

## Whitehaven Coal's 2022-23 Gender Pay Gap: Employer Statement

### Whitehaven's approach to gender equality

At Whitehaven Coal (Whitehaven), we believe in equal opportunity for all. We recognise the importance of fostering a diverse workforce and inclusive workplace culture to enable our people to feel safe, do their best work and deliver the best outcomes, as well as attract and retain employees.

A cornerstone of our approach to equal opportunity is our commitment to equal pay for equal roles. Where there are individual pay variations, these are based on experience and the demonstration of superior skills within roles. We maintain a firm stance against gender bias. This principle is rigorously applied in our performance and reward reviews under the vigilant oversight of our managers and Board, ensuring fairness and equity at all levels.

Our progress towards gender equality is underpinned by progressive policies and tangible actions. These include recruitment targets; tools and processes focused on increasing female participation; leadership development programs targeted at female employees; and robust policies against discrimination.

Whitehaven is committed to doing its part to reduce the gender pay gap and foster an environment of inclusivity and equality. Looking ahead, we remain focused on continuous improvement and consistent performance. We will continue to refine our strategy and practices to ensure that gender equality is not just an aspiration but a reality at Whitehaven.

### Whitehaven's organisational context and its gender pay gap

Whitehaven had a workforce of 1,216 permanent employees (excluding the CEO) at the time of the 2022-23 WGEA submission. Of these 1,216 employees, 16.4% were women. This figure is in line with industry averages, where WGEA reports 16.9% female representation in similar-sized coal industry organisations.

Our commitment to equitable pay is evident in our practices. We align remuneration with market medians for independently contracted employees and adhere to the terms of Enterprise Agreements for others. Key aspects of our approach include:

- **Systems supporting equal fixed pay in our annual remuneration reviews:** We have established default pay recommendations based on market data, aiming to minimise pay gaps over time.
- **Transparency on pay practices when reviewing remuneration:** When reviewing employees' fixed pay, reviewing Managers receive personalised data on the market competitiveness of their employees' fixed pay by gender, as well as details of the fixed pay recommendations allocated to men and women. This provides real-time feedback to reviewing Managers, and is a key data point for our sign-off processes.
- **Gender-based reviews of performance rating outcomes:** Performance ratings are an important input into employees' fixed-pay reviews and variable-pay reviews. When assessing performance ratings, senior leaders (General Managers and above) receive information on the gender-based outcomes of the reviews. If any deviations are identified, specific review points are highlighted for the reviewing manager and variances are highlighted for approving managers.

### Gender pay gap vs equitable pay

As noted previously, Whitehaven's approach to equal opportunity focuses on "equitable pay", i.e. a commitment to equal pay for equal roles. We believe this approach is the most appropriate for the unique characteristics of our workforce and it delivers the data we need to inform our remuneration practices.

We acknowledge this analysis approach differs slightly to WGEA's gender pay gap measure, which provides different insights into gender equity within a company. WGEA's gender pay gap is calculated by comparing average salaries and average total remuneration of male and female employees, regardless of their role type or seniority. This means that even with equitable pay for similar roles, a pay gap might still exist.

### *Whitehaven's equitable pay position*

"Equitable pay" analysis conducted by Whitehaven in February 2023 showed a gender pay gap of 2.4% in market competitiveness between men's and women's remuneration for salaried employees, and a -0.8% pay gap when also factoring in wage-based employees (where remuneration is aligned to the relevant Enterprise Agreements). This analysis excluded Whitehaven's Executive Leadership Team, as these roles are overseen by the Board.

While we note some of this gap may exist due to factors like experience-in-role, we consider the 2.4% gap for salaried employees an area that warrants further scrutiny yet one which can be managed via standard remuneration review processes. For example, our FY23 remuneration review identified gaps for managers to review and did result in a 0.6% smaller pay gap at the end of the review.

Whitehaven also reviewed its incentive plan practices in 2023, finding that women received on average 92.0% of their target opportunity for the individual component of their incentives, compared to 92.5% for men. This close alignment in outcomes, where the slight difference could hypothetically be bridged by adjusting the evaluation of just one female employee, underscores the comparability of our incentive pay allocations.

#### *Whitehaven's gender pay gap*

While Whitehaven's equitable pay analysis shows equitable pay practices are being applied overall, data from its 2022-23 WGEA submission shows a pay gap. These pay gaps ranged from 3.6% for the median base salary to 21.5% for average total remuneration as outlined below.

#### **2022-23 WGEA submission: gender pay gap**

Measure	Pay gap
Average (mean) total remuneration	21.5%
Median total remuneration	15.3%
Average (mean) base salary	14.0%
Median base salary	3.6%

The drivers for these pay gaps have been thoroughly analysed by Whitehaven management and are summarised in the next section.

#### **Gender pay gap drivers**

Despite Whitehaven's commitment to equitable paying for equivalent roles, there is a 21.5% total remuneration gap on total average remuneration. Whitehaven's analysis of its remuneration data has identified the pay gap is not the result of equal pay issues, rather it is the outcome of three key pay gap drivers.

##### **Pay gap driver 1: Different levels of representation in job categories**

At Whitehaven, 16.4% of permanent employees are women. However, this representation differs amongst the different job categories. Of particular note, women are overrepresented in the Clerical and Administrative job category, where they represent 87.5% of this category. This is significant in that it is the lowest paying job category with regard to both base salary and total remuneration. This means that the larger than usual representation of women in this category is skewing the female average down.

Conversely, women represent just 5.2% of the "Technicians and Trade Workers" category. This is the highest paying category at Whitehaven outside of Managers, which also contributes to the skew in Whitehaven's results.

