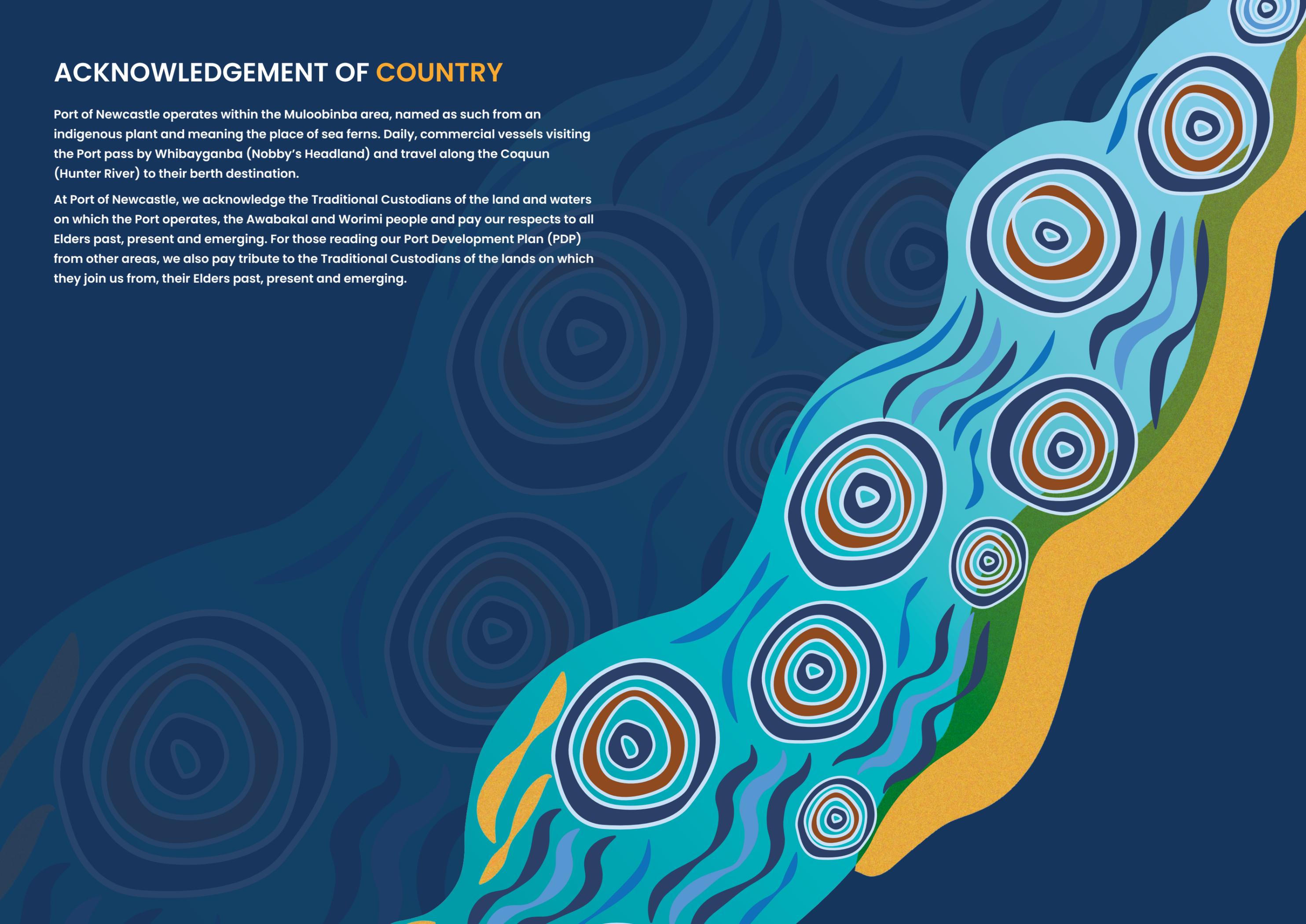


**PORT OF NEWCASTLE
DEVELOPMENT PLAN
2023–2028**

ACKNOWLEDGEMENT OF COUNTRY

Port of Newcastle operates within the Muloobinba area, named as such from an indigenous plant and meaning the place of sea ferns. Daily, commercial vessels visiting the Port pass by Whibayganba (Nobby's Headland) and travel along the Coquun (Hunter River) to their berth destination.

At Port of Newcastle, we acknowledge the Traditional Custodians of the land and waters on which the Port operates, the Awabakal and Worimi people and pay our respects to all Elders past, present and emerging. For those reading our Port Development Plan (PDP) from other areas, we also pay tribute to the Traditional Custodians of the lands on which they join us from, their Elders past, present and emerging.





CONTENTS

| | |
|--------------------------------------|----|
| FOREWORD FROM THE CEO | 1 |
| CHAIR'S FOREWORD | 3 |
| BACKGROUND | 5 |
| WHAT IS A PORT DEVELOPMENT PLAN? | 5 |
| PORT OF NEWCASTLE AT A GLANCE | 8 |
| THE PORT TODAY | 13 |
| PRECINCT-BASED PLANNING | 27 |
| PROGRESS AND ACHIEVEMENTS 2018-2023 | 29 |
| 2023-2027 PORT DEVELOPMENT PLAN | 31 |
| CONTEXT FOR CHANGE | 35 |
| GLOBAL DRIVERS | 35 |
| LONG-TERM TRADE OUTLOOK | 37 |
| REGIONAL STRATEGIC PLANNING | 38 |
| DEVELOPMENT OBJECTIVES AND PROPOSALS | 43 |
| PORT WIDE PROPOSALS | 45 |
| PRECINCT PLAN PROPOSALS | 47 |
| MANAGEMENT FRAMEWORKS | 75 |
| STRATEGIC PLANNING FRAMEWORK | 75 |
| REGULATORY ENVIRONMENT | 79 |
| COMMUNITY RELATIONS | 82 |
| MANAGING URBAN ENCROACHMENT | 83 |
| ENVIRONMENTAL MANAGEMENT | 87 |
| ANNEX A | 91 |
| PORT LEASE CROSS-REFERENCE | 91 |
| ANNEX B | 93 |
| PON'S ENVIRONMENTAL POLICY | 93 |

FOREWORD FROM THE CEO



It is with pleasure that I present to you the Port of Newcastle Development Plan 2023–2028, as required under the Port’s lease.

Since 2018, the global shift in trade and geopolitical priorities has become increasingly evident and critical infrastructure assets must be ready and able to adapt and thrive through change.

Our plan sets out our development priorities for Port of Newcastle over the next five years, which support a diversified, resilient and sustainable business, city and region.

While coal exports are expected to remain relatively consistent volumes towards 2030, and beyond cannot be readily assumed, as in the past. While demand appears to remain high, since the end of 2021, supply has experienced considerable constraints.

Since 2019, Port of Newcastle has been pursuing a diversification strategy. This is driven by a simple and well-known fact: successful trade-

dependent organisations or regions cannot rely on one product or commodity. This is why Port of Newcastle, as the world’s largest exporting coal port, has determinedly pursued developing new trade opportunities.

Port of Newcastle has an ambitious roadmap for diversification. It is Port of Newcastle’s strategy to derive more than 50% of its revenue from a non-coal source by 2030. Our projects, outlined in the Development Objectives and Proposals are the key pillars for delivery of our diversification agenda.

Our roadmap is not just important for Port of Newcastle. The Port is critical infrastructure and a global trade gateway for our region and hinterland. Consequently, success in diversifying the Port’s trade directly translates to the economic prosperity of the entire region.

Port of Newcastle is in the enviable position of having 388ha of vacant land (out of a total of 777ha) that, as of 2023, is available for development.

