



OceanaGold (New Zealand)

Waihi Social Impact Management Plan 2018 Annual Monitoring Report

April 2019

PHOENIX
RESEARCH

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1 INTRODUCTION

In October 2013, Waihi Gold Operation ("**WGO**", or "**operation**"¹) received consent to develop the proposed Correnso Underground Mine ("**Correnso**") in Waihi, New Zealand. The operation is subject to a set of conditions, known as the Correnso Consent Conditions ("**Consent Conditions**")², which include a requirement for a Social Impact Management Plan ("**SIMP**") to provide:

*"An updateable framework to identify, assess, monitor, manage and re-assess the social effects (positive and negative) of the Correnso Underground Mine in combination with the other Newmont Waihi Gold (NWG) mining projects operating in the area, on the community; and
An annual report on the outcomes of this work."*³

The Waihi Gold Operation was previously operated by Waihi Gold Company Ltd ("**WGC**"), also known as Newmont Waihi Gold ("**NWG**"). In October 2015 the operation was acquired by OceanaGold (New Zealand) Ltd ("**OceanaGold**", or "**OGC**"). OGC now has responsibility for implementing and monitoring the Consent Conditions and the subsequent SIMP Framework and Social Impact Assessment ("**SIA**"), which were developed at the time for the consent holder.

A SIMP Framework was developed and revised through an iterative process involving WGO, the local regulator (Hauraki District Council, "**HDC**") and consultation with stakeholders, including Waihi residents, community representatives, local business owners and the operation's workforce. It contains management plans for six themes, which form the structure of this Annual Monitoring Report:

- Economy
- Employment
- Property
- Community
- Health and wellbeing
- Future of Waihi and the WGO legacy

Further details about the potential impacts and issues related to these six themes can be found in the Social Impact Assessment ("**SIA**") conducted in 2014. The SIA and SIMP Framework are available from both WGO and HDC.

The SIMP Framework requires WGO to prepare monitoring reports that track performance against the SIMP indicators, on an annual basis for the life of the Correnso development. As with the SIMP Annual Monitoring Reports since 2015, this report ("**report**") captures and communicates WGO's progress in relation to its objectives and goals for the current year (2018). This report on the 2018 year shows not just the 2018 SIMP indicator results but also those from the previous year (2017) and

¹ Also referred to sometimes, for added readability, and where unambiguous, simply as "the company".

² The Correnso Consent Conditions are available at <https://www.waihigold.co.nz/wp-content/uploads/2016/03/Correnso-Consent-Conditions-FINAL.pdf>

³ Consent Condition 39.

baseline year (2014), for context. This is in line with the established format of showing in each year's report, the indicator results for that year, the previous year, and the baseline year. (The indicator results from the intervening years, in this case 2015 and 2016, have been fully reported in the SIMP annual monitoring reports on those years.)

The report also documents OceanaGold's self-assessment of its progress against the required mitigation and management activities.

Data sources

The data quoted in this report has been obtained from a number of sources. Unless otherwise specified, all data has been provided by OceanaGold and its management and personnel. Phoenix Research Limited ("**Phoenix**") has collated and assembled this information into this report, though does not give any warranties of completeness, accuracy or reliability in relation to any of the statements or data provided in this report: Phoenix has not sought to independently verify information in this report, beyond basic reasonableness checks, and review and discussion with OceanaGold employees.

The findings in this report have been formed on the above basis.

In parts of this report data on community perceptions are presented that come from two different data sources: the Correnso SIA Engagement (conducted by KPMG Banarra in 2014) and the annual Waihi Perceptions Surveys (conducted by Phoenix since 2016). Although there are close parallels in the data these two data sources produce, results from these data sources are not directly comparable due to the different samples and sometimes also different question wording, the first being a Social Impact Assessment (SIA) and the later annual Perceptions Surveys being part of a Social Impact Monitoring Plan (SIMP). Hence 2014 community perception results are presented separately from 2017 and 2018 community perception results.

The community perceptions surveys have used a range of different sample sizes, which are fully documented in the tables of results. In particular, larger sample sizes for the surveys of residents were used in 2017 (361) and 2018 (311) compared with the sample sizes in earlier years. The larger sample sizes in 2017 and 2018 were used to give a higher level of accuracy of results (technically, smaller margins of error). The sample sizes for the surveys of businesses have remained the same each year.

The nature of this report

This report follows a template for SIMP annual reporting established for NWG essentially in the 2014 SIA report undertaken by Australian consulting firm Banarra. This was subsequently updated in the 2015 and 2016 SIMP Annual Monitoring Reports by KPMG Banarra, and in the 2017 SIMP Annual Monitoring Report by Phoenix. This template has been approved by the regulator HDC as meeting the requirements of the Correnso Consent Conditions. Where findings are quoted from these earlier reports in the series of which this report is the most recent one, all reasonable efforts have been made to quote the earlier reports accurately and not be misleading in any way about these reports. Copies of all these earlier reports in this series are available from both WGO and HDC. For further details, please refer to these reports:

"Correnso SIA Engagement", KPMG Banarra (2014), <https://www.waihigold.co.nz/wp-content/uploads/2016/03/Banarra-SIA-Report-30-Sept-2014.pdf>

"Social Impact Management Plan Framework for Newmont Waihi Gold", KPMG Banarra (2015), hyperlink: <https://www.waihigold.co.nz/wp-content/uploads/2018/03/Social-Impact-Management-Plan-SIMP-2015.pdf>

"Waihi Social Impact Management Plan 2016 Annual Monitoring Report", KPMG (2016), https://www.waihigold.co.nz/wp-content/uploads/2016/02/2016-SIMP-Annual-Monitoring-Report_Final.pdf

"Waihi Social Impact Management Plan 2017 Annual Monitoring Report", Phoenix Research (2017), <https://www.waihigold.co.nz/wp-content/uploads/2018/07/Social-Impact-Management-Plan-SIMP-2017.pdf>

The current report has been prepared by Phoenix for OceanaGold, based on an approach, methodology and template agreed and subject to a contract between the two companies. This approach and methodology are modelled closely on those used for the earlier reports in this series, and use the template specified for this reporting. Minor variations from that template are as agreed between Phoenix and OceanaGold. The template includes a wide range of waivers, disclaimers and limitations that, while summarised above, are fully documented in the 2016 report.

The report is essentially concerned with data up to the end of the 2018 calendar year, although naturally the report includes analysis and observations about that year that have been made early in 2019.

The chapters on the six themes which form the basis of this Annual Monitoring Report first set out the WGO objective, potential impacts of the Correnso development in combination with other WGO operations, and WGO's performance goals for that theme. This is followed by Mitigation and management activities, Indicators, and a Summary of that chapter. In the Indicator section of each chapter, each "Indicator" is presented in turn, under the headings of Data, Changes, and Comment for that Indicator.

Both Mitigation and management activities, and Indicators, are referenced by abbreviations following the formula of: theme (e.g. Ec for Economy), type (M for Mitigation and management activities or I for Indicator), and number (1, 2, 3, etc). This gives rise to references of the form Ec-M-1, Ec-I-1, etc.

To summarise the above, the prime purpose of this report is to document WGO's performance on the management plans for the six themes specified in the Correnso Consent Conditions, in the format specified by the SIMP template, so that the local regulator, HDC, can check and satisfy itself that WGO is complying with these conditions. The report has been prepared on the basis that it will be made available, as with earlier reports in this series, in the public domain once it has been reviewed and approved by HDC.

Responsibility for the security of any electronic distribution of this report rests with OceanaGold and Phoenix accepts no liability if this report is or has been altered in any way by any person.

2 THE 2018 YEAR IN REVIEW

Key achievements and challenges for WGO during 2018 were as follows. Additional insights into the site's achievements and challenges in relation to specific SIMP indicators and management actions are provided throughout Chapters 3 to 8.

2.1 KEY WGO ACHIEVEMENTS IN 2018

PROJECT MARTHA

- Developing the plans and application for Project Martha, and this project being consented without an appeal to the Environment Court, have been major achievements for the company during 2018. The smooth path to approval of this project has the significant effect of enabling the detailed planning and gearing up for this work to begin more promptly than if it had been appealed to the Environment Court. This will result in better continuity of work flows, while at the same time it has markedly reduced the overall cost of getting the project consented.
- WGO has been heartened by the way the community has responded to this project, which could be described as calm, careful and rational, reflected in a large number of submissions in support and only a small proportion of submissions against this project. The community have by and large viewed Project Martha as benign, well summarised, for all the details the project involves, as simply "more of the same".
- The community's response, along with the relatively smooth path to the project being consented, is felt to reflect and constitute evidence of the diligence of the company and its consultants in preparing the plans for Project Martha.
- Further, Project Martha has provided tangible and firm evidence of OceanaGold's commitment to extending the life of mining in Waihi: a year ago that tangible visible evidence was largely just the exploration and drilling rigs located in a number of locations in and around Waihi. OceanaGold's commitment (now solidly substantiated by Project Martha) to extending the life of mining in Waihi is a reversal of the approach of the previous owner, Newmont, under whose management there was little spending on exploration, and a strong likelihood of mining in Waihi finishing during 2019. Against that context and recent history of uncertainty, Project Martha has been a welcome change, with mining now extended some ten years beyond the completion of the mining at Correnso.
- Although WGO has had a dedicated team developing the plans and consent application for Project Martha, the project has naturally also needed inputs from a number of other WGO employees spread through a range of areas of the company. Another aspect of the success of Project Martha being consented has been the cross-team work this has required during 2018.

ACHIEVEMENT OF BUDGETED PRODUCTION LEVELS

- Like the theme of continuation of mining being an achievement, through Project Martha, achieving budget may be seen as a "natural" or "given" for this type of industry and scale of enterprise. However this is considered an achievement in the 2018 year because:
- A significant difficulty in the first half of the year was "burying a bogger". A bogger is a machine for removing the rocks and debris created by underground blasting. Boggers are worked remotely, and hence can work in unsupported spaces where humans do not work, for safety reasons. In the first half of 2018, one of the three boggers working in the Correnso mine was buried in a rock fall. (With the bogger being remotely controlled, this incident naturally did not involve injury

to any employees.) Bidders are a critical link in the production chain, so to have the productive capacity of one out of three bidders removed, even briefly, was a significant setback for the company,

- The bidder was retrieved but was found to have incurred significant damage, and was written off as a result.
- The result was that a replacement bidder was bought, though a second-hand one, which proved to require significant work and maintenance. With only three main bidders working the mine (excluding some smaller "narrow vein" bidders), the reduced capacity from the loss of the original bidder, combined with the replacement bidder being able to perform only well short of fully productive, led to targets for ore extraction not being met in the first half of the year.
- WGO moved promptly to rectify this situation by purchasing a new replacement bidder, with which production was able to be restored to planned levels.
- The net result was that with a very productive second half to the 2018 year, production targets for the year as a whole were met, and in fact exceeded (by over 2%). That was a significant achievement against the backdrop of the significant disruption to, and loss of, production in the first half of the year.

SUCCESSFUL NEGOTIATIONS TO SETTLE NEW ROSTERING OF UNDERGROUND EMPLOYEES

- Underground employees work on rostered shifts, typically each of 12 hours, working a number of days in a row, then with several days off. While that arrangement had been in place for some years, it suited some underground employees well, but others not so well.
- During 2018 negotiations were successfully completed with the union, to change the basis for rosters for underground employees, to "seven on, seven off", this representing the preferred approach (on balance, for the majority) for these employees. The fixed number of days on then days off were deemed by the employees and union to suit the employees better, in part because it enables them to participate more fully or actively in local community activities, such as sports clubs, community events, churches, and other voluntary community activities. WGO is strongly supportive of its employees engaging in the community in these ways, so was also interested to facilitate that fuller community engagement.
- These new arrangements resulted in some reduction in take-home pay for these employees, a majority of whom opted for the "less pay, better rostering" solution. Not all these employees preferred the new rostering arrangement, which made the negotiations to conclude and settle this point more challenging than they might otherwise have been. That also made the successful conclusion to these negotiations all the more an achievement for the 2018 year.

ONBOARDING OF A FURTHER GROUP OF EMPLOYEES

- During 2018 WGO continued "onboarding" with a further group of employees, those who had previously been employed by a contractor to the company, AWF. These employees work underground at Correnso.
- OceanaGold has a policy of onboarding where it can, i.e. employing directly rather than via a contractor, so onboarding this further significant part of the workforce was a notable achievement during 2018.

CONTINUED DEVELOPMENT OF EXPLORATION

- While the company's interest in exploration had been conspicuous during 2017 "around town" (e.g. by the presence of drilling rigs) and by other more formal measures, it has continued exploration even more vigorously during 2018.
- This has extended to increased exploration marginally further outside the town of Waihi (for example at Wharekirauponga in the Coromandel, approximately nine kilometres from Waihi as the crow flies).
- Exploration obviously carries significant costs, for example with the company having expanded its Exploration Team markedly in 2018 to 41 staff, 17 of whom are geologists. It is a significant achievement that during 2018 the extent of exploration has been able to be continued if not increased over 2017, considering the significant costs this incurs, and the large increases this has needed in some sections of the workforce including highly skilled personnel such as geologists.

WINNING A NEW ZEALAND MINERALS FORUM AWARD

- During 2018 WGO won an award from the New Zealand Minerals Forum for innovation in mining, at its inaugural event. This award was for developing a successful early warning system to prevent people being startled by blasting vibration and noise. The system sends warnings to residents who ask to be on the programme, via a "Blast Notification Coaster". This system was developed to address needs identified through community consultation, and has been well received.
- This is one part of a comprehensive system WGO uses to notify the community when blasting is to occur, which also uses a range of other communications channels.

MAINTAINING A HIGH LEVEL OF REGULATORY AND LEGISLATIVE COMPLIANCE

- As with other business fundamentals such as continuity and meeting budget and production targets, it might be assumed that maintaining a high level of regulatory and legislative compliance would be a given. However that view would fail to acknowledge that maintaining this compliance is a significant achievement.
- Key areas that are examples of the company achieving high levels of regulatory and legislative compliance are:
 - Health and safety, including rigorous adherence to training requirements, injury prevention programmes, accurate recording of injuries, and a low rate of recorded injuries. (WGO also has initiatives that go beyond minimum standards, such as "at the gate" voluntary alcohol testing for employees, and provision of onsite occupational nursing services);
 - Environmental measures, including for example, vibration measurements from blasting and close monitoring of exceedances and procedures for when that occurs;
 - All aspects of employment practices;
 - Reporting as required to the local council and regulator, Hauraki District Council, and the Waikato Regional Council;
 - Annual SIMP monitoring reporting: an achievement in 2018 was that HDC approved the SIMP report submitted for the 2017 calendar year, having had this report independently reviewed and found to fully meet the requirements set out in the Correnso consent conditions. HDC's satisfaction that the current SIMP monitoring programme is satisfactory was further confirmed during 2018 in that the consent conditions for Project Martha continue the current SIMP regime, with virtually no change.

CELEBRATION OF 30 YEARS OF CONTINUOUS MINING IN WAIHI

- With mining having been resumed in Waihi in 1988 after a lull since the 1950's, it was appropriate for the company to initiate and facilitate celebrations during 2018 of the 30 years of continuous mining in the town.
- These celebrations were well received by the community, although the fireworks attracted one noise complaint.

2.2 KEY WGO CHALLENGES IN 2018

MOBILITY OF WORKFORCE, RETENTION, RECRUITMENT AND TRAINING

- Mining around the world is in a growth phase, as a result of continuing global upwards trends in gold prices, the need for product from the extractive industries generally, and the investor environment.
- This trend was also identified as a significant challenge in the 2017 SIMP report, but continues at least as challenging during the 2018 year as it was during 2017, probably more so.
- The upsurge in the price of gold is now being seen to result in mining in Australia in particular growing strongly, not too far afield for employees at Waihi (including prospective employees) to consider for job opportunities.
- This has the consequence that employees at WGO can find offers of work in Australia or overseas very attractive, with very high salaries and good conditions on offer. This is particularly an issue for the more highly skilled and technical workers. Underground operations are particularly affected by these trends. Workers in these fields often need or have had more extensive training than other workers, placing a further strain on the system if they depart Waihi.
- In addition, the high calibre of Waihi employees (including credentials, training and certification) makes them attractive to Australian and other overseas employers.
- The resulting potential mobility of the workforce, enhanced ultimately by continuing rises in price of gold, has continued to be a challenge for WGO during 2018.
- Uncertainties in the world economic outlook and geo-political stability also make gold an increasingly attractive investment or part of any large investment portfolio, further driving up the price of gold, and ultimately also increasing the potential mobility of the workforce.
- The company has proactively identified the specific advantages of working in Waihi and promotes these to the workforce and to potential recruits, including not just financial and the general benefits of working in New Zealand, but also the unique and lifestyle benefits of living in or close to Waihi. That is a particular strength of the WGO employment "brand" or bundle of benefits that WGO can offer employees, and it is used to the full in recruitment.
- The company's intentions to extend the life of mining in Waihi, now firmed up by the consenting of Project Martha, result in a continuing requirement for staffing levels so that loss of employees to overseas mining positions, and effectively having to compete in an international employment market, is a challenge.
- The fact that a significant proportion of the workings for Project Martha will be underground, where more technical skills are required, adds to this challenge.
- The global trends referred to above impact on not just retention of staff but also recruitment, resulting in both recruitment and retention of staff becoming increasingly challenging.
- The company has retained a strong representation of people who live locally in its workforce, well ahead of the 70% minimum requirement set down in the SIMP Framework.

- It remains a challenge to recruit local people when specific technical skills are required: there is a shortage of relevant and specific technical skills in the local workforce. WGO addresses this by a programme of actively promoting and facilitating training of employees recruited locally.
- The contractors involved in exploration have been particularly successful at having a high proportion of employees living locally, supporting the company's own policy of employees living locally.
- With most of WGO's operations currently underground, and with underground staff being particularly technical and hence needing high levels of training, combined with these employees being vulnerable to attractive employment offers overseas, this combination of factors has led to a particular need for training of underground employees.
- Taking any employees out of their work teams and into training can create challenges, especially in small work teams, and where roles are highly specialised. That is particularly characteristic of underground work.
- The result is that there have been more challenges than usual in getting employees into training, with the increased absenteeism and late cancellations/withdrawals that were noted during 2017 continuing as a challenging trend in 2018.
- There is a trend towards more formal and regulatory requirements for, frequency of, and certification of, technical training. This is part of a wider process of ongoing tightening of regulations under the current as opposed to previous government. This has created further challenges for training at WGO.

THE SECOND-HAND BOGGER

- The purchase described above of a replacement bogger that was second-hand, and proved to require unanticipated repair and maintenance work, and even then not be fully productive, was a challenge in 2018. As set out above, this challenge flowed directly through to lower production of ore and failure to meet production targets in the first half of 2018.
- It was to the company's credit that it quickly recognised this and rectified it by purchasing a new replacement bogger, despite the high (and unbudgeted) cost, \$1.7m⁴.

REDUCING QUALITY OF ORE AS CORRENZO NEARS COMPLETION OF MINING

- Although this trend was fully anticipated from geological data and modelling, and planned for, the grade of ore being extracted from Correnso has declined as the mining there nears completion.
- That naturally has a marked impact on the economics of the Correnso mine. This trend will ultimately lead to the cessation of mining in Correnso, a common pattern with the closure of many mines.
- While this is all as to be expected, and has been planned for, it does also create a challenge in terms of decreases in revenue largely without corresponding decreases in costs.

⁴ The loss of this bogger was covered by insurance.

- This wind-down phase of Correnso as mining there moves towards completion is a challenge that requires quite different strategies from a mine in its early or mid-life more productive phases. That challenge has been a constraint within which the company operated in 2018, and is anticipated to continue in 2019.

MAINTAINING HIGH LEVELS OF REGULATORY AND LEGISLATIVE COMPLIANCE

- While this was identified above as an achievement by WGO during 2018, it is also appropriate to identify this as an ongoing challenge.
- Pressures for increased efficiency of teams naturally need to be balanced with compliance needs. (For example, as discussed above, the need for training can result in removing a team member and temporarily reducing the capability and efficiency of the team, a fine balancing act.)

STAFF ENGAGEMENT, ATTITUDES AND WASTAGE

- While also an ongoing issue and not entirely specific to 2018, a theme during the year has been to address these topics with a view to improving efficiency and reducing wastage, not always top priorities for employees.
- These issues have been addressed during 2018 with a "Vital Behaviours" staff engagement programme, epitomised by its strapline "Do the right thing when no-one is watching".

GOVERNMENT POLICY AND RELATIONS

- The change of government late in 2017 was thought likely to lead to some further challenges for WGO, concerning general business, environmental and regulatory issues. However none of these arose directly within the 2017 year, and have been slow to take shape over the 2018 year. The company is monitoring this space to ensure it is well informed of changes and developments.
- Relationships with the Department of Conservation (DoC) have remained important given the company's interests in a possible mine site in the Coromandel.

2.3 DISCUSSION

The themes and points noted above provide context for reviewing WGO's performance on the indicators specified as part of the SIMP requirements, and its performance in carrying out the management and mitigation activities specified by the SIMP. These specific indicators and management and mitigation activities are the focus of the balance of this report.

Overall, given the context set out above, WGO has done very well to collect virtually all the data required for SIMP reporting, and to complete the large majority of the management actions included in the SIMP Framework. This report fully documents both these achievements, and WGO's plans to fill the few outstanding information needs.

