

PANAUST PEOPLE



PanAust's people – aligned to the Company's strategy and Vision and Values – have developed successful projects in the face of an array of challenges. PanAust's people have forged relationships that have been integral to the success of the Company's operations and activities. PanAust's future is bright because its people that will determine its future success.

At year-end 2017, PanAust had 3,427 full-time employees: 3,293 based in Laos, 79 in Papua New Guinea (PNG), 51 in Brisbane, and 4 in Thailand.

LOCALISATION AND TALENT MANAGEMENT

PanAust strives to build its internal capacity and strengthen the skills of local people. The long-term goal is to see its host-country workforce independently participate in, and help grow, their national economy.

Fundamental to the Company's talent management strategy in Laos is the Company's localisation strategy. Localisation relies on the training and development of Lao-national employees to meet the requisite skills and competencies required to perform a role to the desired level, thus reducing expatriate numbers in relevant jurisdictions.

Each year, the Company reviews and sets targets for localisation. In 2017, PanAust retained its milestone achievement of 91 per cent localisation in Laos. This result demonstrates the success of the systems and programs in place and the Company's commitment to its localisation objectives.

Furthermore, since 2015, PanAust has recorded year-on-year improved operational performances with a decreasing expatriate workforce. These outcomes highlights the strength of the Company's employee development programs.

PanAust's Apprenticeship Program in Laos was established in 2013 and offers five-year apprenticeships in technical trades. In partnership with the Lao German Technical College in Vientiane, the Program seeks to address a general shortage of qualified tradespeople and generate a pool of appropriately qualified local candidates for the Company.

In 2017, the Company's first intake of apprentices (34 in total, including five women) completed their final assessments and obtained an Australian Certificate III Trade Qualification and a Lao Higher Diploma of Technical Training.

ALIGNING PEOPLE WITH BUSINESS SYSTEMS

A suite of standards, policies and guidelines provides PanAust employees with an understanding of how to apply the Company's Vision and Values. This includes an Employee Policy which outlines PanAust's approach to managing people and the way work is undertaken. The Company's code of conduct, *The PanAust Way* explains the minimum standard of behaviour that is expected of employees, directors and business partners when working with or for PanAust.

PanAust seeks high-performance outcomes in all aspects of its business including individual employee performance. Performance expectations are communicated to new employees through inductions and subsequent mid-year and annual performance reviews.

PanAust recognises that a diverse workforce brings a wide range of perspectives and experiences which, together, enable business innovation and drives Company success. PanAust creates an inclusive environment where employees are treated fairly, can demonstrate their potential talent and are rewarded based on merit.

Photo captions: (L-R)

Senior Administration Officer, Keomany Chanhasith and Administration Officer, Vimon Sengphachanh standing in front of a 250t Komatsu PC3000 face shovel (EX235) at the Phu Kham Copper-Gold Operation

Trades Training apprentices celebrate their success with the Managing Director and several Company executives at their graduation ceremony in 2017