

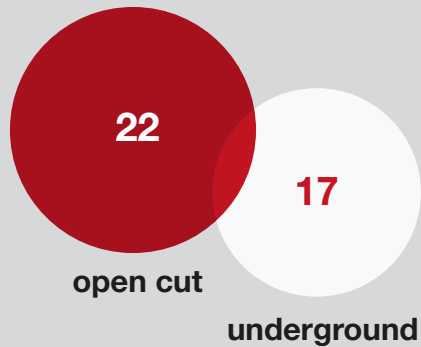
# One Industry One Team





# Performance highlights

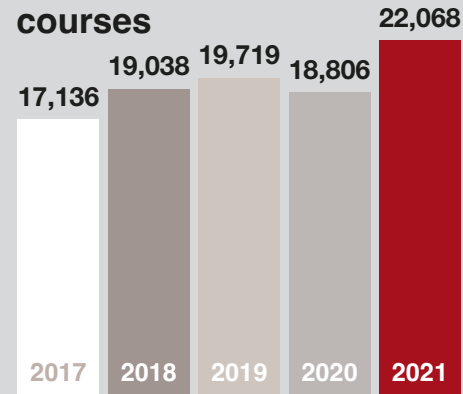
Operating coal mines  
in NSW



# 37,132

Protected an average of  
37,132 exposed to risk  
workers throughout  
the year

Overall attendance at  
Mines Rescue  
courses

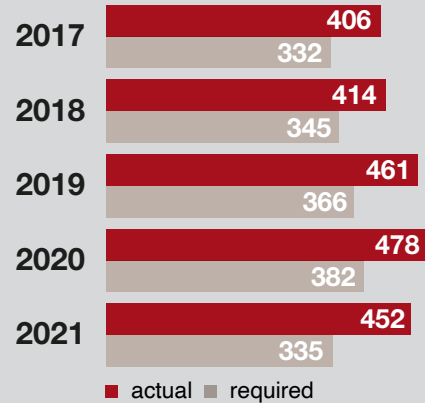


# 3,876

Statutory respirable and  
inhalable dust samples  
were taken from the  
breathing zones of  
3,876 workers

# 84%

of workers returned to  
work within 0–13 weeks  
of injury

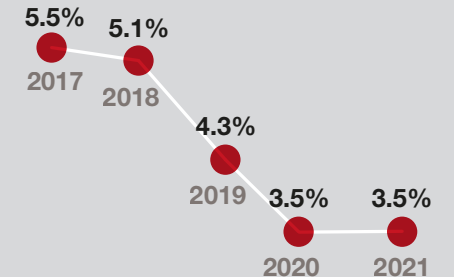


Trained volunteer mines  
rescue brigades personnel

# 11,751

periodic health  
surveillance medicals  
to monitor and  
protect against  
occupational disease

Claims Frequency Rate



# 3.5%

## To protect workers and mining

Coal Services is an industry-owned organisation committed to providing critical services and expertise to the NSW coal mining industry. We are a Specialised Health and Safety Scheme that provides an integrated suite of services aimed at preventing injury and illness in the workplace. These include occupational health and safety, workers compensation, mines rescue and training.

We work in collaboration with employers, workers, Government departments and other industry partners to help identify, assess, monitor and control many risks inherent in the NSW coal mining industry. Together, we work to protect the health and safety of those working in the industry through prevention, detection, enforcement and education.

We are jointly owned by two shareholders, the NSW Minerals Council and the CFMEU – Mining & Energy Division. Our purpose, vision and values are aligned to focus on the safety and health of our industry and its workers.

### Our purpose

## To protect

### Our vision

## To partner with industry for a safe workplace and a healthy workforce





# Message from the Chairman and Managing Director/CEO

David Moulton and Lucy Flemming



**We are proud of the ways in which our teams have continued to support our industry and each other in a year where our businesses strived to operate as normal.**

Despite the devastating impact of COVID-19 on many businesses, the NSW coal industry remained resilient and recorded only a 3 per cent contraction in production employment at 30 June 2021 when compared to the prior year.

When the pandemic was declared in March 2020, we implemented precautionary measures to ensure the safety and wellbeing of our people, customers and wider communities. This remains an ongoing focus as we learn to work and live with the evolving situation.

We are proud of the ways in which our teams have continued to support our industry and each other in a year where our businesses strived to operate as normal.

Attendances at Mines Rescue training courses grew 17.4 per cent to almost equal the number of attendances experienced in 2010-11, near the peak of the last coal industry boom. Despite temporary service interruptions in CS Health, the number of periodic medicals performed across the industry grew 44.8 per cent to 11,751. The industry's strong incident and injury performance during the year resulted in fewer claims for workers compensation. This, combined with the reduction in exposed to risk workers, maintained the claims frequency rate at 3.5 per cent.

However, the workers compensation scheme for the NSW coal industry is under pressure with Scheme costs increasing, mainly driven by higher numbers of psychological injury and severe and complex injury claims being reported. Despite our focussed efforts to implement strategies to put downward pressure on claims costs, our June 2021 valuation of insurance liabilities was much higher than expected. These circumstances led to the Board's decision to increase the target collection rate for the 2021-22 policy year – the first time in four years that such an increase has occurred – to ensure the Health and Safety Scheme remains sustainable.

Coal Mines Insurance (CMI) has responded to the increasing pressures on the Scheme in numerous ways, including initiating an independent review of the workers compensation operating model during the year. The review confirmed that the new CMI operating model is working with some areas requiring further refinement. During the year, CS Health conducted a strategic review of its business operations in which several opportunities to enhance and strengthen Order 43 were identified. Industry was invited to provide feedback on specific aspects of the Order with consultation continuing in 2021-22.

# Message from the Chairman and Managing Director/CEO *continued*

David Moulton and Lucy Flemming

In the face of these challenges, we remain committed to delivering high quality, cost effective services to the industry. An important factor in this is how we listen and respond to our customers. We have made meaningful progress in some areas but recognise we need to do more to address the root cause of issues that impact our customers and look for opportunities to design new ways of working together.

Consultation and collaboration with our industry stakeholders has contributed to the concept of a contemporary Mines Rescue response model, including incorporating a nationally recognised competency for brigades training. Mines Rescue also established a dedicated function to offer safety and emergency management consulting services to industry. Employer education sessions, roundtables and workshops also featured throughout the year where COVID-19 restrictions permitted.

We would like to thank our industry, the communities in which we operate and our other stakeholders for their ongoing support in these difficult and uncertain times, including the Hon. John Barilaro, Deputy Premier and Minister for Regional New South Wales, Industry and Trade and his staff; Stephen Galilee, CEO of the NSW Minerals Council and Tony Maher, National President of the CFMEU – Mining & Energy Division.

Finally, our sincere thanks to Coal Services' employees, management teams and Board of Directors for their hard work and commitment to our customers, our purpose and our values through what has been another challenging year.

<b>Financial Overview for the year ended 30 June 2021</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Consolidated Comprehensive Income</b>		
Total revenue and investment income	227,938	229,484
Total expenses	(249,092)	(232,750)
Net (loss)/profit from ordinary activities	(21,154)	(3,266)
Other comprehensive (loss)/gain	2,322	261
Total comprehensive (loss)/income for the year	(18,832)	(3,005)
<b>Consolidated Financial position</b>		
Total assets	718,856	716,515
Total liabilities	(560,387)	(539,214)
Net assets	158,469	177,301

The group reported a net loss for the year which, as noted earlier, was mainly due to higher than expected workers compensation claim payments and an increase in the outstanding claims provision as at 30 June 2021.

# Our People

The shared knowledge, expertise and experience of our people enables us to deliver on our purpose, to protect.

## Employee engagement and culture

Our bi-annual Employee Engagement Survey was completed in July 2020. Overall employee engagement was 68 per cent and showed a 10 per cent improvement on the overall 2018 engagement result. Feedback from this survey has led to the development of both immediate and long-term action plans to address identified areas of improvement and focus.

Our second culture survey was conducted in March 2021. This follows the initial culture survey in November 2018 that served to baseline our culture and identify opportunities for improvement. The Culture Network, consisting of culture leads from across each business unit, continued to drive initiatives and embed our cultural DNA.



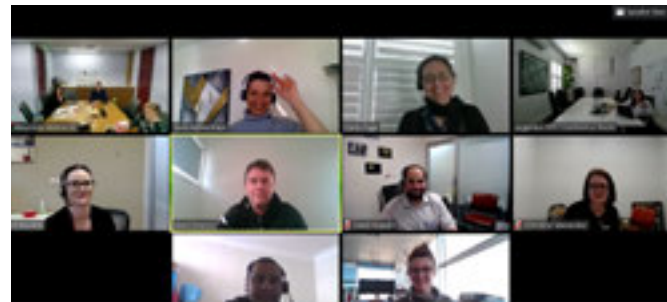
## Organisational learning and development

We support our employees by providing a suite of blended learning programs through custom eLearning modules, LinkedIn Learning and classroom training to help develop the skills, capabilities and knowledge to perform their duties.

Key programs include a new starter program, compliance training and Leadership Essentials. Due to COVID-19 restrictions, most programs were held via a blend of eLearning modules and video conferencing.

The Leadership Essentials program was recognised at the 2020 LearnX Awards winning both Platinum and Gold across two categories:

- Platinum: Best Leadership Capability Project (Leadership Essentials)
- Gold: Best Rapidly-Shifted-Online Learning Model (Leadership Essentials Digital – Foundation)



## Employee safety and wellbeing

The 'Future of Work' initiative commenced in April 2020 when COVID-19 forced a new way of working. A people impact assessment identified the three key themes of connection, productivity and wellbeing and formal solutions were implemented across the business to support employees adapt to the changing work environment. The initiative continued through to December 2020 and is now considered business as usual activity.

The Future of Work project was recognised at the 2020 LearnX Awards:

- Platinum: Best Learning And Development Projects (Future Of Work)

We continued to offer Mental Health First Aid training and other online modules from Lifeline Australia to assist in identifying and managing risks to mental health in the workplace such as work-related stress. The program also provides employees general mental health awareness skills to help them recognise some of the signs of mental health issues and support someone who might be struggling.

# Our People *continued*

## Diversity and inclusion

Our commitment to diversity and inclusion is aligned to our company values. We aim to attract and retain the right person for the right role regardless of gender, race, age, religion, political beliefs, sexual preference or any other factor that does not impact on their ability to perform the role.

Coal Services celebrated our diversity and inclusion following the announcement in June 2021 that Erin Lee, Southern Mines Rescue Regional Manager, had won the NSW Mining 2021 Exceptional Woman in Mining Award. When Erin was appointed in 2019, she became the first female manager to be appointed to a non-administrative role in the history of Mines Rescue. Two female Mines Rescue cadets were appointed in the 2021-22 intake.

