



Richards Bay Coal Terminal Proprietary Limited



SUSTAINABLE DEVELOPMENT REPORT 2019



Coal to the world, growth to the nation

Our Vision

Moving coal passionately through a world class Port Terminal

Our Mission

Moving coal in a safe, cost effective and efficient manner, safeguarding the environment and stakeholders

Our Core Values

We will not engage in any unsafe activity

We work to the best of our ability

We treat each other with respect and dignity

We are innovative and pro-active

We care for the wellbeing of employees

We care for the environment



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Statement by the Chief Executive Officer



2019 can only be described as a year of mixed fortunes. I wish to commend everyone at RBCT for operating responsibly. We have been exposed to a number of opportunities, coupled with challenges that have tested our resilience as a Terminal. What is admirable about our culture is that we do not make excuses, instead we always find a way to resolve our challenges.

SAFETY

In our drive for ZERO Harm, we achieved a 15.38% reduction in the total number of injuries, as well as a 64.7% reduction in the total number of Fatal Risks Control Protocol Incidents. This was affirmed by recording a 7% improvement in the RBCT Employee Safety Culture Survey. There was a marginal decline of 1% for contractors, who still scored above 80% in the survey.

A number of Safety initiatives were implemented throughout the year, with the 10 Life Saving Rules being one of the initiatives at the forefront of the safety strategy.

I would like to commend RBCT employees, the Trade Union SATAWU as well as contractors for embracing and adopting these rules. We all have the same aspiration to return home every day without harm.

There are, however, still areas of improvement in terms of safety. Although there has been a reduction in the total number of injuries incurred in 2019 (22 injuries) compared to 2018 (26 injuries), the trend in terms of Lost Time and Minor Injuries was negative. 5 Lost Time Injuries were incurred in 2019, compared to the 4 incurred in 2018. In addition to this, 3 Minor Injuries were incurred in 2019 compared to the 1 in 2018. On a positive, 14 First Aid Injuries were incurred, compared to the 21 in 2018. Overall this is an improvement, although the objective remains Zero Harm. The highest number of consecutive injury-free days achieved during 2019 was 64.

The safety performance for 2019 leaves us with a challenge to dedicate our efforts to proactively identify high potential hazards and to prevent injuries, with specific focus on serious injuries, by paying special attention to our Fatal Risk Control Protocols. For this reason, 2020 has been declared "The Year of Safety". The aim is to arrest these injuries and achieve our goal of zero harm. EVERYDAY HOME WITHOUT HARM!

OPERATIONS

The total tonnage railed for 2019 was 71.09Mt, with all targets in terms of rail Key Performance Indicators having been met. Train Handling Time (THT) was 2hrs and 54min against the target of 3hrs and 5min. Train Turnaround Time (TTT) was 3hrs and 46min against the target of 3hrs and 48min. Train System Time (TST) was 4hrs and 42min against the target of 4hrs and 44min.

The export performance proved to be more challenging, with the total export tonnage for 2019 being 72.15Mt against the budgeted tonnage of 77Mt.

We achieved 80% of the Berth Turnaround Time (BTT) for vessels, against the target berth of 85%. The Terminal Load Rate (TLR) achieved was 2 479 tons/h, against the target of 2 516 tons/hr. The True Gross Load Rate (TGLR) achieved was 3 211 tons/hr, against the target of 3 461 tons/hr. The key focus for 2020 is Safety and achieving our Export Key Performance Indicators.

MAINTENANCE

The Maintenance downtime has trended consistently well throughout the year. We achieved the second best performance for the Terminal since its inception in 1976. The total Maintenance Downtime for 2019 was 13.79 min/10 000 tons, against the target of 13.90 min/10 000 tons.

PEOPLE

Safety and People remain the focal point of RBCT's Strategy and the People Strategy is aimed at employee wellbeing as well as business sustainability.

The theme for 2019 was the "Year of Wellness" and attention was paid to the Financial, Mental and Physical Wellness of our employees. A major highlight for 2019 was the positive outcome of the fair wage negotiation process, with a new three year Wage Agreement (2019-2021) being signed.

Our 2019 Organisational Health Survey results declined by 2% (from 79% to 77%), as opposed to an increase of 12% recorded in 2018. A regression is not ideal, however, the decline is understandable in light of the wage negotiation process, together with the nature of the safety incidents incurred.

During 2019 we embarked, for the first time, on a Woman at Work Survey in order to gain an understanding of the working conditions and subjective experiences of women at RBCT. As an organisation, we continuously strive to create an inclusive and just environment for all.

ENVIRONMENT

As is the situation with the rest of South Africa, drought continues to prevail in Kwa-Zulu Natal. Unfortunately, this has resulted in an increase in the number of challenges facing the operation.



The reduction of both potable and industrial water consumption remains a high priority. There is, however, a balancing act between the responsible conservation of water and dust management practices. It is to be noted that, despite these challenges, potable water consumption reduced by 11% in 2019 compared to 2018.

We have experienced a number of exceedances (in individual months) in our dust emission readings. A dedicated committee has been established to review all RBCT's practices in terms of dust management, with good progress being made.

Waste management is being closely monitored and managed, with the reduction of waste generation and the increase of recycling.

We remain fully compliant in respect of our various licenses as well as permits and continue to engage with the various authorities to improve our footprint.

NEW BUILDINGS

There were a number of infrastructure improvement projects that took place in 2019 to enhance the engagement sessions with our employees and contractors at RBCT. The new Visitors Induction Centre is a venue that can be celebrated by all, as it will ensure that visitors to RBCT receive a professional and warm welcome. In addition to this, the IMBIZO Centre was completed, which is largely used for interactions with employees and contractors.

The achievements of 2019 can be celebrated and equally learnings were tremendous, especially in terms of safety and opportunities to improve on our export Key Performance Indicators.

Alan Waller
Chief Executive Officer



RBCT Board of Directors



N Siwisa-Damasane
(Chairman)



MS Teke



KT Nondumo



IA Swanepoel



Z Docrat



MJ Fraser



MJ Houston



ND Baloyi



V Bayoglu



TL Myburgh



AJ Waller



TC Mbuyazi

RBCT Executive Team



AJ Waller
CEO



TC Mbuyazi
GM: Finance



NS Mgabhi
GM: HR



JD Mdaki
GM: Operations



K Naidoo
GM: Asset
Management



ZP Mthiyane
GM: HSEC

Executive Team Commitment

We keep our **focus** at all times: move coal and move it **safely** and efficiently

We work together as a **Team** to make this happen: **unity of purpose** makes us rock solid

We are **resilient** under pressure: **innovative** in all circumstances

We stay **calm** and **grounded**: nothing causes us to lose our **focus**

As **we** live this commitment daily.... **We** remain a **strong** leadership team, here to **serve** **our people** first.

RBCT Profile

RBCT is a world class coal export Terminal, situated in the Port of Richards Bay, that was established in 1976 with an original capacity of 12 million tons per annum (Mt/a).

RBCT provides South Africa's Coal Exporting Parties (CEPs) with a world class logistics service that facilitates the export of coal.

Export Destination per Continent

Asia	91%
Africa	6 %
Europe	3%

RBCT is positioned at one of the world's deepest sea Ports and handles large vessels and large volumes of coal. The 276 hectare site currently boasts with a stockyard capacity of 8.2Mt and a Quay that is 2.2 kilometers long, with six Berths and four Shiploaders.

RBCT shares a strong co-operative relationship with South Africa's national utility, Transnet, which provides the railway services linking the coal mines to the Port as well as the shipping co-ordination of more than 900 vessels per annum.

RBCT's operations and administrative functions are conducted in Richards Bay.



276

Hectares

2,2km

Quay

6

Berths

4

Ship Loaders

(10 000 to 12 000 tph)

8,2Mt

Stockyard

>900

Vessels per annum

RBCT History

1976

Phase 1 was officially established, with a capacity of 12 Mt/a; and RBCT commenced with the exporting of coal

1979

Phase 2 expansion was completed, increasing RBCT's export capacity from 12 Mt/a to 24 Mt/a

1984

Phase 3 expansion further increased RBCT's export capacity to 44 Mt/a

1991

Phase 3 was upgraded, which increased the export capacity to 53 Mt/a

1995

CAPANCO increased RBCT's export capacity to 63 Mt/a

1999

The Brownfields expansion project increased RBCT's export capacity to 72 Mt/a



Stockyard

2 x Stackers
- 5 500 tph

1 x Reclaimer
- 6 000 tph

7 x Stacker Reclaimers
- 4 500 to 4 600 tph



Capacity

Inbound 5 x Tandem Tipplers with a tipping capacity of 5 500 tph

Outbound 4 x Ship Loaders 10 000 to 12 000 tph
5 x Cape Size Vessels

2008

Through the Quattro project RBCT increased its design capacity to 76 Mt/a

2010

Phase 5 Expansion increased the design capacity to 91 Mt/a

2015

Phase 1 Machinery Replacement Project launched - replacement of original 1976 machines

