

**SYDNEY PORTS CORPORATION**

# SUSTAINABILITY REPORT 2008/09



# OUR SUSTAINABILITY VISION

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Sydney Ports believes sustainability is a fundamental corporate responsibility. We have a long-term commitment to provide for future growth of the port, and minimise the risk to the environment, our staff and the community, in the most equitable and efficient way possible.

In reading this report, please be advised that this report covers the sustainability performance of Sydney Ports and Sydney Pilot Service and is current at the time of writing, first quarter 2010. All data and figures have been reported for the 2008/09 year.

Due to the long-term nature of our sustainability objectives, we have chosen to release a limited report this year, primarily available in electronic form.

For further information, please refer to the Sydney Ports 2007/08 Sustainability Report, 2008/09 Annual Report, and the Sydney Ports website at [www.sydneyports.com.au](http://www.sydneyports.com.au).

# EXECUTIVE SUMMARY

SYDNEY PORTS CORPORATION (SYDNEY PORTS) IS THE OWNER AND MANAGER OF THE COMMERCIAL PORTS OF SYDNEY HARBOUR AND BOTANY BAY. PART OF THIS ROLE ALSO INCLUDES OVERLOOKING THE LANDSIDE OPERATIONS AT ENFIELD AND COOKS RIVER. SYDNEY PORTS IS A LANDOWNER OF PROMINENT WATERFRONT AND ENVIRONMENTALLY SIGNIFICANT PROPERTY, AND PLAYS A KEY ROLE IN SUPPORTING THE NEW SOUTH WALES ECONOMY. SYDNEY PORTS AIMS TO ENSURE A BALANCE BETWEEN THE COMPETING INTERESTS OF THE PORT, LOCAL COMMUNITIES AND THE ENVIRONMENT.

Sydney Ports integrates sustainability into all of its business decisions and activities as part of its role as a leader and advocate to preserve the environment and its limited resources for future generations.

Sydney Ports' Sustainability Policy guides all decisions made by the corporation to assess and consider sustainability frameworks. Sydney Ports' annual sustainability report highlights examples of sustainable practices it has achieved to date and the strategies the corporation will be focusing on in the future.

The 2008/09 financial year was a challenging year for Sydney Ports with a number of major projects commencing that all work towards a more efficient and sustainable port. These projects include the Port Botany Expansion (PBE) project, the Port Botany Landside Improvement Strategy (PBLIS) and Intermodal Logistics Centre (ILC) at Enfield. Naturally these projects increased staff numbers throughout the year, which led to an increase in resource consumption in some areas of the business, such as diesel, electricity and water. Sydney Ports recognises that the long-term sustainable benefits of these projects will outweigh some of these short-term increases in energy use. That said, Sydney Ports also managed to reduce its energy consumption in other areas of the business, such as, gas and petrol.



In 2008/09, Sydney Ports continued to work with the New South Wales Government to move more goods by rail – working towards a target of moving 40% of containers by rail – and manage the growth in freight trucks on our roads. Intermodal and distribution centres are crucial to achieving this goal. The ILC at Enfield will facilitate this increased share of containers onto rail and help ease congestion in the Port Botany precinct at the same time.

Other sustainable practices carried out by Sydney Ports in 2008/09 include:

- The \$AU8 million environment enhancement works at Penrhyn Estuary, Port Botany, which is part of the PBE project. Key features of the enhancement works include the creation of a 2.4 hectare planted saltmarsh habitat, and a 6.5 hectare habitat suitable for seagrass; expansion of intertidal sand flats for shorebird feeding; and the construction of a bird hide.
- Building a state-of-the-art operations centre at Port Botany. The new energy-efficient operations centre will showcase an environmentally sustainable design based on Sydney Ports' *Green Port Guidelines*.
- Exceeding our commitment of 180 hours of paid employee volunteering by 20 hours, providing 200 hours of Sydney Ports' time to support "Earth Hour" and the business "Clean Up Australia Day" in 2008/09.

- The implementation of internal resource reduction programs, such as stickers and posters to remind staff to "switch off" resources when not in-use; ceramic mugs to replace paper and plastic cups; and default print settings to double-sided and black and white printing.

Sydney Ports continues to proactively work with industry and community to explore further sustainable practices and renewable energy options to provide a safe, efficient, sustainable and environmentally friendly port service.



# INTRODUCTION

SYDNEY PORTS' SUSTAINABILITY REPORT FOR 2008/09 IS THE THIRD IN ITS SUSTAINABILITY REPORT SERIES. THE REPORT PROVIDES AN UPDATE TO ITS STAKEHOLDERS ON THE SUSTAINABILITY COMMITMENTS MADE IN 2007/08 AND TO HIGHLIGHT SUSTAINABLE PRACTICES THE CORPORATION UNDERTOOK IN 2008/09.

SYDNEY PORTS' SUSTAINABILITY POLICY COMPRISES SEVEN KEY COMMITMENTS. THE CHAPTERS OF THIS REPORT HAVE BEEN STRUCTURED USING EACH OF THESE COMMITMENTS.

To ensure that sustainability is an internal philosophy integral to all business decisions, creating a balance between short-term priorities and long-term benefits.

## PHILOSOPHY

To continually decrease the amount of resources consumed including water, energy and materials used by Sydney Ports.

## RESOURCES

To protect the environment from adverse impacts associated with the port and its operations.

## ENVIRONMENT

To continue a mutual relationship and better understanding between the community, the port and its operators.

## COMMUNITY



To increase employee satisfaction to attract and retain staff, and to ensure a diverse, healthy and safe workplace.

## STAFF

To plan for and facilitate port growth, increase in trade and maintain essential infrastructure.

## GROWTH

# PORT OPERATIONS & SUPPLY CHAIN

To advocate and facilitate sustainable practices in the planning, development and operation of the port supply chain and to influence port operators to conduct sustainable business.

# RESOURCES

PORT OPERATIONS CAN BE ENVIRONMENTALLY FRIENDLY AND COMMERCIALY VIABLE. SYDNEY PORTS AIMS TO CONTINUALLY DECREASE THE AMOUNT OF RESOURCES USED BY THE CORPORATION, INCLUDING WATER, ENERGY AND MATERIALS.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### ✓ → INVESTIGATE RENEWABLE ENERGY OPTIONS SUITABLE TO PORT OPERATIONS

Sydney Ports has begun installing appropriate renewable energy options in its developments.

This includes:

- roof solar panels on the new Operations Centre at Port Botany that will provide energy to power the new building, and louvers that reduce the heating and cooling requirements within the building;
- solar lighting along the new shared pathway at Foreshore Beach and the Mill Stream lookout. The use of solar lighting reduces energy requirements and removes the need to install cabling along the pathway length.

Further renewable energy options across the port precinct will continue to be investigated over the 2009/10 financial year.

Sydney Ports continues to encourage its tenants to explore renewable energy options through the adoption of the *Green Port Guidelines*. This publication is available on the Sydney Ports website at [www.sydneyports.com.au](http://www.sydneyports.com.au) and click on → Environment and → Environmental Publications.

### → INSTALL SUB-METERING IN ADDITIONAL LOCATIONS TO BETTER UNDERSTAND SYDNEY PORTS' WATER USAGE

Sydney Ports monitors the water supplied to container vessels via a permit system. The stevedores at Port Botany (DP World and Patrick) provide Sydney Ports with water usage data every month. The actual usage is compared to the approved permit amount for each vessel. If a vessel has taken on board more than the approved amount, the shipping agent is advised of the breach and the conditions associated with the provision of fresh water in Sydney are reiterated. Reinforcing this rule and encouraging good behaviour has resulted in a limited number of repeat breaches by vessels. Permit compliance is similarly monitored at the Bulk Liquids Berth and at the cruise passenger terminals. Sydney Ports has found that compliance is high with the majority of vessels submitting permits and complying with the approved amount.

Investigations are currently underway to install sub-meters at all common user berths within Sydney Harbour and for the proposed second Bulk Liquids Berth at Port Botany. The installation of sub-meters and ongoing monitoring of all water usage is an ongoing commitment for Sydney Ports.

### → LAUNCH AND RAISE AWARENESS OF RESOURCE REDUCTION PROGRAMS THROUGH OUR INTERNAL WORKING GROUP

The internal working group has continued to raise awareness of the resource reduction programs throughout 2008/09. Current resource reduction programs include:

- stickers on individual computers and lights to encourage staff to "switch off" these resources when not in-use;
- posters next to print hubs, which aim to reduce unnecessary printing;
- ceramic mugs for all staff to replace the use of paper and plastic cups;
- Sydney Ports' IT department has default all print settings to double-sided and black and white printing.

In addition to the internal programs, staff were encouraged to/and participated in Earth Hour 2009 and Business Clean Up Australia Day.

KEY ✓ = Achieved ✗ = Not achieved → = Ongoing



## COMMENTS

### SYDNEY PORTS' FOOTPRINT

Sydney Ports monitored direct and indirect energy consumption from its own activities as illustrated in Figure 1. Energy used in buildings, facilities and operations of Sydney Ports' vehicle and vessel fleet is presented in Figure 1. This data only relates to activities undertaken by Sydney Ports and does not include energy used by tenants or the shipping lines using the ports.

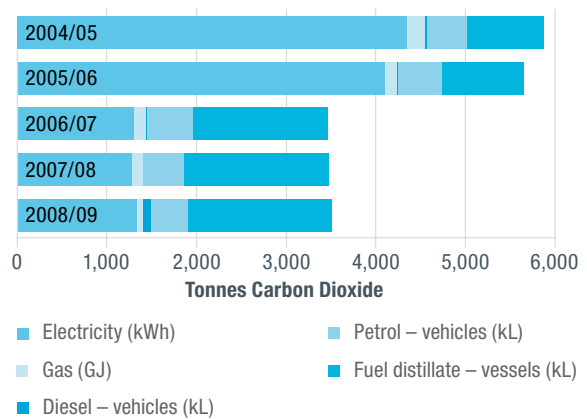
FIGURE 1: ENERGY CONSUMPTION 2007/08 TO 2008/09

TYPE	2007/08	2008/09
Electricity (kWh)	1,332,425	1,384,936
Gas (GJ)	1,598	980
Diesel – vehicles (kL)	1,6304	30,061
Petrol – vehicles (kL)	177.894	156.784
Fuel distillate – vessels (kL)	488.83	488.69

The large increase in the use of diesel was due to the shift from gas to diesel by Sydney Ports' vehicle fleet, as well as the increase in projects underway in 2008/09, such as the Port Botany Expansion. A large proportion of the decrease in gas consumption is attributed to a decrease in the number of functions held at the cruise passenger terminal at Darling Harbour Wharf 8.

