorable impact on our fiscal year 2023 net income. Assuming that our unfunded net AFFA liability in Australian dollars remains unchanged at A$534.5 million and that we do not hedge this foreign exchange exposure, a 10% movement in the Australian dollar to US dollar exchange rate (at the 31 March 2023 exchange rate of 0.6711) would have approximately a US$35.9 million favorable or unfavorable impact on our net income.

For fiscal year 2022, assuming that our unfunded net AFFA liability in Australian dollars remains unchanged at A$579.4 million and that we do not hedge this foreign exchange exposure, a 10% movement in the Australian dollar to US dollar exchange rate (at the 31 March 2022 exchange rate of 0.7482) would have approximately a US$43.4 million favorable or unfavorable impact on our net income.

Interest Rate Risk

We have market risk from changes in interest rates, primarily related to our revolving credit facility. As of 31 March 2023 and 2022, our revolving credit facility was subject to variable interest rates. Assuming all loans were fully drawn, each one percentage point change in interest rates would result in a US$6.1 million change in annual cash interest expense under the revolving credit facility. At 31 March 2023 and 31 March 2022, we had US$230.0 million and US$40.0 million outstanding under our revolving credit facility exposing us to market risk due to changes in the rate at which interest accrues.

Commodity Price Risk

We are exposed to changes in prices of commodities used in our operations, primarily associated with energy, fuel and raw materials. While we expect to continue operating in tight markets for these commodities, we do enter into various sourcing arrangements in an effort to minimize additional working capital requirements caused by rising prices. These arrangements provide discounts on the prices of such commodities in relation to market prices and indices, however, if such commodity prices do not continue to rise, these fixed pricing arrangements may negatively impact our cost of sales over the longer-term.

We have assessed the market risk of our core commodities and believe that a +/- 10% change in the average cost of these materials for the year ended 31 March 2023 would have resulted in +/- US$60.4 million or 2.5% impact on our cost of sales for fiscal year 2023.

For fiscal year 2022, we have assessed the market risk of our core commodities and believe that a +/- 10% change in the average cost of these materials for the year ended 31 March 2022 would have resulted in +/- US$55.9 million or 2.4% impact on our cost of sales for fiscal year 2022.

SECTION 4

SHARE/CHESS UNITS OF FOREIGN SECURITIES INFORMATION

As of 30 April 2023, JHI plc had 442,056,296 CUFS issued over ordinary shares listed on the ASX and held by CHESS Depositary Nominees Pty Ltd ("CDN") on behalf of 41,654 CUFS holders. Each CUFS represents the beneficial ownership of one ordinary share and carries the right to one vote. Each CUFS holder can direct CDN on how to vote the ordinary shares on a one vote per CUFS basis. RSUs issued by the Company carry no voting rights.

At 30 April 2023, to our knowledge, we are not directly or indirectly owned or controlled by another corporation, by a foreign government or by any other natural or legal persons severally or jointly, and we are not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company.

Geographic Distribution of Beneficial Ownership of James Hardie Industries plc

The following table shows the geographic distribution of the beneficial holders of our CUFS at 31 March 2023 and 2022:

Geographic Region	31 March 2023	31 March 2022
Australia	58.52 %	56.02 %
United States	14.82 %	18.73 %
United Kingdom	3.76 %	6.17 %
Europe (excluding the United Kingdom)	7.30 %	4.75 %
Asia	4.15 %	4.81 %
Other	11.45 %	9.52 %

As of 30 April 2023, 0.07% of the outstanding shares of our common stock was held by 77 CUFS holders with registered addresses in the United States. In addition, as of 30 April 2023, 1.77% of the outstanding shares of our common stock was represented by ADSs held by 10 holders, all of whom have registered addresses in the United States, except 2 holders having registered addresses in Germany and the United Kingdom. A total of 1.84% of our outstanding capital stock was registered to 85 US holders as of 30 April 2023.

Distribution Schedule of James Hardie Industries plc

The following table shows a distribution of the holders of our CUFS at 30 April 2023:

Size of Holding Range	CUFS			Options	
	Holders	Holdings	Total %	Holders	Holdings
1-1,000	32,320	10,117,254	2.29	-	-
1,001-5,000	7,966	16,701,918	3.78	-	-
5,001-10,000	824	5,864,969	1.33	-	-
10,001-100,000	481	10,385,270	2.35	-	-
100,001 and over	63	398,986,885	90.25	-	-
Totals	41,654	442,056,296	100.00	-	-

Based on the closing price of A$33.49 on 30 April 2023, there were 495 CUFS holders that held less than a marketable parcel of shares.

