

FY22 Sustainability Report



NSW Ports

MESSAGE FROM THE CEO

"Our vision is to be a world-class port and logistics manager driving sustainable growth."



I am immensely proud of the continued progress we have made towards being a more sustainable business over the past year. We completed a materiality assessment that identified key issues, risks and opportunities for the long-term sustainability of our business. We considered the impact our business has on the environments in which we operate and the people with whom we interact. Following on from these assessments, we developed and released our 2022 Sustainability Strategy, which is closely linked to our Business Strategy and details how we are responding to the issues, risks and opportunities we face. This was built in collaboration with our customers, partners and other stakeholders.

Our 2022 Sustainability Strategy clearly states our priorities: act as a responsible port manager and steward the trade growth forecast for our ports; be a champion for decarbonisation; build resilience to address future shocks and stresses; and support thriving communities encompassing our own employees, people who visit and work at our sites and people that live in the neighbourhoods surrounding our facilities.

The progress and achievements highlighted in this report demonstrate that we think about and embed sustainability principles into our way of doing business.

We completed our rail strategy for Port Botany, which outlines six actions to transfer more freight onto rail to improve supply chain efficiency and lower emissions intensity as trade throughput continues to grow.

We committed to achieving net zero scope 1 and 2 greenhouse gas emissions by the end of financial year 2025 and signed two agreements for the supply of renewable electricity. Our sights are now set on understanding and reducing our scope 3 emissions by working collaboratively with our suppliers and customers.

Extreme weather and the ongoing impacts of the COVID-19 pandemic have provided a timely reminder of the compounding nature of risk. The assets we manage have remained resilient, though not immune to these stresses. FY22 saw us review and update our emergency response and business continuity plans as well as complete a physical climate risk study. This will be followed in FY23 by a transition climate risk study.

Building trusted relationships with our local communities remained an important aspect of our business. Through year two of our Community Grants Program, our sponsorships and employee volunteering, we invested more than \$450,000 in the people and places that make these communities strong, inclusive and prosperous.

We have also strengthened our sustainability governance practices, including reporting. This report is the first time we have produced a sustainability report with reference to the Global Reporting Initiative. This change demonstrates our commitment to our core values of accountability and integrity.

I'd like to acknowledge the entire NSW Ports team for their hard work, commitment to our values, and willingness to problem solve and continuously improve the way we do business. Finally, I would like to thank the Board of Directors for their guidance during the year.

Marika Calfas

Marika Calfas

Chief Executive Officer

MESSAGE FROM THE CEO	i
ACKNOWLEDGEMENT OF COUNTRY	1
FY22 PERFORMANCE SCORECARD	2
FY22 HIGHLIGHTS	3
OUR BUSINESS AT A GLANCE	4
GOVERNANCE AT NSW PORTS	6
OUR SUSTAINABILITY APPROACH	8
OUR SUSTAINABILITY STRATEGY	10
STEWARD FORECAST GROWTH	12
CHAMPION DECARBONISATION	14
BUILD RESILIENCE	16
SUPPORT THRIVING COMMUNITIES	18
GRI CONTENT INDEX	20
SUSTAINABILITY PERFORMANCE DATA SUPPLEMENT	24

ABOUT THIS REPORT

This report is NSW Ports' fourth disclosure on annual sustainability performance and its first prepared with reference to the Global Reporting Initiative (GRI) Standards.

Our reporting scope includes activities under the control of the NSW Ports group of companies – which consists of NSW Ports Operations Hold Co Pty Limited (and its subsidiaries) and NSW Ports Pty Limited (and its subsidiaries)– and is associated with our landlord model of operation. It includes NSW Ports' operations at Port Botany, Port Kembla, Enfield Intermodal Logistics Centre and Cooks River Intermodal Terminal.

This report contains a summary of our sustainability priorities, the material topics we address, and progress against initiatives and targets stated in our 2022 Sustainability Strategy. Unless otherwise indicated, references to FY22 and FY21 in graphs and copy throughout this review refer to financial years ending 30 June 2022 and 2021 respectively. All figures are in Australian dollars unless otherwise stated.

Published December 2022.

ACKNOWLEDGEMENT OF COUNTRY

NSW Ports acknowledges the traditional custodians of the land and waters on which we operate and we pay our respects to Elders past, present and future.

FY22 PERFORMANCE SCORECARD

In our 2022 Sustainability Strategy, NSW Ports outlined targets and key performance indicators for each strategic priority. The scorecard below gives an indication of progress achieved during FY22.

Given our 2022 Sustainability Strategy was launched mid-way through 2022, it is noteworthy that some initiatives have not yet commenced and as such do not have performance data for inclusion in this year's sustainability report.

Target	Key Performance Indicator	FY22 result	Status
Steward forecast growth			
No loss of industrial land surrounding our ports and intermodal terminals	Industrial land 'lost' (i.e. rezoned to other uses) (ha)	-1	●
100% of development projects comply with our sustainable development code	Projects that comply with our sustainable development code (%)	-	●
Zero environmental incidents from NSW Ports operations resulting in a regulatory response	Environmental incidents resulting in a regulatory response (#)	0	●
Year on year increase in freight on rail to and from our ports	Freight volumes on rail (TEU)	350,776	●
Champion decarbonisation			
Net zero scope 1 & 2 emissions by end of FY25	Scope 1 emissions (tCO ₂ e)	38	●
	Scope 2 emissions (tCO ₂ e)	1,344	●
100% renewably sourced electricity	Renewable electricity (%)	24	●
Define and measure our scope 3 emissions and work with our customers and suppliers to reduce these	By FY25, scope 3 emissions to be defined and measured.	-	●
Build resilience			
More than 90% of training, drills and exercises in our business resilience framework completed by due date	Business resilience framework actions completed by due date (%)	-	●
All material climate-related risks (physical and transition) identified and embedded in organisational risk registers	Key climate related risks monitored (%)	-	●
Support thriving communities			
Establish a social impact monitoring and evaluation framework	In FY23 a monitoring and evaluation framework will be developed.	-	●
More than 90% of safety actions closed by due date	Safety actions completed by due date (%)	95	●
Maintain an employee engagement score of more than 75%	Employee engagement score (%)	85	●

● New targets and measures introduced in our 2022 Sustainability Strategy and will be reported on in future years as we develop the data collection methodology.