Since 2003, Sydney Ports purchased 10% of its electricity from GreenPower accredited renewable energy sources. Taking this renewable energy consumption into account, Sydney Ports' activities resulted in the release of 3,512 tonnes of carbon dioxide in 2008/09 slightly up from 3,475 tonnes in 2007/08. This increase is associated with the combined increased in diesel and electricity use.

FIGURE 2: DIRECT AND INDIRECT CARBON DIOXIDE EMISSIONS 2004/05 TO 2008/09



Sydney Ports continues to monitor its total water consumption at operational facilities. The total does not include the water consumption from tenants or when ships are in berth. Ships water usage is managed by a permit system (see "Resources"). In 2008/09, Sydney Ports used 48,177 kilolitres, increasing 15% from 41,854 kilolitres in 2007/08. This increase is largely due to the water consumption of the cooling tower at the Overseas Passenger Terminal, which services the whole building. The quantity of water reported includes water used directly or indirectly by tenants. Water usage by tenants directly affects the total water usage.

This increase is also due to "whole of building cooling" used at the cruise passenger terminals at the Overseas Passenger Terminal and at Wharf 8. The events and functions held at these sites are included in the 2008/09 report. Shipping water usage at the Bulk Liquid Berth has not been included.

## COMMITMENTS FOR 2009/10

- » Continue to investigate more efficient renewable energy options suitable to port operations.
- » Continue to raise internal awareness of Sydney Ports' resource consumption and efficiency.

# ENVIRONMENT

SYDNEY PORTS PLAYS A SIGNIFICANT ROLE IN MANAGING TWO OF NEW SOUTH WALES' MOST VALUABLE NATURAL RESOURCES – SYDNEY HARBOUR AND BOTANY BAY. OUR AIM IS TO PROTECT THE ENVIRONMENT FROM ADVERSE IMPACTS ASSOCIATED WITH THE PORT AND ITS OPERATIONS.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### → DEVELOP AND IMPLEMENT A SUSTAINABILITY POLICY

Sustainable decisions are being made across the entire corporation and examples of the use of Sydney Ports' sustainability policy is demonstrated through a number of initiatives currently being undertaken by the corporation. These initiatives and major projects incorporate Sydney Ports' sustainability by planning for the future and include the Port Botany Expansion (PBE); Intermodal Logistics Centre (ILC) at Enfield (see Growth); Port Botany Landside Improvement Strategy (PBLIS) (see Port Operators & Supply Chain); the Bulk Liquids Berth 2 and new employee health and wellbeing programs (see Our People).

Objectives and goals of the Sydney Ports sustainability policy will be further developed in 2009/10 and elements of the policy will continue to be implemented throughout the year.

### → DEVELOP A CLIMATE CHANGE STRATEGY AND ENGAGE STAFF AND TENANTS TO REDUCE GREENHOUSE IMPACTS, INCLUDING RESEARCH INTO RENEWABLE ENERGY OPTIONS SUITABLE TO PORT OPERATIONS; AND COMPLETE A CLIMATE CHANGE RISK ASSESSMENT

Sydney Ports engaged its tenants through its Port Botany Tenant Sustainability Forum where they completed the *Green Port Guidelines* checklists as required under the Port Botany Development Code. The forum and checklists encourage tenants to reduce their energy usage through infrastructure design; construction and operation (see Port Operators).

In 2008/09, Sydney Ports received four *Green Port Guidelines* checklists, a scheme that is designed to encourage Sydney Ports' tenants to improve the sustainability of its developments. Within these checklists port tenants commit to the sustainability challenge by considering and incorporating environmental initiatives within their developments, including on-site water treatment, use of low sulphur diesel fuel, green procurement checklists, native plantings and sensor lighting.

Sydney Ports' activities in 2008/09 resulted in the release of 3,512 tonnes carbon dioxide-equivalent. As part of its long-term goal to reduce energy usage, Sydney Ports is in the process of investigating renewable energy options.

Sydney Ports recognises the potential impact of climate change on its infrastructure and operations and therefore commenced assessing the risk of climate change impacts to its business. During the second half of the 2008/09 financial year, Sydney Ports conducted an internal risk assessment to determine the potential physical, operational and financial impacts of climate change to Sydney Ports' assets and operations.

The assessment reviewed all available national and international documentation regarding climate change initiatives within the port industry, and internal workshops to identify potential risks, strategies to address the risks and opportunities.

The assessment identified issues relating to climate change and determined specific areas where additional information is required to further investigate potential impacts. This will help facilitate planning and development, and identify mitigation measures to reduce potential climate change impacts.

In 2009/10, Sydney Ports will gather further information required to identify areas where mitigation actions may be required.

KEY ✓ = Achieved ✗ = Not achieved ⇌ = Ongoing

## PREPARE A HERITAGE MANUAL FOR STAFF TO ASSIST IN HERITAGE ASSET MANAGEMENT

Sydney Ports is currently preparing a heritage manual that aims to educate staff members about heritage issues and to outline heritage management procedures. It is expected to be finalised by mid-2010 and will be distributed to all relevant employees.

In addition to the heritage manual, Sydney Ports is undertaking the first annual review of its Section 170 Heritage and Conservation Register, as part of Sydney Ports Heritage Asset Management Strategy. The review involves assessing the status of all items on the Section 170 Register. The assessment includes information regarding the significance status of all items such as the significance increase in the item from the previous year (local-to-state or state-to-national), the condition of all items, and maintenance that is required to maintain the integrity of the items. This includes minor and major maintenance works.

## CONTINUE PARTICIPATING IN EVENTS SUCH AS “CLEAN UP AUSTRALIA DAY” AND “EARTH HOUR” TO RAISE ENVIRONMENTAL AWARENESS

Sydney Ports has continued its support of environmental events over the past year participating in “Earth Hour” for the third consecutive year and the business “Clean Up Australia Day” for the second consecutive year.

In 2009, over 50 employees from Sydney Ports and Baulderstone (Sydney Ports' Port Botany Expansion contractor) removed over 180 kilograms of rubbish from Yarra Bay as part of the business “Clean Up Australia Day”.

2009 was the third year that Sydney Ports participated in “Earth Hour”. All lighting and electrical equipment (not required for safety and security reasons) was switched off for the hour. At Sydney Ports' 24-hour operational sites and in publically accessible areas, lighting was reduced to a minimum to ensure compliance with Occupational Health and Safety and maritime security requirements.

Participating Sydney Ports' locations included, the Corporate Office at Kent Street; Moores Wharf; Overseas Passenger Terminal (including tenants); Darling Harbour Wharf 8; Glebe Island; White Bay; Harbour Control Tower and the Port Botany precinct (which also included a number of tenants).

Sydney Ports aims to continue its participation in environmental and sustainability events.

## CONTINUE HABITAT ENHANCEMENT WORKS AND ENVIRONMENTAL PROTECTION OF PENRHYN ESTUARY FOR THE PORT BOTANY EXPANSION PROJECT

The habitat works at Penrhyn Estuary are progressing with a range of works to be completed within the exclusion zone before the commencement of the 2009/10 migratory bird season.

The works have involved re-contouring the estuary; construction of roosting islands; removal of mangroves and weeds; transplanting of existing saltmarsh from the construction zone to other areas of the estuary to ensure its survival; and collection of saltmarsh seeds and stem pieces from within the estuary and other areas around Botany Bay. These works will propagate over 200,000 saltmarsh plants for planting during winter/spring 2009.

Protection of the environment, particularly Botany Bay, during the construction of the port expansion, has been a key factor in planning and undertaking the works. A significant effort has gone into environmental protection of the area in 2008/09 including:

- the use of silt curtains and continuous turbidity monitoring buoys for water quality protection
- environmental monitoring of:
  - water quality
  - noise and vibration
  - dust, erosion and sedimentation
  - seagrass
  - saltmarsh and mangroves
  - shorebirds
  - marine wildlife
  - odour associated with dredged materials
  - heritage
  - bird hazard
  - waste
  - contamination including acid sulphate soils
  - pests
  - terrestrial ecology

For monitoring results please visit the Sydney Ports' website at [www.sydneyports.com.au](http://www.sydneyports.com.au) and click on → Port Botany Expansion → Environmental Management → Monitoring and Reporting.



## COMMENTS

### ENVIRONMENTAL NOTICES

There were no environmental notices issued against Sydney Ports in 2008/09, which is the same result as 2007/08.

Our approach is to integrate the identification and management of environmental risks and issues across business functions and processes at all levels of Sydney Ports, making environmental management an integral part of the way Sydney Ports does business.

### DANGEROUS GOODS AUDITS AND FINES

Sydney Ports recognises that dangerous and hazardous goods moved by port customers through Sydney's waterways every day is a concern for residents and landowners located near port precincts.

Sydney Ports play a vital regulatory role in approving the conditions under which such goods are handled and stored in port areas. We investigate, and where necessary, initiate legal action against breaches of dangerous goods regulations.

There were 1,184 dangerous goods audits conducted at container terminals by Sydney Ports in 2008/09, compared to 1,080 audits in 2007/08. The number of dangerous goods penalties issued by Sydney Ports in 2008/09 was 572, compared to 908 penalties 2007/08 (reduced by 37%). Compliance with Sydney Ports' *Dangerous Goods Management Guidelines* has reduced the number of audits required and penalty notices issued.

### MARINE POLLUTION

Sydney Ports is a responsible corporate citizen working in Sydney Harbour and Botany Bay. We carefully monitor all port-related activities such as shipping, cargo handling, dredging, construction and storage of bulk liquids to ensure that any potential risks to the marine environment and water quality are eliminated or minimised.

Sydney Ports undertakes inspections and audits to ensure such activities meet environmental safety requirements. Sydney Ports responds to and investigates all reports of marine pollution and has highly trained staff and equipment to manage clean-up activities. Sydney Ports is a regulator of the *NSW Marine Pollution Act 1987* and can authorise penalties of up to \$AU10,000,000.

