







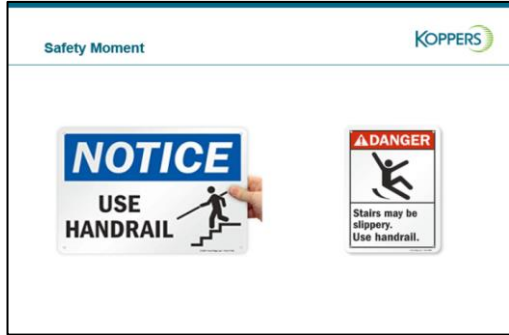
Minutes

17 August 2022

Project name	Koppers Community Reference Group	From	Emily Strauss
Subject	CRG Meeting #8	Tel	1800 066 243
Date / Time	15:30–17:00 17 August 2022	Project no.	12554413
Attendees	Nick Moretti (Koppers) (NM) Shane Beasley (Koppers, online) (SB) Michael Ulph (GHD) (MU) Emily Strauss (GHD, minutes, online) John Hayes (Mayfield Group, CRG member) (JH) Rick Banyard (Mayfield Group, CRG member) (RB) Chris Tola (CRG member, online) (CT) Paul Adams (Major Projects Group, CRG member) (PA) Marie Caruana (First Chance, CRG member) (MC) Jennifer Anderson (PON, CRG member, online) (JA) Richard Lyons (Koppers, online) (RL) Joe Dowd (Koppers) (JD)	Apologies	Andrew Humphries (CRG member) Rodney Hood (CRG member)
Objective	Community Reference Group	Copy to	All CRG

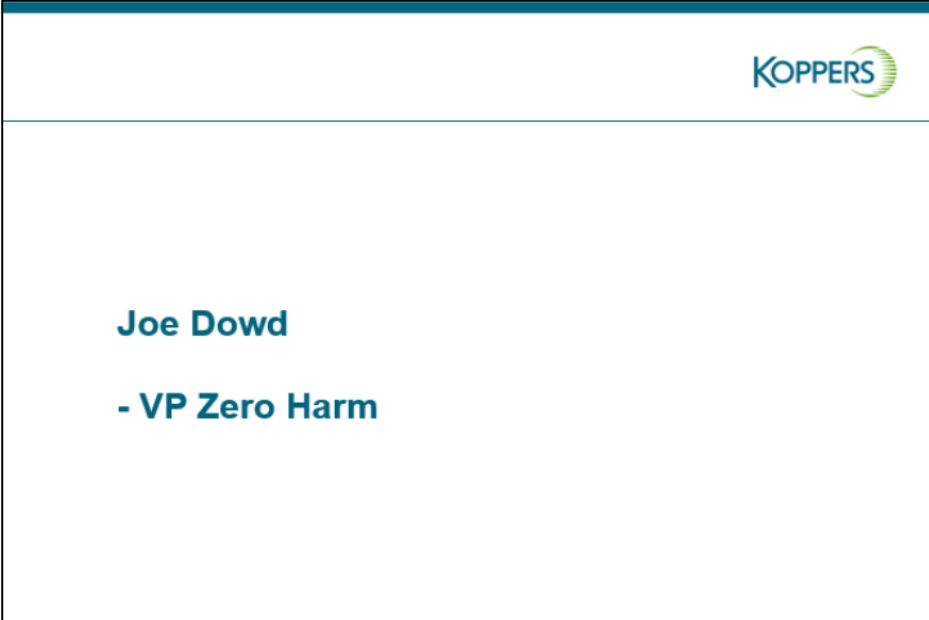
Minutes	Action		
Meeting officially started at 3:33	– NA		
Acknowledgement of Country MU provides an Acknowledgement of Country	– NA		
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> Agenda  <ul style="list-style-type: none"> • Welcome and Acknowledgement of country • Introductions • Safety moment • Past minutes – Michael • Zero Harm - Joe • Koppers generally – Shane • Mayfield report – Nick • Community – Michael • Close and next meeting </td> <td style="width: 50%; vertical-align: top;"> Introductions  <ul style="list-style-type: none"> • Richard Lyons • Joe Dowd • Nick Moretti • Shane Beasley • Paul Adams • Chris Tola • Jennifer Anderson </td> </tr> </table>	Agenda  <ul style="list-style-type: none"> • Welcome and Acknowledgement of country • Introductions • Safety moment • Past minutes – Michael • Zero Harm - Joe • Koppers generally – Shane • Mayfield report – Nick • Community – Michael • Close and next meeting 	Introductions  <ul style="list-style-type: none"> • Richard Lyons • Joe Dowd • Nick Moretti • Shane Beasley • Paul Adams • Chris Tola • Jennifer Anderson 	
Agenda  <ul style="list-style-type: none"> • Welcome and Acknowledgement of country • Introductions • Safety moment • Past minutes – Michael • Zero Harm - Joe • Koppers generally – Shane • Mayfield report – Nick • Community – Michael • Close and next meeting 	Introductions  <ul style="list-style-type: none"> • Richard Lyons • Joe Dowd • Nick Moretti • Shane Beasley • Paul Adams • Chris Tola • Jennifer Anderson 		
Introductions MU introduces group attending and notes apologies	– NA		

