

Minutes

06 December 2022

Project name	Koppers Community Reference Group	From	Emily Strauss
Subject	CRG Meeting #9	Tel	1800 066 243
Date / Time	15:30–17:00 23 November 2022	Project no.	12554413
Attendees	Nick Moretti (Koppers) (NM) Shane Beasley (Koppers) (SB) Michael Ulph (GHD) (MU) Emily Strauss (GHD, minutes, online) John Hayes (Correct Planning and Consultation for Mayfield) (JH) Chris Tola (Community member, online) (CT) Paul Adams (Major Projects Group, online) (PA) Marie Caruana (First Chance) (MC) Rodney Hood (Pacific Hydraulics Newcastle, online) (RH)	Apologies	Rick Banyard (Correct Planning and Consultation for Mayfield) Lucas Coleman (Port of Newcastle) Richard Lyons (Koppers)
Objective	Community Reference Group	Copy to	All CRG

Minutes			Ac	tion	
Meeting officially started at 3:37			-	NA	
Acknowledgement of Country				-	NA
MU provides an Acknowledgement	MU provides an Acknowledgement of Country				
Agenda KOPPERS)	Introductions	KOPPERS			
Welcome and Acknowledgement of country Introductions Safety moment Past minutes – Michael Koppers generally – Shane Mayfield report – Nick Community – Michael Close and next meeting	 Nick Moretti Shane Beasley John Hayes Marie Caruana Rodney Hood Chris Tola Paul Adams Michael Ulph Emily Strauss 	Apologies: - Richard Lyons - Rick Banyard - Lucas Coleman			
Introductions				-	NA
MU introduces group attending and	notes apologie	S			
NM manages operations at Koppers, Mayfield. He is involved in process, industrial relations, local HR and logistics.					
SB is Koppers' technical services manager. He works in marketing, looking after customers and suppliers, commercial contracts, technical issues, logistics and new product development.					
JH is a community representative living in Mayfield. He is part of various committees and panels.					
MC is from First Chance. She is the	ir WHS represe	entative.			

→ The Power of Commitment

Minutes	Action
RH is part of hydraulics engineering firm Pacific Hydraulics Newcastle and a neighbour of First Chance. They work in open cut and underground mining services. They've grown from 3 to 44 people.	
CT expected to dial in later.	
PA is from Major Projects Group and Major Projects Foundation.	
MU is from GHD and works in community consultation and stakeholder engagement. He helps facilitate the newsletter production and distribution.	
Apologies from Richard Lyons, VP of Australian Operations. Rick Banyard is also an apology due to serious illness.	
Lucas Coleman, who will be the new representative from Port of Newcastle (PON), is not in attendance due to family illness.	
Safety Moment	– NA
Safety Moment KOPPERS	
MU discusses importance of sun safety and high UV in summer for the safety moment.	
SB adds warning about danger of sun exposure and how easy it is to forget hats and sun	
protection when outside doing things.	
JH agrees and gives example of how he has personally lost an ear due to skin cancer from sun exposure.	
PA mentions increasing numbers of snakes in the area as the weather gets warmer. During this time of year, there are lots of snakes around on roads, gutters and work sheds.	
SB had a snake in his office onsite. Snake catchers were unavailable, and he had to remove it himself with a box.	
Meeting minutes	– NA
JH moves last minutes, NM seconds last minutes.	

Koppers report

KOPPERS

General market updateDenmark pitch optimisation

SB: Globally, this is expected to be a big year for the company. Market conditions have been strong especially in CMC side of things, which is where they are.

The market continues to be affected by the war in Ukraine which has tightened the market in Europe. Traditionally, some raw material supply was obtained from Russia and Ukraine but that's no longer the case due to the sanctions in Russia. Much of Ukrainian infrastructure has been destroyed, so less is coming from Ukraine at the moment. Some of the steel plants that they have dealt with in the past have been permanently destroyed.