Combined with a deepwater channel that is only 50% utilised, in number terms, the Port can handle 10,000 ship movements a year. We currently do 4600 giving Port of Newcastle a unique capacity amongst Australian ports to simultaneously develop multiple sites and new trades without delay.

That is why our diversification strategy is underpinned by three major initiatives: our Newcastle Deepwater Container Terminal, our Clean Energy Precinct and our Environmental,

Social, Governance (ESG) targets. The first major project is the growth of container operations, initially through our Multiple Purpose Precinct, then via the Newcastle Deepwater Container Terminal (NDCT).

The NDCT will see over \$2.4-billion invested for design, development and construction, which will not only create a new revenue stream for Port of Newcastle but will provide an economic boost to the State’s economy, along with driving job creation, in particular providing NSW businesses with a more efficient pathway to import and export markets.

Port of Newcastle’s Development Plan is a demonstration of our commitment to ensure the ongoing prosperity of the Hunter Region, our wider catchment, and New South Wales.

The second major project is the Port of Newcastle Clean Energy Precinct. The importance of this project to the region was acknowledged by the Commonwealth Government with their funding investment of \$100-million.

Port of Newcastle’s Clean Energy Precinct will provide land and infrastructure needed to meet our goal of leveraging adjacent hydrogen and ammonia production by 2025 and then scaling the industry via 1.5GW of renewable electricity transmission within five years.

It is our unambiguous aim is to position the Hunter and Port of Newcastle as the epicentre

of Australia’s clean energy economy, thereby retaining the Hunter’s most import existing industry – domestic and international energy.

We are not only diversifying our trade, but also the way the business operates; shifting from the traditional port landlord business model to an integrated owner and operator model.

Just as important is ensuring we do business and operate in a manner that meets our community’s expectations of a modern corporate citizen.

A critical piece of this effort is our Environmental, Social and Governance (ESG) strategy, launched in 2019 and updated in 2021, which is based on data-driven results.

In 2019, our Port was the first in Australia and New Zealand to become EcoPort certified. We have also improved our GRESB score from 40 in 2019 to 95 in 2022, maintaining a 5-star rating. Port of Newcastle has a long-term target of Net Zero by 2040, and in 2023, the Scope 1 and 2 emissions were well below the Port’s SBTi approved target level, with Scope 3 baseline emissions measured and aligned to our 2040 target.

We will continue to work alongside our community and Port stakeholders as we embark on an important and significant phase of growth and diversification. This effort will be encapsulated in Port of Newcastle’s Master Plan which will be updated in 2024.

Craig Carmody
Chief Executive Officer



CHAIR'S FOREWORD



Port of Newcastle has a long and proud history as a coal port, contributing significantly to the prosperity of its region and the nation. Over the years, thanks in no small part to the efficiency of its operations, it has become the largest and most successful coal export port in the world.

Port of Newcastle is committed to playing its part in the Hunter Region's energy transition and in the development of a new high performance business model around container shipping.

However, as the world looks to new sources of energy, market conditions are changing, and the Port must change too. We have a new strategic ambition, to diversify and grow our non-coal

activities, with at least 50% of our revenue being sourced from these activities by 2030. As our Port Development Plan outlines, this will be achieved through investment in our Clean Energy Precinct, with a focus on renewable technologies, and the development of a large-scale deepwater container terminal, which will add value to global supply chains through lower cost, more efficient operations.

Change is never easy, but Port of Newcastle is committed to playing its part in the Hunter Region's energy transition and in the development of a new high performance business model around container shipping. For an island continent, connectivity is everything, and much of it relies on seaborne trade. In playing our part in this way, the Port will be fulfilling its obligations both to its shareholders and to the community, who depend on us just as we depend on them for our social licence to operate.

On behalf of the Board, may I express our unreserved confidence in the future of Port of Newcastle, its dedicated workforce and the wider Region. These are uncertain times, but in the words of a famous management theorist, the best way to predict the future is to create it.

Emeritus Prof Roy Green
Chairman



BACKGROUND

WHAT IS A PORT DEVELOPMENT PLAN?

Port of Newcastle manages the Port under a 98-year lease from the NSW Government, which took effect on 30 May, 2014. Under the lease, the Port is required to prepare a Port Development Plan within six months of the lease commencing and then every five years.

In 2018, the Port combined its Port Development Plan with its long-term Master Plan, titled Port of Newcastle Port Master Plan 2040. This Port of Newcastle Port Development Plan 2023 is the third plan issued to the lessor and stands separately from the Port's Master Plan, which will be refreshed over the next 12 months.

The Port Development Plan provides a high-level overview of the Port's priorities over the next five years for the planning, development, and management of its assets. The plan also articulates the anticipated challenges that the Port will face in the short-term; the opportunities for commerce, trade, and business growth; and the strategies to grow its role as a global trade gateway for the region and the state.

WHAT DOES THIS PORT DEVELOPMENT PLAN COVER?

The Port of Newcastle's lease sets out the requirements for a Port Development Plan, as detailed in Annex A. This Port Development Plan is intended to provide the State Government with an understanding of the Port's current and projected operating environment within the Port Lease Area over the next five years.

The Plan also provides critical information for planners and policymakers to consider in the broader planning context – including environmental monitoring and management, and planning approvals related to the Port Lease Area.

While this Port Development Plan is not an investment prospectus, it does detail commercial aspirations for re-positioning the Port of Newcastle to strengthen its alignment with the future economic prosperity of the Hunter and regional NSW.

THE PORT DEVELOPMENT PLAN:

IS ...

Consistent – aligns with the Port's diversification strategy and the current strategic planning framework applying to the Port Lease Area.

Near term – describes the objectives and proposals relevant to the Port Lease Area over the next five years.

Commercial – informs decisions relating to commerce, trade, and business growth.

IS NOT ...

Holistic – relates to the Port's operations only, which is confined to the Port Lease Area and does not extend to the entirety of the Port's footprint. That is covered by the Port's Masterplan which will be refreshed in the next 12 months.

Absolute – while it is accurate at the time it was published, the Port may pursue new or unforeseen opportunities as they arise but the fundamental diversification strategy will not change.

Long term – it will be updated within five years to allow for adjustments in response to changing drivers and delivery mechanisms.

Implementation will be subject to approvals, licensing and compliance requirements set out under guiding legislative and planning frameworks



PORT MASTER PLAN

Port of Newcastle is refreshing its inaugural Master Plan 2040, which was published in 2018. The Port's Master Plan will be released in 2024.

The Master Plan sets the agenda for Port of Newcastle over the next two decades to build greater efficiency, adaptability and flexibility that accommodates an increasingly dynamic operating environment. The Master Plan also strengthens the Port's commitment to building the social and economic capacity and resilience of the communities in its wider catchment.

The development of the Master Plan includes

extensive consultation with the people of the port, including our employees, commercial partners, government stakeholders and our community across its catchment in regional NSW.

The Master Plan is a critical document for Port of Newcastle's future planning. The Port's Master Plan will be developed collaboratively with the Port's stakeholders with the principle of diversity, equity and inclusion at the centre of its design and distributed widely to all stakeholders in 2024, including to the Port's lessor consistent with lease requirements.



PORT OF NEWCASTLE AT A GLANCE

VISION

To build Australia's prosperity with responsible, integrated and innovative supply chain solutions to fulfil our purpose as Australia's deepwater global gateway.

MISSION

To promote and support the sustainable prosperity of the Hunter region and NSW by:

- providing efficient port infrastructure to facilitate regional, state, and national economic growth,
- maintaining a safe and rewarding workplace for all employees,
- promoting and facilitating improvements to supply chain performance,
- collaborating with stakeholders and surrounding communities to deliver the benefits of trade growth,
- managing environmental impacts of Port operations and development,
- delivering effective commercial outcomes for customers, and
- investing sustainably and delivering commercial returns for shareholders.