Substantial CUFS holders of James Hardie Industries plc

As at 30 April 2023, the Company had received notification of the following interests in its share capital, which were equal to, or in excess of, 3%:

CUFS holder	Shares Beneficially Owned	Percentage of Shares Outstanding	Date became substantial shareholder
AustralianSuper Pty Ltd	31,657,083	7.16 %	2 September 2019
OppenheimerFunds, Inc.	23,564,091	5.33 %	30 June 2016
Bennelong Funds Management Group Pty Ltd	23,122,344	5.23 %	16 December 2020
Blackrock, Inc	22,124,016	5.00 %	16 October 2014
The Vanguard Group, Inc.	21,751,259	4.92 %	17 August 2018
Challenger Limited	18,918,753	4.28 %	23 May 2018
Commonwealth Bank of America	17,819,160	4.03 %	15 August 2014
Mitsubishi UFJ Financial Group, Inc.	17,710,959	4.01 %	2 August 2019
KKR Entities	17,556,051	3.97 %	1 December 2021
Schroders plc	14,529,189	3.29 %	1 June 2015

James Hardie Industries plc 20 largest CUFS holders and their holdings as of 30 April 2023

Name	CUFS Holdings	Percentage	Rank
HSBC Custody Nominees (Australia) Limited	135,004,351	30.54 %	1
J P Morgan Nominees Australia Pty Limited	100,222,892	22.67 %	2
Citicorp Nominees Pty Limited	68,962,778	15.60 %	3
National Nominees Limited	29,315,706	6.63 %	4
BNP Paribas Noms Pty Ltd	13,384,555	3.03 %	5
BNP Paribas Nominees Pty Ltd	11,817,007	2.67 %	6
Citicorp Nominees Pty Limited	8,367,682	1.89 %	7
Australian Foundation Investment Company Limited	4,400,000	1.00 %	8
HSBC Custody Nominees (Australia) Limited	2,985,454	0.68 %	9
HSBC Custody Nominees (Australia) Limited	2,616,154	0.59 %	10
BNP Paribas Nominees Pty Ltd	2,511,879	0.57 %	11
Netwealth Investments Limited	1,838,237	0.42 %	12
HSBC Custody Nominees (Australia) Limited	1,211,314	0.27 %	13
Australian Foundation Investment Company Limited	1,025,383	0.23 %	14
The Senior Master of the Supreme Court	917,370	0.21 %	15
Argo Investments Limited	891,000	0.20 %	16
BNP Paribas Noms (NZ) Ltd	786,838	0.18 %	17
Netwealth Investments Limited	727,672	0.16 %	18
Djerriwarrh Investments Limited	675,000	0.15 %	19
HSBC Custody Nominees (Australia) Limited	635,676	0.14 %	20
TOTAL	**388,296,948**	**87.84 %**	

GLOSSARY OF ABBREVIATIONS AND DEFINITIONS

Abbreviations

2001 Plan	2001 Equity Incentive Plan
ADR	American Depositary Receipt
ADS	American Depositary Share
AFFA	Amended and Restated Final Funding Agreement, as amended from time to time
AGM	Annual General Meeting
AICF	Asbestos Injuries Compensation Fund
ASC	Accounting Standards Codification
ASIC	Australian Securities and Investments Commission
ASU	Accounting Standards Update
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
CARES Act	US Coronavirus Aid, Relief, and Economic Security Act
CCPA	California Consumer Privacy Act
CDN	CHESS Depositary Nominees Pty Ltd
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Information Officer
CHESS	Clearing House Electronic Subregister System
CP Plan	Company Performance Plan
CSO	Chief Sustainability Officer
CUFS	CHESS Units of Foreign Securities
EPS	Earnings Per Share
ESG	Environmental, Social and Governance
FASB	Financial Accounting Standards Board
GDPR	General Data Protection Regulation
IP Plan	Individual Performance Plan
IRS	Internal Revenue Service
LIBOR	London Interbank Offered Rate
LOB	Limitation on Benefits
LTI	Long-Term Incentive
LTIP	Long-Term Incentive Plan 2006
NOLs	US net operating losses
NSW	New South Wales
NYSE	New York Stock Exchange
NZWT	New Zealand Weathertightness
PDG	Primary Demand Growth
R&D	Research and Development
ROCE	Return on Capital Employed
RSU	Restricted Stock Unit
SEC	United States Securities and Exchange Commission