Continuing changes at the site during 2018 compared with previous years, the upcoming completion of mining at Correnso, and the consenting of Project Martha, have implications for some of the SIMP indicators and mitigation measures. Continual and annual review of SIMP indicators and mitigation measures has been an integral part of the SIMP process from the outset, and has been included in this report. The development of the new measure of business reliance on mining and the implications for eventual mine closure, as reflected in the indicator Ec-I-5, is a particular achievement of this year's SIMP monitoring reporting. HDC's review and feedback on this new measure will be sought and welcomed.

Recommendations are being provided to WGO alongside this report for the company's consideration in the first instance, regarding additional indicators or revision of existing indicators, as well as possible enhancements to data management processes, to continue the journey that the SIMP seeks to inform, of ongoing accountability and improvement.

3 ECONOMY

Objective	Manage WGO's contribution to the economy in order to maximise mutual benefits while minimising negative social impacts, including dependency.
Potential impacts	<ul style="list-style-type: none"> Continued contribution to the economy by WGO; and Continued financial reliance on WGO.
Performance goals	<ol style="list-style-type: none"> Build an in-depth understanding of the local economic impacts and opportunities of WGO, and the Correnso development in particular, including reliance on this contribution. Ensure proactive steps are in place to identify and provide business opportunities to local stakeholders thereby ensuring their inclusion wherever possible in opportunities that can deliver mutual benefits to local stakeholders and WGO. Support government and business stakeholders in their work to manage economic dependencies.

3.1 MITIGATION AND MANAGEMENT ACTIVITIES

Ref.	Action ⁵	Completion date/ timeframe	Owner	Status	WGO self-reported progress summary
Ec-M-1	Review current monitoring and evaluation activities and identify gaps in relation to the economy in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2018/2019	External Affairs Department	Ongoing	All SIMP indicators are being tracked and reviewed annually. The logistics of collecting Ec-I-5 data has been reviewed, and a replacement has been developed for review with HDC.

⁵ Actions as identified in the 2014 SIMP.

Ref.	Action ⁵	Completion date/ timeframe	Owner	Status	WGO self-reported progress summary
Ec-M-2	<p>Review WGO's regional and local procurement initiative, in particular:</p> <p>Identify whether it delivers relevant data on local procurement and indirect economic impact; and</p> <p>Update, analyse and report the data it provides or collect new data if necessary.</p>	January 2015 then annual review	Commercial Department	Complete	<p>A review was completed in 2016 as part of the transition of the site to OceanaGold to determine how best to capture and report this data systematically.</p> <p>WGO continues to monitor action through the indicators located within this report. The review will be conducted on an annual basis.</p>
Ec-M-3	Review WGO's procurement processes to identify opportunities to support local business sustainability while managing potential dependencies.	Annual	Commercial Department	Ongoing	<p>Commercial Department component has been completed. While tenders are open to all, local suppliers are specifically asked to tender where appropriate, as a way for WGO to encourage and develop local businesses.</p> <p>Perception survey data continues to be used to monitor and inform mitigation actions. The results suggest that dependency on WGO for local business is not a current issue.</p> <p>WGO's current plans and intentions to extend the life of the mine reduce the significance of potential dependencies. Even so, WGO treats the sustainability of local businesses as an ongoing process.</p>

Ref.	Action ⁵	Completion date/ timeframe	Owner	Status	WGO self-reported progress summary
Ec-M-4	Incorporate the collection of business data into SIAs (e.g. percentages of goods and services required by WGO that are procured from local businesses and the indirect impact of this on the local economy).	Annual	External Affairs Department	Ongoing	<p>The annual Perception survey is ongoing and will continue, as this supplies as much data as can be collected using this method. WGO has reviewed this indicator and determined that more exact quantitative data is hard to obtain through any other avenue.</p> <p>However, Ec-I-5 has been further investigated and new methods have been identified that provide reasonable estimates of this indicator, that do not require businesses to provide sensitive data. This methodology has been implemented and the data is included in the 2018 SIMP monitoring report.</p> <p>The data on tenders won (Ec-I-4) provides some indicators of the extent to which WGO is procuring from local businesses.</p>
Ec-M-5	Assess opportunities to improve how local businesses are notified of tenders.	Annual	Commercial Department	Ongoing	Notification of all new tenders to local businesses is mandatory and incorporated into procedures.
Ec-M-6	Review and update WGO's Stakeholder Engagement Plan in consideration of the positive and negative impacts the Correnso development has on the economy.	January 2015	External Affairs Department	Complete	<p>WGO now refers to what was previously called the Stakeholder Engagement Plan as the Communications Plan.</p> <p>The Communications Plan, annual Perception survey and SIMP annual monitoring reports inform this action point and continue to be used for this purpose.</p>
Ec-M-7	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to the positive and negative economic impacts the Correnso development has on the economy.	January 2015	External Affairs Department	Ongoing	WGO's Communications Plan related to the economy was reviewed as part of the Project Martha preparations. The findings were reported to management for review with any mitigating actions considered for implementation alongside business requirements.

Ref.	Action ⁵	Completion date/ timeframe	Owner	Status	WGO self-reported progress summary
Ec-M-8	Review use of the words "local" ⁶ and "regional" ⁷ when describing economic activities and impacts so that definitions are clear and unambiguous, sensitive to the range of stakeholder interpretation.	December 2014	External Affairs Department and Business Department	Complete	The definition of "local" and "regional" has continued as documented. Refer to Em-M-5.
Ec-M-9	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning the economy. Short term - Cintellate entries to be monitored. Post - local economic analysis will identify other opportunities.	January 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action. The InForm system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.
Other	None.	N/A	N/A	N/A	N/A

3.2 INDICATORS

Ec-I-1 and Ec-I-2: DIRECT FINANCIAL CONTRIBUTIONS (Business Department)

- **Ec-I-1:** Total WGO expenditure including and excluding payroll at local, regional, national and international scales
- **Ec-I-2:** Royalty and rate payments to government

⁶ WGO defines "local" as including Waihi, Waihi Beach, Paeroa, Katikati and Whangamata, and the surrounding rural areas. This definition applies throughout the SIMP for all uses of the term.

⁷ WGO defines "regional" as including the Waikato and Bay of Plenty regions, other than the area defined as "local". This definition applies throughout the SIMP for all uses of the term.

Data and Changes

Table 1: Direct financial contributions (Ec-I-1 and Ec-I-2)

	DATA						CHANGES			
	2014 (baseline)		2017		2018		2014 - 2018		2017 - 2018	
	Value of expenditure (NZ\$)	Proportion of total expenditure (%)	Value of expenditure (NZ\$)	Proportion of total expenditure (%)	Value of expenditure (NZ\$)	Proportion of total expenditure (%)	Value of expenditure (%)	Proportion of total expenditure (%)	Value of expenditure (%)	Proportion of total expenditure (%)
Total expenditure⁸ including payroll										
Local	46,249,183	30%	75,503,837	45%	53,214,255	40%	15%	33%	-30%	-11%
Regional	39,646,373	26%	11,610,105	7%	10,107,865	8%	-75%	-71%	-13%	8%
New Zealand	45,599,546	30%	68,558,846	41%	62,915,240	47%	38%	57%	-8%	15%
Overseas	21,111,579	14%	11,426,192	7%	7,184,235	5%	-66%	-62%	-37%	-23%
Total	152,606,681	100%	167,098,980	100%	133,421,596	100%	-13%		-20%	
Total expenditure⁸ excluding payroll										
Local	31,878,183	23%	47,220,315	18%	23,730,221	25%	-26%	4%	-50%	33%
Regional	39,646,373	29%	11,610,105	13%	3,714,846	4%	-91%	-86%	-68%	-69%
New Zealand	45,599,546	33%	68,558,846	56%	62,262,577	64%	37%	94%	-9%	14%
Overseas	21,111,579	15%	11,426,192	13%	7,171,621	7%	-66%	-53%	-37%	-46%
Total	138,235,680	100%	138,815,457	100%	96,879,266	100%	-30%		-30%	
Payments to government										
Royalties	2,560,000	-	4,923,867	-	3,471,898	-	36%	-	-29%	-
Rates	July 2013 - June 2014		July 2016 - June 2017		July 2017 - June 2018					
HDC	575,700	N/A	668,945	N/A	776,318	N/A	35%	-	16%	-
WRC	41,635	N/A	83,654	N/A	82,415	N/A	98%	-	-1%	-
Total	617,335	N/A	752,599	N/A	858,733	N/A	39%	-	14%	-

Data sources: Waihi SIMP Annual Monitoring Report (KPMG, 2016); WGO Business Department (2017 and 2018).

⁸ This figure includes all expenditures including procurement, capital expenses, payroll (if applicable), tax and royalties at all applicable scales. The regional figure excludes local spend, and New Zealand figure excludes local and regional spend. The data is based on accrual (not cash) accounting methods.

Comment

Total 2018 expenditure, both including and excluding payroll, is markedly down in 2018 compared with 2017, and also compared with the baseline year for this series of studies, 2014. This reflects changes in mining activities and output, as the life of the Correnso mine approaches its end-of-life, possibly late in 2019. This trend is commensurate with the reduction in the royalties paid to government when comparing the last two years.

Although not clearly evident in the table presented, the reduction in mining activity and output at Correnso has been to some extent offset by higher expenditure on exploration in the 2018 year.

Continuing a trend noted last year, there has also been a further marked reduction in overseas expenditure, with local expenditure holding up as a reasonably steady proportion of all expenditure.

Expenditure in New Zealand (i.e. excluding local and regional expenditure) has reduced less than other expenditure categories. This is largely attributable to the significant costs during 2018 of preparing the case for Project Martha, where it was necessary to procure specialist expertise across a wide range of disciplines, that was not available closer to Waihi, though was available elsewhere in New Zealand, and therefore did not impact markedly on overseas expenditure.

Ec-I-3 and Ec-I-4: PROCUREMENT OPPORTUNITIES AND SPEND (Business Department)

- **Ec-I-3:** Percentage and number of local, regional, national and international companies participating in tenders (i.e. participants).
- **Ec-I-4:** Percentage and value of tenders won by local, regional, national and international businesses.

Data

Table 2: Procurement opportunities and spend (2014 baseline calendar year)

TENDERS	LOCAL		REGIONAL		NATIONAL		INTERNATIONAL		TOTAL
	No.	%	No.	%	No.	%	No.	%	No.
Number of tenders ⁹	-	-	-	-	-	-	-	-	7
Number of tender participants	2	9.1%	3	13.6%	8	36.4%	9	40.9%	22
Number of tenders won	2	28.6%	1	14.3%	2	28.6%	2	28.6%	7
Value of awarded tenders	Data not available ¹⁰								

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

⁹ Naturally the number of tenders offered cannot be split by area, with only the total number of tenders being relevant for this table. The same comment also applies to the tables for later years.

¹⁰ Due to the small numbers involved, WGO is unable to provide this information as it is commercially confidential.

Table 3: Procurement opportunities and spend (2017 calendar year)

TENDERS	LOCAL		REGIONAL		NATIONAL		INTERNATIONAL		TOTAL
	No.	%	No.	%	No.	%	No.	%	No.
Number of tenders	-	-	-	-	-	-	-	-	6
Number of tender participants	10	18%	16	28%	13	23%	18	32%	57
Number of tenders won	11 ¹¹	35%	11	35%	9	29%	0	0%	31¹²
Value of awarded tenders	Data not available ¹³								

Source: WGO Business Department (2017).

Table 4: Procurement opportunities and spend (2018 calendar year)

TENDERS	LOCAL		REGIONAL		NATIONAL		INTERNATIONAL		TOTAL
	No.	%	No.	%	No.	%	No.	%	No.
Number of tenders	-	-	-	-	-	-	-	-	10
Number of tender participants	7	18%	7	18%	24	61%	1	3%	39
Number of tenders won	4	29%	2	14%	7	50%	1	7%	14
Value of awarded tenders	Data not available ¹³								

Source: WGO Business Department (2018).

¹¹ One tender was awarded in 2017 that had been put out to tender in 2016. That is why this number is one larger than the number of tender participants.

¹² Some tenders are allocated to more than one supplier, which is why this number is larger than the number of actual tenders. This also applies to the 2018 data.

¹³ Due to the small numbers involved, WGO is unable to provide this information as it is commercially confidential.

Changes

Table 5: Changes in procurement opportunities

	Change from 2014 – 2018 %	Change from 2017 – 2018 %
Number of tender participants		
Local	250%	-30%
Regional	133%	-56%
National	200%	85%
International	-89%	-94%
Total	77%	-32%
Number of tenders won		
Local	100%	-64%
Regional	100%	-82%
National	250%	-22%
International	-50%	-
Total	100%	-55%

Comment

Commensurate with the drop in expenditure and mining activity/output comparing 2018 with 2017 shown in Table 1, there have also been marked drops in tendering in 2018 compared with 2017.

The reduction in international tenderers and tenders won reflects the increased alignment of the Waihi operation with other operations within OceanaGold. This is also in part a continuation of the trend noted last year, away from tendering and purchasing by Newmont, which was often done internationally, particularly in or from Perth/Australia.

A further factor affecting the tendering data is that there is now more integration of WGO tendering with other requirements within OceanaGold. The 24 national tender participants in 2018 (much higher than previous equivalent figures) reflect that pattern, with a number of tenders covering both WGO and Macraes in Otago, another significant mine owned by OceanaGold. An example of tendering covering these two mines is for the supply of energy, such as diesel, gas and electricity.

Ec-I-5: PROPORTION OF SUPPLIERS FOR WHOM WGO CONTRIBUTES >50% OF REVENUE, ... AT LOCAL, REGIONAL, NATIONAL AND INTERNATIONAL SCALES (Business Department)

This indicator has data reported for it for the first time in the current 2018 SIMP report. The methodology used is summarised below, and the findings presented.

WGO provided to Phoenix a listing of the amounts spent with all suppliers with whom \$60,000 (exclusive of GST) or more was spent during the 2018 year. This threshold level of \$60,000 was set in order to remove smaller suppliers. Use of this threshold also ensures that all suppliers are GST registered, since the Inland Revenue Department requires every business with an annual turnover of \$60,000 or more to be GST registered. (It is acknowledged that a business could have total revenues greater than \$60,000 in one year but bill WGO less than \$60,000, i.e. because some or most of its revenue came from other customers, and that such a business would be excluded from this analysis. That is not deemed to detract significantly from the value of this analysis, because a business in that position would be unlikely to be reliant on its revenue from WGO. This effect makes the following calculations if anything conservative.)

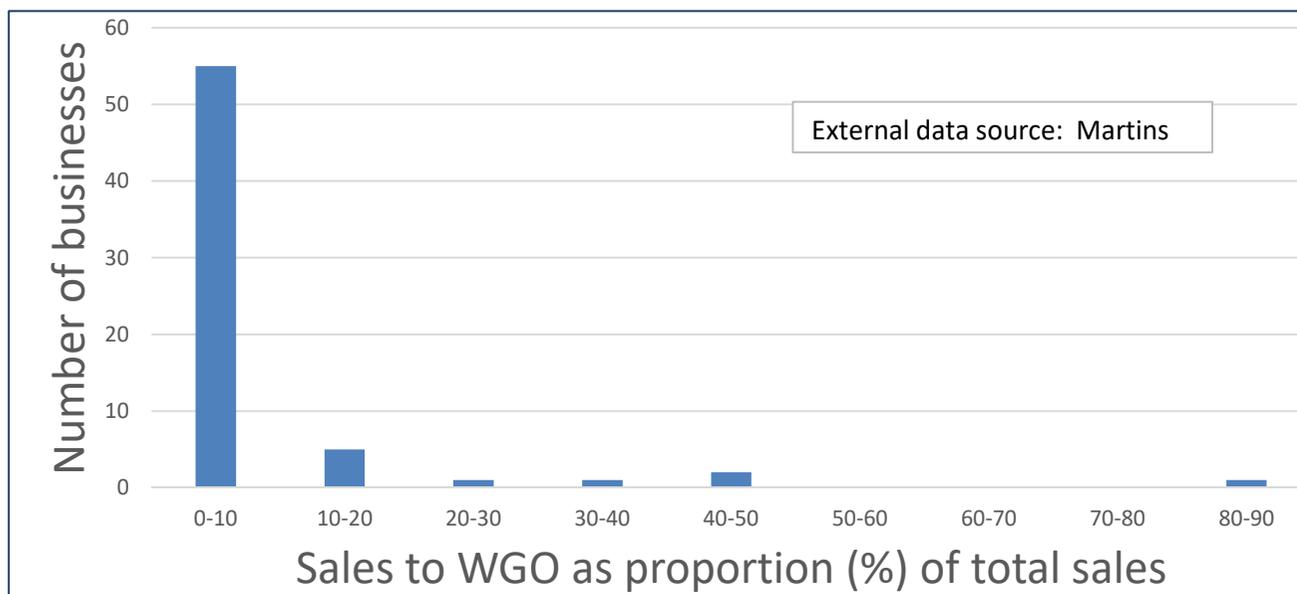
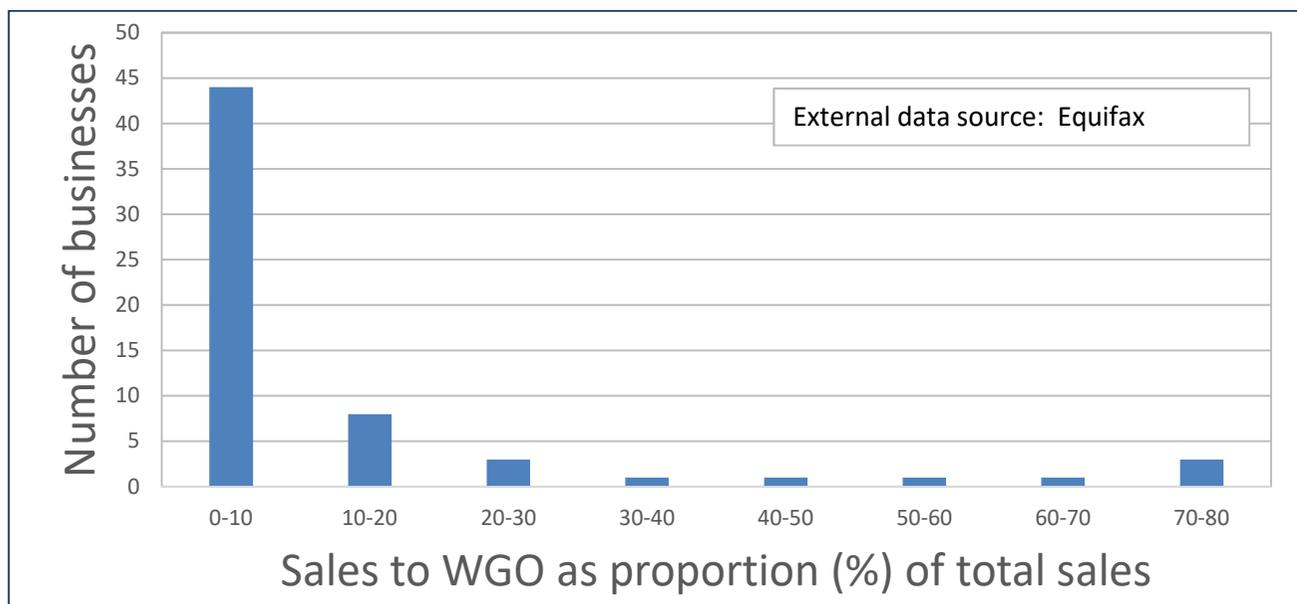
There were 158 suppliers to WGO that met this criterion during 2018. Total WGO expenditure during 2018 with these 158 suppliers was \$98.8m. (It may be useful to note that this figure is not directly comparable with the total expenditure figures quoted in Table 1, due to different accounting methods necessarily used to prepare the two kinds of data. This is essentially that Table 1 uses accrual accounting methods whereas the \$98.8m in expenditures analysed for Ec-I-5 purposes is based on cash accounting methods. The main differences between the two accounting methods relate to how both invoices and payments, at both the beginning and end of the calendar year, are treated.) Even so, it is clear that the analysis of suppliers for Ec-I-5 purposes covers the very large majority of the purchasing expenditure by WGO.

WGO identified for each supplier whether they are a local, regional, national or international business, using the standard SIMP area definitions. The spread of the 158 suppliers over these locations is shown below, along with the value of supplies WGO purchased from suppliers located in each area (all values are expressed in NZD):

Table 6: The locations of suppliers to WGO with annual billings to WGO of \$60,000 or more during 2018

	Suppliers		Value of supplies purchased	
	No.	%	NZD	%
Local	31	20%	\$37,104,585	38%
Regional	41	26%	\$23,065,329	23%
National	56	35%	\$25,761,914	26%
International	30	19%	\$12,908,540	13%
Total	158	100%	\$98,840,368	100%

Business turnover estimates for the 128 of these businesses that are located in New Zealand, were purchased independently from two companies that provide estimates of annual turnover for a wide range of New Zealand businesses: Equifax and Martins, two leading suppliers of this type of information about businesses. Among these 128 businesses, Equifax was able to provide turnover estimates for 65 businesses and Martins for 68 businesses. This data was provided in different forms from these two database companies, particularly with regard to the treatment of businesses with multiple sites, so it was not appropriate to merge the turnover estimates. Instead independent analyses were done using the turnover estimates from each database company. These analyses gave rise to the following two graphs, which show the numbers of businesses for whom their sales to WGO constituted differing proportions of their total revenue, the focus of Ec-I-5:



The key point related to Ec-I-5 that is immediately apparent from these graphs is that the proportions of suppliers to WGO for whom WGO contributes more than 50% of their revenue is extremely small. Based on the Equifax source data 5 out of the 65 businesses they could provide turnover estimates for, had 50% or more of their revenue contributed by WGO, while based on the Martins source data that number is just 1 out of 68 businesses. Those proportions, for all local, regional and national businesses combined, are 7.7% and 1.5% respectively. (Note that no attempt was made to apply this type of analysis to overseas businesses, for whom it seems extremely reasonable to assume that WGO would contribute even smaller proportions of their revenue than New Zealand businesses.)