Gender diversity is a key part of our overall diversity policy, ensuring that women are represented in senior roles and on the Board. In accordance with Workplace Gender Equality Agency (WGEA) legislative reporting and compliance obligations, we lodged our 2020-21 Public Report in August 2021.

Figures are as at 19 March 2021.

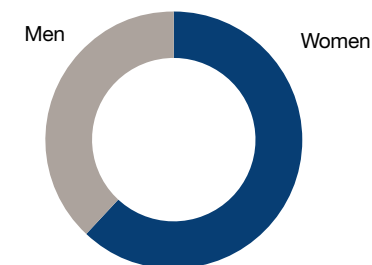
### WORKPLACE PROFILE 2020-21 (at 19 March 2021)

	Total	Women %	Men %
Managing Director/CEO	1	100	0
Key management personnel	8	38	63
Senior managers	21	38	62
Other managers	22	41	59
Professionals	225	57	43
Technicians and trade	35	9	91
Clerical and administrative	113	96	4
Other	1	0	100
<b>Total</b>	<b>426</b>	<b>62</b>	<b>38</b>
	Total	Women %	Men %
Board	7	29	71

The *Workplace Gender Equality Act 2012* focuses on promoting and improving gender equality and outcomes for both women and men in the workplace.

The Act requires all non-public sector employers with 100 or more employees to report annually to the WGEA on their outcomes against six gender equality indicators, including submission of a workplace profile.

### Gender Diversity





# Our Customers

## Working with our customers and industry stakeholders

Coal Services continued to provide support and guidance to the NSW coal industry on current and emerging health and safety issues through direct engagement with our customers and stakeholders as well as industry committees.

Coal Services facilitates various committees, such as the NSW Mines Rescue Working Group and the Standing Dust Committee to provide a platform for industry representatives to discuss and consult on evidence-based considerations with the goal of keeping workers safe. We also provide information, guidance and advice to the Mine Safety Advisory Council and have representatives sitting on various Australian Standards committees.

Each of our businesses continued to focus on improving their level of industry consultation and have established working groups and/or regular engagements with mine operators, contractors, the CFMEU – Mining & Energy Division, NSW Minerals Council and the NSW Resources Regulator.

## Voice of Customer Program

The data and insights collected through our Voice of Customer Program allow us to identify areas for continuous improvement and provide evidence-based considerations to guide our strategy and business planning to address customers' needs and emerging industry issues. The program enables our customers (both workers and employers) to provide informal and formal feedback through different channels regarding their overall experience or on specific elements such as services, processes or people.

Feedback mechanisms utilised to facilitate this process include our website, 1800 LISTEN phone number, face to face and surveys (QR code, email, SMS and phone) Programs have been embedded for:

- All workers (injured and non-injured) who utilise any of our services
- Employers/contractors: formal programs are in place for all businesses to capture feedback. This includes annual survey programs and reactive/ad-hoc (anytime).



Worker satisfaction score	2020-21	2019-20	2018-19
Coal Mines Insurance (target >90%)	79%	86%	86%
CS Health (target >90%)	97%	97%	97%
Mines Rescue (target >90%)	97%	98%	97%

Employer/Contractor satisfaction score	2020-21	2019-20	2018-19
Coal Mines Insurance – Stakeholder Management/ Employer Satisfaction Survey (target >80%)	79%	73%	N/A
<small>(annual formal survey commenced August 2019 – account managed policyholders only)</small>			
Mines Rescue Annual Survey (target >80%)	84%	N/A	N/A
CMTS-Technical – Customer Engagement Survey (target 90%)	95%	90%	100%
<small>(survey post-service for relevant customers – overall annual average)</small>			

# Community Partnerships

Coal Services establishes strong ties with NSW coal mining communities through support of not-for-profit organisations and industry and community events.

These sponsorships and community partnerships aim to:

- communicate and support programs to change or influence behaviours that lead to better health, safety and wellbeing outcomes
- increase awareness of Coal Services and our range of services.

Our purpose, vision and values have the central theme of protecting the health and wellbeing of the NSW coal mining industry and its workers. This includes giving back to mining communities and extending support to local initiatives and events.

During the year these included: events supporting the Westpac Rescue Helicopter Service such as the Leaders Leap and Cycle Classic, and the NSW Minerals Council Voice for Mining family day.

## Coal Services welfare grants

Welfare funds are granted for the benefit of workers and former workers of the NSW coal mining industry, their dependants and communities. While some organisations chose to cancel or postpone their events due to COVID-19, six grants were approved to thank retired mine worker communities for their contribution to our industry; and to support special needs children in communities aligned to our regional coal mining communities (the latter being held as virtual events).

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**Our purpose, vision and values have the central theme of protecting the health and wellbeing of the NSW coal mining industry and its workers.**



# Caring for the Environment

We continue to review and implement policies and programs that meet community standards and help us to conduct our business in an environmentally conscientious manner across our eleven sites, including:

- Increased use of online tools and paperless work practices, including e-learning and new video conferencing functionality has reduced our environmental footprint by reducing paper usage and the amount of travel. We expect these practices to continue beyond the COVID-19 pandemic.
- Recycling bins for plastics, paper and cardboard have been installed as well as water bottle refill stations to reduce the number of plastic water bottles entering landfill.
- Saving energy when possible by installing LED lights that are more energy efficient and last longer, producing less landfill.

## NSW Environment Protection Authority PFAS investigation program

NSW Mines Rescue (Mines Rescue) voluntarily entered the Environmental Protection Authority's Per- and Poly-Fluoroalkyl Substances (PFAS) investigation program in April 2017, following legacy use of firefighting foams containing PFAS which were used in small quantities at these sites prior to 2002.

In 2019-20, the Hunter Valley and Newcastle Mines Rescue stations completed additional monitoring with results showing low or negligible risk to the community and environment. Based on monitoring trends, it was recommended to end monitoring at the Newcastle station and perform an additional two rounds of monitoring at the Hunter Valley station. The additional monitoring at Hunter Valley is scheduled for 2021-22. Further PFAS investigations were carried out in 2020-21 at the Western Mines Rescue Station and a bi-annual monitoring program has been implemented part of the site's Environmental Management Plan.



# Specialised Health and Safety Scheme

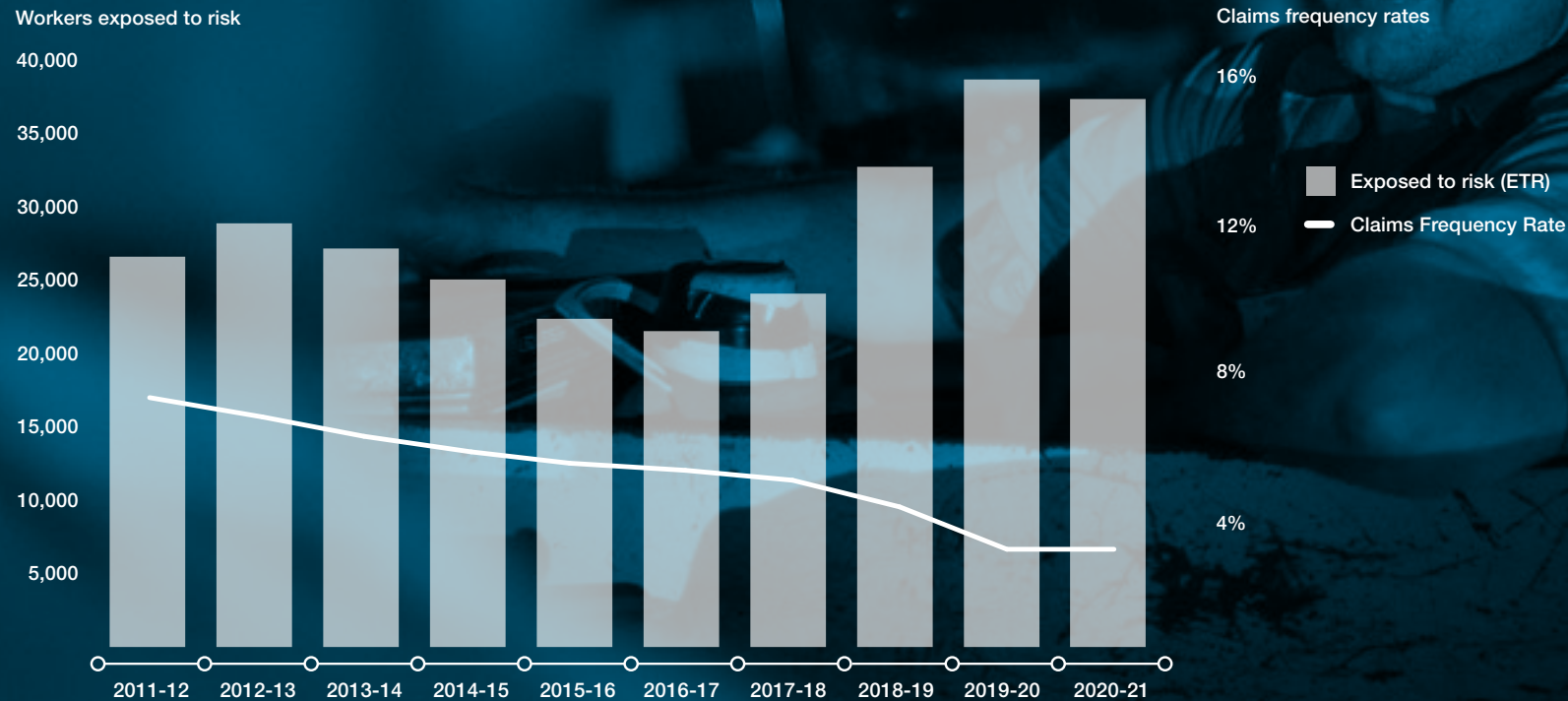


# Workers Compensation



Coal Mines Insurance (CMI) is responsible for providing workers compensation insurance to the NSW coal industry and administers the Coal Mines Insurance Workers Compensation Scheme (the Scheme).

## Workers exposed to risk vs. claims frequency rate





# Workers Compensation



Coal Mines Insurance (CMI) is responsible for administering the workers compensation scheme for the NSW coal mining industry.

CMI must ensure there is a supportive and sustainable workers compensation scheme for the coal mining industry workers of today and the future.

CMI has two customers: workers and employers.

Employers pay a premium in exchange for workers compensation coverage, which funds the cost of claims that provide medical and financial support to injured workers to return them to health and work. Premiums also support Coal Services' provision of statutory services that protect workers' health and safety including health surveillance and dust monitoring, and other Work Health and Safety requirements.

Workers are the primary beneficiary of our Scheme.

## Scheme overview



**1,862 active policies**



**36,544 exposed to risk workers** (actual as at 30 June 2021)

37,132 exposed to risk workers (YTD average)  
(Down from 38,471 actual and 37,637 average for 2019-20)



**\$4.313 billion assessable wages**

Wages covered for the financial year. Wages declared are used as the basis for calculation of premiums.



