



Byerwen Coal Project

2020 Annual Report to Coordinator General



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Abbreviations

Abbreviation	Description
ATSI	Aboriginal and Torres Strait Islander
Byerwen	Byerwen Coal Pty Ltd
CHPP	Coal Handling Processing Plant
DIG	Development Industry Group
EIS	Environmental Impact Statement
IRC	Isaac Regional Council
MRC	Mackay Regional Council
Project	Byerwen Project
QCoal	QCoal Pty Ltd
QRC	Queensland Resource Council
RFDS	Royal Flying Doctor Service
SIA	Social Impact Assessment
SIAAP	Social Impact Assessment Action Plan
SSRC Act	<i>Strong and Sustainable Resource Communities Act 2017 (Qld)</i>
WRC	Whitsunday Regional Council

1 Introduction

In compliance with the Queensland Coordinator General's approval conditions, Byerwen is pleased to provide this fifth annual progress report on the SIAAP and management of social impacts for the Project. The reporting period is for twelve months from 17 December 2019 to 16 December 2020.

The report details progress on the SIAAP; Project impacts over the reporting period, including mitigation strategies designed and implemented to alleviate any identified negative impacts; and community and stakeholder engagement activities, including social investment initiatives. The report also describes the Project's contribution to the local community within the last twelve months, as well as the cumulative contribution to the region and the State of Queensland more broadly over the last five years.

COVID-19 has had a significant impact on the QLD resource sector generally, and the Project was not immune, particularly during the hard lockdown. The ability to continue to engage effectively with our communities was restricted due to safety measures that were implemented. More broadly, COVID safe policies and procedures introduced for the Project site also resulted in movement in and out of the local community being restricted, which appears to have further impacted local businesses and the town amenity.

Despite a continuing volatile coal market throughout 2019, reduced global demand as a result of the pandemic and the subsequent impacts of trade tensions with China, the Project has continued to support local, regional and Queensland businesses through targeting procurement policies; maintained regional employment outcomes and increased Aboriginal and Torres Strait Islander workforce participation.

Throughout this difficult year, Byerwen has sustained and met its commitments to driving economically, environmentally and socially responsible operations. Byerwen has upheld QCoal Group's values of safety and environment; integrity; innovation; trust; and pragmatism, which continue to guide the way business is conducted and the solid foundation under which the Project operates. This approach has been the driver and foundation of QCoal Group's outcomes for the Project and the Northern Hub operations south of Collinsville, and will continue to shape the development and operation of the business' assets into the future.

2 About Byerwen Coal

Byerwen is a joint venture between QCoal (85%) and JFE Steel (15%).

QCoal is a privately-owned Queensland company based in Brisbane and has been active in the Queensland coal exploration and mining industry for over 25 years. QCoal has discovered and developed the Sonoma, Cows, Drake and Jax Mines, collectively the Northern Hub.

JFE Steel is a subsidiary of the JFE Group of Japan. The JFE Group is Queensland's largest exporter customer and JFE Steel one of the largest customers of Queensland sourced coking coal.

The Project is located 20 kilometres west of Glenden in Queensland's Northern Bowen Basin, within both IRC and WRC areas. Once fully operational, the Byerwen Mine will produce up to 10 million tonnes of hard coking coal per year. Coal from the Byerwen Mine is railed to Abbot Point Coal Terminal for export.

Since approvals in 2014 and grant of the first 3 mining leases by 2017, the Project has moved through to completion of the first stages of construction and mining operations for the South Phase in accordance with the mine plan and approvals.

The four leases for the North Phase have progressed through the statutory approvals and landholder compensation processes and are now awaiting grant. In the interim, Byerwen has commenced initial planning for the North Phase expansion.

The SIAAP, which was approved as part of the EIS, was informed by the SIA prepared for the Project by Coffey Environments (2013). In the last seven years the coal mining industry has experienced sustained instability, and 2020 saw coal prices reach four-year lows in the June quarter due to COVID-19 demand side impacts, with further market volatility in the December quarter due to the slowdown of Chinese imports. Since commencement of the Project's reporting to the Coordinator General's office, the sustained market instability has also had consequential impacts on the sustainability and viability of many smaller mining communities throughout Queensland, including the town of Glenden, the Project's host community. A purpose-built mining town, since its establishment in the early 1980s, the community has relied on fully operational mining operations and a majority mine-employed resident population for economic and social stability. Incremental moves towards mine closure by the town's largest employer, Glencore Coal, and lack of a diversified economy, has significantly impacted Glenden and the sustainability of local businesses and services. As

noted in previous reports, the impacts of the Project on Glenden have not materialised as anticipated by the Project's social impact assessment at the time, and the social and economic context of the town continues to be substantially different. Many of Glenden's local businesses and town amenities have not been able to survive the impacts of declining local economic activity, exacerbated by the effects of COVID-19 generally. With Glencore Coal now well into the implementation of the Newlands Mine Closure Strategy, the Project has become well aware of the change in residents' priorities and Byerwen is committed to responding accordingly.

The SIAAP focuses on the following key areas:

- Housing and accommodation
- Workforce management and local business and industry content
- Health and community wellbeing.

Within each key area impacts were identified and classified, as positive or negative. Changes in the community contextual environment have resulted in anticipated impacts either not materialising or having a differing outcome. This will be addressed specifically later in this report.

3 Project update

The Project has received all relevant State and Federal approvals. As of January 2021, the Project comprises a total of eight mining leases of which four have been granted (ML70434, ML70435, 70436 and 700058) and four which are awaiting grant (MLA10355, MLA10356, MLA10357 and MLA10374). The granted mining leases are all located in the central and southern areas of the Project which has allowed for the development of the South Phase as per Project approvals.