In 2008/09 there were 216 marine pollution reports to Sydney Ports. None of these pollution reports were a result of Sydney Ports' activities or commercial shipping operations. In comparison, 191 marine pollution reports were issued in 2007/08 (none of these reports were caused by Sydney Ports or commercial shipping).

## COMMITMENTS FOR 2009/10

- » Commence implementation of agreed action plan to address climate change risks.
- » Mitigate potential impacts on the environment from the Port Botany Expansion project through monitoring and managing construction activities.
- » Continue habitat enhancement works and environmental protection of Penrhyn Estuary as part of the Port Botany Expansion project.
- » Continue participating in environmental events such as "Clean Up Australia Day" and "Earth Hour".

# COMMUNITY

SYDNEY PORTS HAS A RESPONSIBILITY TO MANAGE THE IMPACTS OF OUR BUSINESS ON THE WELLBEING OF THE COMMUNITIES IN WHICH WE OPERATE. OUR AIM IS TO CREATE A MUTUALLY BENEFICIAL RELATIONSHIP AND A BETTER UNDERSTANDING BETWEEN THE COMMUNITY, THE PORT AND ITS OPERATORS.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### COMPLETE THE UPGRADE OF ELECTRONIC ACCESS CONTROLS AT VEHICLE AND PEDESTRIAN ACCESS POINTS.

The upgrade of these access control arrangements has begun and will continue to be implemented at key vehicle and pedestrian access points. Implementation of a common access control system has been completed at Moores Wharf, Bulk Liquids Berth and the Marine Services Glebe Depot. Upgrading of the access control systems at the Sydney Ports Operations Centre is being undertaken in conjunction with the construction of the new facility which is scheduled to be completed in early 2010.

### SET UP A COMMUNITY LIAISON COMMITTEE AND ROAD TRANSPORT COORDINATION GROUP FOR THE INTERMODAL LOGISTICS CENTRE (ILC) AT ENFIELD

With construction commencing on the ILC at Enfield, Sydney Ports established the ILC Community Liaison Committee, which includes members of the local community, local businesses and the ILC at Enfield project team. The Community Liaison Committee facilitates effective communications between these members about any issues or concerns they may have about the development of the intermodal logistics centre. The first meeting was held in May 2009. Meetings are held quarterly or as required and are chaired by an independent chairperson.

The Road Transport Coordination Group meets to identify and manage of local traffic issues associated with the ILC at Enfield construction works. This will help ensure that there is transparency between Sydney Ports, NSW Roads and Traffic Authority, NSW Department of Planning, Strathfield Municipal Council and Bankstown Council.

### CONTINUE TO AIM FOR 180 HOURS OF PAID EMPLOYEE VOLUNTEERING




In 2008/09, Sydney Ports contributed approximately 200 hours of paid employee volunteering to a variety of projects including "Clean Up Australia Day"; the Joseph Varga Art Show; the Local Eyes Community Photographic Exhibition and the United Way Christmas Tree Appeal. We aim to reach our commitment of 180 hours in 2009/10.

### PARTICIPATE IN THE BUSINESS "CLEAN UP AUSTRALIA DAY" IN 2009 WITH THE AIM OF INCREASING THE INVOLVEMENT OF THE WIDER PORT COMMUNITY

Sydney Ports participated in the business "Clean Up Australia Day" in 2009 with members of Sydney Ports and Baulderstone (Sydney Ports' Port Botany Expansion contractor) working together to remove over 180 kilograms of rubbish from Yarra Bay (see Environment).

### REVIEW OUTCOMES OF THE TRAILER PARKING TRIAL ON FORESHORE ROAD WITH A VIEW TO MAKING THE BAN PERMANENT

Trailer parking and speeding at Port Botany is a concern for the local community. A decision was made at the Foreshore Road Stakeholder Group Meeting in April, 2009, to support the continuation of the ban on trailer parking on Foreshore Road, to improve the amenity and safety for port users and the community. In addition to this ban, the group also supported the move to permanently reduce the speed limit on the road (originally 90 km/h). In September 2008, the speed limit was reduced to 80km/h with a further reduction to 70km/h for road works being conducted as part of the Port Botany Expansion. Once construction is complete, it is intended that the speed limit will revert to 80 km/h.

KEY  = Achieved  = Not achieved  = Ongoing



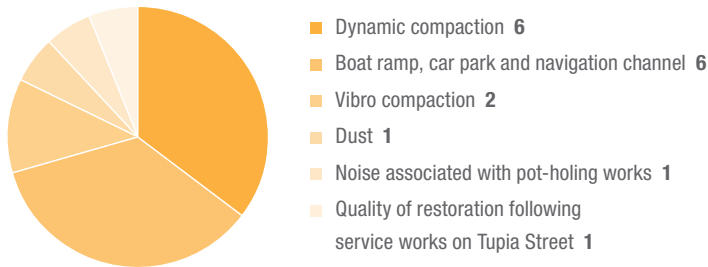
**MANAGE POTENTIAL IMPACTS ON THE COMMUNITY FROM THE PORT BOTANY EXPANSION PROJECT THROUGH PROACTIVE EDUCATION AND AWARENESS CAMPAIGNS AND BY MONITORING AND MANAGING THE CONSTRUCTION ACTIVITIES**

The Port Botany Expansion project team works closely with the local community and relevant stakeholders to minimise the potential environmental, community and construction impacts associated with the large-scale construction project. As part of the consultation process, the team provides information to the local community of the current construction progress and the location of works. Updates are provided to the community through:

- the Community Consultative Committee;
- Project News – Community Newsletters;
- the Community Information Board at Penrhyn Boat Ramp;
- static and variable message signage;
- 24 hour 1800-project information and complaints phone line;
- advertisements in local papers and other relevant special-interest publications; and
- the Sydney Ports website.

During the first year of construction, the project received 17 complaints from the community. The type and number of complaints are outlined in Figure 3.

FIGURE 3: PORT BOTANY EXPANSION COMMUNITY COMPLAINTS 2008/09



KEY ✓ = Achieved ✗ = Not achieved ⇌ = Ongoing



## COMMENTS

### COMMUNITY CONSULTATION

#### Port Botany Expansion

Preparations for the third container terminal at Port Botany started in June 2008, with joint venture construction contractor Baulderstone – Jan de Nul Consortium establishing its site office in mid-July. Baulderstone and Jan De Nul have community relations staff on site and a “1800” project information phone line.

To effectively manage community interests of the expansion project, Sydney Ports established the Port Botany Expansion Community Consultative Committee (PBE CCC) in August, 2006. The Committee, which has an independent chair, consists of representatives from Sydney Ports, Baulderstone Jan De Nul consortium, Botany and Randwick Councils, local business and the surrounding community.

The role of the group is to provide advice on local and environmental issues as a part of the expansion project. The PBE CCC provides advice on the environmental performance of the development, including any construction or environmental management plans, monitoring results, audit reports and complaints. Sydney Ports has a section on its website which includes information on the PBE CCC activities and meeting minutes.

The PBE CCC is required to meet quarterly – however given the size and pace of the works – the Committee generally meets every six weeks. As a result, the committee held nine meetings in 2008/09.

#### Intermodal Logistics Centre at Enfield

The \$AU200 million Intermodal Logistics Centre (ILC) at Enfield will help move containers closer to their final destination by rail in a way that is more efficient and environmentally sustainable.

As the commencement of construction drew closer, Sydney Ports established the Intermodal Logistics Centre Community Liaison Committee (CLC). The CLC aims to facilitate effective communication and consultation between the local community, businesses and the project team. The meetings are held quarterly and chaired by an independent chairperson. The CLC commenced its meetings in May, 2009.

The Road Transport Coordination Group (RTCG) has continued to meet to discuss the management of local traffic issues associated with the project. The group will continue to meet throughout the construction of the project to ensure traffic issues are identified and

managed in the most efficient and effective way between the relevant parties. Members of the RTCG include representatives of Sydney Ports, NSW Department of Planning, NSW Road and Traffic Authority, Strathfield Municipal Council and Bankstown Council.

### COMMUNITY BENEFIT PROJECTS

As part of the PBE project, Sydney Ports is spending \$AU30 million on community facilities in the areas surrounding the port. These facilities include:

- a four lane boat ramp, with 131 car and trailer parking spaces;
- enhancement of the Foreshore Beach dune areas with new native vegetation plantings;
- a pedestrian and cycle path;
- solar lighting;
- a new amenities building with toilets, water bubbler, shower and foot-washing facilities;
- a recycled water system that will capture water from the car park and amenities building roof, for use in toilets and washing boat engines;
- a pedestrian bridge to link Sir Joseph Banks Park with the beach and a second pedestrian bridge over the Botany Freight Line at Banksia Street;
- a new lookout at the Mill Stream with parking and a new pathway linking it to the beach;
- a viewing platform and bird hide at Penrhyn Estuary;
- separate road access for trucks from the new terminal onto Foreshore Road that will improve traffic flows; and
- the construction of a new \$AU3 million gymnasium at J.J. Cahill Memorial High School at Mascot. The new gymnasium was completed in early 2010 and is currently being used by students and by community groups outside of school hours.

### COMMUNITY INVESTMENT AND SPONSORSHIP

Sydney Ports have been actively supporting several industry and community groups over a number of years and we recognise there is an ongoing need to provide funding and support to different groups through both sponsorship and charitable donations. In December, 2002, Sydney Ports launched the “Sydney Ports Community Care Program”, which is managed in partnership with United Way.

Sydney Ports supports United Way through financial contributions from the corporation and its employees, as well as by providing volunteer support.

**COMMUNITY**

This year, the Sydney Ports' cricket tournament raised additional contributions for United Way. Sydney Ports also provided in kind contribution for an art exhibition at the Overseas Passenger Terminal that raised \$AU13,000 for the Joseph Varga School in Randwick.<sup>1</sup>

Other Sydney Ports' community sponsorships in 2008/09 included:

- Australia Day Council of New South Wales – Sydney Ports Jazz on the Water and Australia Day Best Dressed Vessels;
- Balmain Art and Craft Show;
- Botany Bay Business Enterprise Centre events;
- Botany Bay Regatta;
- International Mirror Class Association Regatta; and
- Sydney Harbour Swim Classic.