PEOPLE

Port of Newcastle's key operational areas, office and personnel are located in the heart of the city of Newcastle.

The Port employs more than 130 people directly and facilitates work for thousands of others through contracting and flow-on employment.

VALUES

The Port's values were developed by staff and inform how the Port conducts its affairs, treats people, does business and engages with the community and stakeholders.



COMMUNITY

We are engaged with our communities and proud of the Port's role in the region.



WELLBEING

We support and invest in our people and their wellbeing.



INTEGRITY

We are genuine, open and respectful in everything we do.



CURIOSITY

We challenge the status quo by questioning if there is a better or safer way.

LOCATION AND CONNECTIONS

Port of Newcastle is centrally located between Melbourne and Brisbane and 160 kilometres from Sydney. Its catchment extends west to Parkes and Cobar and north to Coffs Harbour and Moree, taking in Dubbo, Tamworth, Armidale, Narromine and Walgett.



Port of Newcastle is uniquely connected to Inland Rail at Narrabri and Narromine via the Australian Rail Track Corporation’s Hunter Valley Rail Network.

This creates the opportunity for regional importers and exporters to take advantage of the connection to the Port of Newcastle to expand trade opportunities.



HISTORY

The Awabakal and Worimi people were the first inhabitants of the area where the Port is located, living around the harbour and foreshores where there was an abundance of fish and wildlife.

Shellfish was harvested by the local clans for tens-of-thousands of years and their discarded shells were piled into enormous middens which were later burned by Europeans to produce lime for building purposes.

Since its establishment, the City of Newcastle has been closely linked to its harbour, which provided trading opportunities, the creation of industries and employment, and a place to establish a community. The first commercial export of coal left Newcastle for Bengal, India, in the barque Hunter in 1799.

From the early nineteenth century, the estuary of the Hunter River has been transformed from a series of mudflats and shallow channels into the largest deepwater global gateway on Australia’s east coast. The Port’s shipping channel is part of the largest and most efficient coal supply chain in the world – the Hunter Valley Coal Chain – comprising 35 mines owned by 11 coal producers, four rail haulage providers and three coal terminals.

The Port forms part of the Hunter Valley Coal Chain, an integrated network of rail and port assets that is managed co-operatively by the Hunter Valley Coal Chain Coordinator and constitutes one of the world’s most efficient non-vertically integrated bulk commodity logistic supply chains.

The Port services the needs of businesses and consumers in the regions by handling 25 different cargoes such as fuels, ammonia, fertiliser, meals and grains, wheat, alumina, ammonium nitrate, cement, magnetite, petroleum coke, aluminium, machinery and project cargo, steel, timber and containers.

**CLEAN ENERGY
PRECINCT**

**ENERGY
PRECINCTS**

**BULK
PRECINCT**

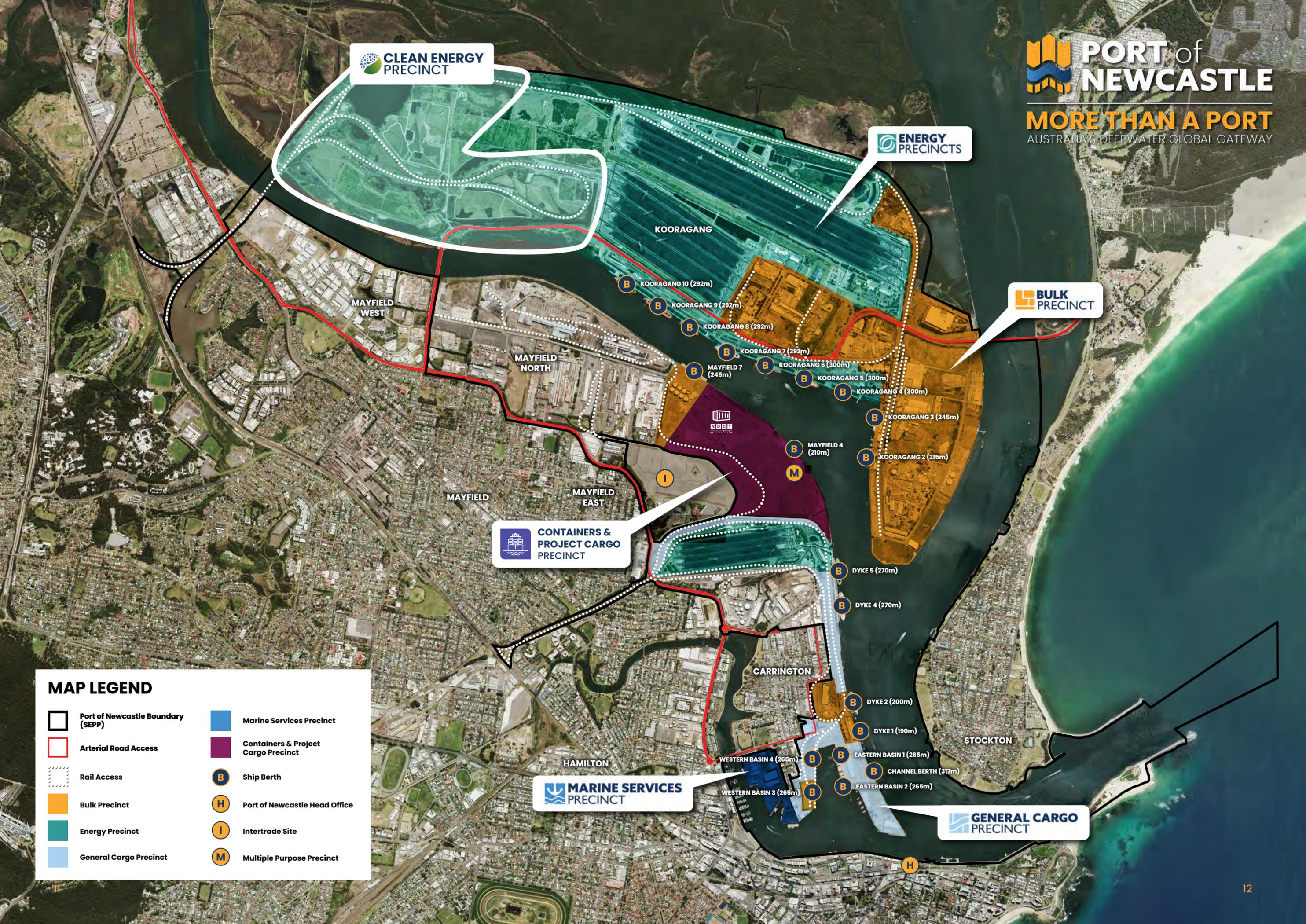
**CONTAINERS &
PROJECT CARGO
PRECINCT**

MAP LEGEND

-  Port of Newcastle Boundary (SEPP)
-  Arterial Road Access
-  Rail Access
-  Bulk Precinct
-  Energy Precinct
-  General Cargo Precinct
-  Marine Services Precinct
-  Containers & Project Cargo Precinct
-  Ship Berth
-  Port of Newcastle Head Office
-  Intertrade Site
-  Multiple Purpose Precinct

**MARINE SERVICES
PRECINCT**

**GENERAL CARGO
PRECINCT**



THE PORT TODAY

Port of Newcastle is a major trade gateway for Australia.

As custodians of the region's critical asset, Port of Newcastle is diversifying its trade in its drive to create a safe, sustainable and environmentally and socially responsible future. The roadmap for diversification is ambitious: derive more than 50% of its revenue from a non-coal source by 2030.