2016

Celebrating 40 years of Moving Coal (1976 - 2016) - 40th Anniversary

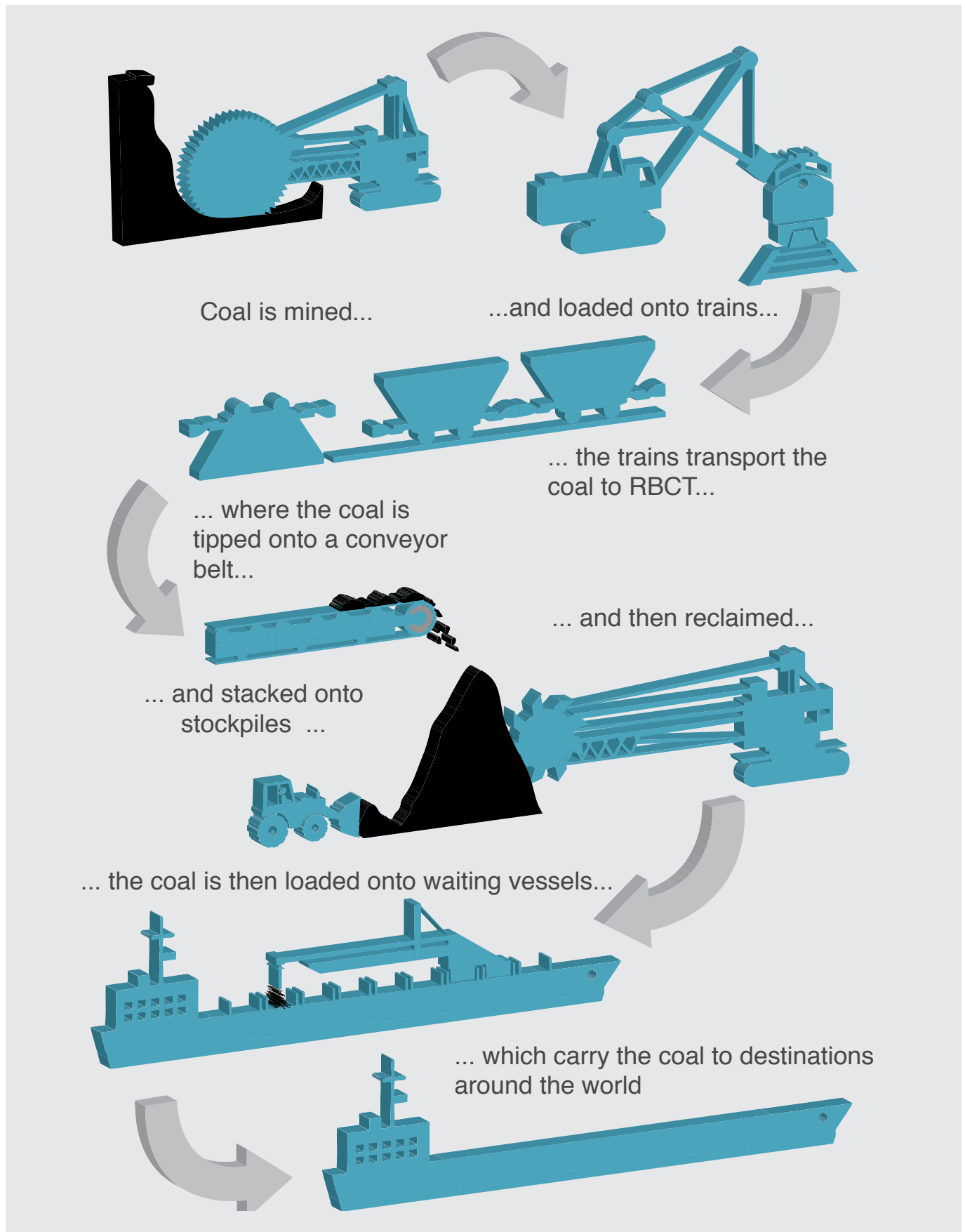
2017

Phase 1 Machine Replacement Project: 2 Ship Loaders were commissioned

2018

New Phase 1 Machines Replacement Project: 2 yard machines were commissioned

RBCT Process Flow



2019 Terminal Highlights

BULK LOGISTICS PORT/TERMINAL OF THE YEAR AWARD



Global Ports Forum



ZULULAND CHAMBER OF COMMERCE AND INDUSTRY BUSINESS EXCELLENCE AWARDS



SAFETY AWARENESS AWARD



MOST EFFICIENT WATER USER AWARD



SABCOHA WELLNESS AWARD



RBCT Strategy 2015 - 2019

Our Strategy

RBCT's primary focus for 2019 remained on safety, infrastructure, people and cost optimisation.

It is our view that by focusing on these core areas, RBCT will be able to deliver sustainable value to all stakeholders.

The Phase 1 Machine Replacement Project proved to be a great success, with the Project being completed on time, within budget and with no safety incidents being incurred. The machines are operating safely as well as efficiently and are continuously being monitored to track and maximize efficiencies.

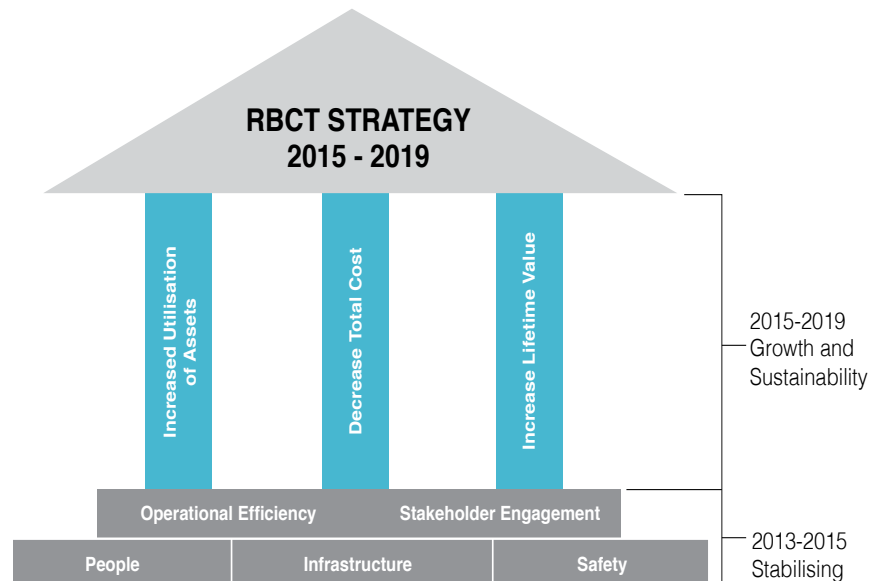
In terms of People, the Organisational Health Survey indicated that 77% of employees are fully engaged. We continue to focus on people to ensure that the various roles within RBCT are occupied by the correct people and to ensure that they are attuned to the culture as well as values of RBCT.

A total of R4.1 million was invested in Corporate Social Investment Programmes within our local communities. The main focus was on Education and Early Childhood Development.

Our 2019 strategic focus areas were:

- Safety – everyday home without harm
- Employee wellness
- Increased utilisation of assets
- Decrease of total cost
- Increase lifetime value

All of the above objectives were achieved in a value driven, socially acceptable and environmentally responsible manner.



Organisational Profile

The Board of Directors

There are 13 director positions of which 12 have been filled.

Executive Directors

AJ Waller (CEO)

TC Mbuyazi (GM Finance)

Chairman

N Siwisa-Damasane (Ms)

Non-Executive Directors

ND Baloyi

V Bayoglu

Z Docrat

MJ Fraser

MJ Houston

TL Myburgh

IA Swanepoel

Independent Non-Executive Directors

KT Nondumo (Ms)

MS Teke

Alternate Directors

RSE Alberts

V Chetty

AH Gillespie

NSH Hassan

PK Masia

JHJ Schoeman

MR Walker

Chief Executive Officer

AJ Waller

General Managers

JD Mdaki

ZP Mthiyane (Ms)

K Naidoo

NS Mgabhi (Ms)

TC Mbuyazi

Company Secretary

AD du Toit (Ms)

Registered Office

South Dunes

Richards Bay Harbour

P O Box 56

Richards Bay 3900

Auditors

Deloitte and Touche

P O Box 10167

Meerensee 3901

Registration No.

1973/014256/07

RBCT Shareholders

Shareholding

- Anglo Operations (Pty) Ltd
- ARM Coal (Pty) Ltd
- Exxaro Coal (Pty) Ltd
- Glencore Operations South Africa (Pty) Ltd
- Kangra Coal (Pty) Ltd
- Koornfontein Mines (Pty) Ltd
- Optimum Coal Terminal (Pty) Ltd
- Sasol Mining (Pty) Ltd
- South32 SA Coal Holdings (Pty) Ltd
- South Dunes Coal Terminal Company (SOC) Ltd
- South African Coal Mine Holdings Ltd
- Tumelo Coal Mines (Pty) Ltd
- Umcebo Mining (Pty) Ltd
- Other Users
 - Junior Miners
 - Commercial Users (Ilima and Mbokodo)

Corporate Governance

Purpose and Function of the Board

RBCT subscribes strictly to the principles of good corporate governance. The Board of Directors carry out fiduciary duties with a sense of objective judgement and independence in the best interests of the company, providing strategic direction to RBCT through quarterly Board meetings and the delegation of authority to Board sub-committees as well as Executive Management. The Board of Directors reviews and directs RBCT's strategic objectives and annual budget. Professional standards and corporate values are put in place to regulate the integrity of the Board of Directors, Senior Management and Employees. It further provides guidance on the performance of the company and ensures that RBCT adheres to triple bottom line reporting.

Board Committees

To enable the Board of Directors to efficiently carry out its responsibilities and duties, certain responsibilities have been delegated to the sub-committees as recommended by the King Report.

Our sub-committees are as follows:

- Operations Committee ("OPCO") – Chaired by the RBCT CEO
- Finance Committee ("FINCO") – Chaired by a Shareholder nominated member
- Remuneration Committee ("REMCO") – Chaired by an Independent Non-Executive Director
- Social and Ethics Committee ("S&EC") – Chaired by an Independent Non-Executive Director
- Projects Committee ("PROCOM") – Chaired by the RBCT CEO

These sub-committees do not diminish the overall responsibilities of the Board of Directors. The Chairman of each sub-committee reports, as well as makes recommendations to the Board of Directors at each Board meeting.



OPCO

OPCO operates in terms of its mandate from the Board of Directors. The Committee deals with mutual matters relating to the operations of the Terminal in order to provide a safe, effective and efficient service to all RBCT users.

The OPCO members are as follows:

Members	Alternates
AJ Waller (Chairperson)	
A Bernic	DF Brodie
B Blumenthal	C Viljoen
J Britz	N van Wyk (Ms)
V Chetty	A Moepadira
B Dalton	O Ramantsi
A David	L Andrews
NV Khumalo	R Essay
Z Mastilo	V Bayoglu
S Mely (Ms)	
M Steyn (Ms)	O Ramantsi
M Moeketsi	SJ Ferreira
M Steyn (Ms)	P Masete (Ms)
H Viljoen (Ms)	A Botha
GFT Warnasuriya	

FINCO

The functions of FINCO include matters relating to finance, the Shareholders' Agreement (governing relations between Shareholders and the Company), compliance, assurance, taxation and various administrative matters.

In addition, the committee oversees the internal audit function.

The FINCO members are as follows:

Corporate Governance

Members	Alternates
G van den Heever (Chairperson)	
Z Bhorat (Ms)	NG Schneider
W du Plessis	
R Essay	LN Sindane
E Hanekom (Ms)	MP Rheeder (Ms)
M Immelman (Ms)	
H Johnson	S Kholvadia
RJ Langford	M van Aardt
L Makhabela	M Tshabalala
TC Mbuyazi	
KT Nondumo (Ms)	
D Pretorius	
R Reddy (Ms)	N Cebekhulu (Ms)
S Sarang	
S Seakamela (Ms)	
AJ Waller	

REMCO

RBCT's philosophy is to set remuneration at realistic levels in order to attract and retain the Executive Directors and General Management needed to manage RBCT successfully. A portion of Executive Directors and General Management remuneration is structured so as to link corporate and individual performance to ensure commitment and alignment.