**NOISE**

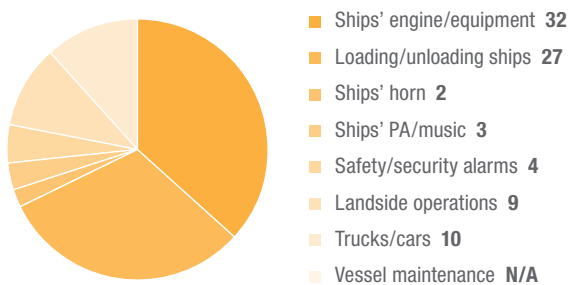
The majority of Sydney's ports are surrounded by the community who are potentially impacted by noise from port operations and activities. To assist in managing and monitoring noise concerns, Sydney Ports' Harbour Control operates a 24 hour hotline to report environmental incidents, complaints and emergencies

**Glebe Island and White Bay**

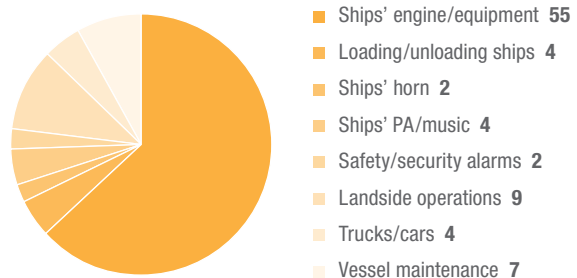
In 2008/09, Sydney Ports received 87 noise complaints from the community, (the same number of complaints were received in 2007/08). Of these complaints, 67 noise complaints were from White Bay (compared to 46 in 2007/08) and 10 complaints from Glebe Island (compared to 29 in 2007/08). This is linked to a greater number of activities occurring in White Bay compared to Glebe Island.

The majority of the noise complaints were related to ship noise such as engines, generators and fans, which are required to operate as part of safe commercial shipping operations.

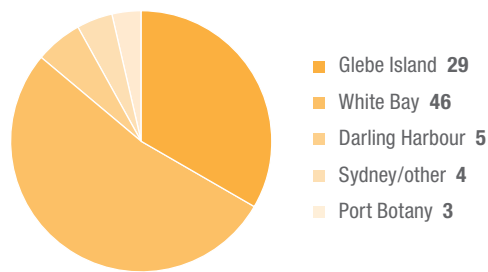
**FIGURE 4: NOISE COMPLAINTS BY TYPE 2007/08**



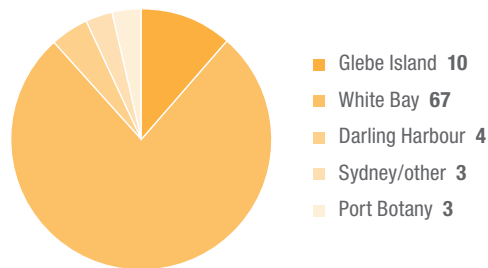
**FIGURE 5: NOISE COMPLAINTS BY TYPE 2008/09**



**FIGURE 6: NOISE COMPLAINTS BY LOCATION 2007/08**



**FIGURE 7: NOISE COMPLAINTS BY LOCATION 2008/09**



The Glebe Island and White Bay port precinct is frequently used for a variety of short-term projects, including activities related to construction around Sydney Harbour foreshore and vessel repairs. These activities must comply with standard construction noise requirements, and at times can add to the general operational noise to the port precinct.

**Port Botany**

In 2008/09, there were three noise complaints made regarding port operations at Port Botany, (the same number of complaints received in 2007/08). These noise complaints were related to cargo handling operations and equipment alarms.

Sydney Ports investigates all complaints in order to minimise impacts on the community and review the action to be taken.

## AIR QUALITY

The number of complaints relating to air quality, odour and light spill for port areas in 2008/09 was 31, compared to 24 in 2007/08. The change from last year is relative to the increased number of activities in Port Botany.

FIGURE 8: AIR QUALITY COMPLAINTS BY TYPE 2007/08

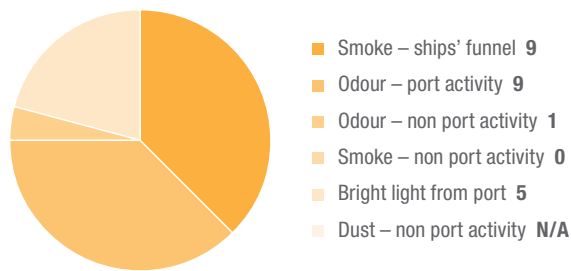


FIGURE 9: AIR QUALITY COMPLAINTS BY TYPE 2008/09

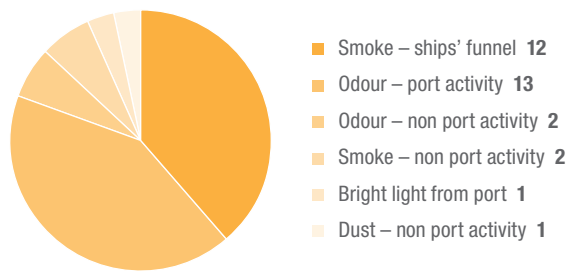


FIGURE 10: AIR QUALITY COMPLAINTS BY LOCATION 2007/08

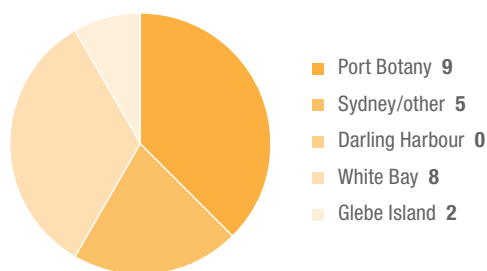
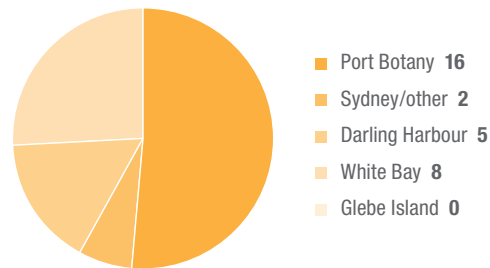


FIGURE 11: AIR QUALITY COMPLAINTS BY LOCATION 2008/09



Complaints received for Port Botany (16 complaints) were all made by operators in the port precinct rather than members of the general public and have been included in this report for completeness.

## TRAFFIC

In addition to the trailer parking ban on port roads and Foreshore Road, Sydney Ports is committed to working with all port stakeholders to minimise traffic impacts of the Port Botany Expansion and ensure the roads around Port Botany are safe.

Sydney Ports has developed and implemented a traffic management plan for the Port Botany Expansion project. The traffic management plan is regularly updated as works associated with the project change. To avoid night time traffic noise all heavy goods are delivered within the agreed construction hours. Major works along Foreshore Road are conducted during the night to minimise the impact on daytime traffic. There have been no specific traffic incidents as a result of the Port Botany Expansion works.

<sup>1</sup> The Joseph Varga School operates for children with learning disabilities, conduct disorders or emotional disturbances and receives funding from United Way.

## COMMITMENTS FOR 2009/10

- » Increase staff participation of workplace giving by launching an online workplace giving program.
- » Commit to undertaking at least one Corporate Connect team volunteering event to assist one of our local community organisations.
- » Reactivate the Community Care Committee as a network of champions to increase employee participation in the Community Care Program, through team volunteering, workplace giving and other activities.
- » Continue community benefit projects.

# OUR PEOPLE

AS A MANAGER OF MAJOR INFRASTRUCTURE IT IS VITAL SYDNEY PORTS DEVELOPS AN APPROPRIATE MIX OF SKILL, EXPERIENCE AND PERFORMANCE TO MEET THE NEEDS OF OUR STAKEHOLDERS AND ACHIEVE OUR CORPORATE GOALS. OUR AIM IS TO INCREASE EMPLOYEE SATISFACTION TO ATTRACT AND RETAIN STAFF, AND TO ENSURE A DIVERSE, HEALTHY AND SAFE WORKPLACE.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### ➡ FINALISE AND ROLL OUT THE LEADERSHIP DEVELOPMENT PROGRAM

The Leadership Development Program was finalised in 2007/08 and Sydney Ports commenced with the rollout of the competency library to staff in all areas. Competency workshops were also held.

Competencies were rolled out across the corporation and they are continuing to be refined. In line with the competencies, research has been undertaken to secure new providers for the Executive Leadership and Management Development Program, with the intention of undertaking the training across the corporation in 2009/10.

### ✓ REPEAT THE ORGANISATIONAL CULTURE INVENTORY SURVEY

A Culture Survey was undertaken during early 2009/10 to establish benchmarks in a move towards a high performance culture at Sydney Ports.

### ✓ ➡ REVIEW AND UPDATE OCCUPATIONAL HEALTH & SAFETY (OH&S) PERFORMANCE MEASURES, INCLUDING THE DEVELOPMENT OF LEAD INDICATORS

Following approval from the Sydney Ports Board of Directors, changes have been made to the OH&S performance measures. The new Key Performance Indicators (KPIs) are focused on positive and proactive indicators, rather than negative lag indicators. A number of new KPIs are now in the process of being implemented. The positive indicators include safety observation walks, hazard close-out meetings and timelines, and changes to the measurement of loss time injuries.

### ✓ ➡ REVIEW CONTRACTOR SAFETY MANAGEMENT AND RISK MANAGEMENT SYSTEMS

The Contractor Safety Management System review is completed with a new system detailing the OH&S requirements for the engagement of contractors.

The system identifies the key OH&S activities required at each stage of Contractor Management and incorporates a legislative and risk management approach for contractors so potential risks to health and safety are identified, assessed and controlled.

### ✓ ➡ INITIATE AND LAUNCH A BEHAVIOURAL SAFETY PROGRAM TO INCLUDE SAFETY WALKS, OBSERVATIONS, TALKS AND A COMMUNICATION CAMPAIGN

The Safety Walk Program has been developed over the past year and was launched in late 2009. The walks are designed to promote dialogue about health, safety, security and environmental issues; as well as the requirement to report all incidents and near misses and identify ways to improve safety. The number of walks per person/per year will be measured to ensure compliance with KPIs.

**KEY** ✓ = Achieved ✗ = Not achieved ➡ = Ongoing



### **EXTEND THE SAFE WORKING PROGRAM TO DEVELOP SAFE WORK METHOD STATEMENTS, RISK ASSESSMENTS, PROCEDURES AND TRAINING ACROSS ALL BUSINESS UNITS**

Following the successful implementation of the program in the maintenance and survey services sections in 2007/08, the Safe Working Program was integrated into the Marine Operations Quality Management System. The process involved consulting employees and reviewing all associated procedures.

