











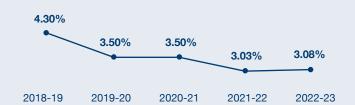
Required

Performance highlights

2022-23

Claim frequency rate

3.08%



Operating coal mines in NSW

19 underground21 open cut

B2B customer satisfaction

72-100%

for all business units

Trained volunteer brigades personnel



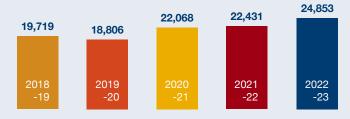
4,114

Statutory respirable and inhalable dust samples taken

37,277

Average exposed to risk workers

Overall attendances at Mines Rescue courses



9,792

Periodic health surveillance medicals to monitor and protect against occupational disease 2

Training plans approved



Compliance

No material compliance breaches reported

Statutory obligations

Requirements met

Sustainable Scheme

Fully-funded Coal Services Health & Safety Scheme Coal Services is an industry-owned organisation committed to providing critical services and expertise to the NSW coal mining industry. Our Specialised Health and Safety
Scheme offers a comprehensive range of
services designed to minimise workplace
injuries and illnesses. These services
encompass occupational health and safety,
workers' compensation, mine rescue
emergency response and specialised
safety training. In collaboration with our
industry stakeholders, we are committed
to safeguarding the health, safety and
wellbeing of workers within the sector by
focusing on prevention, early detection,
enforcement, and educational initiatives.

We are jointly owned by two shareholders, the NSW Minerals Council and the Mining & Energy Union. Our purpose, vision and values are aligned to focus on the continued 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



Peter Jordan Chairman



Lucy Flemming
Managing Director/CEO

Industry overview

The NSW coal industry remains a significant contributor to both the NSW economy and the communities it serves. At 30 June 2023, there were 40 active coal mines throughout the state, employing 24,984 individuals in coal mining production roles; marking the highest level of employment since June 2012.

Coal sector growth is also reflected in attendances at the Generic Underground Induction for coal mines, a foundation safety course for new entrants to the industry, which increased by 14.3 per cent and a return to pre-COVID numbers. Attendances at pre-placement health assessments also increased by 28.6 per cent.

Together as an industry, our commitment to protecting the health and safety of our industry's workers through essential safety training and health monitoring has contributed to a claim frequency rate of just over three per cent. Yet despite the number of workers' compensation claims remaining relatively stable, we are seeing a slightly higher number of workers requiring longer term support from Coal Mines Insurance.

Financial performance

In 2023, insurance premiums saw a \$40 million increase compared to the previous year in response to higher industry wages, rising costs and inflation. Investment income rebounded significantly showing a \$22 million return, in contrast to the \$28 million loss experienced in the prior year. The positive investment income result was partially offset by increased expenses, with a \$37 million reduction in the effect on the claims liability, due to interest

rate fluctuations. Additionally, a \$7 million increase in other comprehensive income reflects the property revaluation gains within the overall portfolio.

Financial Overview for the year ended 30 June 2023	2023 \$'000	2022 \$'000
Consolidated Comprehensive Income		
Total revenue and investment income	290,459	194,960
Total expenses	(249,352)	(180,254)
Net profit from ordinary activities	41,107	14,706
Other comprehensive (loss)/income	7,321	841
Total comprehensive income for the year	48,428	15,547
Consolidated Financial Position		
Total Assets	775,227	696,463
Total Liabilities	(552,783)	(522,447)
Net Assets	222,444	174,016

Message from the Chairman and Managing Director/CEO

Strategic performance

In January 2023, the Board appointed Wayne Green as Chief Operating Officer, a pivotal role to build on the successes within the operational business units of Mines Rescue/Regulation & Compliance, CS Health and Coal Mines Insurance and to ensure consistent customer experiences, service delivery, and value across our Specialised Health and Safety Scheme.

Throughout the year, we have consistently worked to strengthen our commitment to prioritising our customers' needs and to deliver products and services that support the interests of all stakeholders.

This has been particularly evident in the CS Health business which opened a new office to service the Gunnedah region; and established the Standing Health Committee (based on the successful Standing Dust Committee model) to address priority and emerging industry health issues through targeted health promotion and supporting research initiatives. Industry consultation continued regarding proposed improvements to Order 43 which incorporates relevant recommendations from the recent Mine Safety Advisory Council's Independent Review into the health surveillance scheme for the NSW coal mining industry.

CMTS expanded their product portfolio, partnering with CSE Corporation to distribute CSE-branded self-contained self-rescuers across the east coast of Australia. Mines Rescue has continued to work with industry to enhance brigade training and build capabilities as part of a revised response model as well as offering a nationally-recognised qualification for new mine workers. Our digital transformation remains a critical focus for all operations in addition to heightened vigilance to better protect against cyber and privacy issues.

While these examples demonstrate our ongoing commitment to enhancing service provision and customer satisfaction, they also set the stage for further progress in the coming year. We are eager to build upon these achievements and look forward to continuing to serve our industry effectively.

Thank you to our industry, the communities within our operational regions, and all our valued stakeholders for their support. This appreciation extends to The Hon. Courtney Houssos, Minister for Natural Resources, and her team; Tony Maher, General President of the Mining & Energy Union and Stephen Galilee, CEO of the NSW Minerals Council.

Our sincere thanks also go to the dedicated employees, management teams, and Board of Directors at Coal Services. Their efforts have enabled us to meet the demands of our customers and the industry.

Our people

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

Coal Services appointed a Chief People Officer in September 2022 to help support key initiatives relating to our people strategy.

These have included:

Defining our Employee Value Proposition (EVP) and benefits of working for Coal Services; as well as the introduction of a Reward and Recognition platform known as CheerS Mate.

Implementation of a new Human Resources Information System to aid in streamlining processes and improve efficiencies. A revamped approach for fostering culture awareness to effectively embed the Coal Services Cultural DNA framework principles. The aim is to improve culture and connections across the business while proactively addressing the causal factors identified through engagement surveys.

Building leadership and technical skills capabilities with specific focus on revitalising our onboarding program; providing essential compliance training including cyber security; and launching dedicated support resources and training for leaders.







Our people

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.

In accordance with Workplace Gender Equality Agency (WGEA) legislative reporting and compliance obligations, we lodged our 2022-23 Public Report in June 2023.

(at 29 May 2023)								
		%						
	Total	Women	Men					
Managing Director/CEO	1	100	0					
Key management personnel	9	40	60					
Managers	46	41	59					
Professionals	247	56	44					
Technicians and trade	42	12	88					
Clerical and administrative	141	92	8					
Labourers	1	0	100					
Total	487	63	37					
	Total	Women	Men					
Board	7	29	71					





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.