Minutes	Action
<p>RH not in attendance</p> <p>AH will no longer be a member as his employer Suez has closed its neighbouring operations.</p> <p>RB discusses his involvement in the Monday NCCCE (Newcastle Community Consultation Committee on the Environment) meeting in which Koppers was discussed.</p> <p>RB was able to speak about/defend Koppers at this meeting due to his involvement in this CRG.</p>	
<p>Safety Moment</p> <p>MU shares safety moment and discusses slipping on his stairs at home and injuring his back 18 months ago.</p> <p>MU discusses importance of expanding on the Acknowledgement of Country and the safety moment. It's important to be mindful of using the handrail, particularly outdoors after wet weather events such as an east coast low.</p> <p>JH and his wife attend mass at Tighes Hill, and people do meet and greets at the door, which is very concerning when people stop at the top of the stairs to meet and greet instead of moving off the stairs inside. This is unsafe and worrying especially for older people.</p> <p>RB has been assisting flood victims in Woodburn which has made him think about the importance of not only having a Plan A for emergencies but also a Plan B. This is important for when it becomes impossible to execute a Plan A emergency response.</p> <p>RB thinks this is important for Koppers to also consider.</p> <p>NM explains that Koppers have dedicated emergency muster points and that they have discussed Plan B options and flexibility with muster points (depending on specific emergency considerations).</p>	<p>– NA</p>
<p>Meeting minutes</p> <p>JH moves last minutes, RB seconds last minutes.</p>	<p>– NA</p>



VP Zero Harm

– NA



JD introduces himself and his role in Pittsburgh, Pennsylvania.

Koppers has a mantra of zero harm to employees, environment and the community where they're working. This is hard to achieve.

Koppers has 49 'significantly sized' sites across the world, 23 of these sites have had no injuries this year. This makes them believe that this goal of zero injuries is possible. It's based on culture. Safety and the environmental are both part of the story.

JD thinks this group is a good example of how they should be engaging with community. Koppers aim to spread the model of this CRG across the world.

They have made big changes to culture over last six years to move to a zero-harm mindset. This has lowered injuries over the last six years. The next challenge is that although they have managed to maintain levels, they are not driving down injuries (progress has stalled at this level). This is what they are trying to figure out and solve. Koppers has conducted over 65 interviews across the world to understand people's ideas on this.

By engaging at a higher level, they hope to decrease injury trends and also improve their environmental response.

Koppers elected a Chief Sustainability Officer a year and a half ago. Koppers has a number of "fast teams", which are tactical teams. They have taken the UN Sustainable Development Goals and identified those with which Koppers feels they can make a difference. They report on these goals and the fast teams are oriented around these goals. Koppers is aiming to achieve goals around net zero and other social goals around employee treatment and the community.

CT asks about the relationship between heading towards zero injuries and zero on the environmental side.

JD replies that there are multiple common touchpoints between them. In many of their plants around the world, process safety is a key element. Process safety is about keeping materials in containment mechanically and maintenance is done in a prescribed way. Process safety as a discipline impacts the environment. If this process is disrupted, it affects the environment and affects the employee. This relates to discipline, which improves equipment and environmental response, which also connects to safety. Koppers' environmental and safety processes are proactive and focussed on preventative actions that can be undertaken before things go wrong instead of after (which is what many other companies do).

This is similar with the environmental side, meaning these two things are very related.

RB asks if the environment is the biggest stimulation to injury or if injury is the biggest stimulation to environment. Which one do employees buy first? The aims of environment or the aims of the injuries?

JD says it is the injuries first. **JD** gives analogy about radio stations in the US and links it to how people care first and foremost about what's in it for them. The next order is about the community and future generations. The environment is not first-order and it takes time to drill this into people.

MU suggests the key challenge is about connecting the ‘what’s in it for me’ mindset to the environment through storytelling.

