



PORT WARATAH COAL SERVICES

Pioneering Through Partnership



PORT WARATAH
COAL SERVICES

COMMUNITY
NEWS

Edition Three 2018



Welcome to the Port Waratah Coal Services Community Newsletter

As we find ourselves in the second half of the year, it is a pleasure to welcome you to our third community newsletter for 2018. After passing the halfway point, it is an appropriate time to reflect on our performance so far and look toward the upcoming opportunities for the year.

Firstly, I would like to share with you the details of our upcoming Community Survey. With our business hosted in Newcastle, understanding the expectations of our neighbours and delivering value back to the community is a key priority. Conducting surveys is just one way we connect broadly with those in our surrounding communities to help identify opportunities and any concerns. In this edition you will see a feature on the new digital approach to our Community Survey, as we

partner with the Nation's peak science body, CSIRO. I encourage you to confidentially provide your feedback in the survey which CSIRO will facilitate throughout August and September.

Significant weather conditions affecting vessel movements in the Port of Newcastle have occurred several times this year. Similar to the January port restrictions, July delivered some testing conditions, causing restrictions on vessel movements to again be applied. This puts pressure on rising port stocks, the vessel queue and our coal chain partners involved. However, I am pleased to say that our team adapted to meet the challenge, maintaining our commitment to provide reliable terminal services. As a result of this effort we celebrated a record shiploading month for July. We also broke a number of other operational records, including a daily shiploading record on 8 July and a weekly shiploading record for 16-22 July. Additionally, the flexibility afforded by our team saw the vessel queue more than halved over the course of a week, and significantly reduced port stocks. Both of which deliver exceptional value to our customers and the wider coal chain.

In terms of the market outlook for Hunter Valley coal, conditions remain strong with prices consistently above US\$100 per tonne. Newcastle exports are stable at near record levels, and our forecast throughput is tracking along as planned. The unique qualities of Australian coal, and particularly Hunter Valley coal, such as its higher calorific value, translates into higher pricing. Higher calorific value coal has the ability for higher energy output, which is therefore more efficient.

This type of coal is optimal for new energy technology for power generation in Asia, which is the predominate destination for coal exports out of Newcastle. With existing infrastructure and one of the most collaborative coal supply chains in the world the Hunter Valley is well positioned to meet expected future growth in demand.

We are also proud to share insights into our Community Partnership Programme in this edition. Over recent months our employees have volunteered at tree planting initiatives, got behind Beanies for Brain Cancer fundraising and collectively donated hundreds of items to our Winter Donation Drive in support of our region's most needy. I feel very fortunate to lead a workforce so willing to get involved to help improve our community and make a difference in the lives of others.

The stories we profile in our newsletter are just a snapshot of the variety of activities supported by our community programme. If you would like more regular updates on our activities I encourage you to also visit and connect with us on our social media platforms – Facebook, Instagram and Twitter.

Thank you for your interest in our Community Newsletter and I hope you enjoy the contents.

Kind regards

Hennie du Plooy



‘Local Voices’ Community Survey

At Port Waratah we aim to build genuine, reliable relationships with our community and strive to be an active member of the Newcastle and Hunter Region. We seek to understand the expectations of those in our surrounding communities so that we can meet their various interests and concerns, and we work hard to continuously improve our operational, environmental and social performance. One of the ways we support this process is by conducting community surveys.

This year we have partnered with Australia’s science agency, CSIRO, to facilitate our community survey through their ‘Local Voices’ project. ‘Local Voices’ provides the communities neighbouring Port Waratah a way to confidentially express their views and experiences and help Port Waratah understand and address the issues that matter most to the community.

CSIRO will conduct an initial ‘Anchor’ survey during August and September, collecting the survey data, analysing it and then providing it back to both Port Waratah and the community.



We value our community and to help us understand any opportunities or concerns we invite interested members of the community to give feedback in the survey. Visit pwcs.com.au/survey for more information.

Carrington Drive Strategy RC 3/4 Drive Replacement



Gearbox

Motor

Dampening material to muffle noise

Noise reducing vents

Noise attenuating external cooling system (no fan required)

The Carrington Coal Terminal drive strategy continues to make progress towards reducing our noise output from our 24-hour operations. We are installing new, low-noise specification drives across our Carrington operations. We have recently replaced the drives on receive conveyors 3 and 4, which are performing better than expected and are a positive step towards our goal of reducing offsite noise by 1dB by 2020.

