



2020

SUSTAINABLE DEVELOPMENT REPORT



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



The Total Injury Frequency Rate for the year was 0.89 in 2020, whilst the Lost Time and Minor Injury Frequency Rates were 0.33 and 0.06 respectively. 1 Million LTI Free Man Hours was achieved on 22 July 2020.

New measures were put in place, which included High Potential Hazard identification by Management. These measures are yielding positive results. The other risk identification measures in place for employees, contractors and management include Visible Felt Leadership (VFL), Behavioural Based Safety, Near Miss Reporting and SLLAM.

These tools are driving awareness of our surroundings and ensure we keep our eyes on the path as we conduct our daily tasks. We have had impressive gains with the focus on leading indicators. Our target will always be Zero Harm to all.

2020 has been an unpredictable year. South Africa and the world at large was shaken by the Covid-19 Pandemic. It changed all of our lives, and business was no longer business as usual.

As at 31 December 2020 over 1 Million South Africans tested positive for Covid-19 with 28 469 deaths recorded. This pandemic brought with it economic turmoil, job losses and many other challenges. RBCT recorded 150 positive cases in 2020 with no deaths recorded. We had a 100 % recovery rate.

SAFETY

2020 was declared the Year of Safety. During 2020 there was a 27% reduction in the number of injuries compared to 2019. We achieved a positive of 82 Injury free days in 2020. The Total Injuries recorded was 16 in comparison to 22 injuries recorded in 2019.

We regrettably incurred 5 LTI's in 2020 the same as we recorded in 2019. We however had no fatalities.



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.

OPERATIONS

RBCT received a total tonnage of 70.11mt in 2020 which is 1.37% lower compared to 71.09mt in 2019.

A total of 9 036 trains were railed to RBCT in 2020. The TTT in 2020 was 3 hours and 45 minutes, against a target of 3 hours and 48 minutes.

In 2020, RBCT exported 70.19Mt of coal. The export performance was 2.71% lower compared to 2019.

A total of 869 vessels were loaded in 2020 compared to 886 vessels loaded in 2019. The average vessel turnaround time increased from 33 hours in 2019 to 34 hours in 2020.

ASSET MANAGEMENT

Maintenance downtime increased from 13.79 Ytd in 2019 to 14.64/10kT Ytd in 2020. The Stoppages also increased from 461 in 2019 to 474 Ytd in 2020.

PEOPLE

The Women at work survey was again conducted in 2020. Results showed areas of concern in gender based discrimination with a 19% increase in women having experienced gender based discrimination and a 9% increase in women who have experienced racial discrimination. Sexual Harassment of Women also showed an increase of 9% for 2020.

The Organisational Health survey was conducted in 2020. The result was an improvement of 1% overall. A new question was posed to all employees around Management of the Covid-19 pandemic. The result showed we achieved 79% of able and elite indicating good Management of Covid-19.

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



Z Nonqane
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.

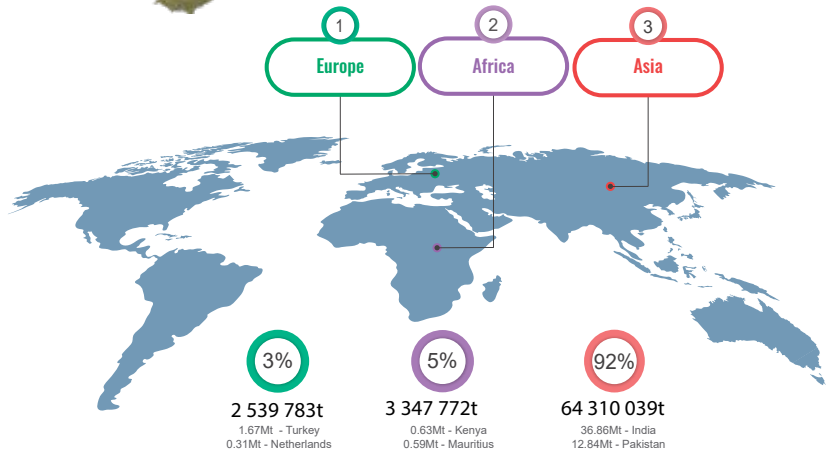
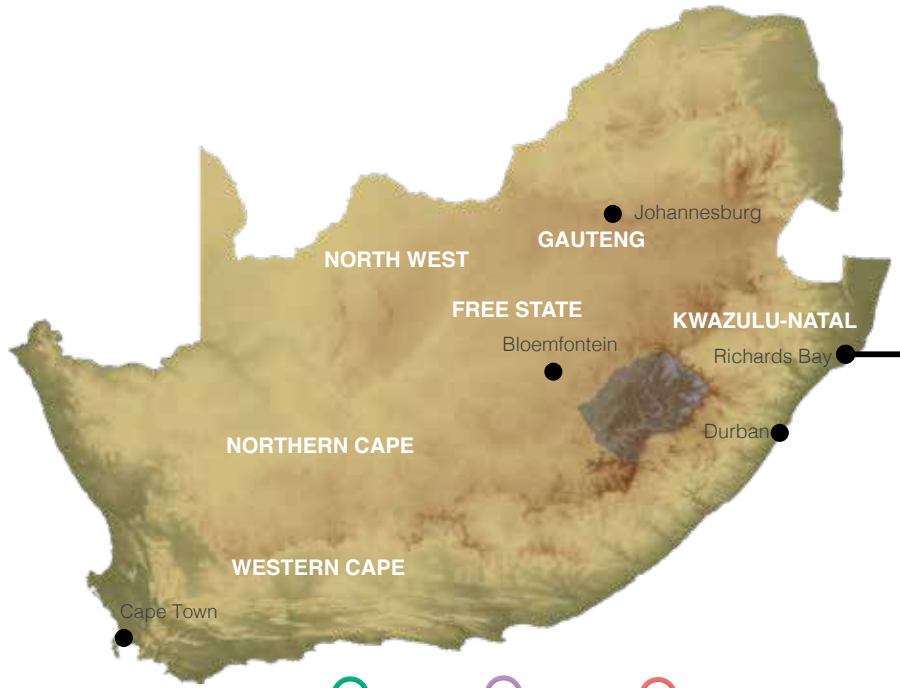
Export Destination per Continent

Asia.....92%
 Africa5 %
 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.



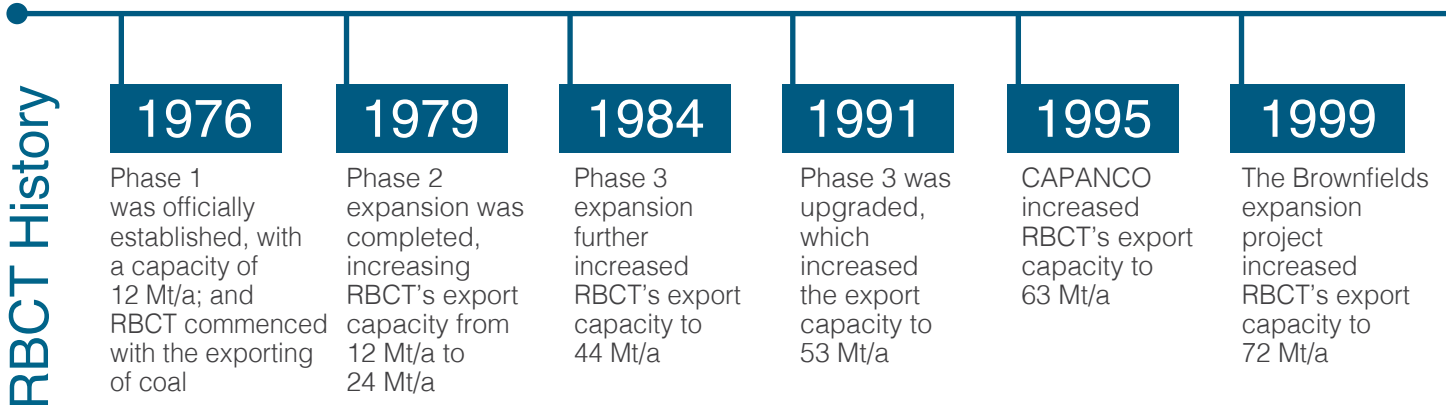
276
Hectares

2,2km 6
Quay Berths

4
Ship Loaders
(10 000 to 12 000 tph)

8,2Mt
Stockyard

>900
Vessels per annum



RBCT History



Stockyard

- 2 x Stackers
5 500 tph
- 1 x Reclaimer
6 000 tph
- 7 x Stacker Reclaimers
6 000 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



