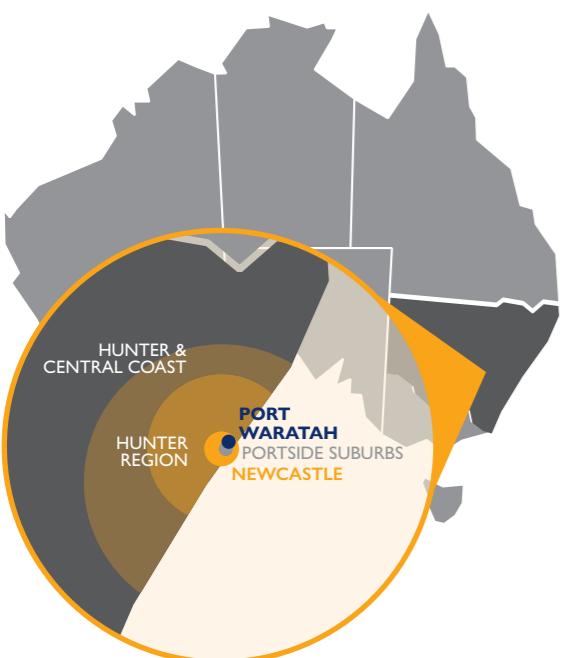


WE'RE AN ACTIVE MEMBER OF NEWCASTLE & THE HUNTER REGION

We connect and collaborate to create shared outcomes and genuine relationships



Port Waratah is committed to proactively engaging with our stakeholders. We strive to build strong relationships through open, timely and two-way communication and continually improving our engagement methods and activities.

Our stakeholders

Our stakeholders are those we have a business relationship with and that can impact on our success. They are also those that have an interest in our operations and the impacts and value we create. Our stakeholders include our people, customers, community, environment, coal chain partners, suppliers and governments.

Understanding our stakeholders and their interests

Understanding our stakeholders' expectations and delivering value back to the community is a key business priority. Our materiality assessment and the ongoing Local Voices Community Survey process every six months, including March and September in 2021, identifies and validates the issues that are important to our stakeholders.

Our strategy guides our engagement approach to effectively understand and address stakeholder issues, interests and concerns, with an emphasis on recording outcomes and evaluating our performance. These results then influence the context and delivery of future engagement.

Being part of the community involves advocating for Newcastle and the Hunter Region. One of the ways we do this is actively participating in regional advocacy forums. Our CEO, Hennie du Plooy continued his focus on regional advocacy as a Director of both Business Hunter and the Committee for the Hunter participating in ongoing regional conversations and civic leadership initiatives.

How we engage

We continue to use a variety of engagement methods to connect with and seek feedback from our stakeholders. Communicating openly and responding quickly to community concerns underpins our strategy. We appreciate that different engagement methods appeal to different stakeholders and we continue to update our tailored communication and engagement efforts to suit their needs, while at the same time meeting safety requirements in response to the ongoing COVID-19 pandemic.

Our Community Meeting Group met four times in 2021 and we continued to run a 24-hour community enquiry phone line and online enquiry form on our website. During this year, we received eight community enquiries, one of which we were accountable for.

Our site tours programme continued in a limited capacity in 2021 with COVID-19 restrictions implemented throughout the year. We recorded a slight increase in the number of participants compared to 2020, with a total of 58 tours and 229 people visiting our operations. We are keen to recommence the tours programme in 2022. It provides a platform for us to engage with customers, industry delegations, social clubs, schools, educational groups and other interested members of the public.

We share information using a quarterly digital community dashboard and a quarterly community newsletter delivered to portside households, both are published on our website. We also utilise local print and digital media, radio and television broadcasts, social media platforms and news website updates. This multi-channelled approach enables us to maintain a strong presence in traditional media while simultaneously enhancing information available via digital channels.

From September 2021, we proudly sponsored the local NBN News series *Rewind*, which showcases local broadcasts of milestone events that shaped our city of Newcastle over the last 60 years. The series will run until February 2022 and has been a positive demonstration of our connection to our local community, built over 40 years of delivering for the region. Catch all the episodes online at nbnnews.com.au 

Our reach on social media showed positive increases in 2021, with 22 per cent more followers and 45 per cent more engagement than the previous year. Social media platforms, including Facebook, Instagram and Twitter remained key channels for information sharing between Port Waratah and the community. We have delivered more content than in 2020, increasing our organic activity across our three platforms by more than 30 per cent this year.

