



STEAMSHIPS

Tok Steamies News

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CONTENTS

Corporate News

Pg 3-6

Feature Story

Pg 7-8

Our Success

Pg 9-10

Out & About

Pg 11

Our Development

Pg 12

Our History

Pg 13

Sefti kona

Pg 14

Whistle Blowing Policy

Pg 15

Cover Photo



Tom and Gabriel of TPS standing proudly in front of their quad early this year at the Harbour.

Send in your stories and high resolution images for publication in Tok Steamies Newsletter by 18th April 2017. Your stories should be no more than 200 words. Email; toksteamies@steamships.com.pg

Welcome to 2017 and Issue No.42 of Tok Steamies

In this edition our Divisional General Managers touch on the tough year that was 2016, and give us some insight into their plans for 2017. The general feeling is that the tough economic times currently being experienced in Papua New Guinea will continue, however there is a cautious optimism from our leaders that our businesses will work through the challenges and build on the efforts of last year.

As ever, our people remain our most precious asset, and we're delighted to introduce a number of our hard working employees who obviously love what they do, and the opportunities they have received at Steamies.

It certainly looks like a rewarding year ahead at Laga judging by the December planning conference featured on page 12.

Community is an important part of who we are and we're delighted to feature a story on the Wanang community, and the excellent environmental work that is happening there, as well as the progress of the Wanang Primary School. As part of the ongoing development of our community engagement Steamships has recently launched a Community Grants Program, and we look forward to receiving applications from those organisations who are working to provide better social, health and education outcomes for the least advantaged in our society.

As we approach our 100th anniversary, we're reminded of the rich history of our company and in this edition we showcase our move into the hotel industry. The Hotel Imperial may be long gone but the Coral Sea Hotel chain is now the most extensive in PNG!

Safety in the workplace is a priority for Steamships and the incident chart on Page 14 demonstrates that safety performance requires our complete focus at all times.

A regular feature of Tok Steamies in 2017 will be the Whistle Blower policy on the back page. We are a company that believes in integrity fairness and respect, so if you notice anything that you consider to be against good business practice, you have a safe way of reporting it.

We trust that you enjoy this edition of Tok Steamies.

The Editor.

Coral Sea Hotels

There has been significant changes to Coral Sea Hotels during 2016. The Coastwatchers Hotel in Madang has been sold and the Melanesian Hotel in Lae has been demolished to make way for a new Luxury High rise Hotel. Room's upgrades have been completed at the Ela Beach and Bird of Paradise Hotels with 3 new Restaurants opened at the Gateway Hotel.



Glen Murphy - General Manager

The Highlander Hotel is about to commence Stage 1 of building works which consists of enlarging the bar and restaurant, building conference rooms that will seat 300 persons and the upgrading of all existing rooms. Once this work is completed a further 60 Hotel rooms and 12 apartments are planned.

Work on the Kiunga Hotel continues with this now expected to open in June 2017. Also planned in 2016 is modernising the Gateway Hotel rooms and the Whittaker Apartments.

Once again Coral Sea Hotels has been recognised by winning International Awards.

While 2016 has been a tough year with falling demand and increased competition the Group remains very positive about the future. The focus within Coral Sea Hotels will remain on staff training, satisfied guests and continual improvement of the product.



Above: Artist impression of the Cassowary Hotel Lobby Area.
Below: Ela Beach Hotel's newly refurbished rooms.



CORPORATE NEWS | Hotels and Property

Pacific Palms Property

I'm pleased to report on the health of Pacific Palms Property for the year of 2016 and provide an insight of the direction of the property portfolio for 2017. PPP manages development sites and assets located in Port Moresby, Lae, Madang, Wewak, Goroka, Mt Hagen, Popondetta and Rabaul. The Division currently holds substantial commercial property, industrial, retail and 160 residential townhouses and apartments.



Lawrie Foster, - General Manager

Pacific Palms Property has performed well despite the difficulties faced in 2016, the declining economy has seen rentals in all sectors of our portfolio come under pressure. Surprisingly the residential property has out performed the other sectors. Rental rates had to be adjusted in sectors and markets to maintain occupancy and provide a strong and deliverable revenue in 2017.

Despite a declining PNG residential market, the occupancy rate were slightly higher by 3% than budgeted. Rentals are still under pressure, primarily for older units, but demand for premium units and the completion of Windward West refurbishments ensured a better occupancy for the year. Lae's occupancy was steady throughout the year with an improvement in enquiries for the last quarter.

The retail sector was steady in 2016 with the exception of vacancies in the last quarter at Steamship Downtown Plaza which impacted on the occupancy by 2% from the forecast budgeted. The reconstruction of Waigani Central retail supermarket is expected to be completed by February 2017 for CPL to fit out the supermarket and ready for trading mid-2017.

Demand in Industrial was slightly lower than anticipated but remain satisfactory in the industrial category. This category has seen a decrease of 3% from a budget occupancy of 94%. Baruni stage 3 warehousing was completed mid-2016, with slower take up rate than expected on these properties despite an intensive marketing campaign. Lae industrial has not seen any improvement in occupancy in 2016 and this will continue into 2017.