● On target/target met

● Within tolerance

● Behind target/target not met

FY22 HIGHLIGHTS

Highlights

Steward forecast growth

Launch of our Rail Strategy for moving more freight by rail to enhance efficiency while reducing emissions and road congestion.

Welcomed the Greater Cities Commission's recommendation to safeguard industrial lands in line with our advocacy position.

Achieved reductions in total energy, water and waste sent to landfill at group level.

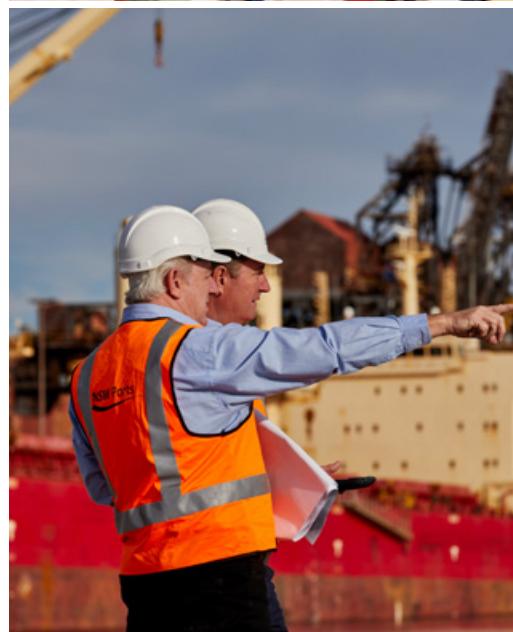


Champion decarbonisation

Board endorsed targets to reach net zero scope 1 and 2 greenhouse gas emissions by end of FY25 and 100% renewable electricity.

Two power purchase agreements signed meaning 70% of average annual electricity demand will now come from renewable sources.

34% reduction in scope 1 and 2 greenhouse gas emissions.



Build resilience

Completed a study to identify the physical climate risks to the ports and intermodal terminals under our management and the supply chain.

Completed Crisis Management Training with a cross functional team resulting in a strengthened and better integrated management approach.

Support thriving communities

17 local community groups awarded grant funding that supports projects across social services, schools, sport and the environment.

2,437 Seafarers vaccinated for COVID 19 resulting in our Operations Manager receiving the Seafarers Welfare Award at the 2021 DCN Australian Shipping & Maritime Industry Awards.

Zero Lost Time Injuries amongst NSW Ports employees.

OUR BUSINESS AT A GLANCE

NSW Ports began operations in 2013 under a 99-year lease for Port Botany, Port Kembla, Cooks River Intermodal Terminal and Enfield Intermodal Logistics Centre.

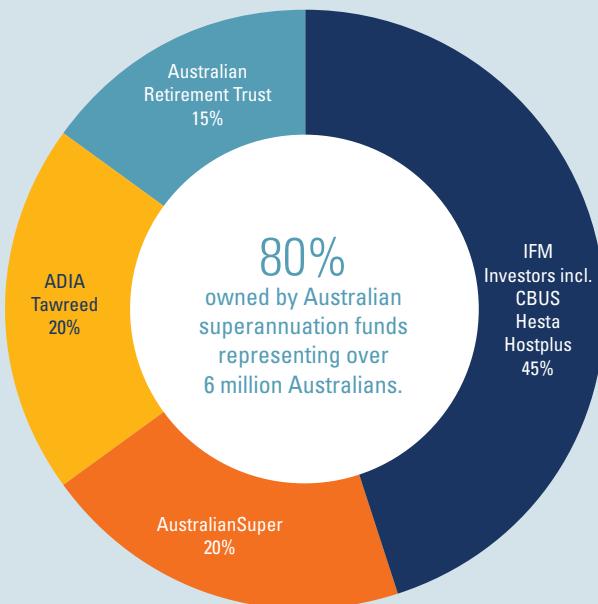
Our focus is managing these key trade gateways connecting the people and businesses of NSW to global markets. Our business is a significant contributor to the economies of NSW and Australia.

NSW Ports is wholly owned by a consortium of leading institutional investors: IFM Investors, Australian Super, Australian Retirement Trust and ADIA - Tawreed Investments.

We are port managers, responsible for: leasing land to port and logistics operators; strategic port planning; wharf infrastructure; channel and berth depths; and common user road and rail infrastructure at the ports. We also have responsibility for landside precinct security and safety and operating control of multi-user berths.

To find out more about who we are and what we do, see:
[We keep Australia's economy moving.](#)

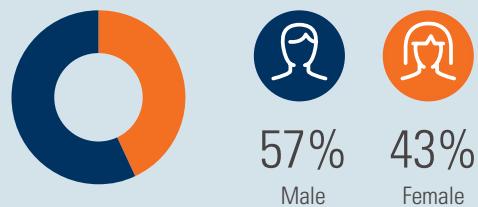
Ownership



Our people

Our workforce consists of employees from a wide range of technical, operational, and professional disciplines. We are committed to creating an inclusive and engaging work environment and investing in our people to support their professional development, health and wellbeing. All NSW Ports employees were employed on either a permanent or fixed term contract basis during FY22.

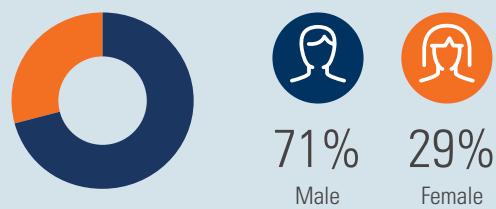
GENDER*



AGE*



BOARD AND EXECUTIVE LEADERSHIP TEAM*



Board Chair and CEO positions held by females

* Figures are for total workforce and are correct as at 30 June 2022.