During 2020, Byerwen continued construction activities for the completion of infrastructure across the site, including:

- Civil works
- Various water infrastructure facilities
- Construction and commissioning of the second 4mtpa ROM CHPP
- Establishment of quarrying facilities

Operational mining activities in 2020 saw:

- Continued mining of the North Pit
- Boxcut mining in the South Pit

During peak construction and operations for the reporting period, there were over 870 people working on the Project. This number includes 'off-swing' operational workforce crews and does not reflect the actual workforce number on site at any one time. Most of the workforce was accommodated in the on-site camp facility, with overflow into Glenden in houses secured by Byerwen Coal and the Glenden Motel. The camp facility is located adjacent to the mine for health and safety reasons to mitigate worker fatigue from commuting.

Two coal processing plants are in full operation, with mining activities producing 8 mtpa of ROM coal. North Pit continues to advance, and South Pit has expanded significantly with coaling now in full production.

4 Economic impact assessment

Despite the challenges of 2021, the Project has executed on planned expansion, sustained mining activities and continued to supply Queensland's high quality coking and thermal coal to established and emerging markets. Byewen's resilience, the quality of product and its solid reputation has sustained steady Project operations with the support of industry-leading contract partners. This in turn has continued to deliver enduring positive impacts to the local region, the State and Australia. During the reporting period the Project has again made a palpable economic impact, and is moving towards becoming one of the long-term contributors to the region's future sustainability, by ensuring Queensland continues to:

- meet ongoing global demand for high quality coal;
- realise future export revenue and coal royalties; and
- create employment and business opportunities for local and regional communities.

Since the commencement of mandatory reporting in 2016, the coal market has been consistently volatile and unstable. This has presented significant challenges to the resource sector as a whole, and invariably has also had flow on effects to communities of impact. With sustained market peaks of the past not being repeated; the global push away from fossil fuels generally; the effects of COVID-19; and more recently the uncertainty resulting from trade wars with China, the impacts realised for mining communities could not have been anticipated.

Many mining towns in the Bowen Basin continue to be challenged, despite concerted efforts by resource sector companies' mitigation and social investment strategies, and policy initiatives such as the *Strong and Sustainable Resources Communities Bill 2016* (Qld). As noted in previous reports, at the time the Project EIS was developed and submitted for assessment, coal prices were at peak and the industry in a boom climate. Subsequent consistent downward and fluctuating market conditions have resulted in unanticipated adverse impacts on regional economies, and by extension on mining communities. Many mining communities in the Bowen Basin have struggled to remain sustainable through the instability, with many not recovering to levels anywhere near peak market conditions. Some of QCoal Groups' mining communities have managed to recover sufficiently, but those without diversified economies, such as Glenden, are grappling with the decline of a permanent resident workforce and the ability to maintain town amenity. As stated in all reports to date, the social and economic impacts on the town of Glenden, have not emerged as anticipated in the Project EIS, the SIA or the SIAAP. Information in those documents continues to lack relevance for this last reporting period or has materially changed.

Against this background, some of the impacts and associated mitigation actions described in the SIAAP have not materialised since reporting commenced and have remained static in their irrelevance for the purposes of this report. Moving forward, Byerwen will continue to review and respond to change and in order to take into account the status of the community, their shift in priorities, housing generally, the provision of local services and town amenity.

5 Social impact assessment

The SIA identified potential social impacts of the Project and proposed measures to enhance, mitigate and manage those impacts through the construction, operation and decommissioning phases.

During the reporting period, the Project:

- completed construction of several infrastructure works for the South Phase in accordance with the approvals and mine plans; and
- ramped up mining activities to mining operations to 8mtpa of ROM coal.

The Project continues with the South Phase expansion and mining of the first and second pits. It is not expected that impacts identified in the SIAAP will emerge as assessed at that point in time and in an environment where largely construction activities for this part of the Project have ceased and operations have reached a steady state. Impacts identified in this annual report are in respect of existing and completed construction activities, as well as mining operations for the first stage of the South Phase (as identified in the EIS).

The township of Glenden continues to be the primary social area of influence for the Project. Over the last 12 months, Glenden has experienced persistent uncertainty resulting from the implementation by Glencore Coal of their Newlands Mine Closure Plan, which was brought forward to 2020 from the previously notified 2023. We understand from the Glenden Community Forum and the presentation by Isaac Regional Council that one of the main issues is tenure resolution across the town, which is impeding a number of planned projects and potentially stymieing the establishment of a permanent population to support existing and future businesses. At the end of the reporting period, a number of Glenden businesses had closed.

Without any visibility of the impact of COVID and the China trade issues on other projects in the area, and in the absence of specific commentary through various community forums, Byerwen is not aware of any other impacts to Glenden from surrounding projects. That being said, and due to Byerwen's regular patronage of the Glenden Motel for accommodation overflow, projects such as the Carmichael Rail Project, have brought an additional construction workforce into the town, which is evidenced in the pressure on occupancy rates at the Glenden Motel during 2020.

Impacts on the town of Glenden moving forward should be considered as potentially a consequence of multiple factors, including project activities, town amenity, changes in the way companies are operating in a post-COVID context and the access to technology which facilitates regular communication between workers and their families. Byerwen, Glencore Coal and IRC, as the predominate stakeholders in the area, continue to play active roles within the

town of Glenden, supporting and investing in the social wellbeing of the community and maintaining a proactive approach to current community concerns regarding the closure of businesses, facilities and the need to maintain services. Stakeholder representatives regularly attend the Glenden DIG meetings and the annual Community Forum to keep members and the broader community informed of the actions they are taking to assist Glenden to identify their vision for the future, potential economic diversification opportunities and to become more immune to the fluctuations of the resource sector generally.

