Appendix N
Environmental Management Framework

HSEC POL6.0
XCN ENVIRONMENTAL MANAGEMENT FRAMEWORK

XSTRATA COAL NSW

ENVIRONMENTAL MANAGEMENT FRAMEWORK

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1. INTRODUCTION

Xstrata Coal NSW (XCN), a Division of Xstrata Coal Pty Ltd, operates several coal mines located within NSW (see *Appendix 1: XCN Operating Mines and Projects)*. The mines include both open cut and underground mines, producing a range of coal types.

XCN's coal mining operations are located in the Hunter, Newcastle and Western Coalfields of New South Wales. These operations are managed as separate business units and may comprise operations, mining authorities, expansions and extensions of existing operations and de-commissioning sites.

As a division of Xstrata Coal, XCN is obliged to operate within the Business Principles, Health, Safety, Environment and Community (HSEC) Policy and Standards set by Xstrata plc.

This Environmental Management Framework (EMF) outlines the process XCN will use to work towards the attainment of its Environmental and Community Policy and Vision, and within the confines of what is reasonably practicable, we do all that we achieve a high standard of environmental management.

Our vision is that:

- We will be leaders in effective environmental management
- Our participation and presence in the communities in which we operate is valued by both those who live there and the wider community.

XCN aims to provide sufficient resources and direction such that all operations maintaining a high standard of environmental management whilst still allowing each operation adequate flexibility to tailor on site environmental management to meet the specific needs of each operation.

As each operation may comprise a number of operating sites, for the purpose of this document, individuals that have responsibility for the overall operation of each site will be referred to as "Operations Managers".

This EMF is designed to assist operations to achieve the Environmental and Community vision and describes the manner in which the Corporate Environmental Management System and Site Environmental Management System documents are implemented.

2. PURPOSE AND SCOPE

The purpose of the XCN EMF is to document and implement the systems and processes which provide the primary means by which XCN applies consistent environmental and community management across sites and projects and guide the development, implementation and maintenance of site Environmental Management Systems (EMS).

The XCN EMF has been developed by XCN to assist Operations in the implementation of EMS to meet their environmental obligations and achieve the requirements of the XCN Environmental Vision and Policy (*see Appendix 2: XC Environmental Vision and Policy; XC Community Vision and Policy*) and Xstrata plc Business Principles for Health Safety Environment and Community (*see Appendix 3: Xstrata plc HSEC Policy, Business Principles, Beliefs*).

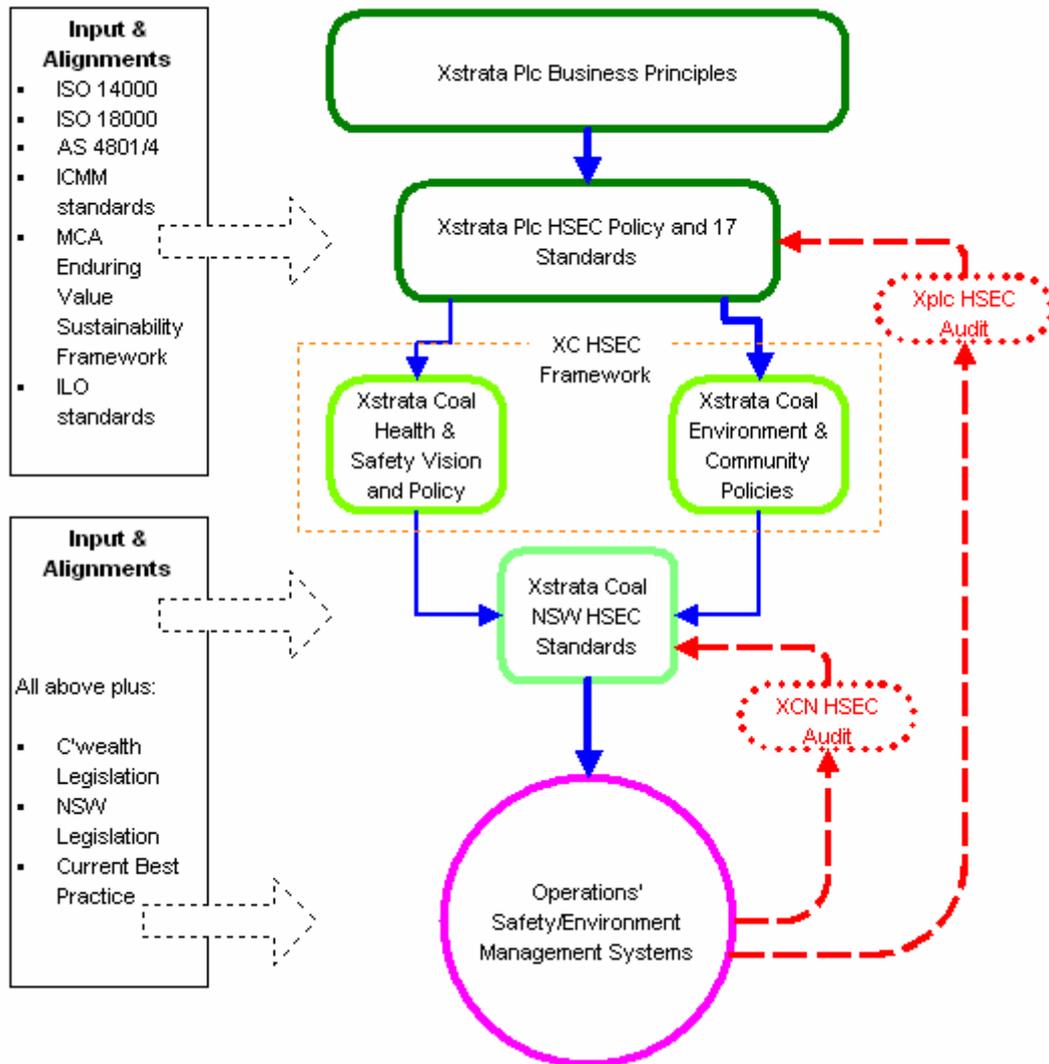This EMF aims to achieve the following benefits through the implementation of operations-level EMS:

- minimised environmental impact

- pro-active rather than re-active environmental and community management planning and control

- facilitating continual improvement

- improved operational structure and efficiency with regard to environment management

- assisting to foster good relations with the community and stakeholders

- improved environmental performance that goes beyond compliance with applicable laws and company policies and standards

- effective management of environmental risks

- efficient use of resources

- implement and maintain best practice environmental management systems.

The EMF serves for all existing and new XCN Operations, within which EMS's and plans can be developed for each operation. Operations' EMS's must meet the requirements of this EMF as a minimum. This EMF will prevail to the extent of any inconsistency.

The XCN Operations to which the EMF applies are listed in *Appendix 1: XCN Operating Mines and Projects.* In addition, where there are common risks at XCN Operations and projects, in developing or reviewing relevant operational standards, the XCN HSEC Executive Committee (see Xstrata Intranet for details regarding committee) has been established to ensure the sharing of experience and expertise and the development of core minimum environmental and community standards that will apply across relevant XCN Operations. This will allow for flexibility in management at the operational level while satisfying the requirements of XCN. Operations are encouraged to continue the use of management systems and practices that have worked effectively in the past, and to share successes with the wider group.