SB attended a virtual aluminium conference last week. There was discussion about the 2050 environmental targets and the likely effects for Koppers. Their main product group is aluminium anodes, which helps support the Australian aluminium industry. There is approximately 70 million tonnes of capacity right now. To achieve the 2050 goals, it is estimated that 150 million tonnes of aluminium will be needed to power lightweight materials for electric vehicles, lightweight power transmission and lightweight building materials. This is more than double what is currently produced. Hopefully, between a quarter and a third will be produced by recycled materials as aluminium is one of the best metals to recycle. This leaves 30-40 million tonnes of extra production outstanding. The question then is about where the power needed will come from as aluminium is a highly intensive industry with a lot of power needed.

This led to discussion about changing technology into 2030 and 2050 as a lot of the assumptions are that new technology will be developed. There was talk around what is actually realistic. Aluminium has been produced the same way for 150 years, and there has been a lot of recent discussion about ways to decarbonise it in light of the global movement towards decarbonisation. No one has come up with a feasible method yet. Many companies have been deterred by the cost of this. The question is whether this is achievable. There is a global push towards decarbonisation but carbon is needed to make aluminium which is needed to get to the 2050 targets.

MU: clarifies that this is not about electricity but rather pitch and anodes.

SB agrees and says this comes from steel industry and the petroleum coke comes from the petroleum industry. It is expected that expansion and capital investment in the petroleum industry will continue for the next few years, and then drop off due to the move towards electric cars and electric shipping. Many interesting conversations are occurring about this, with many unanswered questions currently. In the aluminium industry, the focus is about how they support the green initiatives but there is still debate about how to get there.

NM and SB travelled to Denmark and attended a global technical and commercial meeting at a plant in Denmark. This is where they are building their pilot plant which they are using to plan their new product which is an ultra-clean enhanced carbon pitch mainly for the battery industry. This will be used as a coating material, which they've done some testing on. They sent one of their engineers to Denmark with his family for a year to learn as much as possible and project manage the plant when he returns. The goal is to build the plant here onsite. This is in its infancy but growing and getting a lot of interest and investment. It was a good trip, but far to go for three days. It was a good opportunity to reconnect with people that they haven't seen in three years due to Covid.

JH asked about expected projections and numbers relating to how clean the new technology will be compared to others. JH is interested in the environmental impact.

SB answered that it's made from an oil stream that they already have which is further treated to make pitch product. Environmentally, it'll be treated as any one of their normal products. They don't have figures yet but it shouldn't be different to what they do now.

NM says what SB means by 'clean' is that it is expected to be cleaner due to it being a lighter pitch than the grade they sell to aluminium smelters which has a heavier character which is good for making anodes or carbon blocks. This material is lighter with less impurities and less particulate matter in it. The aluminium smelters love the particulate matter in what they sell them now but this is cleaner because it has less particulate matter in it. It is better for coating purposes, but it's not going to be cleaner for environmental purposes. It is the same.

SB says that for nano particle levels of coating on silicon graphite, the product needs to be as clean as possible. Testing results so far have indicated it's far better than what is currently being used.

NM discusses timeline of works. They have started getting construction materials ready for the build. They are working with GHD as a consultant about approvals. They won't be building it for about two years.

SB says they are hoping to be up and running by late next year. This is the pilot plant. This is the first commercial scale plant, so they will aim to learn from it and make necessary changes. Some equipment has a twelve month lead time, so realistically 2025 may be the earliest. The demand isn't quite here yet in Australia but they're working towards it.

PA asks if that is the Mayfield site.

SB confirms the plant will be on the Mayfield site. It isn't that large and will fit behind existing infrastructure.

JH asks about it providing another income stream when it's set up.

SB answers that they are diversifying a bit from what they're currently doing. This will take a fraction of one of their current product groups, which they export, which will be put through this process because the actual volume is not that high. Possibly only 15,000 tons of material will be made in a year, which represents a lot of batteries. They produce a 100,000 tonnes of pitch for the aluminium industry per year. This is unlikely to be that scale, but they don't know. This is just the starting point.