 **9,132**
SOCIAL MEDIA ENGAGEMENTS
(45.2% INCREASE FROM 2020)

	60,000	COMMUNITY NEWSLETTERS
	8	COMMUNITY ENQUIRIES
	2 4 2	DUST NOISE OTHER

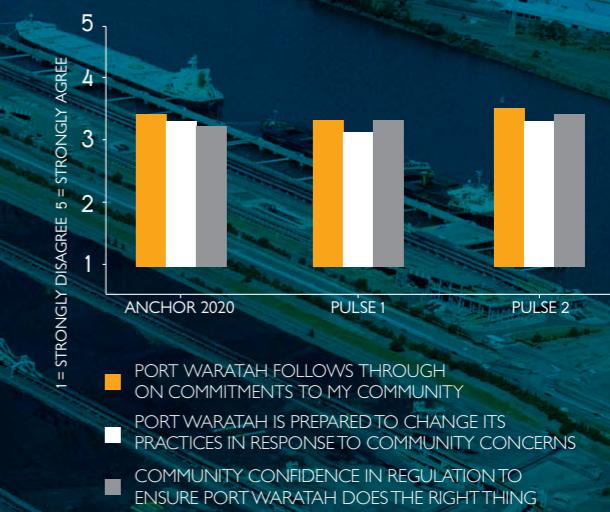
LOCAL VOICES COMMUNITY SURVEYS

PARTICIPANTS	SEPTEMBER 2020 ANCHOR	MARCH 2021 PULSE 1	SEPTEMBER 2021 PULSE 2
	391	761	408

 **47%** of total 2021 survey participants were within portside suburbs
53% of total 2021 survey participants were from the broader Newcastle Region

 **TRUST AND ACCEPTANCE OF PORT WARATAH REMAINS STRONG AND STEADY**

A SNAPSHOT OF HOW THE COMMUNITY FEELS ABOUT PORT WARATAH



SURVEY FOCUS AREAS:

MARCH 2021 Port Waratah scored 3.5 out of 5 from participants for living the values of diversity and inclusion	SEPTEMBER 2021 78% of participants positively accepted the Carrington Terminal Lease Extension
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CASE STUDY

Community Meeting Group

Our Community Meeting Group is an important part of our connection and engagement with our local community. The volunteers are representatives of community organisations and are based in our portside suburbs. They are dedicated community-minded people caring for not only their local neighbourhoods but advocating for Newcastle and the region through our quarterly meetings. Meetings have been facilitated since 2008, with the current format in place for 10 years. Members worked collaboratively to develop the Community Dashboard, which provides a performance snapshot material to our local community each quarter.

Through the meetings, we seek input from the group members on key focus areas, such as impacts of climate change and energy transition, regional infrastructure projects, social licence and strategic planning and help us develop improvement opportunities and make informed decisions. The meetings are also a transparent dialogue where members can raise material interests or community concerns and we can openly discuss performance and other matters. To find out more about our Community Meetings, visit Community News and Updates on our website. [READ MORE](#)

Support for our local economy

Port Waratah is committed to contributing to the prosperity of Newcastle and the Hunter Region. We contribute to the local economy by buying and employing locally and support the sustainability and resilience of the local community through our Community Investment and Partnership Programme.

We are proud of our history and commitment to promoting local employment, stimulating local economic growth by purchasing from businesses that are located in the Hunter and Central Coast, and by taking an active approach to sourcing local materials, contractors and professional services. We give preference to local suppliers in our decision-making process, while also taking competitiveness, reliability, reputation, previous experience, commercial considerations and legal obligations into account. In 2021, we spent \$85.5 million in the Hunter and Central Coast regions, representing 78 per cent of our total spend.

Sustainable procurement

Our Procurement Strategy is built on having an environmentally and socially sustainable supply chain.

All contractors are required to undergo an accreditation process, including an assessment of their policies and procedures to ensure adequate health and safety and environmental management systems are in place. A review of our contractors, based on performance expectations,

including safety, environmental and other agreed performance targets, is conducted every 12 months. When procuring goods and services from suppliers, we consider social and environmental impacts in purchasing decisions with a focus on maintaining safety and quality, protecting the environment and human health, saving energy, minimising waste, conserving resources and complying with the modern slavery legislation. Our contractors and suppliers are also expected to abide by our Code of Conduct, which is available on our website.

Port Waratah meets all requirements of the Federal Government's Payment Times Reporting Scheme as a large business (>\$100 million turnover). Our data is publicly available via the Payment Times Reporting Scheme website. Approximately 18 per cent of Port Waratah's total annual spend is to smaller businesses (<\$10 million turnover).

In response to business challenges related to COVID-19 impacts, we supported our contracting partners and suppliers with special payment terms, consisting of paying all invoices each payrun, irrespective of due dates. This was implemented in early 2020 and as a result of this initiative in 2021, 88 per cent of smaller businesses invoices were paid within 30 days (including 75 per cent within 21 days), which is also a positive outcome in support of small business.