Abbreviations (continued)

SG&A	Selling, General and Administrative
STI	Short- Term Incentive
TCFD	Taskforce on Climate-related Financial Disclosures
TSR	Total Shareholder Return

Definitions

This Annual Report contains financial measures that are considered to be non-US GAAP, but are consistent with those used by Australian companies. Because the Company prepares its consolidated financial statements in accordance with US GAAP, the following cross-references each US GAAP financial measure as used in the Company's consolidated financial statements to the equivalent non-US GAAP financial measure listed.

EBIT - Earnings before interest and tax is equivalent to the US GAAP financial statement line item Operating income (loss).

EBIT margin - EBIT margin is defined as EBIT as a percentage of net sales. EBIT margin is equivalent to the US GAAP terminology Operating income (loss) margin.

Other Financial Measures

Sales Volume

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

Price/Mix – The percentage growth in revenue attributable to price increases and shift in mix of products sold. Price/Mix is calculated as the Net Sales growth percentage less the Volume growth percentage.

Working Capital – The working capital calculation used in our cash provided by operating analysis includes the change in: (1) Accounts and other receivables, net; (2) Inventories; and (3) Accounts payable and accrued liabilities.

Non-GAAP Financial Information Derived from GAAP Measures

This Annual Report includes certain financial information to supplement the Company's consolidated financial statements which are prepared in accordance with accounting principles generally accepted in the United States ("US 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 include:

- Adjusted operating income;
- Adjusted net income;
- Adjusted diluted earnings per share;
- Adjusted Return on Capital Employed ("ROCE");
- Adjusted interest, net;
- Adjusted income before income taxes;
- Adjusted income tax expense;
- Adjusted effective tax rate;
- North America Fiber Cement Segment Adjusted operating income;
- Asia Pacific Fiber Cement Segment Adjusted operating income;
- Europe Building Products Segment Adjusted operating income;
- North America Fiber Cement Segment Adjusted operating income margin;
- Asia Pacific Fiber Cement Segment Adjusted operating income margin; and
- Europe Building Products Segment Adjusted operating income margin.

These financial measures are or may be non-US 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 US GAAP. These financial measures are not meant to be considered in isolation or as a substitute for comparable US GAAP financial measures and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with US GAAP. In evaluating these financial measures, investors should note that other companies reporting or describing similarly titled financial measures may calculate them differently and investors should exercise caution in comparing the Company's financial measures to similar titled measures by other companies.

Adjusted operating income

(Millions of US dollars)	FY23	FY22	FY21	FY20	FY19	FY18
Operating income	$ 741.4	$ 682.6	$ 472.8	$ 342.5	$ 351.6	$ 229.2
Excluding:						
Asbestos:						
Asbestos adjustments loss	37.0	131.7	143.9	58.2	22.0	156.4
AICF SG&A expenses	1.4	1.3	1.2	1.7	1.5	1.9
Restructuring and product line discontinuation expenses	—	—	11.1	84.4	29.5	—
Fermacell acquisition costs	—	—	—	—	—	10.0
Adjusted operating income	**$ 779.8**	**$ 815.6**	**$ 629.0**	**$ 486.8**	**$ 404.6**	**$ 397.5**

Adjusted net income

(Millions of US dollars)	FY23	FY22	FY21	FY20	FY19	FY18
Net income	$ 512.0	$ 459.1	$ 262.8	$ 241.5	$ 228.8	$ 146.1
Excluding:						
Asbestos:						
Asbestos adjustments loss	37.0	131.7	143.9	58.2	22.0	156.4
AICF SG&A expenses	1.4	1.3	1.2	1.7	1.5	1.9
AICF interest income, net	(4.2)	(0.9)	(0.5)	(1.4)	(2.0)	(1.9)
Restructuring and product line discontinuation expenses	—	—	11.1	84.4	29.5	—
Fermacell acquisition costs	—	—	—	—	—	10.0
Loss on early debt extinguishment	—	—	—	—	1.0	26.1
Tax adjustments[1]	59.3	29.5	39.5	(31.6)	19.7	(47.3)
Adjusted net income	**$ 605.5**	**$ 620.7**	**$ 458.0**	**$ 352.8**	**$ 300.5**	**$ 291.3**

1. Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments

Adjusted diluted earnings per share

	FY23	FY22	FY21	FY20	FY19	FY18
Adjusted net income (millions of US dollars)	$ 605.5	$ 620.7	$ 458.0	$ 352.8	$ 300.5	$ 291.3
Weighted average common shares outstanding - Diluted (millions)	445.6	445.9	445.4	444.1	443.0	442.3
Adjusted diluted earnings per share (US dollars)	**1.36**	**1.39**	**1.03**	**0.79**	**0.68**	**0.66**

Adjusted Return on Capital Employed ("Adjusted ROCE")

(Millions of US dollars)	FY23	FY22	FY21	FY20	FY19	FY18
Numerator						
Adjusted operating income	$ 779.8	$ 815.6	$ 629.0	$ 486.8	$ 404.6	$ 397.5
Adjustments to operating income[1]	—	—	—	—	(7.3)	—
Adjusted operating income for ROCE	**779.8**	**815.6**	**629.0**	**486.8**	**397.3**	**397.5**
Denominator						
Gross capital employed (GCE)	1,816.5	1,653.9	1,780.8	1,753.7	1,492.7	1,272.0
Adjustments to GCE[2]	(184.8)	(56.4)	(193.6)	(195.5)	(77.4)	(24.3)
Adjusted gross capital employed	**$ 1,631.7**	**$ 1,597.5**	**$ 1,587.2**	**$ 1,558.2**	**$ 1,415.3**	**$ 1,247.7**
Adjusted ROCE	**47.8%**	**51.1%**	**39.6%**	**31.2%**	**28.1%**	**31.9%**

[1] Adjustments as calculated according to ROCE stock compensation plan documents

[2] Calculated as Total Assets minus Current Liabilities as reported in our financial results; adjusted by (i) excluding balance sheet items related to legacy issues (such as asbestos adjustments) dividends payable and deferred taxes; (ii) adding back asset impairment charges in the relevant period, unless otherwise determined by the remuneration committee; (iii) adding back leasehold assets for manufacturing facilities and other material leased assets (FY18-FY19) and (iv) deducting all greenfield construction-in-progress, and any brownfield construction-in-progress projects involving capacity expansion that are individually greater than US$20 million, until such assets reach commercial production and are transferred to the fixed asset register

Adjusted interest, net

(Millions of US dollars)	FY23	FY22
Interest, net	$ 30.7	$ 39.3
AICF interest income, net	(4.2)	(0.9)
Adjusted interest, net	**$ 34.9**	**$ 40.2**

Adjusted effective tax rate

(Millions of US dollars)	FY23	FY22
Income before income taxes	**$ 723.5**	**$ 643.1**
Asbestos:		
Asbestos adjustments loss	37.0	131.7
AICF SG&A expenses	1.4	1.3
AICF interest income, net	(4.2)	(0.9)
Adjusted income before income taxes	**$ 757.7**	**$ 775.2**
Income tax expense	211.5	184.0
Tax adjustments[1]	(59.3)	(29.5)
Adjusted income tax expense	**$ 152.2**	**$ 154.5**
Effective tax rate	29.2%	28.6%
Adjusted effective tax rate	**20.1%**	**19.9%**

[1] Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments

North America Fiber Cement Segment Adjusted operating income

(Millions of US dollars)	FY23	FY22	FY21	FY20	FY19
Operating income	$ 767.5	$ 741.2	$ 585.5	$ 429.3	$ 382.5
Excluding:					
Restructuring and product line discontinuation expenses	—	—	2.5	41.2	5.4
North America Fiber Cement Segment Adjusted operating income	**$ 767.5**	**$ 741.2**	**$ 588.0**	**$ 470.5**	**$ 387.9**
North America Fiber Cement segment net sales	2,787.6	2,551.3	2,040.2	1,816.4	1,676.9
North America Fiber Cement Segment Adjusted operating income margin	**27.5%**	**29.1%**	**28.8%**	**25.9%**	**23.1%**