**\$145.6 million premium revenue**



- **1,893 active claims**
- **1,283 new claims received**
- **\$107.2m net claims payments**

# Workers Compensation *continued*



## Funding the CMI Scheme

The CMI Scheme and certain Coal Services statutory responsibilities are funded by premium paid by NSW coal industry employers. Premium collected is the key source of funding, together with investment earnings, to provide for the claims costs and associated expenses emerging from each year of coverage provided by CMI.

A key component of setting premium rates for policyholders is to ensure contributions are commensurate with the risks faced by their workforce, taking into account strategies and performance in injury prevention, injury management, and return to work (RTW) – and that the Scheme should be fair, affordable and financially viable.

## Claims, injury management and return to work

CMI aims to ensure that all notifications and claims are managed to an optimal outcome through a focus on early intervention, person-centred case management, reasonably necessary treatment, an emphasis on RTW, and meeting legislative obligations.

Of the 1,283 new claims received in 2020-21, 66.6 per cent (854) were significant injury claims, which is where the worker is likely to be incapacitated (either partially or totally) for a continuous period of more than seven days. There were 1,319 new claims received in 2019-20; 64.4 per cent of which were significant injury claims.

## COVID-19

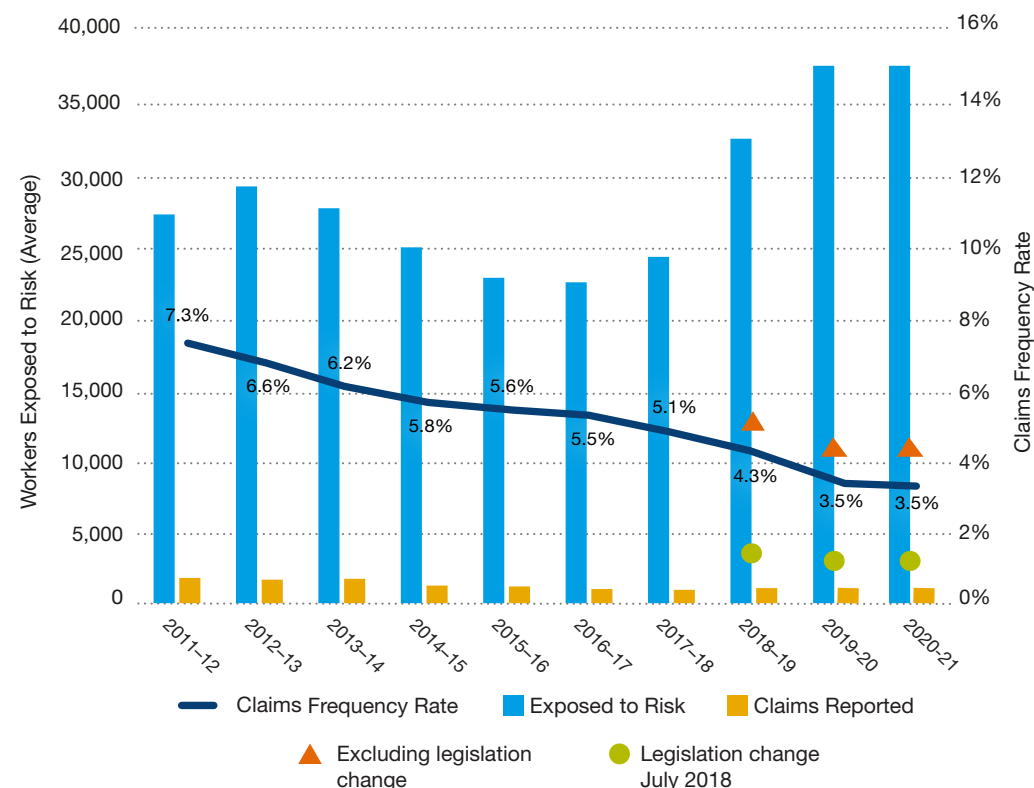
The CMI Scheme received no claims for COVID-19 in 2020-21. Two psychological injury claims were received that cited the impacts of COVID-19 as a causal factor of the injury.

## Claims Frequency Rate

The overall claims frequency rate for the Scheme was 3.5 per cent (based on an average exposed to risk (ETR) of 37,132 and 1,283 new claims reported for the year). The rate is unchanged from 2019-20, where the claims frequency rate was 3.5 per cent (based on an average ETR of 37,637 and 1,319 new claims reported as at 30 June 2020).

The graph below shows the performance of new risk covered by CMI arising from the change to the *Coal Industry Act 2001* (NSW) (the Act) on 1 July 2018, which introduced a definition of employer in the coal industry. The new risk has delivered a lower claim frequency rate overall and as at 30 June 2021 is 1.1 per cent (based on an average ETR of 8,750 and 98 new claims for policies incepted because of the legislation change).

Claims Frequency Rate



# Workers Compensation *continued*



The reduction in the claims frequency rate over the period has been primarily driven by industry's commitment to continuously improve mining methods, focus on providing safe systems of work, and the mining industry regulator's focus on monitoring performance.

## Return to work

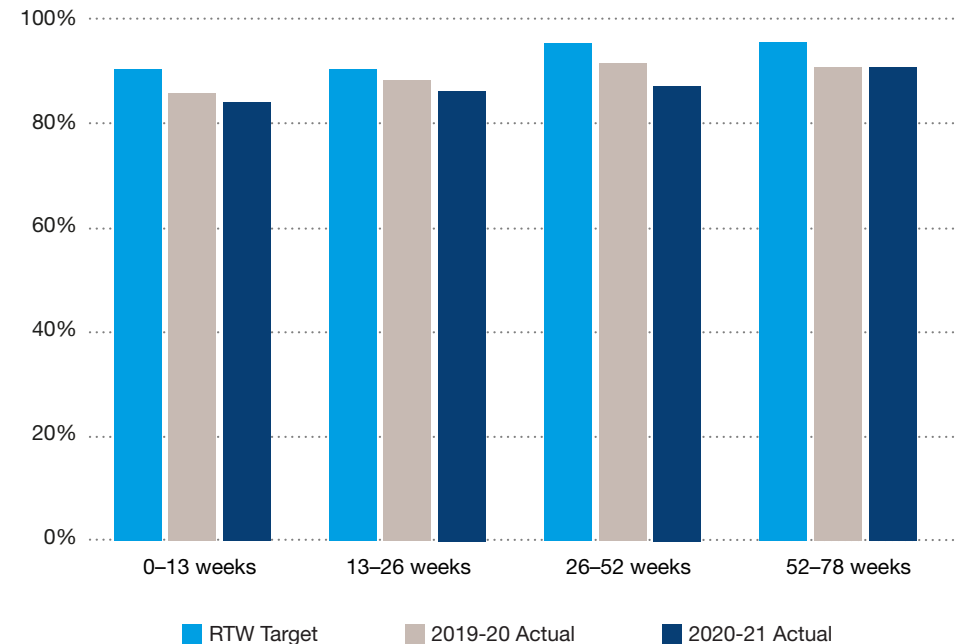
Depending on the injury, an injured worker's pathway back to work can involve a number of stages. The main aim of good case management is to tailor an individual plan for each worker with an emphasis on return to health, vocational capacity, participation, and return to work.

Delays in reporting of claims, lack of available suitable duties and legal intervention early in the life of a claim cause significant problems in workers compensation schemes.

The ultimate aim is to return workers to health and work as quickly as possible, ideally through recovery at work or through the provision of suitable duties, which provides better outcomes for the worker, the employer and the Scheme.

CMI is focussed on working with industry to improve RTW rates. A new operating model was implemented in 2018-19 which incorporated aspirational RTW targets. Satisfactory performance was achieved during 2019-20 for all RTW cohorts. Progress during 2020-21 has been disrupted by the global pandemic.

Return to work



Note: These RTW outcomes are based on lost time and non-lost time injuries and each cohort is based on the number of weeks since the date of injury.

# Workers Compensation *continued*

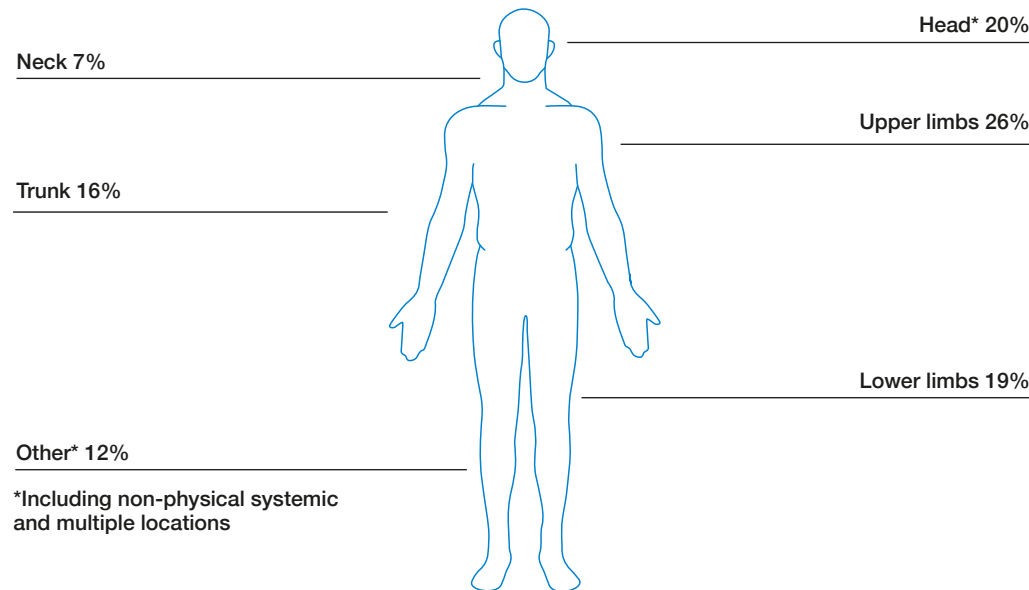


## Nature of injury

Sprains and strains accounted for 51.8 per cent of all new claims received in 2020-21 and remain the most common type of injury incurred, which is consistent with workers compensation schemes generally where sprains and strains and musculoskeletal injuries predominate.

## Location of injury

The body map shows the parts of the body affected for all claims received during 2020-21.