The very close similarity of the findings from the independent analyses of the data from the two separate external sources of turnover estimates shown in the graphs above, is also a good indicator that this methodology is relatively robust.

This data is so granular that there is little to be gained by examining how these proportions vary for local, regional and national businesses. Furthermore, disclosure of this data split into local, regional and national businesses could make this parameter publicly known for businesses that people with local knowledge could very likely identify. Such businesses could deem that to be inappropriate or commercially sensitive. It is perhaps sufficient to note that the number of local businesses for whom WGO contributes 50% or more of their revenue, is between one and three, among those businesses for whom the two external data sources could provide revenue estimates.

That indication of low reliance by local businesses on WGO is consistent with the findings from the Phoenix survey of businesses in 2015, reported in the SIMP report on that year, along with commentary by the consulting economics firm Equab and Equab. The 2015 survey indicated that just 2% of local businesses had 50% or more of their revenue from WGO, and this low reliance was confirmed by analysis of other economic indicators. (The 2015 survey found that businesses were very uncomfortable about disclosing this aspect of their turnover in the survey, so this question has not been continued in the annual survey of businesses.) These findings from 2015 are very consistent with the findings about Ec-I-5 from the new analysis in 2018.

WGO is open to reviewing this methodology for providing the data required for Ec-I-5 with HDC, and anticipates developing this approach further in future SIMP annual monitoring reports.

Ec-I-6: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY IN RELATION TO THE ECONOMY, INCLUDING WGO'S APPROACH TO MANAGING ECONOMY-RELATED ISSUES (External Affairs Department)

As set out in Chapter 1, results about community perceptions at the time of the baseline SIA measurement in 2014 and in later years (the SIMP community perceptions surveys) are presented separately throughout this report.

Data

Table 7: Community perceptions of WGO contributions to the economy (2014 baseline)

Question: "How do you rate Newmont's understanding of its local economic impacts?"

	2014	
	No.	Total (n=58) %
Very good	20	34%
Good	18	31%
Adequate	14	24%
Poor	4	7%
Very poor	2	3%
No response	0	0%

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

Note: Each of the percentages in the second column is presented rounded with full accuracy. As with other similar columns of percentage results throughout this report, that approach to presentation of results that are percentages can result in columns of percentages not adding to exactly 100%: that is due only to rounding and the presentation of each result with full accuracy.

The SIA engagement undertaken in 2014 identified a range of perceptions regarding continued contribution to the economy by WGO. Key points relevant in 2018 are included below (a fuller list of these perceptions was provided in the 2016 SIMP report):

- WGO contributed to the economy through the use of local suppliers and contractors, payment of rates, the expenditure of wages by WGO's employees and contractors, the support the company provides to schools and community organisations, and through the contribution mining-based tourism has on the economy.
- The majority of those consulted felt WGO had a positive impact on the Waihi economy. Participants, however, qualified positive comments on WGO's overall economic benefits to Waihi by discussing factors limiting these benefits. This was more common amongst residents who had been negatively affected by WGO's operations, particularly those living in Waihi East.
- WGO's long association with Waihi was viewed by some as having led to a reliance on the company by local businesses, service providers and community groups. However, many participants felt certain that mining would continue for the foreseeable future and were therefore unconcerned by any perceived dependence of Waihi on the mining industry.

Data and Changes

Table 8: Community perceptions of WGO contributions to the economy (2017 and 2018)

Question: "How do you rate the impact of mining in Waihi and Correnso in particular, on the economy of Waihi?"¹⁴

	DATA				CHANGES 2017 - 2018 ¹⁵	
	2017		2018		Movements in percentages	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Very positive	39	46	33	38	-6	-8
Positive	44	50	53 ↑	54	9 ↑	4
Neutral	10	4	9	8	-1	4
Negative	6	0	4	0	-2	0
Very negative	0	0	0	0	0	0
Don't know	1	0	1	0	0	0

Data sources: Waihi Annual Perceptions Surveys (Phoenix Research).

Comment

The 2017 and 2018 perception data above shows that residents' perceptions about the impacts of mining on the economy of Waihi have remained generally very positive, somewhat more so in 2018 than in 2017. Businesses are also very positive about economic impact, even more so than residents: this has been a consistent finding over a number of years from the annual Perceptions Surveys.

There has been effectively no change between 2017 and 2018 in the small percentage of respondents who indicate a "negative" or "very negative" view, and these numbers have continued to be very much lower than those who express a "very positive" or "positive" view.

These findings are likely to have been somewhat influenced by the announcement of Project Martha, whose details were known in the community before the 2018 survey. The community's responses to Project Martha have been extensively analysed from the Perceptions Surveys, and can best be summarised as indicating that the community views Project Martha as essentially "more of the same" or "business as usual", and that this is seen to have clear economic benefits for Waihi.

¹⁴ Before people were asked to rate the first of the six main themes covered in this survey, the following explanation was also read: "Please think about how well or not you believe OceanaGold is doing for each of the following themes. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one."

¹⁵ Where survey data is presented from the series of Perceptions surveys undertaken by Phoenix Research, statistical testing has been used to determine whether a difference between results for 2018 compared with 2017 is statistically significant. Differences that are significant at the 95% level of confidence (the standard statistical criterion) are identified by up and down arrows (↑ and ↓). In fact there are very few changes in survey results throughout this report that meet this criterion. This annotation of significant differences was new in this report in 2017, having not been used in the earlier reports in this series. This type of statistical testing is not applicable to the results from the Employee surveys, because of their high coverage of employees and response rates.

Ec-I-7 SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING ECONOMY-RELATED ISSUES, INCLUDING NUMBER OF COMPLAINTS, AND WGO'S AVERAGE RESPONSE RATE (External Affairs Department)

No stakeholder feedback, concerns or complaints have been received by WGO regarding economy-related issues over the period 2014 to 2018.

OTHER

N/A

3.3 SUMMARY – ECONOMY

Discussion	<p>Indicator data presented in this chapter shows that WGO continues to support the local, regional and national economy, for example through payroll, procurement, taxes, royalties and rates. WGO's continued contribution to the local economy is also evident in its ongoing commitment to using local suppliers. This is consistent with the findings from the Perceptions Survey showing that both residents and businesses view the mining in Waihi as contributing positively to the local economy.</p> <p>The company's plans to markedly extend the life of the mine, evidenced by its increased exploration work over the last two years and even more so by the announcement in 2018 of Project Martha, implies a long term commitment to mining in Waihi, with ongoing input to the local economy accordingly. The increased certainty about the next ten years of mining in Waihi provided by Project Martha has almost certainly helped to hold up the strong community perceptions of the economic contribution of mining to Waihi, despite the current dip in mining expenditure.</p> <p>The data available for the first time in this report on Ec-I-5, concerning the proportion of businesses dependent on WGO to the extent of more than half their revenue coming from the company, provides new insights into the issue of potential reliance of businesses on WGO as a source of revenue. This analysis shows that the very large majority of suppliers to WGO derive less than 10% of their revenue from WGO, indicating low levels of reliance.</p> <p>WGO anticipates liaison with and feedback from HDC on this new data and analysis.</p>
Compliance with other Correnso Consent Conditions	<p>All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC.</p>

4 EMPLOYMENT

Objective	Manage direct and indirect local employment and training opportunities as well as associated benefits within the context of WGO's operating and commercial requirements.
Potential impacts	<ul style="list-style-type: none"> Continued provision of employment; Continued contribution to the economy by WGO employees and contractor employees; and Continued provision of training programmes.
Performance goals	<ol style="list-style-type: none"> Promote the local sourcing of employees and contractors, and associated training and development opportunities. Build an understanding of the local employment and training impacts and opportunities of WGO, and Correnso in particular, including reliance on this contribution.

4.1 MITIGATION AND MANAGEMENT ACTIVITIES

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
Em-M-1	Review current monitoring and evaluation activities and identify gaps in relation to employment in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2015	External Affairs Department	Ongoing	All SIMP employment indicators are being tracked and reviewed annually.
Em-M-2	Review the recruitment procedure for completeness and usefulness in relation to supporting the sourcing of local employees and contractors.	September 2015	Human Resources Department	Complete	Preference is given to local candidates/contractors if they have the relevant skills and experience for the role.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
Em-M-3	<p>Review and improve current level of responsiveness to job applicants.</p> <p>Local ad hoc applications – a letter is sent or phone call made within one week.</p> <p>Advertised positions are managed through Taleo with auto response acknowledgement letter generated on application. Once the position is filled and the successful applicant has started work unsuccessful applicants receive an auto generated letter within two weeks.</p>	<p>December 2014</p> <p>Success Factors implemented October 2016</p>	Human Resources Department	Complete	<p>The same processes are followed as in previous years.</p> <p>The Taleo system was replaced by SuccessFactors late in 2016. This system manages all recruitment and includes features such as automated notification to applicants at various stages of the recruitment process, and the notification to unsuccessful applicants noted as an Action point.</p> <p>WGO is constantly reviewing its response times to applicants.</p>
Em-M-4	Review and improve effectiveness of employment advertising mechanisms (if local employment goal is not achieved).	As required	Human Resources Department	Complete	Local employment goal has been achieved/ exceeded.
Em-M-5	<p>Clarify and communicate the WGO definition of "local" and "regional" internally and externally as appropriate when describing employment activities and impacts, sensitive to the range of stakeholder interpretation.</p> <p>WGO defines "local" as including the vicinities of Waihi, Paeroa, Waihi Beach, Katikati and Whangamata. This corresponds to a radius up to approximately 30 kilometres or 30 minutes driving time from Waihi.</p> <p>"Regional" includes the Waikato and Bay of Plenty regions.</p>	December 2014	External Affairs Department and Human Resources Department	Complete	Local and regional area boundaries remain the same. The definitions of "local" and "regional" have been communicated. This action is complete and ongoing.
Em-M-6	Review business needs with a view to identifying local employment and training opportunities, including with a specific focus on youth employment and training.	June 2015	Human Resources Department	Complete	The summer student programme attracted 56 applicants during 2018. No new apprentices were recruited in 2018.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
Em-M-7	Review and improve current data collection practices and reporting in relation to employee hiring and local employment goal. This should be with a view to distinguishing between employees that were originally hired locally and those that were hired from other locations but now reside in the local area.	June 2015	Human Resources Department	Complete	This was implemented through the SuccessFactors recruitment module. This action is now complete.
Em-M-8	Review predictions of economic impacts of the Correnso development on local employment to identify relevant indicators for tracking over time including consideration of the "multiplier" effect.	September 2015	Human Resources Department	Complete	As discussed previously, Ec-I-5 data has been difficult to obtain, predominantly as it is difficult to assess indirect economic impacts. However, Ec-I-5 has been further investigated and new methods have been identified that will provide reasonable estimates of this indicator, that do not require businesses to provide sensitive data. This methodology has been implemented and the data is included in the 2018 SIMP monitoring report.
Em-M-9	Review and update WGO's Stakeholder Engagement Plan in consideration of employment, training and associated benefits.	January 2015	External Affairs Department	Complete	The Communications Plan, Annual Perception Survey and SIMP annual monitoring reports inform this action point and continue to be used for this purpose.
Em-M-10	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to employment, training and associated benefits.	January 2015	External Affairs Department	Ongoing	Part of Project Martha WGO's Communications Plan related to employment was reported to management for review with any mitigating actions considered for implementation alongside business requirements.
Em-M-11	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning employment. Short term - Cintellate entries will be monitored. Post – socio-economic analysis will identify additional indicators.	January 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action. The Inform system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.
Other	None.	N/A	N/A	N/A	N/A

4.2 INDICATORS

Em-I-1 and Em-I-2: WORKFORCE SIZE AND DISTRIBUTION (Human Resources Department)

- **Em-I-1:** Number of WGO employees
- **Em-I-2:** Number of WGO contractor employees (i.e. workforce employed by WGO key contractors that are working at WGO sites)

Data and Changes

Table 9: Numbers of employees

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018 %	2017 – 2018 %
Number of WGO employees	112	240	262	134%	9%
Number of contractor employees	263	126	107	-59%	-15%
Total	375	366	369	-2%	1%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Human Resources Department (2017 and 2018)¹⁶.

Comment

The total WGO workforce has remained virtually constant from 2017 to 2018. The data suggests further "onboarding" of employees previously employed by contractors comparing 2018 with 2017. However the changes to the mix of WGO compared with contractor employees is also a function of the changing mix of mining work and activities undertaken over the last year, and this factor probably has more impact on that ratio, than OceanaGold's onboarding policies.

The changing mix of mining work in 2018 includes continuing increases in exploration work, offsetting reduced activity in the Correnso mine. Compared with 2017 there has also been much less work done on the remedial work on the north face of the Martha Pit (very largely completed in 2017) and raising the wall of the tailing storage facility, done over the 2016-2017 period.

¹⁶ The 2017 and 2018 figures reported are monthly employee numbers averaged over each year.

Em-I-3 and Em-I-4: WORKFORCE CONTRIBUTION TO THE ECONOMY (Human Resources Department)

- **Em-I-3:** Percentage of WGO employees living locally, tracking against 70% local employment goal
- **Em-I-4:** Percentage of WGO contractors (i.e. contractor employees) living locally

Data and Changes

Table 10: WGO workforce and size and distribution

NUMBER AND PERCENTAGE OF WORKFORCE LIVING LOCALLY ¹⁷	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018	2017 – 2018
Number of WGO employees living locally	99	189	228	*	39
Number of contractor employees living locally ¹⁸	210	101	100	*	-1
Number of total workforce living locally	309	290	328	*	38
				MOVEMENTS IN PERCENTAGES	
Proportion (%) of WGO employees living locally	89%	79%	87%	-2%	8%
Proportion (%) of contractor employees living locally	80%	81%	93%	13%	12%
Proportion of total workforce living locally (%)	83%	80%	89%	6%	9%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Human Resources Department (2017 and 2018); Employee Survey (WGO and Phoenix Research, 2017)¹⁹.

* The changes in numbers of employees from 2014 to 2018 are not reported, for the reasons set out in detail in footnote 19 below.

Comment

There have been marked increases in the number of WGO employees living locally compared with 2017. As with trends previously noted, this increase is very largely a function of the changing mix of mining activities in 2018 compared with 2017.

¹⁷ The sources of this data, both the WGO records and the Employee Survey, do not hold this information for all employees. The 2017 and 2018 figures are **estimates** based on the proportions of employees for whom where they live is known. The 2017 and 2018 numbers of employees living in the locations shown in the next two tables have also been estimated on that basis.

¹⁸ Inclusive of contractor employees living in the following locations in 2014 and 2017: Waihi, Waihi Beach/Athenree, Katikati and Paeroa. For the 2018 figures the definition of "Local" is as per the standard SIMP definition (see footnote to Ec-M-8), the main difference being that the standard definition of "Local" includes Whangamata.

¹⁹ This is the first use in this report of results from the Employee Surveys. The following comment and explanation applies to all data presented in this report from the Employee Surveys. With these surveys being voluntary, not everyone takes part. The proportions of all employees who participate in this survey vary from year to year. A consequence is that any results that could be taken directly from these surveys as actual **numbers** of employees, understate what that result would have been if **all** employees had participated. Results shown throughout this report from these surveys in 2017 and 2018 are **estimates** which take account of the response rate for the surveys each year, so that results represent **all** employees. That adjustment was not applied to the 2014 survey results (and is not able to be applied retrospectively): this affects the comparisons of 2014 results with later years. (Refer * footnote to table.)

Similarly, data about where employees live sourced from WGO, can give total numbers of employees that are different from those shown in Table 8, due to the exact month the locality data is extracted. That factor has also been taken into account in calculating the estimates shown in this table.

The increased reliance in the current report on the **percentages** or **proportions** of employees, and where they live, is also reflected by the addition of the last line of this table (not previously reported).

While local employment is a significant goal of the company (its target is to have 70% of employees living locally), the changing mix of mining activities in 2018 compared with 2017 is a more significant driver of that trend than the company's policies concerning local employment. Even so, with 87% of WGO employees now living locally, the target of 70% is now well exceeded, and markedly up on 2017 (when it was 79%).

Contractor employees also by far most often live locally: their proportions of employees living locally have increased markedly from 2017 to 2018, to a new high of 93% living locally. This is a consequence of markedly fewer contractor employees now living outside Waihi than in 2017. (That data is shown in the following tables.)

Em-I-5: LOCATION OF RESIDENCE OF NON-LOCAL EMPLOYEES AND CONTRACTORS, REPORTED BY REGIONAL, NATIONAL, INTERNATIONAL (Human Resources Department)

Data and Changes

Table 11: WGO workforce size and distribution – WGO employees not living locally

NUMBER AND PROPORTION OF WGO EMPLOYEES NOT LIVING LOCALLY	DATA						CHANGES IN PROPORTIONS OF EMPLOYEES	
	2014 (Baseline)		2017		2018		2014 – 2018 %	2017 – 2018 %
	No.	%	No.	%	No.	%		
Regional	10	9%	39	16%	29	12%	3%	-4%
New Zealand (national)	1	1%	12	5%	2	1%	0%	-4%
Overseas	1	1%	0	0%	0	0%	-100%	0%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Human Resources Department (2017 and 2018). Refer to notes about the source data with the table for Em-I-3 and 4.

Table 12: WGO workforce size and distribution – contractor employees not living locally

NUMBER AND PROPORTION OF CONTRACTOR EMPLOYEES NOT LIVING LOCALLY	2014 (Baseline)		2017		2018		CHANGES IN PROPORTIONS OF EMPLOYEES 2017 – 2018 %
	No.	%	No.	%	No.	%	
Regional	Not reported		19	15%	6	6%	-9%
New Zealand	Not reported		4	3%	1	1%	-2%
Overseas	Not reported		2	1%	0	0%	-1%

Sources: Correnso SIA Engagement (KPMG Banarra, 2014); Employee Survey (WGO and Phoenix Research, 2017), WGO Human Resources Department (2017 and 2018). Refer to notes about the source data with the table for Em-I-3 and 4.

Comment

Corresponding with the increases noted above in employees living locally, there are marked decreases in the numbers of employees living outside the local Waihi area in 2018 compared with 2017. This trend is particularly marked for employees of contractors, though also true of WGO employees.

In 2017 it had been noted that WGO had a significant (though small) number of employees living in Tauranga and Hamilton, boosting the regional count. The reduction in the number of WGO employees living in the "region" is likely to have resulted in marked decreases in the numbers living in these two cities. There has also been a marked decrease in the number of WGO employees living in the "national" area, i.e. elsewhere in New Zealand. These changes, as noted above, almost certainly reflect the changing mix of mine work being undertaken in 2018 compared with 2017.

Em-I-6: LOCATION OF JOB APPLICANTS - NUMBERS/PERCENTAGE REPORTED LOCALLY, REGIONALLY, NATIONALLY, AND INTERNATIONALLY (Human Resources Department)

Data

Table 13: 2014 WGO job applicant numbers analysed by location (2014 baseline) *

DEPARTMENT	JOB TITLE	Local	National	Overseas
Geology/ Exploration	Vacation Student - Geologist - NZ Applications Only*	11	33	33
Human Resources	Human Resources Advisor	11	5	7
Mine Operations	Vacation Student - Metallurgist	1	0	0
Mine Operations	Vacation Student - Mining Engineer	1	0	0
Process Maintenance	Mill Operator	0	61	16
HSLP	HSLP Superintendent	3	3	8
Mine Operations	Graduate Surveyor - NZ Applications Only*	2	3	3
Mine Operations	Graduate Geotechnical Engineer - NZ Applications Only*	0	8	5
Mine Operations	Graduate Mining Engineer - NZ Applications Only*	0	7	29
Geology/Exploration	Geological Technician Under Ground (UG)	16	8	29
ESR	Senior Environmental Advisor - Monitoring	0	1	1
Geology/Exploration	Geological Technician	14	12	50
Information Technology	Regional Senior End-User Computing (EUC) Technician	12	10	6
	Total	60	148	187

Source: 2016 SIMP Annual Monitoring Report (KPMG, 2016).

* Note: Overseas applicants are not considered for positions that are advertised as being for "NZ Applicants Only".

As stated in the table heading, the data in this series of tables naturally covers only applicants for positions directly with WGO, not with contractors to WGO.