Asia Pacific Fiber Cement Segment Adjusted operating income

(Millions of Australian dollars)	FY23	FY22	FY21	FY20	FY19
Operating income	A$ 208.8	A$ 217.4	A$ 172.4	A$ 80.8	A$ 136.5
Excluding:					
Restructuring expenses	—	—	4.9	58.3	—
Asia Pacific Fiber Cement Segment Adjusted operating income	**A$ 208.8**	**A$ 217.4**	**A$ 177.3**	**A$ 139.1**	**A$ 136.5**
Asia Pacific Fiber Cement segment net sales	787.0	777.7	635.2	614.1	612.2
Asia Pacific Fiber Cement Segment Adjusted operating income margin	**26.5%**	**28.0%**	**28.0%**	**22.7%**	**22.3%**

Europe Building Products Segment Adjusted operating income

(Millions of Euros)	FY23	FY22	FY21	FY20	FY19
Operating income	€ 25.2	€ 54.2	€ 31.4	€ 10.0	€ 9.1
Excluding:					
Restructuring expenses	—	—	4.5	4.9	—
Europe Building Products Segment Adjusted operating income	**€ 25.2**	**€ 54.2**	**€ 35.9**	**€ 14.9**	**€ 9.1**
Europe Building Products segment net sales	431.8	420.5	350.6	334.2	318.0
Europe Building Products Segment Adjusted operating income margin	**5.8%**	**12.9%**	**10.4%**	**4.5%**	**2.7%**

EXHIBIT LIST

Exhibit Number	Exhibit Description
1.1	Memorandum of Association of James Hardie Industries plc, as amended (filed as Exhibit 1.1 to the Company's Annual Report on Form 20-F filed on 18 May 2021 (Commission File 001-15240) and incorporated by reference herein)
1.2	Articles of Association of James Hardie Industries plc (filed as Exhibit 1.2 to the Company's Annual Report on Form 20-F filed on 18 May 2021 (Commission File 001-15240) and incorporated by reference herein)
2.1	Amended and Restated Deposit Agreement, by and among James Hardie Industries plc, Deutsche Bank Trust Company Americas, as depositary, and the holders and beneficial owners of American depositary shares evidenced by American depositary receipts issued thereunder (filed as Exhibit 99.A to the Company's Registration Statement on Form F-6 filed on 25 September 2014 (Commission File Number 333-198928) and incorporated by reference herein)
2.2	Form of Amendment No. 1 to Amended and Restated Deposit Agreement (filed as Exhibit 99(A)(2) to the Company's Post-Effective Amendment No. 1 to Form F-6 filed on 03 September 2015 (Commission File Number 333-198928) and incorporated by reference herein)
2.3	Guarantee Trust Deed, dated 19 December 2006, by and between James Hardie Industries N.V. and AET Structured Finance Services Pty Limited (filed as Exhibit 4.12 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.4	Performing Subsidiary Undertaking and Guarantee Trust Deed, dated 19 December 2006, by and between James Hardie 117 Pty Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 4.14 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.5	Intercreditor Deed, dated 19 December 2006, by and among The State of New South Wales, James Hardie Industries N.V., Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 10.34 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.6	Letter Agreement, dated 21 March 2007, amending the Intercreditor Deed, dated 19 December 2006, by and among The State of New South Wales, James Hardie Industries N.V., Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 10.35 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.7	Performing Subsidiary Intercreditor Deed, dated 19 December 2006, by and among The State of New South Wales, James Hardie 117 Pty Limited, Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 10.37 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.8	Letter Agreement, dated 21 March 2007, amending the Performing Subsidiary Intercreditor Deed, dated 19 December 2006, by and among The State of New South Wales, James Hardie 117 Pty Limited, Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 10.38 to the Company's Post-Effective No. 1 to Form F-4 filed on 17 June 2010 (Commission File Number 333-165531) and incorporated by reference herein)
2.9	Amending Deed to Guarantee Trust Deed, dated 6 October 2009, by and between James Hardie Industries N.V. and AET Structured Finance Services Pty Limited (filed as Exhibit 2.10 to the Company's Annual Report on Form 20-F filed on 30 June 2010 (Commission File 001-15240) and incorporated by reference herein)
2.10	Amending Deed to Performing Subsidiary Undertaking and Guarantee Trust Deed, dated 6 October 2009, by and between James Hardie 117 Pty Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 2.12 to the Company's Annual Report on Form 20-F filed on 30 June 2010 (Commission File 001-15240) and incorporated by reference herein)
2.11	Amending Deed (Intercreditor Deed), dated 23 June 2009, by and among The State of New South Wales, James Hardie Industries N.V., Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 4.36 to the Company's Annual Report on Form 20-F filed on 30 June 2010 (Commission File 001-15240) and incorporated by reference herein)