Byerwen has worked collaboratively with the Glenden community and local industry since 2015, when the Glenden DIG was first established. Since that time, Byerwen, and with the facilitation assistance of the Department of State Development, Infrastructure, Local Government and Planning (DSDILGP), Mackay Isaac Whitsunday Regional Office, the local business community, community associations, industry, local and State government, have been regularly engaged on local and regional issues, the Project and impacts identified in the SIA.

The DIG forum's membership includes other mining companies, mine operators, IRC representatives, the school, local emergency services, local businesses and community groups. Independently chaired, the format of the DIG meetings allows for organisations and individuals to provide quarterly updates and raise any issues for discussion with participants. This open and participatory approach often leads to whole-of-forum collaboration on issues or local events, maximising available resources to leverage outcomes that benefit the community. Byerwen is open to adapting management and mitigation strategies in order to address and facilitate positive outcomes for the community where possible.

Examples of the agile responsiveness of Byerwen within the context of the work undertaken by the DIG, and the positive outcomes, include:

- with the support of the Glenden DIG, the IRC and industry, the Glenden childcare centre will be operational in 2021. This community-led solution to a crisis in the town has resulted in the re-establishment of this important service, which will benefit many the families and allow mothers choice in going back to work;
- mental health issues, particularly in the aftermath of COVID lockdowns and restrictions, compounded by town uncertainty generally, were raised as a significant concern for many residents. As a result, the QCoal Foundation supported the Youth Mental Health Week at the Glenden State School. A report from the Glenden State School Principal from the December DIG indicated the event was very successful, attracting twelve (12) services to the event, with many indicated they will return to deliver services to the town. In addition, services are being extended to offer support to mine workers as well as youth, which is leading to positive mental health support outcomes generally.

The Glenden DIG continues to explore other ways to support the community to maintain a vision for the town future. Greater Whitsunday Communities (GWC) have been working and supporting the Glenden with the assistance of both IRC and Glencore Coal through various community activities. GWC has also presented at the annual forum and a DIG meeting, with a view to exploring the town's view of extending their work into a community visioning project through to the development of a Glenden action plan. Byerwen and the QCoal Foundation are currently in discussions with DSDILGP and GWC in relation to the commitment of Glenden representatives to such a project and may look at various resourcing options should the town establish the necessary foundations to implement such a project.

The DIG forum continues as a community-led, participatory and collaborative space, working with available resources and networks to leverage positive outcomes for the town and its residents in direct response to the priorities and needs of the community.

Byerwen continues to make available fifteen (15) houses in Glenden for site-based personnel. These houses are all occupied by a permanent residential workers, with preference given to families and couples. Currently the houses are fully occupied with 10 of the 15 houses occupied by families. The acquisition of these houses is consistent with Byerwen's commitment to provide workers with accommodation options. Currently other houses are in the process of being acquired and will be made available to site personnel through an Eol process.

Many businesses in Glenden town have ceased to operate, but there are plans underway to open the Glenden Bar and Grill in existing facilities in the town square, with opening scheduled for late January, early February 2021. The Glenden Town Club has been refurbished and converted into a gym for the use of Glencore Coal workers and is also due to open in early 2021. In addition, IRC has commenced an Eol process for the operation of the Glenden Bowls Club, Glenden Golf Club and the Glenden Arts and Craft Centre, with responses having been received from local community groups. Byerwen and its construction and operations contractors continue to support many locally owned and operated business through their supply chains, from mechanical, property maintenance and other services, to supply of hardware and materials. Site local supply initiatives saw over \$600,000 in procurement directly from Glenden businesses, and over \$28M from businesses in the IRC local government area. The Project continues to work collaboratively with site contractors to respond positively to local business concerns for sustainability; drive initiatives for participation of Glenden businesses in the supply chain; provide opportunities where possible; and monitor outcomes through existing monthly reporting.

The focus for Glenden residents has shifted to building a new vision for the town and identifying economic diversification opportunities which would potentially bring new permanent residents to the town and also keep existing residents in Glenden. Through the DIG forum IRC, business, residents and industry, will support Glenden to explore options for the future of the town. The proposed

project led by WRC may capitalise on work done to date and identify community members who are willing to participate in the next phase of planning the future of Glenden.

In relation to the potential project impacts included in the SIA, **Table 1** below provides a general update of local conditions.

Table 1: Project Impacts and Current Status

SIA (Aug / Sept 2011)	Current Status (Dec 2020)
<p>Increased temporary and permanent housing and accommodation requirements</p>	<p>The Project has completed site infrastructure works, expanded mining into the second pit and is currently in a steady operational state. The Project continues to offer a mix of housing options for site personnel, including on-site camp and secured housing in Glenden, with overflow during the reporting period seeing workers accommodated at the Glenden Motel, Collinsville and Nebo. Accommodation requirements have largely been met by existing available accommodation in Glenden. Also see section 5.1.</p> <p>Byerwen has secured fifteen privately available houses and will consider options for the development of the approved mixed-housing facility in the town.</p> <p>This mixed housing and accommodation strategy has not impacted the current town housing stock and aims to mitigate any possible future housing pressures on the town, minimise impacts on road usage and prioritise worker safety.</p>
<p>Increased demand on existing social infrastructure, facilities and services as a result of population growth</p>	<p>The Project has not impacted town's existing social infrastructure, facilities and services.</p> <p>Since 2016, the mix of permanent operations and temporary construction workforces has not increased service demands on the town. With the establishment at site of some infrastructure and services, potential stress to local services was alleviated from the outset.</p> <p>Glenden continues to experience the effects of a decrease from peak resident numbers, and the anticipated demand on existing social infrastructure, facilities and services has not occurred.</p> <p>In terms of services, particularly medical and emergency, the Project has onsite paramedic services, which has served to mitigate any impacts on local providers.</p>