Stakeholder engagement

Coal Services facilitates various committees, such as the NSW Mines Rescue Working Group, Standing Dust Committee and newly formed Standing Health 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 guidance and advice to the Mine Safety Advisory Council and sub-committees and have representatives sitting on various Australian Standards committees.

Each of our businesses continued to focus on improving stakeholder engagement, maintaining regular contact with mine operators, contractors, the Mining & Energy Union, NSW Minerals Council and the NSW Resources Regulator at key shareholder events, working groups, workshops and forums.

In August 2022, Coal Services updated the Coal Services' Stakeholder Engagement Framework and adopted the AA1000 Stakeholder Engagement Standard 2018 principles. In 2023 the Framework was updated to include the governance responsibilities of the new Chief Operating Officer role.

Voice of Customer

The Coal Services Voice of the Customer Program enables our customers (both workers and employers) to provide informal and formal feedback through different channels regarding their overall experience on specific elements such as services, processes or people. The program aims to formalise, action and track all feedback received.

Our Voice of Customer program provides the following benefits:

- Drive continuous improvement of our operations and services
- Identify and mitigate any risks associated with our people, services or products
- Build trust and advocacy
- Formally identify and respond to complaints

Our customers

Workers in our industry are the primary beneficiary of our services. Point-of-service feedback about their experience enables us to gauge our performance to build on what we are doing well and opportunities for improvement.

Coal Mines Insurance

Worker satisfaction is measured by the claims experience of injured workers.

Overall comments received during the year were positive, with the main themes including the ease of lodging a claim and ease of working with the business. Communication throughout the claims process was an area that workers felt could be improved and remains an area of focus.

CS Health

Workers are asked to rate their experience following their attendance for a medical and/or other services.

Overall comments were positive in regard to the professionalism and friendliness of staff. Workers also rated their experience highly in terms of 'how well we looked after them' and ease of working with the business.

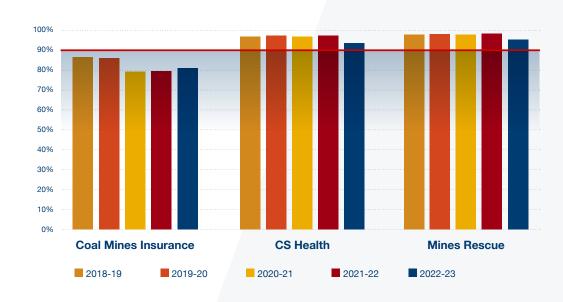
Mines Rescue

Students who attend Mines Rescue training courses are encouraged to provide feedback on completion of their course.

The knowledge and professionalism of Mines Rescue trainers was highly regarded, demonstrated by very positive feedback in relation to trainer helpfulness and knowledge; content relevance and assistance to learn. Overall feedback indicated they would recommend Mines Rescue as a training provider.

Worker Satisfaction Score

Target: 90%



Worker Satisfaction Score Participation rates for 2022-23:

Coal Mines Insurance: 17.7%, CS Health 4.14%, Mines Rescue 23.33%

9

Our customers

Employer/Contractor results

Not all businesses conducted annual surveys during the year. Rather, the focus has been on utilising current qualitative feedback received via direct engagement meetings to supplement previous survey results to address customer pain points before conducting further formal surveys.

Coal Mines Insurance

Employer education, regular meetings and workshops between the CMI account management team and Tier 1 and 2 policyholders to improve collaboration and engagement.

Focus areas based on customer feedback have included uplift in skills, capabilities and service provision and overall stakeholder communication.

CS Health

Ongoing education and regular meetings with key stakeholders to improve understanding of Order 43 requirements and review medicals has been positive. The business has also had increased presence at site-specific training days at the request of customers to support their wellness initiatives

CS Health introduced a management operating system aimed at enhancing operational efficiency, communication and consultation which has led to improved overall effectiveness throughout the year.

72%customer
satisfaction

survey last conducted 2022-23 (37% participation rate, account managed policyholders only)

73% customer satisfaction

survey last conducted 2021-22 (35% participation rate)

Mines Rescue

Mines Rescue have continued to work with industry to develop and implement a training program that reflects are more contemporary response model; including expanding skills and capabilities with a new Certificate III qualification.

Worker feedback shows that Mines Rescue's training and education services are highly regarded by those who attend the courses. A similar sentiment is shared by coal industry employers and others outside the mining sector, specifically on the professionalism and quality of the training and the health and safety benefits that it delivers. The ability for employers to view course dates online which has aided their planning and scheduling was noted as an improvement; as well as the availability of virtual reality content and animations to complement existing training regarding safety awareness.

CMTS

CMTS proactively collaborated with industry stakeholders and suppliers regarding product and service delivery. The feedback received in response to these efforts has been consistently supportive and positive.

84% customer satisfaction

survey last conducted 2020-21



100% customer satisfaction

survey last conducted 2022-23

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.

Sponsorships

The Westpac Rescue Helicopter Service (the Service) performs around 1,000 life-saving missions each year and relies on corporate sponsorships and community fundraising to do so. Coal Services has proudly sponsored the Service for many years.

In addition to our corporate agreement, Coal Services supported several events raising funds for the Service, including the annual Leaders Leap, Ride 4 Rescue, Hunter Valley Mining Charity Rugby League Knockout Competition and golf days.









Community partnerships



Coal Services joined other local businesses to sponsor the **Illawarra Steelers** in the inaugural Harvey Norman Women's Premiership. There are over 1,000 females playing in the Illawarra region with many who have links to mining. The sponsorship agreement demonstrates our commitment to supporting our local communities and also developing the female talent within the region.

Coal Services' exclusive sponsorship of the **Singleton Greyhounds** (Singleton United Rugby League Football Club) is heavily focused toward demonstrating the importance of safety leadership in the area of first aid provision and training. Hunter Valley Mines Rescue provides accredited training to the Greyhounds' First Aiders and other members, as well as supporting the club by providing first aid support for some of their key annual community events.

International Womens Day recognises the difference that women have made, and will continue to make, across our communities and in our industry. Coal Services sponsored this year's IWD Illawarra luncheon, raising funds for not-for-profit women's services in the Illawarra.

Coal Services formally signed on as a Gold Pledge Partner with the Soldier On Pathways Program, demonstrating our commitment to being a veteran-supportive workplace. The new relationship will see Coal Services share employment opportunities directly with veterans who have left the military and/or their families who are looking to move to our regional areas like Singleton. Coal Services employs a diverse range of skilled workers from administration, health and safety professionals and technical experts to corporate executives.

Community events

Coal Services supported numerous industry partners by participating in community days at various Glencore, Yancoal, Thiess, South 32 and New Hope mines. These events, and emergency response events such as the SES Expo, provide great opportunities for mining companies to engage with local communities and their workers' families. Coal Services' involvement enabled us to show industry support and demonstrate the services we deliver to protect the NSW coal industry and its workers.