Key to realising the Port's Environmental Social Governance (ESG) ambitions is a focus on minimising its environmental footprint. Port of Newcastle is on track to achieve its long-term target of reaching Net Zero by 2040. In 2023, the Port's Scope 1 and 2 emissions were well below the Port's Science Based Targets initiative (SBTi) approved target level, with Scope 3 baseline emissions measured and aligned to the 2040 target.

Further information on Port of Newcastle's sustainability measures is in **Section 4: Management Frameworks**.

ANNUALLY THE PORT HANDLES



4,600 SHIP
MOVEMENTS

166 MILLION
TONNES OF CARGO & TRADE



WORTH APPROXIMATELY
\$37 BILLION TO THE
NATIONAL ECONOMY

COMMUNITY

Since the departure of the first ship in 1799, the Port and the City of Newcastle have grown together. Future prosperity is important, not only for Port of Newcastle, but also the people of Newcastle and the Hunter region.

In its operations and plans, the Port prioritises maximising opportunities, as much as possible, for the local communities who live and work in its catchment. Key to this effort is the Port of Newcastle Community Liaison Group (CLG). Established in 2014, the CLG is one of the Port's key engagement platforms designed to understand local priorities, and provide transparency about the Port's ambitions and agendas.

Additionally, the Port directs investment through grants, sponsorships and partnerships that support a wide range of community and industry-led initiatives to build capacity and capability among the local community.

More information about the Port's community relations and engagement is in **Section 4: Management Frameworks**.

OPERATING PARTNERS

Port of Newcastle is the manager of the land within the Port Lease Area and operates the Port's landside activities. This includes, but is not limited to, vessel scheduling activities, control of a range of physical Port assets, sub-leasing land, maintenance dredging and hydrographic surveying.

The Port has transitioned from facilitator of trade as a government entity to a corporatised developer and operator. This shift moves the Port to a provider of value-added services and facilities, including general logistics and integrated supply chain services.

Key to operations, Port of Newcastle works with all spheres of government, regulators and enterprises that manage various aspects of the freight supply chain and delivery of Port services. The Port also works closely with the City of Newcastle, all local Councils in its catchment and the Hunter Joint Organisation.



COMMONWEALTH GOVERNMENT

Commonwealth government authorities include:

- Department of Home Affairs – physical and cyber security.
- Australian Border Force – security of people and cargo.
- Australian Maritime Security Authority – maritime security.
- Department of Agriculture, Fisheries and Forestry – biosecurity of cargo.
- Department of Infrastructure, Transport, Regional Development, Communications and the Arts – nationally significant infrastructure.
- Department of Climate Change, Energy, the Environment and Water – Clean energy hub.

The Australian Rail Track Corporation (ARTC) is a Commonwealth Government-owned statutory corporation. It manages, maintains, and invests in the two rail networks that link the Port to the Hunter Valley and interstate rail networks.

NSW GOVERNMENT

The NSW Government is the Port landlord and retains an interest in the long-term success of the Port. NSW government authorities include:

- Treasury and the Office of Environment and Climate Change responsible for enabling, and investment in, the clean energy industry.
- Transport for NSW as the operator of the Sydney Metropolitan Rail Network, including

the Main North Line between Newcastle and Sydney and the Country Rail Network.

- Department of Planning and Environment responsible for regional planning and the assessment of Port and State significant development.
- Transport for NSW and the National Heavy Vehicle Regulator in the delivery of road infrastructure, transport, and the safe and efficient management of traffic and congestion.
- Department of Planning and Environment responsible for assessing various projects at the Port to ensure alignment with Regional Plans, State Environmental planning Policies and State Significant Development.

The Port Authority of NSW manages the navigation and marine safety needs of commercial shipping across NSW including Port of Newcastle, and the Harbour Master plays an essential role at the Port. The Port Authority retains responsibility for certain key activities and regulatory matters at the Port including provision of pilotage services and emergency response to oil or chemical spills. The Authority is also responsible for the management of Nobbys Headland.

Further information about the Port's work with the NSW Government is in **Section 4: Management Frameworks**.

REGULATORS

A range of Commonwealth and State government regulators are responsible for enforcing compliance with legislative requirements applying to Port of Newcastle, Port tenants and Port users. State and Commonwealth regulators cover issues ranging from environmental performance to quarantine control and have various powers of enforcement at individual facilities within the Port.

Further information about the role of regulators and compliance for Port operations is in **Section 4: Management Frameworks**.

PORT TENANTS AND USERS

Much of the Port Lease Area is occupied by independent companies operating their facilities on land leased from the Port. These Port Tenants are responsible for their own commercial and environmental performance. They hold their own planning consents, environmental licences and permits, and are directly regulated by a range of Federal and State government authorities.

A range of other businesses operate at the Port but do not hold long-term leases over land. These Port Users include shipping lines, shipping agents, stevedores, freight forwarders, rolling stock operators, road transport operators and other service providers. Like Port tenants, Port users are independent organisations that manage their own activities and are responsible for their own commercial and environmental performance.

Vessel movements at the Port are also supported

by towage and linesman services, including nine tugs provided by Svitzer, a private tug operator.

LOCAL GOVERNMENT

As a city-port, Port of Newcastle has established strong working relationships with local Councils including City of Newcastle, Lake Macquarie, Joint Organisation of Councils and Port Stephens Council to ensure that community groups living within the region and alongside the Port are informed and educated about the Port's operations, diversification strategies and ESG initiatives and achievements.

A key part of the revitalisation of the Newcastle city centre has been to capitalise on the harbour foreshore as a place to live, work and play. This successful strategy has delivered a higher concentration of dwellings in the city centre, and increased demand for access to the waterfront for leisure activities.

Reflecting this shift, an important theme of the National Ports Strategy (2011) is to approach land planning and corridor preservation in a way that balances freight requirements with community and traffic amenity.

