



OceanaGold (New Zealand) Ltd

Waihi Social Impact Management Plan 2016 Annual Monitoring Report

April 2017
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Inherent limitations

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1. Introduction

In October 2013, Waihi Gold Operation (“WGO”, or “operation”) 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”),¹ 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 NWG mining projects operating in the area, on the community; and
- An annual report on the outcomes of this work.”²

It is important to note that the Waihi Gold Operation was previously operated by Waihi Gold Company Ltd (“WGC”), owned by 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. For simplicity, unless distinctions are required.

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, and local business owners and the operation’s workforce. It contains management plans for six themes, which also form the structure of this Annual Monitoring Report:

- Economy;
- Employment;
- Property;
- Community;
- Health and wellbeing; and
- 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 the HDC.

The SIMP Framework outlines the following for each theme: WGO’s objective; the potential impacts of the Correnso development in combination with other WGO operations; WGO’s performance goals; mitigation and management activities; and indicators covering the drivers and outcomes of the potential impacts.

¹ The Correnso Consent Conditions are available at <http://www.waihigold.co.nz/assets/media-releases/Correnso-Consent-issued-by-Environment-Court-18-October-2013-3MB-PDF.pdf>.

² Consent Condition 39.

The SIMP Framework also requires WGO to prepare annual monitoring reports that track performance against the SIMP indicators, on an annual basis for the life of the Correnso development.

This 2016 annual monitoring report (“**report**”) captures and communicates WGO’s progress in relation to its objectives and goals for the current year (2016) as well as the previous year (2015) and baseline year (2014). It also reports OGC’s self-assessment of its progress against the required mitigation and management activities. Unless otherwise noted, data was provided by WGO in 2014, 2015 and 2016.

2. Results

2.1 2016 Reporting Summary

Key achievements in 2016	<p>The following list provides an overview of the key achievements for WGO in 2016.</p> <p>Additional insights into the site’s achievements and challenges in relation to specific SIMP indicators are provided throughout Section 2.</p> <p>Transition to WGO as owner-operator</p> <ul style="list-style-type: none"> While the site was bought by OceanaGold (New Zealand) Pty Ltd (“OGC”) on 1 November 2015 (i.e. the previous reporting year), the site transition process continued throughout 2016, particularly with the transition of the site to an owner-operator model including the on-boarding of contractors into permanent staff roles. A key change subsequently occurred when Thiess (a contracting company responsible for Correnso underground mining) completed their contract on 1 July 2016 and approximately 100 Thiess employees were subsequently on-boarded to become WGO employees. The opportunity for Thiess employees to continue working at site and thus remain residents in their local community was noted as a key achievement for 2016, as was the successful implementation of more practical elements, such as the valuation and handover of equipment and the integration of training records. The 2016 Waihi Annual Perceptions Survey also indicated that community perceptions of, and confidence in, WGO remained positive through this period of transition, indicating that the community also feels the transition of site ownership has been successful. The positive community response to the continuation and expansion of underground mining in the Slevin Underground Project Area (SUPA) development was also noted as an indicator that community support for WGO and the site’s management remained positive. One aspect of the transition to OGC ownership of the site that was also noted as enabling continued community support and confidence was their commitment to ongoing exploration and mining in Waihi beyond 2018.³ This extended the life of mine, which was a significant change in 2016 since the
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³ WGO states on their website that the current Life of Mine is 2018+, with ongoing exploration aimed at supporting continued mining at the site. URL: <http://www.oceanagold.com/our-business/new-zealand/waihi/> (28 March 2017)

	<p>site was expected to be closed under the previous Newmont Waihi Gold (“NWG”) ownership). WGO have noted, however, that a small segment of the community do not see the extended life of mine as a positive development in the same way as others do.</p> <p>Increased focus on employee health and wellbeing</p> <ul style="list-style-type: none"> • 2016 saw a focus on employee health and wellbeing, with WGO implementing a range of changes and programs at site. This was noted as a key achievement with a clear focus from WGO on driving improved practices with regards to employee health and wellbeing. These changes were also made, in part, to respond to regulatory changes. • The key changes that were noted as occurring in 2016 included the employment of a full-time nurse on-site with responsibility for implementing a range of health awareness programs, counselling and assistance programs and health screening (such as mole mapping and heart checks). These programs were rolled out to both staff and their families. In addition, in 2016 the site facilitated a program to assist employees to quit smoking, prior to the site going ‘smoke free’ on 1 January 2017.
<p>Key challenges in 2016</p>	<p>The following list provides a snapshot of the key challenges at WGO in 2016.</p> <p>Fatality at Correnso</p> <ul style="list-style-type: none"> • A fatality occurred at Correnso on 28 July 2016, when an employee of WGO died while working underground. Following the incident, OGC released a media release (dated 29 July 2016) which stated: <p style="margin-left: 40px;"><i>“(MELBOURNE) OceanaGold Corporation (TSX/ASX/NZX: WGO) (the ‘Company’) regrets to inform that an underground mining operator was fatally injured following an incident in the early evening of Thursday July 28, 2016 local time.</i></p> <p style="margin-left: 40px;"><i>The accident is currently under investigation and the Company is fully cooperating with Police authorities and WorkSafe New Zealand to determine the cause.</i></p> <p style="margin-left: 40px;"><i>‘We are all deeply saddened by this tragic event,’ said Mick Wilkes, President and CEO. ‘It is a sobering reminder that the health and safety of our workforce is paramount each and every day. On behalf of all employees at OceanaGold, I offer our deepest prayers and condolences to the family of the worker and employees of the mine.’</i></p> <p style="margin-left: 40px;"><i>The Waihi operation has been suspended while the investigation is conducted.”</i></p> • The incident was still under investigation at the time of this report, and as such the full extent of site responses remain in development. Some of the ways in which the site responded, however, included the temporary shutdown of the site immediately following the fatality, the provision of support and counselling to the operator’s family and friends and the WGO workforce for a number of weeks following the incident, and the implementation of a number of positive changes to how Correnso operates.

Transition to an owner-operator model

- While the transition process was highlighted as a key achievement due to the relatively smooth transition throughout 2016, it did provide a number of challenges for WGO management, the on-site workforce and the community to navigate.
- A key challenge throughout the transition process was the significant increase in workload for some employees, e.g. those with responsibility for on-boarding Thiess contractors, updating contracts for those suppliers or contractors previously contracted by NWG or Thiess and updating and merging personnel, payroll and training records. WGO was also tasked with having to develop new operating procedures, processes, budgets and training programs, which had previously been centrally-managed by NWG rather than the site. WGO's successful collection of SIMP data this year, as well as the employee perception survey results, indicate that these challenges have been largely addressed.
- WGO also noted that in early 2016, many community members expressed doubts and concerns about how WGO would continue to interact with and contribute to the community. Community concerns were raised about OGC being a 'low cost producer' of gold and consequently not contributing the same level of support to the community as NWG e.g. through community sponsorships. In response, the site took a number of steps to correct this perception, such as through encouraging one-on-one interactions between the site General Manager, staff and the community. The positive community perception survey results indicate that these concerns have been largely addressed.

Data collection and reporting

- The transition was also noted as having some impacts on WGO data collection and reporting processes (as reported in the 2015 annual monitoring report). This issue continued in 2016, with challenges raised in terms of some SIMP data owners no longer being on-site, the transition of data management responsibilities to new staff/business units, and the changeover in some management systems and databases (such as the human resource and payroll system). WGO's successful collection of SIMP data this year indicates that this challenge has been largely addressed, although KPMG recommends that efforts be undertaken to further enhance data collection and reporting processes.

Slip in the Martha Mine pit in April 2015

- While the slip in the pit occurred in April 2015 the impacts of this slip continued throughout 2016 as mining in the pit was halted. This was noted as having some impacts on WGO staff and the community, for example through the loss of job opportunities in the pit, a loss in the community's confidence in the design and management of the pit, and reduced interest in the site as a tourist attraction. Since April 2015 there was an additional and more substantial slip event in April 2016. Mining has not yet recommenced in the pit, and WGO is currently looking at options for either rehabilitation of the Martha Pit or continued mining.

<p>Summary discussion</p>	<p>Overall, WGO has done well to collect a substantial amount of SIMP data, and to complete a large majority of the management actions included in the SIMP Framework, throughout the ongoing site ownership transition process. The sale of the site to OGC, which involved a significant preparation and transition process, means that it has not been possible to collect a small number of datasets (e.g. because the transition to new data management systems has not been completed and Newmont data is no longer available). Where this has occurred, it has been noted in the relevant sections of this report. In addition, the transition process has meant that some management actions have not been completed by their original due dates, but are expected to be completed in the coming reporting period.</p> <p>A number of changes have occurred at the site in 2016 with implications for some of the SIMP indicators and mitigation measures. These changes include the transition of ownership to OGC, the transition away from a contractor workforce to an owner-operator model, the extension of the mine life to 2018 and beyond, and the commencement of the SUPA development. The nature and significance of these changes means that it is important for WGO to consider updating the SIA and SIMP to reflect these changes, and determine whether there have been any changes to impacts of the mine and/or relevance of certain indicators or mitigation actions.</p> <p>Recommendations have been provided to WGO alongside this report regarding additional indicators or revision of existing indicators, as well as possible enhancements to data management processes to continue the journey of ongoing improvement.</p>
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2.2 Economy

Objective	Manage the 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 the WGO; and Continued financial reliance on the WGO.
Performance goals	<ol style="list-style-type: none"> Build an in-depth understanding of the local economic impacts and opportunities of the 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 the WGO. Support government and business stakeholders in their work to manage economic dependencies.

Mitigation and management activities

Ref. ⁴	Action ⁵	Completion date / timeframe ⁶	Owner	Status	WGO self-reported progress summary
EcM1	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 2015	External Affairs Department	Complete	All SIMP indicators are being tracked. Indicator EcI5 is under review due to the logistics of the data.

⁴ References ('Ref') follow the formula of: theme (e.g. Ec for economy), type (e.g. M for mitigation action, I for indicator), indicator number (1, 2, 3 and etc.). These references continue through the report.

⁵ Actions as identified in the 2014 SIMP.

⁶ As per the dates reported in the 2014 SIMP.

Ref. ⁴	Action ⁵	Completion date / timeframe ⁶	Owner	Status	WGO self-reported progress summary
EcM2	Review the WGO regional and local procurement initiative, in particular: <ul style="list-style-type: none"> a. Identify whether it delivers relevant data on local procurement and indirect economic impact; and b. Update, analyse and report the data it provides or collect new data if necessary. 	January 2015 then annual review	Business Department	Complete	A review was completed in 2016 as part of transition of the site to WGO to determine how best to capture and report this data systematically. The perception survey is used to capture part of the data, however after review it was determined that it is not feasible to capture this data systematically going forward.
EcM3	Review the WGO's procurement processes to identify opportunities to support local business sustainability while managing potential dependencies.	Annual	Business Department	Ongoing	Site Services Department component has been completed, dependencies component is an ongoing process with each tender evaluation. Perception survey data is still used to monitor and inform mitigation actions. The results continue to suggest that dependency on WGO for local business is not an issue.
EcM4	Incorporate the collection of business data into SIAs (e.g. percentages of goods and services required by the WGO that are procured from local businesses and the indirect impact of this on the local economy).	Annual	External Affairs Department	Ongoing	The socio-economic survey is no longer conducted, however the perception survey is ongoing and will continue, as this supplies sufficient data. On review, WGO has determined that quantitative data is hard to obtain through any other avenue.
EcM5	Assess opportunities to improve how local businesses are notified of tenders.	Annual	Business Department	Ongoing	Notification of tenders to local businesses is mandatory and incorporated into procedures.

Ref. ⁴	Action ⁵	Completion date / timeframe ⁶	Owner	Status	WGO self-reported progress summary
EcM6	Review and update the 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	The socio-economic survey is no longer conducted, however the Stakeholder Engagement Plan, perception survey and SIMP annual monitoring reports are still being used.
EcM7	Report on progress and performance of actions contained within the 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	Progress on actions in the WGO Stakeholder Engagement Plan related to the economy is reported in the Management Review.
EcM8	Review use of the words 'local' ⁷ and 'regional' ⁸ 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 & Business Department	Complete	The definition of 'local' and 'regional' has continued as documented.

⁷ WGO defines 'local' as including Waihi, Waihi Beach, Paeroa, Katikati and Whangamata. This definition applies throughout the SIMP for all uses of the term.

⁸ 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.

Ref. ⁴	Action ⁵	Completion date / timeframe ⁶	Owner	Status	WGO self-reported progress summary
EcM9	<p>Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning the economy.</p> <p>Short term - Cintellate entries to be monitored.</p> <p>Post - local economic analysis will identify other opportunities.</p>	January 2015	External Affairs Department	Complete	The Inviron stakeholder engagement database, which replaced Cintellate, is used to record stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

EcI1 & EcI2: Direct financial contributions (Business Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **EcI1:** Total WGO expenditure including and excluding payroll at local, regional, national and international scales.
- **EcI2:** Royalty and rate payments to government.

These indicators were merged in recognition that they both refer to the common theme of ‘direct financial contributions’.

Data (Baseline, 2015 and 2016)										
Direct financial contributions										
	2014 (baseline)		2015		2016		Change from 2015 - 2016: value of expenditure (%)	Change from 2015 – 2016: proportion of total expenditure (%)	Change from 2014 - 2016: value of expenditure (%)	Change from 2014 – 2016: proportion of total expenditure (%)
	Value of expenditure (NZ\$)	Proportion of total spend (%)	Value of expenditure (NZ\$)	Proportion of total spend (%)	Value of expenditure (NZ\$)	Proportion of total spend (%)				
Total expenditure ⁹ , including payroll:										
Local:	46,249,183	30%	37,999,961	22%	48,671,727	32%	28%	10%	5%	2%
Regional:	39,646,373	26%	38,323,186	22%	26,312,632	17%	-31%	-5%	-34%	-9%
New Zealand:	45,599,546	30%	73,163,396	43%	59,676,843	39%	-18%	-4%	31%	9%
Overseas:	21,111,579	14%	22,364,519	13%	19,064,514	12%	-15%	-1%	-10%	-1%
Total:	152,606,681	100%	171,851,062	100%	153,725,716	100%	-11%	0%	1%	0%

⁹ This figure includes all expenditures including procurement, 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.

Total expenditure¹⁰, excluding payroll:										
Local:	31,878,183	23%	25,010,961	16%	34,000,346	24%	36%	8%	7%	1%
Regional:	39,646,373	29%	38,323,186	24%	26,312,632	19%	-31%	-5%	-34%	-10%
New Zealand:	45,599,546	33%	73,163,396	46%	59,676,843	43%	-18%	-3%	31%	10%
Overseas:	21,111,579	15%	22,364,519	14%	19,064,514	14%	-15%	0%	-10%	-1%
Total:	138,235,680	100%	158,862,062	100%	139,054,335	100%	-12%	0%	1%	0%
Royalties to the New Zealand government:										
Royalties:	2,560,000	-	2,204,000	-	6,371,000	-	189%	-	149%	-
Rates:										
	July 2013 – June 2014		July 2014 – June 2015		July 2015 – June 2016					
HDC:	575,700	N/A	610,836	N/A	675,080	N/A	11%	-	17%	-
WRC:	41,635	N/A	59,895	N/A	66,467	N/A	11%	-	60%	-
Total:	617,335	N/A	670,731	N/A	741,547		11%	-	20%	-

Source: WGO Business Department (2016).

Analysis

Total 2016 expenditure (including and excluding payroll) is similar to that of the baseline year, 2014. The spike in overall expenditure in 2015 was predominantly a result of the high transactional costs associated with the transition from NWG to OGC, including payment of redundancies by NWG and costs associated with on-boarding of ex-Thiess contracted employees as WGO employees.

It is noted that the sole difference between expenditures including payroll and expenditures excluding payroll is the amount of local expenditure. This implies that the majority of payroll expenses are local, and is indicative of the high volume of locally sourced labour and resources employed at the mine. This aligns with the understanding that WGO is an owner-miner operated mine and has adopted a local resource recruitment policy.