Table 14: 2017 WGO job applicant numbers analysed by location

DEPARTMENT	JOB TITLE	Local	Regional	National	Overseas
Commercial	Commercial Manager	1	14	19	16
Commercial	Contracts Coordinator	1	2	4	1
Commercial	Management Accountant	1	0	0	0
Exploration & Geology	Geology Technician	0	1	7	4
Exploration & Geology	Project Exploration Geologist	0	1	3	5
Exploration & Geology	Junior Geologist	1	6	40	44
Exploration & Geology	Resource Development Geologist	2	1	1	1
Exploration & Geology	Vacation Student - Geology	4	5	21	3
Health, Safety, Environment & Community	Environmental Advisor	0	7	14	14
Health, Safety, Environment & Community	Health, Safety & Environmental Manager	0	6	6	31
Health, Safety, Environment & Community	Occupational Health Nurse	1	7	2	3
Health, Safety, Environment & Community	Underground Health, Safety & Training Advisor	1	0	0	0
Health, Safety, Environment & Community	Health, Safety & Training Superintendent	4	4	7	8
Health, Safety, Environment & Community	Field Technician	6	1	11	7
Health, Safety, Environment & Community	Underground Health, Safety & Training Administrator	14	10	4	2
Mining Underground	Airleg Miner	0	0	2	6
Mining Underground	Jumbo Operator	0	0	0	3
Mining Underground	Underground Apprentice Electrician	0	2	8	1
Mining Underground	Vacation Student - Mine Surveying	0	1	11	0
Mining Underground	Vacation Student - Underground Geologist	0	0	2	0
Mining Underground	Senior Underground Light Vehicle Fitter	1	0	0	0
Mining Underground	Underground Mining Engineer	1	3	4	20
Mining Underground	Underground Senior Electrician	1	4	3	4
Mining Underground	Underground Senior Mining Engineer	1	2	0	10
Mining Underground	Underground Storeperson & Hi-Ab Operator	1	2	1	1
Mining Underground	Underground Trainer	1	3	2	7
Mining Underground	Underground Diesel Fitter	2	3	6	4
Mining Underground	Underground Electrical Superintendent	2	1	2	4
Mining Underground	Underground Electrician	2	4	3	6
Mining Underground	Underground Maintenance Forman	2	4	4	5
Mining Underground	Underground Pump Fitter	3	4	7	6
Mining Underground	Underground Shift Supervisor	3	4	3	18
Mining Underground	Underground Buyer & Storeperson	4	1	2	6
Mining Underground	Underground Light Vehicle Fitter	5	5	3	1

DEPARTMENT	JOB TITLE	Local	Regional	National	Overseas
Mining Underground	Underground Maintenance Serviceman	5	8	5	4
Mining Underground	Underground Maintenance Administrator	13	10	6	5
Mining Underground	Underground Mine Operators	14	13	19	27
Mining Underground	Nipper	38	16	12	16
Processing Plant	Vacation Student - Mine Engineer	0	3	11	1
Processing Plant	Production Superintendent - Processing	1	0	1	0
Processing Plant	Vacation Student - Mechanical Engineer	2	4	18	3
Processing Plant	Process Maintenance Superintendent	4	2	5	5
Processing Plant	Vacation Student - Process	5	6	10	0
Processing Plant	Maintenance Fitter	12	11	1	4
Processing Plant	Process Operator	13	13	9	7
Total		172	194	299	313

Source: WGO Human Resources Department (2017). Table excludes 4 applicants with address unknown.

Note: The 2017 data has been provided from the "SuccessFactors" software system for managing applicants, which was implemented for use in 2017. This enables "regional" applicants to be distinguished, a distinction not previously available. Regional applicants were previously included in the National count.

Table 15: 2018 WGO job applicant numbers analysed by location

DEPARTMENT	JOB TITLE	Local	Regional	National	International
Business	IT Officer	2	2	7	7
Business	Summer Student - Commercial	1	2	4	0
Environmental	Environmental Advisor	1	4	11	5
Environmental	Environmental Technician	8	8	9	4
External Affairs	Community Support Advisor	5	0	1	2
External Affairs	Community Support Coordinator	14	4	1	4
Geology/Exploration	Core & Field Technician	29	21	20	7
Geology/Exploration	Core Logging Geologist	4	14	29	35
Geology/Exploration	Regional Core & Field Technician	8	3	2	1
Geology/Exploration	Resource Development Geologist	2	2	0	1
Geology/Exploration	Summer Student - Geology	4	7	12	4
Geology/Exploration	UG Mine Geologist	0	2	9	13
Mine Operations	Project Metallurgist	0	0	0	15
Mine Operations	Underground Production Engineer	0	1	1	14
Mine Operations	UG Short Term Planning Engineer	1	0	2	10
Mining Underground	Underground Diesel Fitter	2	2	4	3
Mining Underground	Underground Heavy Diesel Fitter	2	8	4	9
Mining Underground	Underground Jumbo Operator	4	2	12	12
Mining Underground	Underground Light Vehicle Fitter	2	4	1	4
Mining Underground	Underground Maintenance Serviceman	7	19	8	13
Mining Underground	Underground Mine Technician	10	13	17	5
Mining Underground	Underground Nipper	15	9	4	0
Mining Underground	Underground Shift Supervisor	1	3	2	11
Processing Plant	Student – Processing Plant	0	5	23	1
	Total	122	135	183	180

Source: WGO Human Resources Department. Table excludes 2 applicants with address unknown.

Data and Changes

Table 16: Total job applicant numbers analysed by location

JOB APPLICANT LOCATION	DATA						CHANGES			
	2014 (baseline)		2017		2018		2014 – 2018		2017 – 2018	
	No.	Percent of total %	No.	Percent of total %	No.	Percent of total %	No.	Movement in percent of total %	No.	Movement in percent of total %
Local	71	17%	172	18%	122	20%	51	3%	-50	2%
Regional ²⁰	151	37%	194	20%	135	22%	167	14%	-59	2%
New Zealand			299	31%	183	29%			-116	-2%
Overseas	187	46%	313	32%	180	29%	-7	-17%	-133	-3%
Total	409	100%	978	100%	620	100%	211		-358	

Data sources: WGO Human Resources Department.

Comment

The number of job applicants decreased markedly in 2018 compared with 2017. This was a result of the decrease in the number of positions available, which in turn reflects the changes in mining activities in 2018 compared with 2017.

The impacts of the reduced mining at Correnso are evident in the marked reductions in applicants in 2018 for underground positions, and for positions at the processing plant. Similarly, WGO's marked increases in exploration in 2018 are evident in the large increases in applications for positions related to exploration compared with 2017.

A related point is that the "onboarding" of employees of AWF (who largely worked underground) took place largely during 2018, i.e. with them becoming employees of WGO directly. Since the AWF roles were rolled over to WGO they were not advertised roles, and are not included in the applicant data shown above.

The overall decrease in the numbers of applicants is also be related to a point set out in the introductory chapters to this report, that the price of gold having strengthened over the last year has led to an upsurge in mining in Australia, which in turn has led to challenges for recruiting (and staff retention) in New Zealand.

Despite all the changes in the mix of skills and experience required in applicants, the proportions of applicants living locally compared with regionally, nationally, or overseas, have remained remarkably constant from 2017 to 2018.

²⁰ The "Regional" applicant location was not separated from "New Zealand" in SIMP reports before 2017.

Em-I-8²¹ and Em-I-9: WORKFORCE DIVERSITY (Human Resources Department)

A recommendation was made by KPMG Banarra in 2015 and agreed by HDC, to merge the following two indicators, in recognition that they both refer to the common theme of "workforce diversity". These indicators have been merged in subsequent SIMP Annual Monitoring Reports:

- **Em-I-8:** Number and percentage of employees by gender; and who identify as being of Māori descent
- **Em-I-9:** Number and percentage of contractor employees by gender; and who identify as being of Māori descent

Data and Changes

Table 17: WGO workforce diversity²²

	DATA						CHANGES	
	JUNE 2014 (Baseline)		2017		2018		Movements in percentages	
	No.	Percent of total %	No.	Percent of total %	No.	Percent of total %	2014 – 2018 %	2017 – 2018 %
WGO Employees								
Male	89	78%	220	88%	233	89%	11%	1%
Female	25	22%	31	12%	29	11%	-11%	-1%
Māori descent	16	14%	34	14%	39	15%	1%	1%
Contractor Employees								
Male	167	96%	67	87%	74	91%	-5%	4%
Female	7	4%	10	13%	7	9%	5%	-4%
Māori descent	61	35%	21	27%	18	22%	-13%	-5%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); 2017 and 2018 data sources: WGO Human Resources for WGO Employees, and Employee Survey (WGO and Phoenix Research) for contractor employees. Refer to notes about the source data for contractor employees with the table for Em-I-3 and 4.

²¹ As documented in the 2016 SIMP Annual Monitoring Report and as approved by HDC, Em-I-7 has been removed from subsequent SIMP Annual Monitoring Reports. Mitigating action Em-M-3 addresses concerns around processes with regard to response times for job applicants.

²² All diversity numbers in this table are from sources that do not cover all employees. The 2014 SIA Engagement and the WGO Employee Surveys were voluntary and not all employees responded. WGO Human Resources records used for the 2017 data did not contain gender or ethnicity information for all employees. Consequently the numbers in the table are based on less than the total number of employees. However it is likely that the percentages provide reasonable representations of the diversity of the workforce.

Comment

Gender diversity is low in the WGO workforce and remains so. However as has also been observed previously²³, these gender proportions are not uncommon in the mining sector. In 2018 the proportion of women among direct WGO employees was 11%, somewhat down from the 22% in 2014, and also down marginally from 2017.

The contracted workforce has a similar gender mix, marginally even more skewed towards men rather than women.

The proportion of WGO employees in the workforce who identify as Māori has remained relatively steady at 14% to 15% over the years shown in the table (though was marginally higher in 2016, at 17%). The proportion of contractor employees who identify as Māori is higher than among direct WGO employees, at 22%, although this proportion has steadily reduced from a high of 35% in 2014. Despite that, when WGO and contractor employees are combined, the number identifying as Māori has remained very constant from 2017 to 2018, though less than in 2014.

²³ For example, see the Waihi 2016 SIMP Annual Monitoring Report.

Em-I-10: NUMBER OF EMPLOYEES AND CONTRACTORS WHO PARTICIPATED IN WGO OR EXTERNAL TRAINING PROGRAMMES, BY TOPIC AREA (e.g. workplace health and safety, technical skills) (Human Resources Department)

Data and Changes

Table 18: WGO workforce training participation

	DATA			CHANGES	
	Number of training participants			2014 – 2018 %	2017 – 2018 %
	2014 (Baseline)	2017	2018		
Total training participants (No.)	744	807	1114	50%	38%
Total training subjects (No.)	24	23	25	4%	9%
Health and safety					
General and Site Specific Inductions *	320	338	547	71%	62%
Move at Work (known as Manual Handling/Back Care in 2014) *	19	0 ²⁴	96	405%	-
Fatigue Management	54	0	0	-100%	0%
Fall Arrest (Working at Height) *	36	49	32	-11%	-35%
4WD Driving Training	13	22	6	-54%	-73%
Risk Management	19	7	3	-84%	-57%
Establish Risk Management System	0	0	3	-	-
Incident Investigation and Management	0	8	2	100%	-75%
Confined Space *	0	20	34	-	70%
Fire Extinguisher	0	37	37	-	0%
Drug and Alcohol Screening	0	0	6	-	-
Quad Bike	0	5	0	0%	-100%
Task Observations (known in 2014 as Safedrill, a Newmont module)	35	0 ²⁴	20	-43%	-
Emergency response					
Muster Warden Training (integrated into Evacuation Familiarisation in 2018)	13	13	0	-100%	-100%
Evacuation Familiarisation Session (equivalent training run internally in 2017, so attendance not shown in SIMP report)	-	-	74	-	-
CIMS (previously called Rapid Response)	14	0	15	7%	-
Cyanide Awareness (previously called Cyanide Emergency Response)	17	0	40	135%	-

²⁴ Attendance not recorded in 2017. Move at Work training was much more widely applied in 2018 (including to contractor employees) following some earlier soft tissue injuries.

	DATA			CHANGES	
	Number of training participants			2014 – 2018 %	2017 – 2018 %
	2014 (Baseline)	2017	2018		
First Aid *	64	94	73	14%	-22%
Spill Response	2	0	0	-100%	0%
Develop Emergency Response Management Plan	0	0	1	-	-
Community					
Cultural Awareness Training	34	98	50	47%	-49%
Media Training	9	0	0	-100%	0%
Equal Opportunities	10	0	0	-100%	0%
Technical					
B Grade Quarry Workshop	6	1	0	-100%	-100%
Computer Training	6	19	3	-50%	-84%
Contract Management	28	28	0 ²⁵	-100%	-100%
Forklift Operation	12	27	32	167%	19%
HSNO Approved Handler	4	1	7	75%	600%
HT Licence	2	1	0	-100%	-100%
Electrical Competence	0	9	0	-	-100%
HV Switching	18	6	5	-72%	-17%
MAF Accredited Person / Transitional Facility Operator	2	1	5	150%	400%
Rock Breaker Operation (was part of another qualification that no longer exists)	7	0	0	-100%	0%
Regulatory Requirements	0	4	6	-	50%
Operate a Telehandler (new equipment, not standard training)	-	17	16	-	-6%
In-house Auditor Training	0	2	1	-	-50%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Training Department (2017 and 2018).

Note: Table covers training provided to WGO employees where attendance records are kept.

* Training subjects marked with an asterisk indicate that the numbers shown include employees of contractors

²⁵ This has moved to being provided internally, by OceanaGold's corporate team. As such, training records for this type of training are no longer kept.

Comment

This table shows the number of WGO employees who participated in training programmes conducted by WGO and external providers. As a result of a change of systems to Intuition, an OceanaGold system, this system is also now able to include (i.e. for the 2018 year) the training of employees of contractors, though not yet comprehensively. The training subjects marked with an * in the table are those where the largest numbers of contractor employees have received training in 2018 that is included in this table. Fuller inclusion/capture of the extent of training of contractor employees is being worked on and will be reported in the 2019 SIMP monitoring report.

Most training is provided by external providers. Training generally reflects the needs of the site and its employees in a specific year, and thus changes from year to year. Some training modules are required for regulatory or legislative compliance, which can be on annual, biannual or less frequent cycles.

The naming of a number of training modules has changed over time, for reasons including the change of mine ownership from Newmont to OceanaGold. In addition some training has moved from being externally to internally provided, and some training no longer has attendance records kept. An example is "Manual handling/back care" as implemented by Newmont, which became the "Move at work" OceanaGold training, provided internally, with attendance records not kept in 2017 but with attendance records resuming in 2018. The table includes annotation of training where these types of changes have occurred.

Acknowledging all those changes, it is notable that the total number of participants in training is markedly higher in 2018 than in 2017. The largest increases are in the numbers participating in "General and Site Specific Inductions", and in "Move at Work" training. However these are two training subjects where, as described above, contractor employees have been included in this data for the first time in 2018. The General and Site Specific Inductions training is now provided routinely to all employees, whether employed by WGO or its contractors: with the changes in data capture it is not clear whether that alone accounts for the increased numbers of employees receiving this training, although whatever the reason, this is clearly a positive change.

Other types of training notable for large changes, apart from those noted above, are:

- Evacuation familiarisation training has increased markedly from 2014 and 2017 (when this is viewed as the new form of what was previously described as Muster warden training)
- Cultural awareness training has decreased in 2018 compared with 2017 (when it was particularly widely taken up). This may be a function of this being a type of training which may be received only once, unlike many other forms of training

Note that this data does not show a number of other types of training, for example on specialist subjects. In particular some other forms of Continuing Professional Development (CPD) such as attending seminars and conferences, are not recorded or shown in this data.

Training can be significantly affected by staff turnover. For example if an employee who may have done several training modules towards say a Certificate of Competence, then leaves, training has to "start again" with a replacement employee. This is obviously particularly an issue where training standards and requirements are covered by regulation or legislation.

Em-I-13²⁶: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY IN RELATION TO LOCAL EMPLOYMENT AND TRAINING, INCLUDING WGO'S APPROACH TO MANAGING EMPLOYMENT- AND TRAINING-RELATED ISSUES (External Affairs Department)

Data

Table 19: Community perceptions of WGO's approach to local employment (2014 baseline)

Question: "How do you rate the impact of Correnso on local employment opportunities?"

	2014 (Baseline) Total (n=58) %
Very positive	22%
Positive	31%
Neutral	28%
Negative	14%
Very negative	2%
Don't know	3%

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

The SIA engagement undertaken in 2014 identified a range of perceptions. Key points relevant in 2018 are included below (a fuller list of these perceptions was provided in the 2016 SIMP report):

- WGO is considered to be a significant employer in Waihi, and therefore continued employment was frequently discussed throughout consultation as a positive outcome from the Correnso development, as was the associated avoidance of potential loss of Waihi residents associated with job losses if mining was to cease in Waihi.
- Stakeholders raised the positive economic impacts of this employment on the local and district economy. A proportion of wages paid to WGO's employees and contractors is spent in Waihi, thus contributing to its economy, regardless of whether the employee or contractor lives in Waihi.

²⁶ As documented in the 2016 SIMP Annual Monitoring Report and as approved by HDC, Em-I-11 and Em-I-12 have been removed from subsequent SIMP Annual Monitoring Reports.

Data and Changes

Table 20: Community perceptions of WGO's approach to local employment (2017 and 2018)

Question: "How do you rate the impact of mining in Waihi and Correnso in particular, on employment opportunities in Waihi?"

	DATA				CHANGES 2017 – 2018	
	2017		2018		Movements in percentages	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Very positive	35	44	29	36	-6	-8
Positive	50	50	53	46	3	-4
Neutral	11	4	12	14	1	10
Negative	2	2	2	0	0	-2
Very negative	1	0	0	0	-1	0
Don't know	1	0	4	4	3	4

Data sources: Waihi Annual Perceptions Surveys (Phoenix Research).

Table 21: Employees' perceptions of WGO's approach to training

Question: "In general, how satisfied are you with the training you have received over the last 12 months?"

	DATA		CHANGES 2017 - 2018
	2017 (n=230) %	2018 (n=241) %	Movements in percentages %
Very satisfied	16	24	8
Satisfied	53	46	-7
Neutral	23	22	-1
Dissatisfied	6	5	-1
Very dissatisfied	2	3	1
Not answered	0	0	0

Data sources: Employee Surveys (WGO and Phoenix Research).

Comment

The community perceptions data (from residents and businesses) indicates that overall the community continues to be very positive about the impact of mining on employment in Waihi, though with slight (not statistically significant) decreases since the 2017 ratings. In addition, employees themselves are very positive about the training they receive from the company.

Em-I-14: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING EMPLOYMENT-RELATED ISSUES, INCLUDING NUMBER OF COMPLAINTS, AND WGO'S AVERAGE RESPONSE RATE (External Affairs Department)

No stakeholder feedback, concerns or complaints were received by WGO regarding employment-related issues over the period 2014 to 2018.²⁷

OTHER

N/A

4.3 SUMMARY – EMPLOYMENT

Discussion	<p>The major factors affecting employment in mining in Waihi over the period 2017 to 2018 have been the reduction in underground mining at Correnso, as this mine approaches its end-of-life, combined with increased exploration. This has resulted in a changing mix of positions in mining, affecting many of the SIMP employment-related indicators.</p> <p>Despite those changes, the total number of people employed in mining in Waihi has remained constant from 2017 to 2018.</p> <p>Those changes, more than anything else, underlie a number of changes in SIMP indicators, such as the drift towards a workforce where men far outnumber women, though where diversity in terms of Māori representation has remained relatively stable over the last two years, 2017 to 2018. Other changes in SIMP indicators that tie back to the changing mix of mining activities include the mixes of applicants and possibly the extent to which employees live locally.</p> <p>The company continues to provide extensive training of its employees, across a wide range of subjects, and they rate this training positively. The company is also seen by the community, both residents and businesses, as making a positive impact on employment in Waihi.</p>
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²⁷ One complaint was received in 2018 concerning the alleged behaviour and lack of courtesy of an employee of a contractor to WGO, in their interactions with a member of the local community. This complaint was investigated internally, and an apology was subsequently made. This complaint was not deemed appropriate to treat as belonging directly within any of the SIMP indicators.

**Compliance with other
Correnso Consent
Conditions**

All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC.

5 PROPERTY

Objective	Manage property programmes in a way that builds community confidence and minimises stress related to local property.
Potential impacts	<ul style="list-style-type: none"> • Structural property damage and reduced amenity; • Changes in property values and market activity; and • Distribution of financial compensation.
Performance goals	<ol style="list-style-type: none"> 1. Monitor the Waihi property market to understand what effect WGO's operations may be having. 2. Manage and minimise WGO's negative impacts on property and the property market. 3. Promote a high level of community understanding of WGO's approach to managing its impacts on property.

5.1 MITIGATION AND MANAGEMENT ACTIVITIES

REF.	ACTION	COMPLETION DATE / TIMEFRAME	OWNER	STATUS	WGO SELF-REPORTED PROGRESS SUMMARY
P-M-1	Review current property monitoring and evaluation activities and identify gaps in relation to property in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2015	External Affairs Department	Complete	All SIMP property indicators are being tracked.
P-M-2	Review the effectiveness of property programmes with a view to ensuring that compensation is being directed fairly, and is commensurate with the effects experienced.	Annual	External Affairs Department	Ongoing	The Amenity Effect Programme (AEP) and Ex-gratia payments are still being used. After a review of the housing market data which indicated that the market had returned to normal, the Top Up Programme was discontinued in 2016, then reinstated during 2017 to include properties above and adjacent to the Project Martha underground mine and the Rex vein.

REF.	ACTION	COMPLETION DATE / TIMEFRAME	OWNER	STATUS	WGO SELF-REPORTED PROGRESS SUMMARY
P-M-3	Investigate concerns about the quality of WGO's own vibration monitoring and opportunities for HDC's role in independent monitoring and develop an appropriate response, in co-ordination with HDC.	May 2015	External Affairs Department	Complete	The same process was followed as per previous years. HDC undertakes independent monitoring using its own sound and vibration monitoring equipment. HDC equipment is of a similar standard to WGO equipment, but they have less of it.
					To get a representative number of readings to develop an understanding of vibration effects on a property, with the relatively few blast events and wide-ranging blast locations, a monitor ideally needs to be at a property for a month. Because of this, the HDC monitor is often employed elsewhere when a new request is made. The potential for WGO to undertake vibration monitoring at a property when the HDC equipment is utilised elsewhere has been discussed, but it is agreed that such a practice would only be undertaken at the request of the resident (i.e. HDC would advise that their monitor was unavailable and that the resident could approach WGO through the normal channels). A report is provided to HDC for review.
P-M-4	Review and revise WGO's complaints management system, including:	July 2015	External Affairs Department	Complete	The same process was followed as per previous years.
	<ul style="list-style-type: none"> Consideration of communication with regard to blasting; 				Blasting is communicated via email, text, phone calls and website, with blast notification to advise residents one minute prior to each blast.
	<ul style="list-style-type: none"> Consideration of handling of concerns; and 				Concerns are documented and reported. All complaints are reported at the daily management meeting and included in weekly and monthly reports; and any trends are discussed at management review meetings.