Our contribution



\$13.6bn

contribution to NSW Gross State Product (2.2% of total GSP).



64,570 jobs

supported by NSW Ports
52,270 in Sydney region
9,750 in the Illawarra
2,550 elsewhere in NSW.



42%

of all goods in a Sydney household are imported in containers through Port Botany.



80%

of containers imported via Port Botany travel no further than 40km from the port – the most efficient port to service the people and businesses of NSW.

GOVERNANCE AT NSW PORTS

At NSW Ports, we are committed to being ethical, responsible and transparent. We have structures and policies in place that define, integrate and track our responsible business practices and stewardship. Selected relevant policies include:

- Sustainability Policy: this is the foundational document for ESG governance at NSW Ports and is available [here](#).
- Conflict of Interest Policy: applies to all employees and sets out the procedures for the identification, disclosure and management of an actual, potential or perceived Conflict of Interest. All employees are required to attend an information session on the Policy and to complete and sign a Conflict of Interest Declaration.

- Code of Conduct: All directors, employees and contractors are expected to comply with our Code and report any suspected breaches.
- Whistleblower Policy: provides the procedure for reporting critical concerns such as suspected fraud, corruption and misconduct while protecting disclosers from retaliation or victimisation.
- Competition Law Compliance Policy and Guide: helps employees understand their obligations under Australian competition law. All employees must undertake NSW Ports' competition law compliance training at least every two years and all new recruits must undertake the training within six months of their employment.

Our governance structure

More information about our Board and Executive Team can be found [here](#).



Stakeholder engagement

NSW Ports regularly engages with a wide range of stakeholder groups on a diverse range of topics. Our main stakeholder groups, their key interests and concerns, and how we engage with them are described below.

Stakeholder group	Engagement mechanism	Key topics
Customers (including tenants and port users)	<ul style="list-style-type: none"> – Correspondence (including information reporting, meetings and phone calls) – Feedback channels – Digital and social media channels – Participation in forums and with industry associations 	<ul style="list-style-type: none"> – Performance – Emerging industry issues – Precinct level sustainability objectives – Business improvement initiatives
Employees	<ul style="list-style-type: none"> – Meetings and workshops – Group-wide surveys – Digital and social platforms 	<ul style="list-style-type: none"> – Health, safety and wellbeing – Communication and engagement – Performance and leadership
Shareholders	<ul style="list-style-type: none"> – Meetings – Correspondence – Digital channels 	<ul style="list-style-type: none"> – ESG matters – Business performance – Business strategy
Community	<ul style="list-style-type: none"> – Consultative committees – Correspondence (including meetings and phone calls) – Feedback channels – Events – Sponsored activities – Digital and social platforms – Media 	<ul style="list-style-type: none"> – Local community impacts – Environmental issues and impacts – Developments and business activities – Support for local community groups and initiatives
Government, industry bodies and regulators	<ul style="list-style-type: none"> – Stakeholder meetings, industry roundtables and briefings – Site tours – Business engagement forums 	<ul style="list-style-type: none"> – Freight policy – Operational efficiency – Infrastructure and land use planning – Environmental protection – Decarbonisation – Business strategy
Suppliers	<ul style="list-style-type: none"> – Supplier meetings, briefings and workshops – Site tours – Feedback surveys 	<ul style="list-style-type: none"> – Supplier performance – Health, safety, environment, and quality metrics – Ethical business practices – Continuous improvement – Collaboration opportunities
Media	<ul style="list-style-type: none"> – Correspondence (including meetings and phone calls) – Media releases – Digital and social media 	<ul style="list-style-type: none"> – Strategy and future directions – Business initiatives – Operational issues

OUR SUSTAINABILITY APPROACH

Our process for determining material topics

During FY22, NSW Ports completed a double materiality assessment. The objective of this assessment was to identify our material ESG risks and opportunities (referred to as material topics). Under the double materiality approach, NSW Ports considered both financially material topics and stakeholder impact topics. This assessment in turn informed development of the four strategic priorities identified in our 2022 Sustainability Strategy.

The materiality assessment was conducted using the following process, which is aligned to GRI guidance:



NSW Ports is committed to ensuring its understanding of ESG risks and opportunities remains contemporary and will review its materiality assessment annually, and update it every 3 years.