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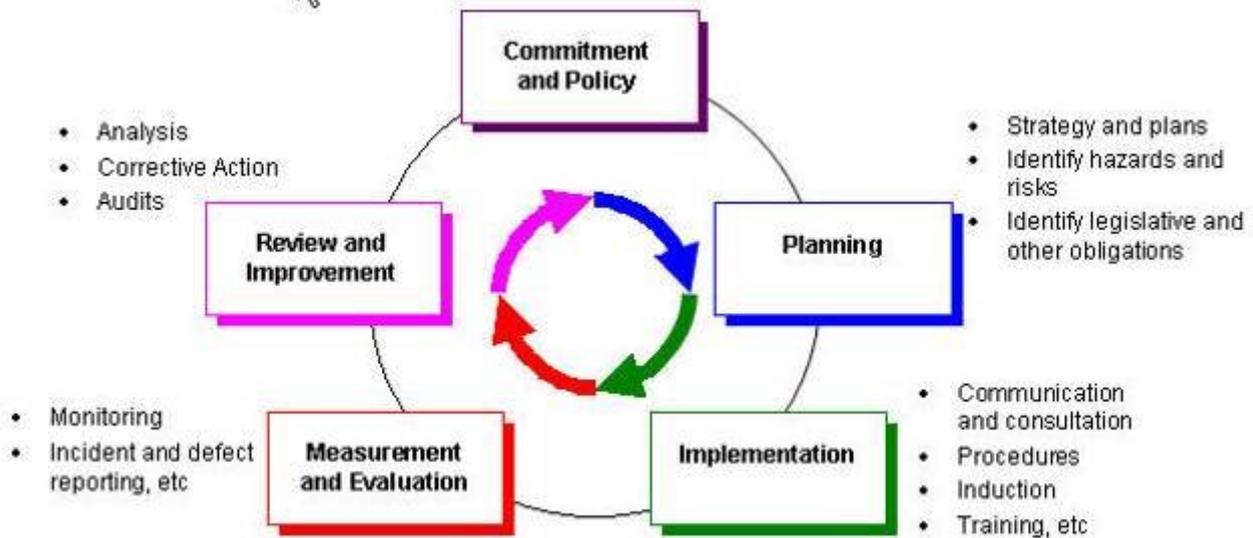THIS DOCUMENT IS UNCONTROLLED UNLESS VIEWED ON THE INTRANET

3. XCN HSEC MANAGEMENT FRAMEWORK

The model below illustrates the structure of XCN's environmental and community systems within the XCN HSEC Management Framework:

The titles of individual XCN HSEC Standards are listed in *Appendix 4: XCN HSEC Standards, procedures and Forms Table*.

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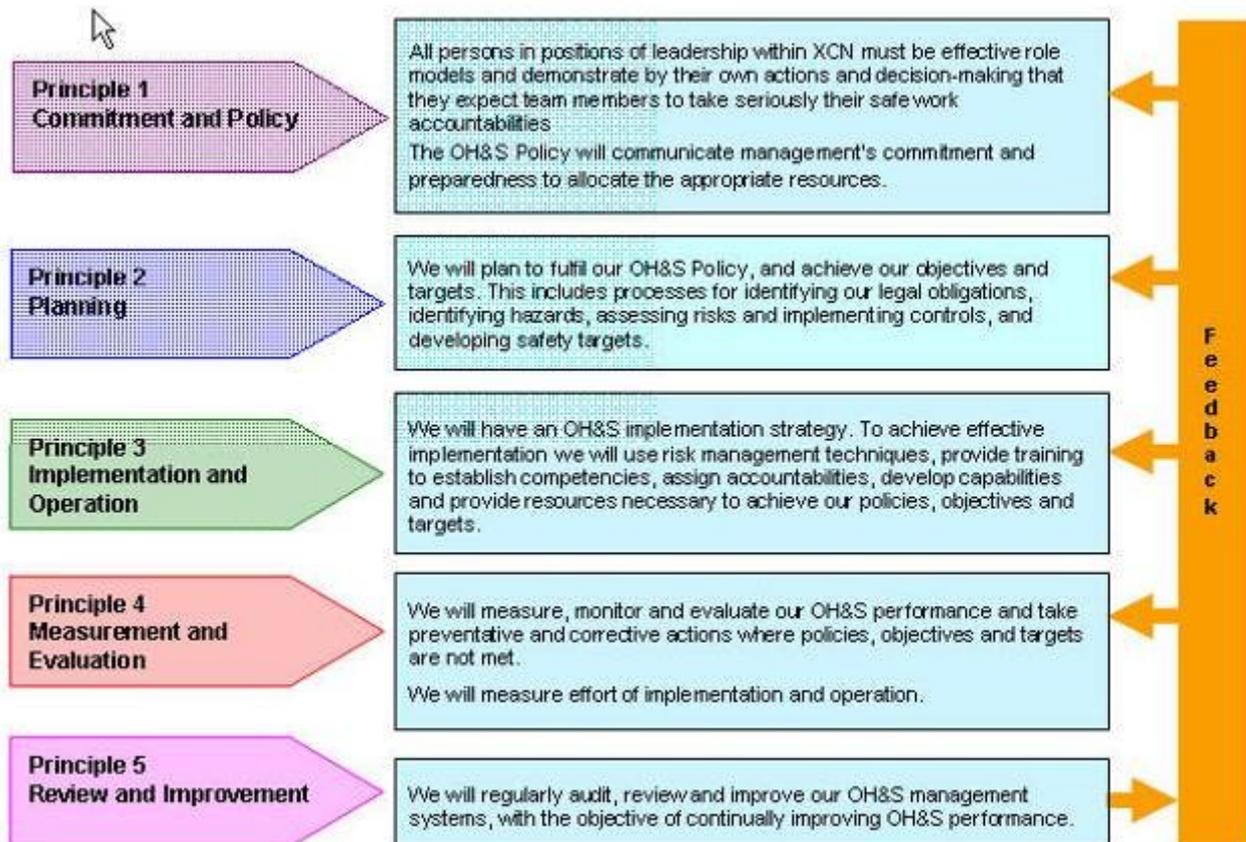THIS DOCUMENT IS UNCONTROLLED UNLESS VIEWED ON THE INTRANET

4. PRINCIPLES

In developing and applying the XCN EMF, the principles of ISO14001 (2004) (*Environmental Management System*) have been applied, so the system contains the following structural elements:

The description of these principles is expanded below:

Principle 1 Commitment and Policy	All persons in positions of leadership within XCN must be effective role models and demonstrate by their own actions and decision-making that they expect team members to take seriously their safe work accountabilities. The OH&S Policy will communicate management's commitment and preparedness to allocate the appropriate resources.
Principle 2 Planning	We will plan to fulfil our OH&S Policy, and achieve our objectives and targets. This includes processes for identifying our legal obligations, identifying hazards, assessing risks and implementing controls, and developing safety targets.
Principle 3 Implementation and Operation	We will have an OH&S implementation strategy. To achieve effective implementation we will use risk management techniques, provide training to establish competencies, assign accountabilities, develop capabilities and provide resources necessary to achieve our policies, objectives and targets.
Principle 4 Measurement and Evaluation	We will measure, monitor and evaluate our OH&S performance and take preventative and corrective actions where policies, objectives and targets are not met. We will measure effort of implementation and operation.
Principle 5 Review and Improvement	We will regularly audit, review and improve our OH&S management systems, with the objective of continually improving OH&S performance.

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5. VISION, VALUES AND POLICY

5.1 Purpose

The Xstrata Coal Environmental and Community Vision and Policies are contained in *Appendix 2: XC Environmental Vision and Policy; XC Community Vision and Policy.* Both policies define the overall XC direction, values and beliefs for environmental and community management. The policies have the commitment and support of executive XC and XCN management and will be reviewed at least once every two years. The Xstrata Coal Environmental and Xstrata Coal Community Vision and Policy must be displayed at offices and in prominent locations accessed by the workforce, contractors and visitors at each operation.

5.2 Application to Operations

In addition to displaying Xstrata Coal's Vision and Policy, operations have the option to either adopt these policies or may also define their own policy specifically relating to their operation.

Where an operation chooses to adopt Xstrata Coal's Vision and Policies, this adoption must be formally documented within the site specific EMS and signed by the operations manager. Where an operation develops and implements its own site specific policies, these policies must at a minimum address the principles included in the *Xstrata Coal Environmental Vision and Policy and XCN Community Vision and Policy.*

Operation specific policies must be approved by the Operations Managers and will also be reviewed regularly, at least once every two years.

5.3 Leadership Commitment - Operations

Achieving our vision requires leadership. Managers at XCN must demonstrate visible and proactive leadership through their commitment to achieving the *Xstrata Coal Environmental and Community Vision and Policies.*

6. PLANNING FOR ENVIRONMENTAL MANAGEMENT

6.1 General

XCN recognises that the successful implementation and operation of an EMS requires an effective planning process with well-defined and measurable outcomes. Underpinning the XCN EMS is a HSEC planning process (XCN HSEC Standards 1.03 *Management Plans, Approvals and Licences* and 1.11 *HSEC Planning*) designed to ensure that longer term strategies and environmental management plans are prepared which include environmental objectives targets and plans to achieve those targets.

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6.2 Environmental Aspects and Impacts

An environmental and community aspect refers to an element of an organisation's activities, products or services which can have a beneficial or adverse impact on the environment. An environmental impact refers to the change which takes place in the environment as a result of the aspect. The identification of environmental aspects is an ongoing process that determines the past, current and potential impact of an organisation's activities on the environment (AS/NZS ISO 14004:2004 Environmental Management Systems - General guidelines on principles, systems and supporting techniques).

