



Company/ASX Code	Whitehaven Coal/WHC
AGM date	Wednesday 27 October 2021
Time and location	Virtual Meeting 10.00am
Registry	Computershare
Webcast	Yes
Poll or show of hands	Poll on all items
Monitor	Geoff ORROCK
Pre AGM Meeting?	No

The individual involved in the preparation of this voting intention has a shareholding in this company.

Recovery in sight as coal price trebles

Item 1	Consideration of accounts and reports
ASA Vote	No vote required

Summary of ASA Position

Governance and culture

Whitehaven's view of sustainability relates to its application of financial, physical and human capital to deliver positive outcomes to customers, the workforce, shareholders and local communities and suppliers.

Nine percent of the workforce identifies as indigenous.

An amount of \$345m was spent with local suppliers.

The Total Reportable Injury Frequency Rate was 5.86 per million man hours up from 4.1 per million man hours last year.

The Environmental Enforcement Action Frequency Rate was 0.2 (FY2020 – 3.9), a very impressive result.

Financial performance

Statutory NPAT before impairment charges was (\$87.3m) (FY2020 - \$30.0m). Statutory EBITDA was \$204.5m (FY2020 - \$306.0m). The main reason for the decrease was a movement of 10% in the \$A/\$US exchange rate, reducing the average realised price by \$9/t. By October 2021 the coal price had recovered to near \$185/t.

Sales revenue was \$1,557.0m (FY 2020 - \$1,721.6m), down 10%.

Operating Cash generated was \$138,8m, down 5% on FY2020.

Net debt increased marginally to \$808.5m. Gearing was 23%.

Total coal sales were 16,432kt, down 3% on FY2020.

FOB cost was steady at \$74/t, (FY2020 \$75/t) but well above \$67/t achieved in FY2019 and \$58/t in FY2018. During the same 4 year period annual saleable production fell from 20.9mt to 16.9mt.

No dividends were declared in FY2021. During the year the share price increased from \$1.43 to \$1.94.

Key events

The company recognised impairment expenses totalling \$650m in relation to reduction in reserves at Narrabri and more conservative price assumptions at all mines. This resulted in an after tax net loss of \$543.9m.

Summary

(As at FYE)	2021	2020	2019	2018	2017
NPAT (\$m)	(543.9)	30.0	527.9	524.5	405.4
Stat EBITDA (\$m)	204.5	306.0	1,001.2	1,002.2	714.2
Share price (\$)	\$1.94	\$1.43	\$3.66	\$5.78	\$2.87
Dividend (cents)	-	1.5	47	33	-
Simple TSR (%)	35.7	(61.3)	(28.5)	112.9	165.7
EPS (cents)	54.6	3.0	52.4	52.1	40.7
CEO total remuneration, actual (\$m)	2.56	2.36	6.25	7.53	4.33

For FY2021, the CEO's total actual remuneration was **27 times** the Australian Full time Adult Average Weekly Total Earnings (based on May 2021 data of \$93,444 from the Australian Bureau of Statistics).

Item1	Adoption of Remuneration Report
ASA Vote	For

Summary of ASA Position

The key elements of WHC's FY 2021 remuneration components were largely unchanged:

- Fixed remuneration (FR) benchmarked against peer companies. In FY21 the MDs FR was \$1.53M.
- Short term incentive (STI) opportunity equal to FR for the MD if target performance in financial and non-financial goals is achieved, and 125% of FR if stretch performance is achieved, delivered 50% in cash and 50% in deferred equity with a service based condition tested after one and two years. For FY21 the goals were weighted HSE (TRIFR, Env. Incidents, Env Critical Control Rectification) 40%, Financial (EBITDA , FOB costs) 35% and Production (ROM, Overburden performance) 25%.

- Long term incentive opportunity equal to 120% of FR for the MD is awarded as performance rights at no cost. Vesting is subject to Relative TSR hurdles tested after 3 and 4 years and a Cost Target hurdle to be tested in Jun 2023, with a 1 year service condition.

The company included Tables of Realised Pay, and STI and LTI Outcomes.

Only the STI Environmental Targets were achieved. None of the Safety, Financial or Production targets were achieved. However the MD received an STI award of \$1.019M which was equal to 66.6% of FR. Other executives received commensurate amounts against their personal KPIs.

The LTI awards granted under the 2017 (TSR Tranche 2) and 2018 (TSR Tranche 1) and Costs Hurdle Award LTI plans reached the end of their respective performance periods and were tested after 30 June 2021. None of the awards vested and all of them lapsed.