Demand in the commercial office category saw an 8% decline from budgeted. F&B units with the exception of 1 have been leased and are in full operation at Harbourside adding to the success of the development. PPP's corporate serviced offices at Harbourside which offers daily, weekly and monthly use including administrative services has not performed to expectation this year.

The old Steamships Shipping office was demolished early this year to pave way for new development, Pacific Palms' plans to commence Harbourside South commercial, retail & residential units in 2017, this development has been deferred to 2018 and PPP will remain alert for opportunities to increase its land banks. In 2017 will see pressure on rental rates in all sectors but particularly in the residential sector in relation to the new tax scheme by the Government and with a general oversupply of new product into the market our focus will be on customer satisfaction while maintaining high occupancy rates.

Pacific Towing

Pacific Towing (PNG) Ltd's commitment to their vision of the region's premier performance leader in marine towage, salvage, commercial diving & life raft services means that they will aggressively tackle the expected tough challenges of 2017 with a strategic plan of continual excellence and increasing services for their customers.



Neil Papenfus - General Manager

The year will see the introduction of a new tug, the TURNER, the expansion of life raft services into Lae and a foray into emergency services comprising of fire services & oil spill response.

Fleet Manager, Danmon Pangali, said, 'The TURNER is a 50 ton bollard pull and has 3,600 brake horse power engines. We've just sent a crew down south to collect her. She will further enhance our fleet and we will now introduce bigger, ASD tugs into ports that have not previously had them. This will allow our customers to bring larger vessels into port with the confidence they are doing so safely, efficiently & cost effectively. This fits within this country's development goals and the mission of Port's Corporation of being the Gateway into Papua New Guinea. To be able to contribute to and be part of this vision is important to us'

Diving Services will continue with its busy schedule & is investigating promising environmentally compliant hull cleaning technology. Dive Supervisor, Ricky Leka said the implementation of hull cleaning was in response to customers' requests and complements their current services. 'In water surveys are conducted to International Classification Society Standards with operations accredited with Lloyds, ABS, GL and BV,' he added. Life raft Services are developing

a new station in Lae. 'Many of our customers are in Lae & Madang and this will reduce their costs,' explained Life raft Services Manager, Morea Avuru. Mr. Morea also said that customers liked the convenience & cost effectiveness of leasing life rafts.

Pactow will be expanding into emergency services, comprising of fire services and & oil spill response. Finance Manager, Trudie Ndresanei, said that the fire service was in partnership with an international fire service specialist, Global Responders Group.

'This is exciting,' she said, 'we will offer an international standard service at domestic prices. We will be in a position to manage fire risk, service & lease equipment & provide world class training.' Ms. Ndresanei also said that oil spill services would complement their already excellent salvage capacity. 'We are the only PNG company that is a member of the *International Salvage Union*.'

The maintenance team is expected to be busy with an expected 5 scheduled dockings. Workshop Manager, Stanley Holland said that this was part of their ongoing maintenance schedule. 'Yes, we will be busy, but it's necessary work and keeps our equipment in excellent condition. We've built a reputation for the standard of our fleet and this gives our customer's confidence.' Experienced and trained staff are required to support the various functions of Pactow. Designated Person Ashore, Mr. Gerard Kasnari, said that the company had increased their training scope, despite the difficult economic environment.

'Our standard is best practise and this is reflected in our Safety Management System & Training goals,' he said. 'We've career training for our team, the Hong Kong work experience programme with Hong Kong Salvage & Towage and we've taken on 9 cadets, who passed a tough pre-selection programme.'

Finally, General Manager, Neil Papenfus, said that the combined efforts of the members of the Pactow team would result in a successful 2017.



Left: WERRA pushing a cargo ship at the Harbour. Right: The three tug pull at Motukea outside Port Moresby.



Transport & Port Services

Transport and Port Services showed resilience in 2016 to meet projected financial performance and continues to unlock synergies from the 2015 merger of land based logistics operations. The division moves into 2017 with a formidable array of experience through a strong, well trained employee base of 1,300 staff and a significant range of fit for purpose equipment, remains highly compliant to industry best practice standards and thus is well placed to meet challenges head on.



Gordon McMaster - General Manager

East West Transport (EWT) Competition remains fierce in the transport industry however with the exit of a number of smaller operators and customers looking for cost reductions and continued safety and reliability, transport has been able to maintain its market share with respect to general transport and has seen an increase in depot services with material fuel contracts being renewed or extended in 2016.

The reduction in PNG imports are impacting top-line revenue however cost controls and synergies from the merger of EWT with JV Port Services have maintained a sustainable bottom line. The board remains optimistic with respect to the medium term prospects for logistics given a number of material resource projects on the horizon and accordingly continue to place support and commitment behind the company's transport division.

Joint Venture Port Services (JVPS) regional operations remain resilient in the current market with 2017 performance projected to remain static. The newly formed joint venture Morobe Terminals Limited was established in 2016 combining both Riback and Lae Port Services handling operations and positioning the merged entity as a strong candidate for the eventual awardee of the Lae Tidal Basin terminal operating concession. Lae stevedoring operations remain strong and are showing signs of a positive year in 2017 on the back of its prominent customer capturing further market share.

Below: EWT Truck preparing for another delivery in Lae.



Consort

Consort starts 2017 reducing the size of its fleet as a consequence of the withdrawal in December 2016 from Townsville as a regular liner call. The Madang Coast has been sold and will be delivered in February to its new buyers.