REF.	ACTION	COMPLETION DATE / TIMEFRAME	OWNER	STATUS	WGO SELF-REPORTED PROGRESS SUMMARY
	<ul style="list-style-type: none"> Consideration of the complaints monitoring and evaluation process. 				<p>A change, made in 2014, is that an answering machine is now used. People who call are asked to leave a message unless the matter they are calling about requires immediate attention in which case they will be connected to someone who can assist. The new option still provides 24 hour coverage and those who leave a message are responded to on the next business day.</p> <p>In 2016, two blast vibration workshops were held for members of the community to help them better understand vibration, how it works, and its effects.</p> <p>In 2017 equivalent workshops were not held. Instead two Correnso/SUPA meetings were held, which included gathering feedback on WGO's complaints management system. This feedback is being used to monitor and manage the procedure and modify as required.</p>
P-M-5	Review and update Independent Review Panel (IRP) and the Waihi Community Forum (WCF) roles, responsibilities and terms of reference in relation to property issues and in line with the Correnso Consent Conditions.	June 2018	External Affairs Department	Complete	<p>IRP Roles and Responsibilities were reviewed and updated in 2015. This action is now complete.</p> <p>IRP & WCF roles were reviewed in 2018 given that Correnso mining is scheduled to end in 2019. Since the announcement of Project Martha, WCF, with support from Hauraki District Council and WGO, will represent residents in the wider Waihi area.</p>
P-M-6	Develop appropriate monitoring and evaluation activities with the WCF and the IRP to improve performance.	June 2015	External Affairs Department	Complete	Indicators for WCF and IRP are being monitored. This action is now complete.
P-M-7	Develop and implement a property divestment strategy.	March 2015	Commercial Department	On hold	<p>A property divestment strategy was developed in 2015.</p> <p>Implementation has been put on hold as WGO are not planning to close. The company is actively looking to extend LOM, as exemplified by Project Martha.</p> <p>With the life of Correnso coming to an end, the property divestment strategy will be reviewed during 2019.</p>

REF.	ACTION	COMPLETION DATE / TIMEFRAME	OWNER	STATUS	WGO SELF-REPORTED PROGRESS SUMMARY
P-M-8	Review and update WGO's Stakeholder Engagement Plan in consideration of the positive and negative impacts the Correnso development has on property.	January 2015	External Affairs Department	Complete	The Communications Plan, Annual Perception Survey and SIMP annual monitoring reports inform this action point and continue to be used for this purpose.
P-M-9	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to property.	Quarterly	External Affairs Department	Ongoing	WGO's Property Communications Plan was reviewed in 2018 as part of Project Martha preparations. The updates were reported to management for review with any mitigating actions considered for implementation alongside business requirements.
P-M-10	Respond to all concerns and complaints in relation to property-related issues in line with the existing Standard Operation Procedure (SOP).	Ongoing	External Affairs Department	Ongoing	All property related issues including complaints are responded to in line with the SOP.
P-M-11	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning property.	June 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action. The InForm system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.
	Monitor Cintellate entries.				
Other	None.	N/A	N/A	N/A	N/A

5.2 INDICATORS

P-I-1: AMENITY EFFECT PROGRAMME (AEP) NUMBER OF RECIPIENTS; AND TOTAL SPEND FOR THE PAYMENT PERIOD (External Affairs Department)

Table 22: AEP Payments²⁸

AEP PAYMENTS		Six-monthly data			Data amalgamated to annual		
		Amount paid (NZ\$)	Number of payments	Average amount paid per payment (NZ\$)	Annual amount paid (NZ\$)	Annual number of payments	Average amount paid per payment (NZ\$)
2014 (Baseline)	2014 Jan-Jun	\$152,000	310	\$490.32	\$236,500	513	\$461.01
	2014 Jul-Dec	\$84,500	203	\$416.26			
2017	2017 Jan-June	\$268,166	363	\$738.75	\$525,419	635	\$827.43
	2017 Jul-Dec	\$257,253	272	\$945.78			
2018	2018 Jan-June	\$207,224	245	\$845.81	\$441,049	608	\$725.41
	2018 Jul-Dec	\$233,825	363	\$644.15			

Sources: Six-monthly data: SIMP Annual Monitoring Report (KPMG, 2016); WGO Property Department (2017 and 2018); Annual data: calculated by Phoenix Research.

Changes

Table 23: Changes in annual AEP payments

	2014 - 2018	2017- 2018
Amount paid (NZ\$)	87%	-16%
Number of payments	19%	-4%
Average amount paid per payment (NZ\$)	57%	-12%

²⁸ All data shown in this table relating to amalgamating AEP payments over time is subject to the proviso that recipients are not unique, with the same person being able to be counted in more than one period. For example, while the total number of recipients is shown in the table as 3,071, strictly this is the total of the recipients in each six-monthly period, and for the avoidance of doubt, does not represent 3,071 different people. The average number of recipients per six months is 307.

Comment

The AEP provides payments each six months to residents who qualify for payments. The payments are calculated based on the measured effects of the Correnso and any other CEPA operations at specific monitoring sites, and in the past also provided payments for amenity effects of the Martha operations.

The total amount provided through AEP payments every six months, and the number of AEP payments made, have both increased and decreased over time since the baseline year (2014). There are two factors that have likely influenced these figures: the position and power of the blasts, and the number of potentially eligible recipients (which changes year to year with house sales and changes in rentals, in addition to changes related to the position of the blasting).

Comparing 2018 with 2017, in 2018 a smaller total amount was paid in AEP payments, a smaller number of payments were made, and the average value of those payments was smaller. This is all consistent with the recurring theme throughout this report, of the reducing activity within the Correnso mine.

P-I-2, P-I-3, P-I-4 and P-I-5: WGO PROPERTY OWNERSHIP AND RENTALS (Business Department)

- **P-I-2:** Number of WGO rental residential properties in the Correnso project area
- **P-I-3:** Number of WGO-owned properties in total and broken down by residential, land, commercial, subsidence zone and other categories
- **P-I-4:** Proportion of Waihi's total residential properties owned by WGO
- **P-I-5:** Proportion of WGO-owned properties in the Correnso Extended Project Area (CEPA) rented by WGO employees

Data and Changes

Table 24: WGO property rentals and ownership

WGO PROPERTY RENTALS AND OWNERSHIP	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018	2017 – 2018
WGO rental properties in the CEPA	22	56	58	164%	4%
Total residential properties in Waihi owned by WGO	78	113	118	51%	4%
Sections of land owned by WGO	56	60	61	9%	2%
Commercial properties owned by WGO	5	7	8	60%	14%
Unusable properties (in the subsidence zone) owned by WGO	66	66	66	0%	0%
Other properties (mill, tailings storage facility, underground portal, open pit) owned by WGO	11	11	11	0%	0%
Total assets rented/owned by WGO²⁹	216	257	264	22%	3%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Property Department and Business Department (2017 and 2018).

²⁹ Note the second line in this table includes properties that are also shown in the first line. The total therefore is the total from the second line down only.

Table 25: Residential properties in Waihi owned by WGO

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018	2017 – 2018
Residential properties in Waihi owned by WGO as a proportion of the total number of private dwellings in Waihi ³⁰	3%	6%	6%	3% points	0% points
Number of residential properties in the CEPA that are owned by WGO and rented by WGO employees	0	11	19	-	73%
Proportion of WGO-owned residential properties in the CEPA that are rented by WGO employees	0%	20%	33%	33% points	13% points

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs and Commercial Departments (2017 and 2018).

Comment

According to Correnso Consent Condition Number 46, WGO is required to make an offer to purchase properties when active mining is occurring under legal title.

The number of properties owned and rented by WGO in the CEPA, as well as the number of residential properties and sections of land owned by WGO, have all increased since 2014. A key reason for this increase in property ownership and rentals over time has been the expansion of the Correnso mine (which occurs under a residential area), and the CEPA operations more broadly, which have led to further property purchases by WGO. At the same time, the proportion of the total number of residential properties in Waihi rented and owned by WGO has also increased since 2014, though has been stable at 6% over 2017 to 2018.

The number of houses in the CEPA that are owned by WGO and rented by WGO employees, which in the past has been low, has increased up to 19 in 2018. This represents a third of all the residential properties in the CEPA that WGO owns.

³⁰ The 2013 Census reported that there were 2019 occupied dwellings in Waihi at that time and that figure was used to calculate the 2017 and 2018 percentages. Population and household growth in Waihi over the years from 2013 to 2018 was almost certainly not large enough to need to estimate upwards from that figure for the purposes of this table. (The Census records annual population growth in Waihi over the period 2006 – 2013, the dates of the two most recent Censuses, to be well below 1%. If that rate of growth, or any rate of that general magnitude, continued through to 2018, the basis of the percentage data in this table would be sound.)

P-I-6: RESULTS OF WAIHI PROPERTY MARKET REVIEW INCLUDING NUMBER OF SALES AND BREAKDOWN BY WAIHI EAST, WAIHI WEST; AVERAGE SALE PRICES, AND AVERAGE FOR WAIHI EAST AND WAIHI WEST; ACTIVITY IN COMPARABLE MARKETS (TO ACCOUNT FOR CONFOUNDING FACTORS SUCH AS BANKS INCREASING MINIMUM DEPOSIT LEVELS); AND OTHERS AS RELEVANT (External Affairs Department)

Data

Table 26: Waihi property sales and average sale prices

SALES PERIOD	Jan 2014 to Jun 2014	Jul 2014 to Dec 2014	Overall 2014 (Baseline)	Jan 2017 to Jun 2017	Jul 2017 to Dec 2017	Overall 2017	Jan 2018 to Jun 2018	Jul 2018 to Dec 2018	Overall 2018
Waihi (overall)³¹									
Number of sales	43	72	115	64	64	128	69	78	147
Average sale price	\$200,384	\$205,540	\$202,962	\$342,939	\$340,392	\$341,666	\$358,954	\$383,333	\$371,890
Waihi West									
Number of sales ³²	12	26	38	22	24	46	26	25	51
Average sale price	\$196,917	\$227,212	\$212,065	\$350,795	\$340,854	\$345,608³³	\$379,839	\$381,640	\$380,772
Waihi East									
Number of sales	5	7	12	4	8	12	11	12	23
Average sale price	\$237,300	\$180,357	\$208,829	\$296,250	\$296,875	\$296,667	\$332,273	\$432,833	\$384,739

Sources: For half yearly data: Review of Market Activity – Waihi East, Telfer Young.

Yearly data for 2014: SIMP Annual Monitoring Report (KPMG Banarra, 2016). Yearly data for 2017 and 2018 calculated by Phoenix Research.

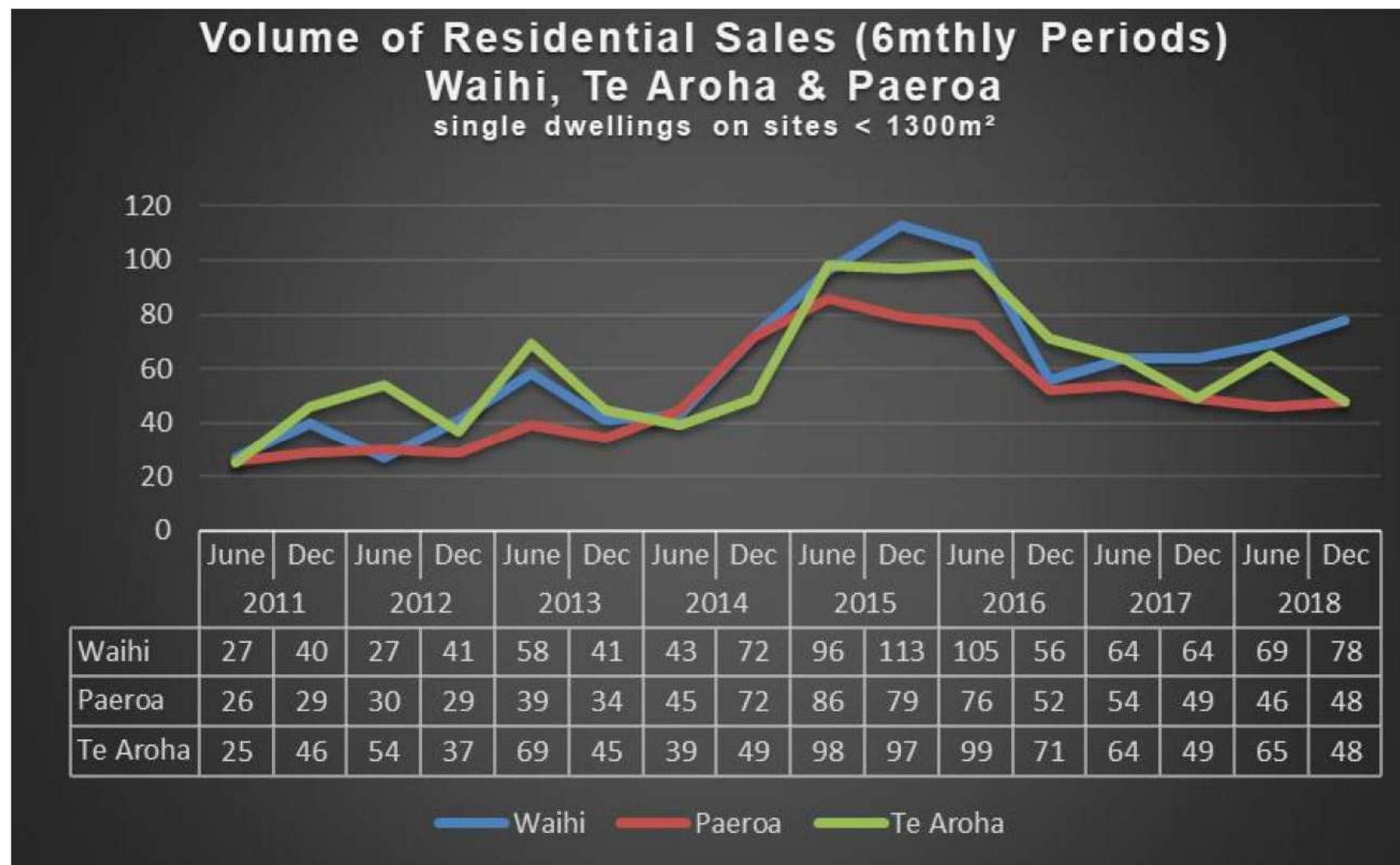
For sources of all data for Waihi West, see footnote below.

³¹ All the property sales data in this table refer to sales of single residential properties with land area less than 1,300m². The 2014 data includes properties sold with top up: of the years shown in this table the top up programme was in operation only during 2014. The data does not include outright purchases of properties by WGO.

³² The SIMP annual monitoring reports up until and including 2017 showed numbers of sales on this line of the corresponding tables that were overstated (for technical reasons related to how this data had been documented and interpreted). The numbers of sales shown for Waihi West have been corrected for the two previous years shown in this current SIMP report (i.e. for 2014 and 2017), using new data provided by Telfer Young. (The six-monthly average sale prices since 2014 were not affected in this way.)

³³ The changes noted in the footnote above had a small flow-on effect in the calculation of the annual average sale price in Waihi West in 2017. This was previously reported as \$345,996, very similar to the corrected figure now shown in the table.

Data for activity in comparable markets (number of sales)



Source: Review of Market Activity – Waihi East, Telfer Young, 2018.

Changes

Table 27: Changes by sales period

PROPERTY SALES	2014 - 2018 %	2017 - 2018 %
Waihi (overall)		
Number of sales	28%	15%
Average sale price	83%	9%
Waihi West		
Number of sales	34%	11%
Average sale price	80%	10%
Waihi East		
Number of sales	92%	92%
Average sale price	84%	30%

Comment

The total number of residential property sales in Waihi was higher in 2018 than in either the baseline year, 2014, or the previous year, 2017.

The number of sales in Waihi East (23 sales in 2018) have jumped up markedly from steady annual figures in the range 12 - 14 over the years 2014, 2016 and 2017. The increase in the number of these sales has been accompanied by a marked year-to-year increase in the average sale price, of 30%, markedly higher than the 9% increase in average sale prices for Waihi as a whole, or 10% in Waihi West, which can be treated as a comparator area.

Those increases in market activity in Waihi East have been considered closely. They are not attributable to one or a few "outlier" high priced sales. A reasonable response to that increase would appear to be as follows. Mining has been going on in or close to Waihi East since circa 2006 (with the Trio mine), and it seems likely that residents there have increasingly come to the conclusion that the operation has no structural effect on homes, and the amenity effects are minimal. Feeling more comfortable with the operation they see the area as one of potential. This combined with the exodus of Aucklanders to the wider Waihi area, both as new arrivals and as investors, could underlie the increase in house sale prices.

A compounding factor is WGO continuing to buy houses in this area, improving them and maintaining them well, including their street frontages. WGO's community investment is also stronger in Waihi East than other parts of Waihi, for example in supporting a playground at the local school. Both these points arguably lift the attractiveness of this area to potential house buyers.

Perhaps more importantly than any of the above points, Table 27 shows that over the longer period from 2014 (the baseline year for the annual SIMP monitoring) to 2018, property sale prices in Waihi East have now returned to mirroring the trends for Waihi as a whole, with the gain in the average property sale price in Waihi East

over that period, of 84%, now being in line with the gain in the average sale price for Waihi overall of 83%. It would be reasonable to interpret that trend as showing a market correction, i.e. putting the long term growth in property sale prices in Waihi East now on par with the rest of Waihi. It would also be prudent to review that interpretation in the light of property sale prices over the next year: this will be reviewed in the SIMP report on the 2019 calendar year.

The graph above provides an overview of the number of property sales in comparable housing markets since 2011, and it is clear that the numbers of sales in Waihi have followed a similar pattern over this time to that of the comparator towns. However the graph also shows that over the last three half year periods, Waihi has lifted somewhat above the average of the comparator towns, providing further context to the lift in sales and sale prices in Waihi East.

P-I-7: TOP UP PROGRAMME DATA: A) NUMBER OF APPLICATIONS RECEIVED; B) NUMBER OF APPLICATIONS APPROVED; AND NUMBER OF PROPERTIES SETTLED (External Affairs Department)

Data

Table 28: Summary of Top Up programme

NUMBER OF...	2014	2017	2018
Applications received	23	No Top Up scheme in 2017	6
Applications approved	14		5
Properties settled	9		4

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

The Top Up Programme was ended in 2016 following WGO management review of the initiative, which found that the volume and number of sales taking place without a "Top Up" had increased significantly. As a result, no applications for the Top Up Programme were received in 2016 or 2017. WGO communicated the conclusion of the Top Up Programme to the public through a range of mechanisms, such as WGO's regular community newsletter, "The East Ender"³⁴.

However as part of the announcement of Project Martha in 2018, WGO reintroduced the Top Up programme, with the results shown in the table above. The programme clearly had much narrower applicability in 2018 than earlier, though the rate of applications being approved and properties settled was higher in 2018 than in 2014.

³⁴ Available at: http://www.hauraki-dc.govt.nz/assets/district_docs/mining_docs/underground_workings/2016/Eastender-0216.pdf.

P-I-8: NUMBER OF WGO FIXED POINT VIBRATION MONITORS (Environment Department)

Data

Table 29: Number of WGO fixed point vibration monitors

	2014 (Baseline)	2017	2018
Total fixed point vibration monitors	18	21	21
Number located in the Correnso area	10	10	10

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

There are currently 21 fixed point vibration monitors in the Waihi area, of which 10 remain located in the Correnso area. They are located in strategic positions based on the location of the Correnso ore body and other operations. For example, in 2017 some monitors were located to measure vibration related to stabilisation work in the Martha Pit, and others were located above the SUPA development drive (SUPA is the Slevin Underground Project Area, which is located adjacent to Correnso).

There is some flexibility in the location of these monitors, which is approved by HDC.

This indicator was not identified as a key impact area for monitoring within the SIMP. Data has been reported against this indicator in the SIMP annual monitoring reports since 2016 due to community concerns relating to the quality and independence of WGO's noise and vibration monitoring equipment.

P-I-9: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY IN RELATION TO PROPERTY, INCLUDING WGO'S APPROACH TO MANAGING PROPERTY-RELATED ISSUES (External Affairs Department)

Data

Table 30: Community perceptions of WGO's approach to property (2014 baseline)

Questions: "How confident are you that Newmont is managing any impacts of Correnso on local property?"; "How confident are you in Newmont's management of blasting noise and vibration?"; "How confident are you that Newmont is managing any impacts of Correnso on land stability?"

HOW CONFIDENT IN NEWMONT'S MANAGEMENT OF:	2014 (Baseline) (n=58) %
Any of impacts of Correnso on local property	
Very confident	29
Quite confident	28
Moderately confident	16
Slightly confident	10
Not at all confident	16
No response	2
Blasting noise and vibration	
Very confident	19
Quite confident	40
Moderately confident	24
Slightly confident	3
Not at all confident	14
No response	0
Any of impacts of Correnso on land stability	
Very confident	19
Quite confident	40
Moderately confident	24
Slightly confident	3
Not at all confident	14
No response	0

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

The SIA engagement undertaken in 2014 identified further detailed perceptions on this point that are documented in the 2016 SIMP Annual Monitoring Report.