1976 – Phase I 12Mt



1980 – Phase II 24Mt



1984 – Phase III 63Mt



1991 – Phase III 72Mt



2010 – Phase V 91Mt

2018 – Phase I Machine Replacement 91Mt

2021 – C931 De-Bottlenecking Project Upgrade

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

RBCT INFRASTRUCTURE



RAIL

- 5 Tandem Tipplers (5 500tph)
- Average of 25 trains per day
- 91Mtpa design capacity (32 trains)



STOCKYARD

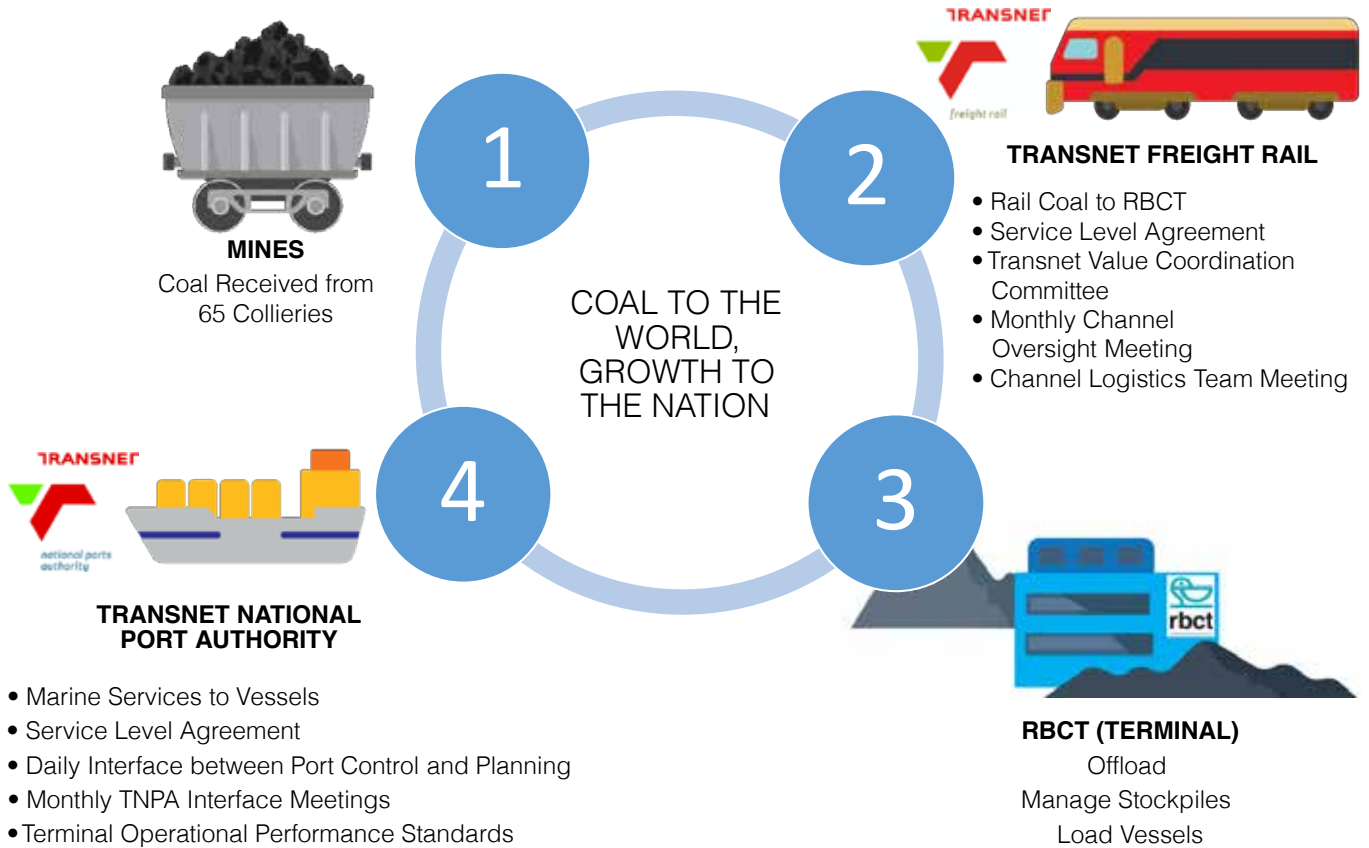
- 91 Stockpiles – 8.1Mt
- 7 Stacker Reclaimers (6 000tph)
- 2 Stackers (5 500tph)
- 1 Reclaimer (6 000tph)
- 1 dedicated bypass route



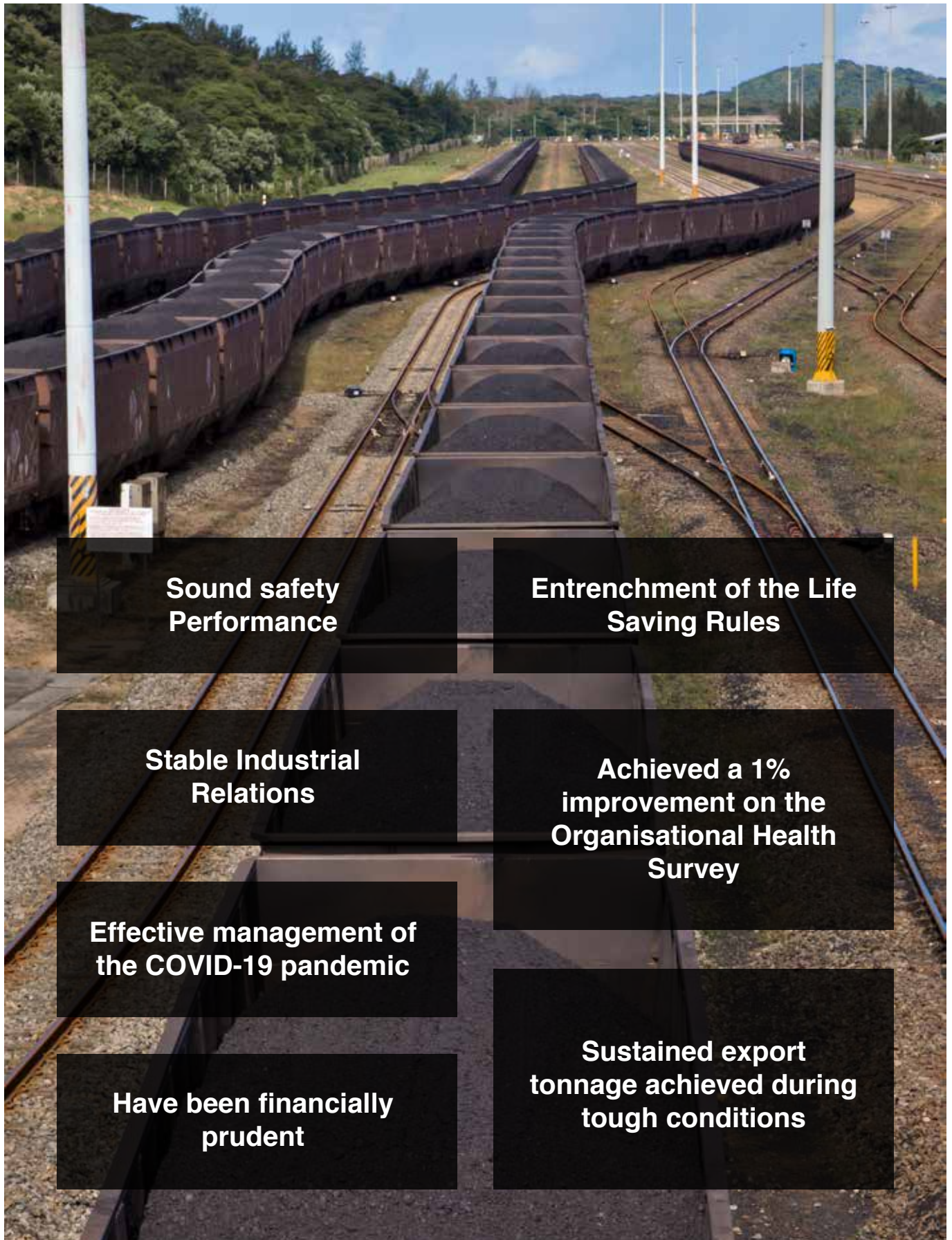
EXPORT

- 4 Shiploaders (10 000tph – 12 000tph)
- 6 dedicated Berths, max 5 Cape Vessels
- Average of 74 Vessels per month

RBCT VALUE CHAIN



2020 Terminal Highlights



**Sound safety
Performance**

**Entrenchment of the Life
Saving Rules**

**Stable Industrial
Relations**

**Achieved a 1%
improvement on the
Organisational Health
Survey**

**Effective management of
the COVID-19 pandemic**

**Sustained export
tonnage achieved during
tough conditions**

**Have been financially
prudent**

RBCT Strategy 2015-2020

RBCT's Strategy

RBCT's primary focus for 2020 remained on safety, environment, people, infrastructure and cost optimisation. It is RBCT's view that by focusing on these core areas, we will be able to responsibly deliver sustainable value to all stakeholders.