It is noted that between 2015 and 2016, total expenditure including payroll decreased by 11%, despite a significant increase in rates and royalties (with an 11% increase in the rates paid by WGO to both the HDC and Waikato Regional Council (WRC) and a 189% increase in royalties)¹¹. Between the baseline year and 2016, total expenditure including payroll increased by 1% whilst rates increased by 20% and royalties increased by 149%. WGO explained that the significant (20%) increase in rates paid to the HDC and WRC between the baseline year and FY16 was largely due to the one-off purchase in FY15 by WGO of more residential property and land, and that year-on-year rate increases are only expected to be minor going forward, in line with annual rate increases.

¹⁰ This figure includes all expenditures including procurement, 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.

¹¹ Noting that these increases do not correlate to the same timeframe, with total expenditure and royalty figures represented for the calendar year, and rate figures represented for the financial year.

Royalties reflect the level of gold production within the stated calendar year. The steep (189%) increase in royalties between 2015 and 2016 was noted as occurring because 2016 royalties were paid in the beginning of the year (January and March 2016) due to the financial carry-over from 2015. WGO explained that the royalty carry over was due to financial reporting pressures following the sale of WGO. Overall the sale pushed some of the reports out and has led to a reported increase in royalty payments for 2016.

EcI3 & EcI4: Procurement opportunities and spend (Business Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, the following two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **EcI3:** Percentage and number of local, regional, national and international companies participating in tenders (i.e. participants).
- **EcI4:** Percentage and value of tenders won by local, regional, national and international businesses.

These indicators were merged in recognition that they both refer to the common theme of ‘procurement opportunities and spend’.

Data (Baseline)									
Procurement opportunities and spend (calendar year)									
Breakdown	Local		Regional		National		International		Total
	No.	%	No.	%	No.	%	No.	%	No.
Number of tenders:	-	-	-	-	-	-	-	-	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. ¹²								

Source: SIA Report (2014).

¹² Due to the small numbers involved, WGO is unable to provide this information as it is commercially confidential.

Data (2015)

In 2015, existing contracts/tenders were either extended or deferred and thus remained similar to the previous year (i.e. baseline data 2014) due to the transition period with the sale to OGC.

Data (2016)

Procurement opportunities and spend (calendar year)

Breakdown	Local		Regional		National		International		Total
	No.	%	No.	%	No.	%	No.	%	No.
Number of tenders:	-	-	-	-	-	-	-	-	6
Number of tender participants:	1	3%	15	44%	11	32%	7	21%	34
Number of tenders won:	1	17%	5	83%	0	0%	0	0%	6
Value of awarded tenders:	As per 2014.								

Source: WGO Business Department (2016).

Analysis

		Change from 2015 – 2016 (%) ¹³	Change from 2014 – 2016 (%)
Number of tender participants:	Local:	-	-50%
	Regional:	-	400%
	National:	-	36%
	International:	-	-22%
	Total:	-	54%
Number of tenders won:	Local:	-	-50%
	Regional:	-	400%
	National:	-	-100%
	International:	-	-29%
	Total:	-	-14%

¹³ Note that change cannot be calculated between 2015 and 2016 as 2015 data was not available, because in 2015 existing contracts/tenders were either extended or deferred and thus remained similar to the previous year (i.e. baseline data 2014) due to the transition period with the sale to OGC.

It is noted that there was a 50% increase in the number of tender participants, particularly regional tender participants, between 2014 and 2016 whilst the number of tenders remained similar. This is likely due to WGO releasing a larger number of tenders in 2016, due to the transition in site ownership as well as the shift away from contractors to an owner-operator approach.

In 2016, WGO also saw a movement towards using more regionally-based suppliers (with five tenders won by regional suppliers), which appears to have absorbed the decrease in the number of tenders awarded to local and international suppliers (with one local and no international or national suppliers awarded tenders in 2016).

The following notes are made in relation to the procurement data:

- In 2016 WGO made several changes to the procurement categories which mean that comparisons cannot be made between 2014 and 2016 procurement category data. As a result, procurement data has not been presented by category in this report.
- 2015 procurement data was not available, however, WGO explained that procurement spend remained the same as for previous years and that during that year existing contracts/tenders were either extended or deferred and thus remained similar to the previous year (i.e. 2014, baseline) due to the transition period.

Ec15: Proportion of suppliers for whom WGO contributes >50% of revenue, reported at local, regional, national and international scales (Business Department)

In responding to a recommendation made by KPMG Banarra in 2015, WGO recognises that there are difficulties in collecting data for this indicator due to supplier hesitance around the commercial sensitivity of divulging their level of business exposure to WGO, particularly in relation to losing competitive advantage during negotiations. KPMG Banarra recommends that this indicator be discontinued from the SIMP moving forward. KPMG Banarra have made further recommendations on the potential to replace this indicator with another data point that addresses the intent of the original indicator.

As a result, data has not been collected nor reported for this indicator in 2016.

Data (Baseline)

Data not available, as first survey of suppliers was conducted in 2015 (**Source:** NZIER QSBO, WGO business perception survey).

Data (2015)

2% of surveyed local businesses (n=50) indicated revenue exposure of this scale (i.e. >50%). These businesses stated that they were direct suppliers to WGO.

The following is based on analysis by Equab and Equab, who conducted the socio-economic study:

- The nature of WGO's business means that its regional, national and international suppliers do not have a high exposure to WGO. While the likelihood of exposure is higher at the local level, the agricultural industry also provides significant opportunities in the local and regional area and the geographic location of Waihi between Tauranga and Hamilton encourages businesses to service a wide area.
- Economic analysis of input-output links do not suggest high likelihood of many firms with greater than 50% revenue exposure to WGO.
- The current data that is available suggests that there is a low number of businesses that are dependent on WGO for more than 50% of their revenue, and WGO (the External Affairs Department) has a good understanding of who these businesses are.
- Data is not available to assess the level of indirect exposure that local and regional businesses have to the site and it is likely that any impact of recent changes at the site on indirectly exposed businesses and services would take several years to surface and be measurable. It could, however, be tracked through indicators such as school enrolment data (see indicator CI3), local employment and local spending. This data would provide insight into the potential effects of closure on the local economy due to indirect exposure to WGO.

Source: The Waihi Economy; Size, Importance of Mine & Significance of Closure (Eaqub & Eaqub, 2015).

Data (2016)

Data was not collected to assess the level of direct or indirect exposure that local and regional businesses have to WGO, as local businesses were reluctant to disclose the information for reasons of commercial confidentiality.

Analysis

N/A – as per reasons stated above.

EcI6: 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)

The data presented in this report for indicator EcI6 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples, one being a Social Impact Assessment (SIA) and the other being a Social Impact Monitoring Program (SIMP). As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

Data (Baseline)

Summary of quantitative perceptions data regarding WGO contributions to the economy¹⁴

	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)

The SIA engagement undertaken in 2014 identified the following perceptions regarding continued contribution to the economy by WGO:

- 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. This perspective was common amongst almost all participants, including those who voiced concerns about the negative impacts of the Correnso development on their property, or health and wellbeing.
- 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.

¹⁴ The question asked was: 'How do you rate Newmont's understanding of its local economic impacts?' Note the percentages do not add to 100% due to rounding. Source: Correnso SIA Engagement, KPMG Banarra (2014).

- A number of residents of Waihi town itself were keen for Waihi to receive a greater proportion of economic benefits from WGO, as opposed to the wider district, region and nation. This was discussed with reference to employment, procurement of goods and services, and rates paid by WGO.

The SIA engagement undertaken in 2014 identified the following perceptions regarding continued financial reliance on WGO (2014):

- 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.
- Some participants raised concerns about Waihi's resilience and opportunities for future success when mining operations cease (predominantly WGO employees and some residents). Others believed that the community would adjust to the change after some decline in the economy and employment (predominantly business owners, community representatives, and some residents). 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 (2015)

Summary of quantitative perceptions data regarding WGO contributions to the economy¹⁵

	FY15 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive	39%	66%
Positive	44%	30%
Neutral	11%	2%
Negative	4%	0%
Very negative	1%	0%
Don't know	1%	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015)

Respondents to the 2015 Waihi public opinion survey suggested that there were a number of economic benefits associated with the presence of mining in Waihi:

- The Waihi operation was seen as supporting other businesses to exist and grow, which encourages 'talent' to remain in town.
- Local businesses were seen as developing business skills through working with the mine, as WGO has 'high standards' which encourages businesses to improve their own standards.
- The Waihi operation was seen to have a commitment to supporting local suppliers and the local economy.
- When mining is stable, the Waihi operation was seen as providing additional opportunities for local businesses, which can be leveraged across similar services and further afield.

¹⁵ The question asked was 'Please think about how well or not you believe Waihi Gold 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'. Theme: Impact on mining on economy

- Despite these economic benefits, larger businesses in Waihi reported that they did not view the mine as being responsible for helping them prepare for mine closure.

Data (2016)

Summary of quantitative perceptions data regarding WGO contributions to the economy¹⁶

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive	39%	40%
Positive	50%	48%
Neutral	5%	8%
Negative	4%	0%
Very negative	0%	2%
Don't know	2%	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Respondents to the 2016 Waihi public opinion survey, when asked how they rate the impact of mining on Waihi, stated:

- 39% of residents selected the option 'very positive' and 50% selected the option 'positive'; and
- 40% of businesses selected the option 'very positive' and 48% selected the option 'positive'.

These responses indicate that the community has a highly positive view of the impact of mining on the Waihi community. Resident's responses were slightly more positive than in 2015, while businesses' responses indicated a significant decrease in those selecting 'very positive', instead tending to respond with 'positive'.

In addition, when asked about their perception of how WGO manages economy-related issues:

- 14% of residents selected the option 'very positive' and 41% selected the option 'positive'; and
- 8% of businesses selected the option 'very positive' and 32% selected the option 'positive'.

¹⁶ The question asked was: "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. Impact of mining on economy of Waihi"

Analysis

Quantitative perceptions data regarding WGO contributions to the economy	Change from FY15 – FY16 (% points)	
	Residents (n=150)	Businesses (n=50)
Very positive	0%	-26%
Positive	6%	18%
Neutral	-6%	6%
Negative	0%	0%
Very negative	-1%	2%
Don't know	1%	0%

As shown above, the 2015 and 2016 perception data indicates that overall, resident's perceptions have remained generally positive throughout 2016, with no change between 2015 and 2016 in the percentage of respondents who indicated a 'very positive' view, and a slight increase (6 percentage points) in the percentage who responded with a 'positive' view. There has been little change between 2015 and 2016 in the percentage of respondents who indicated a 'negative' or 'very negative' view, and these numbers have continued to be considerably lower than those who provided a 'very positive' or 'positive' view. This strongly reflects the perceived success of the transition in site ownership by local residents in 2016. The 2015 and 2016 perception data indicates that the perceptions of businesses have shifted more markedly than that of residents. There appears to have been a strong decline between 2015 and 2016 in the number of business respondents with a 'very positive' view, along with a substantial increase in the number of business respondents who indicated having a 'positive' or 'neutral' view. Additionally, the number of business respondents with a 'very negative' view rose by 2 percentage points between 2015 and 2016. This slight deterioration in businesses perceptions can be attributed to the level of business caution caused by the transition of site ownership. Overall, this change in data suggests a need for further monitoring of business perceptions.

EcI7: 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)

Data (Baseline)

No stakeholder feedback, concerns or complaints received regarding economy-related issues.

Data (2015)
No stakeholder feedback, concerns or complaints received regarding economy-related issues.
Data (2016)
No stakeholder feedback, concerns or complaints received regarding economy-related issues.
Analysis
No feedback, concerns or complaints were received regarding economy-related issues, either in 2014, 2015 or 2016. The average response rate is therefore not applicable (as WGO have not been required to respond to any feedback, concerns or complaints). ¹⁷

Other

N/A.

Summary

Discussion	<p>Available quantitative data and department-specific knowledge suggests that WGO continues to support the local, regional and national economy through payroll, procurement, taxes and royalties. In addition, public opinion is predominantly positive regarding WGO's impact on the economy, with residents and business owners both positive, although figures for business owners have reduced slightly between 2015 and 2016, suggesting a need for ongoing monitoring as the transition to OGC continues.</p> <p>A key factor associated with WGO's continued contribution to the economy is its ongoing commitment to using local and regional contractors and suppliers. Although there has been a 50% decrease in using local businesses, there has been a corresponding increase in the use of regional businesses.</p> <p>A second key factor associated with WGO's continued contribution to the economy is its renewed commitment to continued exploration and operation. While this reduces the potential negative implications of dependency (particularly post-closure), it will be important to monitor and manage this to ensure that the risk of dependency is adequately managed, and the site and community is prepared for closure when it does occur (see the section entitled 'Future of Waihi and WGO Legacy for further detail').</p>
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¹⁷ Note that the standard operating procedure requires that the response time (in the case of feedback, concerns or complaints) should always be within one day.

	While the 2015 Annual SIMP Monitoring Report suggested that WGO's data collection and management processes would ensure that data for all indicators would be available for this report, issues of confidentiality and commercial sensitivity mean that the future inclusion of data for ECI5 will need to be re-considered.
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.

2.3 Employment

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

Mitigation and management activities

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
EmM1	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	Complete	All SIMP employment indicators are being tracked.
EmM2	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
EmM3	<p>Review and improve current level of responsiveness to job applicants.</p> <p>i) Local ad hoc applications – a letter is sent or phone call made within one week.</p> <p>ii) 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>	December 2014	Human Resources Department	Complete	The same processes is followed as in previous years.
EmM4	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.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
EmM5	<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>The 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 & Human Resources Department	Ongoing	Local and regional area boundaries remain the same. The definitions of ‘local’ and ‘regional’ have been communicated. This action is complete and ongoing.
EmM6	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	WGO reviewed the apprenticeship program in 2016 with a view to taking on local school students. The apprenticeship program was approved for implementation in 2017, and a summer student program was implemented at the end of 2016.
EmM7	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 Success Factors recruitment module. This action is now complete.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
EmM8	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, ECI5 data is difficult to obtain, predominantly as it is difficult to assess indirect economic impacts.
EmM9	Review and update the WGO’s Stakeholder Engagement Plan in consideration of employment, training and associated benefits.	January 2015	External Affairs Department	Complete	The socio-economic survey is no longer conducted, however the Stakeholder Engagement Plan, perception survey and SIMP annual monitoring reports are still being used.
EmM10	Report on progress and performance of actions contained within the WGO’s Stakeholder Engagement Plan in relation to employment, training and associated benefits.	January 2015	External Affairs Department	Ongoing	Progress on actions in the WGO Stakeholder Engagement Plan related to employment is reported in the Management Review.
EmM11	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 Inviron stakeholder engagement database, which replaced Cintellate, is used to record stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

EmI1 & EmI2: Workforce size and distribution (Human Resources Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, the following two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **EmI1:** Number of WGO employees
- **EmI2:** Number of WGO contractors' employees (i.e. workforce employed by WGO key contractors that are working at WGO sites)

These indicators were merged in recognition that they both refer to the common theme of 'workforce size and distribution'.

Data (Baseline, 2015 and 2016)

WGO workforce size and distribution

	2014 (baseline)	2015	2016
Number of employees:	112	108	228
Number of contractors' employees:	263	181	99
Total:	375	289	327

Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Human Resources Department (2016); and WGO Employee Survey (2016).

Analysis

	Change from 2015 - 2016 (%)	Change from 2014 - 2016 (%)
Number of employees:	111%	104%
Number of contractors' employees:	-45%	-62%
Total:	13%	-13%

The total WGO workforce has decreased by 13% between 2014 and 2016. At the same time, however, while there was a significant (-62%) decline in contractors' employees between 2014 and 2016, there was also a corresponding significant (104%) increase in the number of employees (which is attributed to on-boarding previous contractors as WGO employees). These overall changes to the WGO workforce were expected as they were largely attributed to the:

- Martha pit slip in 2015, which led to the cancellation of the Macmahon contract and subsequent loss of employment for Macmahon employees, which is reflected in the 2015 data; and
- Sale of the site by NWG to OGC and WGO's owner-operator approach, which concluded the Thiess contract and led to subsequent on-boarding of Thiess employees as WGO employees, which is reflected in the 2016 data.