### **CREATE AN ONLINE KPI AND PERFORMANCE MANAGEMENT SYSTEM**

The performance management system was reviewed and relaunched in 2008/09. Corporate Business Performance KPIs are being progressed in the form of a Corporate Performance Dashboard. The existing staff performance management system has been overhauled and was relaunched in December 2009. Sydney Ports aims to have the system available online in 2010.

### **ENSURE APPROPRIATE ACCOMMODATION – EITHER REFURBISHING THE OFFICES AT 207 KENT STREET OR FINDING NEW ACCOMMODATION IN LINE WITH SYDNEY PORTS' GREEN PORT GUIDELINES AND NSW GOVERNMENT POLICY**

Sydney Ports relocated its corporate office from Kent Street Sydney, to new offices at Bond One, 20 Windmill Street, Walsh Bay. The move was successfully completed in August 2009.

Sydney Ports' OH&S Team was heavily involved in the design of the new office fit out at Bond One. The team worked in consultation with the Sydney Ports Project Managers and designers to ensure employee safety. The OH&S Team organised a selection of ergonomic chairs to be personally fitted to each employee and conducted ergonomic assessments of all workstations.

The new corporate office is an open plan space to encourage communication and cross-team interaction. The building has been designed to include contemporary fixtures and fittings, break out areas, natural light and new equipment.

The new Sydney Ports Operations Centre at Port Botany is on target for completion in mid-2010. The building will be an example of the use of Sydney Ports' *Green Port Guidelines* and will house state-of-the-art communications and vessel traffic management systems. The building includes the following green initiatives:

- Chilled beam air-conditioning system;
- Water harvesting system on roof which will be used for:
  - Toilet flushing
  - Landscape irrigation
  - Wash down area
- Roof solar panels that provide power for the building and sun tracking louvers on the western side of the building to reduce heating and cooling requirements. The power system also includes a power usage indicator to maintain staff awareness; and
- Movement lighting sensors to minimise electricity use in amenity areas.



**KEY** ✓ = Achieved ✗ = Not achieved ⇌ = Ongoing

## OUR PEOPLE



### DEVELOP AN ONLINE INCIDENT AND INJURY REPORTING PROCEDURE FOR SYDNEY PORTS' STAFF

The procedure for online incident and injury reporting was developed in 2008/09. The new procedure has reduced the time required to report an incident. Moving the procedure online will be rolled out following the selection of an appropriate online reporting system in 2009/10.

In conjunction with the safety walks, the new system will encourage staff to report all minor incidents and near misses.



### PRODUCE AN E-LEARNING PORTAL INCLUDING OH&S TRAINING MODULES

Sydney Ports' OH&S Management System is available online for staff to access via the intranet. All documents, procedures and training modules are available, and currently completion of training modules requires the user to print a competency test and declaration form as evidence of completion. The new online system will aim to eliminate the need for printing forms and automate the training verification process.

Sydney Ports is currently evaluating the online training programs available and intend to have the system operational in 2010.



### COMPLETE WORKCOVER NSW'S WORKING TOGETHER PUBLIC SECTOR OHS & INJURY MANAGEMENT STRATEGY AUDIT

As required by WorkCover NSW, Sydney Ports successfully completed the *Working Together Public Sector OH&S and Injury Management Strategy Systems Audit* in March 2009. The audit on the OH&S Management System, conducted by an independent external auditor, focused on the Sydney Ports implementation of WorkCover's *Working Together* deliverables. Sydney Ports is working towards addressing the recommendations from the audit and this process will continue over the next 12 months.



### FURTHER INTEGRATE SAFETY ASPECTS INTO THE MARINE OPERATIONS QUALITY MANAGEMENT SYSTEM

The Marine Operations Quality Management System was comprehensively reviewed during the year with the risks associated with each task and related safe work method statement being integrated into the procedures to provide one point of reference for each task.

**KEY** ✓ = Achieved ✗ = Not achieved ⇨ = Ongoing



## COMMENTS

### RECRUITMENT, RETENTION AND WORKFORCE PROFILE

Turnover of staff has remained consistent from 14.6% (36 employees) in 2007/08 compared to 14.4% (39 employees) in 2008/09. Sydney Ports has an ageing workforce, and a proportion of the turnover can be attributed to retirement, with over a third of leavers over 50 years old. Next year, Sydney Ports will review its workforce profile and undertake workforce planning activities to ensure it can meet future business demands, through the implementation of effective recruitment, retention and development strategies.

FIGURE 12: EMPLOYEE BY TYPE OF EMPLOYMENT 2007/08

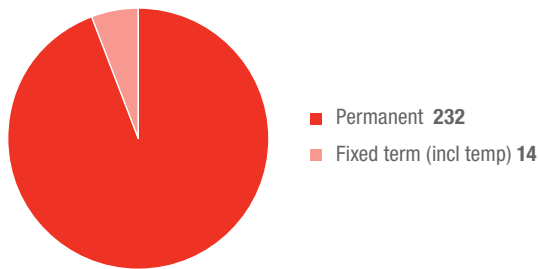


FIGURE 13: EMPLOYEE BY TYPE OF EMPLOYMENT 2008/09

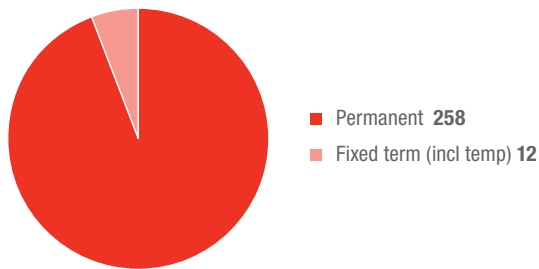
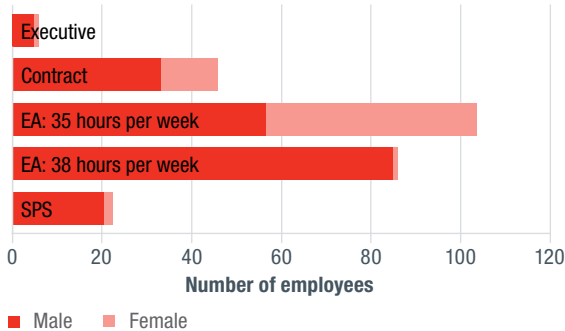
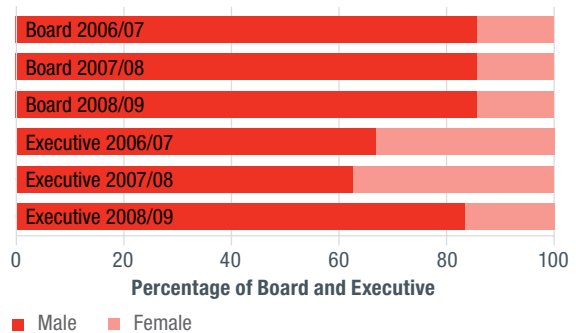


FIGURE 14: EMPLOYEE CATEGORY BY GENDER 2008/09



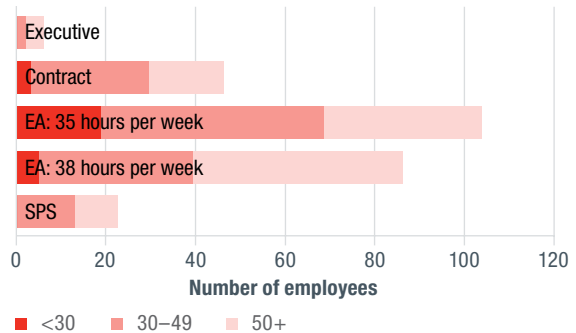
At the end of June 2009, women comprised 24.1% of Sydney Ports' total workforce of 270 and 16.6% of executive ranks. In the previous year, 22.7% of employees were women and 37.5% of Sydney Ports' executives were women.

FIGURE 15: BOARD AND EXECUTIVE BY GENDER 2006/07 TO 2008/09



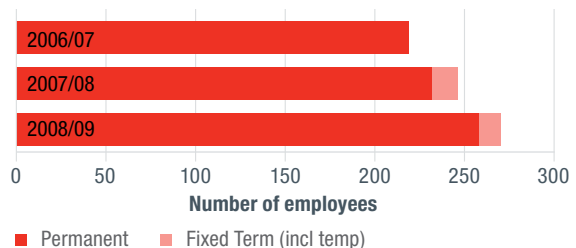
In 2008/09, 27 employees were aged under 30; 92 were aged 30-49; and 128 were aged 50+.

FIGURE 16: EMPLOYEE CATEGORY BY AGE 2008/09



There was an increase in full, part-time and permanent employees at Sydney Ports in 2008/09. This increase was driven by a demand for additional staff to help manage the development of the Port Botany Expansion project and the Intermodal Logistics Centre at Enfield Project.

FIGURE 17: EMPLOYEE BY TYPE OF EMPLOYMENT 2006/07 TO 2008/09



## OUR PEOPLE

There was an increase in the Lost Time Injury Frequency Rate (LTIFR) in 2008/09 from 1.7 to 4.5 with related number of Lost Time Injuries (LTIs) increasing from 1 to 2. The total number of hours lost due to at-work injuries increased from 120 to 194. Whilst there is no pattern to the injuries a refresher induction and incident reporting program was implemented for all staff in the first half of 2009/10.

During 2007/08 the average number of sick leave days taken per employee was 2.43 days. This increased by 10% in 2008/09 to 2.66 days per employee. The average number of sick days per employee has not been compared to a target, as in previous years, due to the removal of sick leave targets in early 2008.

### ENTERPRISE AGREEMENT

During 2008/09, Sydney Ports' total workforce increased by 24 employees, with an overall total of 270 permanent employees. The number of employees covered by the Sydney Ports enterprise agreement remained stable at 72% in 2008/09, compared to 73.5% in 2007/08.