JD says it is very hard to get people as motivated about the environment as the first order about themselves,

JA thanks **JD** and says she too believes in connectivity, collective consciousness, and the multiplier effect. She commends Koppers for having a senior executive travelling the world to hear from people. She thinks it’ll generate interesting ideas from people. It reflects well on Koppers.

CT used to be community representative for another organisation in the radiation/nuclear sector. A big challenge is about how to keep safety culture vibrant, alive and proactive. It is difficult to keep employees motivated and at the top of their game. This is particularly important in industries that can have large impacts on the environment.

MU adds two comments, firstly about staff engagement (empowering staff to help find solutions and hence own the outcomes), secondly about looking at similar industries and seeing what they are doing in their progression towards zero.

JD says they are looking at other similar industries, but not enough. They are in the American Chemistry Council, which links partner organisations through events. They use this group to interact with colleagues and get feedback. They are in a program for medium to smaller companies (2100 employees). They have engaged with consultants about process safety. One area they have identified for possible improvement is management systems.



MU presents a counterargument about going outside to seeing what others are doing, from a stakeholder engagement perspective, because the best solution will often come from the impacted community itself. **MU** gives example of a past Orica (Botany) issue in which the community was involved in decision making process for a solution to a toxic plume issue. The community was educated and empowered to pick between potential solutions. The community was more supportive of the outcome and the company because they had a hand in shaping it. This helped to build trust going forward. This links to what **JD** is doing by going around talking to people directly. **MU** thinks this approach will generate a solution that people will be much more engaged in.


In **JD**’s interviews, he asks a set of standard questions, to get conversation started. One question he asks is who the opinion leaders are. Opinion leaders are based on authority, but also people who are influential. This helps Koppers act on what is being said, or directly approach these opinions leader and get their feedback.

RB has worked with a variety of people and groups in his career. His philosophy is “nothing is impossible, some things are just harder to achieve than other things”. This has helped motivate people and helped them see that their problems have answers, even when they seem insurmountable. It is then possible to completely change people’s attitudes and work towards a solution (because often the problem is an attitude problem).

<p>Koppers report</p>	
<ul style="list-style-type: none">- General market update- DPIE EOI – ASI submission (shortlisted)- Koppers global initiative - SDGs- Enhanced carbon products	

Minutes	Action
<p>Koppers report</p> <p>MU introduces SB to speak on Koppers more globally</p> <p>SB provides a general market update. Aluminium is the main focus as it is the main product group for pitch. The aluminium industry has varying things happening at the moment. Demand is lower in some places. Some effects of the global energy crisis are being seen, driven by events in Ukraine. In US, smelters have had to wind down production due to rising costs. Climate change effects in Europe can be seen and smelters using hydro power have cut back due to low rainfall. Aluminium market will probably tighten up again. China has made announcements about aluminium. They are encouraging aluminium to relocate to renewable energy places in China. By 2024, they would like 90% of the aluminium production in China to be value added as downstream or secondary products. There are concerns about Taiwan. Koppers has a supplier there and ancillary industries. There may be impacts on Koppers.</p> <p>GHD helped prepare a proposal for Clean Manufacturing Precincts Decarbonisation Roadmaps. This is part of the Australian Steel Industry submission, which involves several local industries and manufacturers (such as Molycop, Infrabuild and others). They have been shortlisted. The aim is to make the Hunter a clean manufacturing hub. This aims to share infrastructure and capture waste energy. Next round of decision making is happening soon. The goal is to keep industry here but do it cleaner and greener.</p> <p>NM discusses the 17 UN SDGs and says Koppers is focussed on 10 of them. Koppers has fast teams which are having regular meetings going forward to discuss the 10 UN SDGs. These are global meetings. Koppers has rolled out a training video to all employees about this. This is under the guidance of their sustainability officer (Leslie Hyde).</p> <p>SB says that on the enhanced carbon product side of things, they've got a new technology that they've developed. There is lots of interest from the battery industry. Generally, batteries are made from anode material which is a combination of natural/synthetic graphite which is coated with something else. This is progressing well. They have a trial plant currently in Denmark. They have board approval for a full scale industrial plant. One of their engineers is being sent over for a year to learn about the plant, which demonstrates the confidence they have in this venture.</p> <p>The batteries are called coin cell batteries, which are what people use to test anode materials for batteries. A company in US has done some coin cell testing for them, using the enhanced carbon product they've developed (which coats the graphite going into the anode material). They look for reversible capacity, irreversible capacity and irreversible capacity loss. Irreversible capacity loss is when you charge a battery for the first time and run it down and charge it again; you can't charge the battery fully again. The difference from 100% is the irreversible capacity loss (usually 8-10%, they have had some results as low as 4-5%). They're having positive results so far about the battery utilisation. Reversible capacity is about how long the battery will stay charged and irreversible capacity is about battery fade performance. It takes a while to complete this testing, but the results have been positive so far to the extent that they're looking to roll production of these materials to a Danish plant and then to an Australian plant.</p>	<p>– NA</p>