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. Twelve requests for grants were approved to thank retired mine worker communities for their contribution to our industry; and to support functions for children with special needs in our regional coal mining communities.





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 each of our sites, including:

- Installing electronic classrooms at all Mines Rescue stations to minimise the use of paper-based records and training materials.
- Installation of 2,000 LED lights across six sites to improve energy efficiency.
- Continuing to encourage the use of online tools and paperless work practices, including e-learning and video conferencing functionality, thus minimising our environmental footprint by reducing paper usage and the need to travel.
- The continuation of hybrid and remote working arrangements, where possible, which has decreased the need for some of our employees to commute, thus reducing the number of vehicles on the road.

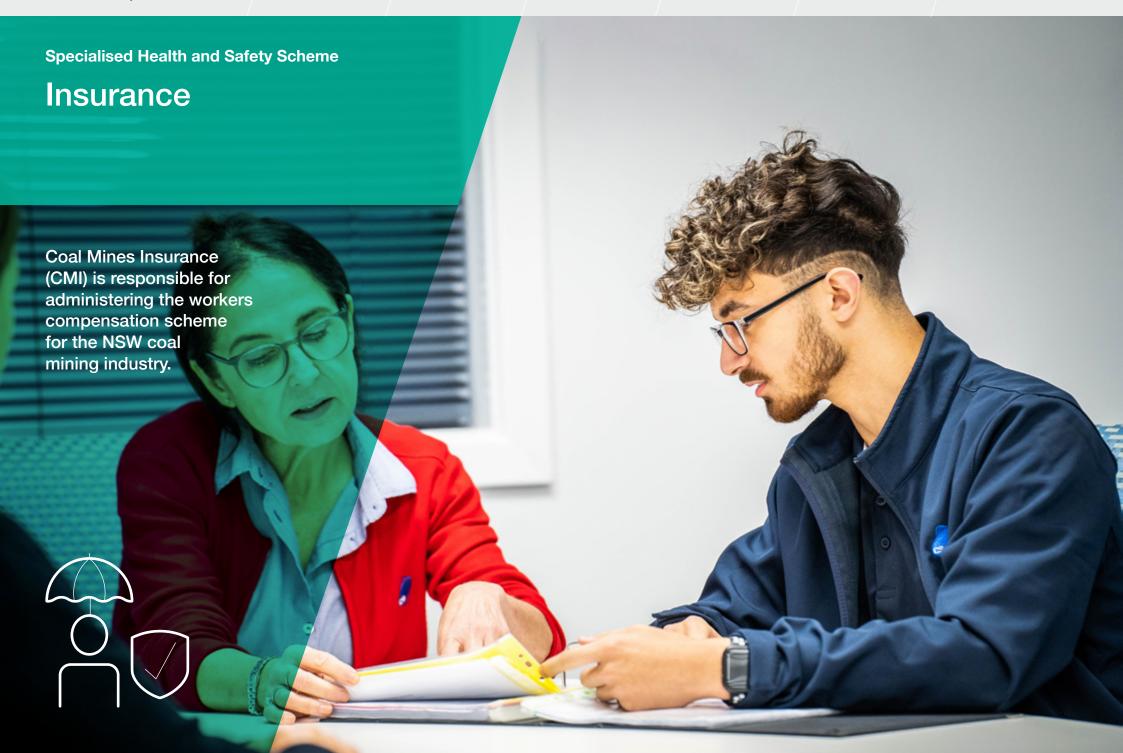
NSW Environment Protection Authority PFAS investigation program

Mines Rescue voluntarily entered the Environmental Protection Authority's (EPA) Per- and Poly-Fluoroalkyl Substances (PFAS) investigation program in April 2017, following legacy use of firefighting foams containing PFAS in small quantities at some training facilities prior to 2002.

Coal Services remains committed to the PFAS program and monitoring is ongoing at affected sites. Environmental management plans continue to be reviewed with current testing data to minimise the risk of any PFAS-related impacts.







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 as at 30 June 20231

2,235 active policies

2,017 active claims

\$4,948 million assessable wages²

\$203.7 million premium revenue

37,277 average exposed to risk workers (Down from 37,603 for 2021-22)

Claims and injury management

CMI aims to ensure 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 return to work (RTW), and meeting legislative obligations.

A significant injury is a workplace injury where the worker had an incapacity for work (whether total or partial) for a continuous period of more than seven days. Of the 1,150 new claims received in 2022-23, 64.6 per cent (744) were significant injury claims. In comparison, of the 1,141 new claims received in 2021-22, 62.4 per cent (712) were significant injury claims.

Positive injured worker outcomes have, in part, been achieved due to opportunities for suitable duties being made available and the timely notification of injury by employers.

Key drivers for claim payments:

Claims payments totalled \$100.2 million (gross) during the year. Net claims payments totalled \$97.2 million after recoveries on relevant claims.

- Common law claims, excluding claims related to lung injuries, totalled \$21.1 million in payments in 2022-23, a 34 per cent (\$5.3 million) increase from \$15.8 million in 2021-22. This increase was primarily driven by an increase in the number of claims that settled in 2022-23.
- Medical expenses decreased 18 per cent (\$2.7 million) to \$12.2 million. The reduction in medical expenses was underpinned by CMI's continued focus on providing reasonable and necessary medical treatment and closely monitoring medical providers in the system.

¹ Exposed to risk is based on data provided by policyholders.

² Assessable wages and premium are based on declarations from policyholders.

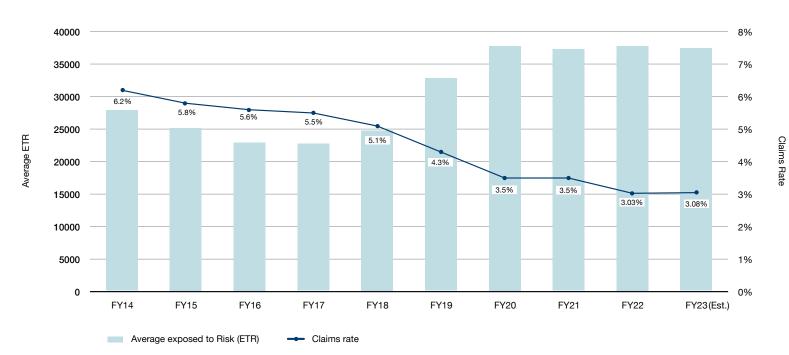
Claim frequency rate

The claim frequency rate is calculated as the number of new claims in the 12 months to 30 June 2023 divided by the average number of workers exposed to risk (average ETR) over the same period.

In 2022-23, there were 1,150 new claims and an average ETR of 37,277, resulting in a claim frequency rate for the Scheme of 3.08 per cent.