\*includes psychological injuries

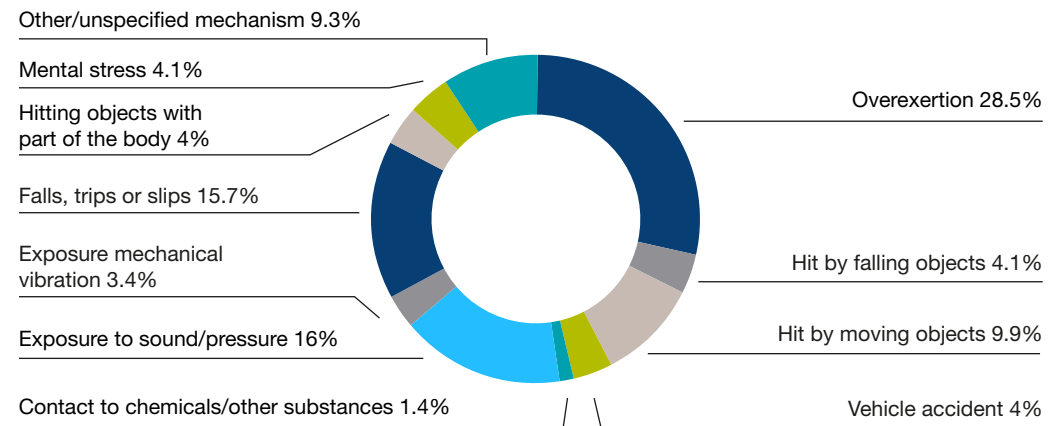
## Mechanism of injury

The mechanism of injury is best described as the circumstance in which an injury occurs and helps the doctor and/or the allied health professional to understand what mechanical forces may have been in play to cause the injury and therefore assist in the diagnosis of the injury. This information gives an indication as to the potential injury recovery timeframes and guides the most appropriate treatment. This information also assists the employer to better understand risks within their workplace that need to be addressed or mitigated.

A key issue for the CMI Scheme during 2020-21 was a 77 per cent increase in claims for psychological injury compared to 2019-20. This is a trend that is being observed in all workers compensation schemes.

CMI is working with policyholders and mental health providers to promote a positive approach towards mental health in the workplace with particular emphasis on recovery at work strategies.

## Mechanism of injury (all claims received in 2020-21)



# Workers Compensation *continued*



## IPIM Program Stage 4 – New CMI IT System Implementation

In 2020-21, the Injury Management and Injury Prevention (IPIM) Program progressed into the fourth and final stage of its six-year program of work. The implementation phase of the new CMI IT system is now well underway and progressing towards a 30 June 2022 launch date.

## Customer engagement and injury prevention

Through strategic and operational engagement, CMI continued to collaborate with and support employers on a range of preventive initiatives, services and programs to:

- Support RTW/WHS obligations
- Improve early notifications
- Increase provision of suitable duties

These have included:

- Employer education seminars
  - During 2020-21 these sessions were conducted via videoconference and covered a wide range of topics including Managing Psychological Injuries, Identifying and Managing Chronic Pain, Injury Management and Return to Work, Managing Legal Claims and Wage Calculation and Entitlements.
- A series of short videos on the topics of
  - Supporting Injury Recovery and Return to Work
  - Staying Mentally Fit
  - Incident reporting and Notification of Injuries.
  - Industrial Deafness

## ■ Industry Roundtable discussions

- CMI commenced the Industry Roundtables in 2019 to encourage policyholders to share experiences regarding secondary psychological injuries, collaborate in the development of prevention and RTW strategies and discuss early intervention practices.

A second roundtable was held in May 2021 to discuss social and psychological wellbeing and the integrated services and interventions available, barriers to return to health and work, and the importance of suitable duties and maintaining positive mental health.

## ■ Performance reporting

- Quarterly meetings were held between CMI and policyholders to discuss Scheme injury and RTW trends, and financial performance including benchmarking policyholder performance and the benefits of providing suitable duties and RTW opportunities.

CMI continues to strengthen its partnerships with our policyholders and other NSW coal industry stakeholders to protect and support industry's workers.

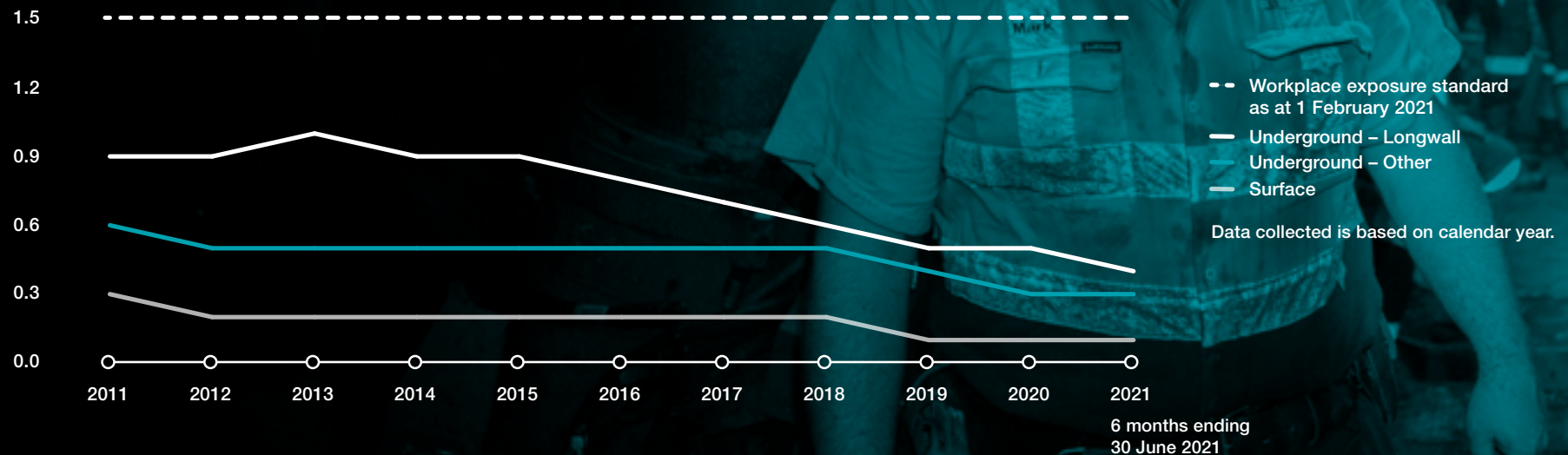


# Health and Hygiene



Coal Services collect, analyse and report on workplace health risk data across the NSW coal industry. This information is reviewed on a regular basis to monitor and identify emerging trends and areas requiring focus, enabling Coal Services to partner with industry to help minimise health and safety risks.

Respirable dust exposure profile (mean) trends NSW coal



# CS Health



CS Health delivers a range of services to support coal mine workers and contractors, mine operators, their families and the wider community with an emphasis on managing health risks and optimising workforce health and wellbeing.

In 2011, to better protect our industry by improving medical compliance, NSW Coal Order 41 (Order 41) was introduced. The Order positively improved medical attendance; however, further changes were required to ensure a robust health surveillance scheme. In July 2018, NSW Coal Order 43 (Order 43) was introduced and replaced the existing Order 41.

## NSW Coal Order 43: monitoring workers' health

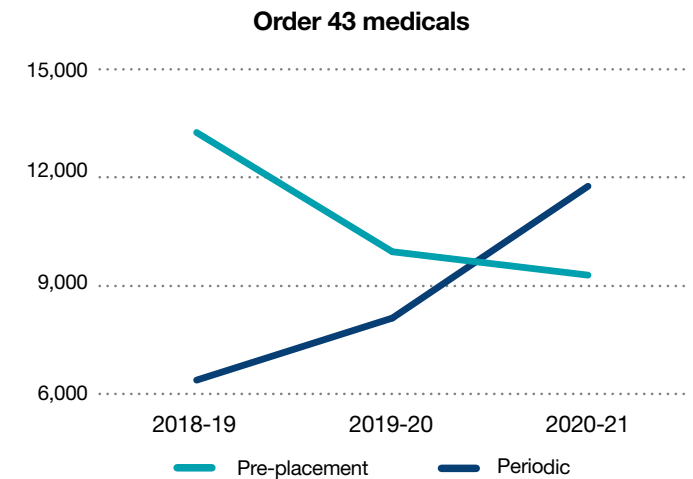
Under the Order, all employers of coal mine workers in NSW must ensure that their workforce, both employed workers and contractors, undergo pre-placement medical assessments and periodic health surveillance medicals. Order 43 medicals are performed by an approved medical practitioner and all medical assessment information is entered into the NSW Coal Industry Medical Database.

A pre-placement medical assessment serves as a baseline for future health surveillance and is required before an individual commences work or changes employers in the NSW coal industry. The medical assists an employer to determine if they are fit to carry out the inherent requirements of a role. Across the NSW coal industry, 9,299 pre-placement medical assessments were completed in 2020-21.

In NSW, every coal mine worker must undergo periodic health surveillance (known as a periodic medical assessment) every three years. The periodic medical assessment focuses on a range of occupational health issues including dust, noise, fatigue and vibration. It also includes an assessment for general health issues that may arise from workplace exposure including an assessment of the cardiovascular system, mental health,

musculoskeletal issues and alcohol use. The periodic medical assessment ensures that workers' ongoing health is protected and monitored for any adverse health risks as a result of their employment. There were 11,751 periodic health surveillance medicals completed during the year.

The number of periodic medical assessments due each year is impacted by the number of workers employed in the previous three-year period and the transition from Order 41 in 2018 as demonstrated in the table below.



## CS Health *continued*



### External doctor network

Order 43 requires all medicals to be performed by an approved Order 43 medical provider. Medicals performed by non-CS Health medical providers (Approved External Practitioners) must be submitted to CS Health for quality assurance and verification via the external Order 43 portal and for medical data to be included in the NSW Coal Industry Medical Database.

An Order 43 Refresher Program was launched in November 2020 to enable Approved External Practitioners to maintain their accreditation to perform Order 43 medicals for the NSW coal industry. The program aims to strengthen medical services for the NSW coal industry by improving the consistency of medical reporting and providing guidance to all Approved External Practitioners on relevant medical standards and review assessments.

The program was completed by 45 doctors. Feedback from the program was positive, with both participants and the CS Health Order 43 Team confirming that the information has improved:

- understanding of Order 43 requirements
- the quality of medical information received
- overall medical assessment reporting.

### Other workplace health services

COVID-19 control measures continued to be implemented at all CS Health offices to maintain essential medical services for customers.

### Other medicals

In addition to statutory health surveillance required by Order 43, CS Health performs a number of workplace medicals to support the health and safety of workers in coal mining and other industries including site access medicals (typically requested for contractors to meet specific site requirements) and pre-placement medicals.

Mines Rescue medicals are specifically designed assessments used to determine whether rescue personnel have the required fitness levels to perform these specialist activities. In accordance with Mines Rescue guidelines, brigade personnel must undergo a medical every two years up until the age of 40, and annually thereafter, to ensure that they are fit to undertake rescue training and service. There were 351 medicals performed under this category during the year.

CS Health also offers an Emergency Response Medical for employers who have different emergency response requirements onsite, such as open cut sites. This medical is optional and is not a requirement under the Mines Rescue guidelines.

### Functional capacity evaluations

Functional capacity evaluations are generally conducted as part of the recruitment process or as part of a structured return to work program following injury to assess a worker's physical ability to perform tasks typical to their role. They may also help to identify focus areas for preventative strategies and education to reduce workplace injuries.