To ensure the planning process is focused upon aspects of relevance to the environmental and community performance of XCN, it is based upon a process (XCN *HSEC STD 1.02 Risk Management*), which requires:

- Identifying hazards / aspects and impacts
- Assessing the risk associated with those hazards / aspects and impacts, and
- Identifying the controls necessary to eliminate or otherwise reduce, as far as is practicable, those risks in accordance with the established hierarchy of controls for HSEC purposes.

6.2.1 Corporate

The ongoing identification of aspects and impacts for XCN corporate activities will be undertaken for all new activities in accordance with XCN *HSEC STD 1-02 Risk Management*. This will include a formal high level risk assessment for the XCN group, by the XCN HSEC Committee. Where new aspects or impacts are identified, they will be included in the XCN Risk Register which is maintained on XstraSafe.

The aspects and impacts must be considered in the development of objectives and targets, with the greatest focus on the highest risk impacts. Objectives and targets are discussed in Section 6.4.

6.2.2 Operations

Each Operation shall establish and maintain an EMS procedure for the ongoing identification of the environmental aspects of its operation and determine impacts on the environment, using a risk based process that is consistent with *XCN STD 1-02 Risk Management*. The aspects and impacts of each operation must be considered in the development of the XCN objectives and targets (Section 6.4).

6.3 Legal and other requirements

The planning process also requires that XCN identify, have access to, and understand all applicable legal and other requirements directly attributable to the environmental aspects of its activities. Operations should give consideration to the legal and other requirements when developing environmental management plans and practices.

XCN has processes to facilitate its legal compliance requirements in addition to its participation by XCN personnel in industry associations and other forums where legal developments of any significance are usually the subject of consultation with the regulator.

To maintain regulatory compliance it is necessary to identify and understand regulatory and other requirements applicable to XCN activities. A summary of legal and other requirements relevant to XCN operations is contained in *Appendix 6.*

Codes, programs and standards, which XCN is either a signatory or is committed to, impose additional requirements that must be met in addition to Legal requirements. A list of these codes, programs and standards to which XCN is committed to include:

- Australian Minerals Industry – Enduring Value;
- Australian Greenhouse Challenge Plus; and
- Xstrata plc and XCN HSEC Standards and Policies.

Australian Minerals Industry

Xstrata Coal is a signatory to Enduring Value - the Australian Minerals Industry Framework for Sustainable Development. The commitment to Enduring Value has the following obligations.

- Progressive implementation of the ICMM Principles and Elements (see Xstrata Intranet)
- Public Reporting of site level performance, on a minimum annual basis, with reporting metrics self- selected from the Global Reporting Initiative (GRI), the GRI Mining and Metals Supplement or self –developed ; and
- Assessment of the systems used to manage key operations risks.

All Operations are required to progressively implement these obligations.

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Greenhouse Challenge Plus

Xstrata Coal has signed onto the Australian Greenhouse Challenge Plus. XCN has a high-level commitment to the abatement and management of greenhouse gas emissions, in tandem with our support for the continued development of coal as a clean source of energy.

Operations have the responsibility to record their site greenhouse data and report this information in accordance with HSEC STD1.10 HSEC Measurement and Reporting. Operations also have to identify possible greenhouse abatement programs in their HSEC Annual Plans and budgets (Section 6.4).

Xstrata Coal and XCN HSEC Standards and Policies

As a division of Xstrata Coal, XCN is obliged to operate within the Business Principles, Health, Safety, Environment and Community (HSEC) Policy and Standards set by Xstrata plc. XCN has developed a comprehensive set of HSEC standards that have been developed to address the Xstrata plc standards as a minimum and provide guidance to operations on their effective implementation. Details regarding the structure of the XCN HSEC management framework are outlined in Section 3.0 and a list of the XCN HSEC standards is included in *Appendix 5.*

Operations are required to address the requirements of the XCN HSEC Standards and Policies in the development, implementation and maintenance of their respective EMS's.

Other Industry Codes of Practice

XCN is not currently a signatory to any other industry codes or practices, however, any future commitments made by XCN to Industry Codes or other agreements are to be conveyed to all Operations with sufficient information and guidance to achieve effective implementation.

6.4   Objectives and targets

XCN sets environmental objectives and targets through a formal, documented process. Our objectives state what we intend to accomplish, that is, our overall goals for environmental performance to meet our Environmental and Community Vision and Policy. Our targets define the performance level timeframe to meet specified objectives. XCN also develops performance indicators as the means by which we measure whether our objectives have been met. The objectives and targets and associated programs are to be included as the environment and community component of the Annual HSEC Plans.

6.4.1   Corporate

The XCN Executive HSEC Management Committee sets corporate Environmental objectives and targets on an annual basis by a process in accordance with *HSEC STD 1.11 HSEC Planning*. The environmental and community objectives and targets for XCN Corporate are contained in XCN HSEC Strategy and Annual Plans. A copy of the XCN Corporate HSEC Strategy and Annual Plan is maintained on Intranet.

The XCN Executive HSEC Committee will re-affirm its direction annually considering legal and other requirements, significant environmental aspects and impacts, financial, operational and business requirements, and the views of stakeholders. Objectives and targets will be updated accordingly and be communicated to each of the Operations.

6.4.2   Operations

Each Operation must establish, and maintain documented environmental and community objectives and targets to address the following:
- XCN Corporate objectives and targets set by the XCN Executive HSEC Committee;
- Xstrata Environment and Community Vision and Policies;
- aspects and impacts;
- legal and other requirements;
- implementation of the EMS;
- training;
- progressive implementation of the Enduring Value- The Australian Minerals Industry Framework; and
- prevention of pollution in accordance with statutory requirements.

Where required, Operations are to develop environmental programs to achieve specific objectives and targets. Objectives and targets are to be set annually and included as the environment and community component of an Operation's Annual HSEC Plan. The targets are to be specific and measurable and achievement of some targets should be able to clearly demonstrate environmental improvement.

Progress in achieving objectives and targets is to be reviewed at least quarterly.

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6.5   Environmental and Community Management Programs & Plans

6.5.1   Corporate

The implementation of environmental and community objectives and targets is through our Environmental and Community Management Program.

XCN Corporate shall develop annually an Environmental Management Program and associated plans based on the Corporate objectives and targets, which are maintained in XstraSafe. XCN will document its program and review it annually as part of the annual planning process. (See *HSEC STD1.11 HSEC Planning*).

Existing XCN Corporate plans include:

- Social Involvement Plan (SIP)
- Sustainable Integrated Land Management Strategy (SILMS)

6.5.2   Operations

Each Operation shall develop their own environmental and community program, where required, to address environmental objectives and targets and therefore the environmental aspects and impacts of the individual operations. These programs must address environmental impacts across the whole life of a project or operation, from exploration or plant construction through to closure.

At a minimum, environmental and community programs should include the following:

- identification of specific actions;
- designation of responsibility;
- resource allocation;
- time frame; and
- review.

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7. IMPLEMENTATION AND OPERATION

7.1 General

7.1.1 Corporate

Effective implementation is about developing the capabilities and support mechanisms necessary for XCN to achieve its Environmental and Community Vision, and therefore its objectives and targets.

Many aspects of this EMF already apply to operations and this document is designed to ensure that there is a systemic approach to meeting both legal requirements and group standards in order to minimise the prospect of a breach of either.

7.1.2 Operations

Operations already have in place an EMS and relevant environmental and community plans. However XCN will continue to review and enhance the existing systems as part of continual improvement and annual reviews. All operations must in parallel with any XCN review, develop an implement a program to implement all relevant aspects to achieve compliance with the revised XCN EMF. The implementation plan is to be considered in developing the annual HSEC plan.

7.2 Resources—human, physical and financial

7.2.1 Corporate

XCN is committed so far, as is practicable, to ensuring that the appropriate human, physical and financial resources are made available for the effective implementation of its environmental and community vision and policy and this EMF.

7.2.2 Operations

All operations are expected to ensure the availability of sufficient resources essential to the development, implementation and ongoing maintenance of its EMS.

7.3 Accountability and responsibility

7.3.1 Corporate

Xstrata plc has delegated the management responsibility of the operations to Xstrata Coal NSW. The XCN Group organisational structure is available on the XCN intranet site.

XCN recognises the importance of effective development and implementation of its EMS, that there are clearly defined areas of accountability and responsibility for all personnel (*HSEC STD* 2.01 *Roles and Accountabilities* and the specific accountabilities detailed in each HSEC Standard). Every person in XCN has responsibilities for environment and community management, and also to ensure that they are aware of, and have regard for these responsibilities.