In accordance with these objectives, REMCO annually reviews as well as evaluates the contribution of the Executive Directors and members of the General Management team and determines their annual salary adjustments as well as bonuses.

For this purpose, where appropriate, it considers salary surveys compiled by independent organisations. No Executive Director or General Manager is involved in any decisions as to his/her own remuneration.

The REMCO members are as follows:

Members	Alternates
MS Teke (Chairperson)	
N Siwisa-Damasane (Ms)	
Z Docrat	V Chetty
MJ Houston	RSE Alberts
MJ Fraser	P Masia

S&EC

The responsibilities of this committee include, but are not limited to:

- Monitoring of RBCT's activities regarding matters relating to social and economic development, the environment, health and public safety, as well as labour and employment.
- Monitoring of RBCT's performance and interaction with its stakeholders and ensure that this interaction is guided by the Constitution and Bill of Rights.
- Determine clearly articulated ethical standards and ensure that RBCT takes measures to achieve adherence to these in all aspects of the business, thus achieving a sustainable ethical corporate culture within the company.
- Provide effective leadership based on an ethical foundation and ensure that the company is a responsible corporate citizen.

RBCT subscribes to the highest ethical standards and behaviour and requires total honesty and integrity from its employees at all times. A "Code of Business Conduct and Ethics" has been approved by the Board of Directors and all employees are required to subscribe to the code.

The S&EC members are as follows:

Members	Alternates
MS Teke (Chairperson)	
N Siwisa-Damasane (Ms)	
Z Docrat	V Chetty
MJ Houston	RSE Alberts
MJ Fraser	P Masia



PROCOM

PROCOM members deal with Major Projects and Engineering matters, as well as other matters as may be referred to it by the Board of Directors from time to time. The committee also makes recommendations to the Board for final decision.

The PROCOM members are as follows:

Members	Alternates
AJ Waller (Chairperson)	
W Bezuidenhout	P Ndlovu
A Butcher	
Z Mastilo	V Bayoglu
BH Miles	P Malatji
S Naicker	
T Schmidt	D Power
L Turvey	
M van Vuuren	K Jordaan
P Venter	

Functional Structures

RBCT has standing committees that are assigned to manage, monitor and guide the organisation regarding good governance and ethical matters. These committees are tasked to discuss matters related to their respective mandate and make decisions in compliance with RBCT's values and business strategy.

Tender Committee

The function of the committee is to ensure that procurement activities are in compliance with RBCT's procurement processes.

The Committee comprises of:

- GM: Finance
- GM: Health, Safety, Environment and Compliance
- GM: Human Resources
- GM: Asset Management
- GM: Operations
- Senior Manager Maintenance
- Senior Manager Engineering
- Senior manager Electrical Technology
- Procurement Manager
- Project Support Manager
- Management Accounting Manager

Risk Committee

As part of the risk management strategy, RBCT uses the Risk Committee as the final gatekeeper of risk within the company. This committee consists of the CEO, GM Finance, GM Health, Safety, Environment, and Compliance, Risk Officer and Senior Internal Auditor.

Corporate Social and Investment (CSI) Committee

The committee is responsible for executing RBCT's CSI initiatives.

The committee is responsible for contributing towards the development of the communities in which RBCT's activities are predominantly conducted in surrounding communities where RBCT employees are from. This committee executes and reviews all CSI projects.

The committee is made up of Management, Union Representatives and RBCT employees. The CSI members are as follows:

Members	
N Mgabhi (Chairperson)	K Ramgobin
M Forbay	A Nathaniel
P Sibiya	S Hlabisa
M Woods	T Khumalo
M Mhlongo	K Naidoo
Z Duma	S Zondi
T Dlamini	M Mthiyani
S Mbuyazi	K Zondo
T Cele	Union Member

Executive Safety, Health and Environment ("SHE") Committee

The Executive SHE committee is the custodian of health, safety and environment compliance at RBCT. The committee meets monthly to discuss, evaluate and make decisions pertaining to the occupational health, safety and the environment. The committee comprises of 22 members, including the CEO (Chair), all General Managers, 7 Divisional Committee Chairpersons, 2 Union Shop Stewards, 1 Health Representative, 3 Safety Specialists, 1 Environment Specialist and 1 Emergency Preparedness Manager. The divisional committees are an important link between the executive SHE committee and employees. The divisional committees meet monthly and the meetings are attended by the section managers, safety representatives, employee wellness representatives and site contractor representatives.

Internal Audit and Assurance

The Board of Directors acknowledges their responsibility in terms of an Internal Audit and Assurance Function as this ensures that RBCT keeps up to date with the complexity and rapid changes of the business environment as well as organisational dynamics, which includes regulatory and compliance frameworks.

The Board of Directors have set the strategic direction for the Internal Audit and Assurance function, which is required in order to provide relevant assurance that contributes to the effectiveness of Governance, Risk Management and Control processes. The Board of Directors have delegated this responsibility to the Finance Committee.

The Board of Directors and the Finance Committee have adopted the guidance and principles as expressed in the King Report on Corporate Governance in South Africa, in order to ensure that an ethical culture, good performance and effective control environment exists at RBCT. The Board of Directors ensures that Internal Audit and Assurance services provided to RBCT enable an effective control environment, which support the integrity of information for internal decision making and RBCT external reports. The Internal Audit and Assurance is also governed by standards and guidance under the International Professional Practices Framework.

2019 was the final year of the three year business relationship with Glencore Internal Audit Services, as per the mandate approved by the Board of Directors and the Finance Committee. In line with our Risk Based Assurance Approach, the focus areas adopted by RBCT and Glencore Internal Audit during 2019, was to assess key Strategic and Operational risks including their related processes that would prevent RBCT from moving coal and to provide Management with reasonable assurance that the systems of internal control implemented are adequate, efficient and effective. A decision was undertaken by the Board of Directors and the Finance Committee to renew the current business relationship with Glencore Internal Audit for an additional three years.

To ensure compliance with the International Standards for the Professional Practice of Internal Auditing, RBCT and Glencore Internal Audit enhanced its risk based audit approach to determine the priorities of the Internal Audit and Assurance function to ensure consistency with the objectives of RBCT. This approach entailed an evaluation of the key risks identified in the Strategic and Operational Risk Registers, including areas of risk exposure which were identified in the six Divisional Risk Registers.

The risk based audit approach adopted extended to engagement and annual assurance planning which includes an assessment of the needs and expectations

of all key stakeholders, in order to ensure that a level of audit reporting was maintained to meet the needs of Management, Finance Committee and the Board of Directors.

The assessment of RBCT's Strategic and Operational risks was conducted to ensure:

- Alignment of RBCT risk assessment process and an assessment of the effectiveness of the control environment.
- Addressing risks identified by Management.
- Keeping up to date with emerging industry risks.

A strong working relationship was maintained between RBCT, Glencore Internal Audit and the Finance Committee, who would meet on a quarterly basis to present various assurance related reports on the planned audit engagements.

The following audits were completed by RBCT Internal Audit and Glencore Internal Audit in 2019:

- Critical Unwanted Events Management
- Strategic Risks Control Testing
- Terminal Control System ("TCS") general and applications controls
- Inventory Management
- GRC Events Risk Review
- Phase One Machine Replacement Project post review
- SAP Segregation of Duties ("SoD") and Access Management
- Fatal Risks Control Protocols ("FRCP")
- Business Continuity Management
- Completed tasks on CURA
- Human Resources
- Payroll
- Human Resources and Payroll Data Analytics

RBCT Management, the Finance Committee and the Board of Directors considers the RBCT internal control environment and systems in place as adequate and properly designed to provide reasonable assurance that assets are safeguarded, financial and operational information is reliable, operations are effective and efficient, laws, regulations and contracts are complied with and risks are managed.

Whilst there were no material breakdowns in the internal control system in 2019, any weaknesses which were identified and reported have been timeously addressed by RBCT Management. These reported audit findings are actively monitored through the CURA system.

Occupational Health, Safety, Environment and Risk

During 2019 RBCT continued to focus on the safety, health and wellbeing of employees as well as on environmental stewardship.

Compliance

- Introduction of Fatal Risks Control Protocols (“FRCPs”)
- Railway Safety Regulator - Certified
- ISO 14001:2015 Environmental Management Systems - Certified
- ISO 45001:2018 Health and Safety Management Systems - Certified



During 2019 RBCT transitioned to the ISO 45001:2018 Occupational Health and Safety Management System and successfully retained the ISO 14001:2015 certification.

Safety

Delivering on our Safety Strategy

Our safety strategy and management approach focuses on improving our ability to anticipate and prevent injuries. RBCT's goal is to achieve Zero Harm through the effective implementation and management of high safety standards within our operation.

The FRCPs were developed by RBCT as a set of mandatory standards, in order to eliminate and/or minimize the risk of fatalities and serious injuries. The FRCPs set the minimum performance requirements for managing the identified fatal risks. The implementation and embedding of these protocols is an ongoing process.

Safety Performance

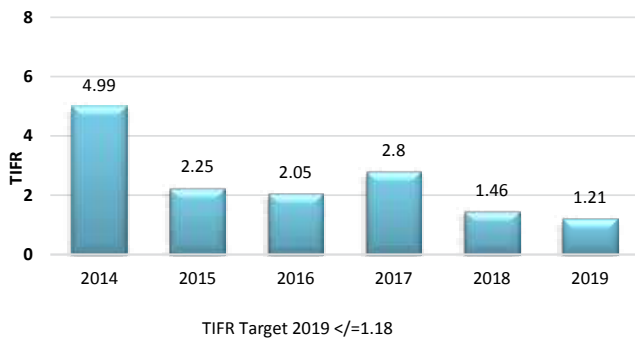
During 2019 there were no fatalities at RBCT, however, 4 lost time injuries were incurred. The Total Injury Frequency Rate for the year was 1.21, whilst the Lost Time and Minor Injury Frequency Rates were 0.27 and 0.11 respectively.