Potential topics

Aligning community expectations and purpose

Building resilience in a changing climate

Building resilient port infrastructure

Capturing emerging trade opportunities as economies decarbonise

Championing the clean energy transition

Championing the use of closed-loop materials

Creating a safe work environment supported by technology

Engaging with stakeholders to clarify port activities and identity

Facilitating the development of tenant land to grow port capacity

Fostering an agile, diverse, and inclusive work culture

Increasing port connectivity to serve population growth centres

Managing the social expectations of decarbonisation

Navigating geopolitical instability

Preserving access to green finance

Reinforcing cyber resilience and data protection

Safeguarding long-term growth through government advocacy

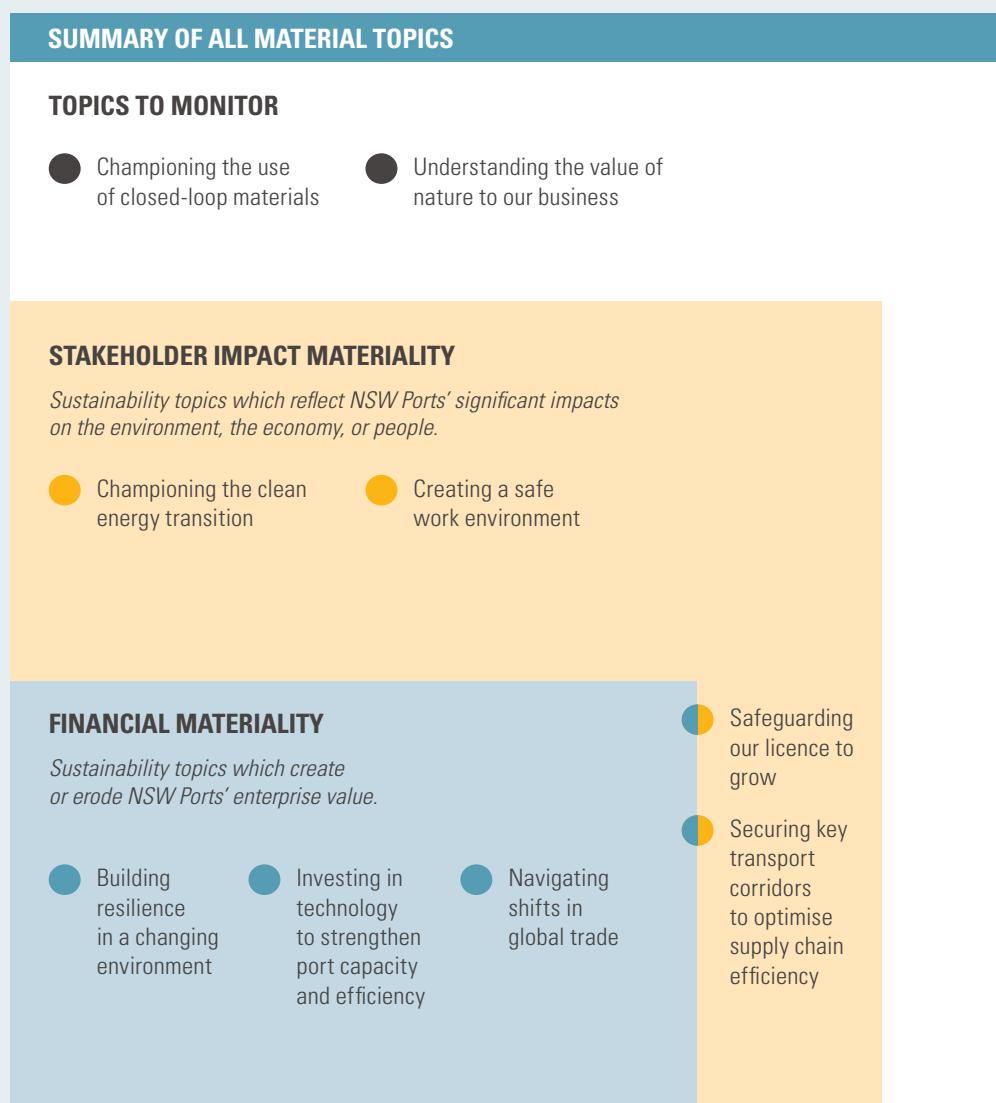
Strengthening partnerships to build technological capacity

Upholding human rights in the supply chain

Our material topics

The diagram below shows all of NSW Ports' material topics, and sorts them into one of four buckets:

- Financially impact only
- Stakeholder impact only
- Both financial and stakeholder impacts
- Topics to monitor – topics that do not currently meet the business' materiality threshold, though are present and increasing in importance



OUR SUSTAINABILITY STRATEGY

Our strategic priorities

In 2022, NSW Ports released its new Sustainability Strategy, which identifies four strategic priorities. These strategic priorities collectively represent our response to our material topics. The graphic below describes the connection between our strategic priorities and material topics.

We also considered how this strategy enables our business to contribute to the UN Sustainable Development Goals. We can deliver the greatest contribution towards Goals 8, 9, 11 and 13.



Measuring and reporting our progress

Progress against initiatives identified in our Sustainability Strategy are reported to the Executive Team as part of our monthly business reporting process. Our sustainability report (this document) includes progress against the success outcomes, targets, key performance indicators (KPIs) and initiatives outlined in our Sustainability Strategy and has been reviewed and endorsed by our Board.

This FY22 Sustainability Report is the first iteration of a revised annual reporting approach for NSW Ports, and our first since release of our 2022 Sustainability Strategy.

This report is structured with reference to applicable Global Reporting Initiative (GRI) standards (refer GRI Content Index on pages 20 to 23). We will continue to evolve and strengthen our reporting in subsequent years.

The following pages outline the work undertaken and progress achieved by NSW Ports during FY22 against our 2022 Sustainability Strategy. Given our 2022 Sustainability Strategy was launched mid-way through FY22, it is noteworthy that some initiatives have not yet commenced or show limited progress.



STEWARD FORECAST GROWTH



Why is it important to us?

NSW Ports is responsible for the management of key ports and intermodal terminal assets in NSW.

We have a responsibility to proactively manage these assets to cater for forecast trade growth. We achieve this by monitoring population growth trends and the urban environment, as well as changing consumption, production and traded goods patterns.

We are committed to protecting and optimising the use of existing land and infrastructure, while planning for sustainable development of the ports and intermodal terminals under our management. This also informs our advocacy for the delivery of supporting infrastructure connectivity.

Outcome 1: Our stakeholders are informed about our strategic role in society and collaborate with us to continue building a sustainable port supply chain

Throughout FY22, we engaged with a diverse group of stakeholders to champion and raise awareness about the important role ports play in our economy.

We advocated for investment in freight corridors that connect the ports and intermodal terminals with the people and businesses of NSW, and for the protection of industrial lands surrounding these assets. The Greater Cities Commission (GCC) review of the Greater Sydney Industrial Lands Policy confirmed the social, economic and productivity need to continue to protect industrial lands from rezoning.

Our planning team continued to monitor local development applications and made several submissions with the aim of reducing land use conflict and its potential impacts on our neighbouring communities.

Outcome 2: Our ports and intermodal terminals are fit-for-purpose, sustainably managed assets, now and into the future.

Getting more freight on rail is a priority for our business. In FY22, we developed a container rail strategy for Port Botany which includes six recommendations for increasing rail freight volumes. We also continued progress on our multi-year investment in expanding on-dock port rail infrastructure capacity (see case study on page 13 for more information).

Monitoring and managing the operational sustainability of the assets under our management is firmly embedded in our environmental and asset management plans. Environmental management plans (EMPs) have been prepared to monitor and protect the environment during operational activities at all our sites. During FY22, active dialogue was maintained with regulators and local residents to ensure that environmental management practices were in accordance with legal requirements and community expectations. We maintained a compliance tracking program to meet our development approval requirements.