The reduction in the claim frequency rate over time is the result of various factors such worker education and training, an emphasis on providing safe work systems, and the vigilant oversight by the NSW Resources Regulator in monitoring performance and injury prevention. These outcomes are a testament to the industry's collective efforts, supported by the array of services offered through our Specialised Health and Safety Scheme.

Claim frequency rates



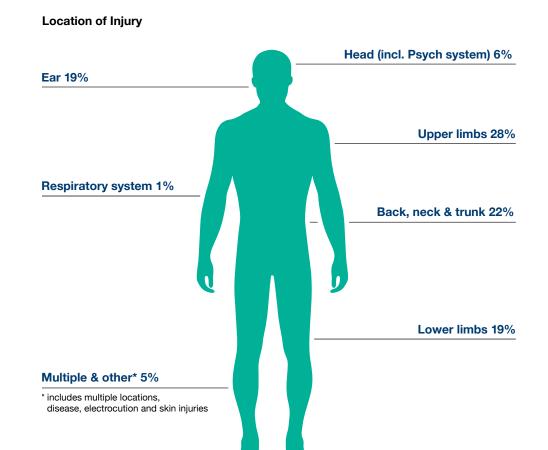
Nature of injury

The nature of injury identifies the principal physical characteristics of the work-related injury or illness. In 2022-23, traumatic joint/ligament and muscle/tendon injuries were the most common nature of injury, accounting for 46 per cent of all new claims received. Together with nervous system and sense organ diseases (19 per cent) and musculoskeletal and connective tissue diseases (11 per cent), these injury types comprised 75 per cent of all new claims in 2022-23.

Location of injury

The body map at right shows the proportion of new claims by primary injury location.

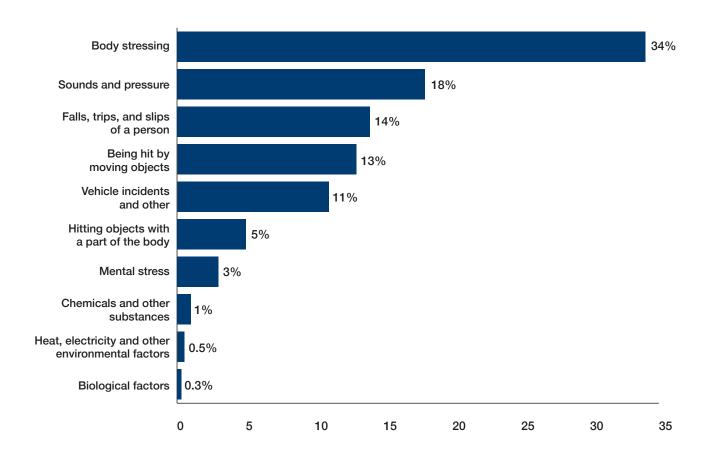
- The highest proportion of injuries occur in upper limbs (28 per cent).
- Injuries to the back, neck and trunk increased 5 per cent representing a return to the five-year historical average of 23 per cent.
- Due to a reduction in COVID-19 claims, claims relating to the respiratory system decreased 5 per cent.



Mechanism of injury

The mechanism of injury is the action, exposure or event that triggers an incident or injury. Medical practitioners use the mechanism of injury to understand the mechanical and environmental factors related to the injury. This information informs the diagnosis, indicative recovery timeframes and treatment plans for the injured worker. The mechanism of injury also provides for a better understanding of risks within the workplace.

Proportion of new claims by mechanism of injury³



³ Totals may not add to 100% due to rounding



Health

14,861 pre-placement medicals

9,792 periodic medicals

20,299 chest x-rays

NSW COAL ORDER 43: MONITORING WORKERS' HEALTH

Under NSW Coal Order 43 (Order 43), 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.

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.

Every coal mine worker in NSW must undergo periodic health surveillance (known as a periodic medical assessment) every three years. The periodic medical assessment ensures that workers' ongoing health is protected and monitored for any adverse health risks as a result of their employment.

A pre-placement chest x-ray is required for all workers on entry to the industry. Workers exposed to coal mine dust must attend a periodic chest x-ray every three years as part of the requirement for ongoing health surveillance.

During the year, Order 43 medicals identified workers at risk in the following instances:

29 workers

identified with cardiovascular disease where:

- 20 were certified as temporarily unfit for work
- 8 were restricted from safety critical roles
- 1 worker had a specific rostering restriction.

These workers were referred to their GP/ Specialist to assist them to return to full duties.

139 workers

workers identified as having medical conditions that may have impacted them safely completing their role, resulting in:

- 41 certified as temporarily unfit for work
- 39 restricted from dust environments pending investigation
- 19 temporarily restricted from safety critical work
- 1 permanently unfit from safety critical work
- 23 had musculoskeletal restrictions
- 15 had specific rostering restrictions
- 1 worker was made permanently unfit for work.

These workers were referred to their GP/ Specialist for further investigation and/ or treatment.

Health

KEY INITIATIVES AND OUTCOMES

Enhance Order 43

Order 43 plays a critical role in ensuring that NSW coal mine workers are adequately screened for health risks that may be associated with their work, such as Coal Mine Dust Lung Disease. Initial consultation commenced in 2021 regarding areas of the Order that could be further improved.

In 2022, the NSW Government (Department of Regional NSW) engaged the University of Illinois School of Public Health to undertake an independent quality assurance review of the NSW Health Surveillance Scheme for Coal Mine Workers. The independent review was a recommendation of, and overseen by, the NSW Mine Safety Advisory Council (MSAC).

The final report found that CS Health has a robust system of medical health surveillance and noted the considerable improvements made to the scheme since the re-identification of black lung in Australia in 2015. The report also included recommendations to consider for further improvement.

Establish CS Health in Gunnedah

Growing demand for occupational medical services, coupled with customer feedback on service provision in the region, turned our focus towards establishing a permanent presence in Gunnedah. The office was officially opened in September 2022 to conduct Order 43 medicals and related occupational health services.

Establish a dedicated health promotion function

The rising prevalence of 'lifestyle' diseases and the impact of musculoskeletal injuries prompted the need for targeted health prevention and promotion programs to address these and other industry-wide health issues.

A dedicated Health Prevention function was established in 2022 to develop and implement campaigns to raise awareness of health issues affecting industry workers and how to reduce health risks.

Initial campaigns and topics have included the healthy weight initiative, mental health and diabetes.

Standing Health Committee

In October 2022, the Coal Services Board approved the formation of the Standing Health Committee (SHC), based on the successful model of the Standing Dust Committee. The SHC collaborates with industry and health representatives to identify and prioritise focus areas to develop and deliver preventative health initiatives.

The inaugural SHC meeting was held on 8 February 2023.

Clinical Governance Committee

In February 2023, the Coal Services Board approved that a Clinical Governance Committee be established to perform an advisory role in supporting CS Health's commitment to ensuring clinical excellence, led by an independent Chair. The first Clinical Governance Committee meeting will occur in November 2023.