Minutes	Action
<p>Mayfield report</p> <div data-bbox="178 250 1086 884" style="border: 1px solid black; padding: 10px;"> <div style="display: flex; justify-content: space-between;"> Mayfield report  </div> <div style="display: flex; align-items: center; margin-top: 20px;"> <ul style="list-style-type: none"> • Covid – rapid antigen tests • LTIs • Stack monitoring • Oct 2021 – odour complaint & PIN • Thermal oxidation at port • Customers • Hunter SGDs taskforce  </div> </div> <p>NM says Covid continues to be an issue, with two people off last week, and RL at the moment. RATs are stocked on site, the consumption of those did slow down for about a month but has picked up again now. There is heightened awareness; people are wearing masks when returning from covid, keeping hands clean etc.</p> <p>No loss time injuries in the last two and a half years.</p> <p>They continue to do stack monitoring as part of their EPL requirement. Recently, they completed another thermal oxidation project. 100% of their fumes are now being oxidised. They did some upgrading of the burner management system, which is finished now. Now they are diverting all fumes.</p> <p>On 25 and 26 October 2021, there was an issue with loading of pitch onto the ship after a discharge of tar. There was water in cargo tanks and hot pitch was being loaded into them. This caused steam and pressure (too much pressure for fume system), and there were community odour complaints. The EPA sent them a show cause letter. Koppers replied with a response about corrective actions undertaken. In April 2022, the EPA replied. The EPA gave them an official caution for the 25th. Koppers said that they have surveyor who dips tanks to check for water, and the surveyor gave a certificate saying tanks were dry. The surveyor did not follow their own procedure using water sensing paste correctly (ie: Koppers were given incorrect information). The next day Koppers tried again at a slower rate but there was still too much water which created more pressure and odour complaints. EPA gave them a \$15,000 fine for 26 October (because they had the information from the day before). They have had hardly any odour complaints before or after this. Lots of corrective actions have been undertaken and they have verified that these measures are sufficient (they have done pitch loadings since with no issues).</p> <p>SB says locally, customers haven't changed a great deal. In the middle of winter people were told not to turn on heaters (6-8pm) because state may run out of power. During that time, the smelters were slightly affected and had to hand some power back to the grid. This has had no material effect on production. From a local point of view, they are still insulated from global issues. International shipping situation is a bigger challenge. Demand is there, production is going well. They have been affected to an extent by flooding, such as the raw material supply of coal. Generally going well.</p> <p>NM says that they did a round of stack testing on Tank 661 on 22 June as part of EPL. The thermal oxidation system commissioning was completed on 23 June. They also did due diligence testing. The results were that volatile organic compound destruction is at 94.5%, meaning that 94.5% less VOC is being released into the atmosphere because it is being thermally destructed. Overall PAH destruction was at 99.8%, which means there was an annual reduction of 2000 kg of VOC and 500kg of PAH. This will have a big</p>	<p>– NA</p>

Minutes	Action
<p>impact on reducing emissions for the NPI (National Pollutant Inventory) returns and EPA annual return in September.</p> <p>Through Sustainability Advantage, Koppers is part of several companies who on behalf of Hunter SDG taskforce did a data gathering exercise with University of Newcastle to understand the baseline of where they are at now. About ten companies contributed \$5,000-\$7,000 to this project. The data that was gathered will be presented in late August.</p> <p>Koppers is on a Net Zero by 2050 pathway to reduce global warming. The IPCC is driving this. The NSW Net Zero stage 1 plan originally was to cut emissions by 35% by 2030, they have now updated this to 50% by 2030.</p> <p>Koppers took part in a net zero pilot project led by their energy consultant Northmore Gordon. They have been working with Chris Warris, now of Northmore Gordon, and have been meeting with him monthly since 2006. They have established scope 1 and scope 2 and established a roadmap. Koppers have reduced their energy consumption since 2006 by 22%, shown on graph. They are well on the way because they started so long ago.</p> <p>No new complaints. MU will assist with the October/November newsletter.</p> <div data-bbox="177 864 1121 1429" style="border: 1px solid black; padding: 10px;">  <p data-bbox="209 1070 531 1106">No new complaints.</p> <p data-bbox="209 1146 707 1182">Newsletter October/November</p> </div>	
<p>MU invites any questions or comments from the community</p> <p>MC says First Chance has been affected by Covid, they had a professional development day and several people got Covid. Her feedback to Koppers is that First Chance appreciates the open communication and increased awareness of what Koppers has been doing. This has had a very settling influence on people in the community (through this group, the newsletters and other communication).</p> <p>RB gave an example at start of the meeting about the NCCCE meeting on Monday that he attended and how Koppers was spoken about. It has been beneficial that RB has been apart of this committee because he has been able to correct some misinformation and mitigate some of the concerns that were raised.</p> <p>PA says there were quite a few complaints last year about odour. He hasn't heard anything in last six months which is a big step up.</p> <p>PA says people have been happy to have a voice in things and it is encouraging that no one has come forward in last six to eight months with any complaints.</p>	<p>– NA</p>