XCN has therefore defined and documented clear accountabilities for all of its employees (at all levels) and contractors. The detailed roles and accountabilities within these four categories are contained in Specific environment and community roles, responsibilities and authorities for XCN Group and Operational personnel are contained in *Appendix 7: Accountabilities*. XCN has also detailed relevant accountabilities in relation to each of its HSEC Standards as part of the Standards themselves.

7.3.2 Operations

Operations shall develop specific roles, responsibilities and authorities in relation to environment and community management. These roles shall be detailed and documented in relevant environmental management programs and plans, and communicated to the relevant personnel.

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7.4 Environmental Awareness, training and competency

7.4.1 Corporate

Effectively implementing and maintaining XCN's EMF depends on the competency of our people. Training (at all levels from employees through to senior management) is an important means of ensuring that the appropriate competencies, and knowledge of legislative obligations, risk management processes and collective responsibilities are held in order to enable XCN to achieve its Environmental objectives. See *HSEC STD1.07 Training and Education*.

Training forms an integral part of any environmental management system and is required at both the corporate and site levels. It is the means by which personnel are informed of the components of the system and how it is to be implemented and of their responsibilities with regards to environmental management.

Environmental awareness training will be conducted at the corporate level at least every three years and will incorporate the following:

- Xstrata Coal Environmental and Community Policies;
- relevant environmental legislation and other requirements;
- XCN environmental management system;
- objectives and targets;
- responsibilities;
- any corporate environmental and community management plans and procedures; and
- other topics as required.

Specific environmental training will be conducted as required to address matters such as major legislation changes or if other significant environmental issues arise. Personnel joining XCN are to be provided with environmental induction training incorporating the above principles.

Training will be competency based, with programs revised regularly to ensure they continue to meet requirements of the environmental management system. The Group Environment and Community Manager is responsible for co-ordinating and maintaining records of all training undertaken at the corporate level.

7.4.2 Operations

All Operations shall have a program to ensure that all personnel and contractors working on the site are adequately trained in regard to environmental management. At a minimum this should include issues in relation to conformance, potential environmental impacts and appropriate operational controls, roles and responsibilities and consequences of non-conformance. This shall be facilitated through competency based induction and environmental awareness training in accordance with *HSEC STD 1.07 Training and Induction* and other specific training requirements including hazard and incident management, emergency training in accordance with *HSEC STD 1.09 Hazard and Incident Management* and *HSEC STD 1.06 Emergency Management*.

Environmental awareness training should also include issue specific training undertaken as tool-box talks for relevant personnel. This type of awareness training should be undertaken on an as needs basis, for example, following receipt of complaints relating to a specific issue (e.g. dust), following an environmental incident or due to changes in operations (new equipment, procedures etc.).

In accordance with *HSEC STD 1.14 Behavioural Management*, each operation must identify and implement a system and processes to reinforce behaviour consistent with Xstrata's environment and community policies, standards and procedures. This may be incorporated within existing operational behavioural management systems that have been developed in relation to health and safety.

Records shall be maintained of all training undertaken at each site, including the results of competency assessment and due date for re-induction or refresher training in accordance with *HSEC STD 1.07 Training and Induction*.

7.5 Communication and Reporting

7.5.1 Corporate

XCN recognises that improving its environmental performance requires the cooperation of all of its employees and effective communication between all levels of management including corporate management, business unit management, personnel, and stakeholders for the successful implementation and maintenance of the EMS. XCN also recognises the knowledge and experience of its workforce is a valuable resource and it encourages its employees to participate in the development and implementation of its EMS through consultation and involvement in the setting of objectives and targets.

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Maintaining an effective EMS requires XCN to ensure that it keeps its workforce informed of environmental information relevant to their activities. XCN is committed to ensuring that pertinent environmental management information is communicated to all those who need it. See *HSEC STD1.08 Communication and Consultation.*

In the event of critical HSEC Information, communication is to be undertaken using HSEC alerts in accordance with *HSEC STD1.08 Communication and Consultation* using the form *HSEC FRM 1.10.32 Environmental Alert Template.*

In accordance with *HSEC STD5.10 Community Engagement*, XCN has developed a corporate Social Involvement Plan (SIP), a copy of which is maintained on the Xstrata Intranet.

7.5.2   Operations

Operations are to both develop and implement a social involvement plan and action plans; or they may adopt the XCN Social Involvement Plan (SIP) in accordance with *HSEC STD5.10 Community Engagement.*

Each business unit shall adopt methods of internal and external communication in accordance with *HSEC STD1.08 Communication and Consultation* and *HSEC STD1.10 HSEC Measurement and Reporting* in relation to recording and communicating incidents.

Complaints

All operations shall develop and implement a community complaints system in accordance with *HSEC STD1.08 Communication and Consultation* details of all community complaints are to be reported in accordance with *HSEC STD 1.09 Hazard and Incident Management and HSEC STD 1.10 HSEC Measurement and Reporting.*

7.6   Documentation and Document Control

7.6.1   Corporate

This document forms the core of the XCN environmental management system. It provides direction, guidance and supplements the formulation of Business Unit environmental management systems. An extensive range of other documentation will also be an integrated part of the environmental management system.

XCN's EMF documentation control is maintained through use of an electronic-based system accessible online via an Intranet. The control requirements including development, structure, approval and review are outlined in *HSEC STD 1.01 Document Control.*

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7.6.2   Operations

All Operations shall document their own environmental management systems, describing the core elements of the system and their interactions, either in electronic or hard copy. Each management system must include a document control standard in accordance with *HSEC STD 1.01 Document Control*. All documents must be consistent with the XCN Intranet format using the XCN Group standards template, and be approved by the Site Operations Manager in accordance with the requirements of *HSEC STD 1.01 Document Control.*

Operations EMS policies and procedures shall be developed and maintained in accordance with the requirements of *HSEC STD 1.01 Document Control*

7.7   Operational Control

7.7.1   Corporate

In terms of operational control, the primary corporate function is to regularly review site operations to ensure necessary risk assessments have been undertaken and completed to an acceptable standard, and to verify that adequate environmental controls are in place.

XCN operating Standards, Procedure and Guidelines may be developed for particular issues that are relevant across all operations and that would benefit from an integrated management approach.

7.7.2   Operations

Operations will adopt as a minimum the requirements of XCN HSEC Standards and Procedures as contained in *Appendix 4 XCN HSEC Standards, Procedures, Forms*. Each business unit may however develop and adopt additional management plans and procedures for activities not covered by the corporate standards associated with Broad Brush Risk Assessments undertaken in accordance with *HSEC STD 1.02 Risk Management.*

Documented management plans and or procedures, stipulating operating criteria, will be established and maintained for activities where the absence of such a procedure could lead to deviations from the policy, objectives and targets. In the absence of other appropriate controls, management plans and or procedures must be developed to address high risk activities.

New management plans and procedures developed by Operations shall be developed and approved in accordance with *HSEC SSTD 1.01 Document Control* and communicated to employees and contractors in accordance with *HSEC STD 1.07 Training and Education.*

7.8   Emergency Preparedness and Response

7.8.1   Corporate

XCN Corporate functions in terms of emergency preparedness and response relate primarily to reporting and communication, as discussed in Section 7.5 as well as the implementation of a Commodity Business Level Crisis Management Plan in accordance with *HSEC STD 1.06 Emergency Management*. Emergencies at individual sites will be managed through site emergency procedures.

All media correspondence in relation to an emergency situation must be undertaken directly in accordance with *HSEC PRO1.06.1 Media.*

7.8.2   Operations

All Operations shall develop and implement emergency response plans aligned to the XCN Crisis Management Plan and in consultation with external emergency agencies in accordance with *HSEC STD 1.06 Emergency Management.* Each operation shall undertake a Broad Brush Risk Assessment in accordance with *HSEC STD 1.02 Risk Management* to identify foreseeable site emergencies. This assessment shall be reviewed annually and reassessed at least every 5 years.

Where appropriate environmental emergency response plans / procedures should be integrated with other site emergency response plans / procedures.

8.   MEASUREMENT AND EVALUATION (CHECKING & CORRECTIVE ACTION)

8.1   Introduction

XCN recognises that monitoring its performance, measuring that performance, and evaluating the outcomes, are key activities which assists XCN in ensuring that it is performing in accordance with its stated aims.