SIA (Aug / Sept 2011)	Current Status (Dec 2020)
Road safety concerns due to increased traffic on local roads and highways	Construction and mining operation works have not significantly increased traffic levels.
Contribution to the regional skills shortage and the potential labour market drain into the mining industry	<p>During this reporting period, the Project has experienced limited trade shortage and retention rates have been sustainable.</p> <p>The Project continues to achieve positive local, regional and indigenous employment outcomes (see section 5.2). In December 2020, pursuant with Nearby Communities definition within the SSRC Act, Byerwen Coal had 51.7% of the workforce live within a 125km radius of the project.</p>
Health and safety concerns associated with commuting and shift work and the real or perceived deterioration of safety in Glenden	<p>All continuing construction and mining operations have been successfully managed under Byerwen's Safety and Health Management System. Commuting has been kept to a minimum and community and public safety has not been compromised. Most operations and construction workers are accommodated at the on-site accommodation village, minimising impacts on Glenden.</p> <p>Where necessary, overflow site personnel are accommodated in Glenden and surrounds, with appropriate systems in place to monitor worker safety and traffic impacts.</p>
Engagement with the local community	<p>Byerwen and contractor engagement with the local community has continued through the reporting period. The Glenden community has been actively engaged through the DIG and community events, and the Project continues to contribute to the local economy.</p> <p>The General Manager, Byerwen Mine, regularly attends DIG meetings to maintain local relationships and is largely responsible for driving economic participation initiatives for local businesses.</p> <p>The community has access to Byerwen personnel at all times through the Community Contact telephone number. There were no complaints and or grievances reported through the Community Contact telephone number during the reporting period.</p>

The local community is updated on the Project and project impacts through DIG meetings and direct engagement with key community stakeholders. This continues to generate direct and open dialogue between Byerwen and the local

community and has given Byerwen personnel good insight and oversight of the town and issues as they arise. This localised approach, and the size of the company, continues to foster opportunities to respond to change in community priorities, emerging issues and opportunities to influence internal decision-making and to adapt mitigation and management strategies to suit the local environment.

Each of the key areas is addressed individually below.

5.1 Housing and accommodation

The utilisation of existing social infrastructure and contribution to the community of Glenden have been the key drivers of Byerwen's approach to providing choice of housing and accommodation for Project personnel since commencement of reporting.

Throughout 2020, Byerwen maximised the use of the on-site accommodation facility to house both a temporary construction and permanent operations workforce. In addition, Byerwen secured access to 15 houses in Glenden, which have been occupied by a permanent resident workforce consisting predominantly of families and couples.

The relocation of Project personnel to permanent housing in Glenden is having a positive impact on site personnel whose preference is not to live in camp accommodation, as well as a positive social impact on the town. The strategy to provide permanent workforce personnel with choice, the establishment of mixed accommodation options and the future development of the mixed-housing complex should add to the fabric of the Glenden community and go some way towards addressing the community's main priority of attracting residential workers to town.

The on-site, off-lease workers' camp on Wollombi Station, the Brolga Village, was extensively utilised in 2020. Often during the year, the camp reached capacity and personnel overflow were accommodated in Glenden, Collinsville and Nebo at a reduced productivity. Byerwen's overall approach to workforce housing and accommodation is to provide workers choice and options, which aligns with the mixed accommodation options set out in the Workforce Accommodation Strategy. This is consistent with Byerwen's commitment to meet worker needs and mitigate the potential for negative impacts on Glenden's existing housing and social infrastructure.

The collection and analysis of a full year of workforce data has provided the Project with some good insight into the percentage of residential, local and regional workforce, which is discussed in more detail below. These figures can be loosely correlated into a percentage residential / DIDO / BIBO and FIFO workforce.

On adjusted figures (excluding the temporary CHPP construction workforce), the total local and regional workforce is 56%. Of this, the following can be assumed:

- 2% residential (Glenden);
- 54% within region / DIDO (IRC, MRC, WRC); and
- 44% outside region / DIDO and FIFO.

Workforce data suggests many workers living outside the region are DIDO workers. These workforce personnel predominantly reside in the broader regions, located outside the IRC, MRC and WRC local government areas, but within the Central and North Queensland regions.

This correlates with the assumptions made in previous reports that the majority DIDO workforce lives predominantly within the region and is a testament to the establishment and implementation of a strong local and regional workforce strategy by Byerwen and its contractors.

Byerwen will continue to implement the Workforce Accommodation Strategy as the project moves into planning and development of the North Pit, and to consult and receive feedback from the IRC and local community regarding current and future impacts on the town of Glenden, and the region more broadly.

The Glenden Urban Design Master Plan has not been developed, as it is not required in the current environment where accommodation availability is not in issue. Where there are significant changes to the status quo, Byerwen will engage with IRC and the Glenden community to ensure the plan addresses and mitigates anticipated impacts.

Providing a permanent workforce with choice of attractive, locally based accommodation options will continue to be the main focus for Byerwen and as the Project.