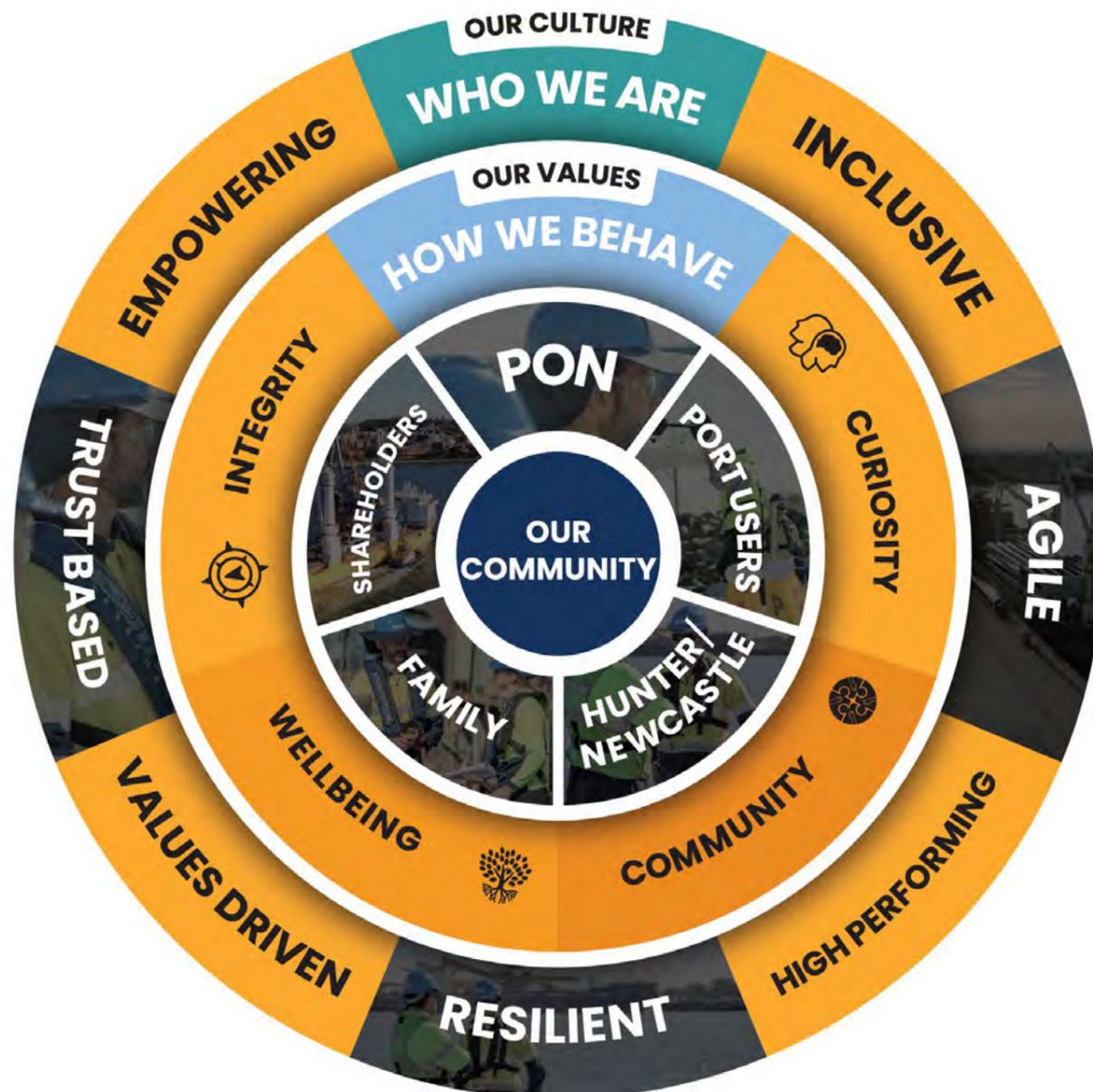
Conversely, height restrictions for development around the city centre need to be cognisant of land-based navigation aids which are critical to the safe navigation of vessels through the harbour.

More information about the Port's urban encroachment management is in **Section 4: Management Frameworks**.

PORT-WIDE CULTURE & PEOPLE

Globalisation has taught the world that being part of global trade is critical to a nation's economic development and prosperity. Ports drive this economic activity with 80 percent of world trade volume carried by sea. As an island nation, this is even more acute for Australia, with 98 percent of freight arriving through ports.

Sea ports operate in a highly competitive and dynamic environment managing constant change in market opportunities and fluctuations in trade flows. Ports also face a range of ongoing disruptions: trade restrictions, economic shocks, health crises, the energy transition and increased automation are just a few examples.



INDUSTRIAL LEGACY

Port of Newcastle has supported over 200 years of heavy industry, including steelworks, shipbuilding, chemical manufacturing, minerals and metal handling and transportation. As a key progressive employer in the Hunter Region, the Port plays an important role as a thought leader in people, culture, industrial relations and workplace health and safety practices.

Port of Newcastle actively collaborates with, and contributes to, institutions such as Mission to Seafarers, Unions, the Hunter Port Users Group, Employer Associations, Universities, TAFE and Schools. Port of Newcastle's values include Community and Curiosity and these values embody the approach that the Port takes in working with regional employers and institutions to attract investment, employment and growth in economic activity to the regional economy. Moreover, the Port and its partners strive for the creation of 'good jobs' and the development of skills required to create a prosperous future for the Hunter Region.

PEOPLE AT THE PORT

Port of Newcastle is an anchor institution in the Hunter Region. The Port employs approximately 130 staff directly and contributes to the employment of thousands of people throughout the region via the engagement of a wide variety of organisations that provide contract services to the Port, or via the economic activity created through the Port.

Port of Newcastle primarily employs full time staff, with approximately 90 per cent of the organisation's staff being full time employees

The Port's workforce is a mixture of highly skilled trades and professional people who live and are employed in the region. The Port is comprised of a diverse range of people. Several of our staff have worked at the Port for over 30 years, whilst many of our staff have young families. Our staff include people from all walks of life, many cultures and backgrounds, many who have returned to Newcastle after working throughout Australia or overseas.

Whilst culture and backgrounds and experience differs, the one thing that is shared is the passion that our staff have for the Port and the region where our families live, work, attend school and grow up.



PORT CULTURE

The culture at Port of Newcastle is best reflected in the four values that our staff developed: Integrity, Curiosity, Community and Wellbeing.



Port of Newcastle has a distinctive culture based on trust and a shared commitment to the purpose of the organisation. This has allowed the Port to become one of the first and most successful organisations in the move to agile/flexible working, a concept adopted pre-pandemic.

The organisation's 2023 Workforce Engagement Survey shows that the organisation has high job satisfaction (81.8%), organisational commitment (71.7%), and an environment where there is support for its people by the organisation and amongst colleagues (82.8%).

The Port provides a comprehensive range of benefits and progressive policies to create the best possible work environment for staff and these initiatives are recognised throughout the region. Recently, Port of Newcastle was ranked as among the top 100 organisations for women in 2023.

WHAT BUILDING BLOCKS MAKE UP OUR CULTURE



DIVERSITY & INCLUSION

Port of Newcastle implemented a comprehensive Diversity & Inclusion strategy in 2021. This strategy has six building blocks which include Board commitment and leadership, inclusive recruitment, accessible learning and development and career paths, family friendly workplace, effective governance and strong stakeholder engagement.



Port of Newcastle has established several Diversity & Inclusion targets at a Board and Management level. These targets include achieving 40%/40%/20% gender balance at Board level and across the organisation, ensuring that greater than 4% of our workforce are First Nations employees, and a variety of commitments to internships/scholarships and diversity and inclusion sponsorships.

Port of Newcastle's commitments to Diversity & Inclusion go beyond the establishment of targets and the integration with Environmental, Social and Governance commitments. Port of Newcastle also has several Diversity & Inclusion commitments which are directly linked to sustainability investment in future Port operations.

WORKFORCE PARTNERSHIPS

Port of Newcastle and its logistics networks are part of the fabric of the city, and the Port is committed to operating a world-class asset in a future-looking and socially responsible way. Among the many regional partnerships that the Port of Newcastle is involved in, the most significant are:

- Partnering with the University of Newcastle to establish an Indigenous STEM Scholarship.
- Partnering with Newcastle Coal Infrastructure Group to assist seafarers to better connect with their loved ones by enabling onboard connectivity for visiting ships while in the Port of Newcastle.
- Partnering with Career Trackers to provide two Indigenous internships per year for an Indigenous student at University of Newcastle to work at Port of Newcastle.
- A relationship with Work180 which is an internationally recognised organisation that seeks to raise organisational standards so that all women can choose workplaces where they can thrive.
- Our partnership with Curtin University's Future of Work Institute an organisation striving to equip Australian employers and employees to evolve and thrive in the ever-changing, technology-driven innovation age. Curtin University support Port of Newcastle Workforce Engagement strategy and annual workforce engagement survey.
- Endorsement by Reconciliation Australia for the Port of Newcastle Reflect Reconciliation Action Plan.
- Signatory to the Charter on Youth Employment for the region with Careerlinks.
- Long standing partnerships with a wide range of recruitment, training and professional service firms throughout Newcastle, NSW and Australia to ensure that Port of Newcastle is well equipped to anticipate and support workforce needs.

In addition to the ambitious diversification roadmap outlined in this Port Development Plan, Port of Newcastle is an organisation with the capabilities and commitment of staff and community partners to position the Hunter and Port of Newcastle as the epicentre of Australia's clean energy economy.