FIGURE 18: EMPLOYEE COVERED BY ENTERPRISE AGREEMENT BY CATEGORY 2007/08

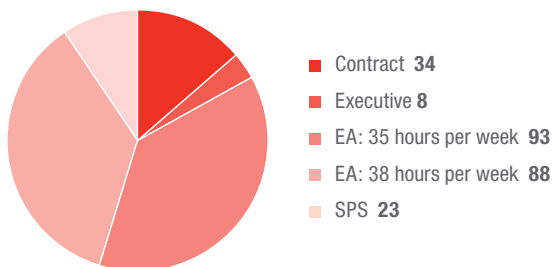
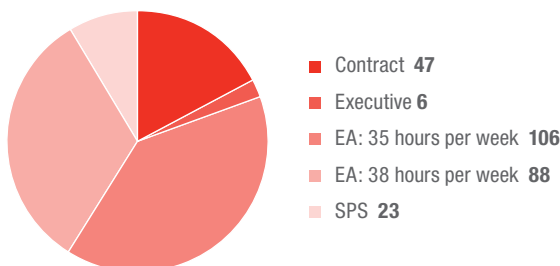


FIGURE 19: EMPLOYEE COVERED BY ENTERPRISE AGREEMENT BY CATEGORY 2008/09



### HEALTH AND WELLBEING PROGRAM

The Health and Wellbeing Program encourages Sydney Ports' employees to be physically fit and to monitor their overall health and lifestyle. Within the last year, employees have participated in an eight-week walking challenge, briefings and seminars on health and fitness, including Detox and Diet Myth Buster seminars, Heart Health and Bone Density Screenings.

In early 2009, a review of potential suppliers was conducted to provide a tailored, innovative Health and Wellbeing Program – this resulted securing in a superior provider in June 2009.

### EMPLOYEE ASSISTANCE PROGRAM

Sydney Ports recognises the importance of supporting employees who experience personal or work related problems by providing all staff with an Employee Assistance Program (EAP). This year, we launched a new EAP via a new provider. The new program gives employees 24 hours access to assessment, consultation and short-term counselling. The service provided includes telephone, face-to-face and online advice. The EAP covers employees and their immediate family and can be accessed directly from the provider in-confidence.

### TRAINING AND DEVELOPMENT

Sydney Ports is committed to providing training and development opportunities for its employees. Over the last year Sydney Ports invested a total of \$AU617,555 in training and developing its employees. This included conference and seminar attendance and skills development training, as well as supporting employees to undertake further education via the Study Assistance policy through the provision of time and financial assistance. Additionally, employees have attended free of charge seminars and undertaken coaching exercises.

Female employees attended a total of 328 hours training during the 2008/09 financial year. This included study assistance and conferences, and represents an average of five hours per female employee. While male employees also participated in training programs during the 2008/09 financial year, this data is not required to be reported. Non English Speaking Background (NESB) employees (both females and males) attended a total of 1,444.5 hours training during the same period. Training costs were \$AU27,545 for female NESB employees and \$AU57,977 for male NESB employees. A total of \$AU107,423 for all females and NESB employees was invested throughout the year. The training costs for female and NESB employees account for 17% of our total training costs.

Sydney Ports will continue its commitment to Equal Employment Opportunities (EEO) during 2009/10, and intends to provide all employees with refresher training courses on harassment and anti-discrimination to ensure our EEO principles are observed.

### **EQUAL EMPLOYMENT OPPORTUNITIES**

Sydney Ports offers all employees positive employment conditions. Flexible working arrangements accommodate cultural and religious differences by providing a day's leave per calendar year to cover National Aborigines and Islander Day of Commemoration celebrations (NAIDOC) or religious holidays. Other initiatives include translating material and signage into various languages to enhance our relationship with our multicultural community; engaging with communities adjacent to major port activity via community liaison groups, newsletters and open days. Sydney Ports' EAP also include interpreter services to ensure that the Program's benefits are accessible to all employees and their immediate families.



## **COMMITMENTS FOR 2009/10**

- » Manage the implementation of a high performance culture across the entire business.
- » Introduce an effective workforce plan for key roles.
- » Overhaul recruitment processes and provider.
- » Introduce an integrated training and development plan across the organisation.
- » Implement leadership training courses.
- » Achieve the minimum number of safety walks per person per year.
- » Ensure ergonomic assessments are performed for all staff.
- » Address findings and close out actions from the Working Together Public Sector OHS & Injury Management Strategy Systems Audit.
- » Roll out refresher safety sessions for all staff to increase OH&S awareness.

# GROWTH

DEVELOPMENT PROJECTS AND NEW OPERATIONS ARE PART OF SYDNEY PORTS' PLANS FOR FUTURE GROWTH. IT IS ALSO A WAY TO IMPROVE PORT EFFICIENCY AND PROMOTE SUSTAINABILITY THROUGH ADVANCED TECHNOLOGY AND PRACTICES. OUR AIM IS TO PLAN AND FACILITATE PORT GROWTH, INCREASE TRADE AND MAINTAIN ESSENTIAL INFRASTRUCTURE.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### ➔ CONTINUE THE CONSTRUCTION OF THE NEW PORT BOTANY OPERATIONS CENTRE WITH THE AIM OF ACHIEVING A 4.5 STAR NATIONAL AUSTRALIAN BUILT ENVIRONMENT RATING SYSTEM (NABERS) ENERGY AND 5 STAR GREEN STAR CERTIFICATION

Sydney Ports is building a state-of-the-art operations centre at Port Botany. Construction is underway with the main building works completed in February 2010, and fit-out is scheduled for completion mid-2010.

The new energy-efficient operations centre will showcase an environmentally sustainable design based on Sydney Ports' *Green Port Guidelines*. A number of initiatives have been included in the design and construction of the building including a chilled beam air-conditioning system; a water harvesting system on the roof that will be used for flushing toilets, landscape irrigation and a wash down area; solar panels and sun-tracking louvers on the building's western side; an indicator to maintain staff awareness of power usage; and movement sensors to control meeting room lights.

Sydney Ports will investigate the possibility of a NABERS and Green Star certification once construction and fit-out of the building is complete.

### ➔ PARTICIPATE IN THE BAYS PRECINCT TASKFORCE

Sydney Ports is an active participant of the NSW Government's Bays Precinct Taskforce. The Taskforce aims to identify and determine the future uses and development of Government owned land on the western side of Sydney Harbour. The areas under consideration include land and berths at Glebe Island and White Bay that are currently managed by Sydney Ports.

Sydney Ports will also participate in the Bays Precinct Community Reference Group throughout 2009 and 2010. The Group, comprising of representatives from community groups, businesses, local councils and local residents will provide feedback to the Taskforce to assist with planning decisions.

### ✓ ➔ COMMENCE CONSTRUCTION OF THE INTERMODAL LOGISTICS CENTRE (ILC) AT ENFIELD

Site preparation and pre-construction works commenced at the ILC at Enfield in December 2008. Works have included; the provision of alternative power, tenancy transition works, stabilisation or relocation of heritage items and commencement of construction of a frog habitat for the endangered Green and Golden Bell Frog and any other native frogs residing at the site.

The site remediation plan is currently being prepared and implemented. A majority of remediation works are now complete. Four stockpiles of material requiring remediation remain on the site. These stockpiles are to be remediated as part of the construction of the main terminal.

Construction of the main terminal is expected to be completed during the last quarter of 2011 with the ILC at Enfield being fully operational in 2012.

**KEY** ✓ = Achieved ✗ = Not achieved ➔ = Ongoing



## CONTINUE THE PORT BOTANY EXPANSION (PBE) PROJECT AND PROCURE A STEVEDORE FOR THE NEW TERMINAL AT PORT BOTANY

The PBE works are continuing with a total of six million cubic metres of material dredged to date. In addition to the dredging during 2008/09, the following works have been undertaken:

- Construction and commissioning of an onsite concrete batch plant to minimise local construction traffic.
- Commencement of the production of counterfort wall units – 640 tonne concrete structures that will form the edge of the wharf.
- Construction of the 3,000 tonne Brotherson Dock transition structures to allow the newly constructed counterfort units to seamlessly attach to the existing seawall.
- Rehabilitation and restoration of Penrhyn Estuary commenced at the end of the exclusion period on 1 April 2009 with recontouring of the existing sand dunes to create 14 hectares of new intertidal shore bird habitat. To date approximately 100,000 cubic meters of sand has been moved, three new bird roosting islands created and a special mix of seagrass wrack and topsoil added as the top 150mm substrate.
- Placement of silt curtains to contain any turbidity caused by dredging has been very successful. The level of turbidity resulting from the dredging was significantly less than was anticipated and well within approved levels.
- Works on Foreshore Road associated with the signalised intersections for the New Terminal access and the new Boat Ramp access are complete.
- The Mill Stream Groyne structure is close to completion and will offer protection to the beach and Mill Stream outlet from the wind and waves.

A number of potential stevedores submitted proposals to operate the new terminal, which were assessed by Sydney Ports. New South Wales Government announced in late 2009 that, Hutchison Port Holdings will be the operator of the third container terminal (T3) at Port Botany.

The project is currently on target to be operational in 2012.

## START CONSTRUCTION OF A SECOND BULK LIQUIDS BERTH AT PORT BOTANY

In mid-2009, the Sydney Ports Board of Directors approved the business case for the construction of a new Bulk Liquids Berth. The detailed design contract was awarded to WorleyParsons in June 2009. It is anticipated that the construction contract will be awarded in the third quarter of 2010, with the berth forecasted to be operational mid-2012.

## COMMENTS

### DEVELOPMENT PROJECTS UPDATE

FIGURE 20: UPDATE ON KEY PROJECTS

PROJECT	PROGRESS	EXPECTED COMPLETION
<b>SYDNEY PORTS PROJECTS</b>		
<b>Bulk Liquids Berth 2</b>	Currently in detailed design phase	End of 2012
<b>PBE project</b>	Currently under construction Stevedore decision announced December 2009	Completion of all works – third quarter, 2012
<b>ILC at Enfield</b>	Construction and remediation	Remediation – 2010 Construction complete – 2012 Fully operational – 2012
<b>Operations Centre at Port Botany</b>	Construction completed mid 2010	Occupation – mid-2010
<b>Overseas Passenger Terminal at Sydney Cove</b>	Gangway construction complete – currently in testing	Expected to commence full operation in 2010
<b>Domestic Passenger Terminal at Wharf 8, Darling Harbour</b>	Currently still operating out of Wharf 8 Location of new terminal recommended by the Bays Precinct Taskforce at White Bay berth 5, in late 2009	Darling Harbour Wharf 8 operations to cease June 2010 A temporary facility will be provided at Darling Harbour Wharf 5 mid-2010 Subject to NSW Government approval, the new terminal is expected to be completed and ready for operation in June 2012
<b>TENANT MAJOR PROJECTS</b>		
<b>White Bay</b>	Bailey's Marine Fuels facility at White Bay 6 approved – June 2009	Operations to commence – fourth quarter 2010
<b>TRADE CHANGES</b>		
<b>Glebe Island</b>	Motor vehicle storage activities ceased on 15 November 2008	

## COMMITMENTS FOR 2009/10

- » Ongoing construction of the Port Botany Expansion project.
- » Ongoing construction of the Intermodal Logistics Centre at Enfield.
- » Integrate sustainable design principles into the planning, design and construction of the new Cruise Passenger Terminal at White Bay.
- » Completion and occupation of the Sydney Ports Operations Centre at Port Botany.