JH asks about how building of the plant will occur. He discusses a query he had about equipment being delivered from Germany to Port Kembla instead of Newcastle. He queried this with Orica but wasn't given an answer. They then asked if it was cheaper to bring it through Kembla, as opposed to Newcastle. The people making the arrangements for shipping did not explore possibility of bringing it through Newcastle. He wants to encourage Newcastle industries to put a positive bias on bringing equipment through Newcastle. He says unless there is a major cost factor, Newcastle should also be used to import that equipment. In this example, Orica did not have a positive bias for Newcastle and just ordered equipment and waited for it to come. The responsibility is on any Newcastle based companies to put a positive bias on importing through Newcastle unless there is a major cost difference.

MU asks PA to comment as they have a ship.

PA says it is surprising for something to have been imported to Wollongong and trucked up the mountain, past Sydney and then to Newcastle when there is a port here. He agrees it's a question to ask.

JH says Orica had no answer about this.

SB says it depends on what shipping line it gets booked to.

JH says question must be asked about ships and if they can use Newcastle shipping line. JH says someone needs to do some physical and desktop work to find out if ships coming to Australia could come through Newcastle.

RH asks about what spare port land will be used for. He's heard that it will become a container terminal.

MU says yes.

JH represents the community on the Port of Newcastle (PON) Community Liaison Group and was given an update last night at a meeting. PON advised that the financial barrier that has been in place is going to be resolved. They say legislation has been approved by the Governor. The next step is for the Treasurer to appoint an outside independent expert to work out the cost of the lease in 2015 and what cost would have been without caveat that is currently preventing the containers. They don't know what this figure is. They expect it won't be a major hurdle and that they'll be able pay it which will then buy them out of the impediments that have been in place since 2015. They were not able to give JH a direct answer about DA, but indicated they are in a good position. JH confirmed that this is all public knowledge and not confidential information.



SB discusses the pitch they're developing in Denmark and the new applications for it relating to battery coating and anode material. What usually happens is that the pitch is dissolved in solvents then applied as a coating to graphite silicon for lithium-ion batteries. If you don't coat the graphite there is a risk of swelling, overheating and causing a fire.

Originally, Koppers thought that it would be used in this way with the solvent. Instead of this traditional method, Koppers has developed a water-based coating material. This is a big selling point. This is cheaper from a capital perspective and does not use solvents. Some of these solvents may even become banned in Europe in the near future. Initial testing has given good results so far. Koppers has joined a cooperative in Australia called the Future Battery Industries Collaborative Research Centre.

SB says there are about 65 companies involved including Australian companies, international companies, universities and CSIRO. They are patenting the material and then will start the marketing soon. The product will be called CPRO. They've sent samples to be tested and the first report has come through with good initial results. The material is being coated, then it will sent off to CSIRO to make coin cell batteries. Extensive testing around cycling will then be undertaken to look at how long battery will last. They are hoping testing will be completed early next year. They previously did some testing in the US with good results. Once they get a second round of good CSIRO results they can hopefully get the product to market. The process is slow with OEMs like VW or Tesla because so much testing is needed.

JH asks if this is just lithium-ion batteries.

SB says at the moment, yes. This project includes various future battery technology such as sodium salts. There are about six different projects in the cooperative. Koppers is involved in the Super Anode Project which looks at new anode materials. There's a future electrolyte one where they're looking from electrolytes to molten salts. Lots of new, interesting technologies are being looked at such as solid state batteries which don't have electrolytes at all. This has been a learning experience for Koppers as well. There's a lot of expertise and government funding. Each company is also allocating funding to different projects.

JH asks if that provides opportunity for Koppers to employ battery specialists from the University or CSIRO and provide positive employment opportunities.

SB the long-term plan is to have someone in house. They're looking at universities and they have some doctorate level students involved, with potential for some of them to get involved in industry. There is a wealth of knowledge in these projects from academia.

MU asks if there are any further questions about battery cell testing and introduces NM to discuss what's been happening around Mayfield.

Minutes Action **Mayfield report** NA KOPPERS Mayfield report Covid Sustainability – diagnostic session Employee giving Customers NM reports that COVID is on the increase. No employees have had it recently though. They are still keeping RATs stocked on site for employees to test. They have continued to promote hand hygiene and keep people mindful that COVID numbers have been risina. MU agrees that it is making a comeback but the people aren't discussing it as much. MC says it's because less people are getting as sick with it. MU says it's likely, if anything, to hit the aged care sector again. NM says Koppers has embarked on a sustainability pathway. They are working closely with the United Nations Sustainability Development Goals (UNSDGs). Of the 17 goals, Koppers has adopted the 10 most applicable to them. Monthly Microsoft Teams meetings are happening across the organisation globally to set goals for the company. Pittsburgh has published a video about the pathway and their ambitions which they have shared with their employees globally. This is a long-term pathway. Koppers, like many other companies, is working towards net zero. They are working with Sustainability Advantage, an organisation which has existed for 17 years. Amy Croucher, from this company, led a sustainability diagnostic session with Koppers in which they were asked a set of questions about sustainability practices. The meeting was comprised of NM, SB, their environmental and safety risk manager, their managing director, their company secretary and a representative of Koppers wood products division. The questions could be answered yes/no/partially. Questions were asked about management systems and employee awareness around sustainability. They will receive a diagnostics report. Koppers will be able to work on the questions they answered 'no' to and work to improve their sustainability management system. They only had a few questions that they answered 'no', but these represent opportunities for growth. Some of their company values were recently published: people, planet and performance. If they care for people and planet, performance will take care of itself. Koppers does community support. Next month Koppers will be making a \$25,000

donation to Westpac Helicopter Rescue Service. Employees also donated, with some taking a pay deduction. Koppers will be matching this donation so the total value will be \$50,000. The \$25,000 is a few years' worth. They will be organising a day where they will be doing a promotional check and photos for the newsletter. They've looked at a few days in December and will be going to the Westpac base for morning tea.

JH asks if they will be taken up in the helicopters.

NM says they will just be having morning tea.

JH asks if the \$25,000 donated by Koppers will be over and above the employee payroll contributions and if it's part of what they're doing to match that or if it's in addition to that.

Minutes	Action
NM clarifies that anything donated by employees will be matched.	
JH asks if the \$25,000 is made up of the matched figure to the employee donations or if it is a separate pot of money.	
NM clarifies it will be \$50,000 in total. SB explains that employees have given \$25,000, therefore they are giving \$25,000.	
NM says he asked around if anyone has used Westpac Rescue Service and no one had.	
SB says his brother-in-law used it once.	
NM says in terms of the customer base, it is largely the same. The operation is 24 hour but they don't have many raw material suppliers or customers as the industries they serve are very niche. Their products are all raw materials for downstream industries, such as pitch which is used in aluminium smelting and they sell naphthalene for customers to convert into a concrete plasticiser for the construction industry. One of their oils is called carbon black feedstock. Carbon black is a rubber additive. Koppers sells the carbon rich oil which is burnt to get the carbon out of and then it is added to rubber for tyre manufacturing. This customer who buys the carbon black is in Japan. Two or three customers buy naphthalene and the Australian smelters buy the carbon pitch. They sell some creosote for wood treatment, which happens more in South Australia as opposed to the Hunter. The customer base has remained relatively stable, but it may increase in future.	
MU asks for any questions.	
JH refers back to the diagnostic survey and says that NM seems very positive about it. Potentially when the report becomes available it might be worth sharing particularly if Koppers has scored well on many of the questions. Possibly it can be shared in the next newsletter.	
NM says survey had no right or wrong answers, it was just a measure of how far along into the process they are and what they've done so far.	
SB says much of it is still high level being rolled out at a corporate level. Some of the questions helped look at how it is being incorporated into the day-to-day activities. The survey is about the process of sustainability and helps show what they have and have not done. The survey will help Koppers fully integrate sustainability into all practices and get to the end point of that process.	