2019 OBJECTIVE	2019 TARGET	2019 PERFORMANCE	COMMENTS
SAFETY			
Transition from OHSAS 18001:2007 to ISO 45001:2018	ISO 45001:2018 certified	14 minor findings	Achieved
Maintain ISO 14001:2015 Certification	ISO 14001:2015 No major findings	2 minor findings	Achieved
Fatality free year	Zero Fatality	Zero Fatality	Achieved
Reduce Loss Time Injuries	LTIFR ≤ 0	0.27	Not Achieved
Reduce Minor Injuries	MIFR ≤ 0.06	0.11	Not Achieved
Total Injury Frequency Rate	TIFR ≤ 1.18	1.21	Not Achieved
External environmental complaints	Zero external environmental complaints	2 external complaints received	Not Achieved

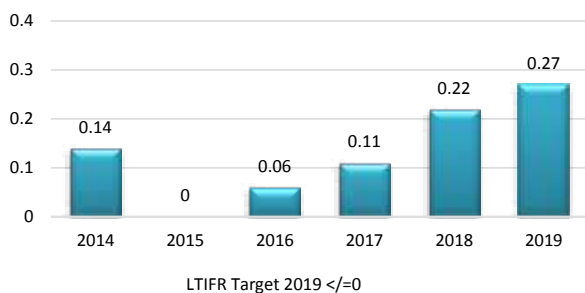
Occupational Health, Safety, Environment and Risk

Visible Felt Leadership, Behavioral Based Safety, Near Miss Reporting and SLLAM are some of the leading indicators that employees as well as contractors use for proactive risk identification. We have had impressive gains with the focus on leading indicators.

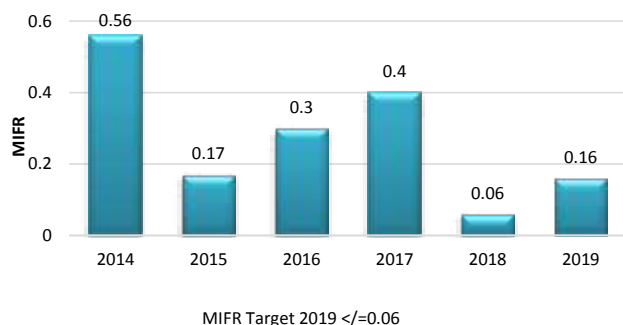
TOTAL INJURY FREQUENCY RATE



LOST TIME INJURY FREQUENCY RATE



MINOR INJURY FREQUENCY RATE



Safety Achievements

During 2019 there was a reduction in the number of injuries and FRCPs related incidents and RBCT is exceptionally proud of this safety achievement.

Testament to our ongoing safety awareness, RBCT won the 2019 Business Excellence Safety Award for the third year running. This award reaffirms RBCT's diligence in upholding high safety standards.



Environment

RBCT has a legal and social responsibility to minimize the impact on the environment, as well as to eliminate unplanned events, such as unsanctioned water discharges and exceeding air emission standards.

Delivering on our Environmental Strategy

RBCT's coal logistics activities are conducted within the framework of ISO 14001:2015 Environmental Management System and a site specific Environmental Management Plan. The protection of the environment and compliance to environmental legislation remains paramount to RBCT.

RBCT has pollution prevention strategies which, together with ongoing mitigation measures, are aimed at reducing and mitigating the impact of our activities on the environment.



The responsibility for environmental management at RBCT resides with every employee and contractor on site.

During 2019 there were 2 external environmental complaints, which occurred at a time when unfavourable conditions of low rainfall was experienced in the country. An analysis carried out in 2019 indicated that potable water consumption decreased by approximately 11% compared to 2018. This is, however, 63% below the target set for RBCT in line with level 4 water restrictions.

RBCT is firmly committed to protecting the environment and natural resources. RBCT has assessed the environmental impacts of our operation and have these documented in our environmental impacts as well as aspects register. Mitigating controls are in place.

Water Usage and Management

The Integrated Waste and Water Management Plan (IWWMP) is central to compliance with the conditions of the Water Use License issued by the Department of Water and Sanitation.

In order to mitigate any possible pollution to the surrounding environment, storm water and water collected from the coal stockpiles is drained into settling ponds located in conspicuous places around the operating areas, where contaminants are separated from the water, prior to it being pumped into two offsite storage dams known as "ESUP".

RBCT uses this recycled water for dust suppression.

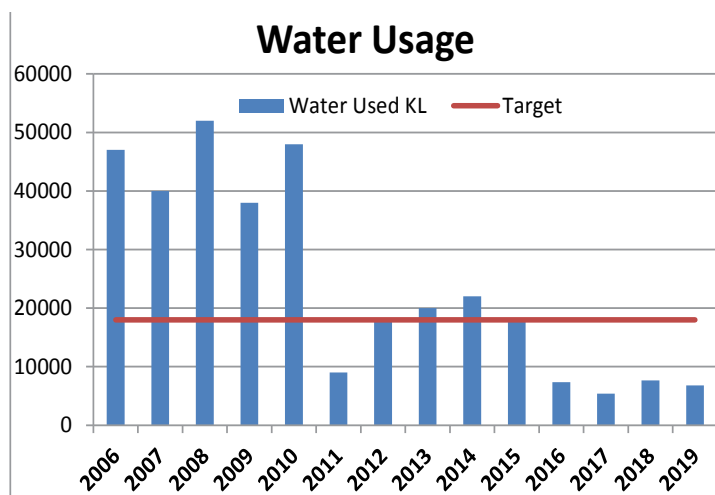
The quality of our underground water is monitored quarterly through borehole sampling, in order to ensure that there is no adverse pollution of underground water.

In 2019, RBCT continued with the implementation of the conditions of the Water Use License received in 2016.

Potable Water Usage

In 2019, 6 813 kilolitres of potable water was used compared to 7 135 kilolitres used in 2018.

RBCT will continuously strive to reduce the utilisation of fresh water by seeking innovative ways in which to efficiently utilise this scarce resource.



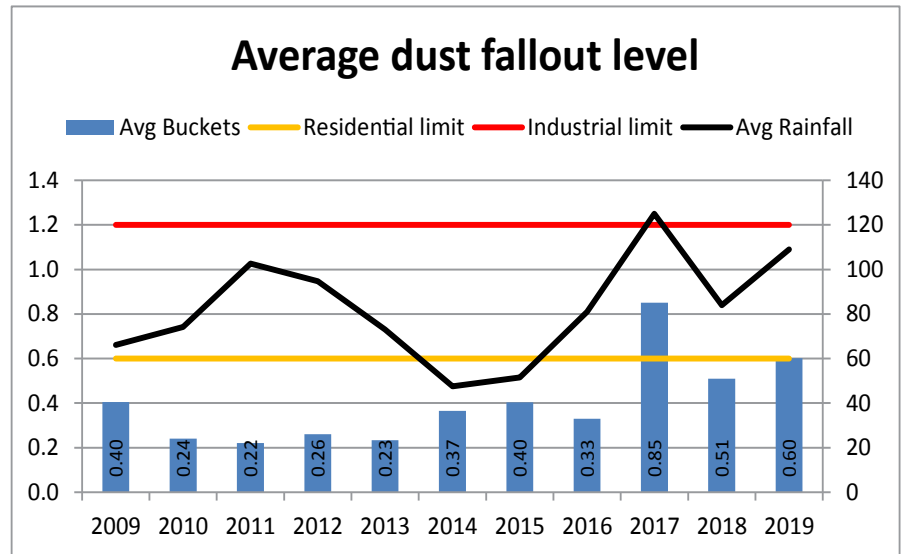
Occupational Health, Safety, Environment and Risk

Air Quality

Dust management is a priority at RBCT. The 2019 average dust fallout was 0.6 g/m², which is within the residential limit of 0.6 g/m² and averaged well below the industrial limit of 1.2 g/m² for dust fallout

Mitigating controls have been put in place to ensure that dust fallout is maintained at levels below the industrial limit target.

RBCT monitors PM10 as well as PM2.5 to effectively deal with ambient dust. Water based Dust Treat is used as a dust suppressant on the dirt roads surrounding the stockpiles.



Waste Management

The management of waste remains one of RBCT's environmental priorities. The following waste is recycled at RBCT:

- Used oil
- Sewerage effluent
- Electronic waste
- Paper

The improvement of waste sorting and disposal has become an extremely important aspect for RBCT's business.

RBCT is registered as a waste generator and complies with National Waste Norms and Standards. In order to continuously improve our Waste Management Programmes, RBCT conducts waste audits and implements sustainable waste management plans.

Occupational Health, Hygiene and Wellness

A healthy environment results in a productive, efficient and energized workforce, therefore, the health as well as well-being of our employees are prioritised. Through health enhancing related activities, RBCT aims to provide a working environment that maximizes wellness and minimizes occupational incidents, illnesses and disorders. The Wellness Management Programme therefore focused on the overall wellness of employees and contractors. The following is being covered in terms of RBCT's approach to managing health related matters in the workplace:

- Health Risk Management, which focuses on occupational health and hygiene, thus ensuring legal compliance.
- The Employee Wellness Programme is a promotive initiative that seeks to optimize employee productivity.
- Primary Health Care provides treatment of health issues, thus minimizing lost time through ill-health.
- Strategic Management includes environmental health, HIV/Aids, incapacity and any other conditions which may affect the long-term success of the business.

Our Occupational Health and Hygiene Performance

The Primary Healthcare Management ("PHC") provides a first level as well as essential diagnostic and therapeutic Health Care Service, founded on the principals of evidence based medicine to accurately diagnose as well as treat acute and common ailments. Our PHC programmes include the following components:



- Assessment and treatment of illnesses (i.e. colds, diarrhoea, headaches etc.).
- Reproductive health programme.
- Health screening and promotion programme, including vaccination of our employees as well as tests such as:
 - » Blood Pressure
 - » Blood sugar
 - » Cholesterol
 - » HIV Counselling and Treatment
 - » Emergency Medicine
 - » Chronic Disease Monitoring

The monitoring and management of employees with clinical risk factors remained a priority during the year. There were some improvements to employees with chronic conditions.

The status of the 2019 medical surveillances was 100%. As at December 2019, the HIV prevalence rate at RBCT was 14.46%, with 97% of the HIV positive employees on anti-retroviral treatment. A total of 92% of our employees know their HIV status.

SANS 3000-4: 2011 Railway Safety Regulator (RSR)

Human Factors

RBCT subscribes to SANS 3000-4, which is a National Standard for the health assessment of rail safety workers, based on a Risk Management approach. RBCT has adopted this standard and has developed procedures for the management of human factors in order to mitigate the potential effects on railway safety. All our Rail employees have received formal training on fatigue management and have developed much needed skills as well as knowledge to manage their wellness and ensure fitness for work. The RSR conducted a human factors audit during 2019 and the audit report confirmed that RBCT is compliant with the SANS 3000-4 standard.