In 2021, we commenced a sustainability procurement improvement project to evolve the maturity of our sustainable procurement practices. The project aims to establish a fit-for-purpose survey instrument to assess the sustainability (environmental, social and governance) performance of our suppliers and includes a trial with 10 selected suppliers. The project will be ongoing into 2022.

CASE STUDY

Ensuring business continuity through procurement practices

In 2021, one of the primary roles of procurement was to ensure operations could continue throughout the COVID-19 pandemic. The key objective was to develop transparent and dynamic relationships with our suppliers in anticipation of challenges.

While the global supply chain is continuing to present increasing difficulty for the availability of products, our local suppliers for COVID safety-related products, such as masks, sanitiser and cleaning solutions, were outstanding in the delivery of service and product.

The sourcing of replacement equipment and fabrication materials is still an ongoing challenge, however, we have been greatly supported by our local suppliers who have adjusted and responded to the new environment. Their focus on scheduling of our inventory supplies and flexibility in sourcing alternative products have significantly helped sustain our operations. We are proud to work with local business partners, continuing our support for local businesses.

2021 SUMMARY OF SPEND (% OF SPEND)

MATERIALS/PURCHASES*



CONTRACTORS/CONSULTANTS



PROFESSIONAL SERVICES**



*Excludes electricity \$18.043 million. **Includes insurance. Due to rounding, numbers may not add up precisely to the totals and percentages provided.

0% OVERSEAS

12% AUSTRALIA

10% NSW

78% HUNTER & CENTRAL COAST

53%
OF SPEND IN
NEWCASTLE
LGA (\$58.599M)



Addressing and eliminating modern slavery risks

Port Waratah undertakes ongoing modern slavery due diligence through supplier screening, assessing actual and potential modern slavery risks, acting upon findings, tracking responses, and communicating how risks are being addressed. Our 2021 Modern Slavery Statement is available on our website [READ MORE](#)

Support for our community

Our Community Investment and Partnership Programme (CIPP) invested \$750,000 with local community groups and organisations in support of building capacity, skills and knowledge. Port Waratah delivers value to the Newcastle community by funding projects and initiatives that address specific needs and contribute to the overall sustainability of the Hunter Region. Priority areas of our support include education, health, diversity, general community wellbeing, youth sport and the environment. Information on our programme's criteria and application process is available on our website [READ MORE](#)

Our support contributed to the success of 137 projects, initiatives and events.

Employee-led community participation

Most of our workforce live locally and are passionate about various community groups and charitable causes that support the people of our region. In 2021, employees participated in several physical fundraising challenges through our community programme to support charities, such as The May 50K for Multiple Sclerosis and Steptember for the Cerebral Palsy Alliance. Employees also organised and participated in a Clean-Up Day in our local area and supported the Mark Hughes Foundation brain cancer research through the Beanies for Brain Cancer campaign.

Through our 'Vote on a Good Cause' initiative, we continued to expand our employee engagement by asking our employees to nominate a charity or organisation close to their heart, which aligns with our values and objectives. These nominations were shortlisted to three and all employees were encouraged to vote on a \$30,000 donation pool. Pleasingly, 85 per cent of all employees voted in the community-minded initiative and Ronald McDonald House, Got Your Back Sista and Cooks Hill City Scouts all received a share of the funding to help them continue their great work in our community.

We continued to expand our workplace giving programme, with our employees giving to the John Hunter Children's Hospital, Lifeline Hunter Central Coast, The Salvation Army, Share the Dignity and the Westpac Rescue Helicopter. All of these organisations receive payroll donations that are matched dollar-for-dollar by our CIPP.



CASE STUDY

Making Waves Foundation

Launching in Newcastle in December 2021, the Winds of Joy Programme with the Making Waves Foundation offers sailing opportunities to children with a disability and for many the Programme is the first step on a journey of change.

Previously, the Programme was only offered for one week per year, but now with a multi-year partnership established between Port Waratah and Making Waves Foundation, the Programme will, pleasingly, have a permanent presence in Newcastle with a dedicated yacht. It is expected that more than 1,000 children from the Newcastle and Hunter Region will participate in the uplifting sailing programme over the next 12 months, offering new horizons and the realisation that they don't need to be defined or confined by their circumstances.

All Making Waves yachts are adapted to take wheelchairs and equipped with an electronic joystick, allowing almost everyone on board to experience steering the yacht. Skippers and volunteers are trained to offer support, kindness and a positive environment, encouraging the participants and stimulating their imaginations. Enjoy more of our community partnerships at our Storylines website [READ MORE](#)