In terms of People, the Organisational Health Survey indicated that 78% of employees are engaged.

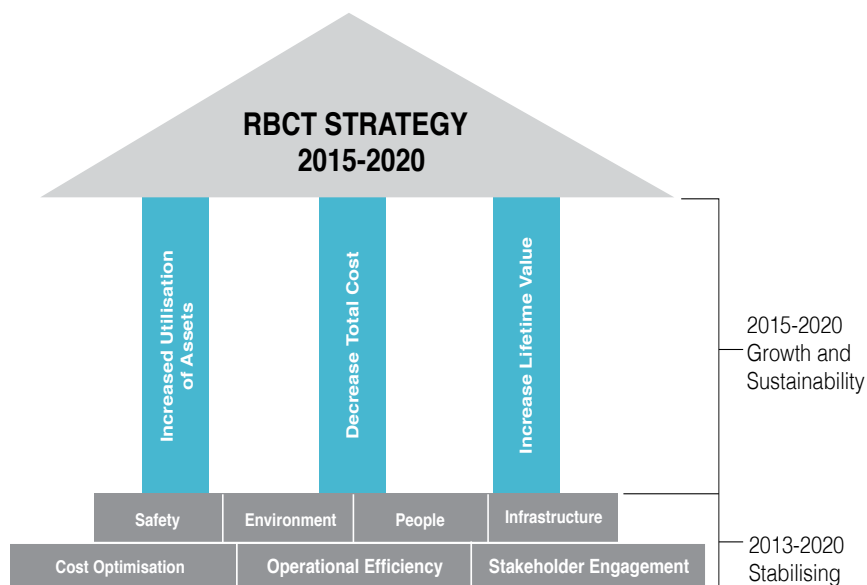
We continue to focus on people to ensure that the various roles within RBCT are occupied by the correct people and to ensure that they are attuned to the culture as well as values of RBCT. Special focus was also on COVID-19 relief programmes i.e. food parcels, PPE and sanitizer donation.

A total of R4.5 million was invested in Corporate Social Investment Programmes within our local communities. The main focus was on Education and Early Childhood Development.

Our 2020 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

Z Nonqane (Ms)

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
- Koorfontein 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 User (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 their 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 review and direct 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.

The Board 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, cost effective and efficient service to all RBCT users.

The OPCO members are as follows:

Members	Alternates
AJ Waller (Chairperson)	
A Bernic	M Richardson
B Blumenthal	C Viljoen
J Britz	N van Wyk (Ms)
V Chetty	A Moepadira
P Masete (Ms)	
A David	L Andrews
NV Khumalo	R Essay
Z Mastilo	V Bayoglu
S Mely (Ms)	
M Moeketsi	SJ Ferreira
M Steyn (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)	
A de Klerk	
I Desai	
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
K Matsose (Ms)	
TC Mbuyazi	
TO Ncolosi (Ms)	
M Ngema (Ms)	NG Schneider
KT Nondumo (Ms)	
D Pretorius	L Makhabela
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 as well as 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, however, 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	A Mshiywa
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 (Chairman)
- 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, and 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 Sibiyi	S Hlabisa
M Woods	T Khumalo
L Dlamini	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 (Chairman), all General Managers, 7 Divisional Committee Chairpersons, 2 Union Shop Stewards, 1 Health Representative, 3 Safety Specialists, 1 Environment Specialist and 1 Security and 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 at RBCT. The Board of Directors have delegated to the Finance Committee, the responsibility to oversee the Assurance function and related activities.

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.

2020 was the first year into the renewed 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 2020, 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, effective and efficient.

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 both the engagement and the annual assurance planning processes 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.

Due to the COVID-19 restrictions implemented by the Government, the Internal Audit and Assurance functions had to introduce to RBCT the concept of remote auditing. Whilst this presented challenges at the onset, the Auditors and Management embraced this new concept which culminated in the completion of the 2020 Assurance Plan.

The following audits were completed by RBCT Internal Audit and Glencore Internal Audit in 2020:

- Critical Unwanted Events Management
- Critical Unwanted Events Management Follow-up
- IT General Controls
- GRC Events Risk Review
- Human Resources Follow-up
- IT Governance and Security Management
- COVID-19 Internal Controls and Incident Response Simulation
- Licences and Permits
- Fatal Risks Control Protocols ("FRCPs")
- Fatal Risks Controls Protocols ("FRCPs") Follow-up
- Procurement and Accounts Payable
- Ethics Management
- Business Continuity Management
- Corporate Social Investment and External Stakeholder Management

RBCT Management, the Finance Committee and the Board of Directors consider 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 2020, 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 2020 RBCT continued to focus on the safety, health and wellbeing of employees as well as on environmental stewardship. RBCT declared 2020 as the year of Safety.

Compliance

RBCT maintained the ISO 45001:2018 Occupational Health and Safety Management System as well as the ISO 14001:2015 Environmental Management System certifications during 2020.

The surveillance audits were conducted on both systems to determine conformity of the management systems.

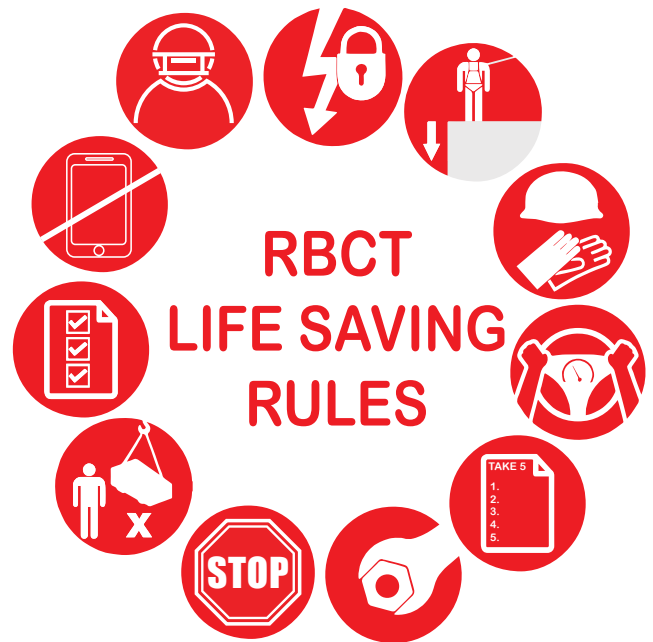
Safety

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.

RBCT implemented the High Potential Hazards ("HPHs") identification process, which focuses on proactive identification of a condition or situation which could result in a fatality. Safety Leadership Alignment Day ("SLAD") sessions for all RBCT Managers and Contract Managers were held during September to November 2020.

During the SLAD, focus was placed on the alignment of RBCT leaders in terms of Safety. Visible Felt Leadership ("VFL") and the identification of HPHs were the focus. With 2020 being the Year of Safety, more attention was placed on the strategic mitigation of HPHs as well as the elimination of fatal incidents.



Safety Performance

No fatalities were incurred during 2020. A total of 16 injuries were incurred during 2020, compared to the 22 incurred during 2019.

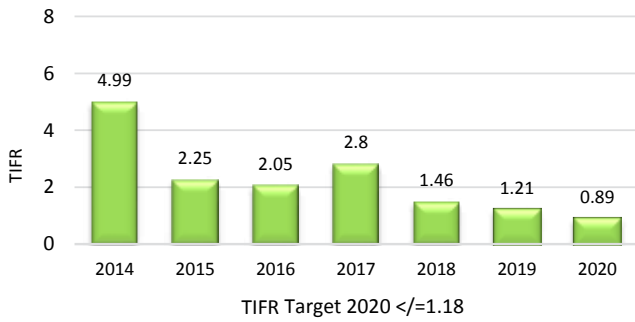
The Total Injury Frequency Rate for 2020 was 0.89, whilst the Lost Time and Minor Injury Frequency Rates were 0.33 and 0.06 respectively.