Minutes Action Community NM to email newsletter to local businesses and organisations MU to check GPS KOPPERS Communi KOPPERS tracker for newsletter KOPPERS distribution Comm No new complaints. Newsletter distributed KOPPERS 10 MU introduces the community update. NM will circulate the new newsletter via email and says there is a hard copy available for those who would prefer one. MU says newsletter discusses the Portside Thermal Oxidation Unit and Joe's visit. It also includes a bit about the golf and soccer recently. Luke was photographed as part of 'meet the team'. The newsletter also covers the clean manufacturing proposal as well as the UNSDGs. The newsletter was delivered around the local community approximately two weekends ago. There was a potential issue with the weather. MU asks about any new complaints. SB says there was one bitumen related complaint from someone claiming that they could smell bitumen. They contacted the EPA. This was while they were completely redoing the bitumen on the road. Koppers was actually on a maintenance shut down at the time meaning the plant wasn't running. Winds were also not in the right direction. Koppers went back to the EPA and explained the smell by saying that they are re-tarring the roads. EPA then went back to the person who complained to explain that Koppers does not actually produce bitumen. MU says there has been no response to the newsletter. They have an 1800 number and an email listed. NM asks if First Chance got a copy of the newsletter. MC says no. NM asks if PA received a copy of the newsletter. PA didn't see a copy of the newsletter. RH also didn't see a copy of the newsletter. NM will email community members and get people hard copies. MC and PA confirmed email is fine for them. NM suggest they should check where it gets distributed. MU says there is a GPS tracker and he can double check that.

Minutes Action MU invites any questions or comments from the community about their MU to distribute organisations and businesses, specifically anything that is relevant to Koppers. information about community drop-in sessions for the Origin Hydrogen Hub KOPPERS Community Around the room JH discusses the PON Newcastle meeting last night. At the meeting they announced that the community panel was going to be dissolved but they are looking at renewal. Members will need to reapply. PON is looking for a wider panel group including more of their customer base. The minutes of this meeting are available on their website. PON have also redone part of their website, which will be available in March. What they've done is include more information about what they are doing at the port. Some of the entries on the website will be interactive. People can have a look at what is going on at each wharf. There is a big push towards hydrogen. They have a new team of people. JH suggests everyone should look at the website, particularly the hydrogen information. MU agrees this is relevant to everyone in the meeting, as they all located in Mayfield near the Port. JH also asks RH if any of the underground mining equipment coming into their workshops can be electrified or modified to be electrified. RH says they're working on components of hydraulic equipment where they're starting to electrify some of the movements but this doesn't happen in his workshop. They specifically do the hydraulic components. A lot of the work they do relates to drill rigs for underground mining. More and more elements of mining are moving to electric controls. This is starting to take over and replace an element of the hydraulics. Other areas of hydraulics still remain and are more force and torque related where the electrics aren't suited to the hydraulic applications. RH is seeing more and more developments with electrics in mining. Pacific is a service and repair company. 5-10% of what they do is manufacture and design. The rest is about service and repair, where they refurbish equipment back to original specifications. This all pertains to the underground space. In the open cut space, they do a lot of the dump trucks hoists. That's becoming a large part of their business. They are in the process of moving down to the rear sheds. They take up 40% of current location and will be moving to the back area to expand. The growth has been extreme for their business, with rapid expansion it's important to catch up. They're building software as well to scale up their business. They've got two software developers in the business and in the Philippines. They're essentially a large repair facility simulated as manufacturing. The software currently on the market caters for manufacturing and continuity of the same item. The service components of this software focusses on field service but does not cater for the dynamics and speed of their type of work. They have 300 jobs at the moment, with all of them being different. The nature of their work is dynamic manufacturing so they're designing their own software to do this. They are underway with a product that is helping them control the business. RH thinks this is a gap in the market for companies like his because what tends to happen is they can get to a certain size and can't cope with more volume. JH says he would be interested in continuing this discussion offline in more detail. MC provides update on First Chance. She says that they have recently put on more staff, bringing the total to 75. Many employees are community based and working from home. This has resulted in less traffic, which is a positive and was facilitated by Covid. SB asks about getting staff. MC confirms that regardless of area, it's a struggle getting staff. They have a large waitlist at the moment of people needing their service. Most of this requires people of specific training. They hope that new graduates who come through can be trained. They have a student unit and University staff have been able to undertake practical hours with