To support our objective of protecting and enhancing natural ecosystems, we have continued to actively preserve Green and Golden Bell Frog habitat conservation areas at Enfield and Port Kembla. In FY22, we made further improvements to the frog pond infrastructure at Enfield. We also developed a Habitat Offset Program for the Port Kembla Outer Harbour Development project that was approved by the NSW Department of Planning & Environment.

This year, total water consumption across our sites reduced by 3% from FY21 – a 36% reduction from our 2015 baseline. We achieved this by investing in rainwater harvesting and pressure tanks to reduce use and leaks. In line with our commitment to smart infrastructure, we installed 28 Internet-of-Things (IoT) connected water meters at Port Botany. See page 16 for more information.

We are exploring how we can embed circular economy principles into construction at our sites. In FY22 we worked with the University of New South Wales to monitor and evaluate the long-term performance and maintenance requirements of breakwater structures composed of some circular materials at Port Kembla.

In our 2022 Sustainability Strategy we committed to updating our Sustainable Development Code for consistent inclusion of sustainability in future development at our sites. This project is scheduled to commence in FY23.

Alignment to SDG Targets



- 9.1 Develop quality, reliable, sustainable and resilient infrastructure to support economic development and well-being.



- 11.3 By 2030, enhance inclusive and sustainable urbanisation.
11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.



- 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Target	Key Performance Indicator	FY21 Actual	FY22 Actual	Trend	Commentary
OUTCOME 1: OUR STAKEHOLDERS					
No loss of industrial land surrounding our ports and intermodal terminals	Industrial land 'lost' (i.e. rezoned to other uses) (ha)	0	-1	On target	A small amount of industrial land near the Enfield Intermodal Logistics Centre was rezoned to accommodate a pre-existing infrastructure land use which is consistent with our operations.
OUTCOME 2: SUSTAINABLY MANAGED ASSETS					
100% of development projects comply with our sustainable development code	Projects that comply (%)	n/a	n/a	n/a	This is a new measure with data becoming available in FY23.
Zero environmental incidents from NSW Ports operations resulting in a regulatory response	Environmental incidents resulting in a regulatory response (#)	0	0	On target	NSW Ports had no notifiable incidents resulting in regulatory response. A tenant at Port Kembla had one notifiable incident relating to an uncontrolled cement dust release.
Year on year increase in freight on rail to and from our ports	Freight volumes on rail (TEU)	394,365 (TEU)	350,776 (TEU)	Behind target	Containers volumes on rail at Port Botany are down 11% on FY21 due to difficulty aligning rail operations with off-schedule vessel arrivals from global shipping disruptions throughout the Covid-19 pandemic. In response some full export containers were transported by rail to Intermodal Terminals located close to Port Botany and then delivered to the port by road, meaning they were not reflected in on-dock port rail figures.

CASE STUDY

Investment in on dock rail at Port Botany

Rail is a fundamental part of our strategy to sustainably support the trade growth of New South Wales. Our goal is to move 3 million TEU by rail in the long term. For every 1 million TEU on rail, we estimate that 900 trucks per day are removed from the roads around Port Botany, which delivers an estimated net reduction of more than 5,400 tonnes of CO2 emissions annually.

NSW Ports, together with Patrick Terminals, is investing \$190 million in infrastructure and equipment to develop the Sydney Autostrad terminal in Port Botany.

Once complete, four 600-metre-long trains will be able to be serviced in the terminal simultaneously. This will deliver faster turn-around times for trains and more rail windows for operators, increasing capacity. Work on the project continued during FY22. The project is scheduled to complete in 2023.



CHAMPION DECARBONISATION



Why is it important to us?

We are committed to reducing our scope 1 and 2 greenhouse gas emissions in line with the Paris Agreement goal of limiting global warming to 1.5°C, and to working with our suppliers and customers to reduce their emissions.

Outcome 1: We have decarbonised our own operations

In FY22 our Board endorsed our target to achieve net zero scope 1 and 2 greenhouse gas emissions by 30 June 2025. We have started delivering on this by signing two power purchase agreements for renewable energy (see case study below for further details). These agreements mean that 70% of our average annual energy consumption is now covered by a combination of onsite solar and offsite wind. We are investigating and assessing plans for converting the remaining 30% to renewable sources in line with our target.

Energy efficiency remained a key consideration in our sustainable asset management plans. We continued our lighting upgrade program, replacing over 250 lights at Port Botany, Port Kembla and Enfield with LEDs and lighting timers. This, combined with our regular building maintenance and management program, resulted in a 4% reduction in electricity consumption from FY21.

We are planning to transition our fleet of nine (mostly utility model) vehicles to electric vehicles. We started this project during FY22 by investigating suitable replacement models and concluded that they are not currently available in the Australian market. We will continue to monitor this. We have also commenced investigations into suitable locations for renewable energy powered vehicle charging infrastructure.

Our total operational waste rose slightly in FY22 as many of our team returned to offices after COVID-19 lockdowns ended. However, our waste management practices saw a greater portion of this waste diverted from landfill. For further detail, see our Sustainability Performance Data Supplement on page 24.

Outcome 2: We are effectively collaborating in the decarbonisation of our broader port and intermodal terminal precincts

In our 2022 Sustainability Strategy we committed to two strategic initiatives to enable us to deliver on this outcome:

- implement a sustainable procurement procedure and a Supplier Code of Conduct, and
- work with our tenants and customers to investigate and develop decarbonisation roadmaps for our precincts.

Both initiatives are planned to commence in 2023.



Alignment to SDG Targets



7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.



12.6 ...adopt sustainable practices and integrate sustainability information into their reporting.