EmI3 & EmI4: Workforce contribution to the economy (Human Resources Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **EmI3:** Percentage of WGO employees living locally, tracking against 70% local employment goal
- **EmI4:** Percentage of WGO contractors (i.e. contractors' employees) living locally

These indicators were merged in recognition that they both refer to the common theme of 'workforce contribution to the economy'.

Data (Baseline, 2015 and 2016)			
WGO workforce size and distribution			
Proportion of workforce living locally ¹⁸	2014 (baseline)	Jun-15	Jul-16
Number of employees living locally ¹⁹	99	92	178
Number of contractors' employees living locally ²⁰	210	152	59
Proportion (%) of employees living locally	89%	89%	78%
Proportion (%) of contractors' employees living locally	80%	84%	60%
Total workforce living locally (No.):	309	244	237
Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Human Resources Department (2016); and WGO Employee Survey (2016).			

¹⁸ Note that the number of WGO employees is sourced directly from Human Resources records, whilst the number of contractor employees living locally is sourced from the WGO Employee Survey (which is voluntary, and may not state the full number of contractor employees' living locally).

¹⁹ Inclusive of WGO employees living in the following locations: Waihi, Paeroa, Waihi Beach/Athenree, Katikati and Whangamata.

²⁰ Inclusive of contractor employees living in the following locations: Waihi, Waihi Beach/Athenree, Katikati and Paeroa.

Analysis

Proportion of workforce living locally ²¹	Change from '15 - '16 (%)	Change from 2014 - '16 (%)
Number of employees living locally	93%	80%
Number of contractors' employees living locally	-61%	-72%
Proportion (%) of employees living locally	-11% points	-11% points
Proportion (%) of contractors' employees living locally	-24% points	-20% points
Total workforce living locally (No.):	-3%	-23%

Whilst the total workforce (both direct WGO employees and contractor employees) living locally decreased only slightly between 2015 and 2016 (by 3%, from 244 to 237), the proportion of the overall WGO workforce living locally also decreased (by 11% amongst direct WGO employees and 24% in contractor employees). This is attributed largely to the transition to an owner-operator model and the termination of a number of contracts, as the biggest decline in employees living locally has been in the contracted workforce.

It is important to note that the number of contractor employees is sourced from the WGO employee survey, which is voluntary, and as a result may not reflect the actual number of contractor employees living locally. It is also important to note that throughout the transition in site ownership, several internal systems were subjected to change or were flagged for future revaluation, including in relation to data collection systems for the number of employees and contractors living locally. We anticipate that the quality of this data will improve in future years.

²¹ Note that the number of WGO employees is sourced directly from Human Resources records, whilst the number of contractor employees living locally is sourced from the WGO Employee Survey (which is voluntary, and may not state the full number of contractor employees' living locally).

EmI5: Location of residence of non-local employees and contractors, reported by regional²², national, international (Human Resources Department)

Data (Baseline, 2015 and 2016)						
WGO workforce size and distribution – employees not living locally						
	2014 (baseline)		2015		2016	
	No.	%	No.	%	No.	%
Number of WGO employees not living locally:						
Regional:	10	9%	11	11%	31	14%
New Zealand:	1	1%	0	0%	19	8%
Overseas:	1	1%	0	0%	0	0%
Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Human Resources Department (2016)						
WGO workforce size and distribution – contractor employees not living locally						
	2014 (baseline)		2015		2016 ²³	
	No.	%	No.	%	No.	%
Number of contractor employees not living locally:						
Regional:	Not reported		27	15%	22	22%
New Zealand:	Not reported		2	1%		
Overseas:	Not reported		0	0%		
Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Human Resources Department (2016); and WGO Employee Survey (2016)						

²² Inclusive of WGO employees and contractor employees living in Waikato and Bay of Plenty regions.

²³ Inclusive of contractor respondents to the WGO employee survey who stated that they permanently lived in “Rural” or “Other”.

Analysis

	Change from 2015 - 2016 (%)	Change from 2014 - 2016 (%)
Number of WGO employees living non-locally:		
Regional	182%	210%
New Zealand	-	1800%
Overseas	0%	-100%
Number of contractor employees living non-locally:		
Regional	N/A	N/A
New Zealand	N/A	N/A
Overseas	N/A	N/A

The majority of WGO employees working at the Waihi mine live locally. Only 50 WGO employees live non-locally. It is noted, however, that between 2015 and 2016 the number of WGO employees who live outside the local area has significantly increased (in the region and New Zealand). It is not possible this year to make a comparison of contractors' employee's location of residence as much of the contractor data is not available. This is largely due to the termination of the Thiess contract, which means that WGO are no longer receiving contractor data. In addition, information about contractors' is not directly collected by WGO, and thus the data was not available in 2016. KPMG Banarra recommends that WGO review its approach to contractor data collection in future.

EmI6: Location of job applicants - numbers/percentage reported locally, regionally, nationally, and internationally (Human Resources Department)

Data (Baseline)				
Department	Job title	Applicants 2014*		
		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

*Note: Overseas applicants are not considered for positions that are advertised as being for “NZ Applications Only”.

Data (2015)

2015 data was not available regarding the location of applicants was not available due to the Human Resources Department no longer having access to the Newmont recruitment database.

WGO noted that only two roles were advertised in 2015, and the two successful candidates lived locally.

Department	Job title	Applicants 2015**		
		Local	National	Overseas
Site Services:	Contracts Administrator	Not available		
Site Services:	Site Services Coordinator	Not available		

Data (2016)

WGO job applicants breakdown by location

Department	Job title	Applicants 2016		
		Local	National	Overseas
Business	Management Accountant	0	0	0
Processing Plant	Mill Operator 2	21	47	2
HSEC	Health & Safety Advisor, Emergency Response, Safety & Training	1	0	0
Business	Buyer	1	0	0
Mining Underground	Underground Mine Forman	4	3	0
Mining Underground	Maintenance Planner	0	4	6
Mining Underground	Trades Person (UG Diesel Fitter)	5	3	1
Mining Underground	UG Mine Operator	5	9	6
Business	Commercial Manager	0	0	0
HSEC	Occupational Health & Safety Nurse	2	3	0
HSEC	Community Support Advisor	5	0	0

Environmental	Environmental Technician	5	10	4
Processing Plant	Process Systems & Instrumentation Technician	2	7	5
Processing Plant	Plant Metallurgist	0	4	14
Mining Underground	Project Engineer	0	1	0
Mining Underground	Mine Surveyor	0	6	4
Mining Underground	Underground Electrical Supervisor	0	0	0
Mining Underground	Underground Senior Electrician	0	0	0
Mining Underground	Underground Shift Supervisor	0	0	0
Total:		51	97	42

Source: WGO Human Resources Department (2016)

Analysis

Job applicant location	2014 (baseline)		2015		2016		Change in % of total from 2015 – 2016 (% point)	Change in % of total from 2014 – 2016 (% point)
	No.	% of total	No.	% of total	No.	% of total		
Local:	71	17%	Data not available.		51	27%	-	10%
Regional:	Data not available.				Data not available.		-	-
National:	151	37%			97	51%	-	14%
Overseas:	187	46%			42	22%	-	-24%
Total:	409	100%			190	100%		

The number of job applicants decreased between 2014 and 2016, with the largest decrease occurring in the number of overseas applicants. The overall decrease in job applicants could reflect the decrease in workforce size. As a percentage of the total applicants, between 2014 and 2016 there has been a 9 percentage point increase in local applicants, a 14 percentage point increase in national applicants and a 24 percentage point decrease in overseas applicants respectively.

The following notes are made in relation to the applicant data:

- Data for the number of regional job applicants is not available, as it is combined within the ‘national’ category in both 2014 and 2016. 2015 data is not available, however, only two roles were publically advertised and the two successful candidates lived locally.

EmI7: Average response time to job applicants (in line with recruitment procedure) (Human Resources Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, this indicator has been removed from the 2016 SIMP Annual Monitoring Report.

The removal of this indicator was agreed by both WGO and HDC as it does not directly relate to a potential impact area monitored within the SIMP. Mitigating action EmM3 addresses concerns around processes with regards to response times for job applicants.

EmI8 & EmI9: Workforce diversity (Human Resources Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, the following two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **EmI8:** Number and percentage of employees: by gender; and who identify as being of Māori descent
- **EmI9:** Number and percentage of contractors' employees: by gender; and who identify as being of Māori descent

These indicators were merged in recognition that they both refer to the common theme of 'workforce diversity'.

Data (Baseline, 2015 and 2016)

WGO workforce diversity*

Workforce category	Diversity indicator	June 2014 (baseline)		Jun-15		Dec-16	
		No.	% of total	No.	% of total	No.	% of total
Employees:	Male:	89	78%	88	81%	196	86%
	Female:	25	22%	20	19%	32	14%
	Māori descent:	16	14%	11	14%	38	17%
Contractors:	Male:	167	96%	166	92%	70	86%
	Female:	7	4%	15	8%	11	14%
	Māori descent:	61	35%	32	30%	22	27%

Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Employee Survey (2016) 112 263

*Note that diversity figures are sourced from the 2014 SIA engagement and WGO employee survey, both of which were voluntary and not all employees responded, hence the numbers do not reflect the total number of employees.

Analysis

Workforce category	Diversity indicator	Change in % of total from 2015 – 2016 (% point)	Change in % of total from 2014 – 2016 (% point)
Employees:	Male:	5%	8%
	Female:	-5%	-8%
	Māori descent:	3%	3%
Contractors:	Male:	-6%	-10%
	Female:	6%	10%
	Māori descent:	-3%	-8%

Gender diversity is low in the WGO workforce (although it is noted that these gender proportions are not uncommon in the mining sector). In 2016, the proportion of female direct WGO employees had declined by 8 percentage points since 2014, although the total number of female employees had increased slightly; at the same time, the proportion of male direct WGO employees had increased by 8 percentage points. In terms of the contracted workforce, the number and proportion of female contractors increased from 2014 to 2016 in line with a corresponding decrease in the number and proportion of male contractors.

In 2016, the proportion of employees in the workforce who identified as being of Māori descent had increased slightly, by 3 percentage points, since 2014. Reasons for this are likely due to Correnso providing stable, and well paid employment in the local area. On the other hand, the proportion of contractor employees who identified as of Māori descent decreased by 8 percentage points, which is in line with WGO's expectations as they transitioned away from a contractor workforce.

It is important to note that this data is sourced from the WGO employee survey, which is voluntary, and as a result the number of respondents' do not match the number of WGO employees and contractor employees.

EmI10: Number of employees and contractors who participated in WGO or external training programs, by topic area (e.g. workplace health and safety, technical skills) (Human Resources Department)

Data (Baseline, 2015 and 2016)

WGO workforce training participation

Training category	Training subject	Number of training participants		
		2014 (baseline)	2015	2016
-	Total training participants (No.):	744	1041	1147
-	Total training subjects (No.):	24	22	26
Training breakdown:				
Health and safety	General & Site Specific Inductions	320	325	380
	Manual Handling/Back Care	19	0	0
	Fatigue Management	54	0	0
	Fall Arrest	36	15	0
	4WD Driving Training	13	0	0
	Risk Management	19	19	0
	Establish Risk Management System	0	3	2
	Establish Occupational Health & Safety (OH&S) Management System at Extractive Site	0	3	1
	Incident Investigation & Management	0	41	28
	Radiation Safety Training	0	18	0
	Confined Space	0	15	24
	Fire Extinguisher	0	24	21
	Drug & Alcohol Screening	-	-	3
	Stop & Think	0	64	380
	Safedrill (replaced in 2016 by Task Observations)	35	0	18
Emergency response	Muster Warden Training (now integrated into Evacuation Familiarisation)	13	0	-
	CIMS (previously called Rapid Response)	14	0	2
	Cyanide Awareness (previously called Cyanide Emergency Response)	17	34	21
	Work Place First Aid	64	31	44
	Hydrogen Peroxide Safety	-	-	17
	Spill Response	2	0	0
	Evacuation Familiarisation Session	-	-	74
	Develop Emergency Response Management Plan	0	10	0
Community	Cultural Awareness Training	34	283	61

	Media Training	9	0	0
	Equal Opportunities	10	0	0
Technical	B Grade Quarry Workshop	6	0	0
	Computer Training	6	0	3
	Contract Management	28	0	0
	Chain Saw Safety	-	-	6
	Forklift Operation	12	21	23
	Truck Mounted Crane (Hiab)	-	-	2
	HSNO Approved Handler	4	18	14
	HT Licence	2	0	0
	HV Switching	18	0	0
	MAF Accredited Person / Transitional Facility Operator	2	0	2
	Rock Breaker Operation	7	0	0
	Regulatory Requirements	0	9	3
	Electrical Competence	0	5	1
	Site Traffic Management Supervisor Refresher	0	2	0
	Certificate IV in Training & Assessment - National Certificate in Adult Education Level 4	0	2	3
	In-house Auditor Training	0	9	1
Transition	Various data bases and systems in preparation for completion of sale of WGC to OGC (inclusive of Safety Leadership training)	0	90	13

Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual SIMP Report (2015); WGO Training Department (2016)

Analysis			
Training category	Training subject	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
-	Total training participants (No.):	10%	54%
-	Total training subjects (No.):	18%	8%
Training breakdown:			
Health and safety	General & Site Specific Inductions	17%	19%
	Manual Handling/Back Care		-100%
	Fatigue Management		-100%
	Fall Arrest	-100%	-100%
	4WD Driving Training		-100%
	Risk Management	-100%	-100%
	Establish Risk Management System	-33%	
	Establish Occupational Health & Safety (OH&S) Management System at Extractive Site	-67%	
	Incident Investigation & Management	-32%	
	Radiation Safety Training	-100%	
	Confined Space	60%	
	Fire Extinguisher	-13%	
	Drug & Alcohol Screening		
	Stop & Think	494%	
	Safedrill (replaced in 2016 by Task Observations)		-49%
Emergency response	Muster Warden Training (now integrated into Evacuation Familiarisation)		-100%
	CIMS (previously called Rapid Response)		-86%
	Cyanide Awareness (previously called Cyanide Emergency Response)	-38%	24%
	Work Place First Aid	42%	-31%
	Hydrogen Peroxide Safety		
	Spill Response		-100%

	Evacuation Familiarisation Session		
	Develop Emergency Response Management Plan	-100%	
Community	Cultural Awareness Training	-78%	79%
	Media Training		-100%
	Equal Opportunities		-100%
Technical	B Grade Quarry Workshop		-100%
	Computer Training		-50%
	Contract Management		-100%
	Chain Saw Safety		
	Forklift Operation	10%	92%
	Truck Mounted Crane (Hiab)		
	HSNO Approved Handler	-22%	250%
	HT Licence		-100%
	HV Switching		-100%
	MAF Accredited Person / Transitional Facility Operator		0%
	Rock Breaker Operation		-100%
	Regulatory Requirements	-67%	
	Electrical Competence	-80%	
	Site Traffic Management Supervisor Refresher	-100%	
	Certificate IV in Training & Assessment - National Certificate in Adult Education Level 4	50%	
	In-house Auditor Training	-89%	
Transition	Various data bases and systems in preparation for completion of sale of WGC to OGC (inclusive of Safety Leadership training)	-86%	

The above table outlines the number of participants in training programs conducted by WGO and external providers. Training generally reflects the needs of the site and its employees in a specific year, and thus changes from year to year. In 2016, the focus of the site's training programs was on regulatory compliance and employee health and wellbeing (as demonstrated through the increase in participation in the 'Stop and Think' and safety leadership training programs).

It is positive to note that the number of training participants has increased between 2014 and 2016. It is noted that the level of participation in transition-related training and cultural awareness training decreased between 2015 and 2016, which reflects the significant focus given to it in 2015 (as reported in the 2015 SIMP Annual Report), meaning that a large proportion of employees received it in 2015 and thus did not take part in 2016.

EmI11 & EmI2: Number of students, graduates and unskilled residents who participated in formal training processes with WGO, and percentage who received casual, part time or fulltime/permanent employment with WGO (or another company) as a result (Human Resources Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, the following two indicators have been removed from the 2016 SIMP Annual Monitoring Report:

- **EmI11:** Number of students, graduates and unskilled residents who participated in formal training processes with WGO
- **EmI12:** Percentage of students, graduates and unskilled residents who participated in formal training processes with WGO and who received casual, part time or fulltime/permanent employment with WGO (or another company) as a result

The removal of this indicator was agreed by both WGO and HDC as WGO does not have a policy of employing graduates or vacation students, and training programs for unskilled residents have not been implemented to date.