VFL, High Potential Hazards, Behavioural Based Safety, Near Miss Reporting and SLLAM are some of the leading indicators that employees as well as contractors use for proactive risk identification. RBCT has had impressive gains with the focus on leading indicators.

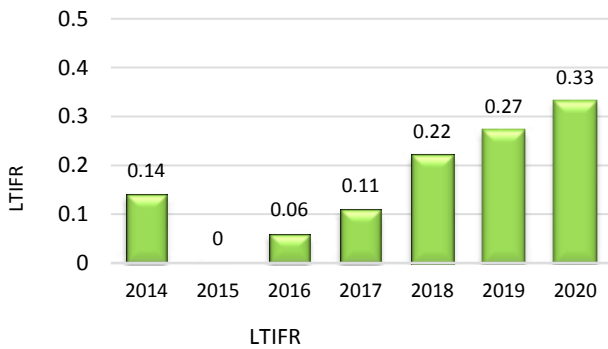
2020 OBJECTIVES	2020 TARGETS	2020 PERFORMANCE	COMMENTS
Maintain ISO 45001: 2018 Certification	ISO 45001:2018 No Major Findings	Zero Findings	Achieved
Fatality Free Year	Zero Fatality	Zero Fatality	Achieved
Reduce Loss Time Injuries	LTIFR \leq 0	0.33	Not Achieved
Reduce Minor Injuries	MIFR \leq 0.06	0.06	Achieved
Total Injury Frequency Rate	TIFR \leq 1.18	0.89	Achieved
External environmental complaints	Zero external environmental complaints	2 external complaints received	Not Achieved

Occupational Health, Safety, Environment and Risk

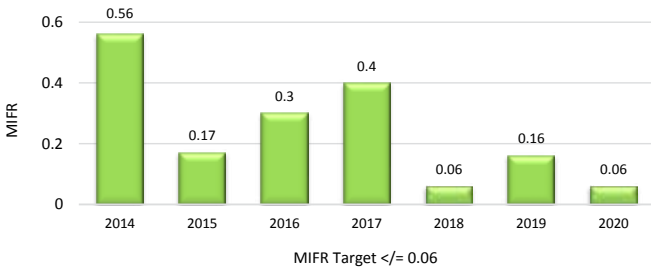
TOTAL INJURY FREQUENCY RATE



LOST TIME INJURY FREQUENCY RATE



MINOR INJURY FREQUENCY RATE



Safety Achievements

There was a 27% reduction in the number of injuries incurred during 2020, when compared to 2019.

A total number of 16 injuries were incurred during 2020, compared to the 22 incurred in 2019. RBCT achieved 82 Injury Free Days in 2020 And 1 Million LTI Free Man Hours on 22 July 2020.

Environmental

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 the 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.

2020 OBJECTIVES	2020 TARGETS	2020 PERFORMANCE	COMMENTS
Maintain ISO 14001:2015 Certification	ISO 14001 No Major Findings	4 Minor Findings	Achieved
External Environmental Complaints	Zero External Environmental Complaints	1 External Complaint	Not Achieved

Pollution prevention strategies are in place which, together with ongoing mitigation measures, are aimed at reducing and mitigating the impact of RBCT's activities on the environment.

The responsibility of Environmental Management at RBCT resides with every employee and contractor on site. During 2020 there was 1 external environmental complaint, which was due to odour as a result of rainfall cooling down a hot stockpile. The rainfall and hot coal resulted in the generation of fumes, together with the combination of high winds resulted in the fumes reaching the complainant.

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 utilises this recycled water for dust suppression. The quality of our underground water is monitored on a quarterly basis through borehole sampling, in order to ensure that there is no adverse pollution of underground water.

During 2020, RBCT continued with the implementation of the conditions of the Water Use License received in 2016.

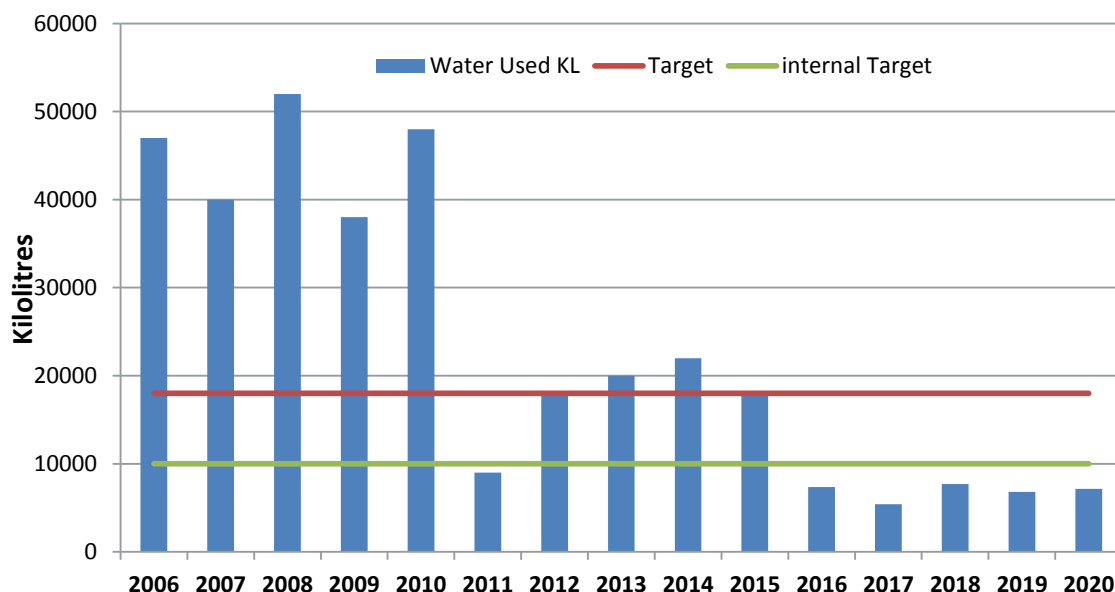
Potable Water Usage

During 2020, an average of 7 158 kilolitres of potable water per month was utilised, compared to an average of 6 813 kilolitres utilised in 2019. This consumption was below the set internal target of 10 000 kilolitres. RBCT will continuously strive to reduce the utilisation of fresh water by seeking innovative ways in which to efficiently utilise this scarce resource. RBCT is firmly committed to protecting the environment and natural resources. RBCT has assessed the environmental impacts of our operation and these have been documented in our environmental aspects and impacts register. Mitigating controls are in place for all identified potential environmental impacts.



ESUP Dam (Storm Water)

WATER USAGE



Occupational Health, Safety, Environment and Risk

Air Quality

Dust management is a priority at RBCT.

The 2020 average dust fallout was 0.6 g/m², which is well within the industrial limit of 1.2 g/m². 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 PM_{2.5} to effectively deal with ambient dust.

A mobile mist canon, mounted on a truck, is in use for the suppression of dust when offloading, stacking and reclaiming dusty coal.

Using industrial water from ESUP dam, the mist canon uses tiny water droplets which bind the dust particles and drop them to the ground, thus preventing dust from spreading. Its flexible spray head can be pivoted horizontally up to 360° and tilted in many different directions ensuring effective dust suppression.

A water based dust mitigating chemical (DustTreat™) is used as a dust suppressant on the gravel roads surrounding the stockpiles.

Waste Management

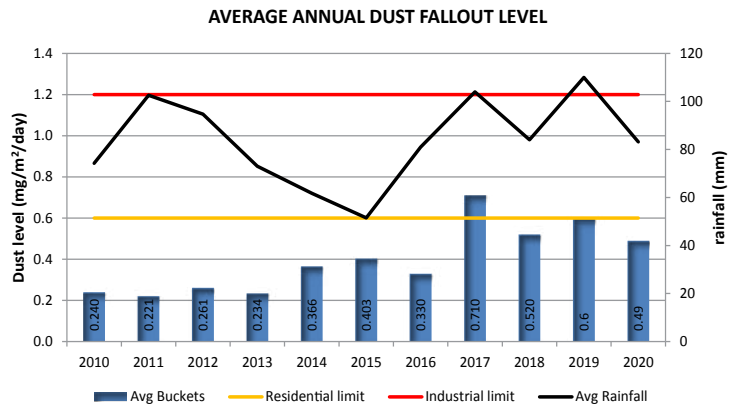
Management of waste remains one of RBCT's environmental priorities. The following waste is recycled at RBCT:

- Used oil
- Sewerage effluent
- Electronic waste
- Paper
- Scrap Metal
- Rubber

The improvement of waste sorting and disposal has become an extremely important aspect of 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.