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The measurement and monitoring covers not only compliance with XCN's legal obligations but also its own environmental management plans, including its specific objectives and targets, and its own performance indicators. The results are analysed and used to identify areas of success and areas requiring further attention for improvement (the important issue of continual improvement is addressed in more detail below).

8.2 Monitoring and Measurement

8.2.1 Corporate

Monitoring undertaken by XCN primarily involves monitoring of the environmental performance of operations as detailed in *HSEC STD1.10 HSEC Measurement and Reporting*. Monitoring of an operations performance against its environmental objectives and targets (as part of HSEC Annual Plan) will be undertaken quarterly by XCN in accordance with *HSEC STD1.11 HSEC Planning*.

8.2.2 Operations

Operations are to measure its environment and community performance in accordance with *HSEC STD1.10 HSEC Measurement and Reporting*. Amongst the parameters to be monitored include environmental incidents and complaints and leading key performance indicators.

Each operation will have monitoring programs specific to their site, depending on development consent, coal mines regulation, EP licence requirements and on the nature of the impacts of the operation on the environment.

All monitoring programs will include, as a minimum:

- documented procedures for the monitoring programs
- clear allocation of responsibilities
- recording of information such that performance may be tracked
- detailed relevant operational controls
- demonstrate conformance with environmental objectives and targets and compliance with relevant environmental legislation and regulations
- records of equipment calibration and maintenance shall be retained
- processes for ongoing review of both monitoring results and the overall monitoring programs.

8.3 Evaluation of Compliance

8.3.1 Corporate

As detailed in Section 8.6.1, the Group Environment and Community Manager is responsible for monitoring the self-assessment and internal and external audit process and co-ordinating the XCN external audit schedule, as detailed in the XCN HSEC Auditing schedule.

8.3.2 Operations

Operations are to evaluate compliance with relevant (now applicable) environmental legislation and regulations every three years in accordance with *HSEC STD 1.15 Auditing*.

8.4 Non Conformity, Corrective Action and Preventative Action

8.4.1 Corporate

Non-conformities relevant to corporate environmental management involve non-conformities within the XCN EMS. As detailed in Section 8.6.1, regular audits of the XCN EMS will highlight non-conformities and establish trends. Corrective and preventative actions will be undertaken accordingly.

Non-conformities and subsequent corrective actions for operations will be reported to XCN in accordance with *HSEC STD1.10 HSEC Measurement and Reporting*.

8.4.2 Operations

All Operations shall develop, document and implement a procedure for handling and investigating non-conformance, which is to include allocation of responsibility, initiating and completing corrective and preventative actions and recording any changes to operating procedures as a result of these actions. All non-conformities are to be managed in accordance with *HSEC STD1.08 Communication and Consultation, HSEC STD1.09 Hazard and Incident Management* and *HSEC STD1.10 HSEC Measurement and Evaluation*.

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8.5 Control of Records

8.5.1 Corporate

The timely reporting of information in relation to environmental performance enables XCN to monitor and evaluate the performance of its EMS, and ensures that wherever necessary appropriate corrective action measures can be implemented to rectify unsatisfactory aspects of the systems performance.

Corporate records are to be maintained in accordance with the XCN *HSEC STD1.01 Document Control.* XCN Corporate means of controlling records includes:

- utilisation of the Xstrata Intranet for the maintenance of standards, forms, procedures, policies and audit results; and
- utilisation of XstraSafe for the recording of all incidents and complaints, approvals and compliance information as well as risk register templates.

8.5.2 Operations

Records must be made in accordance with the XCN *HSEC STD1.01 Document Control* and on site EMS procedure for record management. Documents relating to the EMS should be stored in either the central filing system at each site or in a readily identifiable part of the Site Environmental Officer's filing system.

EMS records as evidence of the operation of the EMS should include:

- legislative and regulatory requirements
- risk and hazard assessments
- permits
- environmental aspects and impacts/risk register
- environmental training
- inspection, calibration and maintenance activity
- monitoring data
- details of non-conformances: incidents, complaints and any follow up
- environmental audits and management reviews.

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8.6　Internal Audit

8.6.1　Corporate

XCN arranges for ongoing self-assessment through regular inspection, testing and monitoring in addition to both internal and external audits of the operation's performance and EMS. The XCN HSEC Standards (see *Appendix 4: XCN HSEC Standards Table*) provide the benchmark requirements for measuring EMS quality and effectiveness.

The Group Environment and Community Manager is responsible for monitoring the self-assessment and internal and external audit process and co-ordinating the XCN external audit schedule, as detailed in the XCN HSEC Auditing schedule. The Group Environment and Community Manager shall also review the environmental performance for each Operation and report findings to the XCN HSEC Management Committee (See *HSEC STD1.13 Workplace Inspections* and *HSEC STD1.15 Auditing and HSEC STD1.10 HSEC Measurement and Reporting*).

Annual audits of the XCN corporate EMS will be undertaken to identify system deficiencies and opportunities to correct and continuously improve performance.

8.6.2　Operations

All Operations shall comply with *HSEC STD1.15 Auditing* and develop and implement a procedure for ongoing site environmental auditing. A monthly site inspection is also to be conducted by the Site Environmental Officer and reported to the Operations Manager.

Where the operations are contractor operation, an annual audit of the contractor's compliance with their EMS shall be coordinated by the contract manager.

9.　MANAGEMENT REVIEW

9.1　Corporate

As noted above, in Section 8.0, in relation to the measurement and evaluation of EMS performance, XCN recognises the need to regularly review and continually improve its sites EMS's, as an integral part of the improvement of environmental performance.

In addition to meeting all legal requirements for the review of the sites EMS's, other factors are also examined. Incident, inspection and monitoring reports as well as audit results are also evaluated with a view to identifying system deficiencies and opportunities to correct and continuously improve environmental performance.

Further to these, XCN also monitors:

- Legislation
- Industry standards
- Feedback and expectations of employees and other stakeholders
- Achievement of objectives and targets
- Review of environmental policy

to ensure that, so far as is practicable, its sites EMS's facilitate optimal environmental performance. XCN will share relevant environmental experiences and knowledge across sites and stakeholders.

The outcome of reviews shall be documented and incorporated into the XCN EMF and sites EMS's.

The Group Environment and Community Manager shall analyse environmental performance across all operations biannually and report to the XCN Executive HSEC Management Committee. The Environment Management Committee shall also undertake an annual review of the XCN EMF.

9.2　Operations

Operations shall undertake an ongoing review of environmental management and performance at their site, and report monthly to the Group Environment and Community Manager as well as biannually to the Group Environmental Committee.

Site Environmental Officers and Operations management (including as a minimum the Operations Manager and Mine Manager) will undertake an annual review of the EMS to include the following as a minimum:

- review of audit findings
- achievement of objectives and targets

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- review of environmental policy
- relevance of objectives and targets to current and future conditions
- information and concerns of stakeholders.

The annual review should occur before an operations budget planning cycle so that adequate resources can be allocated to provide for continual improvement of the EMS. The outcomes of the review shall be documented and incorporated into the EMS.

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10.   APPENDICES

Appendix 1 – XCN OPERATING MINES AND PROJECTS

Underground Operations

- Baal Bone
- Beltana
- Ulan
- United
- West Wallsend
  (incl. MCPP)

Open Cut Operations

- Bulga
- Ravensworth Operations
- Cumnock *
- Liddell *
- Mount Owen Complex *
- Ulan OC *
- Westside *
- Baal Bone OC *

*Contractor managed operations

Closed Mines* and other Operations and Projects

- Liddell Coal Prep Plant
- Teralba *

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Appendix 2 – XSTRATA COAL ENVIRONMENT POLICY

xstrata coal

Environment Policy

Vision

Xstrata Coal's vision is to be recognised as a leader in environmental management.

Values and Beliefs

We believe:
- the impact of our operations on the environment can be minimised through environmental management;
- communicating with the community, key stakeholders and considering their concerns and expectations is integral to the success of our business;
- employees and contractors are accountable for their actions;
- environmental performance can always be improved; and
- environmental management will improve business performance.

Policy

Xstrata Coal is a major, internationally focused coal mining business. We will contribute to sustainable development through environmental performance and stakeholder engagement. Our environmental vision will be attained through the strong and visible commitment of Xstrata Coal and the involvement of our employees

To this end we will:
- aim to achieve a level of performance that goes beyond that required for compliance with all applicable environmental laws and comply with company Policies and Standards;
- implement and maintain best practice environmental management systems;
- manage our environmental risks;
- provide awareness training for employees and contractors;
- promote and encourage active employee participation in the continuous improvement of our environmental management and performance;
- undertake progressive rehabilitation of disturbed land and provide sustainable post mine closure and encourage biodiversity conservation;
- use water and energy more efficiently;
- monitor, audit, review and report our performance against relevant standards;
- communicate with key stakeholders, including our shareholders, the communities in which we operate and government; and
- minimise waste generation, recycle where possible and dispose of wastes safely and with minimal impact.