Stuart Craker - General Manager

This is part of our fleet renewal program that saw our most recent acquisition join the fleet in last November. Named the 'Niugini Coast' she is a sister vessel to our existing Bougainville Coast and Gazelle Coast. Together they perform the 'butterfly' service named after the shape its service pattern makes.

Operating on a 21 day cycle the three vessels offer a weekly sailing from Lae to Port Moresby and back. Thereafter the vessels sail weekly to Rabaul and then Kavieng and Bougainville on a fortnightly basis. Along with 5 other vessels Consort provides regular sailings to 17 ports in PNG. This is complimented by our projects and charters fleet that despite the current slow exploration market remain frequently deployed in both the Gulf and on the North Islands.



Above: Niugini Coast berthed at Lae Tidal Basin.
Below: Niu Island & Nakanai Coast preparing to load cargo.



2016 was a rewarding year for the Laga business in the face of difficult economic conditions and increased competition across all markets. Despite these challenges, 2016 saw continued improvement for Laga as a business. While overall sales increased slightly over 2015, importantly, we saw strong growth in our core businesses of Ice Cream and Cooking Oil.



Gerard O'Brien - General Manager

Our Specialty Lines business was on par with the previous year, while our Beverages business declined markedly as focus shifted from the Trade Winds alcoholic lines to non-alcoholic beverages.

Based on this improved revenue, the business further improved profitability in 2016. This improved result was built on improved operational performance, both in increased product availability and more efficient production and distribution, as well as on reductions in the overhead costs of running our business.

While we are still well short of producing the returns required to justify the investment by our shareholders, 2016 was another important step towards re-establishing Laga as PNG's premier consumer foods business.

2017 will be an equally important year for Laga, where we seek to consolidate the gains of the previous two years while undertaking an aggressive program to grow the business. The domestic consumer market is expected to remain very tight during 2017, with some relief anticipated from the Election campaign in mid-year.

We are not expecting a strong bounce in confidence until 2018 when investments in major new projects begin to flow into the country. Accordingly, we need to continue to position the business to both survive the short term challenges and then to thrive in the better times ahead. The 2017 budget approved by the Steamships Board focuses on growth in our core businesses supported by capital investment in initiatives to lift our operating efficiencies and ongoing strong cost control.

The 2017 budget sees the exit of the Trade Winds alcoholic beverages

business. There are currently a number of parties negotiating to purchase the business and it is anticipated that a transaction to sell the business will be completed early in the year, which may or may not involve ongoing contract manufacture for the new owners. This change will result in a substantial reduction in Beverage revenue in 2017. However, the other core businesses of Ice Cream, Cooking Oil, Specialty Lines and the non-alcoholic Beverages business are expected to take up much of this slack through increased volumes.

Given this revenue challenge, Laga must continue its recent success in reducing our manufacturing costs and lifting production and supply chain efficiencies across all areas. We will invest in our physical and human assets to achieve this. Similarly, we must be #1 in Customer Service and responsiveness.

We will only do this by improving our sales execution skills and our business processes as well as working proactively with our suppliers and customers. A critical component of the 2017 plans is a raft of new product initiatives throughout the year.

The Steamships Board has reinforced its confidence in the future of Laga by setting aside significant capital in the 2017 budget for several exciting projects, including:

- Further upgrade of Specialty Lines area to improve both food safety standards and build in flexibility for new products
- Investment in an extension of our Freezer storage capacity in Lae to improve both customer service and also facilitate longer production runs
- Further upgrades of our Ice Cream plant to improve product and packaging flexibility
- Investment in some exciting technology to enable rapid growth of our non-alcoholic beverages business
- Further investment in in-market freezers to enable the extension of our frozen distribution reach
- Further investment in Gala Pala's around the nation and into other Ice Cream formats and channels

2017 will be an exciting year for Laga Industries.

Laga Industries workers packing the famous Kool-Rs and T-Shake for distribution.



Tony Ephraim, Warehouse & Distribution Manager (POM)



Mathew Pune (left) and Thomas Magung with Hong Kong Salvage & Towage Co Ltd. crew & friends standing on deck of the 5,000 brake horse power / 77 ton bollard pull tug, TAIKOO.

Laga Industry's promoted Tony Ephraim last October as the Warehouse & Distribution Manager based in POM. The promotion meant that Tony had to move from Lae to POM to take up his new role where he had been the Dispatch Manager since 2012.

Tony is from Siassi in Morobe Province and has various qualifications namely a Pre-Employment Technical Training Course at Goroka Business College in 1984, a Diploma in Business English from Business Trading Ltd, Manchester other trainings in Occupational Health and Safety, Front Line Management courses and Training and Assessment Certificates.

Tony also has a certificate in Management and Control of Hazardous Substances in the workplace accredited by New South Wales Vocational Education and Training Board.

Laga Industries produces the country's much loved Gala Ice Cream products and Tony is proud to be a part of the team. Since joining Laga in 2012 Tony has seen Laga go through changes set trends for its products and staff. "The challenge for me is keeping my customers happy because Gala Ice Cream and condiments compete with external brand."