##### **Pay gap driver 2: Lower representation of females in senior roles**

Our workforce composition further reflects a gender imbalance at the senior management level. As shown in WGEA's summary statistics, women are under-represented in Whitehaven's management roles.

	Women	Men
Key Management Personnel	0%	100%
Managers	14%	86%
Non-Management	17%	83%

Importantly, this skew exists in the 'General Manager' and 'Key Management Personnel' levels, where women represent 12.0% of the roles. Given these are among the highest remunerated positions at Whitehaven, this disparity influences the overall remuneration gap for base salary comparisons and more materially for total remuneration comparisons.

##### **Pay gap driver 3: Material differences in overtime payments**

An analysis of overtime payments has highlighted another factor contributing to the gender pay gap. On average, the overtime paid to male employees is almost four times that paid to female employees. This discrepancy is largely due to a higher representation of men in roles that typically involve overtime work.

These drivers underscore the complexity of the gender pay gap issue at Whitehaven and guide our targeted strategies for improvement. While our approach to equitable pay for equivalent roles is robust, these pay gap factors highlight the multifaceted nature of the challenge we face and the nuances involved in analysing the data.

## Actions and Strategies

Whitehaven is committed to fostering a diverse workforce and an inclusive workplace culture, and reducing the pay gap is an important enabler of this goal. We have several focused strategies that aim to reduce the gender pay gap and reinforce our dedication to pay equity. Key actions and strategies are outlined below.

### Female representation targets

By the end of FY26, our goal is to have women represent 20% of our employees and 20% of leadership roles. This target is ambitious yet achievable, reflecting our commitment to normalising female participation across all job categories. Specifically targeting leadership roles is a strategic approach to addressing the gender pay gap caused by lower representation of women in higher-paying positions.

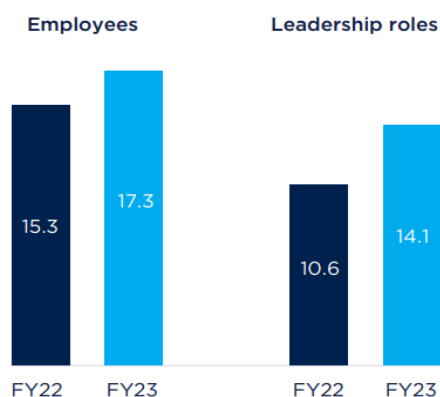
Our targets recognise we have more to do to surpass the coal mining industry average and overcome the broader recruitment challenges that we have been facing in regional and North West NSW for some time.

We have established multiple initiatives to support our female representation targets:

- **Enhanced recruitment procedures:** We have designed our recruitment process to eliminate unconscious bias, making it more inclusive for traditionally under-represented groups in mining. This includes inclusive advertisements; a policy to shortlist women for all senior roles; ensuring gender diversity is considered at every level of recruitment; and recruitment targets for members of our recruitment team.
- **Women's Leadership Development Program:** This program is integral to our strategy for improving gender balance in leadership roles. By supporting the development of high-potential and senior female leaders, we aim to increase female representation at the top. The program focuses on cultivating internal successors, building resilience, visibility, self-awareness, and influencing skills. In FY23, 22 women across the business participated in this initiative.
- **Industry leading Parental Leave Policy:** Introduced in FY22, our parental leave policy includes 26 weeks for primary carers, acknowledging the role of parental leave in promoting equality and attracting high-performing female talent. In FY23, 39 employees availed of this policy, demonstrating its effectiveness in supporting our female workforce.
- **2023 NSW Women in Mining Awards:** Our active participation in events like the NSW Women in Mining Awards underscores our commitment to recognising and celebrating the achievements of women in our industry.

While there is more still to be done, we made significant progress on our representation targets in FY23. As at the end of June 2023, with women represented 17.3% of our total employees (16.4% at the time of the WGEA submission based on 31 March data), and held 14.1% of leadership roles. Our significant progress is shown in the below exhibit, which is sourced from our 2023 Sustainability Report.

### Female representation, %



As we look ahead and continue to build on this progress throughout FY24, we note that Whitehaven has announced the acquisition of two Queensland mines from BHP Group and Mitsubishi Development Pty Ltd (together, BMA). This will more than double our headcount and we have committed to reviewing our female representation targets following the completion of the acquisition, which is expected in April 2024.

### **Enhanced Remuneration Review Process**

In 2023, we enhanced our remuneration review process to increase transparency and focus on gender-pay practices. This included providing managers with detailed, gender-specific data, enabling them to make informed decisions regarding pay equity. The enhancements made over the previous years' processes signify our evolving approach towards more equitable remuneration practices.

### **Future enhancements**

In FY24, we plan to integrate the gender pay gap analysis into our annual budgeting decisions. This will include adjustments for experience in the role, ensuring a more nuanced approach to pay equity. Additionally, where appropriate, separate adjustments will be made to specifically address pay equity issues.

As we move forward, Whitehaven remains dedicated to continuous improvement in our pursuit of gender equality. With these strategies, bolstered by tangible actions and clear targets, we are proud to be making significant progress in reducing the gender pay gap and enhancing gender equity within our organisation.

### **Conclusion**

Whitehaven remains focused on addressing the gender pay gap. Recognising the complexities of this issue, our approach is driven by clear, actionable strategies and a commitment to meaningful progress within our organisation.

We have identified the underlying causes that are unique to Whitehaven's gender pay gap and, guided by this understanding, our efforts are focused on implementing effective measures to achieve gender equity in our workplace. We have made measurable progress that reflects our commitment to ongoing improvement and transparency, and we will continue to strive for further improvements.