1,218 functional capacity evaluations were performed during the year.

### Drug and alcohol screening

Strict drug and alcohol policies and procedures are in place across all mines sites in NSW and certain requirements must be met by the mine operations under the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014.

CS Health is a NATA-accredited provider of screening services which assist employers to meet their regulatory obligations which require the implementation of measures to eliminate or control risks from the consumption of alcohol or drugs in the workplace and ensure workers are fit for duty. The team's provision of drug and alcohol screening services has reduced as a result of declining demand for services and more employers opting for an in-house approach to screening. CS Health continues to offer both urine and saliva testing services with 5,976 samples collected during the past year.

### Occupational rehabilitation and treatment services

CS Health is a boutique workplace rehabilitation provider approved by the State Insurance Regulatory Authority (SIRA), offering injury management and occupational rehabilitation services that are specific to the mining industry. CS Health is required to complete a SIRA self-evaluation audit of rehabilitation services every two years.

The Treatment and Rehabilitation teams provide a range of injury prevention and wellbeing services to maintain workers' overall health and fitness. They also provide assistance when workers are injured to support recovery and improve quality of life.

# CS Health *continued*



## Other initiatives

### *Working with our customers*

CS Health continued to engage and collaborate with customers throughout the year, including a workshop with key stakeholders in early 2021 to strengthen relationships and work to resolve issues.

Other customer engagement activities included Order 43 education sessions, General Practitioner forums and quarterly compliance meetings.

- CS Health commenced a series of complimentary forums in 2020 following industry feedback highlighting the need for sessions specific to Order 43 and related processes. Delivery of the initial program was interrupted by COVID-19; however, the forums recommenced in February 2021 with 188 people attending the nine sessions that were held across all regions. CS Health has scheduled events for the 2022 calendar year with a mix of in-person and webinar events.
- The Partnership & Innovation team focused on improving reporting and providing more meaningful data to assist customers with compliance and forward planning for medicals and vaccination clinics.

The quarterly reports are produced at a site level and have improved visibility of attendances at medicals

and have aided in scheduling periodic medicals evenly throughout the year to ensure Order 43 compliance and maximise utilisation of available appointments.

- A 12-month trial of Centralised Administration Shared Services commenced in April 2021 to realign administrative tasks and activities for improved efficiencies in key areas. The trial has, to date, delivered improvements to call response rates, medical certificates processing times and doctor utilisation.

### *Partnering with the Primary Health Network*

#### **GP masterclass sessions**

CS Health partnered with regional Primary Health Network hubs to present on the topic *'Health and wellbeing of a NSW coal miner'*. The sessions targeted general practitioners who either conduct Order 43 medicals or whose patients may be referred to them as a result of attending an Order 43 medical to provide a wider understanding of the mining environment and its impact on worker health and injury management. These sessions were postponed in 2020 due to COVID-19 restrictions but resumed in 2021 with sessions being held in Gunnedah and Singleton. Other sessions are planned subject to COVID-19 restrictions, including webinars via the Primary Health Network.

### **Healthy weight initiative**

Designed by the Hunter New England Central Coast Primary Health Network, the 'Healthy Weight initiative' has been successful in supporting patients with weight loss across regional general practice clinics.

CS Health introduced the 12-session program to support workers to reach and maintain a healthy weight when they have been given an 'amber' rating following a periodic medical.

Since it began there have been 38 referrals to the program with cumulative results to date of weight loss of 70 kilograms and waist circumference reduction of 61.5 centimetres.



# Occupational Exposure Monitoring



The detection, evaluation and control of physical and chemical hazards is the core of workplace health and safety. Coal Mines Technical Services (CMTS) and Coal Mines Technical Services-Occupational Hygiene (CMTS-OH) provide a range of gas-related technical and occupational hygiene services that help protect workers against harmful exposure to the hazards inherent in mining and other industries.

## Order 40 – Abatement of Dust on Longwalls

Order 40 requires NSW coal mine operators using longwall mining methods to submit to Coal Services a dust mitigation plan outlining the controls they intend to have in place to limit personal exposure to airborne dust. The plan must be approved by the Coal Services Board prior to production starting on a new longwall face.

An audit of the dust mitigation plan must be submitted once production commences to ensure that all provisions of the application, and any conditions within the approval, are in place and operational.

16 dust suppression plans were received and approved by Coal Services during the year.

## Order 42 – Monitoring Airborne Dust

Order 42 gives powers to Coal Services inspectors to enter coal mine operations for the purposes of monitoring airborne dust, collecting dust samples and other functions and activities necessary to monitor airborne dust.

A comprehensive, targeted monitoring program is conducted in NSW to determine whether dust levels at coal mines are maintained below the workplace exposure standard (WES). Regular onsite dust monitoring and analysis provides essential data for mines to review the effectiveness of dust control measures and identify areas or tasks that potentially present a respiratory health risk for workers.

Statutory respirable and inhalable dust samples were taken from the breathing zones of 3,876 NSW mine workers in 2020-21. Any results found to have exceeded prescribed airborne dust workplace exposure standards were reviewed to identify potential exposure contributing factors and opportunities for exposure control.

Safe Work Australia revised the respirable coal dust and respirable crystalline silica (quartz) national workplace exposure standards during 2020-21. These changes were as follows:

- Respirable crystalline silica workplace exposure standard was revised from 0.1mg/m<sup>3</sup> to 0.05mg/m<sup>3</sup> from 1 July 2020.
- Respirable coal dust workplace exposure standard was revised from 2.5mg/m<sup>3</sup> to 1.5mg/m<sup>3</sup> from 1 February 2021.

Coal Services worked closely with coal mine operators and offered support through the provision of historic exposure monitoring data, assistance with exposure control initiatives and risk assessment reviews prior to and following these exposure standard changes.

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**16** dust suppression plans were received and approved by Coal Services during the year.

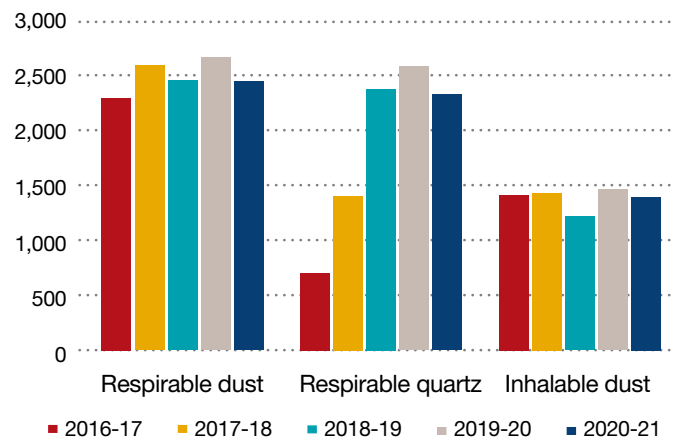


# Occupational Exposure Monitoring *continued*

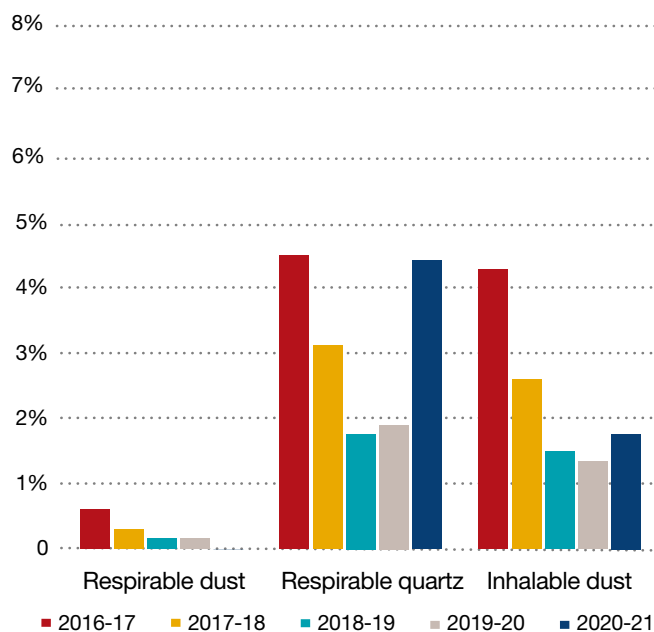


The revised respirable crystalline silica (quartz) exposure standard resulted in an exceedance rate of 4.4 per cent in 2020-21 compared to a rate of 1.9 per cent in 2019-20. The respirable coal dust exposure standard revision did not impact exceedances with no respirable dust exceedances recorded in 2020-21 compared to a rate of 0.1 per cent in 2019-20. Inhalable dust exceedance rates remained relatively stable compared to previous years with an exceedance rate of 1.8 per cent.

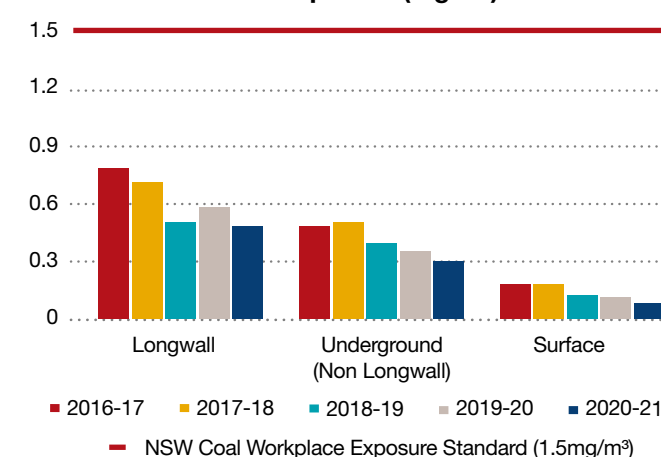
**Order 42 Airborne Dust Exposure Results Collected**



**Order 42 Airborne Dust Rate of Occupational Exposure Limit Exceedances**



**Order 42 Average Respirable Dust Exposure (mg/m<sup>3</sup>)**

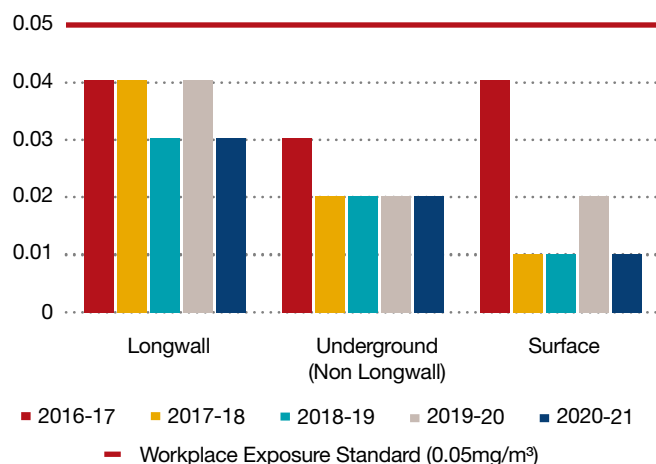


Graph showing average exposure against the workplace exposure standard over the same period. These are raw results - additional significant protection is provided by wearing RPE. WES of 1.5mg/m<sup>3</sup> effective from 1 February 2021.