Exhibit Number	Exhibit Description
2.12	Amending Deed (Performing Subsidiary Intercreditor Deed), dated 23 June 2009, by and among The State of New South Wales, James Hardie 117 Pty Limited, Asbestos Injuries Compensation Fund Limited and AET Structured Finance Services Pty Limited (filed as Exhibit 4.39 to the Company's Annual Report on Form 20-F filed on 30 June 2010 (Commission File 001-15240) and incorporated by reference herein)
2.13	Indenture, dated 13 December 2017, by and among James Hardie International Finance Designated Activity Company, the guarantors named therein and Deutsche Bank Trust Company Americas (filed as Exhibit 2.13 to the Company's Annual Report on Form 20-F filed on 22 May 2018 (Commission File 001-15240) and incorporated by reference herein)
2.14	Form of 5.000% Senior Note due 2028 (filed as Exhibit 2.15 to the Company's Annual Report on Form 20-F filed on 22 May 2018 (Commission File 001-15240) and incorporated by reference herein)
2.15	Indenture, dated 4 October 2018, among James Hardie International Finance Designated Activity Company, the guarantors listed therein, Deutsche Bank Trust Company Americas, as Trustee and Registrar and Deutsche Bank AG, London Branch, as Paying Agent and Transfer Agent (filed as Exhibit 99.8 to the Company's Report on Form 6-K filed 8 November 2018 (Commission File Number 001-15240 and incorporated by reference herein)
2.16	Form of 3.625% Senior Notes due 2026 ((filed as Exhibit 99.8 to the Company's Report on Form 6-k filed 8 November 2018 (Commission File Number 001-15240 and incorporated by reference herein)
2.17	Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934 (filed as Exhibit 2.19 to the Company's Annual Report on Form 20-F filed on 18 May 2021 (Commission File 001-15240) and incorporated by reference herein)
2.18	Credit and Guaranty Agreement, dated 21 December 2021, by and among James Hardie International Finance Designated Activity Company and James Hardie Building Products Inc., as borrowers, James Hardie International Group Limited and James Hardie Technology Limited, as guarantors, James Hardie Industries plc, as parent, HSBC Bank USA, National Association, as administrative agent, and the other lender parties thereto (filed as Exhibit 2.18 to the Company's Annual Report on Form 20-F filed on 17 May 2022 (Commission File 001-15240) and incorporated by reference herein)
4.1	Amended and Restated James Hardie Industries SE 2001 Equity Incentive Plan (filed as Exhibit 4.1 to the Company's Annual Report on Form 20-F filed on 17 May 2022 (Commission File 001-15240) and incorporated by reference herein)
4.2	Amended and Restated James Hardie Industries plc Long Term Incentive Plan 2006 (filed as Exhibit 4.2 to the Company's Annual Report on Form 20-F filed on 17 May 2022 (Commission File 001-15240) and incorporated by reference herein)
4.3	Form of Joint and Several Indemnity Agreement among James Hardie N.V., James Hardie (USA) Inc. and certain indemnitees thereto (filed as Exhibit 4.15 to the Company's Annual Report on Form 20-F filed on 7 July 2005 (Commission File 001-15240) and incorporated by reference herein)
4.4	Form of Joint and Several Indemnity Agreement among James Hardie Industries N.V., James Hardie Inc. and certain indemnitees thereto (filed as Exhibit 4.16 to the Company's Annual Report on Form 20-F filed on 7 July 2005 (Commission File 001-15240) and incorporated by reference herein)
4.5	Form of Deed of Access, Insurance and Indemnity between James Hardie Industries N.V. and supervisory board directors and managing board directors (filed as Exhibit 4.9 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.6	Form of Indemnity Agreement between James Hardie Building Products, Inc. and supervisory board directors, managing board directors and certain executive officers (filed as Exhibit 4.10 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.7	Form of Irish law-governed Deed of Access, Insurance and Indemnity between James Hardie Industries SE, a European Company registered in Ireland, and its directors, company secretary and certain senior employees thereto (filed as Exhibit 10.10 to the Company's Registration Statement on Form F-4 filed on 23 June 2009 (Commission File 333-160177) and incorporated by reference herein)