# PORT OPERATORS AND SUPPLY CHAIN

SYDNEY'S PORTS HANDLE MORE THAN \$AU50 BILLION IN INTERNATIONAL AND DOMESTIC TRADE EACH YEAR. OUR AIM IS TO ADVOCATE AND FACILITATE SUSTAINABLE PRACTICES IN PLANNING, DEVELOPING AND OPERATING THE PORT SUPPLY CHAIN AND TO INFLUENCE PORT OPERATORS TO CONDUCT SUSTAINABLE BUSINESS.

## OUR PERFORMANCE AGAINST OUR 2007/08 COMMITMENTS

### PROGRESS WITH THE IMPLEMENTATION OF THE PORT FREIGHT LOGISTICS PLAN

The Port Botany Rail Team (PBRT) has been established to increase the reliability of the rail network at Port Botany. The team includes Sydney Ports representatives, rail access providers, rail operators and stevedores. The team has provided performance reporting on; on-time arrival (across the entire network), stevedore turnaround times and train utilisation. To improve transparency, all performance reports and meeting summaries are published on the Sydney Ports website at [www.sydneyports.com.au](http://www.sydneyports.com.au) and click on "Landside Improvement".

In addition to the PBRT, Sydney Ports has convened the Port Road Taskforce to improve the efficiency of road-based operations in the Port Botany Precinct. As part of this Taskforce, Sydney Ports is working closely with industry to develop and implement the necessary steps required to improve the port-road interface and leading to 24 hour operations to reduce peak time congestion.

### PROGRESS THE INTRODUCTION OF HIGH EFFICIENCY CONTAINER TRUCKS (HECTS) AT PORT BOTANY

Sydney Ports is continuing to work with New South Wales Government, industry and operators to encourage further use of HECTs within the Port Botany Precinct. The trials are still ongoing, with both accredited operators continuing to participate. Sydney Ports is currently assessing the feasibility of extending the trial length of the HECTs and areas of the Port that are able to support these types of vehicles.

### CONTINUE TO WORK WITH NEW SOUTH WALES GOVERNMENT AND INDUSTRY TO INCREASE THE PROPORTION OF CONTAINERS TRANSPORTED BY RAIL AT PORT BOTANY TO 40%

In 2008/09, a total of approximately 305,000 TEUs were transported by rail. This represents a rail mode share of 19.8% (a small increase from 19.1% in 2007/08). Approximately 80% of containers were transported by road. The proportion has remained constant since the previous reporting period.

The Australian Rail Track Corporation (ARTC) has commenced works on the Port Botany Rail Yard Reconfiguration Project to reduce congestion in Botany Rail Yard and Port Botany. The reconfiguration will allow a greater number of trains to enter and exit Port Botany, and therefore increase rail freight capacity at the Port. These works are due for completion in the third quarter of 2010.

In addition to the works on the Botany Rail Yard, ARTC is also constructing the Southern Sydney Freight Line (SSFL). The SSFL will remove the major bottleneck in the freight rail system in southern Sydney. The works will provide a dedicated 36 kilometre, bi-directional freight line from Macarthur Station to East Sefton Junction for the exclusive use of freight trains, removing freight trains from the passenger network. The SSFL will provide greater efficiency for the existing rail network between Enfield and Sefton, where the freight line is currently shared with the passenger network.

KEY ✓ = Achieved ✗ = Not achieved ⇌ = Ongoing

➔ **CONTINUE TO COLLABORATE WITH INDUSTRY AND GOVERNMENT TO MAXIMISE THE EFFICIENCY OF SUPPLY CHAIN MOVEMENTS**

Sydney Ports continued to facilitate transport workshops this year to prepare for peak trade times. The workshops focus on improving efficiency and reducing congestion within and around the port precinct.

In addition to the workshops, Sydney Ports also held and facilitated a number of separate working groups that related to specific sectors in the industry. These groups have been formed as part of the Port Botany Landside Improvement Strategy (PBLIS).

In addition to working with industry at Port Botany, Sydney Ports has also been conducting a traffic management review of the Overseas Passenger Terminal at Sydney Cove during the peak cruise season. The review looks at the implications of changes to traffic management on operations and surrounding businesses and the community.

➔ **PROGRESS WITH RECOMMENDATIONS OF THE INDEPENDENT PRICING AND REGULATORY TRIBUNAL (IPART) REVIEW ON LANDSIDE LOGISTICS AT PORT BOTANY**

Sydney Ports is implementing the recommendations of the IPART review through the PBLIS program. Sydney Ports has taken responsibility for coordinating the improvements within the supply chain. As mentioned previously, two working groups have been established to discuss the proposed changes and facilitate the implementation of changes to the supply chain.

To date, PBLIS has already completed a number of the IPART review's recommendations and is working towards completing all of these recommendations with industry. Sydney Ports acknowledges that a number of the recommendations are long-term and require large scale changes.

One recommendation that would greatly reduce unnecessary resource use is the move to paperless operations. In addition to reducing the use of paper, an automated gate processing system will also reduce the idling time of trucks at the gate, reducing both vehicle emissions and fuel use and improving vehicle turnaround times. Both stevedores agreed to implement paperless automated gate processing systems which were operational in 2010.

✓ ➔ **HOLD THE SECOND PORT BOTANY TENANT SUSTAINABILITY FORUM TO FURTHER PROMOTE SUSTAINABILITY INITIATIVES TO PORT TENANTS**

Sydney Ports held the second Port Botany Tenant Sustainability Forum in February 2009. The forum involved presentations from Sydney Ports, Sydney Water (Every Drop Counts Business Program) and a sustainability consultant (Australian Green Building Council rating system) to highlight sustainable building and operations techniques and support programs which are available for port tenants to implement.

Tenants were also provided with updates on changes to Federal and State sustainability and environmental protection legislation.

**KEY** ✓ = Achieved ✗ = Not achieved ➔ = Ongoing



## COMMENTS

### CONTAINER MOVEMENTS BY RAIL AND ROAD

A total of approximately 305,000 TEUs were transported by rail in 2008/09. This represents a rail mode share of 19.8%, which is slightly above 2007/08. Approximately 80% of containers were transported by road. The proportion has remained constant since the previous reporting period.

FIGURE 21: PORT BOTANY RAIL VOLUMES 1998/99 TO 2008/09

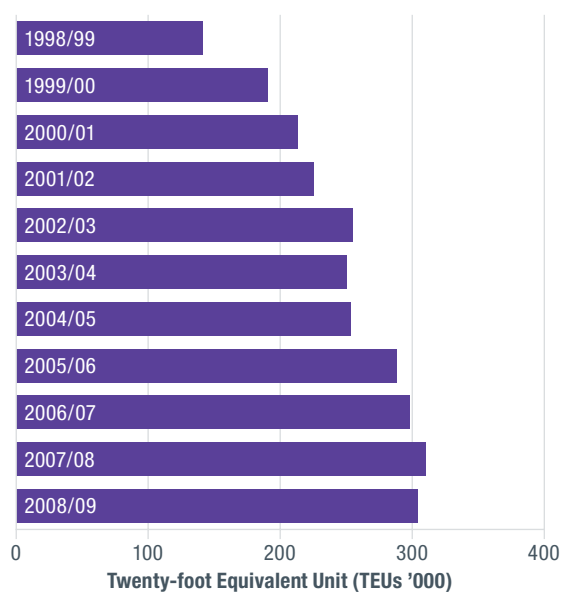
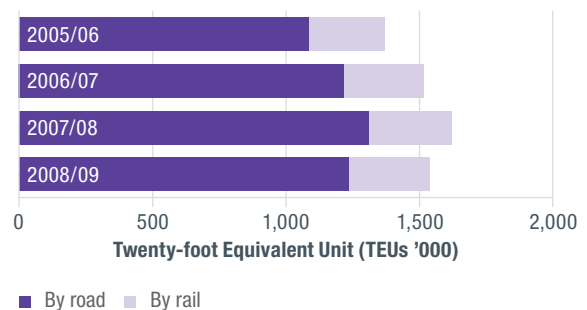


FIGURE 22: TOTAL CONTAINER TRADE BY ROAD AND RAIL 2005/06 TO 2008/09



### STAKEHOLDER SURVEY

A stakeholder survey was undertaken in April 2009, with a group of 20 stakeholders. The aim of this interim stakeholder survey was to gauge Sydney Ports' stakeholder responses to changes and strategies implemented in the past 12 months. The five key focus areas in order to maintain or improve its relationship with its stakeholders were:

1. Pilot performance;
2. the impact of Sydney Ports' organisational changes on stakeholder relationships;
3. stakeholder engagement strategies and improvements;
4. infrastructure capacity/ port developments; and
5. landside access issues, such as road and rail.

The overall satisfaction score from the survey was 7.5 (mean score). In addition to this, the majority of stakeholders commended Sydney Ports' efforts to improve over this period.

## COMMITMENTS FOR 2009/10

- » Encourage and assist stakeholders in the implementation of Super B-Double trucks to increase truck container density and reducing overall road movements within the Port Botany Precinct.
- » Lead implementation of the Port Botany Landside Improvement Strategy including development and implementation of operational performance benchmarks for road transport and alignment of rail paths and windows to increase rail modal share.
- » Complete an origin and destination study for imports and exports through Port Botany to identify cargo areas and relevant supply chains to assist in improving rail modal share.