EmI13: 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 (Baseline)	
Summary of quantitative perceptions data regarding WGO's approach to local employment ²⁴	
	2014 (baseline) (%)
	Total: (n=58)
Very positive	22%
Positive	31%
Neutral	28%
Negative	14%
Very negative	2%
No response	3%
Source: Correnso SIA Engagement (KPMG Banarra, 2014)	

²⁴ The question asked was: 'How do you rate the impact of Correnso on local employment opportunities?' Note the percentages do not add to 100% due to rounding. Source: Correnso SIA Engagement, KPMG Banarra (2014).

The SIA engagement undertaken in 2014 identified the following perceptions:

- 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.
- Information provided by WGO indicates that the Correnso development will maintain current employment levels rather than increasing them.
- 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.
- WGO provides training to its employees and also supports graduates through its graduate program.
- While there is scope for further training opportunities, the extent of current training opportunities provided by WGO appear not to be well known by community members.

Data (2015)

Summary of quantitative perceptions data regarding WGO's approach to local employment²⁵

	FY15 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive	26%	38%
Positive	51%	52%
Neutral	13%	6%
Negative	6%	0%
Very negative	2%	2%
Don't know	2%	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015).

Respondents to the 2015 Waihi public opinion survey identified the following issues:

- The majority of residents (77%) and businesses (90%) indicated that mining has a positive or very positive impact on employment opportunities in Waihi.
- Mining was also perceived as providing its workers with a high level of training and transferable skills sets, for example, responses referred to the opportunity for apprenticeships, and on-site training (e.g. related to workplace health and safety), although others suggested that many mining jobs require significant levels of training and experience which local people may not have (meaning that non-locals receive these jobs).

²⁵ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Impact of mining on employment opportunities. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (November 2015, November 2016).

- When asked to ‘rate Waihi Gold for some of the things it does, by giving points out of ten’ (where ten means the company does it ‘extremely well’), 32% of respondents rated the company between eight and ten in terms of ‘providing job training to young people’, while 34% responded ‘no opinion/don’t know’.
- Qualitative responses provided a mixture of perceptions, with some respondents feeling positively about future employment at the mine. Others pointed to issues such as the slip in the Martha Mine pit or the potential sale of the company (at the time of the survey, the sale had not been completed) as factors leading to some uncertainty regarding employment. There were also some perceptions that the new operations (e.g. Correnso) did not lead to additional employment but instead led to the continuation of existing levels of employment.
- In addition to the qualitative data collected via the Public Opinion Survey, the External Affairs Department provided feedback indicating that some members of the public assumed that those who worked in the pit had lost their jobs as soon as the pit slip occurred, however, they spent a couple of months being paid to do community work until the decision was made to close the pit.
- Employees and contractors were asked about the training they have received. Over 95% of employees had participated in one or more forms of training in the past year, and the majority had participated in two forms of training.

Summary of quantitative perceptions data regarding WGO’s approach to training²⁶

Response	2015 (%)
Very satisfied	17%
Satisfied	51%
Neutral	22%
Dissatisfied	4%
Very dissatisfied	4%
Not answered	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015)

²⁶ The question asked was: ‘Please rate your satisfaction with training’. Source: Employee Survey, Phoenix Research (December 2015).

Data (2016)

Summary of quantitative perceptions data regarding WGO's approach to local employment²⁷

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive:	32%	34%
Positive:	55%	50%
Neutral:	8%	10%
Negative:	3%	0%
Very negative:	1%	2%
Don't know:	1%	4%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Summary of quantitative perceptions data regarding WGO's approach to training²⁸

Response	2016 (%)
Very satisfied:	16%
Satisfied:	42%
Neutral:	27%
Dissatisfied:	10%
Very dissatisfied:	3%
Not answered:	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Qualitative perceptions data is not available on employment and training, due to the focus of the 2016 perceptions survey on the topic of property.

Analysis

²⁷ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Impact of mining on employment opportunities. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (November 2015, November 2016).

²⁸ The question asked was: 'Please rate your satisfaction with training'. Source: Employee Survey, Phoenix Research (December 2015).

Comparison of 2015 and 2016 responses²⁹

	Change from FY15 – FY16 (% points)	
	Residents	Businesses
Very positive:	6%	-4%
Positive:	4%	-2%
Neutral:	-5%	4%
Negative:	-3%	0%
Very negative:	-1%	0%
Don't know:	-1%	2%

Comparison of 2015 and 2016 responses³⁰

	Change from 2015 – 2016 (% points)
Very satisfied:	-1%
Satisfied:	-9%
Neutral:	5%
Dissatisfied:	6%
Very dissatisfied:	-1%
Not answered:	0%

The data presented in this report for indicator EmI3 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

The 2015 and 2016 perception data indicates that overall, residents were slightly more positive about local employment and training associated with WGO in 2016 compared to 2015, with a decrease in the percentage of residents who selected the option 'very negative', 'negative', 'neutral' and 'I don't know' and an increase in the number of selected 'very positive' or 'positive'. On the other hand, the number of business respondents who indicated 'very positive' or 'positive' to the question regarding employment and

²⁹ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Impact of mining on employment opportunities. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (November 2015, November 2016).

³⁰ The question asked was: 'Please rate your satisfaction with training'. Source: Employee Survey, Phoenix Research (December 2015).

training declined slightly. 2016 qualitative data is not available for perceptions on WGO's approach to employment and training, due to the focus of the 2016 perceptions survey on the topic of property.

Em114: 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)

Data (Baseline, 2015 and 2016)
No stakeholder feedback, concerns or complaints received regarding employment-related issues, in either 2014, 2015 or 2016.
Analysis
WGO have stated that they received no concerns or complaints from stakeholders regarding employment-related issues between 2014 and 2016. This reflects the positive views received in the Waihi public opinion survey in 2015 and 2016. The average response rate is therefore not applicable (as WGO have not been required to respond to any feedback, concerns or complaints). ³¹
Further information on stakeholder feedback and perceptions in relation to WGO and employment- and training- related issues are detailed above.

Other

N/A.

³¹ Note that the standard operating procedure requires that the response time (in the case of feedback, concerns or complaints) should always be within one day.

Summary

Discussion	<p>2016 saw significant changes in the ratio of contractors' employees and employees employed at the site, predominately due to the transition of the site ownership to WGO, which operates using an owner-operator approach. This shift occurred in a context which had already seen a decrease in the number of contractors' employees on site with the halt to mining in the Martha pit following the slip in April 2015. The effect of these two factors will continue to influence the number and ratio of contractors' employees and employees employed at the site.</p> <p>Other changes seen in the employment indicators included an increase in the number and percentage of employees who are of Māori descent, and an increase in total number but decrease in the proportion of female employees in the workplace.</p> <p>It is important to note that employee numbers have increased in 2016, due to a number of factors:</p> <ul style="list-style-type: none"> • Contractors were brought on as permanent employees in 2016; and • The progression of underground mining in 2016 and through to 2017 has resulted in employment of new staff as underground mining is considered more intensive than open-pit mining.
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>

2.4 Property

Objective	Manage property programs 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.

Mitigation and management activities

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
PM1	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.
PM2	Review the effectiveness of property programs with a view to ensuring that compensation is being directed fairly, and is commensurate with the effects experienced.	Annual	External Affairs Department	Ongoing	The AEP and Ex-gratia are still being used. After a review of the housing market data which indicated that the market had returned to normal, the Top Up Program was discontinued.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
PM3	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	<p>The same process was followed as per previous years.</p> <p>HDC undertakes independent monitoring using its own sound and vibration monitoring equipment. HDC equipment is of a similar standard to the WGC equipment, but they have less of it.</p> <p>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 WGC 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 WGC through the normal channels).</p>

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
PM4	<p>Review and revise the WGO complaints management system, including:</p> <ul style="list-style-type: none"> • Consideration of communication with regard to blasting; • Consideration of handling of concerns; and • Consideration of the complaints monitoring and evaluation process. 	July 2015	External Affairs Department	Complete	<p>The same process was followed as per previous years.</p> <p>Blasting communicated via email, text, phone calls and website, with blast notification to advise residents one minute prior to blast.</p> <p>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.</p> <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>
PM5	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 2015	External Affairs Department	Complete	IRP Roles & Responsibilities were reviewed and updated in 2015. This action is now complete.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
PM6	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.
PM7	Develop and implement a property divestment strategy.	March 2015	Business Department	On hold	A property divestment strategy was developed in 2015. Implementation has been put on hold as WGO are not planning to close. The company is actively looking to extend LOM.
PM8	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 socio-economic survey is no longer conducted, however the Stakeholder Engagement Plan, perception survey and SIMP annual monitoring reports are still being used.
PM9	Report on progress and performance of actions contained within WGO's Stakeholder Engagement Plan in relation to property.	Quarterly	External Affairs Department	Ongoing	Progress on actions in the WGO Stakeholder Engagement Plan related to property is reported in the Management Review.
PM10	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 are responded to in line with the SOP.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
PM11	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning property. Monitor Cintellate entries.	June 2015	External Affairs Department	Complete	The Inviron stakeholder engagement database, which replaced Cintellate, is used to record stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

P11: Amenity Effect Program (AEP): number of recipients; and total spend for the payment period (External Affairs Department)

Data (Baseline, 2015 and 2016)

AEP payments

AEP payments		Amount paid (NZ\$)	Number of recipients	Average amount paid per recipient (NZ\$)
2014 (baseline)	2014 Jan-Jun	\$152,000	310	\$490.32
	2014 Jul-Dec	\$84,500	203	\$416.26
2015	2015 Jan-Jun	\$204,800	230	\$890.43
	2015 Jul-Dec ³²	\$387,647	349	\$1,110.74
2016	2016 Jan-June	\$290,199	341	\$851.02
	2016 Jul-Dec	\$258,125	377	\$684.68
Total (since 2014):		\$1,377,271	1,810	\$760.92

Source: WGO Property Department (2016)

Analysis

The AEP provides payments to residents on a six monthly basis. This payment is calculated based on the measured effects of the Correnso and any other CEPA operations, 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 payment recipients, have both increased and decreased over time since the baseline year (2014). There are two factors that have likely influenced these figures: the position of blasts; and the number of eligible recipients (which changes year to year with house sales and changes in rentals).

The general increase in the amount of AEP payments and number of recipients since January 2015 is likely due to the increased area in which mining occurred, and the use of stope blasting, which leads to an increase in experiences of vibrations caused by blasting.

It is also likely that the reduction in total AEP payments in 2016 occurred because despite an increase in the number of recipients (due to an expansion in the mining area), the occurrence of vibrations above 1.5mm/s in magnitude³³ also decreased, meaning that the average payment amount was reduced.

³² Note, the total number of participants for period 2015 July – Dec has been adjusted to 349 from 500 (the figure reported in the 2015 SIMP Annual Monitoring Report).

³³ Note, two or more blasts at this magnitude in one month is a key criteria for AEP payments to be paid.

PI2, PI3, PI4 & PI5: WGO property ownership and rentals (Business Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, four indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report, as follows:

- **PI2:** Number of WGO rental residential properties in the Correnso project area
- **PI3:** Number of WGO-owned properties in total and broken down by residential, land, commercial, subsidence zone and other categories
- **PI4:** Proportion of Waihi's total residential properties owned by WGO
- **PI5:** Proportion of WGO-owned properties in the CEPA rented by WGO employees

These indicators were merged in recognition that they all refer to the common theme of 'WGO property ownership and rentals'.

Data (Baseline, 2015 and 2016)			
WGO property rentals and ownership			
	2014 (baseline)	2015	2016
WGO rental properties in the CEPA	22	31	52
Residential properties owned by WGO	78	87	108
Sections of land owned by WGO	56	57	59
Commercial properties owned by WGO	5	5	5
Unusable properties (in the subsidence zone) owned by WGO	66	66	66
Other properties (mill, tailings storage facility, underground portal, open pit) owned by WGO	11	11	11
Total assets rented/owned by WGO:	216	226	249
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Property Department (2015 & 2016); WGO Business Department (2015 & 2016).			
Proportion of properties in Waihi owned or rented by WGO employees			
	2014 (baseline)	2015	2016
Residential properties ³⁴	3%	4%	5%

³⁴ This figure equals the number of properties owned by WGO (data provided by WGO as per PI3), as a percentage of the total number of private dwellings in Waihi (as per the 2013 NZ census).

Houses rented by WGO employees	0	1	6
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Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Property Department (2015 & 2016).

Analysis

Comparison of WGO property rentals and ownership

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
WGO rental properties in the CEPA	68%	136%
Residential properties owned by WGO	24%	38%
Sections of land owned by WGO	4%	5%
Commercial properties owned by WGO	0%	0%
Unusable properties (in the subsidence zone) owned by WGO	0%	0%
Other properties (mill, tailings storage facility, underground portal, open pit) owned by WGO	0%	0%
Total assets rented/owned by WGO:	10%	15%

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Property Department (2015 & 2016); WGO Business Department (2015 & 2016).

Comparison of proportion of properties in Waihi owned or rented by WGO employees

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Residential properties ³⁵ (% points):	1%	2%
Houses rented by WGO employees:	500%	N/A (increasing from 0 to 6)

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Property Department (2015 & 2016).

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 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 is the ongoing expansion of the Correnso development (which occurs in 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 have also increased since 2014.

³⁵ This figure equals the number of properties owned by WGO (data provided by WGO as per PI3), as a percentage of the total number of private dwellings in Waihi (as per the 2013 NZ census).

The number of houses rented by WGO employees, whilst in the past has been low, has increased from 1 to 6 between 2014 and 2016. This is likely due to the on-boarding of past contractors' employees as WGO employees, who already rented these houses, during the transition to OGC ownership and its owner-operator approach, in addition to new WGO employees who have chosen to rent WGO owned houses in 2016.

PI6: 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 (Baseline, 2015 and 2016)									
Waihi property sales and average sale prices									
Sales period	Jan 2014 - Jun 2014	Jul 2014 - Dec 2014	Overall (2014) ³⁶ (baseline)	Jan 2015 - Jun 2015	Jul 2015 - Dec 2015	Overall (2015) ³⁷	Jan 2016 - Jun 2016	Jul 2016 - Dec 2016	Overall (2016)
Waihi (overall)									
Number of sales	43	72	115	96	113	105	105	56	164
Average sale price	\$200,384	\$205,540	\$202,962	\$212,065	\$226,974	\$230,790	\$262,228	\$312,661	\$287,445
Waihi West									
Number of sales	38	65	103	86	82	168	94	54	150
Average sale price	\$196,917	\$227,212	\$212,065	\$232,824	\$244,076	\$238,450	\$282,189	\$334,421	\$308,305
Waihi East									
Number of sales	5	7	12	10	31	41	11	2	14
Average sale price	\$237,300	\$180,357	\$208,829	\$222,550	\$233,629	\$228,090	\$231,045	\$255,000	\$243,023
Source: Review of Market Activity – Waihi East, TelferYoung (2015, 2016 & 2017).									

³⁶ 2014 data refers to residential sales with land area up to 1,600m² and includes properties sold with top-up.

³⁷ 2015 data refers to residential sales with land area less than 1,300m² and includes properties sold with top-up. A number of properties have been sold in Waihi East with a land area greater than this and have therefore been excluded from the total number of sales above.

Data for activity in comparable markets (number of sales)



Source: Review of Market Activity – Waihi East, TelferYoung, 2017

Analysis

Sales period	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Waihi (overall)		
Number of sales	56%	43%
Average sale price	25%	42%
Waihi West		
Number of sales	-11%	46%
Average sale price	29%	45%
Waihi East		
Number of sales	-66%	17%
Average sale price	27%	16%

The total number of property sales between 2014 and 2016 increased in Waihi, most notably in Waihi West; whilst there was very little change in the total number of property sales in Waihi East between 2014 and 2016. As reported in the 2015 SIMP annual monitoring report, the increase in property sales overall may have been influenced by the broader property boom occurring in 2015 and 2016 across New Zealand, with people moving to rural and regional areas from urban areas to take advantage of the lower house prices. The average sale price also increased year on year in Waihi overall, between 2014 and 2016.

