Pakistan International Bulk Terminal Limited

Standard Operating Procedures (SOPs)

Terminal Services for Coal

FY 2026-2027

1. Introduction

Pakistan International Bulk Terminal Limited (PIBT / Terminal) is Pakistan's state-of-the-art terminal for handling coal, clinker, cement, copper-gold commodities, including minerals, metals, and other natural earth commodities. Established under a Build-Operate-Transfer (BOT) concession granted by the Port Qasim Authority, PIBT operates as a flagship entity of the Marine Group and stands at the forefront of the cargo handling industry. PIBT remains committed to operational excellence, technological innovation, and environmental sustainability.

This document outlines the Standard Operating Procedures (SOPs) that govern how PIBT offers and delivers its services. These set forth the standard framework for operational protocols, handling procedures, and commercial terms. These SOPs are reviewed and updated on a regular basis to ensure continuous alignment with applicable regulations, industry standards, and internal improvements.

Unless otherwise agreed in writing, the provisions of these SOPs shall apply in their entirety. This document must be read in conjunction with PIBT's applicable rules, commercial contracts, term sheets, and other relevant laws, regulations, or conditions.

2. Scope and Applicability

These SOPs apply to all customers, agents, shippers, indenters, consignees, vessel owners, charterers, and any other stakeholders engaging PIBT's terminal services at Port Qasim for coal handling.

This set of SOPs governs both the handling and storage of coal at the Terminal. Unless expressly agreed upon in a written Commercial Contract or Term Sheet, all operations shall be carried out strictly in accordance with these SOPs.

All parties are deemed to have read, understood, and accepted this set of SOPs upon availing PIBT's services. PIBT reserves the right to update, amend, or revise these SOPs from time to time without prior notice. The latest version thereof will be made available on PIBT's official website, and stakeholders are encouraged to remain updated accordingly.

3. Operational Guidelines for Coal Handling

3.1. Vessel Nomination and ETA Protocol

All coal vessels must be nominated through the designated channel and must expressly advise an Estimated Time of Arrival (ETA) at least **5 days** in advance. The same shall then be followed by similar intimations for **72** hours, **48** hours, **24** hours and **12** hours prior to arrival. Updates to ETA must be communicated promptly and accurately to PIBT via emails/messages in order to ensure scheduling transparency and operational planning.

3.2. Berthing: First Come, First Served

Vessels shall be berthed strictly on a **"first come, first served"** basis. In the event of berthing overlap between vessels, subject to operational readiness, including the submission of a valid Notice of Readiness (NOR), the vessel that first submitted a valid NOR shall be accorded priority for berthing. However, PIBT reserves the right to adjust berthing sequence in case of exigencies relating to terminal safety, environmental compliance, operational issues, or events giving rise to *force majeure*.

3.3. Third-Party Survey and Sampling

All coal cargo shall be inspected, sampled, and quality-tested by a **Third-Party Surveyor** (such as SGS or Bureau Veritas or an equivalent entity).

3.4. Sub-Standard Coal Cargo

Coal found to be sub-standard, including but not limited to having excess moisture, fines content (coal dust particles ranging from 0 mm to 10 mm), foreign/extraneous matter or contamination, shall be subject to the following:

1) An additional minimum charge of USD 2 per metric ton for such sub-standard coal cargo. Further charges may also be applicable, commensurate with the nature of deviation of the coal contents from the declared parameters, as assessed by the Third-Party Surveyor.

2) A Letter of Indemnity (LOI), as per the customary wording, must be submitted by the customer to PIBT prior to the handling of such sub-standard/deviated coal cargo.

3) A Third-Party Surveyor, appointed by PIBT at the customer's cost, shall inspect such coal cargo. The Surveyor's Report shall be final and binding for all related assessments and decisions.

4) PIBT reserves the right to refuse the handling of any sub-standard coal cargo.

5) Handling loss for sub-standard cargo will be on actual.

3.5. Coal Dust Size and Composition

Coal fines with a particle size of **0 mm to 10 mm** shall be carefully monitored. Excessive fines' content beyond acceptable industry/environmental standards may trigger rejections, LOI requirements, and/or surcharges.