5.2 Workforce management

Byerwen is committed to achieving local and regional employment outcomes on the Project. This is consistent with the QCoal Group's approach across all its projects in the Bowen Basin. Local employment, as a proportion of the workforce, is tracked and reported by all contractors on all QCoal Group mines on a monthly basis.

Currently across QCoal Group operations:

- an average of 52.8% of workforce personnel live locally and within the region; and
- 9% of the total workforce identifies as ATSI (115 personnel), an increase of 4% from last year.

Figure 1: Local Workforce % QCoal Group

Workforce Details

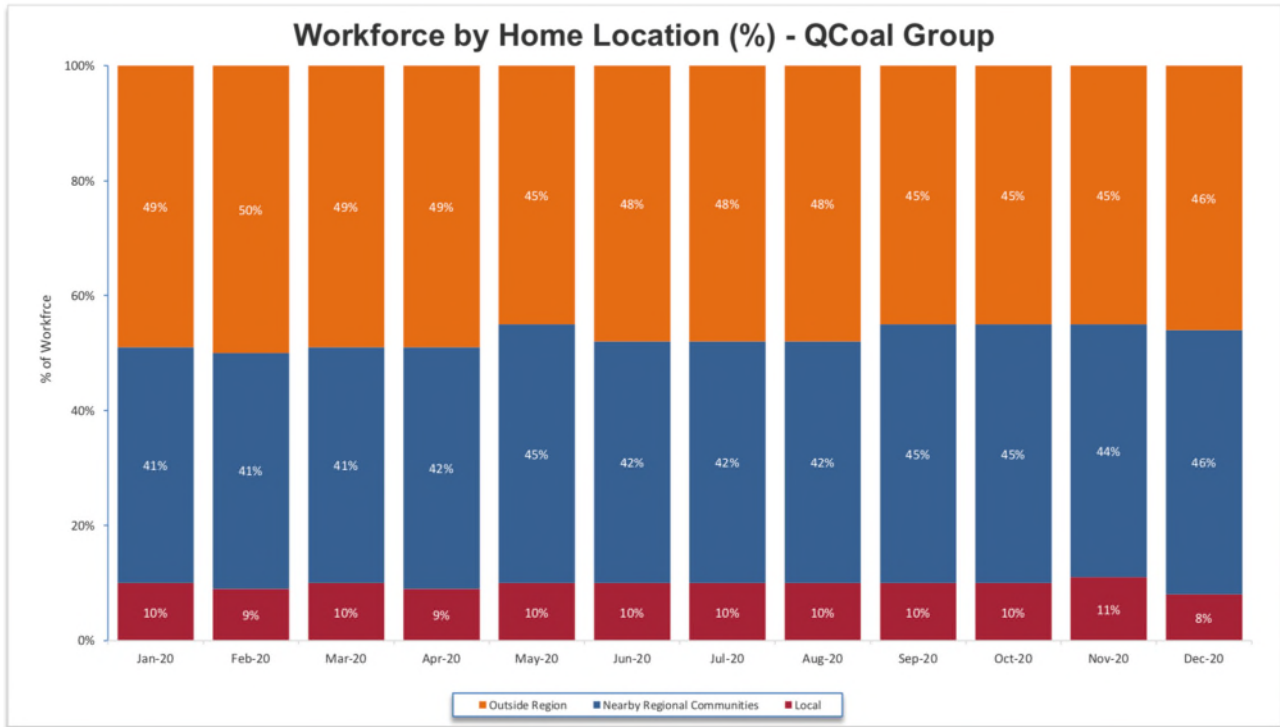
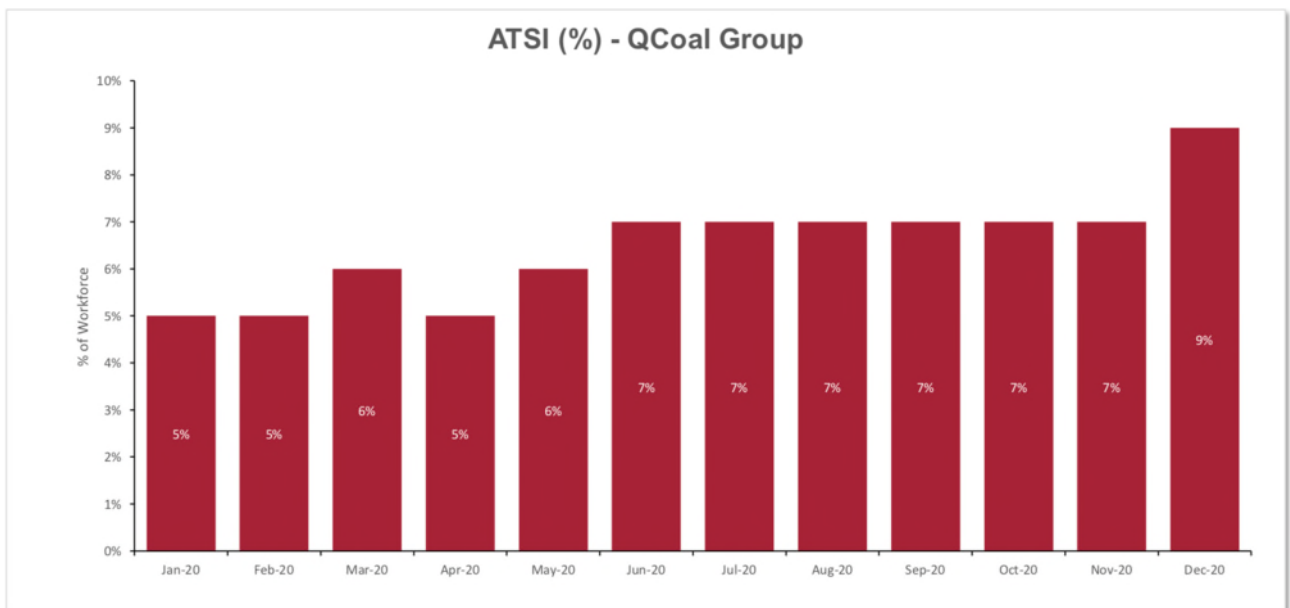