The most recent rise in housing prices across Waihi can also in part be attributed to the increase in the number of investors, many who live outside the area in places such as Auckland, who have bought property in Waihi. This means that homes in Waihi West have historically been sold for a premium, compared to Waihi East. The figure above provides an overview of the number of property sales in comparable housing markets.

PI7: Top Up program data: a) number of applications received; b) number of applications approved; and number of properties settled (External Affairs Department)

Data (Baseline, 2015 and 2016)

Summary of Top Up program applications

Year	Applications received (No.)	Applications approved (No.)	Properties settled (No.)
2014 (baseline):	23	14	9
2015:	39	38	27
2016:	N/A	N/A	4
Total:	121	105	82

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

The Top Up Program 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 Program were received in 2016. The four properties settled in FY16 had been approved in the previous year.

WGO communicated the conclusion of the Top Up Program to the public through a range of mechanisms, such as WGO's regular community newsletter, 'The East Ender'.³⁸

PI8: Number of WGO fixed point vibration monitors (Environment Department)

Data (Baseline, 2015 and 2016)

Number of WGO fixed point vibration monitors

	2014 (baseline)	2015	2016
Total fixed point vibration monitors:	18	18	18
Number located in the Correnso area:	10	10	10

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

There are currently 18 fixed point vibration monitors in the Waihi area, of which 10 are located in the Correnso area. The number of fixed point vibration monitors has not changed since 2014. They are located in strategic positions based on the location of the Correnso ore body.

It is important to note that this indicator was not identified as a key impact area for monitoring within the SIMP. Data has been reported against this indicator in this report due to community concerns relating to the quality and independence of WGO's noise and vibration monitoring equipment.

³⁸ Available at: http://www.hauraki-dc.govt.nz/assets/district_docs/mining_docs/underground_workings/2016/Eastender-0216.pdf.

PI9: 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 (Baseline)	
Summary of quantitative perceptions data regarding WGO's approach to property	
	2014 (baseline) (%)
	Total: (n=58)
Management of impacts on local property:³⁹	
Very confident:	29%
Quite confident:	28%
Moderately confident:	16%
Slightly confident:	10%
Not at all confident:	16%
No response:	2%
Management of blasting noise and vibration:⁴⁰	
Very confident:	19%
Quite confident:	40%
Moderately confident:	24%
Slightly confident:	3%
Not at all confident:	14%
No response:	0%
Management of land stability:⁴¹	
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).	

³⁹ The question asked was: 'How confident are you that Newmont is managing any impacts of Correnso on local property?'. Note the percentages do not add to 100% due to rounding. Source: Correnso SIA Engagement, KPMG Banarra (2014).

⁴⁰ The question asked was: 'How confident are you in Newmont's management of blasting noise and vibration?' Source: Correnso SIA Engagement, KPMG Banarra (2014).

⁴¹ The question asked was: 'How confident are you that Newmont is managing any impacts of Correnso on land stability?' Source: Correnso SIA Engagement, KPMG Banarra (2014).

The SIA engagement undertaken in 2014 identified the following perceptions:

- The potential for structural damage to property relates to the effects of vibration from underground blasting, tunnelling, dewatering and associated subsidence and land settlement. WGO has a Property Damage program to respond to property damage that occurs due to its operations.
- Historically, Waihi has experienced a number of subsidence events that remain in the community's collective memory and influence views.
- Participants residing in Waihi East were very conscious of the potential for structural damage and reduced amenity. They expressed a broad range of experiences of blasting in their homes from other WGO mining activity. Many people feel no or minor shaking, while others regularly feel stronger shaking.
- Prices and market activity in Waihi East and Waihi West have fluctuated significantly between 2008 and 2013. Concern was expressed by a selection of participants about the negative impact that the Correnso development has had, and will continue to have, on property values in Waihi. The most aggrieved of participants were Waihi East residents who had recently bought properties in a high market, and had concerns about their levels of equity or had plans to renovate, subdivide or sell properties. However, other residents expressed little concern, particularly if they did not plan to move, did not anticipate unmanageable property damage or were confident that WGO would address any damage.
- WGO has a variety of programs to respond to impacts its operations have on property. These include the Top Up, Amenity Affect Program, and ex-gratia payment program. Participants expressed a range of views with regards to the various property compensation options available for residents.
- Overall, the programs were considered to be positive, however a number of affected residents felt the options available were not commensurate with their situation.
- The Top-up Program has been generally well received, although there were some concerns raised during consultation that the implementation has been inconsistent, inequitable and lacking in transparency.
- A common theme arising was the belief that compensation may not go to the right people or enough people. Participants felt that those experiencing the most adverse effects from the Correnso development are not restricted to the people living directly above the mine, and were not satisfied with either the Consent Conditions or WGO's assessment of its effects.

Data (2015)

Summary of quantitative perceptions data regarding WGO's approach to property

	FY15 (%)	
	Residents (n=150)	Businesses (n=50)
Waihi public opinion survey: ⁴²		
Very confident:	25%	26%
Quite confident:	23%	24%
Moderately confident:	25%	32%
Slightly confident:	13%	10%
Not at all confident:	10%	6%
Don't know:	4%	2%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015).

- Approximately half of residents and businesses surveyed (48% and 50% respectively) are either "very" or "quite" confident that WGO is managing any impacts on local property. 23% of residents and 16% of businesses indicated that they are "slightly confident" or "not at all confident" that the company is managing any impacts on local property.
- Of the factors that respondents felt were disadvantages of the current mining operation, 20% of businesses and 19% of residents indicated the negative impact on property values/houses being difficult to sell.

Qualitative feedback from stakeholders (as described by Phoenix Research) indicated concerns regarding:

- A minority of residents that are most directly affected by negative impacts of mining, e.g. due to impacts related to noise, vibrations and property values, even though there is a perception that these are being addressed; and
- The property purchase program, particularly whether enough offers have been made.

Further qualitative data provides some reflection on perceptions regarding the management of these effects, for example:

- *"Vibration, you can't get away from it. There's gotta be vibration, there's gotta be noise. There were good offers and good compensation packages to people who were really upset."*
- *"A few of the residents get rattled by the vibration, they've got a few things they've got to put up with ... dust monitoring here, it's better than in other towns."*
- *"There needs to be more buy-up of properties, a few more houses in critical areas, they're buying them up slowly, just doing as planned."*

Data (2016)

⁴² The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on properties. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, November 2016).

Summary of quantitative perceptions data regarding WGO's approach to property

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Waihi public opinion survey:⁴³		
Very confident	23%	24%
Quite confident	30%	22%
Moderately confident	27%	12%
Slightly confident	10%	12%
Not at all confident	6%	10%
Don't know	4%	20%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Respondents to the 2016 Waihi public opinion survey identified the following issues:

- Of all the Waihi home-owners covered by the survey, just 16 had owned their house for up to 5 years and had previously lived in Waihi. Only one of these people said their decision to move was "*in any way influenced by any impacts of mining on your previous home*". When this figure is extrapolated to the whole town of Waihi, this gives an estimate of twelve households in Waihi moving within Waihi within the last five years with their decision to move being influenced by impacts of mining.
- At the same time, 28% of Waihi East home-owners (n=43) indicated that their home had been physically affected by WGO, while 72% did not. When asked about the potential impact of mining on the value of their home, 47% of home-owners in Waihi East were found to perceive that mining did affect the value of their property (n=43), with 38% of these attributing this to modern mining (rather than historic mining) and 30% of the 38% believing the affect had been negative.

⁴³ The question asked was: '*Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on properties. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one*'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, November 2016).

Analysis

	Change from FY15 – FY16 (%)	
	Residents	Businesses
Waihi public opinion survey:⁴⁴		
Very confident	-2.00%	-2.00%
Quite confident	7.00%	-2.00%
Moderately confident	2.00%	-20.00%
Slightly confident	-3.00%	2.00%
Not at all confident	-4.00%	4.00%
Don't know	0.00%	18.00%

The data presented in this report for indicator PI9 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

The 2015 and 2016 perception data indicates that overall, residents' level of confidence in WGO's management of any impacts on local property has slightly increased (with 16% of survey respondents selecting the options 'slightly confident' or 'not very confident' in 2016, down from 23% in 2014), although, at the same time a smaller percentage of residents selected the 'very confident' response in 2016 than in 2015. Conversely, business respondents indicated a decrease in their level of confidence in WGO's management of property impacts. The sway from positive business perceptions of the mine is largely attributed by WGO to the business uncertainty caused by the transition towards OGC site ownership.

⁴⁴ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on properties. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, November 2016).

PI10: 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)

Data (Baseline, 2015 and 2016)					
Stakeholder feedback, concerns and complaints received by WGO regarding property-related issues					
	2014 (baseline)	2015	2016	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Number of complaints and concerns:					
Complaints regarding perceived property damage (No.)	23	15	15 + 1 concern	7%	-30%
Average response rate (Days)	4	14	15	7%	275%
Number of contacts/enquiries:					
House available for rent	1	1	0	-100%	-100%
Information request for due diligence	9	36	33	-8%	267%
Information request – general	5	2	0	-100%	-100%
IRP process	3	0	0	0%	-100%
Loss of equity	3	0	0	0%	-100%
Request for WGO to purchase property	5	6	0	-100%	-100%
Top-Up Program	12	8	3	-63%	-75%
Inability to sell property	3	0	0	0%	-100%
AEP enquiries	9	8	35	338%	289%
Source: Correnso SIA Engagement (KPMG Banarra, 2014); Waihi Annual Perceptions Survey (Phoenix Research, November 2015 & December 2016).					

Analysis

The number of complaints regarding property-related issues has decreased significantly (-30%) since 2014. At the same time, however, the average response rate has slowed since 2014 (increasing from 4 to 16 days to respond to complaints). Immediate responses are provided to stakeholders when they call to report property damage, however, 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.

The largest number of property-related issues or enquiries raised by stakeholders are in relation to the AEP, followed by requests for information due diligence. In 2016 there was a steep (289%) increase in AEP-related enquiries, which is likely attributed to the level of investor interest associated with the housing market price increases as well as increased knowledge of the program.

Further information on stakeholder feedback and perceptions in relation to WGO and property-related issues are detailed in Indicators PI2 - PI5 above.

PI11 & PI12: Damage-related complaints and resolutions (External Affairs Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **PI11:** Number and percentage of property complaints where it is determined that the cause of damage is attributable to Correnso activity, as per Condition 21b
- **PI12:** 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

These indicators were merged in recognition that they both refer to the common theme of ‘damage related complaints and resolutions’.

Data (Baseline, 2015 and 2016)

Number of damage-related complaints and resolutions

	2014 (baseline)	2015	2016	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Number of property complaints attributable to Correnso activity	0	0	0	-	-
Number of property complaints referred to the IRP for arbitration	N/A	N/A	N/A	-	-

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis	
WGO received no complaints whereby damage was determined to be attributable to the Correnso operations, and no complaints that have been referred to the Independent Review Panel (IRP) ⁴⁵ for arbitration.	
When a complaint is made, and depending on the response by the complainant, the following groups can be involved in investigating the complaint and nature of the damage: WGO; an appropriately qualified independent third party; and the IRP.	

Other

N/A.

Summary

Discussion	<p>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 (2014), as reflected in the number and scope of the property-related mitigation actions contained within the SIMP.</p> <p>Several results and trends seen in this year's report suggest that the concerns associated with property have reduced since 2014, for example, the increased overall positive response that residents gave regarding whether the mine is managing any impacts on local property (PI9) and the conclusion of the Top Up Program (PI7). However, businesses' less positive views on the extent to which the mine is managing impacts on property (PI9), and results in the 2016 Phoenix Perception Survey that found that a quarter of Waihi East home-owners perceive that their property has been physically affected by mining (PI7) suggest that ongoing monitoring is required.</p> <p>In particular, it will be important to continue to monitor the number and price of house sales in Waihi East to ensure negative trends are not seen with a slowing of the recent NZ property boom or changes in residents' perceptions regarding property-related impacts with the end of the Top Up Program or continued mining in Correnso.</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 Pm7 is on hold, as WGO is not planning to close and it is actively looking to extend LOM.</p>

⁴⁵ Note, the IRP has a key role in mediating dispute, however, in the event that the IRP cannot conduct this arbitration function the Council shall mediate the dispute under the same terms as the IRP.

2.5 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.

Mitigation and management activities

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
CM1	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.
CM2	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 Stakeholder 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.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
CM3	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 & 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.
CM4	Review and revise (as needed) the community investment strategy to reflect community priorities and needs.	July 2017	External Affairs Department	Ongoing	Development of the WGO 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. In 2016 there was a focus on helping disadvantaged youth and the elderly within the community.
CM5	Review Education Centre program to assess opportunities with local schools.	June 2016	External Affairs Department	Complete	Schools program 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.
CM6	Review and update WGO's Stakeholder Engagement Plan in consideration of community impacts.	January 2016	External Affairs Department	Complete	A new Stakeholder Engagement Plan was approved in mid February 2016. While the Stakeholder Engagement Plan has been reviewed in consideration of the SIMP and Correnso Development, the findings of the socio-economic survey, perception survey and this 2016 SIMP Annual Monitoring Report will be used to further identify these impacts.
CM7	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	Reported in Q4 Management Review Presentation.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
CM8	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”
CM9	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	Use of Inviron stakeholder engagement database to The Inviron stakeholder engagement database, which replaced Cintellate, is used to record and track stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

CI1 & CI2: Participation in community life (External Affairs Department)

In responding to a recommendation made by KPMG Banarra in 2015 and agreed by HDC, the following two indicators have been merged during the preparation of the 2016 SIMP Annual Monitoring Report:

- **CI1:** 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
- **CI2:** Number of WGO employees and contractors who participate in, or volunteer for, local sports and recreational groups

These indicators were merged in recognition that they both refer to the common theme of ‘participation in community life’.

Data (Baseline)

Number of WGO employees and contractors participating in community life⁴⁶

Participation type	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)

⁴⁶ The question asked was: 'How do you get involved in the Waihi community?' Source: Correnso SIA Engagement, Employee Survey, KPMG Banarra (2014).

Data (2015 and 2016)

Number of WGO employees and contractors participating in community life⁴⁷

Participation type	2015 (n=185)		2016 (n=267)	
	No. ⁴⁸	%	No.	%
Community sports organisation:	135	47%	90	34%
Service organisation (e.g. Lions, Rotary):	71	26%	11	4%
Community volunteer (e.g. meals on wheels):	73	25%	13	5%
Arts/cultural group:	72	25%	13	5%
Education (e.g. BOT, PTA, other volunteer):	71	25%	23	9%
Church group:	70	25%	17	6%
Other (please specify):	53	19%	39	15%
Total:	545	192%	206	77%

Source: Employee Survey (Phoenix Research, December 2015 and November 2016).

Analysis

Participation type	Change from 2015 – 2016 (%)	
	No.	% points
Community sports organisation:	-33%	-13%
Service organisation (e.g. Lions, Rotary):	-85%	-22%
Community volunteer (e.g. meals on wheels):	-82%	-20%
Arts/cultural group:	-82%	-20%
Education (e.g. BOT, PTA, other volunteer):	-68%	-16%
Church group:	-76%	-19%
Other (please specify):	-26%	-4%
Total:	-62%	-115%

⁴⁷ The question asked was: 'To what extent are you involved with any of the following voluntary community activities in Waihi?' Source: Waihi Gold Employee Survey, Phoenix Research (2015).

⁴⁸ Note that the 2015 figures are estimated numbers of WGO employees participating in community life, not the total number of responses received. The 2015 employee survey extrapolated these figures by applying the percentage of received survey responses against the total number of WGO employees at that time, to arrive at an estimated number.

The data presented in this report for these indicators has been sourced from two different community perception data sources: the 2014 Correnso SIA Employee Survey (conducted by KPMG Banarra in 2014) and the Waihi Employee Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

There has been a marked decline in employee participation in community between 2015 and 2016 (as shown by the decline in the total number of employee participation across the various participation types). This declining result is despite the fact that the number of employees who participate in the survey has increased year-on-year since 2014. A key reason for the results showing a decline in participation in Waihi is the increasing number of WGO employees and contractors that live and participate in other surrounding towns, beyond Waihi itself. The Employee Survey does not currently capture the level of participation in community life in towns other than Waihi. KPMG Banarra recommends that future employee surveys be updated to capture this information. When analysing the data, it is important to note that 186 employees and 81 contractor's employees (total 267) completed the employee survey, it is not known what proportion of them are involved in multiple types of participation and to what extent.