Task analysis to manage psychosocial risk

The NSW Work Health and Safety Amendment Regulation 2022 brought into effect new provisions on the management of psychosocial risks in the workplace effective from 1 October 2022.

In response to the amendment, CS Health enhanced the reporting of psychosocial hazards in their task analysis product, offering specific psychosocial hazard assessment to industry, which has been well received. This information is used to assist employers to identify and manage potential psychosocial workplace hazards to enhance RTW outcomes for injured workers.



CMTS-OH

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.

Coal Services received and approved 14 dust mitigation plans during the year.

Order 42 – Coal Services – 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 4,114 NSW mine workers in 2022-23. 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.

All exceedances triggered a resample of the work area and tasks to assess the effectiveness of any dust control improvements implemented by the mine operator. Exceedance results and the subsequent dust resample were reviewed and discussed at the Standing Committee on Airborne Contaminants and Occupational Hygiene meetings.

Key trends in Order 42 airborne dust results collected in 2022-23 include:

- A reduction in the rate of respirable quartz exceedances from 4.8% in 2021-22 to 4.45% in 2022-23. The increase in respirable quartz exceedances in 2020-21 was due to the lowering of the respirable crystalline silica (quartz) workplace exposure standard from 0.1mg/m³ to 0.05mg/m³ in July 2021.
- A reduction in the average respirable dust exposure level of longwall workers with an average result of 0.38mg/m³ in 2022-23 compared to 0.45mg/m³ recorded in 2021-22. Improvements in the use of longwall automation across industry continues to help reduce longwall worker dust exposure levels.
- An increase in the average respirable quartz exposure of surface workers with an average result of 0.014mg/ m³ in 2022-23 compared to 0.012mg/ m³ recorded in 2021-22. This increase was due to increased exposure levels recorded by shot firers at a number of open cut coal operations.

Assisting with compliance

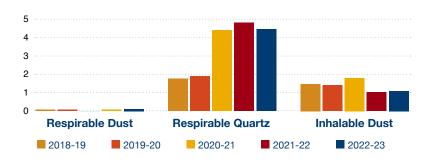
In 2022-23 Safe Work Australia released proposals to adopt a national workplace exposure standard (WES) of 0.015mg/m³ for Diesel Particulate Matter (DPM) and 0.025mg/m³ for Respirable Crystalline Silica (RCS). These proposed WES revisions are significantly lower than the current NSW mining WES of 0.1mg/m³ for DPM and the current national WES of 0.05mg/m3 for RCS and would require significant improvements in exposure control in NSW coal mines to maintain compliance. Coal Services has assisted mine operators to review their collected DPM and RCS exposure data against the proposed SWA WES. It is expected that SWA will release its decisions on both WES revision proposals in 2023-24.

Assistance has been provided to mine operators and companies as they worked through updated requirements following the release of the NSW Work Health and Safety (Mines and Petroleum Sites) Regulations 2022. Coal Services has assisted with general interpretation and guidance in relation to Schedule 6 airborne dust monitoring requirement changes.

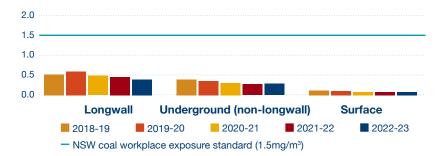
Order 42 Airborne Dust Exposure Results Collected



Order 42 Airborne Dust Rate of Occupational Exposure Limit Exceedances

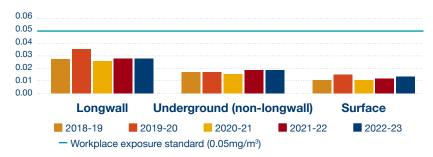


Order 42 Average Respirable Dust Exposure (mg/m³)



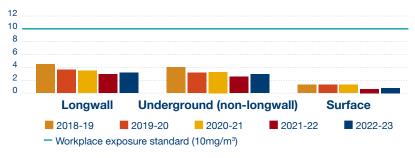
Graph showing average exposure against the workplace exposure standard over the same period. These are raw results - additional significant protection is provided by wearing RPE. WES of 1.5mg/m³ effective from 1 February 2021.

Order 42 Average Respirable Quartz Exposure (mg/m³)



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/m³ effective from 1 July 2020.

Order 42 Average Inhalable Dust Exposure (mg/m³)



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

CMTS-OH continued to work 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. This included:

- Conducting real-time dust monitoring and dust mapping to identify dust sources and best practise 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 45 customised airborne dust awareness presentations and reached around 1,400 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.

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 to implement effective controls.

CMTS-OH collected 603 individual DPM samples during the year.

These samples included personal exposure monitoring and static positional monitoring.

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 comprises representatives from Coal Services, the NSW Resources Regulator, the MEU, NSW Minerals Council and Mine Managers Association and two independents offering additional expertise.

The SDC met six times during the year to investigate and inspect issues that had been identified through routine statutory dust monitoring.

CMTS-TECHNICAL

40 years of service

In May 2023, Coal Mines Technical Services (CMTS) celebrated 40 years of helping to protect miners from risk.

The Southern Mines Rescue Station Technical Services was established in 1983 as a division of the Southern Mines Rescue Station to provide gas analysis support in an emergency, though its services would also be available to the other NSW mines rescue stations.

Service Department

CMTS' service department conducts statutory gas monitoring and analysis services to ensure equipment is operating safely and effectively. Services are conducted on customer sites using mobile workshops and at the workshop headquarters in North Wollongong. CMTS has regionally based Technicians who service all NSW and Qld coal mining districts.

Services provided this year include:

- Diesel emission tests
- Gas detector NATA calibrations
- Supply of gas detection equipment
- Overhaul and repair of gas detectors
- Maintenance of SMARTGAS gas chromatographic systems
- Gas detection training and consultancy services

Laboratory Services

CMTS is accredited by the National Association of Testing Authorities (NATA) to perform analysis of mine gas, diesel particulate matter, coal dust and quartz samples. This critical service assists to keep mine environments at levels under the relevant statutory standards.

