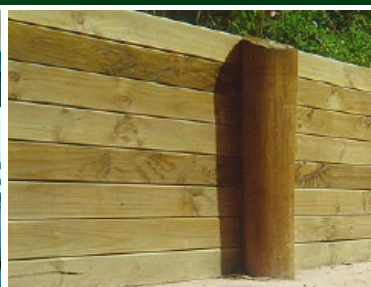




InSIGHT

Keeping you informed of the latest Koppers Performance Chemicals and Industry News.



Issue 10 - February 2021

Welcome to our first Newsletter for 2021, we hope you had a happy and safe holiday season and were able to recharge the batteries after a difficult 2020 in so many ways.

We continue to live in strange times with COVID19 far from conquered, however, with the prospect of the roll-out of vaccines it is hoped that lives can return to a reasonable normality later in the year with Australians being able to traverse the country. International travel without quarantining is probably some way off yet and will rely on the international roll-out of vaccines and the answers to fundamental questions such as "does the vaccine limit the ability to spread the virus?"

The share market is on a high and housing prices are in a steep climb fuelled by historically low interest rates, relaxed bank lending and government stimulus. From a timber industry point of view, the market is strong with challenges in supply with the

volume of imports significantly reduced, bushfire affected timber continuing to be milled and in another turn of events, trade problems in exporting log to the Chinese market. So while we can make hay in the current bullish market conditions, there continues to be questions to be asked regarding the huge national debt, the eventual reduction in stimulus and support packages for both business and individuals, continuing market tensions with China and a reliance in increasing house prices to underpin a recovery.

Its going to be an interesting year and we hope it's a good one for business and for our personal lives, our families and friends.



Koppers Welcomes New Technical Services Managers

One of the most important and in fact critical roles within Koppers PC operations is the work done by its Regional Managers and Technical Services Team. It is therefore highly significant that Koppers welcomes two new members to its Technical Services Team, Matthew White and Rick White.

Matthew and Rick will be familiar to many of you having been active in the preservative treatment industry over many years and in a number of roles. Matthew and Rick bring significant skills to Koppers having been involved in plant design and construction, plant operations and of course preservative knowledge and customer service. Matthew and Rick join our existing team of Chris Tzioutziouklaris, Dave Gauldie and Paul Downey assisted when required by John Lord and Reece Pitkowczy in the engineering team and of course our management, market development, production and customer service personnel.

All in all, Koppers believes that it offers a very experienced (many with 10 and 15 years service) and capable team and one that is valued by its customers.

As always, if you have any issues that requires our attention please do not hesitate to contact your Koppers Representative and don't forget we can help with any plant automation, plant design, plant operation issues and of course your literature and promotional needs.

Pictured above:

Queensland based Technicals Service Managers from L to R, Rick White, Matthew White and Dave Gauldie



MicroPro Success and New Brochure

MicroPro and MicroPro Sienna are the only preservative timber processes to have earned certification for low life cycle energy use and low impact on the environment including leaching and health effects on human and animal life.

MicroPro and MicroPro Sienna are therefore ideal for public infrastructure and for environmentally sensitive areas as well as general preservative treated timber products. To assist customers and also those seeking information on the www.kopperspc.com.au website, Koppers has produced a 10 page brochure outlining the environmental credentials of timber and preservative treated timber in particular and of course the unique properties and characteristics of MicroPro and environmental and other certifications. The brochure will be available for download on the Koppers PC website and is attached with this newsletter for your convenience.



Meanwhile in the USA and Canada, MicroPro and MicroPro Sienna treated products have now been successfully used for over 10 years and the statistics are impressive. In the USA MicroPro represents over 50% of all domestic treated timber use and in Canada where MicroPro is exclusively sold as coloured MicroPro Sienna, is represents around 75% of the domestic use preservative wood market.

LOCAL GOVERNMENT: building with timber to grow your local assets



Longevity, sustainability and traceability are all important considerations when procuring and specifying building products for public works. Timber Queensland's webinar *Building with timber to grow your local assets* will demonstrate how choosing the correct timber products delivers extended service life, low emissions and embodied carbon, and the guarantee of sustainable certification for your next project.

What will I learn?

- ✓ Gain a practical understanding of best practice timber installation and maintenance regimes to ensure long term durability
- ✓ Understand how Wood Encouragement Policies are helping councils to tackle climate change
- ✓ Hear how timber certification schemes ensure the products you choose are responsibly sourced
- ✓ Expand your knowledge regarding preservative and pigment treatments for landscaping including playgrounds and retaining structures

This webinar is a must-attend for local government building, specification and procurement professionals who want to gain a deeper understanding of the use of timber.



SPONSOR
MicroPro
NEW TREATED LUMBER

CPD points available.

