

PANAUST PEOPLE



PanAust recognises that employees make the most significant contribution to the Company's success and therefore understands the value of attracting, developing and retaining high-calibre people. PanAust provides a work environment that fosters productivity and professional and personal development.

At year-end 2016, PanAust had 3,423 full-time employees: 3,249 based in Laos, 100 in Papua New Guinea (PNG), 52 in Brisbane, 18 in Myanmar and four in Thailand.

LOCALISATION AND TALENT MANAGEMENT

PanAust strives to build capacity within and strengthen the skills of local people with the long-term aim of enabling the host-country workforce to independently participate in and help grow its national economy.

The Company's Localisation Strategy articulates the steps required to identify, target and ensure national employees have the requisite skills and abilities to succeed in their roles and over time, replace expatriate employees. The strategy takes a multi-pronged approach that includes workforce and succession planning, training and development, mentoring, and on-the-job coaching.

By year-end 2016, Lao-nationals occupied 91 per cent of the total PanAust workforce in Laos. At the Frieda River Copper-Gold Project in PNG, local people occupied 93 per cent of jobs.

The Company's leadership and career development programs build the capability of existing and potential leaders, equipping each with the professional and interpersonal skills they need to lead Company strategy and drive improved performance into the future.

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.

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 guides PanAust's approach to managing people and the way work is undertaken. The Company's code of conduct, *The PanAust Way* outlines 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 pays particular attention to gender and ethnic diversity (the Company's workforce brings together people of over 10 nationalities) in order to meet strategic objectives as well as commitments to relevant corporate and host-country legislation.

An externally provided Whistleblower Service enables stakeholders who may be concerned about serious misconduct at PanAust to confidentially and anonymously make a report.

For more information, visit www.panaust.com.au.

Photo captions: (L-R)

Apprentice, Ms Kabelor at the Lao German Technical College, Vientiane
Apprentices take part in instructor-led training at the the Lao German College, Vientiane