Tandem Tippler 1



Stacker Reclaimer 7

Our Journey to Green



ENERGY 	WASTE MANAGEMENT 	WATER 	AIR QUALITY 
<ul style="list-style-type: none"> • Real time monitoring and awareness creation 	<ul style="list-style-type: none"> • Registered for national norms and standards 	<ul style="list-style-type: none"> • Water Use License 	<ul style="list-style-type: none"> • Air Emission License
<ul style="list-style-type: none"> • Analysis of energy consumption 	<ul style="list-style-type: none"> • General waste 	<ul style="list-style-type: none"> • All water used on site is recycled 	<ul style="list-style-type: none"> • Scheduled Trade Permit
<ul style="list-style-type: none"> • Exploring new technologies 	<ul style="list-style-type: none"> • E-waste 	<ul style="list-style-type: none"> • Exploration of innovative water saving initiatives 	<ul style="list-style-type: none"> • Dust suppression (roads and coal stockpiles)
<ul style="list-style-type: none"> • Identify and prioritise improvement opportunities 	<ul style="list-style-type: none"> • Water, sewage and oil waste 	<ul style="list-style-type: none"> • ESUP Dam 80 Mega litres capacity 	<ul style="list-style-type: none"> • Hot coal management
<ul style="list-style-type: none"> • ISO 50001 journey 	<ul style="list-style-type: none"> • Scrap metal and rubber 	<ul style="list-style-type: none"> • 22 Settling Ponds on site 	<ul style="list-style-type: none"> • Dust monitoring
<ul style="list-style-type: none"> • Alternative energy - solar, wind and wave 	<ul style="list-style-type: none"> • Opportunities for recycling of waste 	<ul style="list-style-type: none"> • Amended Water Use License received 	<ul style="list-style-type: none"> • 1 x mist canon for dust suppression - efficient usage for stacking and reclaiming dusty coal
<ul style="list-style-type: none"> • Environmental Forums in place, chaired by CoU Air Quality 		<ul style="list-style-type: none"> • 21a Water Use License application in progress 	<ul style="list-style-type: none"> • Hot coal emissions - purchase of monitoring equipment in progress

Occupational Health, Safety, Environment and Risk



Occupational Health, Hygiene and Wellness

The health and well-being of employees is important to RBCT. A healthy workforce means a productive, efficient and energized workforce. RBCT aims to provide a working environment that maximizes wellness and minimizes incidents, illnesses and disorders through health enhancing related activities. The Wellness Management Programme is focused on the overall wellness of employees and contractors. RBCT's approach to managing health related matters in the workplace covers the following:

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

Our Occupational Health and Hygiene Performance

The Primary Healthcare Management ("PHC") programme at RBCT provides a first level/essential diagnostics and therapeutic Health Care Service founded on the principals of evidence based medicine to accurately diagnose and treat acute/common ailments.

Our PHC programmes include the following components:

- Assessment and treatment of illnesses (e.g. backache);
- Reproductive health programme; and
- Health screening and promotion programme, including the vaccination of our employees and 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 2020 medical surveillances was 100%. In December 2020, the HIV prevalence rate at RBCT was 14.61%, with 97% of the HIV positive employees on anti-retroviral ("ARVs") treatment. A total of 91% of our employees know their HIV status.

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

RBCT subscribes to SANS 3000-4, a National Standard for 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 of these factors on railway safety.

All our rail employees have received formal training on fatigue management and have developed much needed skills and knowledge to manage their wellness as well as ensure fitness for work. The RSR conducted a human factors audit at RBCT during 2020 and the audit report confirms that RBCT is compliant.

Non-Occupational Disease Management

RBCT continued to focus on Wellness for both employees and contractors during 2020. Monitoring and management of employees with clinical risk factors such as Body Mass Index ("BMI"), Blood Pressure, Blood Sugar and Cholesterol remained a priority during the year. Some improvements in terms of these chronic conditions were noted.

RBCT Body Mass Index (“BMI”)

The BMI has remained at 85% for the year. There has been an increase in the number of employees who joined the Weight Management Programme, which offers numerous health benefits to employees, including the dedicated services of a Biokineticist, Dietician, Clinical Psychologist and onsite qualified fitness instructors. In 2021 RBCT will continue to concentrate on awareness in terms 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. There was an improvement in the number of employees that conduct monthly checks in terms of their chronic conditions. The status of the 2020 medical surveillances is at 100%.

Coal Dust and Silica

RBCT has taken reasonable steps to ensure that the dust and silica exposure levels to employees and contractors are kept to a minimum. 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, at the locations where it is not possible for noise to be eliminated, signage is posted to notify employees and contractors to wear hearing protection. All affected personnel are appropriately trained and provided with the necessary personal protection equipment.

Health Risk Assessment (“HRA”) and COVID-19

The review of the HRA as well as the 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 an employee’s health status.

RBCT is committed to providing a workplace which maintains the health and safety of all persons on the RBCT premises. The COVID-19 Risk Assessment and Management Plan was conducted with the goal of reducing, eliminating and minimizing occupational exposure to SARS-CoV-2, the virus that causes Corona Virus Disease-2019, commonly known as COVID-19.

Infection prevention and occupational hygiene practices were developed in accordance with guidelines issued by the Department of Employment and Labour, the Department of Health, the National Institute of Occupational Health and the World Health Organisation.

Measures being implemented include administrative, work practice, engineering and personal protective equipment controls, as well as other considerations such as identification and management of vulnerable employees.

The objective of the COVID-19 Management Plan was to provide RBCT Management, employees, contractors and site visitors with guidance on preventing the transmission of the virus and ultimately infection of COVID-19. Appropriate control measures have been implemented in order to comply with COVID-19 legal requirements.

Additional guidelines and alterations are added as the current COVID-19 outbreak conditions change, as well as in the event that new information regarding the virus and its transmission becomes available.



Ergonomics Management Programme

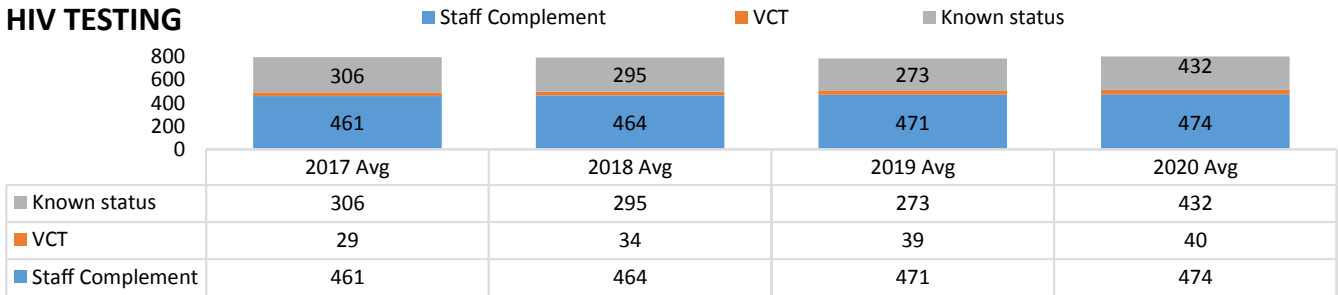
An onsite Biokineticist, together with the clinic staff work with the aim of improving the wellness of RBCT’s employees, thereby ensuring a healthy and productive workforce. The Biokineticist operates from the RBCT fitness centre and runs the rehabilitation programme for employees recovering from different conditions (i.e. stroke, musculoskeletal injuries and many other). Various ergonomic assessments are conducted of employees driving and operating mobile equipment.

Occupational Health, Safety, Environment and Risk

HIV Counselling and Testing

HIV/Aids remains a significant risk to the South African society. RBCT recognises that the management of HIV/Aids is an integral part of its approach to ensuring the wellbeing of its employees and raising awareness of HIV/Aids among employees remains a high priority. Access to help regarding HIV related problems is available on a 24-hour basis at the onsite occupational health centre where RBCT is working in partnership with the Life Sense Disease Management Programme. The purpose of the programme is to assist RBCT employees with maintaining ARV adherence, as well as to overcome any barriers that may prevent adherence to coordinate and centralize the HIV treaters and treatment records as well as to ensure that employees are able to maintain a healthy, productive lifestyle.

HIV TESTING



World Aids Day

On 1 December 2020, RBCT commenced with a week of voluntary HIV/Aids testing in commemoration of World Aids Day. A virtual candle lighting ceremony was held within every Division in remembrance of those who have lost their lives to HIV/ Aids. Employees were encouraged to come forward and get tested.