WORK HEALTH AND SAFETY AT THE PORT

Port of Newcastle puts health and safety as number one priority and is committed to the physical and mental health and safety of Port of Newcastle staff, visitors and contractors working for the organisation, and in improving organisational safety culture and performance across its operations.

Our safety processes and practices prioritise the wellbeing of employees, contractors, customers, and the community and is designed to meet requirements of internal and external stakeholders inclusive of government, regulators, customers, and the community. These processes and structures are described in the Guideline Working at the Port which has been compiled to advise all workers at Port of Newcastle sites of policies and requirements that exist and how they impact work and activities on site. This is available on the Port of Newcastle website.

Port of Newcastle continues to be committed to providing training and development opportunities so all our employees can develop, maintain, and improve their skills to enable them to perform

their tasks safely and to deliver our business objectives effectively and efficiently. We encourage all employees to engage in continuous learning, with Port of Newcastle supporting employees to undertake relevant study as well as attend seminars and conferences as required. The organisation provides WHS awareness training to employees to enhance and maintain their necessary skills, knowledge, and awareness. Regular training enables all to perform their duties and responsibilities in a safe, competent, and effective manner.

As custodians of the Port, we have the ultimate responsibility both morally and ethically to ensure safe operation across our sites, even though tenants or sub-contractors may perform work. We regularly

engage with our stakeholders through open consultation and dialogue, community meetings, Port User Group meetings and Ports Australia working groups. In addition, Port of Newcastle works closely with PANSW, SafeWork NSW and AMSA when required.

Port of Newcastle employee health programs support the wellbeing of our staff and include Employee Assistance Program, Thrive at Work Program, RUOK and other topical programs, corporate fitness program and mental health first aid training. The organisation continues to provide mental health first aid training opportunities to its employees, in line with its sustainable financing commitments. The total number of mental health first aiders in the organisation is currently 27 per cent of the workforce. Port of Newcastle is also committed to maintaining nominated ratios of mental health first aiders across each of our divisions and currently achieve or exceeded the minimum number in each department.

Port of Newcastle has spent considerable effort improving its safety culture over the previous few years with positive results in a recent safety culture

assessment of its safety systems, safety symbols, safety behaviour, safety governance and safety planning. During the assessment employees generally expressed a strong sense of personal responsibility regarding safety and that safety is a major and consistent focus at Port of Newcastle in which they feel well supported in getting information and reporting issues. Safety at the Port is also strongly supported by the Port of Newcastle Board with an active Board WHS Committee and many site visits to discuss safety with Port of Newcastle employees and stakeholders.

On the improvement front, Port of Newcastle is currently halfway through a five-year safety strategy that underpins the health and safety processes at the Port. Improvements include a structured easily accessed health and safety system, layered risk management process, targeted training programs and Critical Control Self Assurance process. The Port of Newcastle health and safety reporting is also well structured and transparent with both leading and lagging indicators reported through to the business inclusive of the Board, Executive, Health and Safety Committee and employees.





KEY BOUNDARIES AND TERMS

This Port Development Plan will use several key terms when referring to the Port Area, and associated land and infrastructure. These are summarised below for context and are described in more detail in Section 4.1 – Strategic Planning. The map on this page outlines both the Port’s boundary and the areas categorised under Port Lease as core and non-core Port Land.

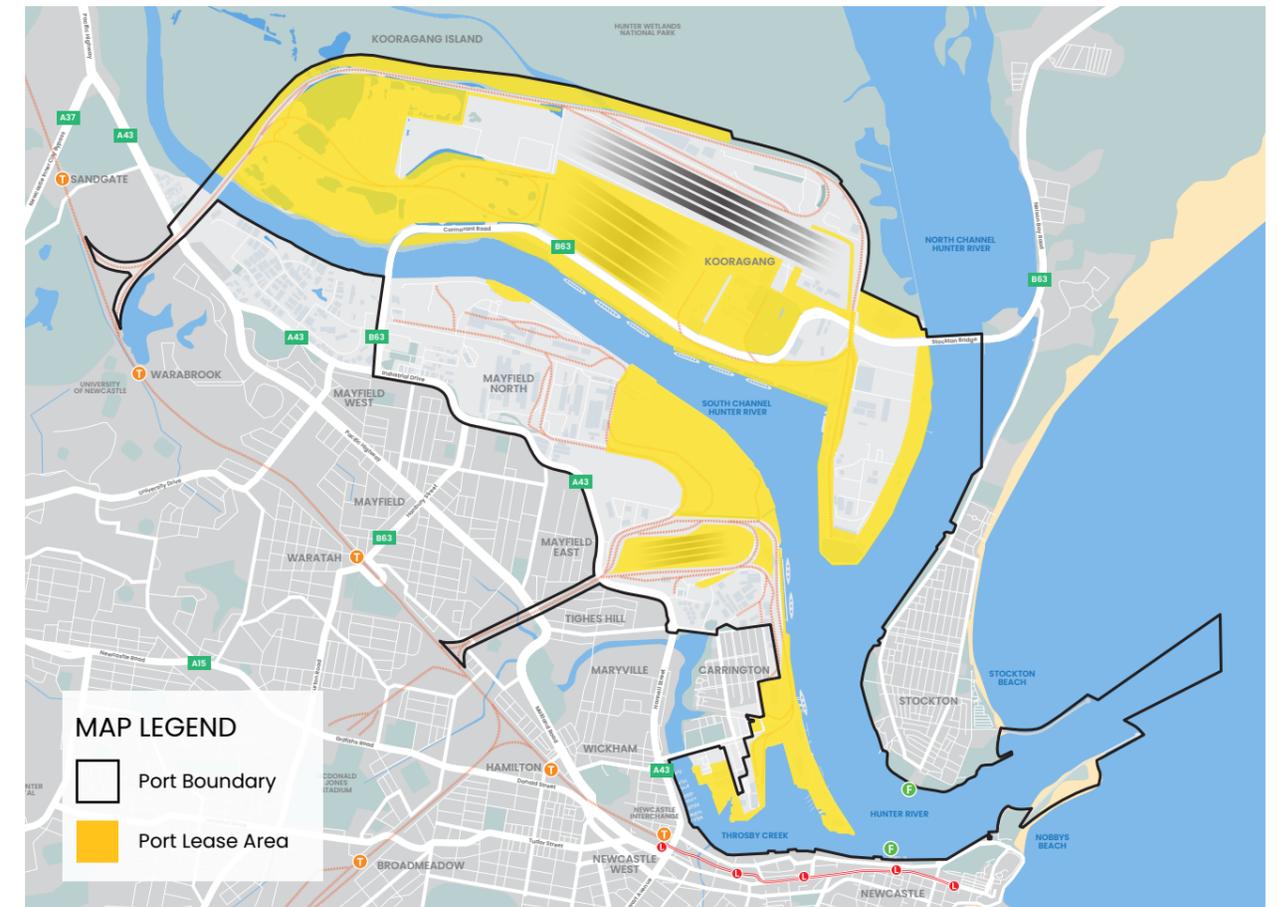
PORT SEPP AREA

- The Port SEPP area is outlined in black on the map diagram. This boundary is defined by the State Environmental Planning Policy (Transport and Infrastructure) 2021 – Chapter 5 Three Ports, which is the key planning instrument controlling land use and development for all Ports in NSW. This area encompasses the Port of Newcastle’s operations as well as other private landowners assets and activities.