Data and Changes

Table 31: Community perceptions of WGO's approach to property (2017 and 2018)

Question: "How confident are you that OceanaGold is managing any impacts of mining in Waihi and Correnso in particular, on local property?"

	DATA				CHANGES 2017– 2018	
	2017		2018		Movements in percentages	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Very confident	20	24	19	22	-1	-2
Quite confident	26	26	27	26	1	0
Moderately confident	21	24	26	22	5	-2
Slightly confident	14	8	13	14	-1	6
Not at all confident	11	4	8	8	-3	4
Don't know	8	14	7	8	-1	-6

Data sources: Waihi Annual Perceptions Surveys (Phoenix Research).

Comment

The confidence of residents and businesses in Waihi in how OceanaGold is managing any impacts on local property remains high, and virtually unchanged since 2017.

P-I-10: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING PROPERTY-RELATED ISSUES, INCLUDING NUMBER OF COMPLAINTS AND WGO'S AVERAGE RESPONSE RATE (External Affairs Department)

When a stakeholder contacts the company with a concern or complaint, these options are explained to them and they choose how their feedback is to be classified and treated:

- A complaint is when the stakeholder chooses to have the matter referred to management within the company, and responded to in writing.
- A concern is when the stakeholder wishes the company to know of their concern but does not ask to have it referred to management, or to receive a response about it.

The following table presents data that are the first in this report to make this distinction. This same definition also applies to distinguishing concerns and complaints from stakeholders in the later sections of this report.

Data and Changes

Table 32: Stakeholder feedback, concerns and complaints received by WGO regarding property-related issues

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 - 2018 %	2017 - 2018 %
Number of complaints and concerns					
Complaints regarding perceived property damage ³⁵	23 *	15	9	n.a.	-40%
Concerns regarding perceived property damage		4	2	n.a.	-50%
Total		19	11	-52%	-42%
Average response rate (days)	4	1.8	0.5	-88%	-72%
Number of contacts/enquiries by nature of communication					
House available for rent	1	0	0	-100%	0%
Information request for due diligence	9	33	75	733%	127%
Information request – general	5	8	5	0%	-38%
IRP process	3	0	0	-100%	0%
Loss of equity	3	0	0	-100%	0%
Request for WGO to purchase property	5	0	3	-40%	-
Top up Programme	12	0	6	-50%	-
Inability to sell property	3	0	0	-100%	0%
AEP enquiries	9	53	12	33%	-77%

Data source: WGO External Affairs Department.

* Complaints and concerns not differentiated in the 2014 SIMP monitoring report.

Comment

There have been marked decreases from 2017 to 2018 in:

- The number of complaints and concerns
- The average response rate/time to respond

Immediate responses are provided to stakeholders when they call to report property damage. The response rate is inclusive of the number of days taken to conduct property inspections, the timing of which varies depending on the availability of the stakeholder and their willingness for the inspection. That factor can underlie

³⁵ The count of the number of "complaints" for this category is mostly made up of what would generally be described as complaints. However it is worth noting that the count for this category in 2018 also includes two somewhat anomalous cases: one about fencing where the resident's property is bounded by a WGO-owned property, and another by a property owner concerning a tenant in a rented property not receiving an AEP payment.

variations in the average response rate, though has probably not affected results shown in the table above. (This factor did affect 2016 results, and has the potential to affect any future results.)

There have been two main large changes in the numbers of contacts/inquiries concerning property:

- Information requests for due diligence, markedly up since 2017
- AEP inquiries, markedly down since 2017

P-I-11 and P-I-12: DAMAGE-RELATED COMPLAINTS AND RESOLUTIONS (External Affairs Department)

- **P-I-11:** Number and percentage of property complaints where it is determined that the cause of damage is attributable to Correnso activity, as per Condition 21b
- **P-I-12:** Number of instances of property complaints dealt with under condition 21b whereby disputes are referred for arbitration with the IRP, and the results of this process

No complaints of this nature have been received since the implementation of SIMP annual monitoring reporting in 2014.³⁶

OTHER

N/A

5.3 SUMMARY - PROPERTY

Discussion

The potential for the Correnso development to have a negative impact on property in Waihi East was raised as a key concern in the Correnso SIA Engagement (2014). This is reflected in the number and scope of the property-related mitigation actions contained within the SIMP.

Results and trends in this year's report suggest that those concerns have now largely dropped away, with the number of property sales and the average sale price in Waihi East now both markedly up compared with 2017. Over the longer term, 2014 to 2018, the increase in the average property sale price in Waihi East now matches the increase in the average property sale price for the whole of Waihi.

³⁶ At the time this report is being prepared, one complaint received by WGO during 2018 related to P-I-12, remains unresolved. It is yet to be determined whether the cause of damage is attributable to Correnso activity, so this has not been formally reported as a complaint that meets the requirements for P-I-12. (The damage has been assessed by both WGO and an independent advisor to have not occurred as a result of WGO activities.) However this complainant has indicated they may wish to take this complaint further. If this case goes to arbitration, the outcome would be reported in the 2019 SIMP annual monitoring report.

	Residents' views on how the mine is managing any impacts on local property have remained predominantly positive, as they were in 2017.
Compliance with other Correnso Consent Conditions	All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC. Mitigation action P-M-7 is on hold, as WGO are not planning to close and they are actively looking to extend LOM.

6 COMMUNITY

Objective	Contribute positively to the Waihi community through sustainable community investment and supporting employee participation in community life.
Potential impacts	<ul style="list-style-type: none"> Continued investment in the community; Increased community division and dissention; and Continued participation of WGO's employees and contractors in community life.
Performance goals	<ol style="list-style-type: none"> Provide for continued and sustainable investment in the community. Support community cohesion. Support employee participation in community life.

6.1 MITIGATION AND MANAGEMENT ACTIVITIES

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
C-M-1	Review current monitoring and evaluation activities and identify gaps in relation to community in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2015	External Affairs Department	Complete	All SIMP community indicators are now being tracked.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
C-M-2	Monitor community sentiment towards WGO, particularly that of residents in East Waihi, and maintain involvement with WCF.	Annual	External Affairs Department	Ongoing	Monitor sentiment through local newspaper, social media and feedback through Community Engagement Phone Line. Personal visits are conducted to help monitor community perception, in addition to the facilitation of 6 monthly community meetings. Continued involvement with WCF, at least one WGO representative at every meeting. The annual Community Perceptions survey has been extended in 2017 and 2018 to include specific analysis of the perceptions of residents in East Waihi.
C-M-3	Regularly update the community about WGO's operational plans through community meetings, local radio and newspapers.	Ongoing	External Affairs Department	Ongoing	Community updated through monthly Question and Answer sessions on Gold FM (local radio); community meetings; regular updates in Waihi Leader (local newspaper); regular updates in East Ender newsletter to Waihi East residents to advise monthly mining schedule.
C-M-4	Review and revise (as needed) the community investment strategy to reflect community priorities and needs.	Ongoing	External Affairs Department	Ongoing	Development of WGO's Community Investment Strategy was delayed due to the sale. WGO, however, has a corporate standard and community needs are monitored by a sponsorship and donation committee. Criteria for the community investment strategy were reviewed in 2017.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
C-M-5	Review Education Centre programme to assess opportunities with local schools.	June 2016	External Affairs Department	Complete	<p>Schools programme implemented to take school groups (pre-school and up) through the "Underground Experience". Visits are conducted with Waihi East School to teach children about blasting and vibration.</p> <p>The "Khaki Miners" display was established during 2017 as a new area of the Education Centre and has attracted high visitor numbers and positive acclaim. This was established largely by volunteers, working closely with WGO, and tells the story of the significant contribution of Waihi miners to the WW1 war effort, on the Western Front, that has had little other exposure.</p>
C-M-6	Review and update WGO's Stakeholder Engagement Plan in consideration of community impacts.	January 2016	External Affairs Department	Complete	<p>A new Communications Plan was approved in mid-February 2016. While the Stakeholder Engagement Plan (now Communications Plan) has been reviewed in consideration of the SIMP and Correnso Development, the findings of the Annual Perception Surveys and the 2016 and 2017 SIMP Annual Monitoring Reports inform this action point and continue to be used for this purpose.</p>
C-M-7	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to community impacts.	January 2016	External Affairs Department	Ongoing	<p>WGO's Community Communications Plan was reviewed in 2018 as part of the Project Martha preparations. The findings were reported to management for review with any mitigating actions considered for implementation alongside business requirements.</p>

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
C-M-8	Develop a feedback mechanism for recipients of community investment and in-kind donations, including the Education Centre, to assess intended and unintended impacts and identify opportunities for improvement.	June 2015	External Affairs Department	Complete	The feedback mechanism is implemented through the site standard operating procedure (SOP) – "Local Community Investment".
C-M-9	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning community investment issues. Cintellate entries monitored.	June 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action. The InForm system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.
Other	None.	N/A	N/A	N/A	N/A

6.2 INDICATORS

C-I-1 and C-I-2: PARTICIPATION IN COMMUNITY LIFE (External Affairs Department)

- **C-I-1:** Number of WGO employees and contractors who participate in or volunteer for local community groups (e.g. affiliated with schools, religious groups) and emergency services
- **C-I-2:** Number of WGO employees and contractors who participate in, or volunteer for, local sports and recreational groups

Data

Table 33: Number of WGO and contractor employees participating in community life (2014 baseline)

Question: "How do you get involved in the Waihi community?"

PARTICIPATION TYPE ³⁷	2014 (Baseline) (n=112)	
	No.	%
Community group	13	12%
Emergency services	12	11%
Religious group	7	6%
School	19	17%
Total	51	46%

Source: Correnso SIA Engagement, Employee Survey (KPMG Banarra, 2014).

³⁷ As noted in the 2016 SIMP report, the Employee Survey understated estimated numbers of employees to the extent that not all employees participated in the survey. That proviso makes it inappropriate to compare these 2014 results with those from later years.

Data and Changes

Table 34: Number of WGO and contractor employees participating in community life (2017 and 2018)

Question: "To what extent are you involved with any of the following voluntary community activities in Waihi?"

PARTICIPATION TYPE	DATA ³⁸				CHANGES 2017- 2018		
	2017 (n=364 employees, 260 in survey)		2018 (n=369 employees, 289 in survey)		Changes in numbers of employees	Percentage change in numbers of employees	Change in percentage of employees ³⁹
	No.	Percent of total %	No.	Percent of total %			
Community sports organisation	113	31%	126	34%	13	12%	3%
Service organisation (e.g. Lions, Rotary)	14	4%	24	6%	10	71%	2%
Community volunteer (e.g. meals on wheels)	20	5%	21	6%	1	5%	1%
Arts/cultural group	25	7%	24	6%	-1	-4%	-1%
Education (e.g. BOT, PTA, other volunteer)	29	8%	25	7%	-4	-14%	-1%
Church group	22	6%	21	6%	-1	-5%	0%
Rescue volunteer group	25	7%	44	12%	19	76%	5%
Other (please specify)	7	2%	14	4%	7	100%	2%

Data sources: Employee Surveys (WGO and Phoenix Research).

Comment

There have been increasing numbers of WGO and contractor employees participating in most forms of voluntary community activities over the last year, with the one key exception of education, such as being a Board of Trustees or PTA member. The largest increases in participation have been in community sports organisations, service organisations, and rescue volunteer groups.

³⁸ The numbers of employees ("No.") quoted in this table are estimates based on extrapolating from the surveys to estimate the total number of employees participating in each type of voluntary community activity (not just the community life participation of those who completed the survey). The extrapolations factor up results from the surveys to take account of the response rates in the surveys (71% in 2017 and 77% in 2018). This method also makes comparisons between the two years much more accurate than they would otherwise be. (That is because the method stops the factor of survey response rates from disrupting comparisons of numbers of employees between years.)

The numbers of results presented as percentages are unaffected by this distinction, although the bases for the percentages are the numbers of employees that year, not the number in each survey.

The estimated numbers of employees participating are based on fuller accuracy percentages carried forward in the calculations, than are shown in this table. That is why the estimated "No's" may differ by one or two from the employee numbers that could be calculated from the percentages shown in the table.

This is the same treatment of non-response in the Employee Surveys as presented in the earlier Employment section.

³⁹ It is unusual to show two change columns with different bases for calculating percentages. This second column is more sensitive to changes in the *mix* of community activities employees participate in, and is not affected by the growth in the number of employees, as is the first of the two columns of percentage change.

C-I-3: NUMBER OF CHILDREN OF WGO EMPLOYEES AND CONTRACTORS WHO ATTEND LOCAL SCHOOLS (Human Resources Department)

Data and Changes

Table 35: Type of school/education facility attended by children of WGO and contractor employees

TYPE OF SCHOOL/ EDUCATION FACILITY	DATA ⁴⁰		CHANGES	
	ESTIMATED NUMBER OF CHILDREN		2017 - 2018	
	2017	2018	Numbers of children	Percentage change
Daycare centre ⁴¹	18	39	21	117%
Kindergarten	16	12	-4	-25%
[Daycare and kindergarten combined] ⁴²	[34]	[51]	17	50%
Primary school ⁴³	97	92	-5	-5%
College	57	62	5	9%
Total	188	205	17	9%

Data source: Employee Surveys (WGO and Phoenix Research).

Note: Data not collected in 2014 baseline.

Table 36: Local school enrolment data versus number of WGO and contractor employees living locally

	DATA ⁴⁴		CHANGES 2017 - 2018
	2017	2018	%
Number of children enrolled in Waihi early learning schools	218	215	-1%
Number of children enrolled in Waihi primary and secondary schools	1458	1498	3%
Number of WGO and contractor employees living in Waihi	290	328	13%

Data sources: Ministry of Education; WGO Human Resources Department; Employee Surveys (WGO and Phoenix Research).

Note: Data not collected in 2014 baseline.

⁴⁰ As discussed in the footnote to the previous table, the data numbers in this table are estimates of the numbers of children of all employees that take account of the response rates in the two surveys. These estimates also take into account the number of employees living in households where a spouse or partner also works in mining (i.e. so that the children in such households are not double-counted).

⁴¹ Inclusive of the number of children enrolled in the following daycares and kindergartens: Waihi Kindergarten, First Steps Waihi, Somerset Early Learning Centre, KiwiKidz Educare, ABC Waihi, Footprints Preschool and Te Kōhanga Reo o Pukewa.

⁴² It seems likely that the reason for changes in the numbers of children attending daycares compared with kindergartens could be the result more of the way parents classify the facility, than real change. That is why this total is also shown. The total is likely to be the more reliable indicator. The numbers of children attending Waihi Playcentre are not included from this table or the following one, since this facility falls outside the scope of this SIMP indicator.

⁴³ Inclusive of the number of children enrolled in the following schools: Waihi East, Waihi Central, Waimata, St Josephs, Waikino and Waihi Beach.

⁴⁴ As discussed in the footnotes to the previous two tables, the data numbers in this table are estimates of the numbers of children of all employees that take account of the response rates in the two surveys. These estimates also take into account the number of employees living in households where a spouse or partner also works in mining.

Comment

There has been a marked increase over the last year in the numbers of children of WGO and contractor employees attending daycares/kindergartens. The numbers of children in primary and secondary schools with parents who work in mining have remained relatively constant, consistent with the relatively constant numbers in the workforce over the years 2017 to 2018.

A trend was noted last year towards more mining families with children. While that upswing has not continued this year for children at primary or secondary schools, it could underlie the increased numbers of children attending pre-school centres.

In response to a recommendation made by KPMG Banarra in 2015, WGO reviewed a number of options to collect more exact data on the impacts that Correnso has on local school enrolments. It was decided to continue to report the results from the Employee Survey, but to also supplement this with enrolment data from local primary and secondary schools and the number of WGO employees and contractor employees living locally, to identify if there are any correlations between the number of employees living locally and local school enrolments.

The numbers of mine employees living locally in 2018 is 13% up on 2017, yet despite this increase, these people had an estimated 154 school aged children in both 2017 and 2018. That consistency in numbers of school aged children over time is a good match with the consistency in the school roll numbers.

However a 50% increase in the number of pre-school children of mine employee families (daycare and kindergarten combined) was estimated from 2017 to 2018, and this is not reflected at all in the roll numbers from the Ministry of Education for "early learning" schools.

Hence as was also noted in the 2017 SIMP monitoring report, the data shows that no clear correlations are yet evident from making the comparison of employee and Ministry of Education school roll data.

C-I-4: EXPENDITURE ON "COMMUNITY INVESTMENT" ACTIVITIES, INCLUDING IN-KIND CONTRIBUTIONS (External Affairs Department)

Data and Changes

Table 37: Expenditure on community investment activities including in-kind contributions

	DATA			CHANGES	
	2014 (Baseline) (NZ \$)	2017 (NZ \$)	2018 (NZ \$)	2014 - 2018 %	2017 - 2018 %
Community investment expenditure	314,646	265,108	255,006	-19%	-4%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

The level of WGO expenditure on community investment activities (including in-kind contributions) has remained stable/declined only slightly over the last year, though is less than during the 2014 baseline year.

The earlier reduction was predominantly due to the expiry in 2016 of a long-term sponsorship agreement with a local non-government research-based organisation to the value of NZ \$45,000 per annum.

C-I-5: NUMBER OF COMMUNITY INVESTMENT RECIPIENTS, BY ORGANISATION TYPE (External Affairs Department)

Data and Changes

Table 38: Number of community investment recipients by organisation type

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 - 2018	2017 - 2018
Sporting	17	18	24	7	6
Environmental	1	2	0	-1	-2
Education/Youth*	16	14	2	-14	-12
Arts/culture	9	9	4	-5	-5
Health	4	6	8	4	2
Community	12	7	14	2	7
Elderly	1	2	1	0	-1
Total	60	58	53	-7	-5

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

* Education and Youth community recipients were identified separately in 2014 and have been merged from 2017 onwards.

Comment

The number of community investment recipients in 2018 has remained close to the 2017 number, the main difference being a marked drop in the number of education/youth recipients. That drop has been offset by increases in the number of sporting and community recipients. It also happened that very few education/youth groups approached WGO during 2018 with investment proposals.

WGO reviewed the criteria of the investment programme in 2017 to identify programmes that better serve the community and assist in aligning with the purpose and vision of WGO and its employees. The results of that review were implemented in 2018, and are reflected in the trends shown in this table. The company continues to regularly monitor and review the effectiveness of its community investment programme.

Similarly to a point noted in the 2017 SIMP monitoring report, as well as reflecting changes in WGO's community investment criteria, changes in the mix of community investment recipients may also be a function of the different types of applications WGO is receiving.

C-I-6: EXPENDITURE ON LOCAL SCHOOLS, AS A TOTAL AND BY SCHOOL (External Affairs Department)

Data and Changes

Table 39: Expenditure on local schools as a total and by school

SCHOOL / EDUCATION FACILITY	DATA (NZ \$)			CHANGES (%)	
	2014 (Baseline)	2017	2018	2014 - 2018	2017 - 2018
Total expenditure	240,000	200,000	200,000	-17%	0%
Primary schools					
Waihi Central	10,000	10,000	10,000	0%	0%
St Josephs	10,000	10,000	10,000	0%	0%
Waimata	10,000	10,000	10,000	0%	0%
Waikino	10,000	10,000	10,000	0%	0%
Waihi Beach	10,000	10,000	10,000	0%	0%
Total	50,000	50,000	50,000	0%	0%
Schools and education service providers in the Correnso area					
Waihi East	90,000	50,000	50,000	-44%	0%
Waihi Kindergarten	30,000	30,000	30,000	0%	0%
First steps Daycare	20,000	20,000	20,000	0%	0%
Somerset Day Care	10,000	10,000	10,000	0%	0%
Total	150,000	110,000	110,000	-13%	0%
Secondary schools`					
Waihi College Trust	40,000	40,000	40,000	0%	0%
Total	40,000	40,000	40,000	0%	0%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

There has been no change in the amount of funding WGO provides to local schools, with the exception of Waihi East School which had received greater funding in the past due to its location in Waihi East, closest to Correnso. In 2016 WGO reviewed the amount of funding provided to this school in line with an agreement made with the school that funding would decrease as school enrolment increased. This agreement was established due to concerns that the additional funding offered to the school by WGO would influence enrolment numbers and encourage a dependency on WGO for financial support. Reductions in funding were made accordingly in 2016 and 2017.

WGO have also established agreements with other local schools regarding the provision of ad hoc funding when relevant.

G-I-7: NUMBER OF MINE TOURS CONDUCTED AT SITE (External Affairs Department)

Data and Changes

Table 40: Number of mine tours conducted at site

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 - 2018 %	2017 - 2018 %
Number of mine tours run by WGO's Education Centre	215	161	125	-42%	-22%
Number of mine tours run by Gold Discovery Centre*	435	581	625	44%	8%
Total	650	742	750	15%	1%

Data sources:

First row: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Second row: WGO External Affairs Department (2014, 2017 and 2018).

* Mine tours run by the Gold Discovery Centre are included in addition to those run by WGO's Education Centre, on the grounds that this provides a fuller measure to reflect this indicator, than counting only the tours run by WGO's Education Centre. The tours run by the Gold Discovery Centre involve considerable input from WGO. (These mine tours were not included in SIMP reporting until 2017.) Including these mine tours provides a robust indicator of total exposure of mining to the community and to the wider public achieved by mine tours.