# Occupational Exposure Monitoring *continued*

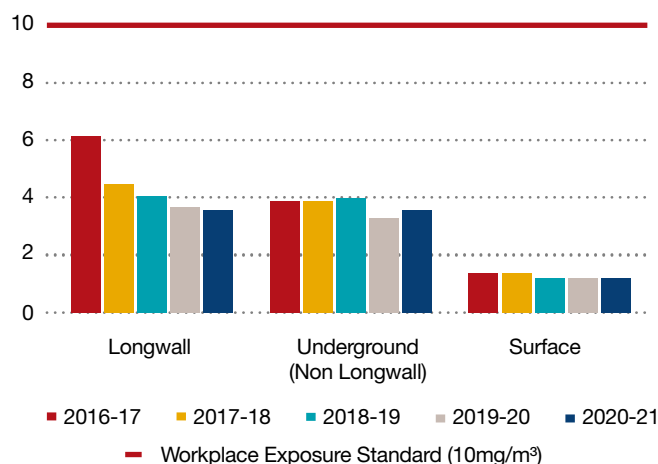


**Order 42 Average Respirable Quartz Exposure (mg/m<sup>3</sup>)**



Graph showing average exposure against the workplace exposure standard over the same period. These are raw results - additional significant protection is provided by wearing RPE. WES of 0.05mg/m<sup>3</sup> effective from 1 July 2020.

**Order 42 Average Inhalable Dust Exposure (mg/m<sup>3</sup>)**



Graph showing average exposure against the workplace exposure standard over the same period. These are raw results - additional significant protection is provided by wearing RPE.

## Airborne dust control assistance

The independent, accompanied airborne dust monitoring undertaken by CMTS-OH continued to provide valuable insight into NSW coal airborne dust exposure trends. CMTS-OH worked closely with individual mine operators to understand their site's airborne dust exposure risk and to assist in the review and improvement of airborne dust management plans. For example:

- Conducting real-time dust monitoring and dust mapping to identify dust sources and best practice operator positioning
- Pre and post control monitoring and verification assessments
- Providing extensive education programs to workers on airborne dust management across all regions. CMTS-OH delivered 52 customised airborne dust awareness presentations and reached around 1,800 workers. The aim of these sessions is to ensure workers are better informed to make smart choices every day at work in relation to dust control standards, operator positioning and respiratory protection use.

# Occupational Exposure Monitoring *continued*



## Diesel particulate matter (DPM)

The exhaust fumes from diesel-powered equipment pose a potential health risk for workers. Mine operators can better understand the risk profile of their workers by using personal monitors to measure DPM exposures. The data can assist in identifying areas of risk and implement effective controls.

A diesel particulate matter exposure standard of 0.1 mg/m<sup>3</sup>, measured as elemental carbon, was adopted in the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014 from 1 February 2021. As with the dust exposure standard revisions, Coal Services assisted mine operators to review their exposure data, controls and risk assessment in preparation for the adoption of the legislated exposure standard.

- CMTS-OH collected 530 individual DPM samples during the year. These samples included personal exposure monitoring and static positional monitoring.
- Mining regulators and mine operators actively seek practical measures to reduce human exposure to diesel particulate matter. CMTS conducted 1,661 diesel engine tests across NSW and Qld to assist mine operators maintain DPM levels as low as reasonably practicable.
- CMTS also provided customers with assistance to develop diesel emission management plans.

## Gas monitoring, analysis and calibration of equipment

CMTS is accredited by the National Association of Testing Authorities (NATA) to perform testing, repairs and calibration of gas detection equipment. This critical service assists to keep mine environments at safe levels of flammable and noxious gases.

During the year CMTS

- Conducted **15,883** NATA calibrations for both NSW and Qld mining operations
- Performed **1,498** mine atmosphere gas analysis services
- Maintained **8** SMARTGAS systems



## The Standing Committee on Airborne Contaminants and Occupational Hygiene

The Standing Committee on Airborne Contaminants and Occupational Hygiene (known as the Standing Dust Committee or SDC) is comprised of representatives from Coal Services, the NSW Resources Regulator, the CFMEU – Mining & Energy Division, NSW Minerals Council, Mine Managers Association and two independents offering additional expertise.

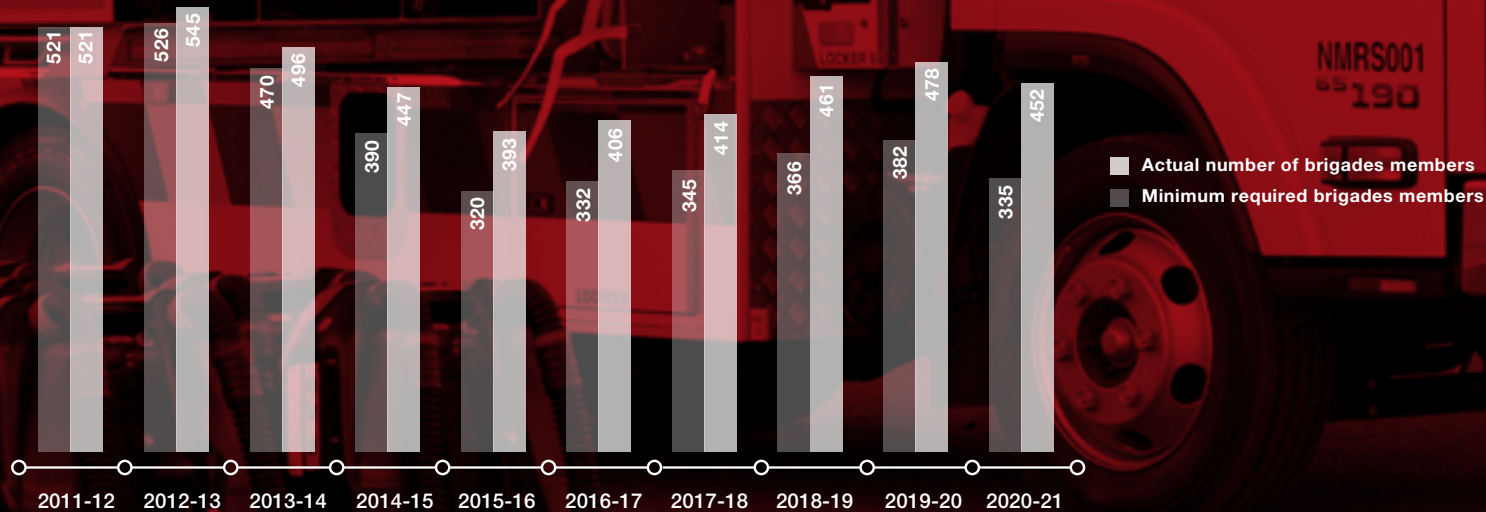
The SDC met six times during the year via video conference and at various mine sites across NSW to promote the work of the SDC and to investigate and inspect issues that had been identified through routine statutory dust monitoring.

# Emergency Response



NSW Mines Rescue is responsible for training voluntary brigades members and maintaining systems and equipment to be response-ready for any emergency situation across the NSW coal industry. This provides peace of mind to workers and employers, knowing that help is available to respond quickly, safely and efficiently.

Mines Rescue brigades members





# Emergency Response



NSW Mines Rescue (Mines Rescue) has a statutory obligation under the *Coal Industry Act 2001* (NSW) to provide emergency response services for the NSW coal industry; and are responsible for training and maintaining a brigade of emergency response personnel including Mines Rescue employees and brigade members. Mines Rescue also provides expert advice and specialised equipment in the event of an incident.

Coal Mines Technical Services (CMTS) supports Mines Rescue by providing critical technical expertise when rapid, real-time data and analysis is required for Mines Rescue deployment.

## Incident response

Fortunately, today's mining operations are centred on safe work practices with robust controls in place to manage occupational hazards. Mines Rescue brigades, with their specialised knowledge and skills, play an integral role in maintaining safety standards that assist in risk mitigation and incident prevention. However, should an incident occur they are ready to assist in bringing the incident under control, lead their workmates to a safe escape and, if necessary, assist in the recovery of a mine after an event. There were no major incidents requiring Mines Rescue's assistance during the year.

The Mineshield was upgraded during the year to extend the unit's useful life and was subsequently deployed at a mine in the Gunnedah region to manage a low level spontaneous combustion event. The One Seven foam generation system, which was procured as an Australian Coal Association Research Program (ACARP) supported project, was also deployed to the same mine to test the functionality of the unit. Onsite results for the One Seven foam generator were very promising and further testing is planned to fully determine the capability of the unit in assisting in mine events.



## Maintaining response capability

A core function of Mines Rescue is to maintain a response capability by training volunteer brigades in rescue techniques and other specialised tasks. COVID-19 control measures were implemented at all Mines Rescue stations to maintain essential safety training for customers.

Brigades members must attend six rounds of training each year to maintain their skills and active status. New recruits are required to complete a ten-day induction at Mines Rescue stations. 18 new recruits completed this training during the year.

A minimum five per cent of the underground coal mining workforce (including full-time equivalent contractors) must be trained to provide rescue support. At the end of June 2021 there were 452 colliery-nominated brigade members in NSW, which is above the minimum legislative requirement.



# Emergency Response *continued*



## Emergency simulations

Mines Rescue works with industry to organise, manage and respond to emergency simulations and management reviews as required by mining industry legislation. This ensures employees maintain a current knowledge of all emergency response requirements. Simulations vary from desktop exercises and evaluating internal communications processes to those requiring a full-scale deployment to a simulated mine emergency.

Mines Rescue competitions are held annually to provide an opportunity for emergency response personnel to practice their skills and emergency preparedness in a realistic, high-pressure environment. Due to the impact of COVID-19 restrictions, all NSW Mines Rescue and first aid competitions were cancelled in 2020. The Australian underground mines rescue competition was also cancelled.

Competitions resumed in 2021 with the Newcastle and Hunter Valley mines rescue competitions taking place in June. All other competitions were postponed due to COVID-19 restrictions.



Region	Date	Venue	No. Teams	Winners
Newcastle	Friday, 18 June 2021	Abel mine	5	Team Yellow (composite team)
Hunter Valley	Friday, 25 June 2021	Hunter Valley Mines Rescue station	5	Peabody Energy Wambo

# Emergency Response *continued*



## Mines Rescue Working Group

The Mines Rescue Working Group is a collaborative forum with representation from mining companies, the NSW Minerals Council, Mine Managers Association, NSW Resources Regulator and the CFMEU – Mining and Energy Division. The group is facilitated by Mines Rescue to encourage all stakeholders to keep abreast of current and emerging issues in emergency management and related fields; and to participate in developing the capabilities and capacity of the Mines Rescue service.

