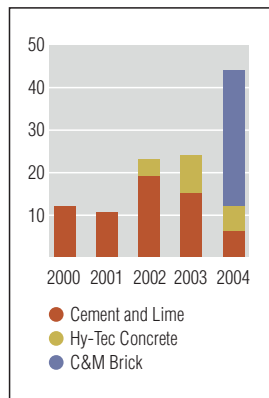


# Safety and health

The safety and well-being of our employees and contractors is paramount and safety is an integral part of everyday business operations.

Adelaide Brighton is committed to achieving a safe, productive and healthy work environment through responsible business management, in a manner designed to protect its employees, adjacent communities and the natural environment.

Lost time accidents



The Board and senior management continue to provide leadership and endorsement of the Company's safety programmes. During 2004, an Adelaide Brighton Board OH&S Committee was established with a specific charter to oversee the Company performance and determine the forward strategy.

A further consolidation of safety systems across the Adelaide Brighton divisions occurred in 2004, with specific emphasis on tailoring the key safety initiatives to the current needs of each site. The safety performance of each division reflects the maturity of implementation of the core safety systems and procedures. Adelaide Brighton continues to focus on three main areas:

- Implementation of safe operating procedures;
- Improving safety awareness and cultural change; and
- Upgrading plant and equipment to reduce safety hazards.

In addition, specific targets for the lag indicators of Lost Time Injury Frequency Rate (LTIFR), Disabling Injury Frequency Rate (DIFR) and Dangerous Occurrences have been set across the Company. Where appropriate, a lead indicator of the percentage implementation of safe operating procedures has also been set.

## Divisional performance

Safety performance across the divisions varies significantly and efforts are being directed to those areas of greater need.

The Cement and Lime division continued to show excellent improvement in safety with a 60% reduction in LTIFR over the 2004 year and demonstrated solid safety leadership and a thorough approach to systems implementation. Similarly, the Concrete and Aggregates division recorded a 30% reduction in LTIFR and has displayed improved safety leadership and awareness through its management and safety team.

The newly acquired C&M Concrete Products division commenced recording safety indicators in 2004 and requires a systemic implementation of safety systems across its operating sites.

## Group performance

With the inclusion of C&M's statistics, the total aggregate injuries increased for the Adelaide Brighton Group with an overall LTIFR of 13.4 compared to 9.4 in 2003. The DIFR of 20.1 remained steady during 2004.

Self-Exempt Insurance: Our subsidiaries, Adelaide Brighton Cement Ltd in South Australia, and Cockburn Cement Limited in Western Australia, hold exempt insurance status and continue to ensure their safety systems are compliant with the required safety performance standards.

## Safety Programmes

Initiatives and activities throughout 2004 include:

- Continued Safety and Environmental management training programmes for managers and staff;
- Renewed focus on inductions to ensure new and existing employees and contractors receive up-to-date safety information and training;
- Renewed focus on major hazard assessments to ensure preventative measures are in place to control hazards;
- Safety workshops for both Group and site level, with specific goals on identifying the causes of injuries and strategies for prevention of incidents;
- Significant improvement in near miss incidents and hazard reporting;
- Progress and continuation of the measurement of lead indicators based on the percentage implementation of site based safety systems;
- Increased emphasis on contractor management to ensure contractors working on our sites conduct themselves safely;
- A focussed use of Job Safety Analysis as a hazard management tool; and
- Increasing worksite inspections, audits and follow-up actions

Management is committed to the continued improvement of the Company's overall safety performance.