A total number of 432 employees were tested during 2020.




Key Messages

Cheka Impilo!


Take the 3 steps to wellness:

1. Get your health checked


 Get screened and tested for HIV and TB for free at any clinic near you


2. Take action once you know


 Begin treatment immediately


 Stay on treatment


3. Live smart, live healthy

 Always use a condom,

 Avoid risky sexual behaviour

 Get your health checked regularly

 Avoid unhealthy habits (smoking, alcohol abuse)

 Maintain a healthy, balanced diet to boost your immune system



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 a 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 from 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 employees.
- Formal Policies and Procedures are in place to assist with the application of company standards.
- 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 are encouraged to anonymously report such issues through our secure tip off "Whistle Blower" line.
- Risk registers and risk action items are managed on Cura.

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 acceptable business operating standards.

It is for this reason that the Business Continuity Management programme is an integral part of our business to support Management and 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 identified 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 operations 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.

1 July 2020 was announced as the commencement date to comply with the act and companies are given a year to do so with a deadline of 30 June 2021. 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.



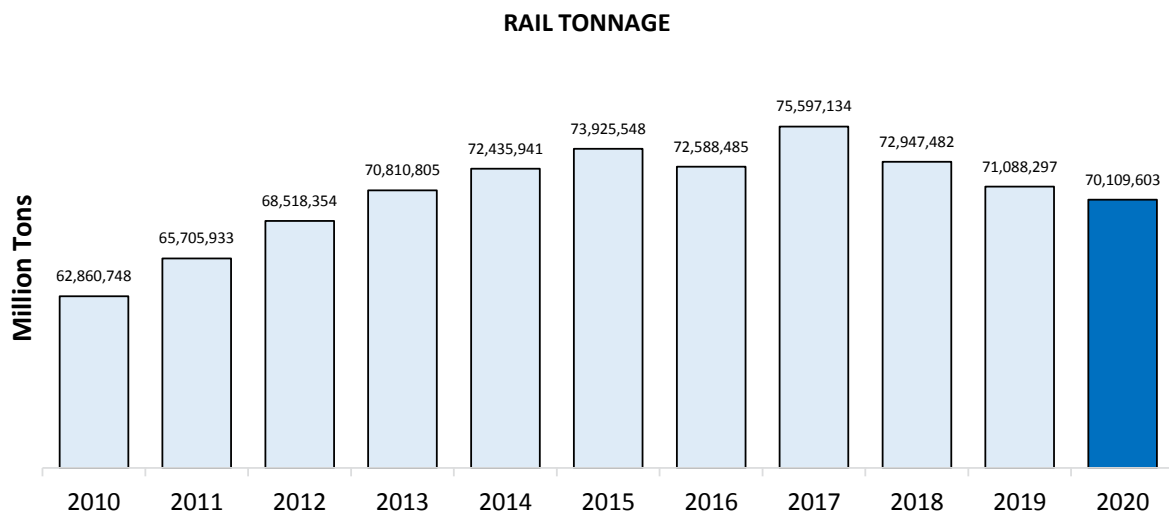
Operations

2020 Operational Performance

Coal Deliveries to RBCT – Rail Performance

RBCT received a total tonnage of 70.11Mt in 2020, which is 1.37% lower in comparison to the 71.09Mt received in 2019. A total of 9 036 trains were railed to RBCT in 2020.

The Train Turnaround Time (“TTT”) is the contracted duration for handling a train after it is handed over to RBCT by TFR, ‘offload and hand back to TFR’. The TTT is reflected in the signed Service Level Agreement between RBCT and TFR. The TTT in 2020 was 3 hours and 45 minutes, against a target of 3 hours and 48 minutes, 19% of trains were tipped and bypassed directly to vessels in 2020 compared to the 17.5% in 2019. RBCT continues to be aligned with TFR, in order to improve rail efficiencies.



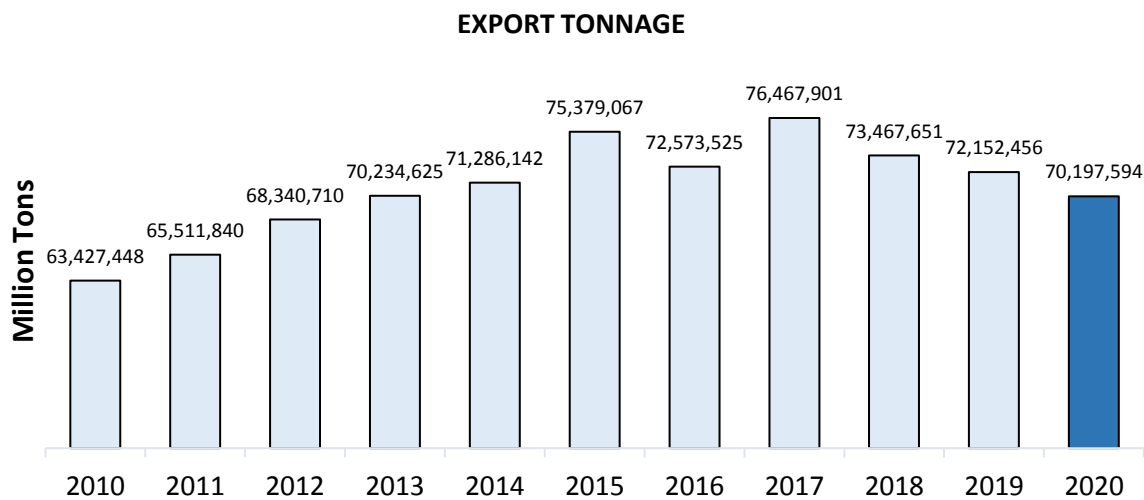
Operations

Export Performance

In 2020, RBCT exported 70.19Mt of coal. The export performance was 2.71% lower in comparison to 2019. The export performance is solid considering the tough economic conditions that persisted throughout 2020 in terms of the COVID-19 pandemic.

TNPA is fundamental to the Coal Export Value Chain as they provide Marine Services to RBCT. A total of 869 vessels were loaded during 2020, in comparison to the 886 vessels loaded in 2019. The turnaround time of the vessels is what RBCT uses to measure the world class performance.

The average vessel turnaround time increased from 33 hours in 2019 to 34 hours in 2020.





Energy Management

In 2020, RBCT's electricity budget was revised from an index of 0.78 KWh/Ton to 0.82 KWh/Ton, which was due to changes in infrastructure. During 2017 and 2018 RBCT replaced 4 Yard Machines, thus changing the business energy baseline.

Through the "Yongamandla Committee" RBCT is exploring opportunities to save energy. 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/Savings Policy.

2020 Overview:

Electricity

The 2020 energy index is 0.83 KWH/Ton, which is approximately 1% higher than 2019. RBCT has used 656 561 KWh in excess of the target. Systems have been created and put in place to assist in the monitoring of energy performance as well as to account for energy deviations.

Fuel

The 2020 fuel consumption was on average 6% less when compared to 2019.

Our People

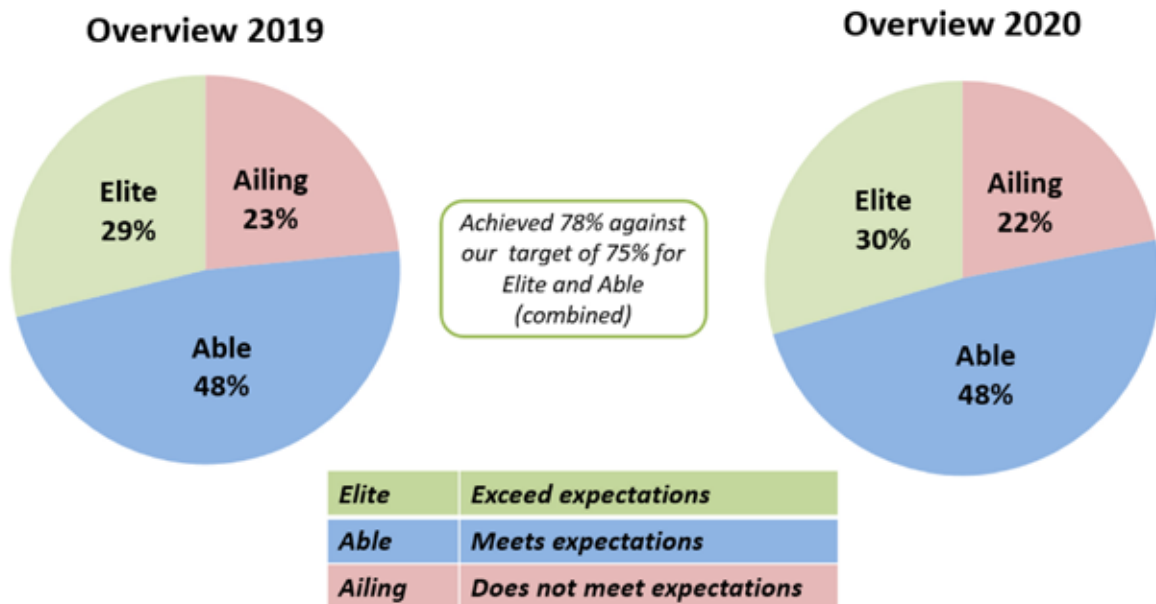
RBCT is committed to complying with the Employment Equity requirements as governed by legislation and has placed a strong focus on ensuring that it is one of our business imperatives. RBCT's main objective is to create a workforce that is representative of the South African population at all levels of the Business, which translates to an equitable workforce. RBCT prides itself in the fact that we are fully committed and comply with Employment Equity requirements as governed by legislations and as a business, we have placed a strong focus on ensuring that it is one of our business imperatives. Female representation is a key component of the Employment Equity focus. During 2020, RBCT met and exceeded all of the Employment Equity targets at all organizational levels, however, the target for female representation was not met. Plans and recruitment strategies to ensure that female candidates are recruited remain a key focus area.