Comment

The slips in the Martha Mine Pit in 2015 and 2016, and subsequent cessation of mining in the open pit, led to reduced interest by tourists as there has been little activity to be seen in the pit. The remediation and stabilisation works done largely during just a few months of 2017 have not generated tourist interest levels equivalent to the earlier full mining operation in the pit.

It is notable that tour numbers have held up over the years shown above, despite the lack of mining activity for tourists to directly observe.

The Gold Discovery Centre, which operates the mine site tours, and WGO, which makes the site available for the tours, have not changed their support for the tours.

C-I-8: NUMBER OF WCF MEETINGS ATTENDED BY WGO EMPLOYEES/REPRESENTATIVES (External Affairs Department)

Data and Changes

Table 41: Number of, and WGO attendance at Waihi Community Forum meetings

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018 %	2017 – 2018 %
Number of WCF meetings held	20	6	11	-45%	83%
Attendance by WGO members	Yes	Yes	Yes		

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

There had been a steady decrease year-on-year in the number of Waihi Community Forum (WCF) meetings that had been held each year since 2014, which has now been arrested with the 2018 data and upswing. This is a result of WCF meetings addressing aspects of Project Martha during 2018.

In addition a new WCF member was also sought during 2018 from the Rex area. (The Rex underground vein is beneath the Baptist Church and other houses). The WCF will continue to function in a similar capacity as it has done in the past but with more emphasis on the wider Waihi area and not just Waihi East.

A WGO member has attended each meeting.

C-I-9: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY IN RELATION TO COMMUNITY, INCLUDING WGO'S RESPONSE TO COMMUNITY-RELATED ISSUES (External Affairs Department)

Data (2014 baseline)

The SIA engagement undertaken in 2014 identified a range of perceptions. Key points relevant in 2017 are noted below. A fuller list of these perceptions was provided in the 2016 SIMP report:

- WGO provides ongoing investment in the community which is broadly welcomed by the Waihi community. Local primary schools and Waihi College, and community groups are key recipients of funding. WGO has also funded community assets.
- In addition to maintaining an existing workforce, WGO employees are expected to remain involved in community life, such as through sports and clubs, contributing to the maintenance of the vibrant Waihi community.

Data and Changes

Table 42: Community perceptions of WGO's approach to community-related issues (2017 and 2018)

	DATA				CHANGES 2017 - 2018	
	2017		2018		Movements in percentages	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Responses to the question "How do you rate OceanaGold for how it manages its relationship with the community of Waihi?"						
Very well	37	42	38	50	1	8
Well	37	38	38	28	1	-10
Neutral	16	16	19	14	3	-2
Poorly	5	0	2	4	-3	4
Very poorly	2	0	1	0	-1	0
Don't know	3	4	2	4	-1	0
Responses to the question "How would you summarise your opinion about mining in Waihi?"						
Strongly in favour	47	54	44	50	-3	-4
Moderately in favour	18	26	21	20	3	-6
A little in favour	1	6	1	4	0	-2
Neutral	25	14	29	22	4	8
A little not in favour	0	0	0	0	0	0
Moderately not in favour	2	0	1	0	-1	0
Strongly not in favour	7	0	4	4	-3	4
Don't know	0	0	0	0	0	0

Data sources: Waihi Annual Perceptions Surveys (Phoenix Research).

Comment

Members of the community remain generally satisfied with the way WGO manages its relationship with the community of Waihi. Residents have been particularly consistent in their rating of the company in this respect from 2017 to 2018, while businesses have moved to somewhat more favourable positions. This is particularly notable given that Project Martha was announced during 2018, before the survey was undertaken.

The Perceptions Survey also asks respondents about their opinion of the Correnso Underground Mine in general, when taking into account all the benefits and disadvantages they can identify. The survey results show a general very positive view, again with very little change from 2017 to 2018, although some businesses (not a significant proportion) have moved from being positive to being neutral.

As with many other measures, businesses are even more positive in their ratings on both these measures than residents.

C-I-10: SUMMARY RESULTS OF FEEDBACK MECHANISM FOR COMMUNITY INVESTMENT PROGRAMMES, INCLUDING THE EDUCATION CENTRE (External Affairs Department)

Data and Changes

Table 43: Summary results from community investment feedback mechanism

SOURCES OF INFORMATION	DATA						CHANGES	
	2014 (Baseline)		2017		2018		Shown as movements in percent of total	
	No.	Percent of total %	No.	Percent of total %	No.	Percent of total %	2014 - 2018 %	2017 - 2018 %
How did you find out that WGO provides assistance?⁴⁵								
Website	4	14%	0	0%	2	10%	-4%	10%
Had received previous sponsorships	5	18%	6	40%	3	14%	-4%	-26%
Local knowledge	10	36%	2	13%	3	14%	-22%	1%
Word of mouth	2	7%	4	27%	10	48%	41%	21%
Newspaper advertising	4	14%	3	20%	3	14%	0%	-6%
Not indicated	3	11%	0	0%	0	0%	-11%	0%
Total	28	100%	15	100%	21	100%		
How do you acknowledge WGO's assistance?								
Public notice	5	8%	1	4%	1	2%	-6%	-2%
Letter of thanks	21	34%	13	48%	17	41%	7%	-7%
Use of WGO promotional material	8	13%	4	15%	5	12%	-1%	-3%
Newspaper article	8	13%	6	22%	5	12%	-1%	-10%
Signage	11	18%	1	4%	13	31%	13%	27%
Other	9	15%	2	7%	1	2%	-13%	-5%
Total	62	100%	27	100%	42	100%		

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

⁴⁵ The wording of the questions shown in this table have been marginally changed in 2018 since previous years, though not enough to impact on the results. (See SIMP report 2017 for the previous questions.)

Table 44: Summary results from community investment feedback mechanism – Part 2

Assessment questions (see key below)	2014 (baseline) %						2017 %						2018 %						MEANS (based on key below)			CHANGES IN MEANS	
	1	3	5	7	10	NI*	1	3	5	7	10	NI*	1	3	5	7	10	NI*	2014	2017	2018	2014 - 2018	2017 - 2018
<i>Base number for following group of questions</i>	(n=25)						(n=14)						(n=21)										
Is community investment advertising adequate?	0	4	20	32	44	0	0	0	0	43	43	7	0	0	19	19	62	0	7.8	7.9	8.5	0.7	0.6
Is the evaluation criteria communicated adequately?	0	12	4	40	44	0	0	0	14	14	64	7	0	0	10	10	80	0	7.8	8.7	9.2	1.4	0.5
Is the time taken to process applications reasonable?	0	0	4	12	84	0	0	0	0	7	86	7	0	0	5	0	95	0	9.4	9.8	9.8	0.4	0
<i>Base number for following group of questions</i>	(n=25)						(n=6)**						(n=21)										
Is the amount of money donated adequate?	0	0	4	16	80	0	0	0	0	16	84	0	0	0	5	19	76	0	9.3	9.5	9.2	-0.1	-0.3
Is the evaluation fair and equitable?	0	0	0	24	72	4	0	0	0	0	100	0	0	0	0	5	95	0	9.3	10.0	9.9	0.6	-0.1
Have you received help before?	Yes = 22; No = 3						Yes = 10; No = 4 (base n=14)						Yes = 14; No = 7										
<i>Base number for following group of questions</i>	(n=25)						(n=15)						(n=16)										
Pre-visit information was adequate	0	0	0	31	69	0	0	0	7	13	67	13	0	0	0	31	69	0	9.1	9.1	9.1	0	0
Education Officer's presentation was appropriate	0	0	0	4	96	0	0	0	0	7	93	0	0	0	0	0	100	0	9.9	9.8	10.0	0.1	0.2
Activities were age appropriate for students	0	0	0	4	96	0	0	0	0	7	93	0	0	0	0	13	87	0	9.9	9.8	9.6	-0.3	-0.2
Activities were linked to the curriculum	0	0	0	4	96	0	0	0	0	20	80	0	0	0	19	6	75	0	9.9	9.4	8.9	-1	-0.5
Time spent on activities was appropriate	0	0	8	8	85	0	0	0	0	7	93	0	0	0	0	0	100	0	9.5	9.8	10.0	0.5	0.2
Scope was allowed for follow-up activities	0	0	0	12	88	0	0	0	0	27	73	0	0	0	0	6	94	0	9.6	9.2	9.8	0.2	0.6
I would recommend the Education Centre to other teachers	0	0	0	8	92	0	0	0	0	0	100	0	0	0	0	0	100	0	9.8	10.0	10.0	0.2	0
Key: (1) = Poor, (3) = Below average, (5) = Average, (7) = Above average, (10) = Excellent																							

Sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

* Not indicated

** Not on the feedback form during the early part of 2017.

Means have not been shown in previous SIMP reports, but provide a convenient short summary of the ratings.

Comment

Related to the community investment programme being in a holding pattern comparing 2018 with 2017 (marginally fewer recipients although these now include more sports and community organisations, and a slightly smaller total expenditure), there has been modest change in the communications about the programme. Word of mouth has become the way recipients most often found out that WGO provides assistance, and signage has come up strongly as a way for recipients to acknowledge assistance.

Feedback on community investment in the form of ratings by recipients, has been very positive over the period covered by SIMP reporting, with most average ratings being more than 9 out of 10 on a 10-point scale. In spite of these ratings being already very high, there have been marked improvements in these ratings from 2017 to 2018 on:

- Scope being allowed for follow-up activities
- Community investment advertising being adequate
- Evaluation criteria being communicated adequately (these last two items had been the only items to have average ratings below 9 out of 10, making these improvements very well targeted)

The only area where the ratings were notably lower in 2018 compared with 2017 was on this statement, suggesting that this would be an aspect of the programme to improve over the 2019 year:

- Activities were linked to the curriculum

C-I-11: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING COMMUNITY INVESTMENT OR PARTICIPATION-RELATED ISSUES, INCLUDING NUMBER OF COMPLAINTS, AND WGO'S AVERAGE RESPONSE RATE (External Affairs Department)

Data

Table 45: Stakeholder feedback received by WGO regarding community investment or participation-related issues

	2014 (Baseline)	2017	2018
Letter of thanks received	24	26	27

Sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

No concerns or complaints were received by WGO regarding community investment or participation-related issues in 2014, 2016, 2017 or 2018.⁴⁶

Comment

The lack of concerns or complaints, combined with the numbers of letters of thanks received, are consistent with the positive views expressed in the Waihi Perceptions Surveys that have been undertaken since 2015.

OTHER

N/A.

⁴⁶ One complaint was received in 2018 that fits this category better than any of the other categories for which SIMP reporting is required, although it is not a good or simple fit with what the C-I-11 indicator monitors. This was a complaint about how the company had been using East Ender and the extent of issues covered other than activities of the company. WGO responded to this complaint promptly and explained that the correspondence was in relation to a community project the company was supporting.

If no similar complaints are received during 2019, we recommend that having reported this complaint in this way in 2018, this 2018 "complaint" will not be reported as previous year data in 2019 or future years, subject to HDC agreement with this approach.

6.3 SUMMARY - COMMUNITY

<p>Discussion</p>	<p>The data presented in the Community section indicate that WGO continues to support the community through community investment. WGO also recognises the importance of periodically reviewing its approach to community investment, and completed a review in 2017. The results of this review are evident in the 2018 data presented above, showing that while WGO continues to provide financial support to benefit the community, there has been some reallocation of funding based on this review.</p> <p>WGO's decision to review and decrease its funding of Waihi East School since 2014 (see indicator C-I-6) illustrates one way in which it is acting to manage the risks associated with dependence and the potential negative impacts of funding.</p> <p>The data also indicates that WGO has maintained a commitment to working with the community, e.g. as seen in its ongoing attendance at Waihi Community Forum meetings, the very positive ratings by recipients of community investment, and the ongoing positive ratings of WGO's community relationships in the annual Perceptions surveys. The high levels of participation by WGO and contractor employees in voluntary community activities further support WGO's engagement with the community.</p>
<p>Compliance with other Correnso Consent Conditions</p>	<p>All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC. Mitigation action C-M-4 is ongoing, as it requires WGO to review and revise (as needed) the community investment strategy to reflect community priorities and needs, as was done in 2017.</p>

7 HEALTH AND WELLBEING

Objective	Respond to community anxiety and uncertainty regarding WGO's operations and future plans, and respond to negative experiences of mining noise and vibration.
Potential impacts	<ul style="list-style-type: none"> • Uncertainty over future mining plans and financial stress relating to property; and • Anxiety regarding mining noise and vibration.
Performance goals	<ol style="list-style-type: none"> 1. Build WGO's understanding of its role in relation to health and wellbeing impacts. 2. Promote community understanding of WGO's operations, including mining noise, vibration and future plans. 3. Build confidence in WGO's approach to managing its health and wellbeing impacts. 4. Develop management responses where appropriate, such as the blast notification programme.

7.1 MITIGATION AND MANAGEMENT ACTIVITIES

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
H-M-1	Review current monitoring and evaluation activities and identify gaps in relation to health and wellbeing in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2015	External Affairs Department	Complete	All SIMP health and wellbeing indicators are now being tracked and reviewed annually.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
H-M-2	Review and implement, where appropriate, the remedial and mitigating actions proposed by the consultant clinical psychologist ⁴⁷ , incorporating findings from the SIA, as detailed below		External Affairs Department	Complete	All remedial and mitigating actions set out in the Action column have been implemented. In particular, automated blast notification devices are in place.
	Suggested mitigation	WGO response	Timeframe		
	Predictability in process and outcome	Blasting windows as per Consent Conditions	In place		
		Blast notification	May 2015		
	Predictability in noise and blasting effects	Blast notification	May 2015		
	Increased sense of control, decreased sense of helplessness, decreased levels of unexpectedness	Blast notification	May 2015		
		Blasting windows as per Consent Conditions	In place		
	Increased education regarding actual effects as opposed to feared or perceived effects	Vibration workshop	March 2015		
Education sessions with East school children		February 2015 onwards			
Increased opportunities to express concerns and receive	Complaints management procedure	In place			

⁴⁷ Dunne Leanne 2012, Potential Psycho-Social Impact Brief, Newmont Waihi Gold, Golden Links Project. Tauranga Psychological Services.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
	feedback as to risk of harm from stable base	Community meetings	Quarterly in 2014; and 6-monthly from March 2015		
	Different pathways for different people	Independent Review Panel (IRP)	In place		
		CR personnel first point of contact	In place		
	Specialised pathway for people with a specific vulnerability	CR personnel first point of contact	In place		
		Independent Review Panel (IRP)	In place		
	Decreased levels of feeling trapped	Property Programme	In place		
		Independent Review Panel (IRP)	In place		
	Increased opportunities for people who are feeling trapped to apply for assistance	Independent Review Panel (IRP)	In place		
		Top up on property sales	In place		
	Increased opportunities for activities such as blasting to be predictable	Blasting windows as per Consent Conditions	In place		

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
	Blast notification system	May 2015			
H-M-3	Continue to monitor and review employee wellbeing through WGO employee surveys.	Annual	Human Resources Department	Ongoing	Employee surveys are carried out annually, which either focus exclusively on health and wellbeing issues, or include these topics in more general surveys of employees.
H-M-4	Monitor complaint register to identify and investigate blasting periods where the level of complaints increases significantly in comparison to comparable blasting periods with similar vibration levels.	Monthly	External Affairs Department	Ongoing	This is done daily and reported at the daily meeting with end of month reporting.
H-M-5	Review and update WGO's Communications Plan to support the SIMP and respond to the SIA findings in relation to health and wellbeing. Include proactive education; an assessment of communications for psychological prevention and impact; consideration of impacts specific to people who are vulnerable such as the elderly, pre-existing medical or psychological conditions; provision of reports in an appropriate format for the public to understand and; the blasting notification programme.	June 2015	External Affairs Department	Ongoing	The Communications Plan, annual Perception Surveys and SIMP annual monitoring reports inform this action point and continue to be used for this purpose. These measurements provide a baseline for tracking the impacts of actions taken.
H-M-6	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to health and wellbeing.	January 2015	External Affairs Department	Ongoing	WGO's Communications Plan related to health and wellbeing was reviewed in 2018 as part of the Project Martha preparations. The findings were reported to management for review with any mitigating actions considered for implementation alongside business requirements.
H-M-7	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning health and wellbeing.	June 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
	Short term - Cintellate entries to be monitored.				The InForm system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.
	Post - perception survey will identify additional indicators.				
Other	See self-reported progress summary.	Ongoing	Health Safety and Environment	Ongoing	<p>A nurse is employed fulltime on site and a health programme initiative has been implemented. The site went smoke free at the end of 2016.</p> <p>Starting in 2017, WGO has provided medical check-ups for all staff including contractor employees. These will be available on a bi-annual basis.</p> <p>During 2017 WGO also introduced voluntary alcohol breath testing at the mine gate, which is ongoing.</p>

7.2 INDICATORS

H-I-1: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY IN RELATION TO HEALTH, INCLUDING WGO'S APPROACH TO MANAGING HEALTH-RELATED ISSUES (External Affairs Department)

Data

Table 46: Community perceptions of WGO's approach to health and wellbeing (2014 baseline)

Question: "How do you rate the impact of Correnso on your health and wellbeing?"

	2014 (Baseline) Total (n=48) %
Very positive	17
Positive	16
Neutral	40
Negative	12
Very negative	9
No response	7

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

The SIA engagement undertaken in 2014 identified a range of perceptions. Key points relevant in 2017 are included below. A fuller list of these perceptions was provided in the 2016 SIMP report:

- Participants raised concerns due to the uncertainty they feel regarding the Correnso development, particularly when and if mining (as opposed to exploration development) will start; the project design; and the timeframes including the overall life of the development.
- A number of Waihi residents stated during consultation that they have experienced stress and lifestyle impacts from WGO's operations. Such impacts were often in relation to personal health and property damage from the vibration that has come from the Trio mine and residents are therefore anxious about future blasting and vibration effects with Correnso. Of this group, those who are older or unwell, and those who stay home during the day (including shift workers) reported feeling greater personal impact from blasting, and therefore are potentially more susceptible to impacts from Correnso.
- These impacts may worsen once Correnso begins, or may lessen as the effect becomes predictable and normalised.

Data and Changes

Table 47: Community perceptions of WGO's approach to health and wellbeing (2017 and 2018)

Question: "How do you rate the impact of mining in Waihi and Correnso in particular, on your health and wellbeing?"

	DATA				CHANGES	
	2017		2018		Movements in percentages 2017 - 2018	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Very positive	12	18	16	24	4	6
Positive	25	32	34 ↑	18	9 ↑	-14
Neutral	51	48	40 ↓	50	-11 ↓	2
Negative	6	0	6	4	0	4
Very negative	3	2	2	0	-1	-2
Don't know	3	0	2	4	-1	4

Data source: Waihi Annual Perceptions Surveys (Phoenix Research).

Comment

Between 2017 and 2018 there has been a marked increase in the percentage of residents stating they are "positive" in their rating of how well WGO is doing at managing any impacts of mining on health and wellbeing. That reverses the decline in the rating of health and wellbeing that was noted in the 2017 SIMP monitoring report, with the 2018 data returning to close to 2016 levels.

The factors identified by the psychologist contracted by the company to report on mitigation actions (see H-M-2), combined with the qualitative observations made in the 2014 SIA Engagement, suggested that when there is uncertainty about the future of mining this may be a significant contributing factor to less positive ratings of health and wellbeing by residents. Hence it is very likely that the announcement of Project Martha, by markedly reducing uncertainty about the future of mining, has impacted on this result and lifted the health and wellbeing rating.

That lack of uncertainty hypothesis is also well supported by the sharp decline in 2018 compared with 2017, in the proportion of residents giving a "neutral" (i.e., more or less uncertain) rating on this question.

H-I-2: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING HEALTH-RELATED ISSUES, INCLUDING NUMBER OF COMPLAINTS, AND WGO'S AVERAGE RESPONSE RATE (External Affairs Department)

Data

Table 48: Stakeholder feedback – concerns and complaints received by WGO regarding health and wellbeing-related issues

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 - 2018 %	2017 - 2018 %
Number of times that residents indicated they were frightened or stressed by the effects of WGO operations (based on assessment and review of concerns/complaints)	33	31	17	-48%	-45%
Number of residents that made these concerns/complaints	11	16	10	-9%	-38%
Details of repeat locations	64% of all concerns/ comments (21 concerns/ complaints) arose from 3 residents.	1 resident called 7 times, 1 resident called 5 times, 1 resident called 3 times, 3 residents called twice. The remaining 10 residents called once	1 resident called 4 times, 1 resident called 3 times, 2 residents called twice. The remainder only called once.		
Response time	Within one day	Within one day	Within one day		
Average number of complaints per resident	3.0	1.9	1.7	-43%	-11%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018)

Comment

There has been a marked reduction in 2018 in the number of concerns and complaints where residents indicated they were frightened or stressed by the effects of WGO operations, compared with 2017. This would appear to be a consequence of the mining at Correnso coming towards its conclusion, and mining work there reducing accordingly. Both of these factors, the reduction in concerns and complaints regarding health and wellbeing, and the reductions in mining activities at Correnso, also correlate with the reduced payments made through the AEP programme during 2018 (refer indicator P-I-1), and with the more positive ratings of health and wellbeing by residents that were discussed in the previous section.

As per WGO's SOP, the procedural requirement for responding to these complaints is within one day, a target which the data shows has been met consistently over the period of SIMP reporting.⁴⁸

⁴⁸ Though not included in the table, in 2015 and 2016 the response times for this type of concern or complaint were also always within one day (i.e. that target has been met in every year since 2014).