PORT LEASE AREA

- The area highlighted yellow represents the area under Port Lease. This is a subset of the broader Port SEPP area and describes the land that is owned by the NSW Government and leased to Port of Newcastle. Much of this area is sub-leased to other commercial entities. Port of Newcastle’s lease requires all land within the Port Lease area to be designed as either:
 - **Core Port Land** – which is set aside for specific port infrastructure and services underpinning the port’s operations, or
 - **Non-core Port Land** – which may be used for other related activities, provided these do not interfere with the objectives for the Port.

PORT OF NEWCASTLE BOUNDARY AREA



Map illustrations are indicative only and are not intended or designed to replace land survey information.



ENVIRONMENT AND HERITAGE

Bounding the Port to the north is the Hunter Wetlands National Park. The park is the site of the internationally significant Ramsar Wetlands. It is the largest single-estuary wetland reserve in NSW providing feeding and roosting sites for shorebirds and transient migrant birds, as well as habitat for nationally threatened species, such as the green and golden bell frog.

As Port of Newcastle is surrounded by important ecological and cultural heritage sites, and it is deeply committed to protecting and preserving these assets.

Within the Port, there are several heritage assets that are recognised for their significance to both the local community and NSW. These include buildings such as Carrington Hydraulic Engine House, shipwrecks, marine structures and relics. The Port actively manages these assets to support their conservation.

CHANNEL AND BERTHS

Port of Newcastle is situated at the mouth of the Hunter River. The Port's entrance is protected by northern and southern break walls, which extend into the ocean at Nobbys Head and Stockton Beach on the North side.

The channel and berths are the Port's primary assets and define its core business of facilitating the import and export of cargo to and from the world.

The main channel has a tidal range of two metres and a designed depth of 15.2 metres, increasing towards the channel entrance to assist vessel's safe passage in ocean swell conditions.

The channel and berth depths are communicated by the Harbour Master, Port Authority of NSW. The channel depth is maintained through a continuous maintenance dredging program to provide safe, deep-water access to the Port, and has undergone continuous expansion since dredging first commenced in 1859.

The Port operates 24 hours a day, seven days a week with 20 berths servicing around 25 different types of trade types.

EXTERNAL TRANSPORT NETWORKS

Port of Newcastle is the eastern seaboard's only berth-side rail line connected to the national rail network, providing a rail gateway to all mainland destinations across Australia. In the future, the Port will connect to the Inland Rail route via an existing heavy rail route, which will maintain NSW trade competitiveness.

The Port has four rail operators serviced by two rail networks that are part of the Australian Rail Track Corporation's (ARTC) National Rail Interstate Network:

- the north-south rail corridor connecting Brisbane, Sydney, and Melbourne; and
- the Hunter Valley Rail Network connecting the Port to the Hunter Valley and Western NSW.

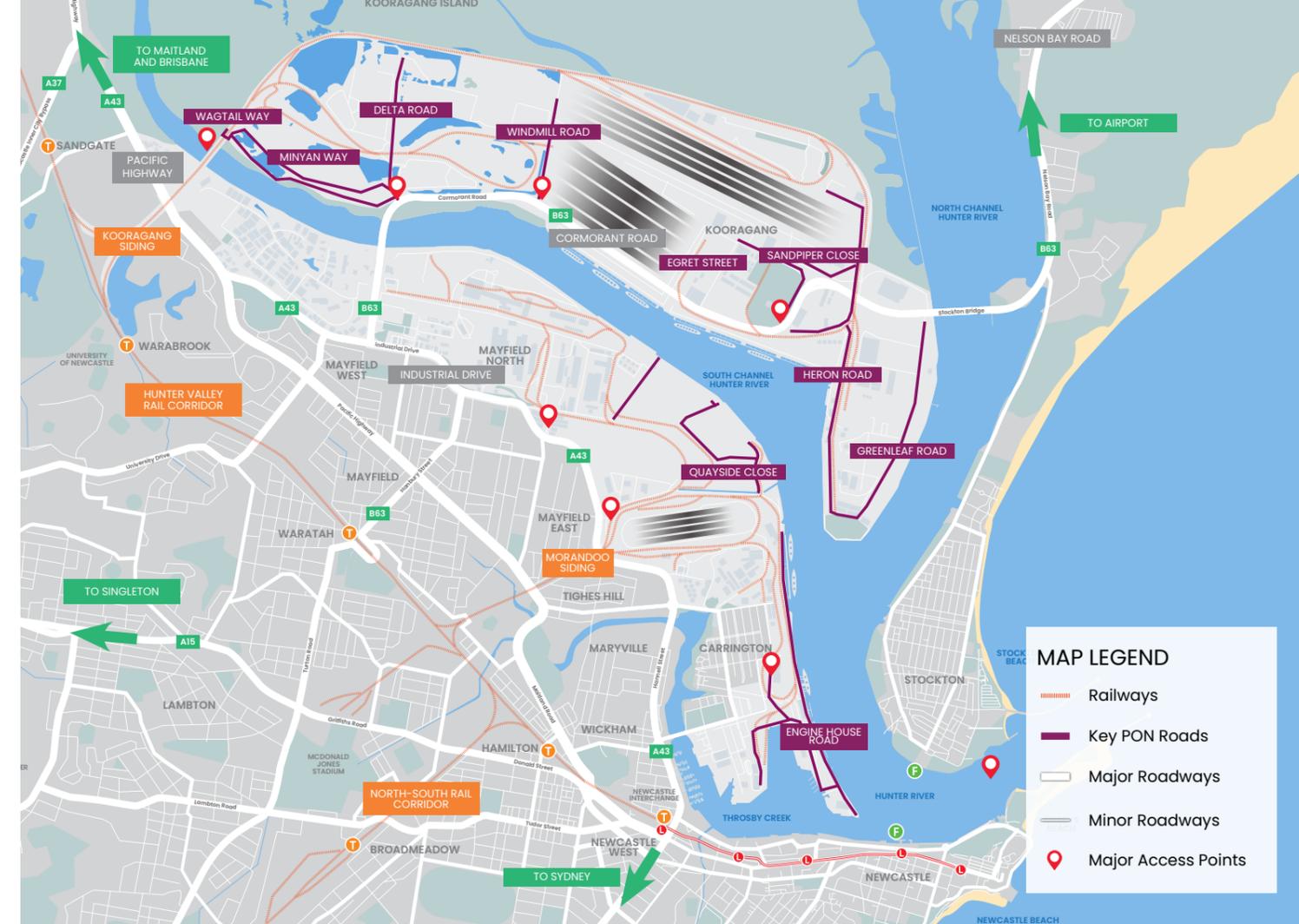
Both networks are connected to the Port by two short spur lines: the Morandoo siding to the Carrington and Mayfield Precincts, and the Kooragang siding connecting Kooragang Island and Walsh Point.

The north-south rail corridor is used to haul coal to the Port from mines on the Central Coast and from Gloucester to the north. The north-south rail corridor also provides access to the Port for a range of other cargoes.

The Hunter Valley Rail Network is used to haul coal to the Port from the Hunter Valley, Ulan and the Gunnedah Basin. The Hunter Valley Rail Network is also used to transport wheat and other grains from north-west NSW, mineral concentrates from mines in western NSW and other trades from western NSW.

Access to the Hunter Valley Rail Network is provided through ARTC's Hunter Valley Access Undertaking which provides a mechanism for access holders to use and fund the expansion of the network. ARTC's approach to expanding the corridor's capacity is detailed in its annual Hunter Valley Corridor Capacity Strategy. There is currently sufficient capacity within ARTC's network to accommodate trade volumes anticipated over the next five years.

The ongoing protection of these transport corridors from urban encroachment is vital to ensure continued efficient Port operations and to minimise transport impacts on the surrounding community.