3.6. Non-Compliance and Violation Charges

Any deviations from these SOPs, including but not limited to inaccurate declarations, unsafe or sub-standard coal cargo, or procedural breaches, shall attract surcharges or remedial charges proportionate to the nature and gravity of the violation/non-compliance. PIBT shall assess such instances on a 'case-to-case' basis and may issue a written notice of non-compliance to the customer, along-with the applicable charges.

3.7. Volume-Based Discounts and Contractual Deals

Volume-based discounts or extended laytime shall be offered **only** upon execution of a valid Term Sheet or Commercial Contract. No verbal agreements or informal undertakings shall be entertained for discounting or service enhancements.

3.8. Settlement of Terminal Charges

A minimum of 50% of the estimated terminal charges shall be paid in advance against the Proforma Invoice prior to commencement of vessel operations, unless otherwise agreed in the applicable customer Commercial Contract. The balance amount shall be settled upon completion of vessel handling and prior to cargo delivery. Delayed payments shall attract mark-up at KIBOR + 2% per annum (or as contractually agreed), and the Terminal may suspend or withhold the cargo deliveries and related services until all outstanding dues are settled.

3.9. Cargo and Responsibility

1) PIBT shall bear no responsibility for the quality of cargo, as the cargo specifications are mutually agreed between the shipper and the buyer. Furthermore, PIBT shall not be liable for any deterioration, handling loss/shrinkage, loss in quality/quantity or change in the condition of the coal/cargo remaining at the Terminal after the expiry of the Standard Laytime of five (5) days.

2) In the event the receiver has any concerns or objections regarding the quality and/or specifications of the cargo, such concerns, protests, complaints shall be addressed directly to the shipper and/or to the carrier.

3) PIBT shall not be responsible/liable for any shortage arising from inherent vice of the cargo, short-shipment, excessive moisture, and/or abnormal ash content.

4) The cargo shall be delivered strictly on an “as is, where is” basis, without any warranty or assurance from PIBT regarding its condition or suitably.

5) The standard handling-loss, as per the contemporary industry practice, shall be applied at the following rates for respective cargo types: (i) 0.30% for Bituminous Coal; (ii) 0.50% for Sub-Bituminous Coal; (iii) 1% for Lignite and Petcoke; and (iv) on actual basis for Metcoke. However, where the cargo is found having excessive moisture content, and/or high ash content and/or other abnormality in its size or contents, then the handling-loss may show an increased percentage commensurate with the actual loss of weight experienced while handling such cargo.

6) The Standard Laytime applicable to all cargo handled at the Terminal shall be five (5) days unless otherwise agreed in writing between PIBT and the customer. The total laytime available to the customer (the “Allowed Laytime”) shall be as specified in the applicable customer Term Sheet and/or Commercial Contract. Upon expiry of the Allowed Laytime, all cargo remaining at the Terminal shall be subject to the prevailing storage charges and other applicable tariffs in force from time to time.

7) After the Allowed Laytime PIBT reserves the right to shift or relocate, the cargo within the Terminal as necessary based on operational, safety, environmental, or storage requirements

8) If any Consignee of the coal so desires, and upon his express instructions, the Terminal can undertake to carry out off-loading from the vessel using the ship's own cargo-gear/cranes through the conventional means of unloading. Such operations shall be carried out at the Consignee's sole risk and costs, at an

additional charge of USD 1.00 PMT over and above the Terminal's normal cargo-handling charges.

3.10. Additional Fuel Surcharge

Additional Fuel Surcharge (AFS) shall be charged and paid as per the terms agreed by the Customers in the signed Term Sheet / Contract.

3.11. Additional Heap Charges

A charge of USD 0.95/PMT shall be applicable for the utilization of additional storage space when a single vessel carries two different qualities of coal requiring separate storage heap.

3.12. Liability and Vessel Demurrage

PIBT shall not be held liable for any vessel demurrage, idle time, or consequential losses incurred due to delays caused by sub-standard coal cargo, *force majeure*, or customer's non-compliance with any of these SOPs.

3.13. Revisions and Updates

These SOPs are subject to periodic review. PIBT reserves the right to revise, amend or replace the same at any time, at its sole discretion. All stakeholders must refer to the **latest version** available on PIBT's official website (https://pibt.com.pk) and adjust/align their operations accordingly.