H-I-3: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO REGARDING BLASTING, VIBRATION AND NOISE (UNRELATED TO PROPERTY DAMAGE), INCLUDING PERCENTAGE OF COMPLAINTS WHERE THE BLAST/NOISE WAS NOT COMPLIANT WITH OPERATING CONDITIONS; AND NUMBER AND PERCENTAGE OF COMPLAINTS FROM REPEAT LOCATIONS (I.E. MULTIPLE COMPLAINTS IN A GIVEN PERIOD) (External Affairs Department)

Data and Changes

Table 49: Number of complaints relating to vibrations

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 – 2018 %	2017 – 2018 %
Vibration events ⁴⁹	2	3	4	100%	33%
Vibration complaints	4	0	3	-25%	-
Exceedance of conditions ⁵⁰	2	0	0	-100%	0%

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

⁴⁹ Defined as a blast that is greater than greater than 5.0mm/sec.

⁵⁰ The Correnso Underground Consent Condition 14c) states that conditions are exceeded when the peak particle velocity (vector sum) is more than:

(i) For development blasts: 5mm/s for 95% of the monitored events; and 2mm/s on average.

(ii) For production blasts: 5mm/s for 95% of the monitored events; and 3mm/s on average.

Table 50: Number of complaints relating to blasting and noise

YEAR	PERIOD	NUMBER OF COMPLAINTS		NUMBER OF COMPLAINANTS		PERCENTAGE OF COMPLAINTS FROM REPEAT LOCATIONS	
		U/G	Martha	U/G	Martha	U/G	Martha
Blasting complaints							
2014 (Baseline)	Q1	97	36	32	5	57% from George/Clarke St	69% Seddon/Gilmour St
	Q2	70	21	25	8	52% from George/Clarke St	62% Seddon/Gilmour St
	Q3	39	25	19	11	38% from George/Clarke St	64% Seddon/Gilmour St
	Q4	28	25	23	4	47% Gladstone/Mataura Rd	92% Seddon/Gilmour St
2017	Q1	56	3	19	2	48% from Gladstone Rd, 27% from Cuba St	67% from Pitt St
	Q2	34	7	6	3	82% from Gladstone Rd	57% from Bulltown Rd
	Q3	40	3	10	3	83% from Gladstone Rd	No repeat location
	Q4	37	0	11	0	86% from Gladstone Rd	-
2018	Q1	27	0	7	0	89% from Gladstone Rd	-
	Q2	31	0	11	0	81% from Gladstone Rd	-
	Q3	16	0	8	0	81% from Gladstone Rd	-
	Q4	61	0	22	0	61% from Gladstone Rd	-
Noise complaints							
2014 (Baseline)	Q1	0	20	0	11	-	41% Russell St/Moresby Av
	Q2	0	7	0	7	-	No repeat location
	Q3	0	8	0	5	-	37% received via HDC
	Q4	0	1	0	1	-	No repeat location
2017	Q1	2	0	2	0	No repeat location	-
	Q2	7	2	6	2	82% from Gladstone Rd	No repeat location
	Q3	2	0	2	0	No repeat location	-
	Q4	0	4	0	3	-	50% received via HDC
2018	Q1	¹ 51	0	1	0	No repeat location	-
	Q2	⁰ 52	0	0	⁰ 53	-	-
	Q3	0	0	⁰ 54	0	-	-
	Q4	1	0	1	0	No repeat location	-

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

A further 4 complaints were received about drill rig noise during 2018. Because of the small number of these complaints, not attributable to either U/G or Martha, these complaints are not included in this table.

⁵¹ Arguably may not belong in this table: related only to an alarm going off at a WGO owned property.

⁵² Two other noise complaints were received that were found not to be related to mining. One was found not to be from WGO activities, and one concerned a fireworks display put on by WGO.

⁵³ One complaint was received, investigated, found to be not WGO activities making the noise, hence shown as a zero count in this table.

⁵⁴ One noise complaint received concerned a dog barking at a property owned by WGO. This complaint has not been recorded in this table.

Comment

The number of vibration events increased by one in 2018 compared with 2017. WGO received three complaints in relation to these vibration events in 2018, which compares with no complaints in 2017. No blast conditions were exceeded in either 2017 or 2018. (There were also no exceedances in 2016.)

The number of complaints associated with underground blasting has increased and decreased over time, predominantly due to changes in the position and type of operations being conducted underground. Commensurate with other indicators reported earlier in this section, with less activity in the Correnso mine in 2018 than in 2017, fewer complaints about underground blasting were received in 2018 than in 2017. There were no noise complaints related to underground blasting in 2018.

Following the slips in the Martha Pit in 2015 and 2016 there has been little activity in this mine, with no complaints about blasting or noise in 2018 as a result.

H-I-4: NUMBER OF LOST TIME INJURIES ON SITE (Health and Safety Department)

H-I-5: NUMBER OF SITE REFERRALS TO LOCAL HEALTH SERVICES (Health and Safety Department)

- **H-I-4:** Number of lost time injuries on site
- **H-I-5:** Number of site referrals to local health services

WGO classifies three kinds of injuries within what it refers to as "Total recordable injuries":

- Lost time injuries (LTI)
- Medically treated injury (MTI) referrals
- Restricted work injuries (RWI)

The last of the categories above has been included in SIMP annual monitoring reports since 2017 only.

Data

Table 51: Number of recordable injuries (including lost time injuries and site referrals to local health services), and minor first aid treatments

	2014 (Baseline)	2017	2018
Number of recordable injuries on site			
Lost time injury (LTI)	1	1	0
Medically treated injury (MTI) referrals ⁵⁵	6	1	2
Restricted work injury (RWI)	N/A	2	7
Total recordable injuries		4	9

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Health and Safety Department (2017 and 2018).

Comment

The number of lost time and medically treated injuries remains very low.

There has clearly been some increase in restricted work injuries. This classification was introduced in 2017, so the increase to the 2018 figure relates to the increasing rate of identification of this type of injury.

OTHER

N/A

7.3 SUMMARY – HEALTH AND WELLBEING

Discussion	Residents' responses to the Perception Survey indicate that the community has become somewhat more positive about how well WGO is managing any health and wellbeing impacts of mining. There has been a corresponding decrease in the proportion of residents who are neutral on this point, consistent with the reduced uncertainty the community now feels about mining in Waihi following the announcement of Project Martha.
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⁵⁵ Defined by WGO as precautionary only and requiring no further treatment.

	<p>Changes on a number of further indicators all correlate with the reduced activity in the Correnso mine as mining there has reduced over the 2018 year, as this mine approaches its end-of-life. These include:</p> <ul style="list-style-type: none"> • The halving in the number of reports by residents of feeling frightened or stressed by the effects of WGO operations in 2018 compared with 2017 • The lack of activity in the Martha Mine and corresponding lack of complaints about this operation • A complete lack of noise complaints in 2018 concerning underground mining, and a reduction in the number of complaints about underground blasting <p>The number of onsite injuries has remained very low in 2018, as it also was in 2017.</p>
<p>Compliance with other Correnso Consent Conditions</p>	<p>All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC.</p>

8 FUTURE OF WAIHI AND WGO LEGACY

Objective	Understand and manage the impact of closure of WGO's operations including consideration of community, the economy, environmental impacts and rehabilitation.
Potential impacts	<ul style="list-style-type: none"> Continued environmental impacts including delay of the Martha pit rehabilitation; and Delayed realisation of future economic opportunities as a result of reliance on mining.
Performance goals	<ol style="list-style-type: none"> Take measures to promote a high level of community understanding in relation to the physical environment and rehabilitation and confidence in WGO's approach, in the short and long-term. Engage with Iwi to ensure their interests in environmental impacts and rehabilitation, during mining and in relation to closure are responded to. Proactively support employees and contractors in employment transitions resulting from eventual WGO mine closure. Identify opportunities for WGO to contribute to the transition to a post-mine economy.

8.1 MITIGATION AND MANAGEMENT ACTIVITIES

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
F-M-1	Review current monitoring and evaluation activities and identify gaps in relation to the future of Waihi and WGC legacy in order to develop and implement an overarching monitoring and evaluation framework for the SIMP.	June 2015	External Affairs Department	Complete	All SIMP indicators are now being tracked.
F-M-2	Complete Iwi consultation report and submit to HDC and relevant Iwi stakeholders.	July 2015	External Affairs Department	Complete	Completed in 2015.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
F-M-3	Continue Iwi engagement as appropriate, particularly in relation to the environment and rehabilitation.	Ongoing	External Affairs Department	Ongoing	This is ongoing and generally through the Iwi Advisory Group. Cultural awareness training is now being provided at least twice a year. A number of meetings have been held with iwi during 2018 for Project Martha.
F-M-4	Review Memorandum of Agreements (MOUs).	Annual	External Affairs Department	Ongoing	Due to Iwi being focused on other priorities (Treaty Settlements), 2017 and 2018 action on this point has been limited to preliminary discussion. This will be the focus in 2019.
F-M-5	Review and revise WGC's two closure plans (Rehabilitation and Closure Plan and Waihi Closure and Reclamation Plan) to include as necessary, management of economic impacts; employment transitions; rehabilitation.	January 2015	External Affairs Department	Ongoing	Reviewed annually and submitted as required.
F-M-6	Investigate opportunities to support business sustainability in a post-mine economy.	Annual	External Affairs Department	Ongoing	With WGO now focused on continued mining, this action point is to be revisited and is under investigation.
F-M-7	Ensure the issue of sustainability in a post-mine economy is included as an agenda item in all six-monthly contractor meetings.	January 2015	Commercial Department	Ongoing	No formal meetings were held with contractors in 2016, 2017 or 2018. Informal meetings only. Contractors communicated with through Update, East Ender and Goings On. No plans to close, increased company emphasis on extending the Life of Mine (LOM), thus no discussion of a post mine economy. With the Project Martha announcement in 2018 LOM has been extended considerably and the post mine economy is not currently an issue.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
F-M-8	Work with HDC to investigate issues regarding a post-mine economy including identification of opportunities.	December 2015	External Affairs Department	Ongoing	Whereas under Newmont ownership the LOM planned would have continued mining through until approximately the end of 2019, with the change of ownership to OceanaGold, the company is now actively looking ahead with a view to an extended LOM. This makes closure not a current issue or concern. Further to this, with the approved consents for Project Martha WGO mine life has been extended for an estimated 10 years.
F-M-9	Review and update the WGC Stakeholder Engagement Plan in relation to the future of Waihi and WGC legacy.	January 2016	External Affairs Department	Complete	Mine closure not a current issue or concern: see F-M-7 and 8.
F-M-10	Report on progress and performance of actions contained within WGC's Stakeholder Engagement Plan in relation to the future of Waihi and WGC legacy.	January 2015	External Affairs Department	Ongoing	Mine closure not a current issue or concern: see F-M-7 and 8.
F-M-11	In collaboration with HDC, identify and develop additional SIMP indicator(s) in relation to the future of Waihi and WGC legacy.	January 2016	External Affairs Department	Ongoing	Mine closure not a current issue or concern: see F-M-7 and 8.
F-M-12	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning the future of Waihi and WGC legacy. Short term - Cintellate entries to be monitored.	June 2015	External Affairs Department	Complete	The InForm stakeholder engagement database is now used to record and track stakeholder feedback and addresses this mitigation action. The InForm system replaced Inviron during 2018, which in turn replaced the Cintellate system used earlier, each serving the same or similar functions.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
	Post - perception survey will identify additional indicators.				
Other	None.	N/A	N/A	N/A	N/A

8.2 INDICATORS

F-I-1: NUMBER OF IWI ADVISORY GROUP MEETINGS CONDUCTED (External Affairs Department)

Data and Changes

Table 52: Number of Iwi Advisory Group meetings conducted

	DATA			CHANGES	
	2014 (Baseline)	2017	2018	2014 - 2018	2017 - 2018
Number of formal meetings conducted	4	3	0 ⁵⁶	-100%	-100%
Timing of formal meetings conducted	March, July, August and September	January, July and December			

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

Correnso Consent Condition number 65 requires WGO to offer Iwi Advisory Group meetings every six months. Records kept by WGO show that this target is being met, i.e. that these meetings are being offered. However iwi have not met in this way for a number of reasons. WGO and individual iwi have been meeting regularly to discuss other projects including Project Martha, and iwi may have found these meetings to be appropriate or adequate substitutes for the Iwi Advisory Group meetings.

⁵⁶ Individual iwi consultation took place regarding Project Martha. Also see comments.

F-I-2: SUMMARY RESULTS OF KNOWLEDGE, ATTITUDE AND PERCEPTIONS SURVEY INCLUDING WGO'S APPROACH TO CONTINUED ENVIRONMENTAL IMPACTS; AND DELAYED REALISATION OF FUTURE ECONOMIC OPPORTUNITIES AS A RESULT OF RELIANCE ON MINING (External Affairs Department)

Data

Table 53: Community perceptions of WGO's environmental legacy (2014 baseline)

Question: "How do you rate the impact of Correnso on the environment?"

	2014 (Baseline) Total (n=58) %
Very positive	10
Positive	34
Neutral	29
Negative	16
Very negative	10
No response	0

Source: Correnso SIA Engagement (KPMG Banarra, 2014).

The SIA engagement undertaken in 2014 identified a range of perceptions. Key points relevant in 2018 are included below. A fuller list of these perceptions was provided in the 2016 SIMP report:

- In general, stakeholders were happy with WGO's approach to environmental management, although several concerns were raised.
- As the Correnso development is mined, the tailings dams will continue to operate and grow, which some participants feel is an unwelcome environmental impact.
- In the past, Iwi groups have expressed concerns regarding effects on the mauri (life force) of the water, land, and well-established trees; changes in topography and visual impacts; effects of dewatering and the quality of the regional groundwater system and; the filling of the Martha pit. Iwi groups consulted still held concerns, but felt that Correnso did not raise any new or considerable environmental concerns not already expressed about WGO's existing operations.

Data and Changes

Table 54: Community perceptions of WGO's economic legacy (2017 and 2018)

Question: "How do you rate OceanaGold for how it assists with planning for the future of Waihi?"

	DATA				CHANGES 2017 - 2018	
	2017		2018		Movements in percentages	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Very well	18	20	20	20	2	0
Well	35	36	43 ↑	32	8 ↑	-4
Neutral	26	32	25	32	-1	0
Poorly	9	0	7	2	-2	2
Very poorly	4	0	2	2	-2	2
Don't know	8	12	3	12	-5	0

Data sources: Waihi Annual Perceptions Surveys (Phoenix Research).

After consultation with Phoenix Research, and with a view to more fully meeting the scope intended by this indicator, WGO decided to include a new question in the 2017 Perceptions Survey, with results shown in the following table. Responses to this topic were collected on a scale ranging from ten meaning "does this extremely well", down to zero meaning "does not do this at all".

Table 55: Community perceptions of how well WGO manages environmental impacts of mining

Question: "How well does WGO handle environmental impacts of mining?"

	DATA				CHANGES 2017 – 2018	
	2017		2018		Movements in percentages ⁵⁷	
	Residents (n=361) %	Businesses (n=50) %	Residents (n=311) %	Businesses (n=50) %	Residents %	Businesses %
Summary measures:						
Percent rating 8 to 10	45%	50%	44%	36%	-1%	-14%
Percent No opinion/don't know	14%	20%	16%	28%	2%	8%
<i>Average rating out of 10 (This row shows numeric results, not percentages, as are all other results in this table. Hence this row is italicised to emphasise that distinction.)</i>	7.0	7.9	7.0	7.4	0	-0.5
Full distribution of answers on scale:						
0 / Zero	2%	0%	3%	0%	1%	0%
1	1%	0%	1%	0%	0%	0%
2	2%	0%	0%	0%	-2%	0%
3	1%	2%	2%	2%	1%	0%
4	3%	2%	4%	0%	1%	-2%
5	12%	4%	9%	14%	-3%	10%
6	8%	12%	9%	6%	1%	-6%
7	11%	10%	13%	14%	2%	4%
8	24%	12%	22%	12%	-2%	0%
9	11%	18%	10%	12%	-1%	-6%
10	10%	20%	11%	12%	1%	-8%
Don't know	14%	20%	16%	28%	2%	8%

Source: Waihi Annual Perceptions Survey (Phoenix Research).

Comment

The results above show increases in the percentages of residents rating the company as assisting well with planning for the future of Waihi. This relates to the company's focus on extending the life of the mine and in particular announcing Project Martha during 2018, which has largely been seen as reducing uncertainty about the future of mining in Waihi, and deferring the prospect of mine closure for at least ten years, probably longer.

⁵⁷ The third row of data in this table shows means, not percentages: the change column naturally shows the changes in the means between the two years.

This has consolidated residents' impressions that OceanaGold would only have bought the mine if they anticipated mining continuing in Waihi. The 2016 SIMP monitoring report made similar observations on this point: "... given the recent shift to OceanaGold site ownership and the expansion of the life of mine, which has been a significant change for the future of Waihi".

However it is also important to note that this is the only measure in the Perception Survey where businesses are not more favourable in their ratings than residents, a pattern than has been evident for some years (since at least 2016). Businesses tend to be more wary about the future of mining in Waihi than residents, with consistently higher proportions of businesses rating WGO "neutral" in this respect, compared with residents. Businesses have not shown the same increased confidence in the future of Waihi following the announcement of Project Martha, that residents have shown.

There has been very little change in the ratings residents give WGO for its management of environmental impacts of mining, over the period 2017 to 2018. The modest decline in this rating among businesses is not statistically significant, and businesses overall are very positive about this aspect of WGO's performance.

It is also important to note that a total of 10% of residents rate WGO below the mid-point on this scale, expressing dissatisfaction with the company in this way. That finding is virtually unchanged since 2017.

F-I-3: SUMMARY RESULTS OF ANALYSIS OF STAKEHOLDER FEEDBACK, CONCERNS AND COMPLAINTS RECEIVED BY WGO INCLUDING NUMBER OF COMPLAINTS, AND WGO'S AVERAGE RESPONSE RATE REGARDING CONTINUED ENVIRONMENTAL IMPACTS; AND DELAYED REALISATION OF FUTURE ECONOMIC OPPORTUNITIES AS A RESULT OF RELIANCE ON MINING (External Affairs Department)

Data and Changes

Table 56: Stakeholder feedback – concerns and complaints received by WGO regarding environmental impacts

COMPLAINTS AND CONCERNS	DATA			CHANGES – COMPLAINTS ONLY	
	2014 (Baseline)	2017	2018	2014 – 2018 %	2017 – 2018 %
Noise	31	11	6	-81%	-45%
Noise – Concern	0	0	0		
Vibration	317	63	46	-85%	-27%
Vibration – Concern	2	2	4		
Noise from Blasting	30	4	3	-90%	-25%
Noise from Blasting – Concern	0	0	0		
Felt and Heard	82	115	89	9%	-23%
Felt and Heard – Concern	0	0	0		
Air Quality (Dust)	6	5	1	-83%	-80%
Air Quality – Concern	0	0	0		
Water	0	0	1	-	-
Water – concern	0	0	0		
Light pollution	0	0	2	-	-
Total complaints	468	198	148	-68%	-25%
Total concerns	2	2	4		

Data sources: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2017 and 2018).

Comment

Just as in 2017 there has been a further year-on-year decline in the number of complaints received associated with environmental impacts. This declined from 468 complaints in 2014 to 148 complaints in 2018, a drop of 68%. There has also been a marked drop in these complaints since 2017.

The most frequent types of complaints types during 2018 were:

- "Felt and heard", 89 complaints, down 23% from 2017
- "Vibration", 46 complaints, down 27% from 2017

The decline in complaints received about environmental impacts is consistent with the reduction in activity in the Correnso mine, and with the many other indicators that reflect the community's responses to that reduction. The lack of mining in the Martha open pit would have contributed to the longer term aspects of this decline (i.e. since earlier, not since 2017, since there was very little activity in the pit during 2017).

Data is not available on WGO's actual average response rate to these complaints, although this is known to be one working day or less: the process for responding to complaints at the mine requires a maximum response time of within one working day, and this maximum has been consistently applied since 2014.

OTHER

N/A

8.3 SUMMARY – FUTURE OF WAIHI AND WGO LEGACY

Discussion

Two significant factors have influenced the theme of the future of Waihi and the legacy of the mine over recent years. The first was the sale of WGO to OceanaGold in 2015, and increased understanding and working through the following years, of OceanaGold's commitment to continued exploration and mining in Waihi. (That is in contrast to the previous owner, NWG, having the expectation of closing the mine once the mining in Correnso was completed).

The second, and probably now more significant factor, though directly related to the first, has been the announcement of Project Martha. This has established much greater certainty about the future of mining in Waihi than in recent years, with Project Martha expected and widely understood to extend mining in Waihi for a further ten years.

	<p>OceanaGold's commitment to a long term life of mine, now made fully tangible through Project Martha, means that the community and local businesses have needed to process this new knowledge and any positive or negative implications it may have for them. The 2018 data suggest that residents have promptly moved towards a more positive view of the future of Waihi and how OceanaGold assists with planning for that, while businesses have not or not yet worked through the implications of Project Martha for the future of their businesses, at least not to the extent that residents now have clearer impressions about the future of Waihi.</p>
Compliance with other Correnso Consent Conditions	<p>All management plans and monitoring reports required by the Correnso Underground Mine Consent Conditions have been submitted and reviewed by HDC. Closure and legacy planning has not occurred in depth in 2018 due to the extended life of mine with OceanaGold ownership, and now with the announcement of Project Martha this has become even less relevant or pressing. Mitigation actions F-M-4 and F-M-7 have been delayed for future implementation.</p>