Conveyor Belt Reuse

Our objective in waste reduction is to improve resource efficiency, with an active focus on recycling and landfill diversion. Each year we set a target to improve our landfill diversion rate by 2.5%. With 65km of conveyor belts at our Kooragang Terminal alone, one of our initiatives was to identify a long-term, sustainable solution for repurposing old belts and avoiding the landfill disposal of this useful resource. In 2017, we recycled more than 8,000 metres of disused belts that would have otherwise gone to landfill, including 151 tonnes of used fabric conveyor belt that was recycled to be reused for agriculture, industrial, matting and protective covering purposes.



Health & Wellbeing At Port Waratah

At Port Waratah, our value of *caring* drives our commitment to the good health and wellbeing of our employees. As we work towards a holistic approach to individual's health and safety, we have developed a set of beneficial health and wellbeing initiatives for our employees.



DIVERSITY & INCLUSION



Diversity and Inclusion Working Group.

Our Diversity and Inclusion Working Group attended the Newcastle and Hunter Diversity Awards in early July, presented by the Equal Futures Project. Our CEO, Hennie du Plooy, was nominated as a finalist in the individual category, which recognises a person who promotes diversity in the community and the workplace. We congratulate Deirdra Tindale of BHP and Women in Mining Network NSW for taking out top honours on the day.

Our Diversity and Inclusion strategy continues to be supported by the working group with initiatives and programmes developed in consultation with employees. One of the more recent initiatives is the 'equity-excellence' model now incorporated into our University of Newcastle Student Scholarship Programme. This year we actively sought students that demonstrate not only academic excellence, but were also facing educational disadvantage relating to financial hardship, carer or sole parent, English language difficulty, disability, refugee status, regional/remote disadvantage or a combination of these factors.

Out And About In The Community



Throughout June our Sponsorships and Donations Committees ran a donation drive in support of Jenny's Place, a domestic violence support service for women and children, and Matthew Talbot Centre, which provides support to local men facing homelessness.

People accessing these services have little to no possessions, so even essential items like towels, toilet paper, kitchen utensils and cleaning products can be a luxury. We asked Jenny's Place and Matthew Talbot for the items that were most needed so we could help to fill the gap for people in need.

We are very proud of the overwhelming response from our employees! We were able to compile a wide range of household and personal care items. Starter packs were made up for those people who were setting up in accommodation, with plenty of individual items available to be handed out as required.



Our team of employees and contractors braved the cold and wet to tackle the annual World Environment Day Tree Planting Challenge, coordinated by Conservation Volunteers Australia. During the two-hour challenge our team planted 571 trees! Over 3,000 trees were planted by the teams on the day to continue the rehabilitation of the Kooragang Wetlands site.



To celebrate Medical Research Week and Hunter Medical Research Institute's 20th Anniversary some of Newcastle's best-known buildings and infrastructure was glowing green in late May. We have a long-standing partnership with HMRI, most recently through the DADEE programme, and the shiploaders at our Carrington terminal were lit up green to show our support.



We proudly hosted Nathan Brown and Phil Gardner from the Newcastle Knights at our Kooragang operations for the Voice for Mining Round media launch. Our terminals provide a global gateway for the Hunter Valley Coal Chain, and with 330 employees and apprentices living and working locally we are supportive of the recognition that the Voice for Mining initiative brings to the men and women working in our industry.



In June we had a visit from Mark Hughes at our Kooragang terminal for our annual Beanies for Brain Cancer fundraiser BBQ. Beanies sold like hotcakes, and with the Sponsorships and Donations committees matching the funds raised dollar for dollar, over \$9,000 was provided to the Mark Hughes Foundation, which supports essential brain cancer research.



We have extended our funding of Soul Café's mental health services. The welcome boost has secured funding for the Mental Health Clinician to support guests at Soul Café for 25 hours per week until the end of 2019. In 2017, 344 mental health sessions were provided to 100 individuals, most of who carry complex health related issues. The mental health clinic is essential in providing Soul Café guests with outreach support in a friendly, familiar environment.