CI3: Number of children of WGO employees and contractors who attend local schools (Human Resources Department)

Data (Baseline, 2015 and 2016)

Type of school/education facility attended by WGO employee's and contractors' employees children

Type of school / education facility	Estimated number of children		
	2014 (baseline)	2015	2016
Day-care centre	Data not available	45	22
Kindergarten		14	5
Primary school		94	60
College		71	43
Total:		224	130

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

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

	2014 (baseline)	2015	2016
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Number of children enrolled in Waihi early learning schools (March 2016) ⁴⁹	Data not collected	227
Number of children enrolled in Waihi primary and secondary schools ⁵⁰		1,511
Number of WGO employees and contractor employees living in Waihi ⁵¹		201

Source: WGO External Affairs Department (2016); WGO Employee Survey (2016); NZ Department of Education.

Analysis

Type of school / education facility attended by children of WGO employees and contractor employees	Change from 2015 to 2016 (%)	Change from 2014 to 2016 (%)
Day-care centre	-51%	-
Kindergarten	-64%	-
Primary school	-36%	-
College	-39%	-
Total:	-42%	-

2015 was the first time that data has been collected in relation to this indicator, where Phoenix Research estimated the number of children whose parents work in mining and who attend school in 2015 based on responses to the Employee Survey. It is, however, understood that the Employee Survey is voluntary, does not reflect exact figures, and relies on a number of assumptions to derive an estimate. It is also understood that exact data for this indicator cannot be collected directly from local schools due to privacy regulations.

In responding to a recommendation made by KPMG Banarra in 2015, WGO has since 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 primary school enrolments).

⁴⁹ Inclusive of the number of children enrolled in the following schools: Waihi Kindergarten, First Steps Waihi, Somerset Early Learning Centre, KiwiKidz Educare, ABC Waihi and Footprints Preschool.

⁵⁰ Inclusive of the number of children enrolled in the following schools: Waihi East, Waihi College, Central, Waimata, St Joes, Waikino and Waihi Beach.

⁵¹ Inclusive of WGO employees and contractor employees living in the following locations: Waihi, Waihi Beach/Athenree, Katikati and Paeroa. Source: Employee Survey, Phoenix Research (2016).

The above presents the results of the Employee Survey. As shown in this table, there was a significant (-42%) decrease in the number of children of WGO employees and contractor employees attending local schools and other education facilities between 2015 and 2016. 2014 data was not collected.

The above enrolment figures present a comparison of Waihi school enrolment data against the number of WGO employees and contractor employees living locally in the Waihi region. As this is the first year in which this data has been reported, correlations are not yet identifiable. It is important to note that the number of WGO employees and contractor employees living locally in Waihi is sourced from the voluntary Employee Survey, and does not provide an accurate representation of the distribution of employees across that region.

CI4: Expenditure on ‘community investment’ activities, including in-kind contributions (External Affairs Department)

Data (Baseline, 2015 and 2016)

Expenditure on ‘community investment’ activities, including in-kind contributions

	2014 (baseline) (NZ\$)	2015 (NZ\$)	2016 (NZ\$)
Community investment expenditure	314,646	315,845	259,741

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Community investment expenditure	-18%	-17%

The level of WGO expenditure on ‘community investment’ activities (including in-kind contributions) decreased by 18% between 2015 and 2016 (and by 17% between 2014 and 2016). This indicates that community investment expenditure remained relatively stable between 2014 and 2015, but reduced significantly in 2016.

The reduction in community investment expenditure in 2016 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. The site is currently reviewing its available community investment options to identify programs that may better serve the community and assist in aligning with the purpose and vision of WGO and its employees; and the site will commence a new program of investment in 2017.

CI5: Number of community investment recipients, by organisation type (External Affairs Department)

Data (Baseline, 2015 and 2016)

Number of community investment recipients, by organisation type

Organisation type	2014 (baseline)	2015	2016
Sporting	17	14	12
Environmental	1	2	0
Education	12	11	9
Arts/culture	9	3	5
Health	4	0	4
Youth	4	2	1
Community	12	6	14
Elderly	1	1	2
Total:	60	39	47

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

Number of community investment recipients, by organisation type	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Sporting	-14%	-29%
Environmental	-100%	-100%
Education	-18%	-25%
Arts/culture	67%	-44%
Health	N/A (increasing from 0 to 4)	0%
Youth	-50%	-75%
Community	133%	17%
Elderly	100%	100%
Total:	21%	-22%

There has been a 22% decline since 2014 in the number of organisations who have received financial support from WGO (defined as community investment) (declining from 60 organisations in 2014 to 47 organisations in 2016). This is despite an increase in the number of organisations receiving support between 2015 and 2016, which indicates that there was a drop in community support in 2015.

This decline in the number of organisations receiving support has been consistent across most types of community organisations, except two: ‘community’ and ‘elderly’ organisations, which instead saw an increase in the number of recipients by two and one respectively.

The decline since 2014 is likely due to WGO conducting an internal review of its community investments. It is anticipated that the number of community investment recipients will increase in 2017 as new investment opportunities are selected.

CI6: Expenditure on local schools, as a total and by school (External Affairs Department)

Data (Baseline, 2015 and 2016)			
Expenditure on local schools, as a total and by school			
School / education facility	2014 (baseline)	2015	2016
Total expenditure:	240,000	240,000	225,000
Primary schools:			
Waihi Central	10,000	10,000	10,000
St Josephs	10,000	10,000	10,000
Waimata	10,000	10,000	10,000
Waikino	10,000	10,000	10,000
Waihi Beach	10,000	10,000	10,000
Total:	50,000	50,000	50,000
Schools and education service providers in the Correnso area:			
Waihi East	90,000	90,000	75,000
Waihi Kindergarten	30,000	30,000	30,000
First steps Day-care	20,000	20,000	20,000
Somerset Day Care	10,000	10,000	10,000
Total:	150,000	150,000	135,000
Secondary schools:			
Waihi college Trust	40,000	40,000	40,000
Total:	40,000	40,000	40,000
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).			

Analysis

School / education facility	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Total expenditure:	-6%	-6%
Primary schools:		
Waihi Central	0%	0%
St Josephs	0%	0%
Waimata	0%	0%
Waikino	0%	0%
Waihi Beach	0%	0%
Total:	0%	0%
Schools and education service providers in the Correnso area:		
Waihi East	-17%	-17%
Waihi Kindergarten	0%	0%
First steps Day-care	0%	0%
Somerset Day Care	0%	0%
Total:	-10%	-10%
Secondary schools:		
Waihi college Trust	0%	0%
Total:	0%	0%

There has been no change in the amount of funding WGO provides to local schools, with the exception of Waihi East School which has received greater funding in the past due to its location in Waihi East (thus closest to Correnso). In 2016, the site reviewed and reduced the amount of funding provided to this school in line with an agreement made with the school that funding would decrease as school enrolment remained stable or increased

CI7: Number of mine tours conducted at site (External Affairs Department)

Data (Baseline, 2015 and 2016)			
Number of mine tours conducted at site			
	2014 (baseline)	2015	2016
Number of mine tours	215	185	158
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).			
Analysis			
	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)	
Number of mine tours	-15%	-27%	
There has been a consistent year-on-year decline (of approximately 15% per annum) in the number of mine site tours conducted over the past three years. A likely reason for this is that tourism rates for the Waihi mine have declined, which has led to reduced demand for mine site tours. A key reason for the decrease in tourism rates is the slip in the Martha Mine Pit and subsequent cessation of mining in the open pit, which has led to reduced tourism interest as there is little activity to be seen. 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.			

CI8: Number of WCF meetings attended by WGO employees/representatives (External Affairs Department)

Data (Baseline, 2015 and 2016)			
Number of, and WGO attendance at, Waihi Community Forum meetings			
	2014 (baseline)	2015	2016
Number of WCF meetings held	20	18	13
Attendance by WGO/WGC members	Yes	Yes	Yes
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).			
Analysis			

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Number of WCF meetings held	-15%	-27%
Attendance by WGO/WGC members	100% attendance	100% attendance

There has been a steady decline year-on-year in the number of Waihi Community Forum (WCF) meetings that have been held over the past three years. While these meetings were held fortnightly in the past, more recently they have been held less frequently. The reason for the decrease in meeting frequency was that the Forum agreed it would be a more efficient use of time and resources if they met less frequently. A WGO/WGC member has attended each meeting.

CI9: Summary results of knowledge, attitude and perceptions survey in relation to community, including WGO's response to community-related issues (External Affairs Department)

Data (Baseline)

The SIA engagement undertaken in 2014 identified the following perceptions:

- 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.
- One issue that has emerged is that schools receive different amounts of funding which is believed to be causing some unintended negative consequences whereby funding arrangements are influencing school enrolments at the Waihi East School.
- While a portion of the Waihi community is not directly engaged or concerned with WGO's operations or the development of the Correnso development, significant divisions have emerged between some groups who have been involved with the consent process.
- Divisions are apparent between those who support the Correnso development and those who do not, those who are seen to benefit and those who will not, and those who live in the affected area and those who do not.
- Further divisions occur between stakeholders who are trying to sell their properties and believe that the Correnso development has put them at an unfair disadvantage compared to property owners whose houses are located away from the development.
- In addition to maintaining an existing workforce, WGO employees are expected to remain involved in community life, such as through sports and clubs, which will contribute to the maintenance of the vibrant Waihi community.

Data (2015)

Summary of quantitative perceptions data regarding WGO's approach to community-related issues

	FY15 (%)	
	Residents (n=150)	Businesses (n=50)
Responses to the question: 'How does WGO manage its relationship with the community of Waihi?'		
Very well	46%	50%
Well	34%	42%
Neutral	13%	4%
Poorly	4%	2%
Very poorly	1%	0%
Don't know	2%	2%
Responses to the question: 'How would you summarise your opinion of mining in Waihi?'		
Strongly in favour	50%	54%
Moderately in favour	15%	28%
A little in favour	3%	2%
Neutral	22%	14%
A little not in favour	0%	0%
Moderately not in favour	3%	0%
Strongly not in favour	6%	2%
Don't know	1%	0%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015).

Respondents to the 2015 Waihi public opinion survey provided the following qualitative feedback:

- Overall, the Waihi community is cohesive, sharing a sense of place and appreciation of the lifestyle ("*there is a level of effective social integration within the Waihi community. While there are divisions in views, and in particular, about mining, Waihi is not a starkly divided town*")
- Divisions may be political rather than associated with mining, and some are based on an historical legacy; and
- There are socio-economic differences and newcomers need to integrate into the town, where a proportion have long ties to the area.
- The mix of responses related to mining are seen in participant's responses included in the survey report, for example:

- "It's a knitted community, pretty close, can be difficult at times, some people are for mining, some people are against the mining."
- "We're all different, we recognise we're all different, people have different views, different political allegiances and all the rest, BUT this is our place, and there's just a sense of within the community."
- "Sentiments about mining are below the surface. There are people who have a strong feeling that mining is a positive, and others, a small group, are negative. There's a lot of people that sit in the middle. ... I think a lot of people that come into town and express anti-mining feelings would then be told by some that that's not what Waihi is about, that it is a gold mining town, if you don't like it – LEAVE – that type of approach – and then the same from the other end, you come in saying 'yeah, yeah, gold mining's really good' and then the anti-mining people will say then 'oh well you've got no care for the environment'."

Data (2016)

Summary of quantitative perceptions data regarding WGO's approach to community-related issues

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Responses to the question: 'How does WGO manage its relationship with the community of Waihi?'		
Very well	33%	32%
Well	47%	34%
Neutral	13%	18%
Poorly	2%	10%
Very poorly	2%	2%
Don't know	3%	4%
Responses to the question: 'How would you summarise your opinion of mining in Waihi?'		
Strongly in favour	48%	54%
Moderately in favour	22%	22%
A little in favour	2%	2%
Neutral	22%	18%
A little not in favour	0%	0%
Moderately not in favour	1%	2%
Strongly not in favour	5%	2%
Don't know	0%	0%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Qualitative data is not available in 2016 to assess the level of indirect exposure that local and regional businesses have to site.

Analysis

	Change from FY15 – FY16 (% points)	
	Residents	Businesses
Responses to the question: ‘How does WGO manage its relationship with the community of Waihi?’		
Very well	-13%	-18%
Well	13%	-8%
Neutral	0%	14%
Poorly	-2%	8%
Very poorly	1%	2%
Don’t know	1%	2%
Responses to the question: ‘How would you summarise your opinion of mining in Waihi?’		
Strongly in favour	-2%	0%
Moderately in favour	7%	-6%
A little in favour	-1%	0%
Neutral	0%	4%
A little not in favour	0%	0%
Moderately not in favour	-2%	2%
Strongly not in favour	-1%	0%
Don’t know	-1%	0%

The data presented in this report for indicator Ci9 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

It appears that members of the community are still generally satisfied with the way that WGO manages its relationship with the community of Waihi, although the results of the perception survey are less positive in 2016 than in 2015. It is noted that while 80% of residents selected either ‘very well’ or ‘well’ in both 2015 and 2016, in 2015 the majority of resident respondents selected ‘very well’ while in 2016 the majority selected ‘well’. Figures for the survey response options ‘neutral’, ‘poorly’ and ‘very poorly’ remained similar year-on-year, with the majority of those who did not provide a positive response selecting a ‘neutral’ response.

Survey responses received from businesses in 2016 indicated a more significant decline (compared to residents) in the extent to which they perceive that WGO manages its relationship well with the community of Waihi. While the percentage of businesses who selected either the option ‘very well’ (50%) or ‘well’ (42%) declined in 2016 to 32% & 34% respectively, the percentage that selected ‘neutral’, ‘poorly’ and ‘very poorly’ all increased (from a total percentage of 6% in 2015 to 30% in 2016).

The perceptions survey also asked respondents about their opinion of the Correnso Underground Mine in general, when taking to account all the benefits and disadvantages. The survey results indicate a general positive view, with little change from 2015.

Qualitative responses were not provided in the 2016 perceptions survey, unlike in 2015. The 2016 survey did, however, indicate that there is an "indication" (not statistically significant) that a greater proportion of persons with a household gross annual income of more than \$50,000 are in favour of mining in Waihi (85%). Of those with a household gross annual income of \$50,000 or less, 64 % are in favour.

CII10: Summary results of feedback mechanism for community investment programs, including the Education Centre (External Affairs Department)

Data (Baseline, 2015 and 2016)																		
Summary results from community investment feedback mechanism																		
Question	Source of information						2014 (baseline)		2015		2016							
							No.	% of total	No.	% of total	No.	% of total						
How did you learn about the WGO Community Investment Program?	Website						4	14%	2	10.5%	2	17%						
	Had received previous sponsorships						5	18%	7	37%	4	33%						
	Local knowledge						10	36%	2	10.5%	1	8%						
	Word of mouth						2	7%	3	16%	3	25%						
	Newspaper advertising						4	14%	4	21%	2	17%						
	Not indicated						3	11%	1	5%	0	0%						
	Total:						28	100%	19	100%	12	100%						
How do you acknowledge WGO's donation?	Public notice						5	8%	1	4%	3	9%						
	Letter of thanks						21	34%	10	38%	10	31%						
	Use of WGO promotional material						8	13%	3	12%	2	6%						
	Newspaper article						8	13%	5	19%	7	22%						
	Signage						11	18%	7	27%	7	22%						
	Other						9	15%	0	0%	3	9%						
	Total:						62	100%	26	100%	32	100%						
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).																		
Summary results from community investment feedback mechanism (cont.)																		
Question	2014 (baseline) (%) (n=25)						2015 (%) (n=21)						2016 (%) (n=12)					
	1	3	5	7	10	Not indicated	1	3	5	7	10	Not indicated	1	3	5	7	10	Not indicated

Is community investment advertising adequate?	0%	4%	20%	32%	44%	0%	0%	0%	0%	40%	53%	7%	0%	8%	33%	25%	25%	8%
Is the evaluation criteria communicated adequately?	0%	12%	4%	40%	44%	0%	0%	0%	0%	27%	67%	7%	0%	0%	25%	17%	58%	0%
Is the time taken to process applications reasonable?	0%	0%	4%	12%	84%	0%	0%	0%	0%	13%	80%	7%	0%	0%	8%	25%	67%	0%
Is the amount of money donated adequate?	0%	0%	4%	16%	80%	0%	0%	0%	7%	13%	73%	7%	Not on the feedback form for 2016					
Is the evaluation fair & equitable?	0%	0%	0%	24%	72%	4%	0%	0%	0%	20%	73%	7%	Not on the feedback form for 2016					
Have you received help before?	Yes = 22; No = 3						Yes = 14; No = 1						Yes = 5; No = 7					
Key: (1) = Poor, (3) = Below average, (5) = Average, (7) = Above average, (10) = Excellent																		

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Summary results from community investment feedback mechanism (cont.)