Minutes	Action
<p>JH thanks NM and SB. He has been thinking about how to get information out further. The community newsletter is read by 1000s of people. It would be beneficial to put 'good news stories' on the website as well as put out some fact sheets with some of the numbers included (as some of the numbers are very dramatic and worth telling). RB and JH are also involved in another newsletter. JH is in other community groups such as Climate Action Newcastle which has an email list of 1200 people. JH is thinking about a number of information distribution points that may be appropriate for some of these good stories/numbers. JH has a question about scope 1 and scope 2 greenhouse gas emissions, and he would like someone to explain scope 3.</p> <p>NM says scope 3 would probably be the CO₂ that the smelters emit as part of their process.</p> <p>NM describes the smelter process, and how this relates to Koppers scope 3, which would relate to CO₂ and would be downstream. Any electricity that they consume on JA's land might be part of scope 3 for PON (because Koppers is PON's tenant).</p> <p>JA mentions renewable energy.</p> <p>JH asks if they're using all renewable energy.</p> <p>NM isn't sure if it's all renewable energy and replies that AGL is their retailer so there may be a component of renewable energy. They do not buy their power from PON.</p> <p>JH says the benefit would be on the electricity side (not gas side).</p> <p>MU says if they haven't allocated it specifically, they will get whatever AGL supplies (meaning some may be renewable, not necessarily all).</p> <p>JH suggests that an exercise they could do is see if they could get all of their electricity to be renewable, like Molycop has done with 55% of their electricity, with a power purchase agreement.</p> <p>SB says they are working with a smelter group on scope 2/3 missions to figure out their own scope 1, scope 2 missions. They have been looking at greener suppliers and working with Brisbane office. Feedback received was that Koppers was doing well in terms of emission amounts. Smelters are high emitters and they are looking at scope 2 and 3 to try to reduce emissions. Smelters will always be high power users, but they are looking at how they can guarantee that more of that power will come from renewable sources to reduce scope 2/3s.</p> <p>JH says this is something they can consider and acknowledges that they're between a rock and a hard place because it's not possible to go to zero right now.</p> <p>JD responds that they have just published their sustainability report on their website. The numbers for the whole company will be posted there. Previous reports can also be accessed to see progress over the years. The data is consolidated. There is discussion in there about scope 1,2 and 3 emissions.</p> <p>JH makes the point that because data is consolidated, certain places will be performing better than other places which will affect averages. It is important to bring things down to micro level.</p> <p>JD agrees this the conversation people should be having.</p> <p>NM and JD show JH (via screen sharing) where the reports can be accessed on the Koppers website.</p> <p>JH discusses conversation he had with senior advisor about Koppers, and future changes and says it is good to take opportunities to talk and write about these things.</p> <p>JD adds to this by reflecting on SB's presentation about the movement to batteries which has environmental implications attached to it. The aluminium industry as a whole will change.</p>	

Minutes	Action
<p>MU invites closing comments from the group</p> <p>JA appreciated Koppers commentary about sustainability goals which align with PON's values.</p> <p>CT has nothing further</p> <p>RL is appreciative of positive feedback from neighbours and community. Koppers is committed to continuous improvement through investment of capital and investment in people. Last week, there was a conference in Sydney with all groups of Koppers Australia and New Zealand, to reinforce behaviour, safety training and engagement with people.</p>	<p>– NA</p>
<p>MU closed meeting at 5pm</p>	<p>– NA</p>
<p>Next Meeting</p> <p>Will reconvene in three months. Meeting proposed for 8 November 2022, 3.30pm – 5pm.</p>	<p>– MU to send out invite for next CRG</p>