Non-Occupational Disease Management

During 2019 RBCT continued to focus on the wellness of both employees and contractors. The monitoring and management of employees with clinical risk factors (i.e. Body Mass Index, Blood Pressure, glucose and cholesterol) remained a priority during the year and there were some improvements in terms of these chronic conditions.

Occupational Health, Safety, Environment and Risk

Occupational Health & Hygiene Management

RBCT Body Mass Index (“BMI”)

BMI has remained the same at 85% for the year, however, there are an increased number of employees who joined our Weight Management Programme, which includes the dedicated services of a Biokineticist, Dietician, Clinical Psychologist and onsite qualified fitness instructors.

In 2020 RBCT will continue to concentrate on the awareness of healthy lifestyle programmes, especially weight management. Awareness and engagement of employees on these clinical risk factors, as well as the top 4 wellness risks, which are the major contributors to the burden of disease at RBCT, is an ongoing process. In addition, there was an improvement in the number of employees doing monthly checks in terms of their chronic conditions. The status of the 2019 medical surveillances is at 100%.

Coal Dust and Silica

RBCT has taken reasonable steps to ensure dust and silica exposures to employees and contractors are kept to a minimum level. Dust and silica monitoring takes place annually and, where dust levels are found to be high, measures to minimize dust are applied.

Noise

Accredited occupational health specialists conduct baseline, periodic, transfer and exit audiometric examinations on employees. Noise is generally treated at the source, however, where noise cannot be eliminated, signage is posted to remind employees and contractors to wear their hearing protection. All affected personnel are appropriately trained and provided with the necessary personal protective equipment.

Health Risk Assessment (“HRA”)

The review of the HRA as well as occupational risk and exposure profiles (OREP) is an ongoing process. Each year RBCT conducts a HRA in order to identify, evaluate, quantify and control all non-occupationally induced health risks that may impact negatively on the health status of an employee.

Ergonomics Management Programme

An onsite Biokineticist works with clinic staff to improve the wellness of our employees, thereby ensuring a healthy and productive workforce. The Biokineticist operates from our fitness centre and runs the rehabilitation programme for employees recovering from different conditions (i.e. stroke, musculoskeletal injuries, etc.) and conducts various ergonomic assessments of employees that operate mobile equipment.

Year of Wellness

We dedicated 2019 as the Year of Wellness with special emphasis on:

- Financial Wellness
- Mental Health
- Physical Health



The first quarter was dedicated to **Physical and Financial Wellness**, with special attention being placed on retirement planning, debt management, budgeting and saving. Employees were challenged to reduce their debt as well as to enter a debt busting competition in order to stand a chance of winning a share of the prize money valued at R50 000.

The second quarter was dedicated to **Mental Wellness** with special attention being placed on relationship management, substance abuse, stress and depression management.

The final quarter concentrated on **Physical Wellness** and the employees who joined the weight management program focused on sustainable weight loss. The winners in all categories were announced at the year-end Imbizo, which was held in December 2019.

RBCT Wellness Week

Encompassing the 2019 Year of Wellness, employees and contractors were treated to a week filled with activities related to the three pillars of wellness that RBCT focused on during 2019. The event took place at the Training Centre from 24 to 28 June 2019. A number of activities, from cooking demonstrations to full body scans, were hosted each day. Employees and contractors were also given the opportunity to meet with a number of service providers for financial guidance, full BMI screening and relaxation sessions.



HIV/Aids

On 29 November 2019, RBCT commenced with a week of voluntary HIV/Aids testing in commemoration of World Aids Day. Each Division held a candle lighting ceremony in memory of those who have lost their lives to HIV/Aids. The event was organized by the RBCT Occupational Health Centre. In addition to this, a walk was done to spread the message that everyone needed to “get tested”, “know your status” and “live positively” regardless of their status. The walkers wore red in support of those living with HIV/AIDS.

“**S-L-L-A-M HIV**” in alignment with RBCT’s activity based Risk Assessment method:

- S** - Stop and protect yourself
- L** - Look before you leap
- L** - Learn to listen to your inner voice
- A** - Assess the HI status of your partner
- M** - Manage the outcome.



Occupational Health, Safety, Environment and Risk

Our Journey to Green

ENERGY



Real time monitoring and awareness creation

Exploring new technologies

ISO 50001 journey

Analysis of energy consumption

Identify and prioritise improvement opportunities

Real time monitoring and awareness creation

WASTE MANAGEMENT



General waste

E-waste

Rubber

Scrap metal

Water, sewage and oil waste

WATER



Exploration of innovative water saving initiatives

ESUP dam 80 mega litres capacity

22 settling ponds on site

All water used on site is recycled

Certified water use license

AIR QUALITY



Air emission license

Dust suppression (roads and stockpiles)

Scheduled trade permit

Hot coal management

Dust monitoring

- 9 x dust buckets
- 2 x PM₁₀ monitors (RBCT boundaries)
- 2 x PM_{2.5} monitors (RBCT boundaries)
- 4 x PM₁₀ monitors (Tipplers)

Risk Management

RBCT's Enterprise Wide Risk Management, based on ISO 31000, plays an important role in monitoring as well as managing risks that may either emanate from internal or external factors, including human behaviour and cultural factors, which will impact on the achievement of the strategic objectives. RBCT considers Risk Management as an essential process in compliance with King IV on Corporate Governance requirements. The risks are continuously identified, assessed and controlled.

The two main risk categories are:

- Strategic Risks, including possible sources of loss that might arise from the pursuit of an unsuccessful business plan.
- Operational Risks, including a probability of loss incurred from internal inadequacies or a breakdown in our controls.

RBCT continuously monitors and reviews these risks.



RBCT Interface Risk Assessment

RBCT aims to move coal safely and efficiently through a world class terminal in order to meet the needs of our stakeholders. RBCT relies on the entire coal value chain to achieve its strategic goals. RBCT relies on Transnet Freight Rail ("TFR") to rail coal to the Terminal and Transnet National Ports Authority ("TNPA") for the provision of marine services. Interface risk assessments and their reviews are continuously conducted to obtain an understanding of one another's business risks that may affect the daily operations and prevent RBCT in achieving its objectives.

Risk Management Tools

RBCT uses a number of business tools in the management of risk, which include:

- Conflict of interest declarations are submitted annually or in the event that there is a change in the conflict of interest status of an employee.
- A Code of Conduct booklet is issued to all employees.
- Formal policies and procedures are in place to assist with the application of company standards.
- Gift registers to manage gifts received by employees and Management. Reports are issued to the RBCT Risk Committee to ensure that adequate monitoring is in place to comply with the RBCT policy.
- Monthly inspections are conducted by Management to identify risk areas.
- Through an insurance broker, RBCT has the necessary insurance that covers assets and liabilities.
- Monthly reviews of the Operational Risks with RBCT Management.
- RBCT has zero tolerance approach to fraud, bribery, corruption and unfair business practice. All employees can anonymously report such issues through our secure tip off "Whistle Blower" line.
- Risk registers and risk action items are managed on the Cura System.



Occupational Health, Safety, Environment and Risk

RBCT Business Continuity Management

Risk exposure from potential disasters or events that will prevent or disturb our operation is a reality. RBCT makes every effort to ensure that it is protected against risks and threats that could materially impact its operation. It is, however, recognized that the unexpected could and may prevail, the effect of which could compromise the ability of RBCT to meet an acceptable business operational position.

It is for this reason that the Business Continuity Management programme is an integral part of our business to support Management in the mitigation of the duration of disruptions to the business, should the risk materialize. RBCT aims to continue business at acceptable predefined levels, following a disruptive incident and maintain business resilience.

RBCT continuously identifies disruptive incidents that might pose a threat to the operation of the Terminal, both strategically and departmentally. The business impact analysis is conducted to identify critical business processes and gather information needed to develop recovery strategies as well as limit the potential of loss. Business Continuity Plans are developed to enable RBCT to resume operation as soon as possible, subsequent to a disruptive event. Business Continuity Plans are tested to ensure that they are up to date, relevant and practical.



Protection of Personal Information

The Protection of Personal Information Act (PoPI), No 4 of 2013, gives effect to the constitutional right to privacy, regulates the manner in which personal information may be collected, processed, as well as stored and provides rights and remedies to protect personal information. In order to comply with this act and good practice, RBCT formulated as well as implemented the PoPI Policy. The implementation of this policy validates RBCT's commitment in protecting personal information and ensuring that it is appropriately used for the purposes intended.

Gap analysis is conducted to ensure compliance with the law and to identify areas of improvement. All identified gaps are actioned and their implementation is monitored to ensure compliance with the Act.



Operations

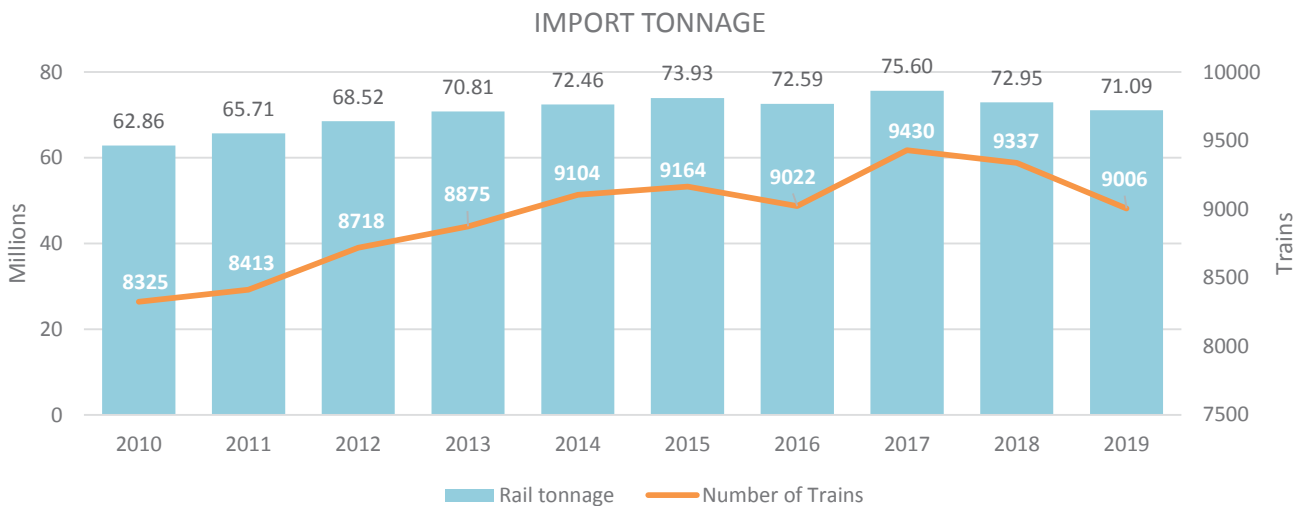
2019 Operational Performance

Railings

In 2019, RBCT railed 71.09Mt of coal.