Tony says that one of the significant highlight of his job since his promotion is reducing the stock variances and he hopes to maintain this through getting his staff to understand and be knowledgeable in the work that they do. "Having people with the right people is important and this helps you to lead you to lead a committed team providing excellent customer service results."

Working towards building a strong brand in urban and rural areas is motivation for Tony to continue to drive sales, build a confident young team and to be able to communicate with his customers.

Tony is excited about his role in Port Moresby and hopes to encourage his team at Laga to work hard. "My advise to young employees who dream to progress is this";

The greatest enemy of your progress is your last project. Get on with an-other project and stop talking about the good old days, potential is not what you have done, but what you have yet to do.

Pacific Towing (PNG) Ltd. seafarers, Mate 4, Mathew Pune & Engineer Cadet, Thomas Mangung, spent December with Hong Kong Salvage & Tow-age Co Ltd. on a work experience programme on their tugs in the sixth busiest port in the world.

They gained insight into the operating & maintenance of large tugs with 5,000 brake horse power engines that develop 77 ton bollard pull. They learnt about Hong Kong Salvage & Towage Co Ltd. safety systems and ob-served and participated in harbour towage moves on huge tanker & container ships.

Mathew said, "The exposure was a great opportunity. We have truly en-joyed, gained and experienced some new things from what we have ob-served."

Thomas said, "The Chief Engineers taught me how a person can perform the engine room maintenance precisely and safely. I was challenged to learn as much as I can."

Gerard Kasnari, Pacific Towing (PNG) Ltd. Designated Person Ashore, said that this was the second team to attend the Hong Kong work experience programme and that the company would continue supporting the exercise.

Mr. Kasnari added, 'Our crews are implementing their new skill sets and this enhances our existing high safety and performance standards.'

Neil Papenfus, Pacific Towing (PNG) Ltd. General Manager, thanked Hong Kong Salvage & Towage Co Ltd., their General Manager, Mr. Cliff Chow, the Operations Manager Mr. K Lam, and their tug crew and staff for their support and assistance.

'They have been very generous,' said Mr. Papenfus, 'and we really appreciate their help and guidance.'

Story and pictures provided by Neil Papenfus-Pactow.

Are you one of those people that likes to wave madly at semi trailer truck drivers when you pass them by? And did you put your hand out beckoning the driver to sound the loud horns to make you feel happy? If you said “yes” to this, then you might want to read this with interest. You see at EWT, we have two Quad drivers! They are not the ordinary semi trailer trucks you see daily on the road but a Two A trailer (20 foot trailers) connected to a 40 foot trailer! If you didn’t know what it looks like then look at the picture below.

The quadruple Truck that Tom drives has 46 tires in total and can weigh up to 3 tons carrying four containers. Tom Sare is one of EWT’s quad drivers and he alongside Sogo Hao and their trainer Gabriel can be seen with their trucks out on the road. Maneuvering and driving through roads in Port Moresby can be a challenge and requires a significant skill and both Tom and Gabriel handle each turn with great care.

“My interest in trucks started when I was towing and fixing prime movers and then taking them on test runs with my previous employment.” Tom says that he started with a Logistics’ company in Badili and drove prime movers prior to joining EWT in 2011.

At EWT safety is important prior to driving the semi trailers and the quad each driver goes through a process of safety checks before he leaves the yard. A driver must take into account the safety of his life and the general public when he starts his day. Tom and Gabriel are proud to be driving the Quadruple Truck and say that it attracts a lot of attention when they drive through the streets. “I was nervous the first time I was told that I would be driving the trucks but I over came it when I started doing the training with Gabriel.”

Gabriel is a driver and a Trainer with EWT. He has been driving semi trailers for almost 9 years and in the last two years he ventured into training EWT staff to drive forklifts, cranes, spreaders and semi trailers. A year ago Gabriel started training Tom and Sogo to drive the Quads. *“We started off with the Triple Trailer in 2015 and then added another to make it a quad in 2016.”* Gabriel attended the Smith Defensive Driving in Fiji and says that teaching driving techniques including safety is significant for EWT.

When asked what he would like to say if he was given the opportunity to speak to young people, *“aim high in life and believe in yourself. I say the same thing to each person I train at EWT, its important to aim high when driving meaning look ahead so that you have time to react”.*

Tom says that the best part of his job is knowing that EWT is the only company at present that does quad movement. He is not shy to even suggest that it is the only company in the Pacific that does the quad movement.

He encourages the younger staff in EWT to *“go for your dreams.”*

Both Tom and Gabriel are looking forward to the day when EWT will add two more contains to the quads making it six!

“We are hoping to try this out if the opportunity does arise but we shall leave this to management to decide.”

Heavy start for EWT in Lae

East West Transport has begun 2017 with a huge start when it successfully received and delivered 2x 62Ton SMX Engine Gensets for PNG Power Limited in Madang. The gensets from Korea are to be installed at the Powerhouse in Madang and will generate a combined 3 Megawatt of power for the Madang Province.

The gensets were shipped from Korea on the chartered vessel, GEISE. Due to the massive weight of the gensets, PNG Ports couldn’t allow it to be taken under hook at the Madang wharf and other alternatives were looked at. EWT was assigned to take delivery of the gensets under-hook and deliver to the power station, however, with the restrictions by PNG Ports, they were asked to provide full logistical support in any way they could to see final delivery to the power station.