Question	2014 (baseline) (%) (n=26)						2015 (%) (n=22)						2016 (%) (n=14)					
	1	3	5	7	10	Not indicated	1	3	5	7	10	Not indicated	1	3	5	7	10	Not indicated
Pre-visit information was adequate	0%	0%	0%	31%	69%	-	0%	5%	18%	0%	77%	-	0%	0%	0%	43%	57%	-
Education Officer's presentation was appropriate	0%	0%	0%	4%	96%	-	0%	0%	0%	0%	100%	-	0%	0%	0%	0%	100%	-
Activities were age appropriate for students	0%	0%	0%	4%	96%	-	0%	0%	0%	0%	100%	-	0%	0%	0%	0%	100%	-
Activities were linked to the curriculum	0%	0%	0%	4%	96%	-	0%	0%	5%	0%	95%	-	0%	0%	0%	14%	86%	-
Time spent on activities was appropriate	0%	0%	8%	8%	85%	-	0%	0%	9%	0%	91%	-	0%	0%	0%	7%	93%	-
Scope was allowed for follow-up activities	0%	0%	0%	12%	88%	-	0%	0%	9%	0%	91%	-	0%	0%	0%	29%	71%	-
I would recommend the Education Centre to other teachers as:	0%	0%	0%	8%	92%	-	0%	0%	0%	0%	100%	-	0%	0%	0%	0%	100%	-
Key: (1) = Poor, (3) = Below average, (5) = Average, (7) = Above average, (10) = Excellent																		

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

Question	Source of information	Change in % of total from 2015 – 2016 (% point)	Change in % of total from 2014 – 2016 (% point)
How did you learn about the WGO Community Investment Program?	Website	6.5%	2%
	Had received previous sponsorships	-4%	15%
	Local knowledge	-2.5%	-27%
	Word of mouth	9%	18%
	Newspaper advertising	-4%	2%
	Not indicated	-5%	-11%
How do you acknowledge WGO's donation?	Public notice	6%	1%
	Letter of thanks	-7%	-3%
	Use of WGO promotional material	-5%	-7%
	Newspaper article	3%	9%
	Signage	-5%	4%
	Other	9%	-5%

The above provides a year-on-year analysis of feedback provided in regards to WGO's community investment and Education Centre programs. Feedback is requested and provided by the community and teachers respectively. Compared to the 2014 baseline year, there has been a decline in the overall responses (n=44) received from the community and teachers. This may be attributed to the voluntary nature of the surveys, or to a decrease in the number of groups using the Education Centre. As a whole, the total portion of respondents indicates that they are more likely to hear about the WGO community investment program through word of mouth than they previously have been, while letters of thanks remain the most popular methods of acknowledgement, followed by newspaper articles and signage.

The responses to the question 'How did you learn about the WGO Community Investment Program?' in 2016 indicated that the top two methods were: 'Had received previous sponsorships' (n=4) and 'Word of mouth' (n=3). Coupled with the low scoring response to the question 'Is Community Investment advertising adequate?' This suggests there may be a need to review how advertising of community investment opportunities are done in the future.

Overall, feedback on the community investment program has remained positive, with little change over the past three years.

CIII: 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 (Baseline, 2015 and 2016)			
Stakeholder feedback, concerns and complaints received by WGO regarding community investment or participation-related issues			
	2014 (baseline)	2015	2016
Number of complaints/concerns received:	0	1	0
Letter of thanks received:	24	19	25
Average response rate:	SOP states that a response must be made within one day from logging of concern/complaint.		
Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).			
Analysis			
	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)	
Number of complaints/concerns received:	-	-	
Letter of thanks received:	32%	4%	
Average response rate:	SOP states that a response must be made within one day from logging of concern/complaint.		
WGO received no concerns or complaints from stakeholders regarding community investment or participation-related issues between 2014 and 2016. This reflects the positive views received in the Waihi public opinion survey in 2015 and 2016.			
Further information on stakeholder feedback and perceptions in relation to WGO and community investment are detailed above.			

Other

N/A

Summary

Discussion	<p>The data presented in the Community section indicates that WGO continues to support the community through community investment while also recognising the importance of periodically reviewing its approach to community investment, e.g. where it chooses to provide financial support and how this support benefits the community, as seen in relation to indicator CI4, as funding was reduced due to WGO's decision to review its support of one program, leading to the potential to redirect the funding to another opportunity. Meanwhile, WGO's decision to review and decrease its funding of Waihi East School over time (see indicator CI6) 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. seen in its ongoing attendance at WCF, although it is noted that this is a condition of the Correnso Consent Conditions. One potential issue that WGO can review in relation to its approach to community investment relates to how it ensures it adequately and transparently communicates community investment opportunities (see CI10).</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. Mitigation action CM4 is ongoing, as it requires WGO to review and revise (as needed) the community investment strategy to reflect community priorities and needs.</p>

2.6 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 program.

Mitigation and management activities

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
HM1	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.

HM2	Review and implement, where appropriate, the remedial and mitigating actions proposed by the consultant clinical psychologist, ⁵² incorporating findings from the SIA, as detailed below:		External Affairs Department	Complete	All remedial and mitigating actions have been implemented. In particular, automated blast notification devices are in place.

⁵² 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
	Decreased levels of feeling trapped	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				
		Blast notification system	May 2015				
HM3	Continue to monitor and review employee wellbeing through WGO employee surveys.			Annual	Human Resources Department	Ongoing	An annual employee survey is carried out. In addition, a nurse is employed fulltime on site and a health program initiative has been implemented. The site went smoke free at the end of 2016.
HM4	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.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
HM5	Review and update WGO's Stakeholder Engagement 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 program.	January 2015	External Affairs Department	Complete	A new Stakeholder Engagement Plan was approved in mid February 2016. While the Stakeholder Engagement Plan has been reviewed in consideration of the SIMP and Correnso development, the findings of the socio-economic survey, perception survey and this 2016 SIMP Annual Monitoring Report will be used to further identify these impacts.
HM6	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	Reported in Q4 Management Review presentation.
HM7	Develop low-maintenance methods to capture and formalise current informal tracking and review processes for stakeholder feedback and community relations concerning health and wellbeing. Short term - Cintellate entries to be monitored. Post - perception survey will identify additional indicators.	June 2015	External Affairs Department	Complete	The Inviron stakeholder engagement database, which replaced Cintellate, is used to record stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

H11: 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 (Baseline)

Summary of quantitative perceptions data regarding WGO's approach to health and wellbeing⁵³

	2014 (baseline) (%)
	Total: (n=58)
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 the following perceptions:

- 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.
- Participants also expressed feelings of stress from, and uncertainty in making financial decisions regarding, their properties, particularly: uncertainty in deciding whether to invest capital in renovating or to put their property up for sale. Other stakeholders, specifically in the affected area, expressed regret, self-blame and frustration over the timing in their decision to purchase a home in the area just before the Correnso development was announced in 2011.
- At the time of consultation there was also some uncertainty among employees and contractors with regard to their future with WGO.
- 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 (2015)

⁵³ The question asked was: 'How do you rate the impact of Correnso on your health and wellbeing?'. Note the percentages do not add to 100% due to rounding. Source: Correnso SIA Engagement, KPMG Banarra (2014).

Summary of quantitative perceptions data regarding WGO's approach to health and wellbeing⁵⁴

	FY15 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive	17%	44%
Positive	32%	22%
Neutral	37%	32%
Negative	8%	2%
Very negative	2%	0%
Don't know	4%	0%

Source: Waihi Annual Perceptions Survey (Phoenix Research, November 2015).

Respondents to the 2015 Waihi public opinion survey identified the following issues:

- The majority of residents and businesses perceived that mining has a very positive or positive impact on their health and wellbeing (49% and 66% respectively). Of the remainder, the majority perceived that mining has no impact on their health (i.e. by selecting 'neutral, 37% of residents and 32% of business owners). A small proportion of respondents indicated that mining has a negative impact on their health.
- Trends indicated that those who were in favour of the mine were more likely to consider it having a positive impact on their health than those who indicated that they not in favour.

⁵⁴ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on health and wellbeing. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, December 2016).

Data (2016)

Summary of quantitative perceptions data regarding WGO's approach to health and wellbeing⁵⁵

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Very positive	21%	20%
Positive	33%	22%
Neutral	37%	48%
Negative	5%	4%
Very negative	2%	2%
Don't know	2%	4%

Source: Waihi Annual Perceptions Survey (Phoenix Research, December 2016).

Analysis

Quantitative perceptions data regarding WGO's approach to health and wellbeing ⁵⁶	Change from FY15 – FY16 (%)	
	Residents	Businesses
Very positive	4%	-24%
Positive	1%	0%
Neutral	0%	16%
Negative	-3%	2%
Very negative	0%	2%
Don't know	-2%	4%

⁵⁵ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on health and wellbeing. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, December 2016).

⁵⁶ The question asked was: 'Please think about how well or not you believe Waihi Gold is doing for the following theme: Managing any impacts on health and wellbeing. These are wide-ranging themes, but we'd appreciate your giving a general rating for each one'. Source: Waihi Public Opinion Survey, Phoenix Research (December 2015, December 2016).

The data presented in this report for indicator HI1 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

There has been little change in the opinions of resident respondents in relation to health and wellbeing. The views of business respondents have, however, become more negative between FY15 and FY16 (as there was a minor decrease between in positive responses regarding health and wellbeing from business respondents, and an increase in negative responses). Overall, business respondents were mostly positive about health and wellbeing, however, the decline in positive views from business respondents may be due primarily to the large amount of change that occurred in 2016 with the transfer of site ownership. This may also be due to the high degree of uncertainty (in particular economic uncertainty) experienced by local businesses as a result of the change in ownership. KPMG Banarra recommends that business perceptions continue to be monitored as WGO becomes more integrated in the community.

HI2: 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 (Baseline, 2015 and 2016)			
Stakeholder feedback, concerns and complaints received by WGO regarding health and wellbeing-related issues			
	2014 (baseline)	2015	2016
Number of times that residents indicated they were frightened or stressed by the effects of WGO operations (based on review of concerns/complaints)	33	20	19
Number of residents that made these concerns/complaints	11	15	9
Details of repeat locations	64% of all concerns/ comments (21 concerns/ complaints) arose from 3 residents.	1 resident called 4 times, 1 resident called 3 times and 1 resident called twice. The remaining 12 have rung on one occasion only, representing 60% of concerns/complaints).	1 resident called 5 times, 1 resident called 4 times, 3 residents called twice. The remaining 4 residents called once
Response time	Within one day	Within one day	Within one day
Rate of complaints per resident	0.33	0.75	0.47

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016)

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Number of times that residents indicated they were frightened or stressed by the effects of WGO operations (based on review of concerns/complaints)	-5%	-42%
Number of residents that made these concerns/complaints	-40%	-18%
Details of repeat locations	N/A	N/A
Response time	No change	No change
Rate of complaints per resident	N/A	N/A

The number of concerns and complaints that WGO has received in relation to health and wellbeing (specifically, the number of times that residents have indicated they were frightened or stressed by the operation) has declined year-on-year, having declined by 42% since 2014. This reflects the positive views received in the Waihi public opinion survey in 2015 and 2016.

It is noted that both the number of concerns and complaints and the number of residents that made these concerns/complaints have declined since 2014, indicating that community concerns regarding health-related issues are decreasing, although it is noted that some residents continue to raise multiple complaints.

Further information on stakeholder feedback and perceptions in relation to WGO and health and wellbeing-related issues are detailed in above.

HI3: 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 (Baseline, 2015 and 2016)

Number of complaints relating to vibration

	2014 (baseline)	2015	2016
Vibration events ⁵⁷ :	2	1	5
Vibration complaints:	4	2	12
Exceedance of conditions ⁵⁸ :	2	0	0

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Number of complaints relating to blasting and noise

Year	Period	Complaints (No.)		Complainants (No.)		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
2015	Q1	57	18	9	8	77% from Dobson St	56% Dobson/Seddon St
	Q2	76	1	20	1	62% from Dobson St	No repeat location
	Q3 ⁵⁹	123	N/A	22	N/A	21% from Dobson St	N/A
	Q4 ⁶⁰	120	N/A	28	N/A	31% from Dobson St, 25% from Gladstone Rd	N/A
2016	Q1	77	3	16	3	36% from Cuba St, 30% from Gladstone Rd	66% from Islington Tce

⁵⁷ Defined as a blast that is greater than greater than 5.0mm/sec.

⁵⁸ 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.

⁵⁹ All open pit mining ceased from Q3 2015 onwards, following the slip that occurred 2 April 2015.

⁶⁰ All open pit mining ceased from Q3 2015 onwards, following the slip that occurred 2 April 2015.

	Q2	82	1	18	1	35% from Gladstone Rd, 15% from Cuba St	No repeat location
	Q3	51	0	18	0	37% from Cuba St, 37% from Gladstone Rd	-
	Q4	53	0	9	0	55% from Gladstone, 32% from Cuba St	-
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% rec via HDC
	Q4	0	1	0	1	-	No repeat location
2015	Q1	0	7	0	4	-	57% Roycroft St
	Q2	0	0	0	0	-	No repeat location
	Q3 ⁶¹	0	N/A	0	N/A	-	N/A
	Q4 ⁶²	0	N/A	0	N/A	-	N/A
2016	Q1	0	0	0	0	-	-
	Q2	0	0	0	0	-	-
	Q3	0	3	0	3	-	66% from Bulltown Rd
	Q4	0	0	0	0	-	-

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Vibration events ⁶³	400%	150%
Vibration complaints	500%	200%
Exceedance of conditions ⁶⁴	0%	-100%

The number of vibration events increased in 2016, with five vibration events. WGO received more complaints in relation to these vibration events in 2016 than in previous years, however it is noted that there were fewer vibration events in previous years.

⁶¹All open pit mining ceased from Q3 2015 onwards, following the slip that occurred 2 April 2015.

⁶²All open pit mining ceased from Q3 2015 onwards, following the slip that occurred 2 April 2015.

⁶³ Defined as a blast that is greater than greater than 5.0mm/sec.

⁶⁴ The Correnso Underground Consent Condition 14c) states that conditions are exceeded when the peak particle velocity (vector sum) is more than:

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

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

No events were recorded as an exceedance of conditions in 2016. This is because the criteria for an exceedance of the Correnso blasting conditions is based on the total amount of blasting events in exceedance of the 5mm/s threshold (with an annual average of below 3mm/s), as a portion of total blasts for the year (less than 95%). Therefore, the 2016 blasting event portion was less than the regulated threshold.

There has been a large decrease the number of complaints associated with the Martha Pit mine since 2015 due to the current cessation of mining the in the open pit as of 2 April 2015. 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, although it was less in 2016, particularly compared to the latter half of 2015, when production blasting began in Correnso. The number of complainants continues to be lower than the number of complaints.

HI4: Number of lost time injuries on site (Health and Safety Department)

Data (Baseline, 2015 and 2016)

Number of lost time injuries on site

	2014 (baseline)	2015	2016
Lost time injury (LTI)	1	0	0*

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Health and Safety Department (2015 & 2016).

*It is noted that in 2016 a fatality occurred on-site, however this is not captured in the Lost Time Injury (LTI) data.

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Lost time injury (LTI)	0%	-100%

A fatality occurred on-site in the Correnso mine in 2016. While the number of fatalities was not included in the original SIMP no other fatalities have occurred on site over the life of the Correnso mine. Further detail on the fatality and WGO's response is outlined in the 2016 Reporting Summary (Section 2.1).