13.3 Build knowledge and capacity to meet climate change.

Target	Key Performance Indicator	FY21 Actual	FY22 Actual	Trend	Commentary
OUTCOME 1: WE HAVE DECARBONISED OUR OWN OPERATIONS					
Net zero scope 1 & 2 emissions by end of FY25	Scope 1 emissions (tCO ₂ e)	41	38	On target	
	Scope 2 emissions (tCO ₂ e)	2,065	1,344	On target	
100% renewable sourced electricity by end of FY25	Renewable electricity (%)	3	24	On target	This figure is the percentage of renewable electricity consumed in the financial year.
OUTCOME 2: WE ARE EFFECTIVELY COLLABORATING IN THE DECARBONISATION OF OUR BROADER PORT AND INTERMODAL TERMINAL PRECINCTS					
Define and measure our scope 3 emissions and work with our customers and suppliers to reduce these	By FY25 scope 3 emissions to be defined and measured.	—	—	—	We will complete a baseline scope 3 emissions inventory in FY23 and use this to inform how we will track progress against this target in future.

CASE STUDY

Commitment to net zero scope 1 and 2 greenhouse gas emissions target plus signing of two Power Purchase Agreements

NSW Ports continues to champion decarbonisation as we work toward a cleaner, greener future. In December 2021, we formally committed to a 'net zero scope 1 and 2 greenhouse gas emissions by 2025' target and signed our first renewable energy power purchase agreement (PPA) as part of a group of seven infrastructure assets. The PPA covers our largest electricity meters and will see electricity purchased from the Stockyard Hill wind farm in Victoria.

In June 2022 we signed a second PPA with FlowPower, this time purchasing wind from the Sapphire Wind Farm in NSW. Both agreements include the procurement of load matching large-scale generation certificates (LGCs) which we will retire each year to account for our purchased renewable electricity.



BUILD RESILIENCE



Why is it important to us?

Ports are a critical part of global supply chains and their reliability and performance are essential to a flourishing economy and society.

We recognise the strategic value of anticipating, withstanding and learning from disruptive events – whether environmental, social or regulatory – to create a smarter, stronger and more resilient port supply chain.

Outcome 1: We have the systems, processes and relationships in place to enable our business to withstand and adapt to changing conditions and to recover positively from shocks and stresses.

Resilience at NSW Ports takes many forms – including managing and adapting to the impacts of a changing climate, business disruption, and cyber threats. In FY22 we completed a study to identify the physical climate risks to the ports, intermodal terminals and supply chains (see case study for more information). We also undertook an assessment of our current climate risk practices and processes using the Taskforce on Climate-related Financial Disclosures (TCFD) framework. We have developed a workplan which we will begin implementing in FY23.

We are progressing the development of an Internet-Of-Things (IOT) enabled data portal that will bring real-time data from several established monitoring stations (eg noise) and supplier portals (eg electricity) into a centralised reporting dashboard. In FY22 we initiated the project and completed requirements scoping with specialists from across our business.

We also strengthened our IT security by conducting a cyber security maturity assessment in consideration of the requirements of the Critical Infrastructure Act. The cyber risks and mitigation actions identified were reported to the Audit and Risk Committee of our Board.

We delivered staff awareness and crisis management training in accordance with our Business Resilience Framework. Emergency exercises were conducted at Port Botany, Port Kembla and Enfield, and our emergency plans were updated to improve coordination with emergency services and security monitoring activities.



Alignment to SDG Targets



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.

13.3 Build knowledge and capacity to meet climate change.

Target	Key Performance Indicator	FY21 Actual	FY22 Actual	Trend	Commentary
OUTCOME 1: WE HAVE THE SYSTEMS, PROCESSES AND RELATIONSHIPS IN PLACE TO ENABLE OUR BUSINESS TO WITHSTAND AND ADAPT TO CHANGING CONDITIONS AND TO RECOVER POSITIVELY FROM SHOCKS AND STRESSES					
More than 90% of training, drills and exercises in our business resilience framework completed by due date	Business resilience framework actions completed by due date (%)	—	—	—	This is a new measure with data becoming available in FY23
All material climate-related risks (physical and transition) identified and embedded in organisational risk registers	Key climate related risks monitored (%)	—	—	—	This is a new measure with data becoming available in FY23

CASE STUDY

Climate Risk Study

Infrastructure assets, including ports, intermodal terminals and the key freight routes that form part of their supply chains, are potentially vulnerable to the impacts of climate change and extreme weather. Investigating, understanding and responding to these risks is an important part of ensuring NSW Ports remains resilient and responsible across our operations.

NSW Ports engaged WSP Australia to assess the resilience and adaptive capacity of NSW Ports' assets and operations to the physical risks of climate change.

This meant identifying infrastructure and operational processes that are vulnerable; assessing related risks; reviewing the effectiveness of current measures and systems; and recommending improvements to boost resilience. The assessment was completed in December 2021.

Reliable climate projection data unfortunately remains sparse on several key variables for maritime and landside activities, however, 36 climate-related risks in total were identified for NSW Ports.

Four significant risks related to the impact of higher swells on pilotage services, embers from local bushfires creating safety and environmental risks at bulk liquids terminals, hailstorms damaging imported vehicles and other machinery, and bushfire smoke impacting general outdoor port operations.

While management of much of these risks is not the direct responsibility of NSW Ports – given our landlord operating model – we are committed to working with our customers, tenants and suppliers to consider the recommendations and how to address them.



SUPPORT THRIVING COMMUNITIES



Why is it important to us?

People are key to our success. A strong social licence, built on effective engagement and a thriving workforce, is critical to our business.

Listening to our customers, stakeholders, local communities and employees helps us plan for and invest in initiatives that create equitable, safe, healthy and prosperous environments.

Outcome 1: Our communities understand the important role of our assets and feel positive towards our business and its success

With around one third of Port Botany's workers and almost all of Port Kembla's workforce living in neighbourhoods surrounding the ports, our communities are closely intertwined with our business.

The management and mitigation of noise is an important community issue. We have implemented a range of initiatives and we work proactively with the community, local councils, regulatory authorities and port operators to monitor and mitigate noise impacts on residential areas. In FY22, we conducted one-on-one engagement with the shipping lines that call at Port Botany to brief them on low frequency ship noise, request data on auxiliary engine operations, and identify ship noise mitigation measures. This tactic has been successful in eliminating noise complaints from six vessels that were the primary source of complaints at Port Botany. We also installed an additional noise monitor in the Port Botany network.

We are investing to help build strong and inclusive communities that are able to thrive over the long term. Collectively, these initiatives saw us invest over \$450,000 into our local communities in FY22. In FY22, our community grants program awarded grants of between \$5,000 and \$25,000 to 17 local projects, services and initiatives. The full list of 2022 Community Grants and further details on each recipient is available [here](#).

In addition to our grants program, NSW Ports sponsors several local community organisations, including:

- Maroubra and South Maroubra Surf Lifesaving Clubs
- Port Kembla Surf Lifesaving Club
- Mission to Seafarers chapters at Port Botany and Port Kembla
- Conservation Volunteers Australia
- Permaculture Partners – Living Classroom Program

You can find out more about our community sponsorship program and the outcomes achieved [here](#).



We have committed to commencing our reconciliation journey in FY23.

Outcome 2: Our workplaces are safe, healthy, diverse and inclusive environments that support the wellbeing, professional development and engagement of people

We are driven by ensuring the safety, health and wellbeing of our employees and the people that visit our sites. We have a strong workplace health and safety reporting culture. Over one hundred safety improvement actions were completed during FY22 in response to inspections and reported events. Additionally, we completed a comprehensive review and improvement of the Port Botany Bulk Liquids Berth safety management system.

We are committed to encouraging and supporting the professional development of all our employees. In FY22 we invested in development programs for our Executive Leadership Team and staff. The latter program consisted of technical and people management skills, including coverage of flexible working environments. We also continued to build a pipeline of talent for our business by employing a graduate Operations Coordinator.

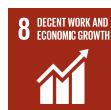
We are committed to upholding human rights in our operations and supply chain, and do not condone the use of child labour, forced or compulsory labour, or other forms of intimidation or coercion. We seek to ensure safe working conditions, including the elimination of discrimination and harassment and to collaborate with industry to address collective human rights challenges that we face.

Our FY22 Modern Slavery statement is available [here](#).

Alignment to SDG Targets



- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.



- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking.
- 8.8 Protect labour rights and promote safe and secure working environments for all workers.



- 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Target	Key Performance Indicator	FY21 Actual	FY22 Actual	Trend	Commentary
OUTCOME 1: OUR COMMUNITIES					
Establish a social impact monitoring and evaluation framework	In FY23 a monitoring and evaluation framework will be developed.	—	—	—	We undertake regular reviews and evaluation of our community investment program to ensure it remains fit for purpose. In FY23 we will progress the development of a monitoring and evaluation framework for our social sustainability work.
OUTCOME 2: OUR WORKPLACES					
More than 90% of safety actions closed by due date	Safety actions completed by due date (%)	95	95	Target exceeded	
Maintain an employee engagement score of more than 75%	Employee engagement score (%)	86	85	Target exceeded	

CASE STUDY

Seafarer vaccinations

Today, there are more than 1.6 million seafarers who work on merchant ships worldwide – many of whom spent more than 12 months on ships during the peak of the COVID-19 pandemic when health protocols restricted crew changes. It was during this time that NSW Ports launched the Seafarers Vaccination Program – an Australian first. Since May 2021, NSW Ports has worked with health officials to provide vaccines to seafarers at Port Botany, and a similar program commenced soon after at Port Kembla.

In FY22 1,417 vaccinations were given to seafarers at Port Botany, while 1,020 vaccinations were given to seafarers at Port Kembla. Our Operations Manager was awarded the Seafarers Welfare Award at the 2021 Daily Cargo News Australian Shipping & Maritime Industry Awards for his outstanding efforts spearheading the initiative.



GRI CONTENT INDEX

STATEMENT OF USE

NSW Ports has reported the information cited in this GRI content index for the period 1 July 2021 to 30 June 2022 with reference to the GRI Standards.

GR1 REFERENCED

GR1: Foundation 2021

APPLICABLE GRI SECTOR STANDARD(S)

Nil

Number	Disclosure	Location	Remarks
GRI 2: GENERAL DISCLOSURES 2021			
The organization and its reporting practices			
2-1	Organizational Details	NSW Ports FY22 Sustainability Report: About this report page 1 and back cover	
2-2	Entities included in the organisation's sustainability reporting	NSW Ports FY22 Sustainability Report: About this report page 1	
2-3	Reporting period, frequency and contact point	NSW Ports FY22 Sustainability Report: About this report page 1 and back cover	
2-4	Restatements of information		NSW Ports has no restatements of information from prior years to be advised.
2-5	External Assurance		This report has not been externally assured.
Activities and workers			
2-6	Activities, value chain and other business relations	NSW Ports FY22 Sustainability Report: Our business at a glance page 4 NSW Ports Corporate Brochure available at: www.nswports.com.au/publications	
2-8	Workers who are not employees		NSW Ports has no workers who are not employees
Governance			
2-9	Governance structure and composition	NSW Ports FY22 Sustainability Report: Governance page 6 NSW Ports website: www.nswports.com.au/our-board-and-executive-team	
2-10	Nomination and selection of the highest governance body	NSW Ports FY22 Sustainability Report: Governance page 6	
2-11	Chair of the highest governance body	NSW Ports FY22 Sustainability Report: Governance page 6 NSW Ports website: www.nswports.com.au/our-board-and-executive-team	