TFR is our key value chain provider as they rail coal from various mines across South Africa to RBCT. A total of 9 006 trains were railed to RBCT in 2019. The Train Turnaround Time ("TTT") is a value chain contracted target between RBCT and TFR and can be defined as the time taken from the handover of a loaded train to RBCT, to the handback of an empty train to TFR. The TTT in 2019 was 3 hours and 46 minutes, against a target of 4 hours and 1 minute.

Trains can either be stacked on a stockpile or bypassed directly to a vessel. In 2019, 17.5% of trains were bypassed. We continue to be aligned with our business partner, TFR, to ensure the value chain performs well and contributes to the increasing volumes.



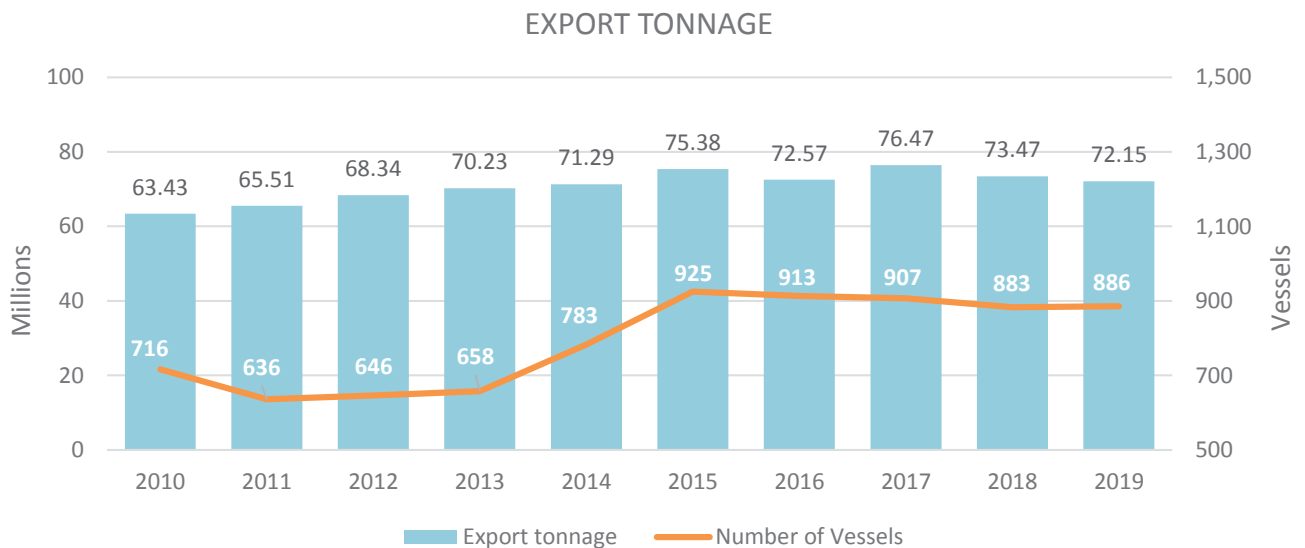
Operations

Exports

In 2019, RBCT exported 72.15Mt of coal. The export performance was 1.82% lower compared to 2018.

TNPA is fundamental to our value chain as they provide marine services to RBCT. A total of 886 vessels were loaded in 2019. The vessel turnaround time is a measure to track the efficient handling of vessels from arrival until departure. The average vessel turnaround time in 2019 was 33 hours.

We achieved an export tonnage of 72 152 456 in 2019 of which 1 219 486 tons was rolled over into January 2020.



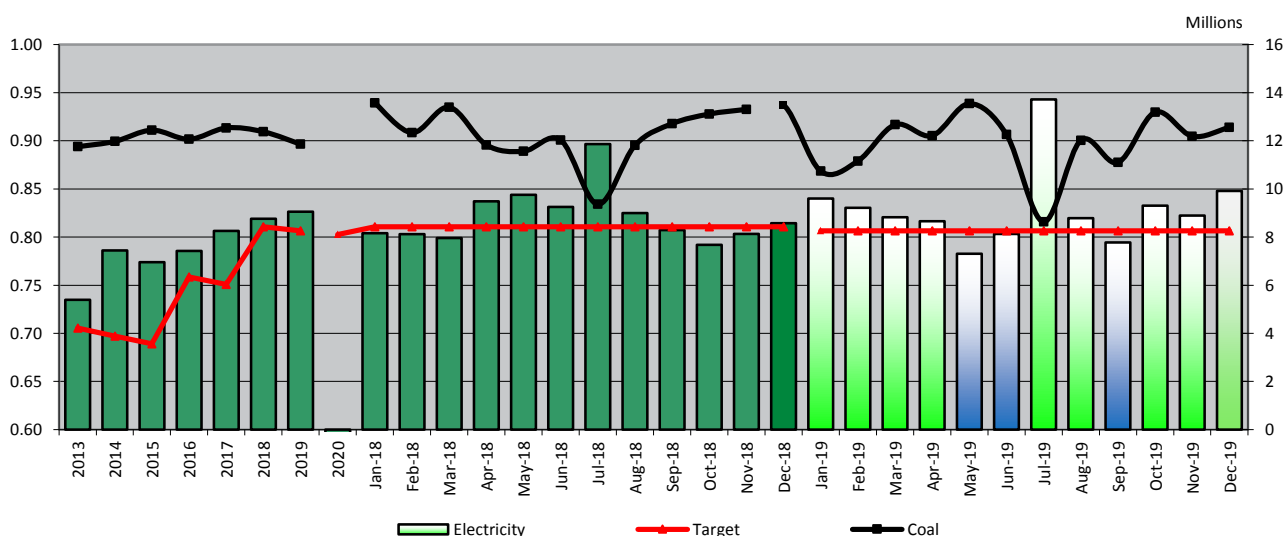


Energy Management

RBCT is committed to saving energy. This is facilitated by a committee called “Yongamandla” and their purpose is to formulate strategies, implement systems as well as monitor RBCT’s energy performance on a monthly basis, in line with the RBCT energy efficiency/saving policy.

Below are some of the 2019 highlights:

- Energy management journey (EnMs):
 - a. Exposure to motor optimisation training
 - b. ISO 50 001 Gap analysis audit
 - c. Identification of Significant Energy Users (SEU’s)
 - d. Continuous focus on Energy Performance Indicators
- Energy initiatives
 - a. Offsetting RBCT energy baseload with solar
 - b. Smart reports to track energy inefficiencies
- 2019 overall average energy index remained at 0.82



Our People

RBCT is committed to complying with the Employment Equity requirements as governed by legislation and has placed a strong focus on ensuring that it is one of our business imperatives.

RBCT's main objective is to create an equitable workplace with a more representative workforce at all levels. In 2019 we met and, in some instances, exceeded our Employment Equity targets at all organizational levels.

Our new Employment Equity plan commenced in October 2019 and will be in effect until September 2023. During this period, we will continue to drive initiatives and activities that aim to promote employment equity as well as implement Affirmative Action measures.

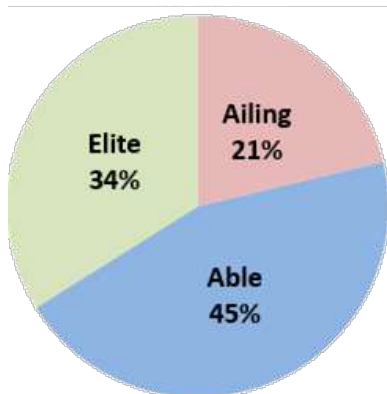
RBCT Employment Equity in numbers

	TARGET	2018	2019
B BAND	87%	93%	94%
C BAND	82%	81%	82%
DL BAND	84%	74%	94%
DU BAND	58%	83%	91%
E & F BAND	78%	83%	83%

RBCT Employment Equity

Organisation Health Survey

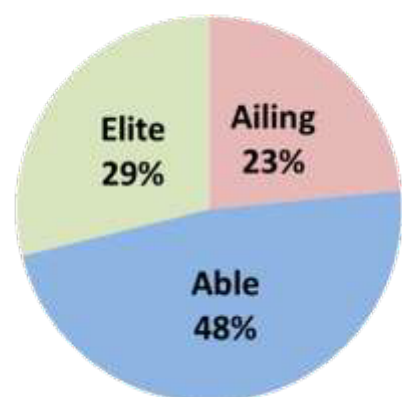
Overview of 2018



Achieved 77% against our target of 75% for Elite and Able (combined)

2% 
Against the target of 5% in 2019

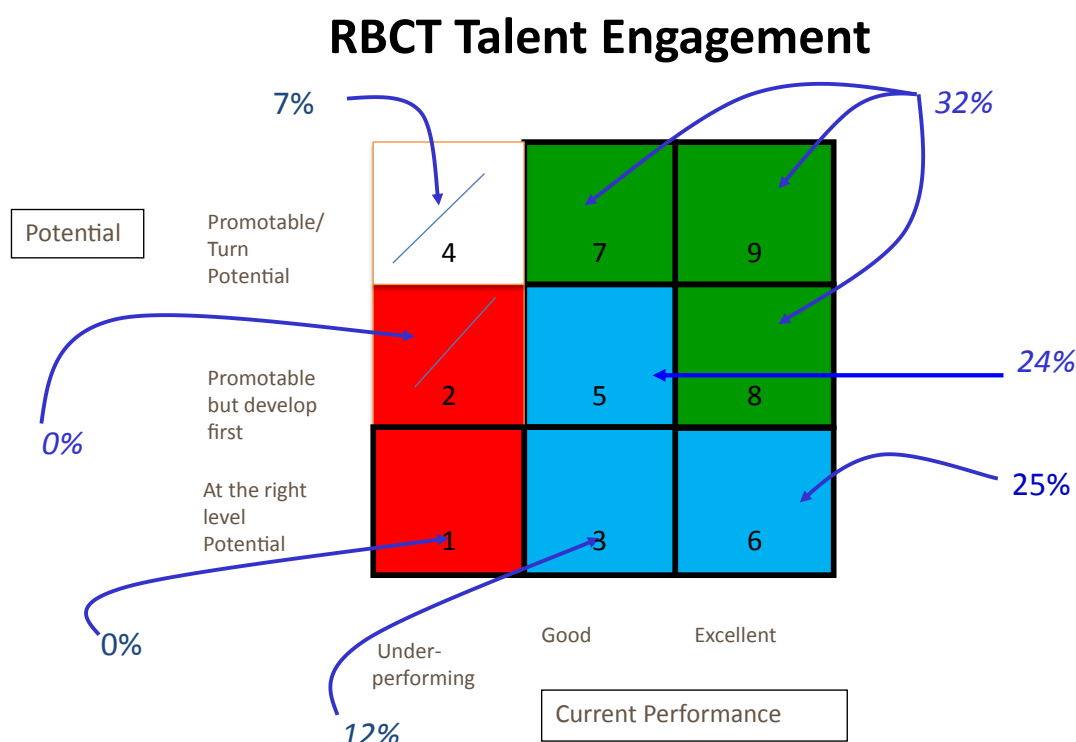
Overview of 2019



Elite	Exceed expectations
Able	Meets expectations
Ailing	Does not meet expectations

A total of 77% employees rated RBCT as: exceeding or meeting employee expectations.