No other lost time injuries occurred on site in 2016.

HI5: Number of site referrals to local health services (Health and Safety Department)

Data (Baseline, 2015 and 2016)

Number of site referrals to local health services and minor first aid treatments

	2014 (baseline)	2015	2016
Medically treated injury (MTI) referrals ⁶⁵	6	2	2
Minor first aid treatments ⁶⁶	33	7	33

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO Health and Safety Department (2015 & 2016).

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Medically treated injury (MTI) referrals ⁶⁷	0%	-67%
Minor first aid treatments ⁶⁸	371%	0%

The number of medically treated injury (MTI) referrals to local health services has declined by 67% since 2014, although it stayed the same between 2015 and 2016.

The number of minor first aid treatments has changed significantly year-on-year; in 2015, WGO reported seven minor first aid treatments, whereas in both 2014 and 2016 the site reported 33 minor first aid treatments. These changes are likely due in part to improvements that were made in data collection and health and safety incident reporting procedures.

Following discussions between KPMG Banarra and WGO, KPMG Banarra recommends that indicators HI4 and HI5 are merged in future annual monitoring reports.

Other

N/A.

⁶⁵ Defined by WGO as precautionary only and requiring no further treatment.

⁶⁶ Defined by WGO as predominantly attended to on site by internal site medics.

⁶⁷ Defined by WGO as precautionary only and requiring no further treatment.

⁶⁸ Defined by WGO as predominantly attended to on site by internal site medics.

Summary

Discussion	<p>The most significant impact associated with health and wellbeing in 2015 was the fatality that occurred on 28 July 2016. While fatalities had not been included previously as an indicator in the SIMP, and no fatalities have occurred in Correnso previously, the fatality was recorded in HI4 (number of lost time injuries), and we recommend that the HI4 indicator be altered so as to include this data in the future. Section 2.1 (Key challenges in 2016) and indicators within the Employment section provide details regarding the responses that were put in place following the fatality, particularly regarding training and supervision.</p> <p>In terms of community health and wellbeing, residents' responses to the perception survey indicate that the community remains positive in their views regarding health and wellbeing, although the increase in complaints associated with blasting, and businesses' negative survey responses, suggest a need to:</p> <ul style="list-style-type: none"> • Continue managing both issues of noise and vibrations, and stakeholder perceptions of and management expectations regarding noise and vibrations (although no exceedances have occurred) particularly as these effects can change over time depending on blasting activity; and • Continue engaging with businesses to ensure their concerns are understood and responses, where appropriate, are put in place. There is a chance that some of the negative responses from businesses is due to the uncertainty created by the transition, suggesting a need for ongoing monitoring to monitor this and ensure other issues are not also at play.
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>

2.7 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.

Mitigation and management activities

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
FM1	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.
FM2	Complete Iwi consultation report and submit to HDC and relevant Iwi stakeholders.	July 2015	External Affairs Department	Complete	Completed 2015

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
FM3	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.
FM4	Review Memorandum of Agreements (MOUs).	Annual	External Affairs Department	Delayed as Iwi were focused on other priorities.	Delayed due to Iwi being focused on other priorities (Treaty settlements), unknown timeframe.
FM5	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	Complete	Complete. Submitted as required.
FM6	Investigate opportunities to support business sustainability in a post-mine economy.	Annual	External Affairs Department	Ongoing	An opportunity arose in 2015 for WGC to become involved in discussions with HDC and a local businessman to promote Waihi as a potential location for a new industrial park as a way of attracting new business to the town. The decision was made to delay this opportunity as WGO has no current plans to close and is looking to extend life of mine.
FM7	Ensure the issue of sustainability in a post-mine economy is included as an agenda item in all six-monthly contractor meetings.	January 2015	Business Department	To be implemented in 2017.	No formal meetings were held with contractors. Informal meetings only. Contractors communicated with through Update, East Ender and Goings On. No plans to close, thus no discussion of a post mine economy.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
FM8	Work with HDC to investigate issues regarding a post-mine economy including identification of opportunities.	December 2015	External Affairs Department	Ongoing	While some conversations have begun, it is important to note that while under Newmont ownership WGC was operating in the context of a Life Of Mine to 2018, OceanaGold are in growth mode and are doing a lot exploration work in the area in order to extend the Life Of Mine.
FM9	Review and update the WGC Stakeholder Engagement Plan in relation to the future of Waihi and WGC legacy.	January 2016	External Affairs Department	Complete	A new Stakeholder Engagement Plan was approved in mid February 2016. While the Stakeholder Engagement Plan has been reviewed in consideration of the SIMP and Correnso development, the findings of the socio-economic survey, perception survey and this 2016 SIMP Annual Monitoring Report will be used to further identify these impacts.
FM10	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	Reported in Q4 2016 Management Review Presentation.
FM11	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	Indicators are developed as needed. HDC recommendations are included when developing indicators.

Ref.	Action	Completion date / timeframe	Owner	Status	WGO self-reported progress summary
FM12	<p>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.</p> <p>Short term - Cintellate entries to be monitored.</p> <p>Post - perception survey will identify additional indicators.</p>	June 2015	External Affairs Department	Complete	The Inviron stakeholder engagement database, which replaced Cintellate, is used to record stakeholder feedback and addresses this mitigation action. The change in database name has not affected the process from previous years.
Other	None.	N/A	N/A	N/A	N/A

Indicators

FII: Number of Iwi Advisory Group meetings conducted (External Affairs Department)

Data (Baseline, 2015 and 2016)

Number of Iwi Advisory Group meetings conducted

	2014 (baseline)	2015	2016
Number of formal meetings conducted	4	2	2
Timing of formal meetings conducted	March, July, August and September	June and December	April and September

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

Analysis

	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Number of formal meetings conducted	0%	-50%
Timing of formal meetings conducted	N/A	N/A

Correnso Consent Condition number 65 requires WGO to conduct Iwi Advisory Group meetings every six months.

These meetings occurred more frequently in 2014. This is because the Group was in the process of being established in 2014, and that by 2015, the Group had been established and thus only two meetings have been required per year since this time.

FI2: 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)

2014 (Baseline)

Summary of quantitative perceptions data regarding WGO's environmental legacy⁶⁹

	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 the following perceptions:

- In general, stakeholders were happy with WGO's approach to environmental management, although several concerns were raised.
- Some stakeholders expressed frustration and disappointment at the delay in rehabilitating the Martha pit due to the continued need to de-water the pit for the length of the Correnso development's operation.
- As Correnso 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.
- There has been prolonged uncertainty in Waihi regarding the future of mining and Waihi's future. In particular, consultation identified uncertainty over which industries could develop in Waihi and whether there are any community champions willing to take a leadership role in Waihi's future beyond mining.
- The Correnso development's approval potentially prolongs the cessation of mining in Waihi, but also builds upon previous scepticism of WGO's Life of Mine timelines. In turn, this makes it harder for the community to find the energy and commitment to meaningfully plan for future industrial and social development and employment while the safety of mining still exists.

⁶⁹ The question asked was: 'How do you rate the impact of Correnso on the environment?'. Note the percentages do not add to 100% due to rounding. Source: Correnso SIA Engagement, KPMG Banarra (2014).

Data (2015)

Summary of quantitative perceptions data regarding WGO's economic legacy

		FY15 (%)	
		Residents (n=150)	Businesses (n=50)
Responses to the question: ‘Will eventual mine closure impact businesses in the local area?’			
Yes	Data not collected, as this question was only asked of businesses.		54%
No			42%
Don’t know			4%
Responses to the question: ‘How well WGC assists with planning for the future of Waihi’			
Very well	28%		32%
Well	34%		26%
Neutral	16%		18%
Poorly	11%		16%
Very poorly	2%		0%
Don’t know	9%		8%
Responses to the question: ‘Rate how well Waihi is prepared to deal with the eventual closure of mining:’			
Agree strongly	Data not collected, as this question was only asked of businesses.		8%
Agree			16%
Agree a little			10%
Neutral			8%
Disagree			22%
Disagree a little			18%
Disagree strongly			16%
Don’t know			2%

Source: WGO External Affairs Department (2015).

Respondents to the 2015 Waihi public opinion survey identified the following issues:

- When asked about benefits of mining, 6% of residents (n=150) and 2% of businesses (n=50) referred to 'environment/manage environment'. The topic of beautification was also raised by some respondents, for example, regarding the improvements to the pit rim walkway and improvements made to the general vibrancy and appearance of the town.

- When asked about the disadvantages of mining, 8% of residents (n=150) and 6% of businesses (n=50) referred to ‘damage to the environment’ and 3% of residents and 2% of businesses referred to ‘concern re restoration of land’. Those who spoke of environmental damage referred to issues associated with water quality, tailings dams, and current and future rehabilitation.
- Mixed views were expressed regarding whether the closure of mining will impact business, with those living in Waihi town showing the greatest amount of concern that it would.
- The issue of dependency was raised, with a mixture of views expressed, e.g.:
 - Any business who chooses to depend heavily on WGO for revenue does so knowing there are risks associated with this;
 - Small and medium retailers may be affected by reductions in mining but have little control over this; and
 - Retailers are currently those most likely to be struggling and any drop in revenue, e.g. due to reduced population or people choosing to shop elsewhere, could ‘tip them over’.
- While residents were not asked about how well prepared they think Waihi is to deal with the eventual closure of mining, qualitative responses suggest that stakeholders generally perceive that mine closure is ‘likely to have a very negative impact on Waihi’s population and services’, but that mine closure is ‘a distant thing’ (50% of businesses surveyed expect the mine to remain open for 20+ years).

Data (2016)

Summary of quantitative perceptions data regarding WGO’s economic legacy

	FY16 (%)	
	Residents (n=150)	Businesses (n=50)
Responses to the question: ‘How well WGC assists with planning for the future of Waihi’		
Very well	25%	14%
Well	39%	18%
Neutral	22%	28%
Poorly	5%	14%
Very poorly	1%	2%
Don’t know	8%	24%

Source: WGO External Affairs Department (2016).

Respondents to the 2016 Waihi public opinion survey identified the following issues:

- When asked about the benefits of mining, 4% of residents (n=150) selected ‘beautification of the area’ (no businesses selected this), while in 2015, 6% of residents and 2% (n=150) of businesses (n=50) selected this as a benefit. When asked about disadvantages, 6% of residents and 4% of business selected ‘damage to the environment’, while in 2015 8% of residents and 6% of businesses referred to ‘damage to the environment’. These figures suggest a slight shift towards a higher level of concern regarding the environment, with other issues disadvantages in 2016 being vibrations (12% of residents and businesses), noise (11% of residents and 6% of businesses) and

risk of pollution (5% of residents, no businesses). The option most selected, however, was ‘none/no disadvantages’, which was selected by 47% of residents and 40% of businesses.

Analysis

	Change from 2015 – 2016 (%)	
	Residents (n=150)	Businesses (n=50)
Responses to the question: ‘How well WGC assists with planning for the future of Waihi’		
Very well	-3%	-18%
Well	5%	-8%
Neutral	6%	10%
Poorly	-6%	-2%
Very poorly	-1%	2%
Don’t know	-1%	16%

The data presented in this report for indicator FI2 was sourced from two different community perception data sources: the 2014 Correnso SIA engagement (conducted by KPMG Banarra in 2014) and the Waihi Annual Perceptions Survey (conducted by Phoenix Research in 2015 and 2016). These data sources are not comparable due to the different samples and perception survey question wording used. As such, 2014 perception data is presented separately from 2015 and 2016 perception data.

It is important to note that the annual perception surveys conducted in 2015 and 2016 do not provide a lot of detail on perceptions of environmental impacts. Quantitative perceptions data is only available for 2014 (and is shown in Table 50 below), however, qualitative information for 2015 and 2016 is available.

There is also little data regarding perceptions regarding delayed realisation of future economic opportunities as a result of reliance on mining. Perceptions data is not available for 2014, however, 2015 and 2016 data is available. The annual perceptions survey asked respondents how well the site assists with planning for the future of Waihi, with 64% of residents rating WGO “very well” or “well” (the same as in 2015), and 32% of businesses rating WGO “very well” or “well” (compared to 58% in 2015, a significant decrease). This is significant to note, given the recent shift to OGC site ownership and the expansion of the life of mine, which has been a significant change for the future of Waihi.

FI3: 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 (Baseline, 2014, 2015 and 2016)

Stakeholder feedback, concerns and complaints received by WGO regarding health and wellbeing-related issues

Complaint type ⁷⁰	2014 (baseline) ⁷¹	2015 ⁷²	2016 ⁷³
Noise	31	10	10
Noise concern	0	0	1
Vibration	317	110	112
Vibration - Concern	2	6	4
Noise from Blasting	30	115	38
Noise from Blasting – Concern	0	2	0
Felt & Heard	82	158	140
Felt & Heard - Concern	0	4	0
Air Quality (Dust)	6	10	3
Air Quality - Concern	0	1	1
Water - concern	0	0	0
Total:	468	416	309

Source: Correnso SIA Engagement (KPMG Banarra, 2014); WGO External Affairs Department (2015 & 2016).

⁷⁰ Complaints regarding environmental effects including amenity effects.

⁷¹ No complaints received regarding delayed realisation of future economic opportunities.

⁷² No complaints received regarding delayed realisation of future economic opportunities.

⁷³ No complaints received regarding delayed realisation of future economic opportunities.

Analysis

Complaint type ⁷⁴	Change from 2015 – 2016 (%)	Change from 2014 – 2016 (%)
Noise	0%	-68%
Noise concern	N/A (increasing from 0 to 1)	N/A (increasing from 0 to 1)
Vibration	2%	-65%
Vibration - Concern	-33%	100%
Noise from Blasting	-67%	27%
Noise from Blasting – Concern	-100%	0%
Felt & Heard	-11%	71%
Felt & Heard - Concern	-100%	0%
Air Quality (Dust)	-70%	-50%
Air Quality - Concern	0%	N/A (increasing from 0 to 1)
Water - concern	0%	0%
Total:	-26%	-34%

There has been a decline in the number of complaints received associated with environmental impacts and delayed realisation of future economic opportunities as a result of reliance on mining (declining from 468 complaints in 2014 to 309 complaints in 2016). The types of complaints types that have seen the most decline are:

- ‘Noise from blasting’, with a high of 115 complaints in 2015, down to 38 in 2016 (similar to 2014)
- ‘Felt and heard’, with a high of 158 complaints in 2015, down to 140 in 2016, which is still considerably higher than in 2014 when 82 complaints were received
- ‘Vibration’, with a high of 317 in 2014, down to 110 and 112 in 2015 and 2016, respectively; and
- Air quality (Dust), with a high of 10 in 2015, down to 3 in 2016.

The decline in complaints received may be due to changes in the type of and position in which blasting is occurring in Correnso, and the current cessation of mining in the Martha open pit, as dust and noise is much less of an issue in underground mining.

Data is not available on WGO’s average response rate to these complaints, however, The process for responding to complaints at the mine requires a maximum response time of within one working day. This process has been consistent across the three documented reporting years.

⁷⁴ Complaints regarding environmental effects including amenity effects.

Other

N/A.

Summary

Discussion	<p>The most significant factor that has influenced the theme of the future of Waihi and the legacy of the mine was the sale of NWG to OGC, due to OGC's commitment to continued exploration and mining in Waihi (in contrast to NWG's expectation of closing in the near future). OGC's commitment to a long term life of mine means that the community and local businesses have needed to process this new knowledge and the positive and negative implications it has for them as residents and/or businesses. Times of transition lead to significant uncertainty, and thus it will be important to monitor the perception data over time, particularly considering the decline in the extent to which businesses felt that WGO is assisting with planning for the future of Waihi (in comparison to NWG).</p> <p>In addition, while environment is a small focus in this report, it is important to continue monitoring the environmental impacts associated with WGO's operations, considering residents continued to report issues associated with noise, vibration and dust, in 2016 although to a smaller degree.</p>
Compliance to 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 2016 due to extended life of mine. Mitigation actions FI4 and FI7 have been delayed for future implementation. KPMG recommends that ongoing planning is required, and recommendations have been provided to WGO alongside this report to address this.</p>