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them with some wanting to come back and work for them afterwards, which is a positive	Action
indication.	
JH asks if MC's work has to do with the NDIS.	
MC confirms that it does and that they work with children from birth to 12 years old. The majority of them come under the NDIS but they also have other programs running such as Indigenous community support programs working with missions to support Indigenous families and children in their environments. They also work with Awabakal preschool and run some play groups. These play groups don't have funding and have to be supported by First Chance. Many of those babies don't have any funding yet. They're running a group out of Newcastle and Raymond Terrace.	
MU thanks MC and asks for anything further from RH and congratulates him on his growth. MU asks for anything from PA.	
PA has nothing to add specifically regarding Koppers. They had some recent news media about their foundation. PA describes their Marine Conservation Foundations which focusses on oil from World War Two shipwrecks. They fund this in a number of ways including through their social enterprise which donates half of its profit to charity. They're in the process of converting Modulate Containers into a social enterprise as well. They also charter out their ship and undertake specialist diving activities. They had a team of seven divers off the coast of Darwin to dive to a Japanese submarine wreck to document it for the Northern Territory. This submarine was planting mines off Australia during World War Two (WW2) and it still has 80 bodies on board. The project is about documenting condition of the wreck for conservation purposes. They also took sand samples from around the wreck to give to the families of the 80 people who died onboard for ceremonial purposes. This project was not oil related as the ship would run on diesel. What they're actually looking for is wrecks that are full of oil and about to break open.	
This project was featured on ABC News.	
NM says there must be a lot of shipwrecks with oil in the Pacific. He assumes that eventually they will rust to the point of failure.	
PA says there are. Of the 9,500 ships sunk during WW2, 3,000 are in the Pacific and 300 of those were oil tankers. The Foundation is tasked with researching the wrecks and they have narrowed down the number to 60 critical wrecks in the Pacific that need urgent investigation.	
They also have six divers doing a stage one investigation in Chuuk Lagoon (also known as Truk Lagoon) in Micronesia, which is another critical area, with 65 wrecks. This lagoon is a great wreck diving site. They have been funded by the Department of Foreign Affairs (DFAT) to help a Japanese NGO extract oil from these wrecks in Chuuk lagoon. They have been helping to develop some better methods to aid the process. It is a very expensive operation and largely they have funded themselves. They have pro bono sponsors and helpers such as RH, who did some pro bono work for a ship, and West Track who takes care of the engines onboard.	
MU says it's a large challenge and asks how to help promote it.	
PA says it may be worth giving a specific presentation about the project.	
CT says that speed and fatigue are important considerations as we come into silly season and there are many office parties, late nights and travel for holidays. People also need to be aware of double demerits and the state of the roads with all of the potholes.	
MU says GHD does community consultation for a variety of organisations. One of which is the Origin Energy Hydrogen Hub. This is proposed to be built on Kooragang Island close to Orica's plant. It will feed hydrogen directly into Orica's ammonia stream to help to decarbonise it. Orica uses 12 to 15% of state's natural gas.	
JH says it is between 9 and 15%.	
MU says it is the state's largest user of natural gas. They are looking to decarbonise and have an MOU in place with Origin to receive up to 85% of gas that they produce. It is only a small plant currently, with a 50 MW electrolyser. They are looking to boost that with renewable energy resources which Origin has.	
MU says there will be a couple of drop-in sessions for the community at Warabrook Community Centre and Fern Bay on 8 December. Warabrook will be from 3 to 5 pm, Fern Bay will be from 6:30 to 8:30pm. MU will disseminate this information.	
They are not looking to store hydrogen in bulk on site, they're looking to refuel buses and trucks. They will be strategic and will only generate hydrogen when the electricity price is favourable and to limit competition with other users.	
CT asks for that information to be distributed.	

Minutes	Action
MU invites closing comments from the group	– MU to do survey
KOPPERS	about next meeting
Close and next meeting	
MU asks for final questions and comments.	
survey to the group to see when will suit everyone.	
JH says he does not know when other community panels he is on will be meeting, so he suggests delaying survey.	
MU closed meeting at 5pm	– NA
Next Meeting Will reconvene in three months	 MU to send out invite for next CRG