The Talent Management Strategy continues to add significant value to the organisation, with a strong focus on employee development, succession planning and a smooth transition to post promotion. The process embodies a detailed assessment of the employee's potential, attributes, attitude, qualifications, performance and career aspirations. Employees are provided with a clear understanding of their potential and performance, while at the same time formulating individual development plans. This enables the business to meet an employee's career aspirations and current as well as future business requirements. RBCT also prides itself for going beyond compliance in terms of Employment Equity. In 2019, RBCT met and exceeded all its employment equity targets at each band, with 28% of the workforce being females. The new target for the employment of women is 35%.



With the focus on employee engagement and on driving a listening culture, it has been critical to maintain the transparent and open lines of communication with our employees.

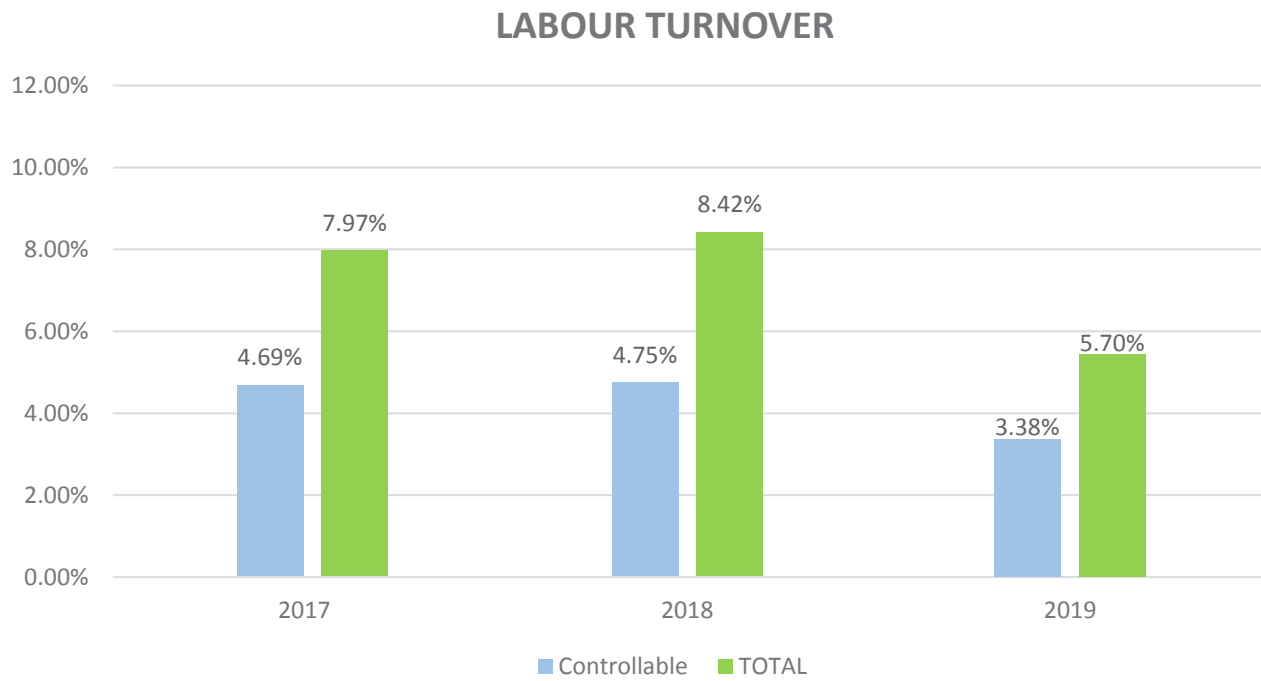
This has been achieved through Team Building Sessions, Management Team Visits, Visible Felt Leadership Engagement Sessions, Imbizo's, Leadership Forums and various other forums. Mission Directed Work Teams continue to be the vehicle of choice for strategy alignment and performance management throughout the business. Every morning all teams meet for approximately 15 minutes to assess the achievements of the outgoing shift or the previous day and to plan the activities for the next shift/day.



Our People (Continued)

Labour Turnover

Our controllable Labour Turnover has consistently remained below the target of 8% over the last three years, i.e. 4,69% in 2017, 4,75% in 2018 and 3,38% in 2019. This is showcasing the success of our Talent Management Strategy and in ensuring the retention of key skills, ultimately giving the business the stability it requires to move coal safely and efficiently.



Skills Development

In line with our skills development plan for 2019, RBCT recorded a total of 47 306 training hours against the 47 603 achieved in 2018.

The training completed included: 18 Millwright Apprentices, 16 Operations Trainees, 1 Electrical Engineer, 2 Mechanical Engineers, 1 Technician Trainee, 4 AIT/ ART Trainees, 2 Industrial Engineering Trainees, 4 Disabled Learners and 1 MERSETA Umfolozi College NCV Student.

RBCT provided Education Assistance to a total of 68 employees, with the registration of a total of 133 modules. In 2019 a total of R589 666 was spent on Educational Assistance and, in an effort to promote post matric studies, RBCT offered a total of 8 Bursaries to recipients from within the local communities to the value of R720 000.

RBCT also continued to encourage the children of employees to excel in terms of education by offering study grants to the value of R252 000 to the 9 best performing children of employees.



Stakeholder Engagement

RBCT operates within a network of critical stakeholders, who are pivotal to our success. Key operational relationships were enhanced with TNPA, TFR, the Department of Mineral Resources, the Department of Labour, together with KwaZulu-Natal Provincial and Local Governments.

Total Training Hours	
2019	47 306
2018	47 603

Professional Training Done	
People Trained	Number Trained
Millwright Apprentices	18
Operations Trainees	16
Electrical Engineer	1
Mechanical Engineer	2
Technician Trainee	1
AIT/ART Trainees	4
Industrial Engineering Trainee	2
Disabled Learners	4
MERSETA Umfolozi College NCV Students	1
Total Trained for 2018	49

Education Assistance	Amount
2019	R 589 666.48

Busary Recipients	Amount
8 - Local Communities	R 720 000.00

Study Grants	
9 - Employee Children	R 252 000.00



Our People (Continued)

Labour Turnover

RBCT Senior Leadership embarked on a leadership workshop in July 2019. The objective was to promote engagement and collaboration among the team, thus creating a healthier work relationship as well as a great working climate within the RBCT Management Team and employees. One of the main outcomes of the session was each leaders Leadership Commitment.



Senior Leadership commitment

We strive to lead with Honesty, Care, Inspiration, Fair-Mindedness, Competence and Forward-Looking.

We create an environment where people are empowered to do what is right, enable self-discipline and be supported and trusted.

Knowing our shortcomings and being vulnerable is seen as a strength.

We create a safe space for all to feel that they are enough.

Successes are celebrated, learning from our mistakes is encouraged and room for innovation and creativity is created.

We foster a just culture at all times, here to serve our people.

We strive to lead with Honesty, Care, Inspiration, Fair-Mindedness, Competence and Forward-Looking.

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Our Community

Stakeholder Engagement 2019

As part of our commitment to being a responsible corporate citizen, it is our policy to conduct business in a manner that is compatible with the economic, social and environmental needs of the communities in which we operate. RBCT's Corporate Social Investment ("CSI") Strategy plays a key role in enhancing the quality of life in the communities within which our people live. Our aim is to promote the development of self-reliant communities and to facilitate sustainable community development programmes. Our 2019 strategic emphasis remained on education and community welfare. During 2019 RBCT donated R4.1 million to various worthy causes.



RBCT Donated R100 000 to Ethembeni Care Centre on Mandela Day



Wildlands Trust and Amangwe Village handovers of R 350 000 each

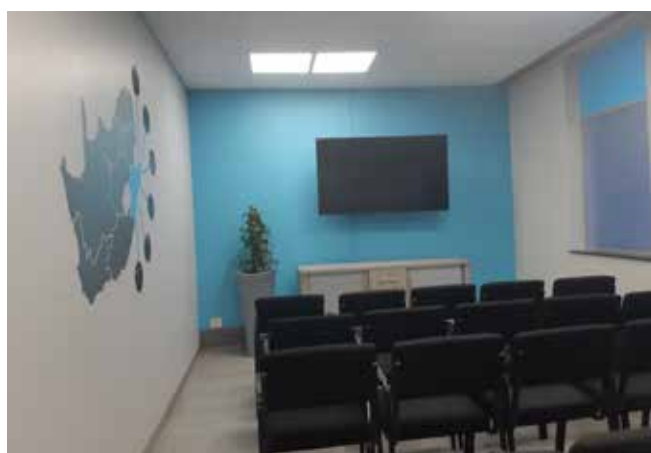


RBCT donated an amount of R1 028 282 to 28 various NPOs to cater for the community welfare as part of our CSI main focus area.

Continued Growth for RBCT

New Visitors and Imbizo Centre

The new visitors centre was officially opened in November 2019 and provides a spacious as well as fresh introduction to RBCT.



The new Imbizo centre was officially opened by the CEO on 3 December 2019. A facility that is used to engage employees and contractors.



Enterprise and Supplier Development

Procurement

2019 has been a challenging yet rewarding year within RBCT's procurement environment, with further improvement being achieved in our results when compared to the previous years. The reduced Capital Project spend largely contributed to the improvement of our 2019 Broad Based Black Economic Empowerment ("B-BBEE") performance. This, combined with the understanding and executing of the initiatives aligned to the changes within the elements of the Department of Trade and Industry's B-BBEE Codes of Best Practice, resulted in RBCT working closely with our suppliers to ensure compliance, thereby embracing the changes within the codes and assisting in the empowerment of our business partners.