Exhibit Number	Exhibit Description
4.8	Form of Deed of Access, Insurance and Indemnity between James Hardie Industries plc, and certain indemnitees thereto (filed as Exhibit 4.9 to the Company's Annual Report on Form 20-F filed on 21 May 2015 (Commission File 001-15240) and incorporated by reference herein)
4.9	Deed of Release - Unions and Banton, dated 21 December 2005, by and among James Hardie Industries N.V., Australian Council of Trade Unions, Unions New South Wales, and Bernard Douglas Banton (filed as Exhibit 4.23 to the Company's Annual Report on Form 20-F filed on 29 September 2006 (Commission File 001-15240) and incorporated by reference herein)
4.10	Deed of Release, dated 22 June 2006, by and between James Hardie Industries N.V. and The State of New South Wales (filed as Exhibit 4.25 to the Company's Annual Report on Form 20-F filed on 29 September 2006 (Commission File 001-15240) and incorporated by reference herein)
4.11	Amended and Restated Final Funding Agreement, dated 21 November 2006, by and among James Hardie Industries N.V., James Hardie 117 Pty Ltd, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 99.4 to the Company's Report on Form 6-K filed on 05 January 2007 (Commission File 001-15240) and incorporated by reference herein)
4.12	Asbestos Injuries Compensation Fund Amended and Restated Trust Deed, dated 14 December 2006, by and between James Hardie Industries N.V. and Asbestos Injuries Compensation Fund Limited (filed as Exhibit 4.22 to the Company's Annual Report on Form 20-F filed on 6 July 2007 (Commission File 001-15240) and incorporated by reference herein)
4.13	Second Irrevocable Power of Attorney, dated 14 December 2006, by and between Asbestos Injuries Compensation Fund Limited and The State of New South Wales (filed as Exhibit 4.26 to the Company's Annual Report on Form 20-F filed on 6 July 2007 (Commission File 001-15240) and incorporated by reference herein)
4.14	Deed of Accession, dated 14 December 2006, by and among Asbestos Injuries Compensation Fund Limited, James Hardie Industries N.V., James Hardie 117 Pty Limited and The State of New South Wales (filed as Exhibit 4.27 to the Company's Annual Report on Form 20-F filed on 6 July 2007 (Commission File 001-15240) and incorporated by reference herein)
4.15	Amendment to Amended and Restated Final Funding Agreement, dated 6 August 2007, by and among, James Hardie Industries NV, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 4.22 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.16	Deed Poll, dated 11 June 2008, amendment of the Asbestos Injuries Compensation Fund Amended and Restated Trust Deed (filed as Exhibit 4.27 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.17	Amendment to Amended and Restated Final Funding Agreement, dated 8 November 2007, by and among, James Hardie Industries NV, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 4.23 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.18	Amendment to Amended and Restated Final Funding Agreement, dated 11 June 2008, by and among, James Hardie Industries NV, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 4.24 to the Company's Annual Report on Form 20-F filed on 8 July 2008 (Commission File 001-15240) and incorporated by reference herein)
4.19	Amendment to Amended and Restated Final Funding Agreement, dated 17 July 2008, by and among, James Hardie Industries NV, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 10.27 to the Company's Registration Statement on Form F-4 filed on 23 June 2009 (Commission File 333-160177) and incorporated by reference herein)