The EWT Team led by the EWT Lae Assistant BU Manager, Isaac Noki, and a 7 men crew moved 2x semi-trailer low-loaders into Madang from Lae and organized a barge with ENBPS, the LCT Warangoi, to successfully complete a ship to barge transfer onto the low-loaders on the barge, sail around the Madang harbor to the barge landing site and drive onto land.

With the cooperation of various stakeholders, PNG Power, PNG Ports, Madang Port Services, the Police, ENBPS, Consort, Swire, EFM, D&S Seng and the client, TSP of Korea, the operation was executed perfectly.

EWT has proved again that it is the leading transport logistics service provider in the country with the capability to handle anything from the land, air and sea. We have truly shown that we are your transport partner.



Tom and Gabriel standing in front of their quad after driving it from EWT office at Baruni to the wharf at PNG Ports.

Wanang Conservation Area



Two Wanang ornithologists, Mark Mulau (L) and Luda Paul (R) are trained in research by Krystof Chmel, a PhD student visiting Wanang.

Having received one of United Nations prestigious award, The UN Equator Award in 2015, yet little is known about one of Papua New Guinea’s largest research station, the Wanang Conservation Area in Madang Province.

Located in the heart of a logging concession, and surrounded by proposed timber areas in the Ramu valley of the Usino area, Wanang has flourished in the global conservation arena when their efforts drew attention from the international scene and was awarded the UN Equator Award, which is organized by the Equator Initiative within the United Nations Development Programme, and awarded biennially to recognize outstanding community efforts in reducing poverty through conservation and sustainable use of biodiversity.

Established in 2000, the Wanang Conservation Area is made up of 10 indigenous clans who collectively gave around 10, 770 hectares of lowland rainforest including a 2,200 hectares with restricted access only for research where a global 50 hectares forest dynamic plot is located.

The permanent research station which was sponsored by the Swire/ Steamships company, has boost scientific research and served as a learning hub for locally trained para-ecologists and research scientists, while providing a source of livelihood as well as promoting environmental education.

“The initiative has become a model for community-driven conservation and development in the country and is a powerful example of partnership between a self-governed community, local NGOs, government and research institutes. It is also a model of resistance to commercial logging interests in a region being ravaged by deforestation. Forest conservation has become the cornerstone of the local economy, with partnerships creating greater access to health, education and food security.” A criterion that set them apart and captivated the attention of the UN Equator Initiative.

Niugini Binatang Research Centre (BRC) who has been working in the area since the establishment of the conservation area, has been instrumental in linking development partners in providing vital services to this isolated community. With assistance from Swire/Steamships company and Seacology,

a primary school was set up and will witness its first grade 8 graduation this year. This is a huge milestone for the community.

According to BRC Acting Director, Pagi Toko, road conditions and transportation to town is very difficult which add more challenges for the community to earn money in return for their conservation effort.

“Despite the challenges, Wanang will still remain one of the places where active biological research will continue to happen for the next decade. It has a very good research station, which is open to researchers, students, tourists and other visitors. They want to open doors to other development partners who are willing to help them in their livelihoods, and in return put all their area into conservation and research. Wanang is a strong community that will still maintain conservation and fight for the good of their forest,” said Pagi Toko, BRC Acting Director.

Story taken from Biodiversity Digest. 2nd Issue 2016

Wanang Primary School graduates its first thirteen students.



The first graduates of Wanang Primary School in Madang.

In 2008 permission was granted by the Wanang village Chief and Project Manager Filip Damen to run Sunday School classes in Wanang. Who would have thought that such a humble gesture of introducing education through Sunday School classes would lead to the establishment of a Primary School and the graduation of Wanang’s first Grade Eight students on 9th December 2016. Thirteen students including two females and eleven males proudly received their certificates.

The sponsorship of the Swire Research Centre in the community brought in financial support towards establishing a school in the rural area. Financial support also came through the Swire Research Centre in Wanang where the community established the Wanang Primary School as part of financing the project. Funds were put forward to building a Primary school to provide education for community development. The sponsorship has proved a long term sustainable goal for creating education, employment and services for the community.

Pictures provided by Francesca Dem—Wanang Conservation.



Our People



Our Environment



Our Community



Peter Langslow - Managing Director

Steamships Trading Company has announced the launch of its 2017 Community Grants Program, signaling a new approach to how the company delivers its funding and support to charitable organization's and initiatives in PNG.

"Steamships is committed to Papua New Guinea and the communities in which we operate, and we willingly support initiatives and organizations which generate a positive societal impact", said Peter Langslow, Steamships Managing Director.

Starting this year, Steamships is inviting formal applications for funding support under its Community Grants Program. Funding under the program will be allocated to those organization's or programs which can demonstrate the greatest positive impact through the results attained in the areas of health, education and social welfare.

"We have donated more than K10m over the past 5 years in our 'Community Engagement' efforts, and there's no doubt that we've seen a lot of wonderful work done by those we have supported", said Langslow. "We hope our new approach will help Steamships to make more informed funding decisions and to target support to the most deserving schemes, which will generate the greatest beneficial impact in the areas targeted. We want to operate in a way that produces the most meaningful and measurable results possible."