## OUTLOOK

**AS SYDNEY CONTINUES TO GROW, SO DOES THE DEMAND FOR IMPORTS AND EXPORTS THROUGH SYDNEY'S PORTS. ONE OF THE FUTURE CHALLENGES FOR SYDNEY PORTS IS TO EFFECTIVELY MANAGE THESE IMPACTS ON THE PORT, COMMUNITY AND ENVIRONMENT.**

Sustainable initiatives and projects undertaken by Sydney Ports in 2008/09 – including the Port Botany Expansion (PBE) project; the Intermodal Logistics Centre (ILC) at Enfield and the Port Botany Landside Improvement Strategy (PBLIS) – all work towards a more efficient and sustainable port that will help facilitate this expected future trade growth.

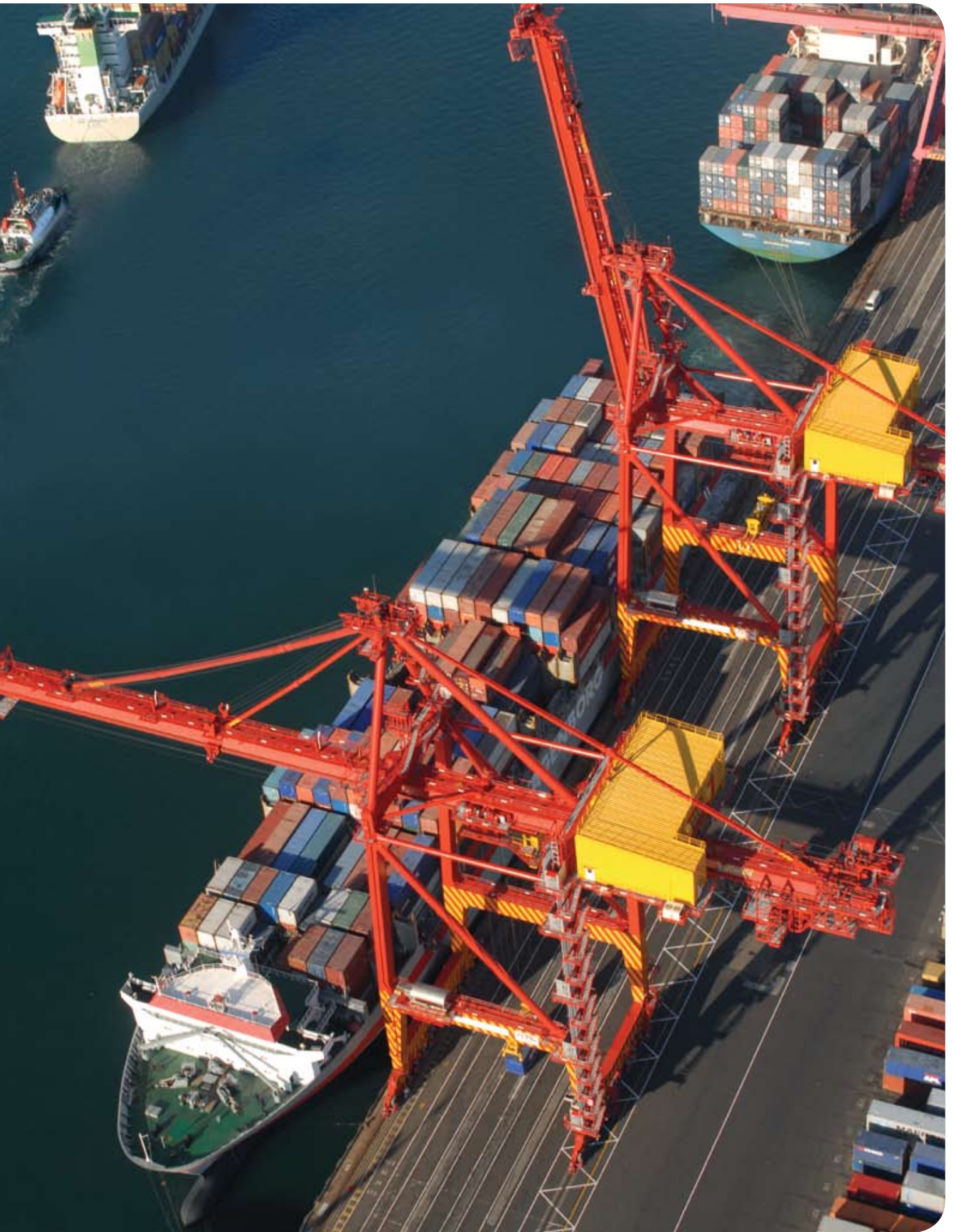
Sydney Ports is working with the New South Wales Government to move more goods by rail – working towards a target of moving 40% of containers by rail – and manage the growth in freight trucks on our roads. Intermodal and distribution centres are crucial to achieving this goal. The ILC at Enfield will facilitate this increased share of containers onto rail and help ease congestion in the Port Botany precinct at the same time.

Continued industry, community and government cooperation and consultation will be integral to the sustainability of Sydney's ports.

Some key sustainability commitments for Sydney Ports in 2009/10 include:

- Commence implementation of agreed action plan to address climate change risks.
- Ongoing construction of the Port Botany Expansion project.
- Mitigate potential impacts on the environment from the Port Botany Expansion project through monitoring and managing construction activities.
- Continue habitat enhancement works and environmental protection of Penrhyn Estuary for the Port Botany Expansion project.
- Ongoing construction of the Intermodal Logistics Centre at Enfield.
- Completion and occupation of the Sydney Ports Operations Centre at Port Botany.
- Integrate sustainable design principles into the planning, design and construction of the new Cruise Passenger Terminal at White Bay.

For further information on this report or queries on logistics matters please call Sydney Ports on +61 2 9296 4999 or email [enquiries@sydneyports.com.au](mailto:enquiries@sydneyports.com.au).



# FEEDBACK FORM

SYDNEY PORTS IS COMMITTED TO IMPROVING OUR SUSTAINABILITY REPORTING AND WOULD APPRECIATE YOUR COMMENTS ON THE 2008/09 REPORT.

My preference for receiving/accessing the report is:

- Hard copy via mail
- Electronic copy via email
- Sydney Ports Corporation website version

My interest in the report is as a:

- Sydney Ports Corporation tenant or operator
- Port related business (e.g. shipping and transport companies)
- Local/neighbouring business
- Government stakeholder
- Member of an environmental group
- Community member/local resident
- Sydney Ports Corporation employee

My rating of the sustainability performance of Sydney Ports Corporation is:

- Excellent
- Very good
- Good
- Fair
- Poor

Further comments or suggestions about the *Sustainability Report 2008/09*:

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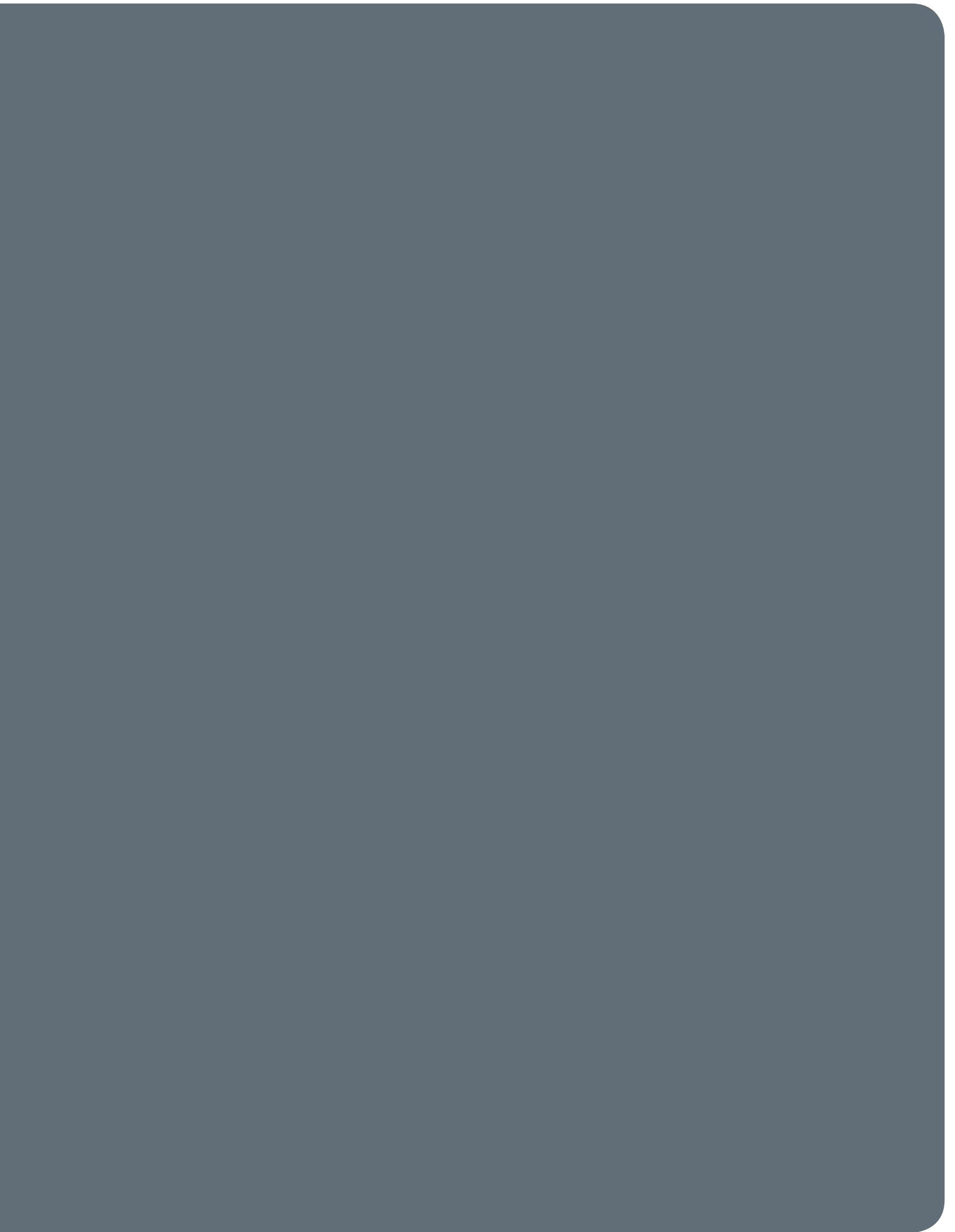
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Sydney Ports Corporation Sustainability Report 2008/09 – July 2010

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