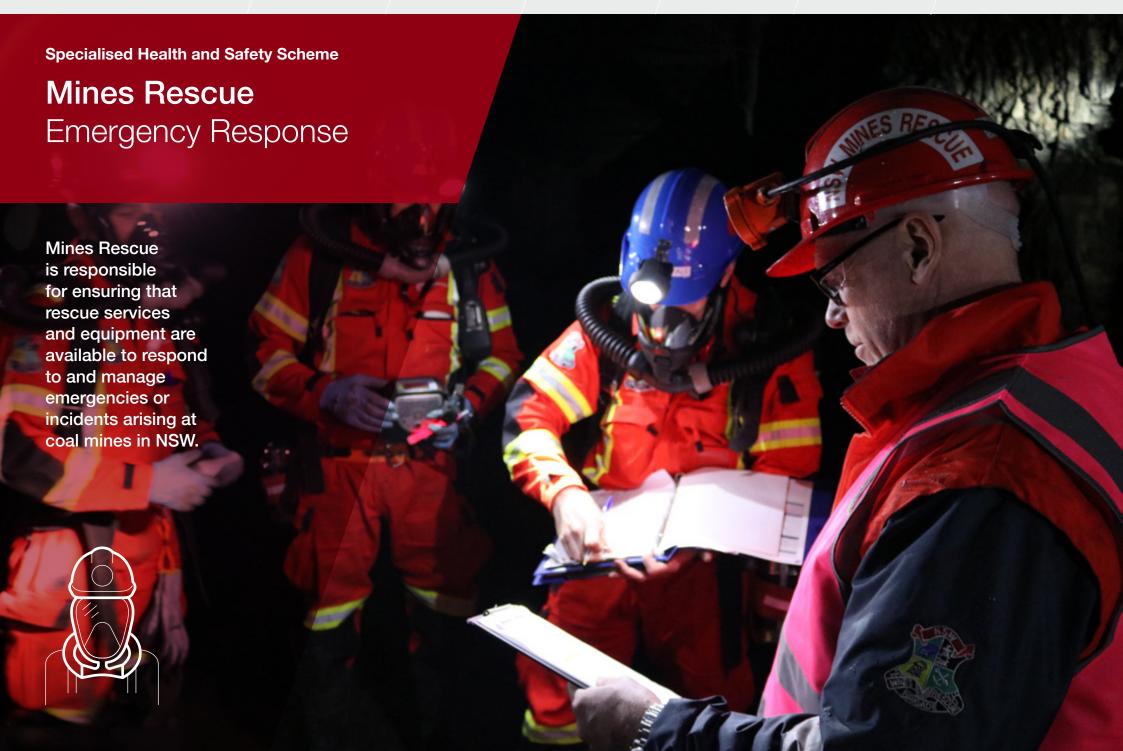
During the year CMTS conducted NATA calibrations for both NSW and Qld mining operations; performed mine atmosphere gas analysis services, respirable quartz and diesel particulate analysis; and maintained SMARTGAS systems.

New partnership agreement

In February 2023, CMTS and CSE
Corporation entered into a strategic
agreement to better serve industries in
NSW and Qld. The agreement established
CMTS as the exclusive distributor of CSE
branded self-contained self-rescuers for all
industries on the east coast of Australia,
including servicing and maintenance of
the units.

CMTS commenced distributing products in May.





Emergency Response

INCIDENT RESPONSE

Mines Rescue is responsible for ensuring that rescue services and equipment are available to respond to and manage emergencies or incidents arising at coal mines in NSW.

While there were no emergency callouts during 2022-23, Mines Rescue did provide technical advice to a number of mines for incidents that had the potential to escalate to an emergency situation.

At the end of June 2023



460

Colliery-nominated brigade members in NSW,

which is **above** the minimum requirement.



47

new recruits completed this training during the year.

Maintaining response capability

The Mines Rescue Board determines the minimum number of brigade members required from each underground mine site to be available for mines rescue purposes. This is currently set at 5 per cent of the workforce plus full-time equivalent contractors. At the end of June 2023 there were 460 colliery-nominated brigade members in NSW, which is above the minimum requirement.

Brigade 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. 47 new recruits completed this training during the year.

Emergency preparedness

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.

Mines Rescue competitions provide an opportunity for emergency response personnel to practice their skills and emergency preparedness in a realistic, high-pressure but controlled environment. Coal Services also hosted two First Aid competitions to test the skills learned at first aid training.

All regional competitions were held for the first time since 2019.



REGION	DATE	VENUE	No. TEAMS	WINNERS
Northern	17 June 2022	Mannering Mine	6	Team Orange
Hunter Valley (underground)	24 June 2022	Integra Underground	4	Peabody Wambo
Southern	12 August 2022	Southern Mines Rescue	6	Peabody Metropolitan
Western	19 August 2022	Moolarben Mines Rescue	10	UG: Centennial Airly OC: Ulan Surface Operations
Hunter Valley (open cut)	9 September 2022	Hunter Valley Mines Rescue	10	Thiess Mt Owen
Northern First Aid	23 September 2022	Newcastle Mines Rescue	8	Peabody Metropolitan
Western First Aid	18 November 2022	Moolarben Mines Rescue	7	Ulan Surface Operations
Australian Mines Rescue Competition	20 October 2022	SIMEC Mining Tahmoor	8	Anglo American Grosvenor Peabody Metropolitan Anglo American Moranbah North

Emergency Response

KEY INITIATIVES AND OUTCOMES

Enhance the Mines Rescue response model

The NSW emergency response model had not substantially changed since the formation of Coal Services. Mines Rescue, in collaboration with the wider Mines Rescue Working Group and key industry stakeholders, identified improvements and implementation roadmaps towards a more contemporary Mines Rescue response model during a design-thinking workshop.

Enhancements implemented to date include revised brigade training that now incorporates a Certificate III in Emergency Response and Rescue; providing brigade members with a nationally-recognised qualification.

Mines Rescue is also in the process of implementing equipment upgrades, including new gas detection and emergency communication systems.

Grow Safety and Emergency Response advisory and assurance services

During the year, Mines Rescue continued to build 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.

Mines Rescue has completed an extensive range of consulting work in NSW and Qld, as well as to international customers.