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

BAND	TARGET	2019	2020
B	88%	94%	95%
C	82%	82%	83%
DL	83%	94%	96%
DU	83%	91%	91%
E & F	75%	83%	83%
FEMALES	35%	28%	28.57%

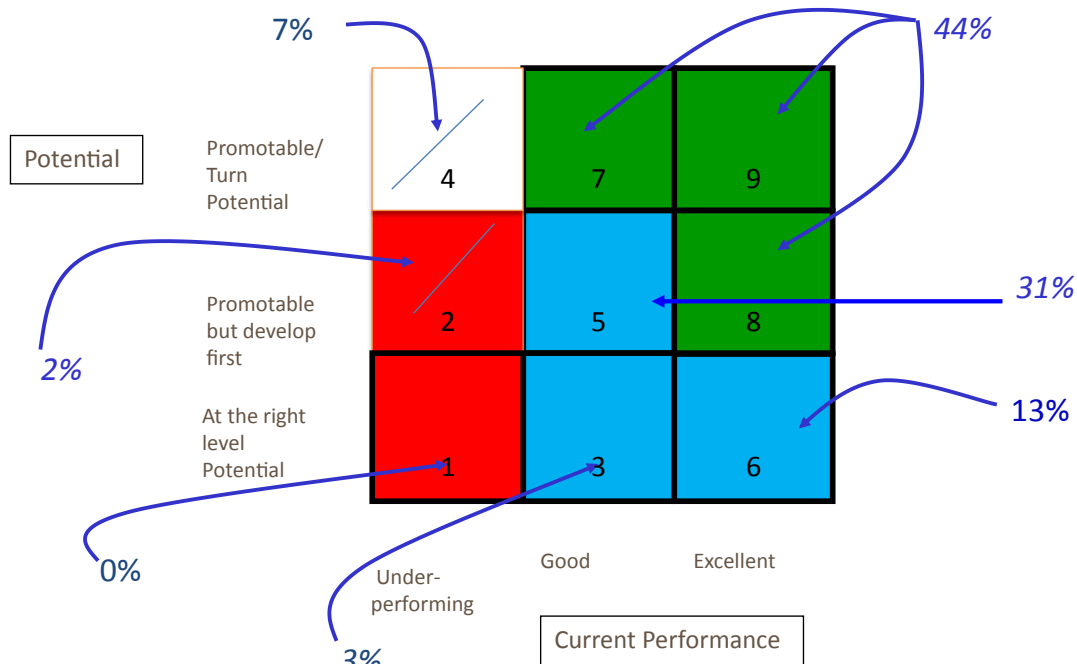
RBCT Employment Equity

Organisation Health Survey



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 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. During 2020, RBCT met and exceeded all its Employment Equity targets at all occupation levels, with 28.57% of the workforce being females. The new target for the employment of females is 35%.

RBCT Talent Engagement



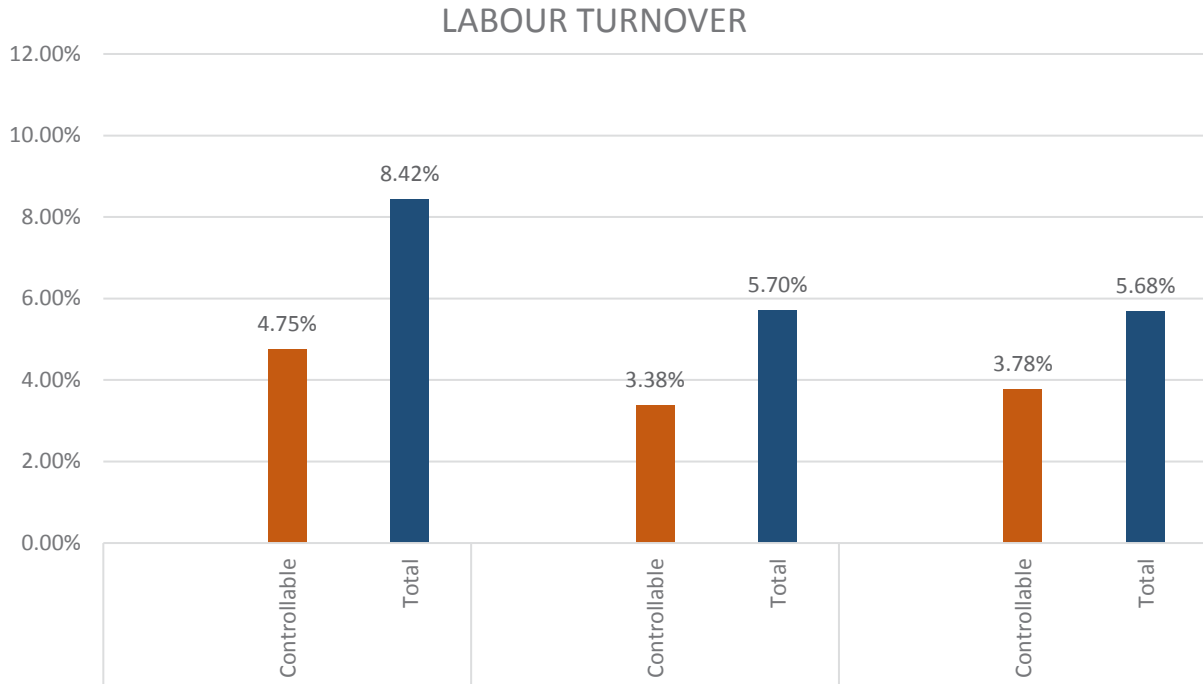
Talent assessment and management guideline



Our People

Labour Turnover

Our total Labour Turnover (“LTO”), including deaths and retirements has consistently remained below the target of 10% over the past 3-year period (i.e. 8.42% in 2018, 5.70% in 2019 and 5.68% in 2020). This can be attributed to our controllable LTO (resignations) remaining below the target of 8% over the same period, where in 2018 it was at 4.75%, in 2019 at 3.38% and in 2020 at 3.78%. This great achievement is as a result of RBCT’s commitment and dedication to employee development and growth.





Skills Development

In line with our skills development plan for 2020, RBCT recorded a total of 19 780 training hours against the 47 306 achieved in 2019 and 47 603 achieved in 2018. The training efforts were hugely affected by the lockdown regulations.

The training completed included: 17 Millwright Apprentices, 13 Operations Trainees, 2 Electrical Engineer, 1 Mechanical Engineers, 1 Technician Trainee, 1 Industrial Engineering Trainees and 4 People Living with Disabilities Learners.

RBCT provided Education Assistance to a total of 71 employees, with the registration of a total of 160 modules. In 2020 a total of R 523 765.99 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.

Total Training Hours	
2021	19 780
2019	47 306
2018	47 603

Study Grants	
9 - Employee Children	R 252 000.00

Busary Recipients	Amount
8 - Local Communities	R 720 000.00

Education Assistance	Amount
2020	R 523 766

Professional Training Done	
People Trained	Number Trained
Millwright Apprentices	17
Operations Trainees	13
Electrical Engineer	2
Mechanical Engineer	1
Technician Trainee	1
Industrial Engineering Trainee	1
People Living with Disabilities	4
Total Trained for 2020	39

Our People

Leadership commitment

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.