While we still have some concerns regarding weighting of STI elements we note that TSR for the year was 35.7% and accordingly have decided to support the remuneration report this year.

Item 2	Approval of LTI grant to Managing Director
ASA Vote	For

Summary of ASA Position

The company seeks approval to grant 955,409 rights to the MD, Mr Paul Flynn under the Whitehaven Equity Incentive Plan. Vesting of these rights is subject to achieving the performance hurdles set out below. The rights will be tested in Jun 2024 and Jun 2025.

The value of the LTI Awards to be granted to Mr Flynn is \$1,836,000 (equal to 120% of his annual fixed remuneration for FY2021). The number of LTI Awards to be granted was calculated by dividing \$1,836,000 (the total value of Mr Flynn's LTI Awards) by the volume weighted average price of ordinary shares in the Company over the 20 trading day period that commenced 10 trading days prior to 30 June 2021, being \$1.92.

Mr Flynn's LTI Awards will vest and become exercisable subject to three performance hurdles. 35% of the LTI Awards will be subject to a relative total shareholder return performance hurdle, 50% will be subject to the Company achieving a defined cost per tonne target and 15% will be subject to delivery of Strategic Priorities, each underpinned by a gateway condition.

The Rel TSR awards will be tested on performance over periods of three and four years commencing on 1 July 2021. The Cost awards will be tested after 3 years with 50% of the award being subject to a 1 year service condition. Progress on Strategic Policy Delivery will be tested after 4 years.

Item 3	Re-election of Fiona Robinson as a Director
ASA Vote	For

Summary of ASA Position

Fiona Robinson has served as a non-executive director of the Company since February 2018 and is a member of the following committees: Audit & Risk Management Committee (Chairman) and Health, Safety, Environment and Community Committee.

She has a corporate finance background, with more than 20 years' experience as CFO of ASX-listed emerging and mid-tier mining and oil and gas companies, preceded by 14 years with Chase Manhattan Bank in London, New York and Sydney in corporate banking, credit risk management and mining finance roles. Previous Non-Executive

Ms Robinson has a relevant interest in 75,395 ordinary shares in the Company.

Item 4	Re-election of Lindsay Ward as a Director
ASA Vote	For

Summary of ASA Position

Lindsay Ward has served as a non-executive director of the Company since February 2019 and is a member of the following committees: Remuneration Committee and Health, Safety, Environment and Community Committee.

He has more than 30 years' experience across industries including mining, exploration, mineral processing, ports management, rail haulage, power generation, gas transmission, transport and logistics. Having started his career in the mining industry, Lindsay has held a wide range of leadership and operational roles. He is currently CEO of Palisade Integrated Management Services, which has nine diverse infrastructure assets under management.

Prior to this, he was the Managing Director of Dart Mining, a Melbourne-based exploration company, and a Non-Executive Director of Metro Mining Limited. Lindsay also has extensive mining experience, having worked with BHP Australia Coal (Bowen Basin – Queensland), Camberwell Coal (Hunter Valley – NSW) and Yallourn Energy (Latrobe Valley – Victoria) in various mine engineering and senior leadership roles.

Mr Ward has a relevant interest in 77,500 ordinary shares in the Company.

Item 5	Re-insertion of Partial Takeover Provisions in Constitution
ASA Vote	For

Summary of ASA Position

Under the Corporations Act, these provisions must be renewed every 3 years or they will cease to have effect.

The provisions in rule 27 of the Company's Constitution were last approved by shareholders on 25 October 2018 and therefore will cease to have effect on 25 October 2021.

While ASA prefers full takeovers, this provision allows shareholders to decide whether it is in their interests to allow partial takeovers. If approved by shareholders, the partial takeover provisions will have effect for 3 years.

Item 6 and 7	Resolutions Promoted by Market Forces to Amend the Constitution
ASA Vote	Against

Summary of ASA Position

These resolutions have been put forward by a small group of shareholders who wish to amend the Constitution of the Company to entrench a power to express an opinion or make a request on the powers exercised by directors.

The Board believes that the amendments, if passed, would allow the meeting to be used for ideological purposes.

ASA believes that the company allows opportunity at meetings for questions and comments and these amendments are neither necessary or in the interests of shareholders.

SA Disclaimer

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.

Appendix 1

Remuneration framework detail

CEO rem. Framework for FY2021	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	1.530	31.3%	1.530	29.0%
STI - Cash	0.765	15.6%	0.957	18.1%
STI - Equity	0.765	15.6%	0.957	18.1%
LTI	1.836	36%	1.836	34.8%
Total	4.896	100%	5.280	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan.

*Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting.