

Port Waratah's efforts to continuously improve our culture and performance is driven by our core values: integrity, caring, being progressive and dedication to excellence.

**Partnering with our people**

Our focus in 2019 was to build on our core strengths and to identify improvement opportunities. Organisational and leadership changes laid the necessary foundations to pursue a 'One Team' approach. We further developed a culture of shared responsibility through stronger collaboration between teams and improved communications. This included the introduction of a Senior Leadership Team, a simplified leadership structure and emphasis on cross-functional teams for key projects and improvement initiatives. We also implemented a change management process which involves identifying and consulting internal stakeholders regarding changes impacting our people.

**Enterprise agreement**

Port Waratah welcomes Freedom of Association for employees should they choose to be a member of a trade union. In 2019 we had 183 Enterprise Agreement (EA) employees (58% of our workforce) represented by four different unions. The current Port Waratah Coal Services 2018 Enterprise Agreement will nominally expire on 16 August 2022. The EA covers various working arrangements including minimum notice periods. Working arrangements for Port Waratah's non-EA employees are covered by best practice policies and procedures, and workplace legislation. There was no workplace dispute in 2019 and there were no instances of industrial action.



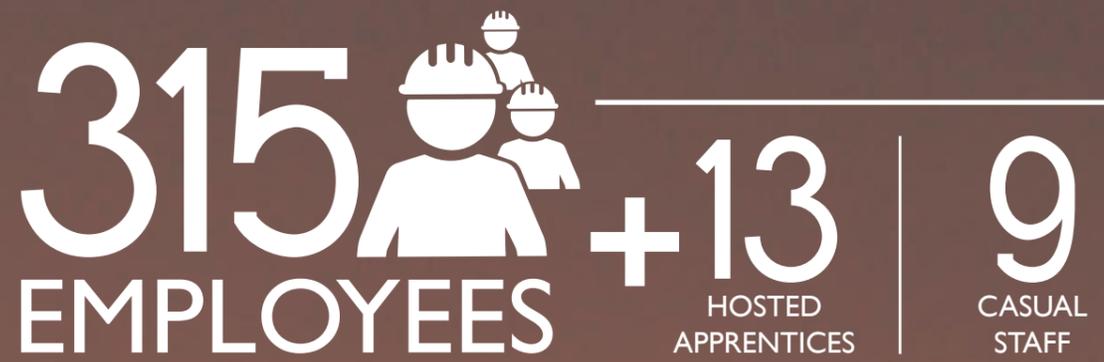
**CASE STUDY**

**A flexible transition to retirement**

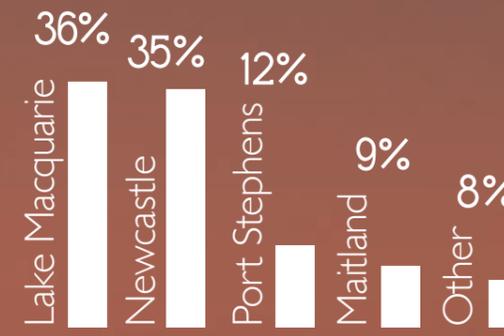
With 40% of our workforce currently over the age of 50, Port Waratah recognises that retirement is one of the most important personal decisions an employee will make. We have a flexible approach to retirement and encourage team members to consider a transition plan so as to reduce the emotional, social and personal stress that can sometimes accompany this stage of life. Individual circumstances differ and transition plans can mean different things to different people, which is why we maintain a culture of openness where team members can discuss retirement with leaders and engage closely to discuss the various options available. This enables the development of plans that best support individual employees and our business needs. In 2019 there was an increased number of employees engaging in conversations about retirement and several transition-to-retirement plans were formalised.

**WE PARTNER WITH OUR PEOPLE**

*We work together to achieve our business objectives*



**LIVING & WORKING LOCALLY**



### Employee engagement

During the year employee engagement initiatives were implemented across the key focus areas of change management, continuous improvement, internal communications and performance management. In late 2019, 85% of employees responded to our biennial Employee Engagement Survey. This marks a 20% improvement in completion rates from the previous 2017 survey, and is the most accurate reflection of employee engagement we have had to date. The survey indicated that 37% of employees are 'engaged' and 54% are 'nearly engaged', which is an overall improvement on the 2017 survey results. Improvements were evident across all key engagement focus areas with strong improvements also evident in the engagement drivers of collaboration and leadership. This is reflective of a strong focus on leadership development and our consistent efforts to work together as One Team.

### Developing our people

Each year we provide opportunities for formal training and development programmes to all of our employees. In 2019 we provided 5,361 online and face-to-face courses as well as 36 leadership training programmes. Four Employee Development Days were held with 91% of the workforce attending. The 2019 agenda focused on continued development in team effectiveness to support the business' One Team approach. The agenda also included high profile sports coach Wayne Pearce as a keynote speaker, who shared his insights into high performing teams.

A continued focus on leadership development was prominent in team effectiveness workshops facilitated by our Human Resources team. The aim of the workshops was to continue to improve interactions between leaders and their teams as well as team interfaces across the business. Practical leadership skills development sessions were also facilitated. In the second half of 2019 invitations to these sessions were extended to all employees to support individual career and development plans.

A revised online performance management system for staff was introduced at the beginning of 2019 incorporating goal setting, values and development planning. During the year, 118 new development plans were created, which represents 89% of all staff. A review of the performance development process to incorporate a stronger development focus for EA employees is currently underway, with recommendations planned for implementation in 2020.

### Embracing diversity

Port Waratah's Diversity and Inclusion Strategy was supported by a calendar of diversity and inclusion topics in 2019, aimed at building awareness and leadership capability. A strategic diversity lens was applied to employee lifecycle activities, including recruitment, talent and succession, and learning and development. 91% of employee participated in training aimed at building awareness of our own unconscious bias and the benefits of a diverse and inclusive workforce. Gender diversity improved across the business in 2019 with the recruitment of Port Waratah's second female apprentice and 50% female representation on our Senior Leadership Team.

We lodge our Workplace Profile annually with the Workplace Gender Equality Agency, a copy of which can be found on our website. We continue to eliminate the potential for a gender pay gap through our annual remuneration process. A market analysis is completed on salary roles annually for each employee to ensure remuneration is parity, and above award rates.

CASE STUDY

#### Leadership Development

Port Waratah maintained a strong focus on leadership development in 2019. This included our supported participation in external leadership courses, one of which was HunterNet's Future Leaders Programme. The programme involves sessions delivered by industry leaders and professional practitioners, as well as a team project and gala dinner. Two Port Waratah employees participated in the programme and were provided with support for skills development, and the opportunity to broaden their network and deepen their confidence to lead. The major project's winning team included one of Port Waratah's future leaders, Sam Noakes who said:

*"The programme was a fantastic opportunity to network with other young professionals and develop as a leader. I thoroughly enjoyed the programme, its relevant and engaging topics and working within a great team of leaders on the winning project".*