In November 2020, Mines Rescue facilitated a design thinking workshop with industry to ideate potential changes to the Mines Rescue emergency response model. One of the outcomes of this workshop was to incorporate Certificate III in Emergency Response and Rescue to Mines Rescue brigades training and thereby provide brigade members with a nationally-recognised competency.

The group met three times during the year.

## Consultancy services

During the year, Mines Rescue established a dedicated function to offer safety and emergency management consulting and compliance services to industry. The focus of this group is to support industry in the development, auditing and testing of safety, crisis and emergency management systems.



# Training



The NSW coal industry maintains one of the highest safety records in the world for a hazardous industry. Mines Rescue, as a Registered Training Organisation (RTO) and provider of specialist industry training, plays a critical role in assisting workers and employers to manage risk and operate safely.

Attendance at Mines Rescue training courses





# Industry education and training



## Order 34 – Ensuring training plans make mines safer and comply with statutory provisions

The *Coal Industry Act 2001* (NSW) provides for Coal Services to approve training plans for safety management systems as required under the general mining legislation. This is essential to ensure that mines meet the highest standards of safety and efficiency.

Eight (8) training plans were approved during 2020-21. The process is aided by the provision of various resource materials including a Guideline for the preparation of Training Competency Management Systems (TCMS). Under the Order, the Guideline should be reviewed every three years. The review was performed by an industry working group to ensure effective consultation and incorporate lessons from training contacts within the industry. The revised Guideline will be available in September 2021.

COVID-19 restrictions affected two main functions of Order 34:

### ■ Audits

Most audits of mines sites' TCMS and related operations were conducted remotely. The reduced face to face interrogation of participants was offset by an increased input and ownership by site operational staff. All scheduled audits were completed.

### ■ Workshops and conferences

While the central Order 34 conference scheduled for December 2020 was postponed, consultation workshops took place as scheduled across five regions. These sessions were well attended by industry training representatives.

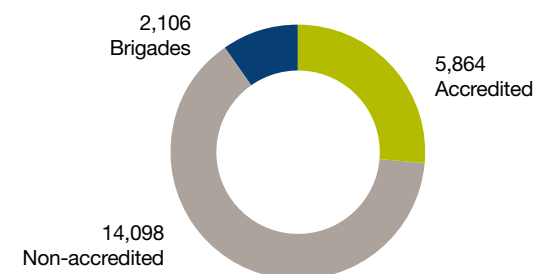
## Training numbers

COVID-19 control measures continued to restrict training attendances due to smaller class sizes and additional controls implemented for the use of breathing apparatus.

Despite these challenges, overall attendances at Mines Rescue training courses grew 17.4 per cent to 22,068. The increase in attendance can be attributed to revisions in course content and improvements in course delivery including the implementation of a new Learning Management System and electronic classrooms at some Mines Rescue stations.

Attendances at the Generic Underground Induction for underground coal mines dropped to 358, reversing the 4-year trend seen to date. Enrolments for statutory courses (Deputy and Undermanager) were also down on the previous year.

Overall training numbers 2020-21





## Industry education and training *continued*



### Cadets program

Five new cadets commenced the Mines Rescue cadet program during the year. Over a two-year period, the cadets undergo extensive training in safety, equipment, maintenance and procedures including 12 weeks of underground work experience. Cadets learn the skills and competencies of a Mines Rescue Training Officer with the objective of gaining industry employment on completion of their cadetship.

### Virtual learning and Augmented Reality

Access to and use of virtual reality enables Mines Rescue to provide effective, relevant and realistic training in a safe environment. As an integral part of Mines Rescue's training arm, the Virtual Reality team has developed scenarios to assist miners and emergency response personnel to better understand and react to risks in their environment.

Animations continued to be developed by the Virtual Reality team to simulate actual incidents. These animations have been used throughout industry to share valuable learnings from incidents and major investigations.

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**Access to and use of virtual reality enables Mines Rescue to provide effective, relevant and realistic training in a safe environment.**



# Industry statistics



Compiled with the cooperation of NSW coal producers, shippers and coal consumers, Coal Services holds a unique data series detailing key aspects of the NSW coal industry.

## Raw coal production vs. production employment

Production employment

25,000

Raw coal production  
(million tonnes)

300

20,000

250

- Raw coal production total
- Number of production employment as at 30 June

15,000

2011-12 2012-13 2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21

200





# Industry statistics



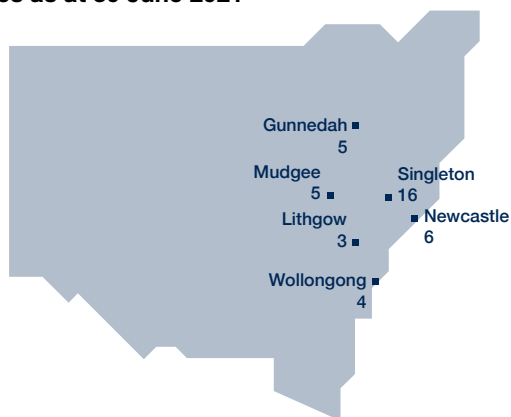
## NSW mining operations

At 30 June 2021, there were 39 coal mining operations in NSW.

- 17 underground mines (15 longwall operations)
- 22 open cut mines

### Number of coal mines in NSW

Figures as at 30 June 2021



## Raw coal production

Overall raw coal production was 242 million tonnes, a 5.5 per cent decrease from the production tonnage reached in 2019-20 of 256 million tonnes.

- Underground coal mines produced 54.5 million tonnes of raw coal, down 9.4 per cent on 2019-20
- Open cut coal mines produced 187.5 million tonnes; down 4.3 per cent compared to 2019-20.

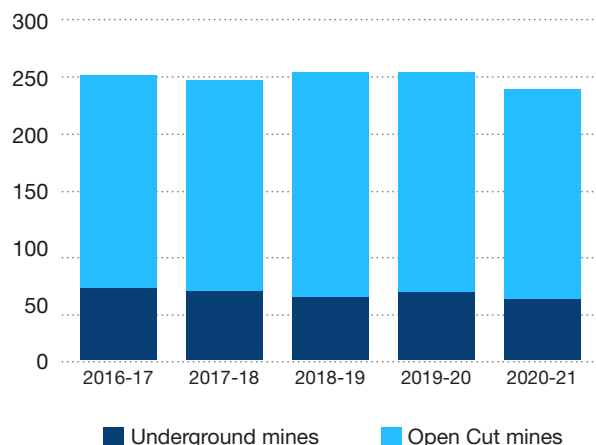
## Production employment

NSW coal industry production employment is defined as all persons working in or about the coal mine or coal preparation plant, pertaining to its operation, whether employed directly by the mine owner or the mine operator or by a contractor.

As at 30 June 2021, the production workforce at NSW coal mines had declined 3 per cent to 21,979 full-time equivalent workers.

- 7,027 workers at underground coal mines
- 14,952 workers at open cut coal mines
- Contractors represented 38 per cent of the industry's workforce.

Raw coal production, million tonnes



## Saleable coal production

Saleable coal production is calculated by subtracting rejects from raw coal production and adding or subtracting unexplained adjustments at the mine site. Saleable coal production is a combination of raw (unwashed) and clean (washed) coal.

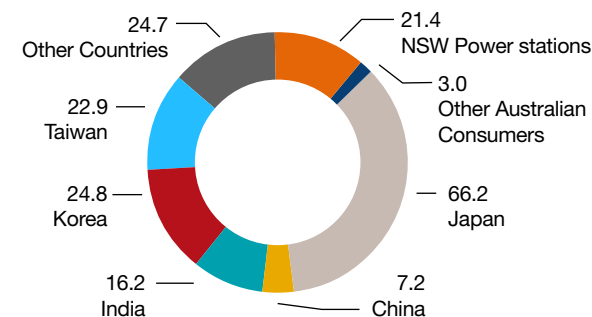
Saleable coal production was 186.2 million tonnes, down from 199.7 million tonnes in 2019-20.

## Sales

Coal from NSW coal mines was exported to 27 countries. Export tonnage for the year was 161.9 million tonnes, down 5.5 per cent when compared to 2019-20. Exports to China (traditionally the second biggest market for NSW coal) fell 80.9 per cent. Japan retained its position as the largest market for NSW coal despite a 0.7 per cent reduction in tonnage. Exports to all other markets grew.

Sales to domestic markets fell by 13.2 per cent to 24.4 million tonnes.

NSW coal industry sales, million tonnes



# Industry statistics *continued*



NSW Coal Industry Statistics	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Number of coal mines at 30 June	61	55	51	44	42	41	41	41	38	39
Raw coal production underground mines (million tonnes)	60.5	69.0	74.4	77.4	65.5	64.3	60.7	56.0	60.2	54.5
Raw coal production open cut mines (million tonnes)	160.5	176.8	186.6	175.8	181.4	189.1	187.9	200.0	196.0	187.5
Raw coal production total (million tonnes)	221.0	245.8	261.0	253.2	246.8	253.4	248.6	256.0	256.2	242.1
Saleable coal production (million tonnes)	167.2	185.6	196.6	196.4	191.0	198.2	194.3	196.6	199.7	186.2
Coal sales to power stations within Australia (million tonnes)	23.6	24.2	23.1	21.9	22.5	22.4	25.9	25.5	25.1	21.4
Coal sales to others within Australia (million tonnes)	4.8	4.5	4.3	3.9	4.0	4.1	3.3	3.3	3.0	3.0
Coal sales within Australia (million tonnes)	28.4	28.7	27.4	25.8	26.5	26.6	29.2	28.7	28.1	24.4
Metallurgical coal exports overseas (million tonnes)	23.3	25.5	25.1	24.1	25.6	25.9	20.4	22.4	21.1	19.2
Steaming coal exports overseas (million tonnes)	113.0	129.8	142.2	148.8	144.0	144.3	141.0	145.2	150.2	142.7
Coal exports overseas (million tonnes)	136.3	155.3	167.3	172.9	169.6	170.2	161.4	167.6	171.3	161.9
FOB value of metallurgical coal exports overseas (\$A billion)	4.4	3.3	2.9	2.6	2.5	4.4	3.6	4.5	3.6	2.4
FOB value of steaming coal exports overseas (\$A billion)	12.3	11.7	12.3	11.8	10.7	13.8	16.1	18.7	14.8	12.1
FOB value of coal exports overseas (\$A billion)	16.8	15.0	15.2	14.4	13.2	18.2	19.7	23.1	18.4	14.5
Average FOB value of metallurgical coal exports (\$A per tonne)	190.49	129.01	114.49	107.73	98.38	169.91	176.61	200.24	170.84	123.19
Average FOB value of steaming coal exports (\$A per tonne)	109.24	90.01	86.68	79.57	74.29	95.67	113.97	128.54	98.47	84.69
Average FOB value coal exports (\$A per tonne)	123.11	96.41	90.86	83.50	77.92	106.97	121.87	138.12	107.40	89.26
Average number of employees insured (exposed to risk) at 30 June <sup>1</sup>	30,595	30,065	27,740	24,990	22,803	22,591	24,650	32,673	37,637	37,132
Number of production employment at 30 June <sup>2</sup>	24,972	22,945	21,863	19,916	19,388	20,538	21,393	22,308	22,661	21,979
Saleable coal output per mineworker per year (tonnes)	7,000	7,830	8,820	9,270	9,460	9,980	9,320	8,990	9,000	8,530
Saleable coal output per mineworker per hour (tonnes)	3.49	3.91	4.46	4.98	4.99	5.24	4.82	4.62	4.63	4.54
Days worked per mineworker per year	286.6	286.0	282.6	266.1	270.8	272.2	276.4	278.4	277.5	268.7
Lost-time injuries per million tonnes raw coal produced	2.1	2.3	2.1	1.6	1.5	1.4	1.6	1.7	1.9	2.0
Lost-time injuries per million tonnes saleable coal produced	2.8	3.0	2.8	2.0	2.0	1.8	2.0	2.3	2.4	2.6
Lost-time injuries per million hours worked	9.6	10.4	12.4	10.0	9.8	9.7	9.6	10.4	11.1	11.6