Figure 2: ATSI Workforce % QCoal Group



ATSI participation as a percentage across QCoal Group sites has increased significantly since the last reporting period, particularly on the Project. Across construction and operational workforces, contractors have worked closely with the Project's Native Title Holders, the Jangga People, to maximise opportunities for ATSI training and employment initiatives, resulting in triple the industry average being achieved on site. Our largest contractors, Macmahon Holdings, through a structured training program, has increased its ATSI workforce personnel to 11% from 7% last reporting period, with a total of 62 personnel from a total workforce of 579; Sodexo are sitting at an average of 36%, quadrupling their ATSI workforce numbers from 9% in the last reporting period, with a total of 16 personnel from a total workforce of 36. Combined with ATSI personnel working with construction contractors, December 2020 has seen a new high of 15% of total ATSI percentage personnel across the project, which is significantly above the industry average of 4% (ABS Mining Qld) and above national parity. These outcomes are the result of years of building strong relationships with key Project stakeholders, working closely with site traditional owners and contractors to drive initiatives on site and closely monitoring those initiatives to support sustainable job outcomes for Indigenous Australians.

Throughout the reporting period, Byerwen continued to work closely with its Traditional Owner representatives to deliver and facilitate intensive pre-vocational training, site required certification courses and mentoring programs to consolidate experienced personnel in operational roles; build a pipeline of skilled personnel; and identify suitable candidates for trainee and 'cleanskin' roles on the Project.

For a number of years, the Project has supported Jangga Operations to develop and deliver their pre-vocational program, Thida Bullaroo. This six-week course prepares long-term unemployed, or new to industry, for full-time employment and, more specifically, working in the resource sector. The program includes individual cognitive capacity-testing, skills identification and career planning, and financial literacy education.

2020 saw the delivery of the Yila Yina Mundu program, a joint initiative between the Jangga People and Macmahon Holdings to train 26 ATSI new to industry candidates into operator roles. Despite the restrictions imposed by COVID, Macmahon were able to adapt their training program and the majority of candidates were successful in attaining their Certificate III in Surface Extraction Operations.

In 2020 the Yila Yina Mundu program was recognised at the Queensland Resources Council Indigenous Awards, receiving Highly Commended in the Best Company Indigenous Employment and Training Initiative Award, and at the Queensland Mining Awards – Bowen Basin Mining Club, receiving the 2020 Equal Opportunity Award.

Implementation of the Indigenous Workforce Training and Employment Strategy has been consolidated across site with all relevant stakeholders. The Project

numbers equally reflect the success of the strategy, with 115 ATSI identified permanent workforce personnel across construction, operational and facilities maintenance roles. The strategy remains fluid and responsive to the availability of suitably qualified ATSI personnel, and workforce requirements of site contractors. The priority moving forward is to continue the new to industry training program where the workforce needs require more trainee operators on site; sustain the current ATSI participation across site; increase mentoring and support infrastructure for ATSI personnel; increase and maintain cultural competency across site, particularly at supervision and management levels; ensure opportunities continue to be afforded to Traditional Owners and ATSI personnel through appropriate notification processes; and the creation of professional development pathways to allow progression of current personnel into more senior positions where appropriate.

As an established mining town, the unemployment rate in Glenden continues to be lower than the Queensland average. Most residents have permanent local employment, whether in established nearby mines, businesses or services. As a consequence, the pool of available skilled local labour remains limited.

Including the temporary construction workforce, the following provides a breakdown of the average workforce composition for the Project:

- Local 2.5% (Glenden residents);
- Regional: 20% for construction and 51.7% for operations (IRC, MRC, WRC)
- Outside region 80% for construction and 48.4% for operations (all other postcodes).

As noted previously, the adjusted percentage of permanent workforce personnel is 56% local and regional, and 44% outside region.

Byerwen has utilised local and regional networks to promote business and employment opportunities for the Project, including through:

- 'Meet the Buyer' events facilitated by the QRC MoU to Increase Indigenous Participation in the Queensland Resources Sector partnership;
- Membership of and participation in QRC committees;
- Bowen Basin Mining Club events;
- Glenden DIG forums; and
- through established networks.

All Project suppliers have submitted Local and Indigenous Participation Plans, which form part of their contractual obligations. Outcomes are reported monthly and assessed against previous months, years and industry averages to determine overall performance. Where there is opportunity for improved outcomes for the Project, Byerwen engages directly with supplier procurement and HR teams to develop and implement strategies aimed at increasing local and indigenous participation. Direct engagement between suppliers and the local community are facilitated through the quarterly DIG meetings, by a local presence of senior management and through direct contractor meetings on a quarterly basis. Further, regular Project information and opportunities continued to be notified through monthly local newsletters where appropriate.

FIFO Workforce Approach and Management

Byerwen's approach continues to be to provide choice for workforce personnel, as well as being actively committed to providing employment opportunities locally and to the wider region.