"We're proud of our long history in PNG, and the very real engagement with PNG communities over that time" said the Managing Director. "It's not many companies that can say they're about to turn 100, and we're looking to be around a lot longer than that! Initiatives such as the Community Grants Program are core to what we do."



"We're proud of our long history in PNG, and the very real engagement with PNG communities over that time" P. Langslow.



L-R: Neil Papenfus, General Manager, Pacific Towing (PNG) Ltd. Hayward Sagembo, Chairman, Tembari Children Care, Penny Sagembo, Founder, Tembari Children Care, Walter Canova, General Manager, Refinery; PUMA Energy (PNG) Ltd.

Puma Energy (PNG) Ltd. and Pacific Towing (PNG) Ltd. have each donated K2,000 to Tembari Children Care in support of their feeding and schooling programme.

Located at the Port Moresby, 7 Mile, ATS Oro settlement, Tembari Children's Care was founded by Mrs. Penny Sagembo to help vulnerable children in their community. Mr. Hayward Sagembo, Chairman of Tembari Children's Care, said; "We provide meals to 120 children each day. It we do not feed them, they will go hungry."

Mr. Sagembo explained that their school educates 600 children up to Grade 6 and that they appreciate all the help they can get. "There is much need and the K4,000 will be used to purchase necessities" he said, adding that, "our kitchen needs repairs and we need more classrooms."

Mr Neil Papenfus, Pacific Towing (PNG) Ltd. General Manager said that they were long term supporters of Tembari Children Care and urged the business community to offer support.

Mr Walter Canova, PUMA Refinery General Manager, said "We are pleased to support this initiative and the significant work it does in the community."



Above: She called in at Head Office on 26th January 2017. TURNER is Pacific Towing's latest addition to its fleet of 11 tugs. She is a 50 ton bollard pull and has 3,600 brake horse power engines. She joins KEERA and the others to provide services to larger vessels coming into our ports.



The Finance Team with their family and friends on board Moresby Chief returning from their Christmas picnic out on the islands.



Above: Francis and Anthony preparing to jetski behind Moresby Chief towards Fisherman's Island last December.



Above: The Madang Port Services team in front of their office preparing for Christmas. The staff organized and installed Christmas lights. (Insert) Christmas lights lit up the entrance of the office during the evening.

2017 Sales Conference – LAGA Industries

The LAGA Industries Sales & Marketing Team recently completed a two day review and planning conference on 5th & 6th December.

Held at the Huon Gulf Hotel, LAE, all Area Sales Managers, senior Sales Rep's and the Regional and National Teams were engaged in two full days of activities and information.

The theme of the Conference was taking the steps in – “2017 - Moving from Good to Great”.

The conference was opened by General Manager of Laga Industries who discussed the challenges and results of 2016, Budget 2017 and plans, opportunities for growth and challenges in the year ahead.

All aspects of the business were covered including the support Teams of Finance, AP & AR, IT, Maintenance, HSE, HR and Distribution. Laga Industry recognizes that every link in the LAGA Chain either aids or obstructs a satisfied Customer and the imperative was to include all the functions for involvement and improvement discussion.

Both Regional Managers – Olga Dobrogorskaia (Northern) and Poliap Pokenau (Southern) shared with their teams 2016 past and plans for 2017. The Northern Region presented several awards to personnel.

Some key highlights of the Conference were two VOICE of The Customer sessions where, in the first, a Wholesale (Tier 1) customer shared with the team their expectancies of the LAGA Team, and how we integrate with them. This was later duplicated but with Retail (Tier 2) customer. The participants had a very open conversation with the customers and the sessions added great insight and understanding for the LAGA Team in better communication and what the Customer requires.

A further highlight was the LAGA Plant Tour, most of the attendees had not been through the plant previously and this session provided a further understanding of the QC, manufacturing and details involved in the manufacture of our product. The Ice Cream plant in particular,



Happy customers at the Laga Ice Cream Parlor at Harbourside, Port Moresby.

with its world-class standards and quality surprised and delighted the participants.

Product is what we sell and market, not just Ice Cream – sessions on New Product, POSM, better Merchandising, Staff Training were a key focus driven by Eugene Delange (National Marketing Manager) and as would be expected created very healthy conversation and debate.

A “business-challenge” was played through the Conference with every participant having to present to a “customer” a “Product” to stock and sell. Some were current products, others ‘unusual’ eg Vanilla Curry Ice-Cream! This made for engaging, humorous but business focused Sales skills in front of peers (always a challenge!) Three judges scored on 1. Presentation 2. Selling Skills. 3. Attitude. Together with a collation of late-fees and phone fines over the previous two days a total of K100.00 was won by Shirley-Anne Joseph, ASM, Southern Region (who shared her winnings with her Southern colleagues)

The risk in all conferences is that they are talkfests or love-ins and post-Conference action is minimal – all participants have provided a 1st Quarter Target which is measurable to take their individual steps towards Great.

The LAGA Team left the conference with the tools and plans to commence the steps of moving from Good to Great and are excited by the challenging year of 2017 ahead.

Story and pictures provided by John Byrne-Laga



Above: Participants at the Planning and Review Conference at Huon Gulf Hotel in Lae.



Above: The Sales and Marketing Team preparing for a tour of the Laga Plant.

Our story continues...