CLICK HERE FOR REGISTRATION AND PROGRAM



WEDNESDAY 2 DECEMBER 2020
11.00 am – 12.00 pm AEST (Brisbane time)

FREE REGISTRATION

Council and Designer Webinar

In early December last year, Koppers PC partnered with Timber Queensland to present a webinar entitled "Local Government : building with timber to grow your assets"

As the sponsor, Koppers worked with TQ to develop the program and present "MicroPro – New Age Preservative" With participation by long-term TQ Technical Manager and now highly regarded Consultant, Colin Mackenzie as well as David Rowlinson from Planet Ark and Simon Dorries from Responsible Wood, the seminar was felt to be a great success by speakers and attendees alike with many good questions. Some 160 attended comprising council staff, designers architects and engineers from around Australia.

Koppers would like to thank TQ and particularly Clarissa Brandt and Sarah Porter for organising the webinar in such a professional and friendly manner. It is hoped that Koppers can work with TQ to organise further webinars in the near future.

Koppers Named One of America's Most Responsible Companies by Newsweek

Koppers, an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds, has been named as one of America's Most Responsible Companies by Newsweek magazine in recognition of its corporate performance in environmental, social and governance areas.

Koppers, ranked 178th, placed in the top half of 399 companies making the list, from a pool of 2,000 U.S.-based publicly traded companies. The company also ranked 30th overall in the Social category and placed in the top 10 among Pennsylvania-based companies included.

President and CEO Leroy Ball said,

"At Koppers, we acknowledge the importance of promoting fairness and respect to harness the best in ourselves and those around us. We value our role of being a responsible steward of the environment by minimizing the potential impact that we can have on our world. And, we are steadfast in our belief that when we hold true to our Zero Harm culture by placing the care and protection of our people, communities and environment first, success will follow. Being recognized among the country's most responsible companies is an honor and certainly an indicator of the commitment of our people to help create a more equitable and sustainable future. For this and more, I would like to thank our Koppers team members worldwide."

Revised AS 1604 Due Out Soon

After a long and extensive review, a new AS/NZS 1604 series will be due out this year although timing has not been formally announced.

As this has been a significant rewrite of the existing Australian and New Zealand series, the new Standards suite will consist of the following:

- AS/NZS 1604.1:2021, Preservative-treated wood-based products, Part 1: Products and Treatment
- AS/NZS 1604.2:2021, Preservative-treated wood-based products, Part 2: Verification Requirements
- AS/NZS 1604.3:2021, Preservative-treated wood-based products, Part 3: Test methods

These Standards have followed 2 periods of public comment and therefore the industry has had opportunity to comment as they have been developed and are therefore broadly aware of the major changes made including:

- Amalgamation of the previous 5-part product specifications into Part 1. Note also this Standard is a joint Australian and New Zealand Standard whereas Part 1 in the existing Standard is an Australian Standard only
- Part 2 Verification is a mandatory part of meeting the requirements of Part 1

While, further comment cannot be made until the Standards are published, Koppers will be in communication with customers and the industry to assist in transition to the new Standards and in particular to assist customers in meeting the verification requirements which allows a number of methodologies to satisfy the Standard.

The Economy

RBA predicts a potential 40 per cent drop in house prices

We've been riding on a wave that's seen us boom for decades – but now it could all come crashing down, new research shows.

Jason Murphy

AUGUST 31, 2020 1:58PM

Australian house prices: RBA analysis suggests property could jump 30 per cent in three years

Heightened borrower confidence in record low interest rates could push property prices sky-high, according to analysis by the Reserve Bank of Australia.

Kristen Craze

News Corp Australia Network JANUARY 18, 2021 4:46PM

The headlines say it all, the first headline dated August 31 2020 trumpets a potential drop of 40% in house prices, the second dated 18 January 2021 announces that the RBA predicts up to 30% price growth in the next 3 years. The difference of course is related to relaxing of lending regulations, historically low interest rates, the impending COVID vaccine implementation and increasing consumer confidence.

As I write this a new President has been inaugurated in the USA, its certainly been a time of rapid and in many cases uncontrolled change. For those who would like to examine the Reserve Bank's leaked briefing paper which has been quoted by many media outlets, this is attached to this Newsletter.

Of course there are many warnings from economists and the RBA itself saying that an asset increase led economic recovery has its dangers, highly inflated housing and share prices already tempting a crash or at least a situation where borrowers have bought at the top of cycles.

Inflating the price of houses and other assets such as shares would increase household wealth, improve household cash flow, lift consumer spending and stimulate business investment. Increasing house prices do not however fundamentally increase Australia's production of goods and does not increase investment in a smart Australia.