Peter Coates
Chief Executive

Peter Freyberg
Director of Operations

Mick Buffier
Chief Operating Officer
New South Wales

Ian Cribb
Chief Operating Officer
Queensland

Sam Coetzer
Chief Operating Officer
South Africa

Jeff Gerard
Chief Operating Officer
Americas

This Policy will be reviewed and reissued by April 2008

April 2006

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Appendix 3 – XSTRATA COAL COMMUNITY POLICY

xstrata
coal

Community Policy

Vision

Our Vision is to foster open and honest two-way interaction with the communities in which we operate and to contribute to the sustainability of these communities.

Policy

We are committed to being a responsible corporate citizen and will implement appropriate communication strategies to promote positive and long-term relationships with our communities.

We will effectively manage all of our operations within the framework of this Policy and adopt a consistent approach towards community relations.

In order to achieve our Vision we will:

- Consider the needs of our communities during the planning, operational and decommissioning stages of each operation;
- Build open and honest relationships with the communities in which we operate;
- Provide information on our operations in a timely fashion and actively seek feedback;
- Ensure interaction with our communities is undertaken primarily by site personnel;
- Record and monitor community concerns and respond to them in a proactive, timely and professional manner;
- Support community initiatives that are aligned to our business principles;
- Encourage community awareness of and support for our operations; and
- Promote a responsible approach to community sustainability post mine-closure.
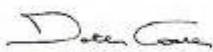
Peter Coates
Chief Executive
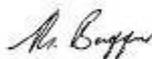
Peter Freyberg
Director of Operations

Mick Buffier
Chief Operating Officer
New South Wales

Ian Cribb
Chief Operating Officer
Queensland

Sam Coetzer
Chief Operating Officer
South Africa

Jeff Gerard
Chief Operating Officer
Americas

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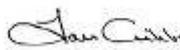
Appendix 4 – XSTRATA COAL HSEC POLICY, BUSINESS PRINCIPLES, BELIEFS

xstrata

We will grow and manage a diversified portfolio of metals and mining businesses with the single aim of delivering industry-leading returns for our shareholders. We can achieve this only through genuine partnerships with employees, customers, shareholders, local communities and other stakeholders, which are based on integrity, co-operation, transparency and mutual value-creation.

Our Business Principles

- We work ethically: We are committed to the highest standards of personal and professional ethical behaviour.
- We work responsibly: We are committed to the highest standards of health, safety and environmental performance.
- We work openly: We are committed to the maximum transparency that is commercially possible in our business.
- We work together and with others: We are committed to co-operating with employees, local communities and other stakeholders.

Our Values and Beliefs

- Work related incidents, illnesses and injuries are preventable.
- Foreseeable hazards and environmental impacts must be identified, the standards of risk assessed, and where reasonably practical eliminated, or otherwise controlled.
- There is a safe and correct way of doing every task, however urgent or important.
- We are responsible for our own actions and the occupational health and safety of our fellow workers.
- Health, safety and environmental performance can be continually improved.

Health Safety Environment and Community Policy

At Xstrata we are committed to the highest standards of health, safety and environmental performance, community co-operation and to the principles of sustainable development.

This commitment will be achieved through: Demonstrated understanding of HSEC accountabilities, HSEC leadership in all levels of management, and a HSEC Management System aligned to Xstrata's Business Principles and HSEC Standards.

Our HSEC Management System enables us to: Meet, and where practicable exceed, applicable laws, regulations, standards, and codes.

Work constructively with local authorities, community representatives, non governmental organisations and other stakeholders.

Identify, assess and manage risks to employees, non-employees, the environment and the communities in which we operate.

Set HSEC targets, allocate appropriate resources to achieve those targets, and undertake periodical reporting of our HSEC performance.

Communicate and consult with employees and contractors in developing our H&LL systems and improvements.

Develop employees to competently manage, and be accountable for, HSEC performance in their area of responsibility.

Limit the environmental impacts of our operations through efficient use of natural resources, and the reduction of input materials and waste.

Contribute to the conservation of biodiversity.

Plan, design, operate, and close operations in a manner that enhances sustainable development.

Uphold fundamental human rights and respect the traditional rights of indigenous peoples.

Engage and communicate with communities, with due regard and respect for local interests, cultures and customs, and contribute meaningfully to the economic, social and educational well being of the communities in which we operate.

Determine the direct and underlying causes of HSEC incidents and implement actions to prevent recurrence.

Continually improve our HSEC performance by measuring and reviewing the effectiveness of, and compliance to, our HSEC management system.

Mick Davis, Chief Executive
6 May 2004

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Appendix 5 - XCN HSEC STANDARDS TABLE

Health, Safety, Environment and Community

Policies

System	People	Work Place	Work Process	Work Environment
Document Control	Roles & Accountabilities	Critical Equipment	Energy Isolation	Housekeeping
Risk Management	Medicals	Machine Guarding	Work Permits	Waste Management
Management Plans, Approvals & Licences	Fatigue Management	Demarcation & Colour Coding	Hazardous Task Management	Hazardous Substances
Baseline Survey	Drugs & Alcohol	Labelling, Notices and Signage	Safe Work Procedures	Workplace Environment Monitoring
Contractor Management	Rehabilitation	Electrical & Mechanical standards	Stacking & Storage	Ergonomics
Emergency Management	Health & Hygeine	Buildings and Mine Design	Manual Handling	Lighting
Training and Education	PPE	Equipment & Supplies Procurement	Exploration & Drilling	Noise Control
Communication & Consultation				Ventilation
Incident Management				Biodiversity and Land Management
HSEC Measurement & Reporting				Community Engagement
HSEC Planning				Land Acquisition
Change Management				Mine Closure
Workplace Inspections				
Behavioural Management				
Auditing				

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Appendix 6 – SUMMARY OF LEGAL AND OTHER REQUIREMENTS

Commonwealth Environmental Legislation

Legislation	Application
Environment Protection and Biodiversity Conservation Act 1999	Requires that the Commonwealth assess any development application that may have a significant impact on matters of National environmental significance including: World Heritage properties; National Heritage places; Ramsar wetlands; cetaceans; migratory species, threatened species, critical habitats or ecological communities listed in the EPBC Act; Commonwealth land, marine areas or reserves; and nuclear actions.
Native Title Act 1993	Preserves native title to land on which native title was not extinguished prior to 1 January 1994. This includes Crown land, however, in some cases native title may be extinguished due to past use of the land.
National Environment Protection Council Act 1994	Establishes a ministerial council with the power to set national environmental protection measures (NEPMs)

New South Wales Environmental Legislation

Legislation	Application
Aboriginal Land Rights Act 1983	Part 6 of the Act prescribes a mechanism for Land Councils to claim Crown land. Where a Land Council owns land that is subject to a mining lease application, Part 7 of the Act requires that the consent of the Land Council be obtained prior to the granting of a new mining lease.
Coal Mines Regulation Act 1982	An approval is required under Section 138 of the Act for secondary extraction. The environmental assessment requirements for the Section 138 process are now covered by the submission of a Subsidence Management Plan (SMP) to the Department of Primary Industries. The SMP is required prior to the commencement of mining that may result in subsidence (including for first workings that define later subsidence areas). Approved SMPs are enforced under provisions of the Mining Act (see below).
	Approval is required under Section 126 of the Act for the establishment of reject emplacement areas with an approval required under Section 127 to discontinue use of an approved emplacement area.
Contaminated Land Management Act 1997	There is a duty to report contamination that has a significant risk of harm (as defined by the Act) to the DEC. If it is intended to change land use (eg to rural land) then the risk may be different to that of an industrial land use. If a significant risk exists then remediation of the site is required.
Crown Lands Act 1989	Crown land may be sold, leased or exchanged once an assessment has been made under Part 3. A licence may be procured for extraction of certain minerals (s49).
Dams Safety Act 1978	This Act requires that the NSW Dams Safety Committee approve the design of large dams that may constitute a hazard to human life and property. These dams are known as prescribed dams and are listed in Schedule 1 of the Act. Any new prescribed dams are to be approved by the Dams Safety Committee.