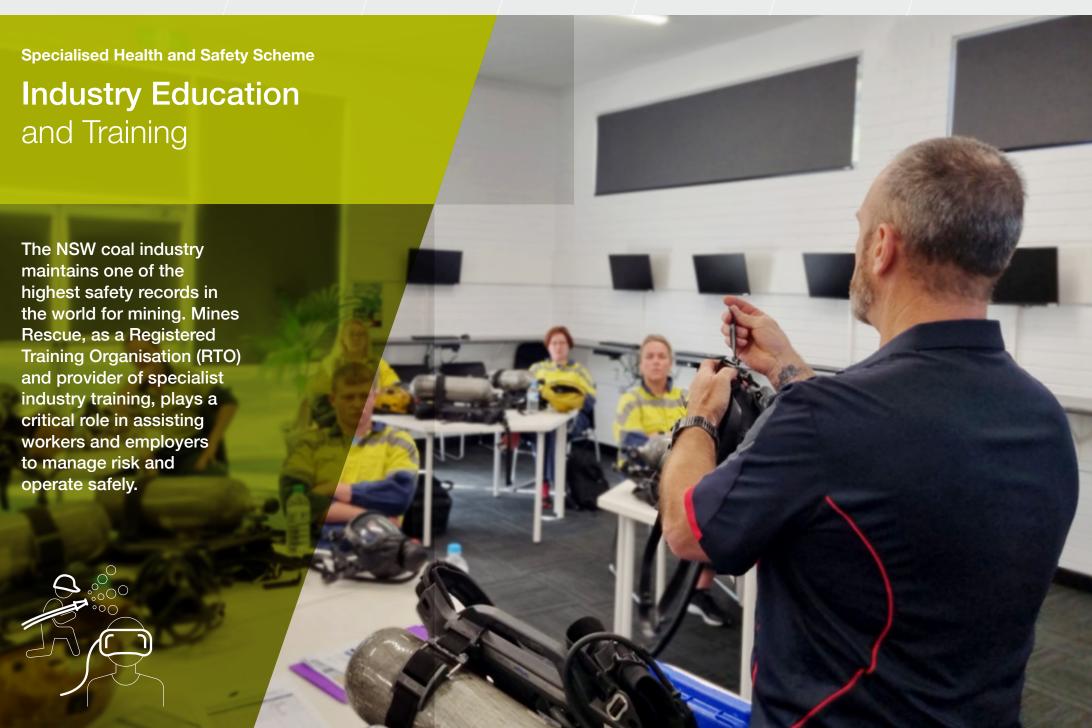
Expand Mines Rescue service provision

The Gunnedah Basin is a major coal producing region with long-lived mines spanning a further 20-30 years. As at 30 June, Mines Rescue has three full-time permanent employees located in the Gunnedah area.

Demand for specialised training has grown, turning our focus toward moving to a larger, purpose-built facility. Significant progress was made in 2022-23 with a permanent site selected for a Mines Rescue station and commencing construction of the new premises.







Industry Education and Training

Order 34 - Ensuring training plans 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.

The process is aided by the provision of various resource materials including a Guideline for the preparation of Training Competency Management Systems (TCMS). Minor updates were made to the Guideline in September 2022 in response to the change in the Work Health & Safety (Mines & Petroleum Sites) Regulation that was released in August 2022.

21Order 34 training plans approved

Audits

All scheduled audits were completed. 2022 audits focused on Practising Certificate Holders Maintenance of Competence requirements and what operations were doing to support. In 2023, the focus shifted to new-to-industry or inexperienced mine workers to review onboarding, induction and training programs and plans for these workers following induction.

Workshops and conferences

The central Order 34 conference was held in November. This was well attended by industry training representatives and is now scheduled to be held every three years. Mid-year workshops (scheduled to run in July 2023) will be as separate groups for underground and open cut operations to allow for better information sharing and networking opportunities.

Training numbers

Attendances at Mines Rescue training courses continued to grow. In particular, demand for the Generic Underground Induction (GUI) for underground coal mines returned to pre-COVID numbers reflecting industry growth.

Attendances for statutory courses improved on the previous year.





Industry Education and Training

National qualification for new mine workers

36 students have successfully completed the Certificate II in Underground Coal Mining qualification which was introduced by Mines Rescue in early 2023. The course focuses on the skills and knowledge required by Trainee Mine Workers, whilst assisting their transition from inexperienced to experienced mine workers.

Students completed the Generic Underground Induction, Fire Team Operations, Underground Lifting Operations, and Basic Strata and Gas Management modules before practical assessments were completed at Centennial's Angus Place mine.

The certificate is a nationally recognised qualification and provides students with the pre-requisite units to commence the Certificate III in Underground Coal Mining.

Mines Rescue will offer the Certificate III level qualification from late 2023.

Animations to complement traditional learning

Demand for our virtual reality content and animations to support traditional learning extends beyond coal mining, with interest from other hazardous industries, health and safety bodies and Government. Video animations have been created to re-enact and simulate actual mining incidents. These have been shared across industry as education tools to improve understanding

of contributing factors, outcomes, and

possible mitigation strategies.

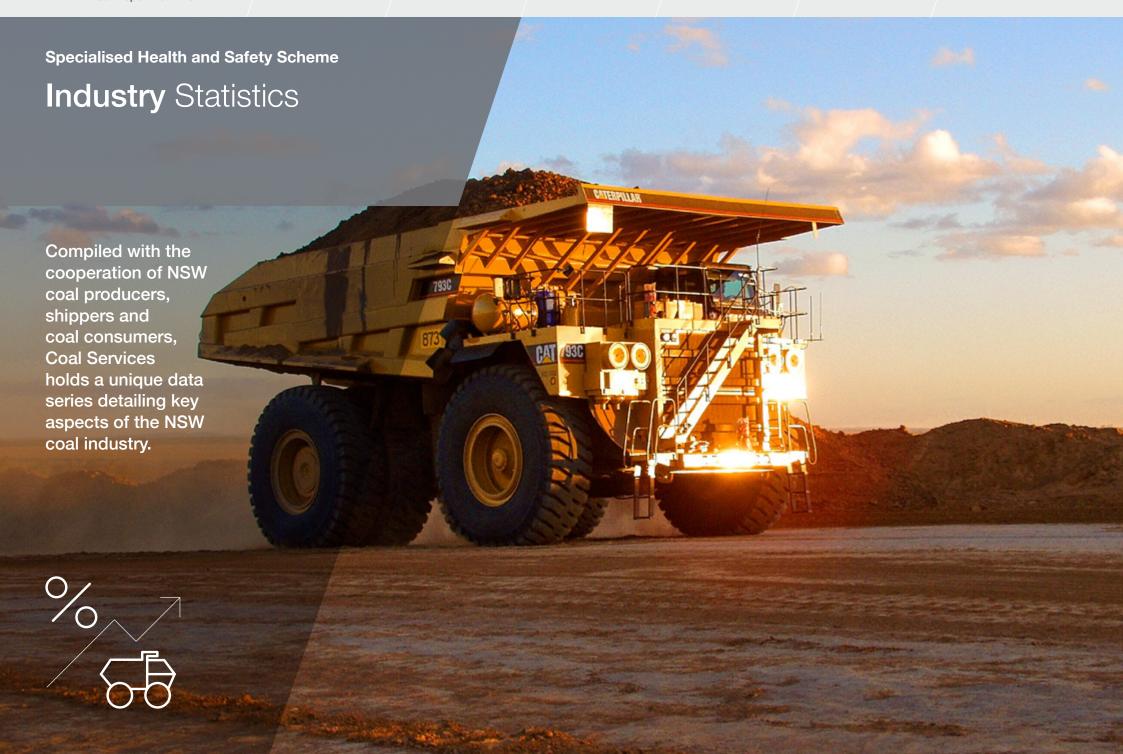
Blended learning offering

Mines Rescue implemented a Learning Management System (LMS) in 2021-22 to support multiple modes of training delivery. To date, 32 courses are being delivered electronically via the LMS, with students completing assessments via the platform where practicable to maximise the number of assessments performed while reducing administrative tasks.

