

Issue 25 of 2021 – 15 October

ASBESTOS LEVELS DETECTED IN USG Boral™ FIRE-RATED PLASTERBOARD PRODUCTS

Members are advised that USG Boral™ has issued a note to its customers advising that it has detected low levels of asbestos contamination sourced from China in its vermiculite product contained in its fire-rated plasterboard products.

Members are also advised that USG Boral™ has requested its clients quarantine its fire-rated plasterboard products and refrain from installing, distributing or supplying them until it can provide a further update.

An update from USG Boral™ follows for your information.

NOTE TO CUSTOMERS FROM MANAGING DIRECTOR

October 11, 2021

Dear customers,

I am writing with important information about our fire-rated plasterboard products.

We routinely undertake quality and safety assurance testing of these products, including the ingredients.

In the past, we have used vermiculite imported from China as an ingredient in our fire-rated plasterboard products and we have a rigorous testing regime in place to check for any potential contamination of the raw materials we use, including the vermiculite.

During some recent routine tests carried out by an accredited laboratory on a sample of vermiculite used at our Camellia site in Sydney, very low levels of asbestos contamination were detected.

It seems likely that this contamination occurred at the source of mining the vermiculite, but in any event occurred prior to delivery at our sites.

Samples of vermiculite from our Port Melbourne and Pinkenba facilities were also tested at the same time but no traces of asbestos were found.

As a result of this unexpected find, we have taken several immediate steps to ensure the ongoing safety of our products, and to protect our staff and customers. These include:

- We have stopped using the Chinese-sourced vermiculite and will be switching to another source which is used extensively by our parent company, the Knauf Group and other suppliers of plasterboard around the world.
- Arrangements are being made for the safe removal of all unused Chinese-sourced vermiculite from our facilities at Camellia, Port Melbourne, and Pinkenba.
- Testing has commenced on our finished products made using vermiculite as an ingredient to check for any possible contamination. This will include testing on finished products manufactured at each of our sites, Camellia, Port Melbourne and Pinkenba. While those tests are being completed, stock will be quarantined.

We believe our other products are NOT affected by this issue.

I want to reassure you that the levels of asbestos contamination found in the vermiculite ingredient itself are very low, and that only small amounts of vermiculite are used to make our products.

Nevertheless, we believe it is important for us to take this action and to provide you with this information, in line with our commitment to keeping our customers informed and updated of product developments.

We are assessing how the above events will impact on supply of fire-rated products in the immediate period and will advise you at the earliest opportunity.

Next steps

Please quarantine our fire-rated plasterboard products and refrain from installing, distributing or supplying them to your customers until we provide you with a further update this week. We ask that you take these steps for all our fire-rated plasterboard products regardless of where they were manufactured.

If you have any questions or require further information, please contact your account manager

Thank you again for your support and commitment to USG Boral.

Tony Charnock
Managing Director Australia and New Zealand