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Legislation	Application
Environmental Planning and Assessment Act 1979	Part 4 prescribes the development approval process as it relates to private developments, Part 5 relates to developments by government bodies and Part 3A prescribes the process for approval of Major Projects proposed by either private developers or government bodies.
	The provisions of the State Environmental Planning Policy (Major Projects) apply to certain classes of development previously assessed under Part 4 referring them to approval under Part 3A, including '*coal mining*' and '*extracting a bulk sample of coal*'.
	Developments requiring approval under Part 3A require preparation of an Environmental Assessment, with the Minister for Planning the consent authority.
	Other private entity developments fall under Part 4, with the majority of these proposals determined by councils. Schedule 3 of the Act stipulates the developments requiring approval under Part 4 that are designated. Designated developments require preparation of an Environmental Impact Statement. If an EIS is not required, a statement of environmental effects (SEE) must be prepared. Consents issued for coal mines prior to commencement of Part 3A (late 2005) have development consent issued under Part 4. Modifications to consents can be obtained under Section 96 of Part 4.
	Under Part 5, a Review of Environmental Factors (REF) must be prepared, with any project identified as likely to have a significant impact on the environment requiring approval under Part 3A (formerly an EIS was required).
	There are mechanisms in the Act for a Panel Hearing or Commission of Inquiry (COI) to be held for projects requiring approval under Part 3A. A COI may also be held under Part 4.
Environmental Planning and Assessment Amendment (Infrastructure and Other Planning Reform) Act 2005	This Act introduced Part 3A into the EP&A Act as well as making changes to development contributions, local environmental planning processes and strengthening enforcement powers.
Environmental Planning and Assessment Regulation 2000	Details procedures for lodging and advertising project applications (Part 3A) and development applications, amends the counting time for development applications, details relating to Commissions of Inquiry and Panel Hearings, changes the content of an EIS, updates Schedule 3 relating to the classification of a development, also details changes relating to planning certificates, Local Environment Plans, Section 94 contributions plans, and penalty notice offences.
Environmentally Hazardous Chemicals Act 1985	A licence must be procured under s28 to conduct any activity involving the use of chemicals subject to a control order or prescribed as chemical waste
Heritage Act 1977	Approvals under this Act are not required for projects approved under Part 3A.
	A permit under Section 140 of the Act is required to damage or disturb any non-Aboriginal heritage item (items over 50 years old), excluding those listed on the State Heritage Register, for which a permit is required under Section 60 of the Act prior to disturbance.
Land and Environment Court Act 1979	Establishes the Land and Environment Court and defines its powers.
Local Government Act 1993	Allows local councils to grant approval for certain works associated with water supply, sewerage, stormwater drainage, waste disposal and public roads, and issue a range of orders.
Mining Act 1992	Licences for exploration, assessment, mining and opal prospecting leases as well as mineral claims. Mining leases granted for coal reserves require preparation of a Mining Operations Plan for approval by the Department of Primary Industries prior to commencement of mining. Subsidence Management Plans are also required for Underground Coal mines prior to the commencement of mining that may result in subsidence (including for first workings that define later subsidence areas). An Annual Environmental Management Report is also required by the mining lease. The MOP and AEMR requirements are part of DPIs Mining, Rehabilitation and Environmental Management Process (MREP).
Mine Subsidence Compensation Act 1961	Approval of Mine Subsidence Board is required for erection / alteration of improvements and subdivision of land within a mine subsidence district, except where an exemption applies (e.g. for minor structures).

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Legislation	Application
National Parks and Wildlife Act 1974	This Act contains provisions relating to protection of both Aboriginal sites and native flora and fauna. Approval is not required under the Act for impacting on native flora or fauna where that activity is carried out in accordance with a development approval granted under the EP&A Act.
	Approvals for impacting on Aboriginal sites are not required for projects approved under Part 3A of the EP&A Act.
	For non Part 3A projects, a Consent to destroy under Section 90 of the Act is required prior to the disturbance or destruction of any Aboriginal sites. A permit is required under Section 87 to impact on a site for research purposes, or to excavate for the purposes of identifying sites (i.e. to investigate an area of potential archaeological deposit).
Native Vegetation Conservation Act 1997	Approval is not required under the Act for actions carried out in accordance with a development approval granted under the EP&A Act.
	Otherwise, land may not be cleared without the consent of the Minister for Natural Resources unless that clearing is approved under the Mining Act 1992.
Noxious Weeds Act 1993	Required occupiers of Crown and private land to control weeds listed as noxious in accordance with the requirements of the various weed classes in the Act.
Pesticides Act 1999	The Act requires that pesticides are used according to instructions on the label or permit and that for each use actions are taken to ensure appropriate application. The Act also requires detailed record keeping procedures of chemical used. Considerable penalties apply for breaches.
Protection of the Environment Administration Act 1991	Established the DEC and requirement for prosecution policy. Requires the DEC to consider the principles of ecologically sustainable development.
Protection of the Environment Operations Act 1997	Consolidated licences previously prescribed by Clean Waters Act, Clean Air Act, Noise Control Act and issued under the Pollution Control Act. Sets offences and penalties for polluting activities, other than breaches of regional waste agreements and disclosure obligations under the Waste Minimisation & Management Act 1995. Establishes a 3-tier system of penalties for individuals and corporation that breach environmental legislation.
Radiation Control Act 1990	This Act requires those who use, sell or give away any radioactive substances, ionising radiation apparatus or non-ionising apparatus to be licensed.
Rivers and Foreshores Improvement Act 1948	Approvals are not required under this Act for projects approved under Part 3A of the EP&A Act or for works within a surface mining lease granted under the Mining Act.
	Otherwise, permits are required under Part 3A s22B for any development in a protected waterway or within 40 metres from the top bank of a protected waterway.
Roads Act 1993	The Act is administered by the RTA, local council or the Department of Lands; the RTA has jurisdiction over major roads, the local council over minor roads, and the Dept of Lands over road reserves. A consent under Section 138 of the Roads Act is required to undertake works within a road reserve.
Soil Conservation Act 1938	A notice may be served under Part 4 s22 of actions required to mitigate or avoid soil erosion, siltation or land degradation associated with prescribed works (s19) and catchment areas (s20)
Threatened Species Conservation Act 1995	This Act contains provisions relating to protection of threatened species, populations and endangered ecological communities. Approval is not required under the Act for impacting on threatened species, populations and endangered ecological communities where that activity is carried out in accordance with a development approval granted under the EP&A Act.
Unhealthy Building Land Act 1990	Grants DEC the power to declare unhealthy building land, which may not be built upon until specific remediation measures have been undertaken.
Water Act 1912	Permits and licences are required under this Act to extract or discharge water and to divert surface flows. Permits are required except where the Water Management Act applies (see below).

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Legislation	Application
Water Management Act 2000	Addresses water management planning, water rights and licensing. Repeals other water legislation including the Water Act and Rivers and Foreshores Improvement Act, however, the licencing provisions of these Acts remain in force until the licencing provision of the Water Management Act commence. The WMA licencing provisions commence in a area when the Water Sharing Plan for that area is gazetted.

This Act is listed in Part 3A of the EP&A Act as not applying to projects approved under that part, however, current advice from DNR indicates that some approvals may still be required. |

Source: *Statues of New South Wales and the Commonwealth*

Farrier D, Lyster R and Pearson L (1999) The Environmental Law Handbook, Redfern Legal Centre Publishing

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STATE ENVIRONMENTAL PLANNING POLICIES

State Environmental Planning Policy	Application
SEPP 11 – Traffic Generating Developments	Requires that the RTA is made aware of and given the opportunity to make representations in respect of, developments listed in Schedule 1, including coal mining.
SEPP 33 - Hazardous and Offensive Development	The consent authority must consider whether a proposed industrial development is potentially hazardous or offensive.
SEPP 44 - Koala Habitat Protection	Investigation of the koala habitat value of a site is required prior to granting of development consent.
State Environmental Planning Policy (Major Projects)	The SEPP identifies Major Projects which require approval under Part 3A of the EP&A Act and for which the Minister for Planning will be the consent authority. Coal mining and bulk samples of coal are classed as Major Projects.

Regulatory Review

Authority	Review	Frequency
Department Mineral Resources	Annual Environmental Management Report Inspection	Annual
Department of Environment and Conservation (Former EPA)	Licence Review	3 Yearly
Department of Planning	Periodic Statutory Audit (as required by consent conditions)	Various – typically 3 yearly.