Number	Disclosure	Location	Remarks
2-12	Role of the highest governance body in overseeing management of impacts	NSW Ports FY22 Sustainability Report: Governance page 6 NSW Ports 2022 Sustainability Strategy: Governance, measurement and reporting page 9	
2-13	Delegation of responsibility for managing impacts	NSW Ports FY22 Sustainability Report: Governance page 6 NSW Ports 2022 Sustainability Strategy: Governance, measurement and reporting page 9	
2-14	Role of the highest governance body in sustainability reporting	NSW Ports FY22 Sustainability Report: Governance page 6 NSW Ports 2022 Sustainability Strategy: Governance, measurement and reporting page 9	
2-15	Conflicts of interest	NSW Ports FY22 Sustainability Report: Governance page 6	
2-16	Communication of critical concerns	NSW Ports FY22 Sustainability Report: Governance page 6	
Strategy, policies, and practices			
2-22	Statement on sustainable development strategy	NSW Ports FY22 Sustainability Report: Message from the CEO page i NSW Ports 2022 Sustainability Strategy: Message from the CEO page 1	
2-27	Compliance with laws and regulations		There were no incidents of non-compliance with laws and regulations.
Stakeholder engagement			
2-29	Approach to stakeholder engagement	NSW Ports FY22 Sustainability Report: Governance page 6	
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	NSW Ports FY22 Sustainability Report: Our sustainability approach pages 8-9	
3-2	List of material topics	NSW Ports FY22 Sustainability Report: Our sustainability approach pages 8-9	
3-3 (a-d only)	Management of material topics	NSW Ports FY22 Sustainability Report: Our sustainability approach pages 8-9	

GRI CONTENT INDEX (CONTINUED)

Number	Disclosure	Location	Remarks
GRI 205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken		There were no incidents of corruption.
GRI 206: Anti-competitive Behaviour (2016)			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		NSW Ports was not a participant in any legal action for anti-competitive behaviour, anti-trust or monopoly practices.
GRI 302: Energy (2016)			
302-1	Energy consumption within the organisation	Sustainability Performance Data Supplement page 24	
302-3	Energy intensity		Omitted. We do not currently have a common denominator that is publicly available information.
302-4	Reduction of energy consumption	NSW Ports FY22 Sustainability Report: Champion Decarbonisation pages 14-15 Sustainability Performance Data Supplement page 24	
GRI 303: Water and Effluents (2018)			
303-3	Water withdrawal	n/a	
303-4	Water discharge	n/a	
303-5	Water consumption	Sustainability Performance Data Supplement page 24	
GRI 305: Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	NSW Ports FY22 Sustainability Report: Champion Decarbonisation pages 14-15	
305-2	Energy Indirect (Scope 2) GHG emissions	NSW Ports FY22 Sustainability Report: Champion Decarbonisation pages 14-15	
305-4	GHG emissions intensity		Omitted. We do not currently have a common denominator that is publicly available information.

Number	Disclosure	Location	Remarks
GRI 306: Waste 2020			
306-3	Waste generated	Sustainability Performance Data Supplement page 24	
306-4	Waste diverted from disposal	Sustainability Performance Data Supplement page 24	
306-5	Waste directed to disposal	Sustainability Performance Data Supplement page 24	
GRI 403: Occupational Health and Safety (2018)			
403-8	Workers covered by an occupational health and safety management system	Sustainability Performance Data Supplement page 24	
403-9	Work-related injuries	Sustainability Performance Data Supplement page 24	
GRI 404: Training and Education (2016)			
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Performance Data Supplement page 24	
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Performance Data Supplement page 24	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	NSW Ports FY22 Sustainability Report: Our business at a glance page 4	
405-2	Ratio of basic salary and remuneration of women to men		Omitted. Due to the specialised nature of our work, NSW Ports does not have sufficient comparable roles to report this metric.
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken		There were no incidents of discrimination.
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments and development programs	NSW Ports FY22 Sustainability Report: Support Thriving Communities pages 18-19	
413-2	Operations with significant actual and potential negative impacts on local communities	NSW Ports FY22 Sustainability Report: Support Thriving Communities pages 18-19	

NSW Ports does not currently publicly report information related to the following requirements, and has omitted them from the GRI Content Index above: 2-7, 2-17, 2-18, 2-19, 2-20, 2-21, 2-23, 2-24, 2-25, 2-26, 2-28, and 2-30.

SUSTAINABILITY PERFORMANCE DATA SUPPLEMENT

Strategic priority	Measure	FY21 Actual	FY22 Actual	Trend
 Steward forecast growth	Total water consumed	19,377kL	18,721kL	●
	Percentage reduction in water over previous year	-37%	-3%	●
	Total waste generated (T)	66	80	●
	– Total recycled (T)	25	41	●
	– Total recycled (%)	38	51	●
	– Total sent to landfill (T)	41	39	●
	– Total sent to landfill (%)	62	41	●
	Heritage items under management	15	15	●
 Champion decarbonisation	Habitats protected or restored	2 hectares	2 hectares	●
	Energy consumption – renewables			
	– Solar and Wind (GJ)	308	2,305	●
	Energy consumption – non-renewables (GJ)			
	– Diesel	507	465	●
	– Petrol	24	22	●
	– Electricity	9,527	7,125	
	Reduction in energy consumption (as a direct result of conservation and energy efficiency programs - %)	0	-4	●
 Support thriving communities	Workers covered by an OH&S management system (%)	100	100	●
	Work related injuries/ill health			
	– Medical Treatment Injury	2	0	●
	– Lost Time Injury	0	0	
	Average hours of training:			
	– per employee	16	31	●
	Programs for upgrading employee skills and transition assistance programs	Outsourced career management and transition services provided. The programs offer: <ul style="list-style-type: none"> – Individual coaching on networking, creating a digital profile and communication. – Seminars on how to search for jobs, create a CV. – Access to career portal with online teaching tools on range of topics. 		
	Employees receiving regular performance and career development reviews (%)	100	100	●

Note: No supplementary performance measures are reported for the 'Build resilience' strategic priority.

● On target/target met

● Behind target/target not met

● No change





www.nswports.com.au

1300 922 524
enquiries@nswports.com.au

Port Botany

Gate B103, Level 2, Brotherson House
Penrhyn Road
Port Botany NSW 2036

Port Kembla

Level 3, Maritime Centre,
91 Foreshore Road,
Port Kembla NSW 2505