To date, the Project and its contractors have been able to combine a DIDO / FIFO construction and operations workforce with local employment and indigenous employment outcomes. Local employment recruitment initiatives have been embedded on site for some years now, allowing for skilled workers within the immediate and broader regions to be employed on the Project. As construction has largely completed the larger site projects and mining operations have reached a steady state, it is anticipated these figures will remain static for some time. Where improvements can be made to provide further targeted employment opportunities to local and regional candidates, Byerwen will work closely with contractors to ensure they fulfil their local content commitments.

The DIDO / FIFO workforce has been largely accommodated in the off-lease on-site camp facility, with overflow into secured Glenden housing (see above) and accommodation facilities in Glenden, Nebo and Collinsville, as and when required. The ability to house workers on site has mitigated any anticipated pressures on the town's population and infrastructure. This has been balanced by offering choice for permanent workforce to live in Glenden, thereby contributing to the social, cultural and economic sustainability of the town. With the proposed development of an additional multi-use residential facility for the permanent workforce, it is anticipated that more site personnel may choose to live in Glenden. In that regard, concerns from local residents that a permanent on-site accommodation facility will reduce the potential positive impacts of an increased population, should be alleviated. This management strategy will continue to be rigorously monitored by the company and its contractors.

During the reporting period, there was an increased presence of workforce personnel in the town as the on-site accommodation facility was used to capacity. Existing secured housing was maximised, and the Glenden Motel was

also used to house overflow personnel. Generally, the presence of workforce personnel in town has largely been positive, with

- continued support for local businesses and services, contributing to the sustainability of the local economy; and
- participation in community events, including DIG and local fundraising initiatives.

All Project personnel living and or visiting Glenden, continue to be respectful of the community's values and understand the importance of safety to the town.

The priority for the Byerwen moving forward will be to find a balance for the management of the predominantly DIDO workforce to ensure that the resident and permanent workforce personnel living in town continue to contribute positively to Glenden and the town can become sustainable into the future.

As Byerwen moves into the planning and development of the North Pit as per Project approvals, the residential / DIDO / FIFO workforce will be monitored and managed in accordance with the Workforce Management Strategy. Byerwen will also continue to engage with the local Glenden community to closely oversee the impacts of the Project workforce on the town, and that positive outcomes for local business and the community are maintained as a result of the workforce presence.

5.3 Health and community wellbeing

Byerwen is committed to working together with the Glenden and broader communities, local and state governments, and industry to strengthen the communities in which we operate, and to mitigate any negative impacts that our operations may have on community safety and amenity.

Through the SIA consultation, the Glenden community identified the need to maintain three key community values:

- a distinct community identity;
- a cohesive and stable community with a strong sense of community; and
- to maintain a rural lifestyle highly valued by residents.

The Glenden DIG and the DIG charter continues to administer the Glenden community's values for the town and informs Byerwen's engagement and participation approach with the community. The Glenden community nominated the following values as of most importance to them:

- Community spirit
- Connectivity
- Safety and Environment
- Sustainability employment / business development opportunities.

Through consistent local engagement (see section 5.4), Byerwen and its contractors have continued observe these values, and manage any Project impacts proactively. Byerwen has focused resources supporting the maintenance of these important values and the community of Glenden through its social investment initiatives, and by encouraging the Project workforce to participate in community activities and support local businesses.

The Glenden DIGs and annual community forum continue to be an important focus for Byerwen to gather information, hear community concerns and identify community-led initiatives. This approach facilitates the community identifying priorities and projects to focus the work of the DIG members and the broader community. This led to the successful EoI and tender for the operation of the childcare centre, bringing a positive outcome to an issue that had been plaguing community for a number of years. As noted in 5 above, Byerwen has commenced working with DSDILGP and WRC to investigate the possibility of supporting a community visioning and action plan initiative, and this is currently being explored with the Glenden community.

Community investment initiatives and grant schemes are managed through the QCoal Foundation, which has been established to support a range of community-led initiatives focused on three broad support areas of Health, Liveability and Education.

Since 2008, the QCoal Foundation has delivered over \$5,000,000 in grants through the Community Grants Program. In Glenden, the QCoal Foundation has supported local fundraising events and education grants. The QCoal Foundation will continue to deliver the Community Grants Program as the Project moves into the next phase and respond to community identified priorities and initiatives.

Education grants are made by way of the QCoal Foundation Scholarship for James Cook University Students and a bursary program for the Native Title Holders for the area of the South Phase. Four QCoal Foundation Scholarships have been awarded since 2016, with recipients generally being within the region. Each scholarship is for a value of up to \$30,000 over three years, supporting regional students in science-based studies.

The indigenous bursary program has been in place since 2012, during which time over 150 community members have benefitted from a range of pre-vocational, certificate, TAFE and higher education support, achieving a range of outcomes including:

- numerous university and TAFE graduates;
- assisting long-term unemployed and women and return to work; and
- over 85 men and women being supported through various certificate and training programs to gain entry qualifications for work on mine sites. As a direct result of this collaborate initiative, a number of participants secured full-time employment across QCoal operations. In addition, this support has facilitated indigenous candidates to work on other mine sites and gain meaningful long-term employment (see 5.2 above).

More broadly, the QCoal Group remains a principal sponsor of the RFDS (Queensland), which is helping to address the increasing demand for quality health care services in regional and remote areas.

In 2017 the QCoal Foundation partnered with Financial Basics Community Foundation to address the community need for increased financial capability and to support the development of financially resilient communities. Specifically, the partnership has developed the Ca\$hEd Up program that delivers life-skills based financial capability education to high school students.