Virtual reality has been integrated into all aspects of Mines Rescue's training capabilities and 77 Oculus headsets are currently in use across the state. Electronic classrooms, specifically to support immersive training experiences, have been implemented at all six Mines Rescue stations across NSW, with bespoke content being created for both accredited and non-accredited courses.







Industry Statistics

NSW MINING OPERATIONS

At 30 June 2023, there were 40 coal mining operations in NSW

19 underground mines

(14 longwall operations)

21 open cut mines

Number of coal mines in NSW



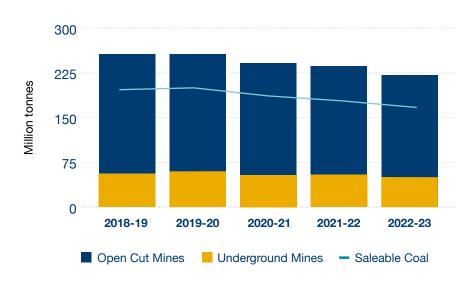
Coal production

Overall raw coal production was 221 million tonnes, a 6.3 per cent decrease from the 236 million tonnes produced in 2021-22.

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 166.8 million tonnes, down from 177.8 million tonnes in 2021-22.

Raw Coal Production (million tonnes)



Industry Statistics

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.

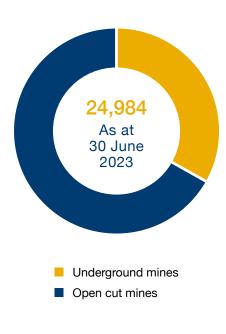
At 30 June 2023 there were 24,984 workers employed in coal mining production roles, an increase of 8.7 per cent on the year before and marking the highest level of employment since June 2012.

Sales

Coal from NSW coal mines was exported to 27 countries. Export tonnage for the year was 139.6 million tonnes, down 14.3 per cent when compared to 2021-22.

Sales to domestic markets rose by 8.3 per cent to 23.7 million tonnes.

Production Employment



7,914

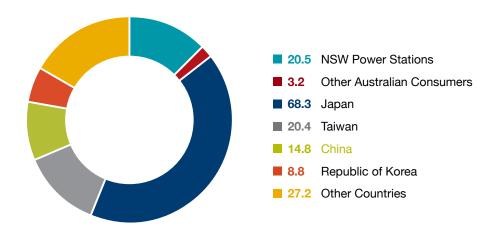
Workers at underground coal mines up 4 per cent

17,070

Workers at open cut coal mines up 11.1 per cent

Contractors represented **39.37%** of the industry's workforce a marginal increase from 39.34 per cent.

NSW Coal Sales (million tonnes)





Coal Services maintains an important set of values that recognise its responsibilities to its stakeholders, including the Minister for Natural Resources (the Minister), shareholders, customers, employees and service providers. 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 Mining and Energy Union 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, risk 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.

Board induction and continued professional development

On appointment, all Directors are provided with an induction program by the Company Secretary. During the induction program, each Director is provided with a Board Information Pack on a Coal Services secure platform (Diligent Boards) and is provided with verbal information through meetings with the appropriate company officers including the Managing Director/ CEO, General Counsel 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

The Company Secretary is appointed and can be removed by the Board of Directors. The Company Secretary 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.

Environmental, Social and Governance

Coal Services' Environmental, Social and Governance (ESG) statement details the company's commitment to managing environmental and social obligations.

The ESG Committee is responsible for developing, coordinating and reporting on Coal Services' ESG framework, ESG statement and related obligations.

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): 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

In late 2023 a Clinical Governance Committee is being formed, as a sub-committee of the Board Risk Management Committee, to develop and monitor operational adherence to CS Health's Clinical Governance 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 Mines Insurance.

Board Remuneration, People & Culture Committee: oversees Directors' remuneration and the remuneration and employment conditions of all Coal Services employees, in addition to employee engagement, diversity and organisational culture.

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).

2022–23 BOARD ATTENDANCE (SUMMARY)		Board Meetings Coal Services ¹ (inc. CMI & Mines Rescue)		Board Finance, Investment and Audit Committee				Board Insurance Committee		Board Remuneration Committee ⁶		Board Remuneration, People & Culture Committee ⁷	
Director	Position	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Lucy Flemming	Executive Director	7	7	0	0	0	0	5	5	0	0	0	0
James Barben ^{2, 3}	Non-Executive Director	7	7	0	0	4	4	3	3	0	0	0	0
Linda Bostock	Independent Non-Executive Director	7	7	5	5	0	0	5	5	0	0	1	1
Mark Genovese	Independent Non-Executive Director	7	7	5	5	4	4	0	0	0	0	0	0
Peter Jordan	Non-Executive Director / Chairperson	7	7	0	0	0	0	5	5	1	1	1	1
David Moult 4,5	Non-Executive Director	7	4	5	3	0	0	2	1	1	1	1	1
Graeme Osborne	Non-Executive Director	7	6	0	0	4	4	0	0	1	1	1	1
Total		49	45	15	13	12	12	20	19	3	3	4	4

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).

² Appointed to Insurance Committee on 1 September 2022.

³ Removed from Remuneration Committee effective from 1 September 2022.

⁴ Appointed to Remuneration Committee on 1 September 2022.

⁵ Removed from Insurance Committee effective from 1 September 2022.

⁶ Reformed as the Remuneration, People & Culture Committee on 15 February 2023

⁷Replaced the Remuneration Committee on 15 February 2023

Board of Directors



Peter Jordan
Non-Executive Chairperson
Nominee for the Mining & Energy Union
Term of appointment
1 January 2012 – Current



Lucy Flemming
Managing Director/CEO
Term of appointment
19 December 2011 – Current



Mark Genovese
Independent Non-Executive Director
Term of appointment
1 January 2013 – Current



James Barben
Non-Executive Director
Nominee for the NSW Minerals Council
Term of appointment
1 August 2021 – Current



David Moult
Non-Executive Director
Nominee for NSW Minerals Council
Term of appointment
1 January 2015 – Current



Graeme Osborne
Non-Executive Director
Nominee for Mining & Energy Union
Term of appointment
6 June 2019 – Current



Linda Bostock
Independent Non-Executive Director
Term of appointment
1 January 2019 – Current

General Management Team



Paul Barnicoat
Chief Financial Officer



Bruce Grimshaw Company Secretary /Legal Counsel



Wayne Green
Chief Operating Officer



Sheila Krishnan Chief Risk Officer



Mick Jones
Chief People Officer



Kirsty BatesGeneral Manager, Health



Dean PollyGeneral Manager,
Insurance



Lynette Harper
Program Director,
CMI Scheme Review



Alaster Wylie
General Manager, Mines
Rescue and Regulation &
Compliance



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