Sir Hubert Murray

Hotel. The purchase of the hotel was timely as there was a shortage of houses on Samarai and the hotel provided accommodation for short stay guests and walk ins.

In 1941 Steamships purchased land at the south-west corner of Musgrave and Hunter Streets (Port Moresby) to construct The Hotel Imperial. Captain Fitch wanted to challenge Burns Philp monopoly of Hotels in Port Moresby. Steamships was Burns Philp major competitor and opposed the idea of having another hotel. Burns Philp owned two hotels at the time namely Moresby Hotel and Papua Hotel and was in the process of building a new Papua Hotel. By November 1941 the new Papua Hotel was completed but Burns Philp lost out, for the war had arrived in the Pacific. The Hotel accommodated the Army and it suffered considerable wear and tear. Construction of The Hotel Imperial did not eventuate as well.

From one hotel in 1937 to seven operating hotels under Coral Sea Hotels almost 100 years on.

By 1940 Sir Hubert Murray left Port Moresby on the Laurabada on 20th February on what was to be come his last trip and inspection. Due to strong winds and a heavy storm the official yacht Laurabada was forced to sail towards Samarai. Sir Hubert Murray was old and by this time he had constant pain.



The little town on Samarai Island in the 1930s.

Ship repair had gotten expensive over the years and by 1937 Steamships embarked on hiring a slip master to start construction of a slip at Paga Hill. Large amount of rocks were hulled in to complete the work. The slip was completed by late 1937 and the Papuan Chief was the first vessel to be taken up on the slip.

During this time Captain Fitch had entered into another business endeavor – Hotels. He purchased Steamships first hotel at Samarai – Cosmopolitan



Laurabada in 1924.

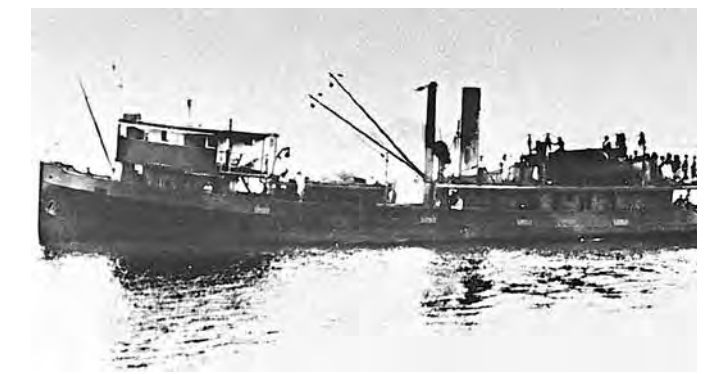
He was admitted to the hospital on Samarai and died in his sleep on 27th February. His death was grieved by many people in Papua. Sir Hubert Murray was laid to rest at Bomana cemetery in Port Moresby. He had been the longest serving Governor during British colonial history.

Around the same time the flag ship of Steamships – The Papuan Chief had anchored in Port Moresby after she ran into uncharted reefs. By October 1940 the Papuan Chief was sold to a Japanese company – Naio Boeki Kaisha for 1,200 cases of Sardines, 500 cases of Salmon and 100,000 yards of Nine Dragon Calico!

Sailing out of Port Moresby for the last time the little steamer raised a new flag that was unfamiliar to the many people of Papua who had enjoyed her regular visits bringing in mail and boxes of food. She had served the Papuan Coastline for 15 years.

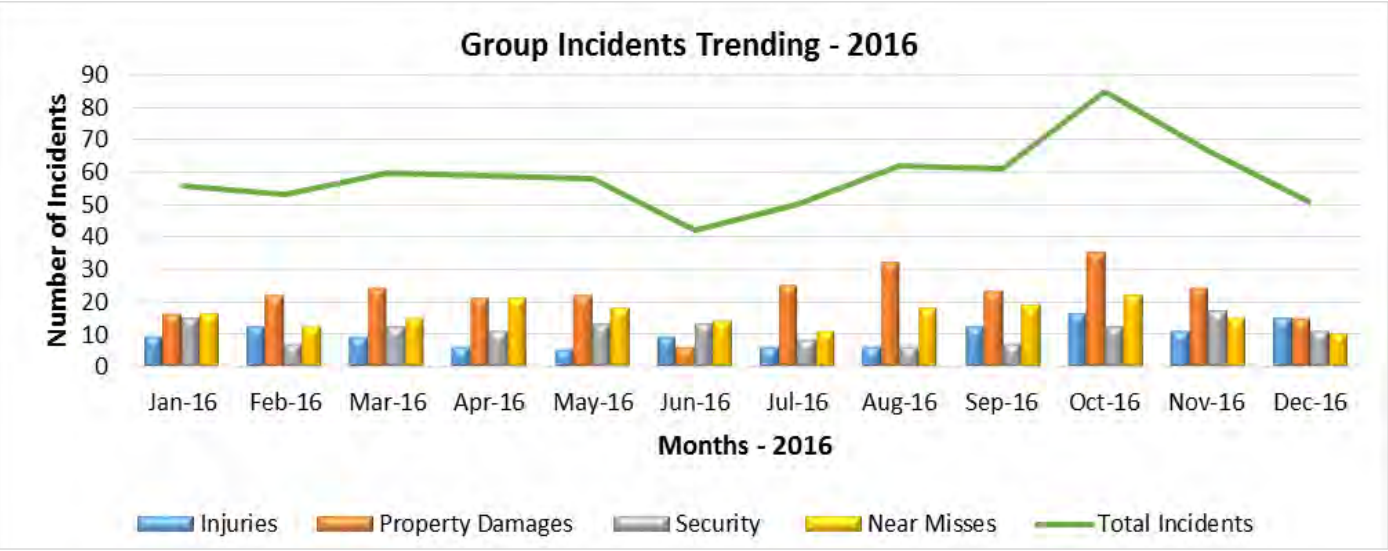
On 10 January 1941 Steamships had received a cable advising that Papuan Chief had reach Yokohama safely.