Research has identified that over 60% of Australian adults are facing financial stress and vulnerability. Younger people are typically more likely to experience severe financial stress than older people, and financial stress is a key factor in many areas of mental health, family violence, and poverty across Australia. Research also supports the view that the Australian population is most vulnerable in the area of financial knowledge and behaviour, with almost half the population identifying themselves as having low to very low financial knowledge.

The Ca\$hEd Up program trial has continued to expand, with over 1,500 Queensland students participating in the program in 2019. In 2020 the trial expanded nationwide and over 2,500 students participated in trial.

Byerwen continues to provide its workforce and their families with access to a range of support services to promote workforce health and wellbeing, including access to a corporate health plan.

Our contractors have been important supporters and partners in workforce health and wellbeing initiatives. The on-site camp has a fully equipped 24hr gym, outdoor recreation areas and a purposed designed walking track to encourage workforce personnel to walk from the camp to on-site offices.

Mental health continues to be a closely monitored issue, with site contractors placing an emphasis to check in regularly with the workforce. Our mining contractors Macmahons have a focus on mental health with their 'Strong Minds, Strong Mines' initiative, which has continued to be rolled out on site. This comprehensive awareness and suicide prevention program is a company-wide initiative encouraging workers to look after their mental and physical health.

Camp operators, Sodexo, continue to offer healthy choice meals to maintain good nutrition for site workers. The camp mess offers a comprehensive range of fresh on-site prepared food, with a large variety of fresh fruit and vegetables for all meal times.

Through the continued implementation of our Safety and Health Management System, Byerwen will ensure all contractors engage the workforce through effective and thorough induction processes, and regular toolbox talks to promote our expectations and recommendations for a range of practices including work operations, road safety, fatigue management, health, wellbeing and personal conduct. In addition, and as part of the SHMS, Byerwen and all site contractors provide personnel access to Employee Assistance Programs.

Safety and respect for the Glenden community's values, and QCoal Group's values, will continue to drive the business into the future.

5.4 Community and stakeholder engagement

The QCoal Group acknowledges that our relationships with the communities in which we operate, and our stakeholders, are of fundamental importance to sustainable long-term operations and the business as a whole.

At its Northern Hub operations, the QCoal Group has developed and implemented a comprehensive stakeholder engagement program which has facilitated the establishment of a positive relationship with the local Collinsville community since the Sonoma Mine began construction in late 2006. Through innovative community-led and participatory engagement opportunities, the QCoal Group enjoys strong community support and reputation for delivering positive and beneficial outcomes. It is this experience and history that has framed the community and stakeholder engagement and approach for the Project.

Byerwen continues to play a key role in the consistent delivery of the Development and Industry Group (**DIG**) model in Collinsville and Glenden. DIG is a membership group of community, industry and government representatives selected through a nomination process.

The Glenden DIG aims to identify community priorities and objectives and to work collaboratively to promote and achieve these objectives. The Mackay Isaac Whitsunday Regional Office of DSDILGP, continues to support and coordinates the Glenden DIG, which is independently chaired under an agreed charter, and maintains the secretariat function. The Glenden DIG meets quarterly, including the annual open community forum, and held its first meeting in April 2015. Outside the DIG forum, senior site managers and community relations personnel maintain regular contact with key local representatives, business owners and state agencies throughout the year, and manage the Community Concern system.

Table 2: Engagement Activities

Engagement	Stakeholders	Activity in 2020
Glenden DIG	Community groups and individuals, Local and State Government, industry representatives, local business owners	Quarterly meetings and open community forum with four meetings held in the reporting period
Industry briefings	Government, local suppliers and businesses	Participation in Bowen Basin Mining Club events; participation in the QRC 'Meet the Buyer' forum for Indigenous-owned businesses; and participation in various other QRC forums and initiatives
Local and State Government	Local and State governments	Regular meetings held with Local and State government representatives throughout the year
Site tours	Government, joint venture partners and investors	Limited due to COVID-19
Cultural Heritage Committee	Indigenous stakeholders	Bi-monthly meetings including regular updates on status of project and employment and business opportunities
Contractor meetings	Industry and local community	Regular meetings with contractors regarding local economic participation opportunities. Introduction of contractors to local community through DIG forum, Supplier Forum and industry events
Local Landholder Advisors	Affected landholders and agistees	Regular meetings held with landholders and agistees throughout the year
Community Concern Number	All stakeholders	Number well publicised No calls received
Online	All stakeholders	No data available

5.5 Local business and industry content

The QCoal Group is committed to maximising local participation in all aspects of project development and operations. Contractors have been appointed based on capability, value proposition, ability to meet required standards and a demonstrated commitment to QCoal's philosophy of supporting local communities and businesses where possible.

Our contractors also give preference to suppliers of Australian-manufactured equipment that is competitively priced and complies with the relevant standards and specifications.

As a result of significant investment in supply chain and procurement activities in 2017, Byerwen and its contractors have established a strong network of local suppliers throughout the region. Local spend data is tracked and reported to senior management on a monthly basis for all QCoal Group projects.

For the reporting period, Byerwen and its contractors continued to create local subcontracting opportunities and maximise the use of local suppliers for the Project. These targeted initiatives resulted in the three main contractors on site achieving 35% local and regional supply of their Project spend. More broadly, on adjusted operation spend costs only, Project contractors achieved over 65% supply from Queensland-based businesses.

Byerwen will continue to maintain its comprehensive networks with local suppliers and will engage with potential and successful contractors on local participation initiatives as construction and operations continue into future stable and expanded activities.