1. The exposed to risk average is calculated on data available in the August/September of the following year.

2. Production employment includes working proprietors, persons engaged as employees of the operator of the mine or as employees of a contractor undertaking work relating to coal production, coal preparation, overburden removal, drivers transporting coal from the mine to a preparation plant or in administration/clerical work at the mine site and is a subset of exposed to risk numbers.



# Board of Directors



## David Moulton

### Non-Executive Chairperson

Nominee for NSW Minerals Council  
Term of appointment (1 January 2015 – Current)



## Lucy Flemming

### Managing Director/CEO

Term of appointment (19 December 2011 – Current)



## Peter Jordan

### Non-Executive Director

Nominee for CFMEU – Mining & Energy Division  
Term of appointment (1 January 2012 – Current)



## Graeme Osborne

### Non-Executive Director

Nominee for CFMEU – Mining & Energy Division  
Term of appointment (6 June 2019 – Current)

## Board of Directors *continued*



### **Mark Genovese**

**Independent Non-Executive Director**

Term of appointment (1 January 2013 – Current)



### **Jamie Frankcombe**

**Non-Executive Director**

Nominee for NSW Minerals Council  
Term of appointment  
(20 September 2017 – 1 August 2021)



### **Linda Bostock**

**Independent Non-Executive Director**

Term of appointment (1 January 2019 – Current)

# General Management Team



**Martin Linz**

Chief Financial Officer



**Bruce Grimshaw**

Company Secretary/  
Legal Counsel



**Wayne Green**

General Manager,  
Mines Rescue and  
Regulation & Compliance



**Mark O'Neill**

General Manager,  
CS Health



**Narelle Caldwell**

General Manager,  
Coal Mines Insurance



**Lynette Harper**

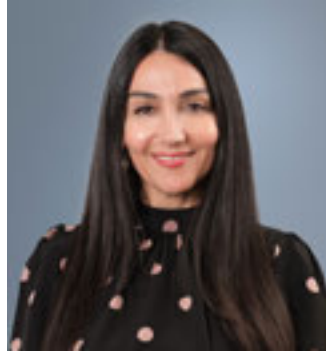
Deputy General Manager,  
Coal Mines Insurance

## General Management Team *continued*



**Pieter Marais**

**General Manager,  
Transformation and  
Strategy**



**Madeleine Love**

**Head of Risk,  
Compliance & Legal**



# Governance

Coal Services maintains an important set of values that recognise its responsibilities to its stakeholders, including the Minister for Regional New South Wales, Industry and Trade (the Minister), shareholders, customers, employees and suppliers.

The Coal Services Board places great importance on maintaining the highest standards of governance and continually reviews its governance practices. Coal Services has adopted the Australian Stock Exchange (ASX) Corporate Governance Council's 'Corporate Governance Principles and Recommendations' (4th Edition) and AS 8000 – 2003: Good Governance Principles. This has been adopted by Coal Services to comply with Clause 1, Schedule 2 of the Company's Notices of Approval and provides a structure for implementing good governance. Full disclosure is made to the Minister as well as the CFMEU - Mining & Energy Division and NSW Minerals Council as shareholders of Coal Services in accordance with the above.

## Governance framework

The separation of responsibilities between the Minister, Managing Director/CEO, the Board and the General Management Team is governed by the *Coal Industry Act 2001* (NSW) and the *Corporations Act 2001* (Cth).

## Board nominations and appointments

The Minister is responsible for overseeing Coal Services' operations in respect of its statutory functions including the appointment of Directors to the Coal Services Board. Specific details on Board nominations and appointments can be found in Schedule 5 of the *Coal Industry Act 2001* (NSW).

## Board independence

Board members have a range of relevant general financial knowledge, as well as specific skills and expertise in the coal industry, financial services and workers compensation sectors. Specific details for each individual Director are set out in the Board of Directors section. Four of the six Non-Executive Directors are directly nominated by Coal Services shareholders, as required by the *Coal Industry Act 2001* (NSW). In relation to independent Non-Executive Directors, independence is assessed prior to nomination to the Minister and all Directors are subject to a Probity process performed on behalf of the Minister prior to appointments being made.

All Directors must comply with the Directors' Code of Conduct and Coal Services' Conflict of Interest Procedure. At the time of appointment and every year thereafter, all Directors must complete a Fit and Proper Responsible Person Assessment as per the Coal Services Fit and Proper Policy.

# Governance *continued*

## Board induction and continued professional development

On appointment, all Directors are provided with an induction program by the Company Secretary/Legal Counsel. During the induction program, each Director is provided with a Board Information Pack on a Coal Services secure platform (Diligent Board Books) and is provided with verbal information through meetings with the appropriate Company officers including the Managing Director/CEO and Chief Financial Officer. This includes relevant information for the Director to familiarise themselves with the governance framework that Coal Services operates within, our Strategy and any current issues relevant to the proper functioning of the Board.

## Company Secretary/Legal Counsel

The Company Secretary/Legal Counsel is appointed and can be removed by the Board of Directors. The Company Secretary/Legal Counsel reports to the Chairperson and to the Managing Director/CEO (from a day-to-day operational perspective).

## Performance evaluation

### Board performance

The Board performance evaluation process is conducted approximately every two years.

## Ethical framework

### Code of Conduct

Coal Services is committed to conducting business with integrity and accountability in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations.

The Code of Conduct describes the expectations from Coal Services in relation to the desired level of professionalism and excellence that supports Coal Services' business reputation and corporate image within the community. It highlights the seven key principles that aligns with Coal Services mission and values being:

1. We act honestly, ethically and with integrity.
2. We value our customers and community.
3. We treat each other with respect.
4. We are accountable and transparent.
5. We respect and maintain privacy and confidentiality.
6. We recognise and declare any conflicts of interest.
7. We obey the law and comply with all company policies.

## Conflict of interest

All Directors are required to disclose any conflict of interest upon appointment and are required to keep these disclosures to the Board up to date. Any Director with a material personal interest in a matter being considered by the Board must declare their interest and, unless the Board resolves otherwise, may not be present during the boardroom discussion or vote on the relevant matter.

All employees are expected to disclose all conflicts of interest and have appropriate controls in place around the particular conflict.

# Governance *continued*

## Financial reporting and risk management

### Financial reporting

The Coal Services Board receives regular reports from management about the financial performance of Coal Services and all controlled entities.

#### The Board is supported by the:

Board Finance Investment and Audit Committee (FIAC) which monitors the financial and investment performance against strategies and targets, oversees the internal and external audit process, as well as financial reporting.

Board Risk Management Committee: oversees Coal Services' compliance with corporate policies, corporate governance and risk management policies, by monitoring implemented internal controls in line with the risk management framework and relevant legislation.

Board Insurance Committee: oversees the operation and effectiveness of the specialised workers compensation scheme for the NSW coal industry, administered by Coal Services.

Board Remuneration Committee: oversees Directors' remuneration and the remuneration and employment conditions of all Coal Services employees.

### Risk management

The recognition and management of risks is a critical function within Coal Services. The risk management framework has been developed to manage:

- Capital and earnings – targets
- Reputational, political and regulatory risk
- Insurance risk
- Operational risk
- Investment risk
- People risk
- Information technology and cyber security risk

Whilst Coal Services is not required to comply with the Australian Prudential Regulation Authority's (APRA) Prudential Standards, Coal Services has adopted these Standards where appropriate.

The Coal Services Board is responsible for reviewing and approving the overall risk management strategy, including the Risk Appetite Statement.

### Internal audit

The Internal Audit function is governed by the Internal Audit Charter which is reviewed and approved by the FIAC.

#### The Internal Audit Function is authorised to:

- Have unrestricted access to the FIAC.
- Have unrestricted access to all functions, property, records and employees of Coal Services.
- Allocate resources and apply such techniques as may be required to fulfil the requirements of the annual audit plan and any additional audit activities that may be agreed.

The annual audit plan is resourced internally by the Internal Audit function and by other outsourced audit providers, as appropriate.

### External audit

Coal Services' external auditor is KPMG and has been appointed by the Coal Services Board. The role of the external auditor is to provide an independent opinion that Coal Services' financial reports are true and fair and comply with applicable accounting standards and the *Corporations Act 2001* (Cth).

## Governance *continued*

### 2020-21 Board Attendance (Summary)

Director	Position	Board Meetings Coal Services <sup>1</sup> (inc. CMI & Mines Rescue)		Board Finance, Investment and Audit Committee		Board Risk Management Committee		Board Insurance Committee		Board Remuneration Committee	
		Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Lucy Flemming	Executive Director	7	7	0	0	0	0	4	4	0	0
Linda Bostock	Independent Non-Executive Director	7	7	5	5	0	0	4	4	0	0
Jamie Frankcombe	Non-Executive Director	7	7	0	0	4	4	4	4	0	0
Mark Genovese	Independent Non-Executive Director	7	7	5	5	4	4	0	0	0	0
Peter Jordan	Non-Executive Director	7	7	0	0	0	0	4	4	3	3
David Moulton	Non-Executive Director/Chairperson	7	7	5	5	0	0	0	0	3	3
Graeme Osborne	Non-Executive Director	7	7	0	0	4	4	0	0	3	3
		49	49	15	15	12	12	16	16	9	9

1. The Boards for Coal Services Pty Limited, Coal Mines Insurance Pty Ltd and Mines Rescue Pty Limited are opened concurrently as one meeting (Coal Services Boards).





## Coal Services Pty Limited

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