Aligned with driving sustainability in the Zululand environment, procurement preference is often focused on local suppliers, with additional considerations to the small and medium enterprise categories where possible. Black Ownership and Black Woman Ownership remain an important criteria in decision making and we work closely with our suppliers to ensure that transformation within their organization is being addressed.

RBCT has actively and progressively driven preferential procurement spend for the past 16 years and insists on suppliers providing approved verification certificates to ensure compliance within the Codes. We maintain an extensive as well as customized database in our SAP system and are able to continuously improve our position with up-to-date and reliable statistics on the various criteria, as defined in the Codes. Decision making is therefore easily facilitated when considering elements such as Black Ownership as well as Black Woman controlled businesses that are suppliers or potential suppliers to RBCT. To ensure maximum procurement spend contributes towards RBCT's empowerment performance, it is our preference to engage with businesses that maintain a minimum level four BBBEE rating.

Where commercial criteria is the same, preference is given to the higher BBBEE rated supplier. RBCT does not pay a premium to empowered companies, as commercial competitiveness is a key determinant in decision making. From time to time, it may be required from long-term contractors and suppliers to submit to RBCT their action plans to maintain and improve their empowerment ratings.

Standard Procurement Criteria

- Compliance with RBCT's health, safety and environmental standards
- Adherence to RBCT's quality specifications
- Competitive market related pricing
- Valid B-BBEE verification certificate
- Service excellence

Enterprise and Supplier Development

Enterprise development remains a key focus at RBCT and one of the ongoing initiatives facilitated through our shareholders was the 4Mt of export capacity that was made available to junior miners at commercially attractive rates.

The allocation of the 4Mt capacity is managed by the Department of Mineral Resources. Junior miners can therefore obtain access to export markets through RBCT and maintain improved operational performance as well as profitability within their businesses.

The South African export facilities are often constrained due to infrastructure challenges, therefore, the allocation of this capacity contributes significantly to enterprise development within the mining environment.

Supplier and Enterprise developments initiatives within the procurement area further contribute to RBCT's responsible procurement strategy.

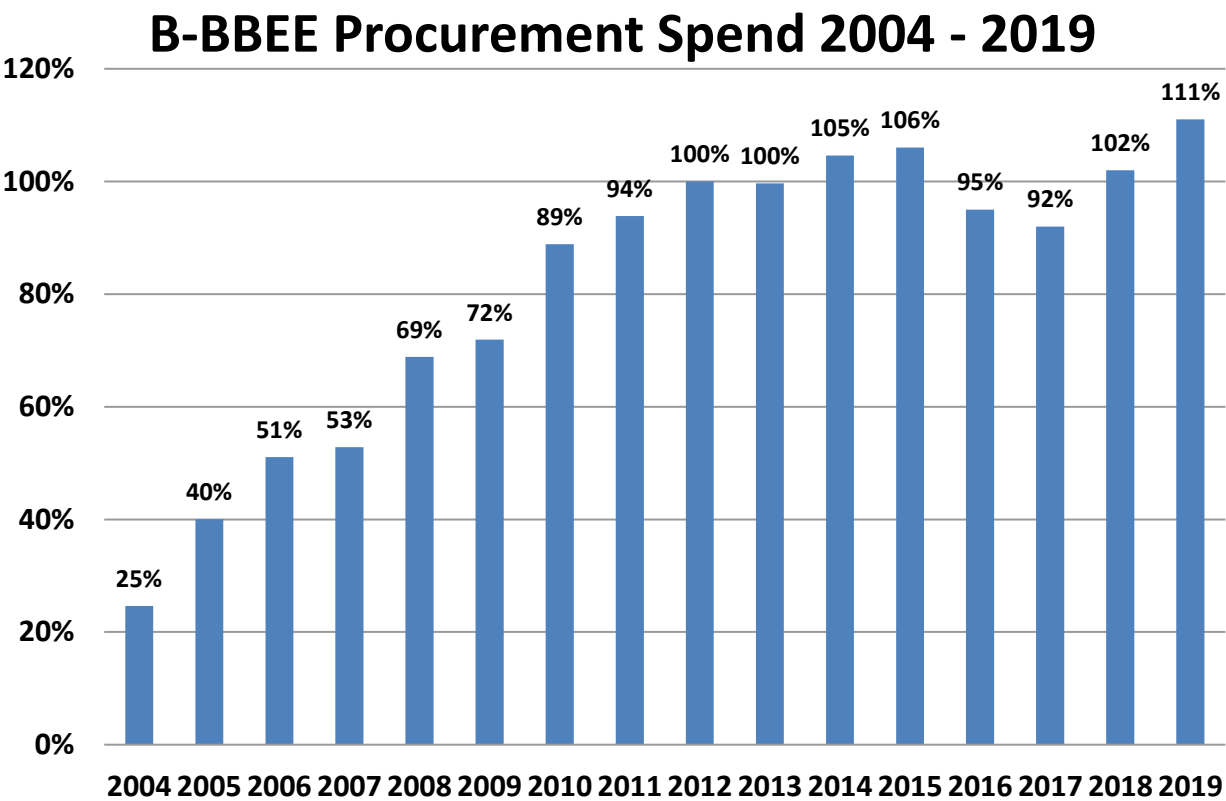
We partner with Black Owned Exempt Micro Enterprises as well as Qualifying Small Enterprises that are both suppliers and potential suppliers to RBCT in developing self-sufficient business partners. This is achieved through working with committed suppliers and ensuring that the all selection criteria is adhered to. A strategic focus area in developing the supplier database is the ownership element and the engagement with suppliers around transformation and compliance to the Department of Trade and Industry's codes of good practice.

Due to RBCT's spend on maintenance predominantly being on specialized high quality engineering items, managing the achievement of the quality standards and specifications presents RBCT with worthy mentoring opportunities to develop as well as grow the skills within our suppliers.

RBCT remains committed to Enterprise and Supplier Development, as well as driving continuous improvement within the procurement environment.

Enterprise and Supplier Development

Below is the 2019 B-BBEE procurement spend.



Glossary

Aids	Acquired Immune Deficiency Syndrome, a disease of the immune system caused by HIV infection	IMBIZO	An open forum chaired by the CEO to address all employees on business performance and all key matters.
AIT	Artisan in Training	ISO	International Standard for Organisation. Published in 1996 by the International Organisation for 14001 Environmental Standardisation, it specifies the actual requirements for an environmental management system.
ART	Artisan Recognition Training	ISO 14000	An environmental management system standard published by the ISO
ARV	Anti-retroviral	ISO45001	An environmental management system standard published by the ISO
BBBEE	Broad-based black economic empowerment. This represents a broadening of earlier BEE (see below) policy and attempts to spread the benefits of economic empowerment to the widest possible spectrum of black South Africans	IWWMP	Integrated Waste and Water Management Plan
BP	Blood Pressure	King Report	The King Report on Corporate Governance is a ground-breaking booklet of guidelines for the governance structures and operation of companies in South Africa. It is issued by the King Committee on Corporate Governance. The Institute of Directors in Southern Africa (IoDSA) owns the copyright of the King Report on Corporate Governance and the King Code of Corporate Governance. Compliance with the King Reports is a requirement for companies listed on the Johannesburg Stock Exchange
CEO	Chief Executive Officer		
CEP	Coal Exporting Parties		
CSI	Corporate Social Investment		
CURA	Governance Risk and Compliance Software/Enterprise Risk and Compliance Software		
DWA	Department of Water Affairs		
EE	Employment Equity		
ESUP	An Offsite storage dam known as ESUP Dam		
EWP	Employee Wellness Programme		
FINCO	Finance Committee	LTI	Lost-time injury. Refers to an injury resulting in the injured person being unable to attend/return to work to perform the full duties of his/her regular work, as per the advice of a suitably qualified medical professional, on the next calendar day after the injury.
FRCP	Fatal Risk Control Protocols	LTIFR	Lost-time injury-frequency rate. The number of lost-time injuries (see above) per 200,000 hours worked.
GM	General Manager	MERSETA	Manufacturing, Engineering and Related SETA
HIV/Aids	Human immunodeficiency virus/acquired immune deficiency syndrome	MIFR	Minor Injury Frequency Rate
HRA	Health Risk Assessment		
HSEC	Health, Safety, Environment and Community		
IDPS	Individual Development Plans		

Glossary

Mt	Million Tons	RDC20	A dust suppressant used onsite to suppress dust on the ground
Mt/a	Million ton per annum	REMCO	Remunerations Committee
OHS	Organisational Health Survey	RSR	Railway Safety Regulator
OHSAS	Occupational Health and Safety Assessment Specification	SABCOHA	SA Business Coalition on Health and Aids
OPCO	Operations Committee	SANS	South African National Standard
OREP	Occupational Risk and Exposure Profiles	SHE	Safety, Health and the Environment
PHC	Primary Healthcare Management	SLLAM	Stop, Look, Listen, Assess, Manage
PM2.5	is particulate matter 2.5 micrometers or less in diameter	TFR	Transnet Freight Rail
PM10	is particulate matter 10 micrometers or less in diameter	TIFR	Total Injury Frequency Rate
PoPI	Protection of Personal Information	TNPA	Transnet National Port Authority
PROCOM	Projects Committee	TPH	Tons per Hour
RBCT	Richards Bay Coal Terminal	TTT	Train Turnaround Time
		ZCCI	Zululand Chamber of Commerce and Industry



Boundary and Scope of this Report

The 2019 Sustainability Report covers the period, 1 January to 31 December 2019.

This report shows a brief analysis of the company's operational logistics and performance in the following criteria:

- The Health and Safety of employees and the environmental impact on surrounding areas
- Strategies and policies that have been implemented to achieve optimal results in the above regard
- Current goals that have been achieved and future goals to be obtained
- Outreach programmes, delivering social value by giving back to our community, with special focus on education
- Empowering local communities
- Structure of the Board and Management
- Employee and Recruitment programmes
- Operational activities such as:
 - Rail performance, coal is handled effectively and efficiently once it is in our possession from TFR, no data has been captured for this report on derailments as it is not a direct part of our operational activities.
 - Shipping performance, the arrival and departure of all vessels is managed and coordinated by TNPA. The quality and analysis processes of the coal is excluded from this report as it is conducted independently by an on-site laboratory.



To share your views or comments, contact:

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