What was to become of her was unknown but for sure her scrapes would be valuable. WW 11 had broken out and around the same time the Japanese had entered war in the Pacific! Would old bits of her been used in the war on Japanese fleets?



Papuan Chief in Port Moresby.

2016 Safety Performance Summary



The company measures safety performance through the recording and monitoring of safety statistics across a number of incident categories. These are injuries, property damage, security, and near misses. In 2016 Steamships finished the year the way slightly better performed in total incident numbers but the spike in incidents in the second half of the year are a concern. The number of injuries (lost time, first aid, and medical treatment) increased in the last three months of 2016, reminding us that despite improvements, if we don't maintain a focus on safety, our performance can quickly deteriorate.



Use Tools And Machines Properly

Take the proper precautions when using tools, and never take shortcuts. Taking shortcuts is one of the leading cause of workplace injury. It's a huge safety risk to use scaffolding as a ladder or one tool in place of another for a specific job. Using tools the right way greatly reduces the chance of workplace injury.

Benefits of Reporting 3rd Party Near Misses

Incident Description

Leaking 20ft DG container on MV Antonia whilst on route to PSL.

Immediate & Root Causes

Causes cannot be established as the incident was caused by a third party. The incident might have resulted during shipment or loading of the container by external party.

Recommended Corrective Actions

1. JSEA conducted for safe discharge of leaking 20ft DG Container.
2. Segregated in storage with 25m exclusion zone set up.
3. Sent safety alert to all ports emphasising on use of JSEA and use of emergency initial response guide handbook.



Lesson Learnt

- Incident caused by third party, however it was recorded to manage possible consequences.
- Appropriate & effective corrective measures prescribed from handling container to storage and communication to the employees, to avoid further repercussions.

• JSEA– Job Safety & Environment Analysis. PSL– Port Services LTD



BLOW THE WHISTLE ON BAD BEHAVIOUR!



WHISTLEBLOWING POLICY

1.0 Policy Statement

The Steamships Group adheres to the highest standards of business ethics, conducting all its businesses with integrity, promotes fairness and respect among all employees.

2.0 Objective of this Policy

The purpose of the Steamships Whistleblowing Policy is to provide guidelines for any individual (whistleblower) who wants to raise concern on unethical conduct, fraud, perceived wrongdoings or violation to any provisions of the Steamships Code of Conduct (“Improper Conduct”). This policy is a supplement to Clause 19 of the Code of Conduct.

3.0 Application of the Policy

The policy applies to all employees of the Steamships Group (the Group) and related parties where Steamships has business dealings. All individuals are encouraged to be vigilant and raise a bona fide concern in good faith to the appropriate personnel without fear of losing their jobs, business dealings or becoming a victim of intimidation and harassment. The Group will maintain strict confidentiality of the reported matters.

4.0 Statement of Support to Whistle blowers

The Group is committed to the aims and objectives of this Policy where Whistleblowers are protected to come forward in good faith and on a proper basis to disclose unethical business conduct and other wrong doings (“improper conduct”).

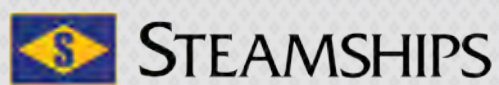
5.0 Improper Conduct

For the purpose of this Policy, Improper Conduct is defined as:

- I. corrupt, fraudulent or other illegal conduct or activity;
- II. conduct that this contrary to, or a breach of, Steamships Codes and Policies;
- III. a substantial mismanagement of the Group’s resources;
- IV. conduct involving substantial risk to public health or safety; or
- V. conduct involving substantial risk to the environment that would, if proven, constitute by the Group or its employee/s a criminal offence;
- VI. reasonable grounds for dismissing or dispensing with, or otherwise terminating, the services of a Steamships employee/s who was, or is, engaged in that conduct; or
- VII. reasonable grounds for disciplinary action.

6.0 Whistle blowing Procedures

- 6.1 To report a genuine concern, the matters should be initially reported to the direct manager.
- 6.2 If the whistle blower is uncomfortable to report the matters through normal reporting procedures or no satisfactory actions are taken the matter must be escalated to the Steamships Internal Audit (STCIA).
- 6.3 STCIA will conduct initial assessment of the case.
- 6.4 If the disclosures are made in good faith, STCIA will gather information and undertake an appropriate investigation.
- 6.5 Recommendations on the outcome will be given to the appropriate senior management authority to address the matter.



*Send us your stories and high resolution images
for publication in Tok Steamies Newsletter by 18th April 2017.*

Your stories should be no more than 200 words.

Email; toksteamies@steamships.com.pg