Our Community

Stakeholder Engagement 2020

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. Various COVID-19 related initiatives to the value of R1 million were conducted in light of the COVID-19 pandemic in 2020. These initiatives included a food parcel drive, face masks and sanitizer being donated to various organisations that provided COVID-19 support to the communities they are based in. Additionally 31 NPO's received funding totalling R1.1 million as part of the Annual Standard Donations for 2020. The total CSI spend for 2020 was R4.5 million.



RBCT handed over R350 000 to both Amangwe Village (left) and Wildlands Conservation Trust (right)



RBCT embarked on a project to renovate the classrooms at the Ntabeni Primary School, situated in Empembeni, Ndindima as they were in a very bad and unsafe condition. The project, valued at R784 310, was handed over on 18 February 2020.



The employees of RBCT donated food parcels, blankets, clothing and other items to the Richards Bay Family Welfare as part of their contribution to the 67 minutes initiative for Mandela Day.

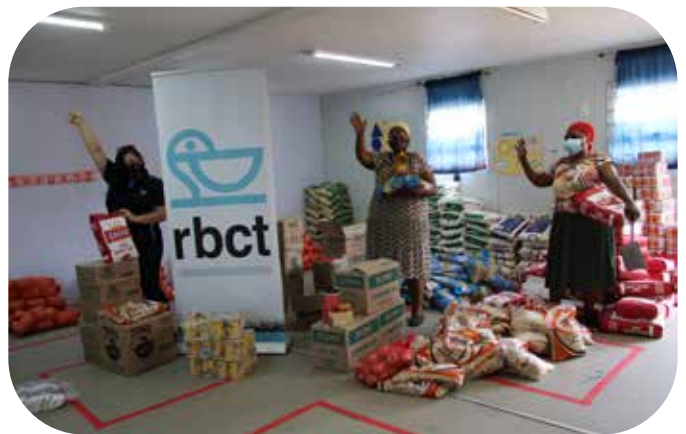
Inkanyezi Academy received face masks, sanitizers and thermometers for donations to the schools being assisted by them. These include Khula Secondary, Ikhandlela Secondary, Mningi High School as well as Mfaniso Secondary School.



Community



In light of the plight that our community faces due to the Covid-19 pandemic, RBCT took it upon themselves to donate food parcels to local Non-Profit Organisations (“NPOs”) throughout the year.



Mfaniso Phase 2 is a 3 classroom project undertaken by RBCT, with a total cost of R1 300 000. This building has been handed over to the school.



Enterprise and Supplier Development

Procurement

2020 has been a challenging yet rewarding year within RBCT's procurement environment and saw RBCT achieve consistent results when compared to the previous year. The COVID-19 Pandemic had a significant impact on the economy and led to various disruptions within the supply chain environment. The Procurement Team worked closely with suppliers and various short term actions were put in place to ensure continuity of supply as well as to create a safe working environment for our contractors. In addition, the Procurement Team was still able to maintain very good results similar to the previous year in terms of the Broad Based Black Economic Empowerment ("BBBEE") performance. This, combined with understanding and executing on the initiatives aligned to the changes within the elements of the Department of Trade and Industry's BBBEE 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 with the Codes. RBCT maintains an extensive, 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 that the maximum procurement spend contributes towards RBCT's empowerment performance, it is our preference to engage with businesses that maintain a minimum Level 4 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, RBCT may require long-term contractors and suppliers to share their 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 BBBEE verification certificate.
- Service excellence.

Enterprise and Supplier Development

Enterprise development remains a key focus at RBCT and one of our ongoing initiatives facilitated through our shareholders was making available 4Mt of export capacity to Junior Miners at commercially attractive rates. The allocation of the 4Mt capacity is managed by the Department of Mineral Resources.

This means that Junior Miners have 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.

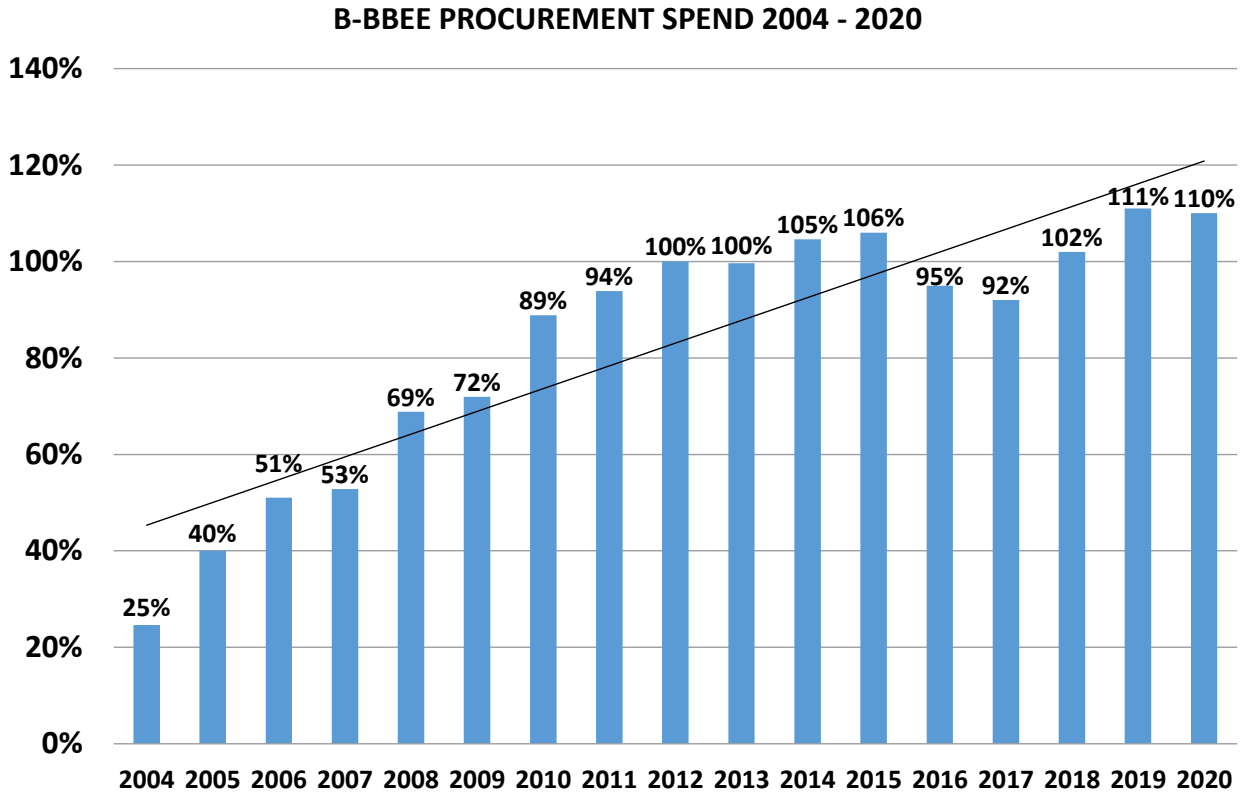
Supplier and Enterprise Developments initiatives within the procurement area further contribute to RBCT's responsible procurement strategy. We partner with Black Owned Exempt Micro Enterprises and Qualifying Small Enterprises that are both suppliers and potential suppliers to RBCT in developing self-sufficient 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 engaging with suppliers around transformation as well as compliance to the Department of Trade and Industry's Codes of Good Practice.

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

RBCT remains committed to Enterprise and Supplier Development and delivering continuous improvement within the procurement environment.

Enterprise and Supplier Development

Below is the 2020 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		
ARV	Anti-retroviral		
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	ISO 14000	An environmental management system standard published by the ISO
		ISO45001	An environmental management system standard published by the ISO
BP	Blood Pressure	IWWMP	Integrated Waste and Water Management Plan
CEO	Chief Executive Officer	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
CEP	Coal Exporting Parties		
COVID-19	Coronavirus disease of 2019		
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	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.
FINCO	Finance Committee		
FRCP	Fatal Risk Control Protocols		
GM	General Manager		
HIV/Aids	Human immunodeficiency virus/acquired immune deficiency syndrome	LTIFR	Lost-time injury-frequency rate. The number of lost-time injuries (see above) per 200,000 hours worked.
HRA	Health Risk Assessment		
HSEC	Health, Safety, Environment and Community	MERSETA	Manufacturing, Engineering and Related SETA
IDPS	Individual Development Plans	MIFR	Minor Injury Frequency Rate

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 2020 Sustainability Report covers the period, 1 January to 31 December 2020.

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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