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APPENDIX 7 - ACCOUNTABILITIES

Environmental management is the responsibility of management, at both the corporate and site levels, and all personnel on site, including contractors.

Xstrata plc has delegated the management responsibility of the operations to Xstrata Coal NSW.

XCN and Operation's HSEC Standards will detail specific accountabilities; however the following general Environment and Community accountabilities apply.

ROLES

Each person's role type has particular role-related accountabilities, these are as follows:

Role	Accountabilities for this document
Chief Operating Officer	- Set the strategic direction for E and C. - Analyse the need for, develop, approve and implement a Corporate E and C Policy and any associated policies. - Monitor adherence to all legal and corporate requirements and the implications of the level of compliance for the effectiveness of the E and C Policy. - Monitor the effectiveness of corrective action strategies where issues have been identified as a consequence of incidents, internal monitoring and audits. - Communicate the E and C strategy. - Model leadership in relation to E and C issues. - Regularly review and commit to the Vision, Values and OHS Policy. - Require XCN management to report E and C incidents. - Receive and review regular reports on E and C performance of XCN activities. - Take E and C matters into consideration in overall business planning and direction. - Ensuring sufficient resources and systems are in place to achieve compliance with all relevant environmental legislation. - Chair XCN Executive HSEC Management Committee.

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Role	Accountabilities for this document
General Manager	- Set the strategic direction for E and C.
	- Analyse the need for, develop, approve and implement XC Policies and programs.
	- Monitor adherence to all legal and corporate requirements and the implications of the level of compliance for the effectiveness of the E and C.
	- Monitor the effectiveness of corrective action strategies where issues have been identified as a consequence of incidents, internal monitoring and audits.
	- Communicate the E and C strategy.
	- Model leadership in relation to E and C issues.
	- Regularly review and commit to the Vision, Values and OHS Policy.
	- Require XCN management to report OHS incidents.
	- Receive and review regular reports on E and C performance of XCN activities.
	- Take E and C matters into consideration in overall business planning and direction.
	- Provision of audit support to adequately review rehabilitation liability and to ensure its currency.
	- Ensuring sufficient resources and systems are in place to maintain compliance with all relevant environmental legislation.
	- Participate in the XCN Executive HSEC Management Committee.
Group Environment and Community Manager	- Develop XCN HSEC standards and monitor and review Operations EMS and their components to ensure they remain aligned to company policy, are effectively implemented across all operations and are continuing to meet company needs.
	- Help Operations establish the operational EMS.
	- Facilitate the management of E and C issues through Operations line management.
	- Schedule and carry out internal and external audits of the E and C Management Systems.
	- Co-ordinate a network of Environment Officers/Coordinators to encourage alignment of EMS and sharing of effective processes.
	- Advise on E and C initiatives to improve EMS systems.
	- Assess the impact on the EMS of internal and external changes (such as changes to policy or government legislation) and advise on system changes.
	- Represent XCN on industry committees.
	- Participate in the XCN Executive HSEC Management Committee.
	- Chair the Group XCN Environment Meetings.
Group Manager External Affairs and Property	- Furthering the existing relationship between XCN and the local community.
	- Represent XCN during liaison with Government Departments and other bodies.
	- Raise the profile within the community of XCN's environmental management commitments and actions.
	- Having a working knowledge of the Environmental Management System (EMS).
	- Reporting to the GEM regarding any pollution control incidents or community complaints as required.
	- Participate in the Group Environmental Committee and participate in the Environment Management Committee.
	- Maintaining a consistent land acquisition strategy and policy.
	- Implementing a consistent land management program.
	- Participate in the XCN Executive HSEC Management Committee.

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Role	Accountabilities for this document
Operations Manager	- Develop plans for implementing E and C policy in your area of responsibility and allocate appropriate resources within delegated authority. - Develop, approve and implement standards that are consistent with the XCN standards and meet all relevant legislation requirements. - Monitor adherence to all legal and corporate requirements and the effectiveness of all relevant procedures and standards. - Ensure any potential or actual E and C issue is reported in accordance with legal requirements and the corporate standard. - Communicate the E and C strategy to workforce and relevant contractors. - Model leadership in relation to E and C vision, values and issues.
Mine Manager	- Allocate appropriate resources within delegated authority. - Develop, approve and implement EMS and standards that are consistent with the XCN EMF and standards and meet all relevant legislation requirements. - Monitor adherence to all legal and corporate requirements and the effectiveness of all relevant procedures and standards. - Ensure any potential or actual safety issue is reported in accordance with legal requirements and the corporate standard. - Communicate the safety strategy to workforce and relevant contractors. - Model leadership in relation to E and C vision, values and issues.
Environmental Coordinator - Site	- Assist line management in the development, implementation, maintenance and monitoring of Operations including facilitating the commitments outlined in the Environmental Policy. - In consultation with the Operations Manager, undertaking liaison with authorities and the community regarding routine matters. - Reviewing and endorsing all corrective actions arising from environmental incidents. - Participate in the Group XCN Environment Meetings.

Department Manager	- Analyse the need for, develop, approve and implement procedures for work within your department that involves high risk.
	
	- Monitor adherence to all legal and corporate requirements and the effectiveness of all relevant procedures and standards.
	
	- Ensure any potential or actual safety issue is reported in accordance with legal requirements and the corporate standard.
	
	- In meeting these accountabilities:
	
	    use appropriate risk management tools to identify and control hazardous work
	
	    monitor that teams assessing and controlling risks.
	
	Model leadership in relation to E and C vision, values and issues.

Process Superintendent	- Analyse the need for, develop, approve and implement procedures for work within your department that involves high risk.
	
	- Monitor adherence to all legal and corporate requirements and the effectiveness of all relevant procedures and standards.
	
	- Ensure any potential or actual safety issue is reported in accordance with legal requirements and the corporate standard.
	
	- In meeting these accountabilities:
	
	    use appropriate risk management tools to identify and control hazardous work
	
	    monitor that teams assessing and controlling risks.
	
	- Model leadership in relation to E and C issues.

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Role	Accountabilities for this document
Supervisor	- Monitor that team members and contractors carry out work tasks safely, following documented procedures wherever they are applicable. - Ensure any potential or actual safety issue is controlled, or otherwise isolated and reported in accordance with legal requirements and the corporate standard. - Model leadership in relation to E and C issues.
Contractor Manager	Where a Contractor manages any site on behalf of XCN the Contractor they shall ensure the standards established by XCN's EMF represent the minimum requirements for the Contractor's management of the site. Other Accountabilities will be as detailed in the relevant contract pursuant to which the Contractor is undertaking the management of the site.
Contractors	Where a contractor is undertaking activities on an XCN managed site, the Accountabilities will be as detailed in the relevant contract pursuant to which the Contractor is undertaking the activity.
All persons	To work safely in accordance with training, standards and procedures. Identify environment and community hazards and control them if able, otherwise inform your line manager.

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Appendix 8 – XCN ORGANISATIONAL STRUCTURE

Xstrata Coal NSW - Organisational Structure

Chief Operating Officer — Mick Buffier

General Mgr O/C Ops	General Mgr U/G Ops	General Mgr Finance	General Mgr Tech Services & Development	Group Safety Manager	Group Blending & Logistics
Mike Carrucan	Glen Lewis	Tony Mason	Glen Robinson	Dave Mellows	Phil Moore

General Mgr O/C Ops – Mike Carrucan
- Bulga — TBA
- Mt Owen Complex — Trevor Wells
- Ravensworth Ops — Steve Hubert
- Ulan O/C — Don McLachlan
- Liddell — Grant Farrar
- Westside — Neil Rae
- Cumnock O/C — Steve Hubert

General Mgr U/G Ops – Glen Lewis
- United — Jerry Wallace
- West Wallsend — Lawrie Ireland
- Beltana — Greg Pawley
- Ulan U/G — Murray Wood
- Baal Bone — David McLean

General Mgr Finance – Tony Mason
- Financial Controllers — Patrick Wilkes, Damian Hogue
- Group Mgmt Accountant — Mark Klasen
- Group Supply — Peter Niszczot
- Group IT — Bill Round

General Mgr Tech Services & Development – Glen Robinson
- Mgr Business Development — Nicole Brook
- Manager Mining Engineering - UG — Jim Sandford

Group Safety Manager – Dave Mellows
- Group Environment & Community Mgr — Dave O'Brien
- Group External Affairs & Property — Val Istomin

Group Blending & Logistics – Phil Moore
- Group CPP Business Improvement — Rod Fox
- Group HR & Admin — Dave Paterson

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