Exhibit Number	Exhibit Description
4.20	Deed of Confirmation, dated 23 June 2009, by and among James Hardie Industries N.V, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 10.37 to the Company's Registration Statement on Form F-4/A filed on 10 July 2009 (Commission File 333-160177) and incorporated by reference herein)
4.21	Amending Agreement (Parent Guarantee), dated 23 June 2009, by and among Asbestos Injuries Compensation Fund Limited, The State of New South Wales and James Hardie Industries N.V. (filed as Exhibit 4.30 to the Company's Annual Report on Form 20-F filed on 30 June 2010 (Commission File 001-15240) and incorporated by reference herein)
4.22	Deed to amend the Amended and Restated Final Funding Agreement and facilitate the Authorized Loan Facility, dated 9 December 2010, by and among James Hardie Industries SE, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of each of the Compensation Funds (filed as Exhibit 4.25 to the Company's Annual Report on Form 20-F filed on 29 June 2011 (Commission File 001-15240) and incorporated by reference herein)
4.23	AICF facility agreement, dated 9 December 2010, by and among Asbestos Injuries Compensation Fund Limited, ABN 60 Pty Limited, Amaca Pty Ltd, Amaba Pty Ltd and The State of New South Wales (filed as Exhibit 4.40 to the Company's Annual Report on Form 20-F filed on 29 June 2011 (Commission File 001-15240) and incorporated by reference herein)
4.24	Fixed and Floating Charge, dated 9 December 2010, by and among Asbestos Injuries Compensation Fund Limited, ABN 60 Pty Limited, Amaca Pty Ltd, Amaba Pty Ltd and The State of New South Wales (filed as Exhibit 4.41 to the Company's Annual Report on Form 20-F filed on 29 June 2011 (Commission File 001-15240) and incorporated by reference herein)
4.25	Deed to amend the Amended and Restated Final Funding Agreement, dated 29 February 2012, by and among James Hardie Industries SE, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of each of the Compensation Funds (filed as Exhibit 4.27 to the Company's Annual Report on Form 20-F filed on 2 July 2012 (Commission File 001-15240) and incorporated by reference herein)
4.26	Deed to amend the Amended and Restated Final Funding Agreement, dated 28 March 2012, by and among James Hardie Industries SE, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of each of the Compensation Funds (filed as Exhibit 4.28 to the Company's Annual Report on Form 20-F filed on 2 July 2012 (Commission File 001-15240) and incorporated by reference herein)
4.27	Summary of Amendments to Amended and Restated Final Funding Agreement, dated 20 December 2013, by and among, James Hardie Industries NV, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee of the Asbestos Injuries Compensation Fund (filed as Exhibit 4.37 to the Company's Annual Report on Form 20-F filed on 26 June 2014 (Commission File 001-15240) and incorporated by reference herein)
4.28	Deed of Amendment, dated 27 February 2015, by and among Asbestos Injuries Compensation Fund Limited, ABN 60 Pty Limited, Amaca Pty Ltd, Amaba Pty Ltd and The State of New South Wales (filed as Exhibit 4.32 to the Company's Annual Report on Form 20-F filed on 21 May 2015 (Commission File Number 001-15240) and incorporated by reference herein)
4.29	Deed of Amendment, Amended and Restated Final Funding Agreement, dated 19 December 2017, by and among James Hardie Industries plc, James Hardie 117 Pty Limited, The State of New South Wales and Asbestos Injuries Compensation Fund Limited in its capacity as trustee for each of the Compensation Fund (filed as Exhibit 4.31 to the Company's Annual Report on Form 20-F filed on 22 May 2018 (Commission File 001-15240) and incorporated by reference herein)
4.30	James Hardie Industries plc 2020 Non-Executive Director Equity Plan (filed as Exhibit 4.34 to the Company's Annual Report on Form 20-F filed on 18 May 2021 (Commission File 001-15240) and incorporated by reference herein)
8.1*	List of significant subsidiaries of James Hardie Industries plc

Exhibit Number	Exhibit Description
12.1*	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1*	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Ernst & Young LLP, independent registered public accounting firm
15.2*	Consent of KPMG
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and included as part of the Exhibit 101 Inline XBRL Document Set)

* Filed herewith

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

JAMES HARDIE INDUSTRIES plc

By: /s/ AARON ERTER
Aaron Erter
Chief Executive Officer

Date: 16 May 2023

This Annual Report has been approved by the Board of Directors of James Hardie Industries plc.

JAMES HARDIE INDUSTRIES plc

By: /s/ ANNE LLOYD
Anne Lloyd
Chairperson

Date: 16 May 2023