PORT ROAD AND RAIL ASSETS

Port of Newcastle owns several rail lines and roads within the Port lease area that connect to national freight road and rail networks.

The Port is the Rail Infrastructure Manager for two private sidings: No.1 West Basin (East), Carrington and No. 2 West Basin (West), Carrington. These rail lines run onto the West Basin 3 and 4 berths and are used for direct unloading and assembly of rolling stock at the berth.

There are additional rail facilities within the Port's SEPP Area which are managed and maintained by tenants, ARTC and OneSteel. These include the NCIG Rail Loop, the Aurizon Port Services Newcastle (APSN) private siding, the Newcastle Agri Terminal rail siding, the Mayfield Site rail line and the Kooragang Island spur line.

Port of Newcastle also manages several road assets within the Port lease area, including part of Darling Street in Carrington, and Greenleaf and Heron Roads at Walsh Point. These roads are

strategically important to managing access to the Port land and berth infrastructure. They also service other businesses such as OneSteel and Orica that are located within the broader Port footprint but sit outside the Port lease area.

UTILITIES NETWORKS

Port of Newcastle owns and operates a substantial utility network across the Port Lease Area, enabling the provision of electrical, potable water, sewer, telecommunications and optical fibre services to its customers.

Port of Newcastle actively plans, develops and maintains its utilities networks to meet its obligation to provide its customers with reliable utilities, including ensuring redundancy within networks. The Port is already proactively responding to the growth and development of the Port, with planned augmentations to energy, water, sewer, telecommunications, and gas networks in line with new proposals.

PRECINCT-BASED PLANNING

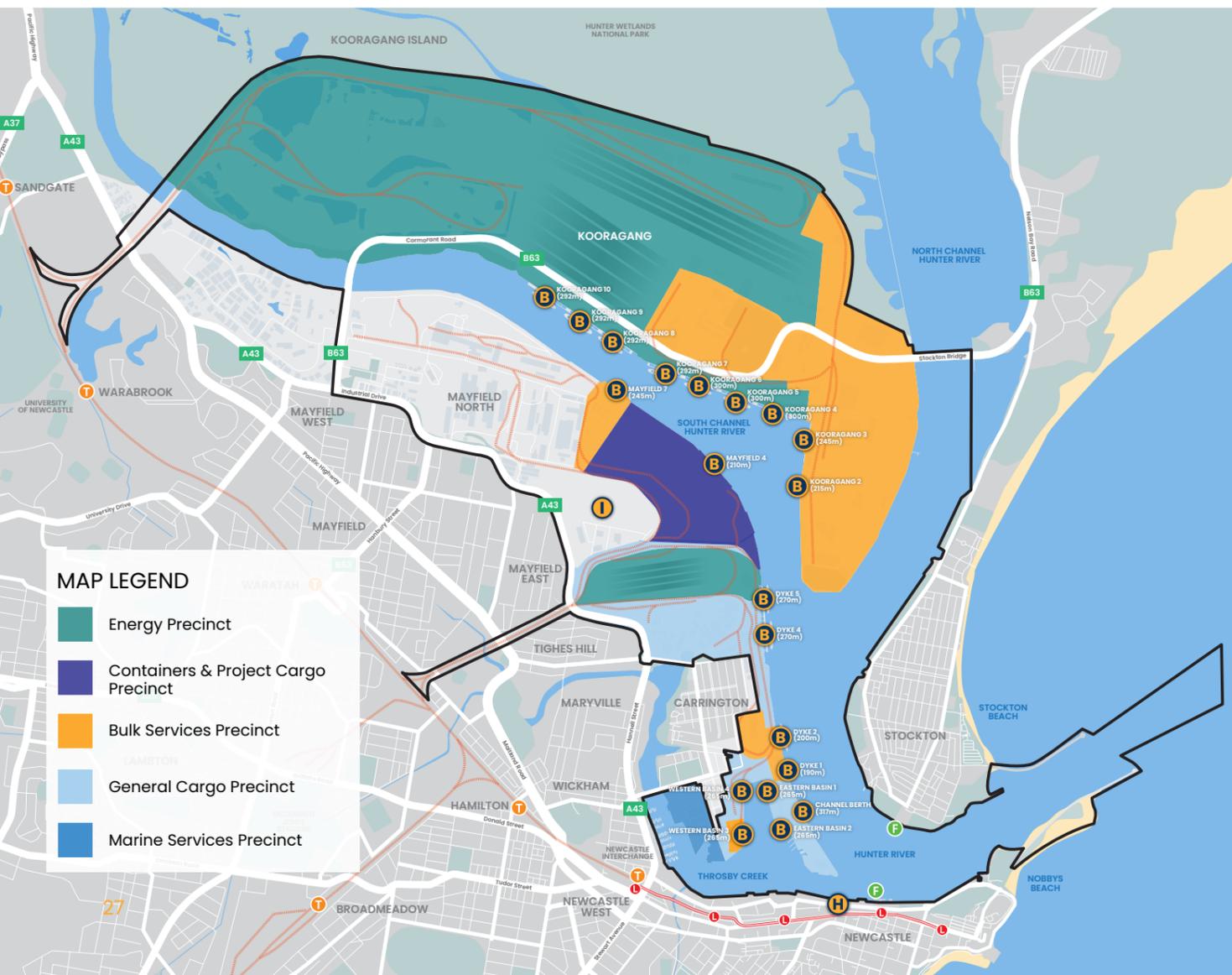
Port of Newcastle uses a Precinct-based approach to planning and managing activities across the Port Lease Area.

Previous Port Development Plans included operations across four land Precincts: Kooragang, Walsh Point, Mayfield and Carrington. Over the past four years, the Port has commenced re-positioning Precincts, services and activities to better align with Port users' current and projected needs.

Port of Newcastle's Precinct planning now comprises five distinct clusters. Some clusters relate to multiple locations across the Port Lease Area to meet shared user needs for Port services and infrastructure.

The five sector-based Precincts are shown in Figure 1 below. These Precincts form the basis for the development objectives and proposals discussed in Section 3.

Figure 1



ENERGY PRECINCT KOORAGANG AND CARRINGTON

Port of Newcastle is the world's most efficient coal export port and the coal from the Hunter Valley is the highest quality (calorific content), lowest cost of production coal into key markets across Asia.

Precinct-level planning to establish a more diverse cluster of energy-related uses across Kooragang and Carrington will strengthen Newcastle's position as a leading hub for traditional and future energy products, including coal, clean energy (e.g. hydrogen, ammonia, methanol and sustainable aviation fuel), and renewable generation (e.g. import of solar panels and windfarm componentry and the potential construction, operation and maintenance of offshore wind).

CONTAINERS & PROJECT CARGO PRECINCT MAYFIELD

The Port is working towards establishing a world-class, globally competitive Newcastle Deepwater Container Terminal (NDCT), leveraging existing land and infrastructure assets in the Containers & Project Cargo Precinct in Mayfield. Currently the site is centered around the Multiple Purpose Precinct which includes a 6.5ha approved area off the back of the Mayfield 4 (M4) berth that supports general cargo, project cargo and container handling services.

Two new mobile harbour cranes operate on M4 and form an integral part of efficient operations of the Containers & Project Cargo Precinct site. The Port also has substantial off-berth storage adjacent to the Containers & Project Cargo Precinct site to support the import and staging of project cargo, including wind farm components.

BULK SERVICES PRECINCT KOORAGANG, MAYFIELD AND CARRINGTON

Port of Newcastle is the leading east coast destination for the import, export, and storage of a variety of bulk and liquid products, such as alumina, cement, fertiliser, grains and mineral concentrates. Infrastructure to support bulk services is located across Kooragang, Mayfield and Carrington, including a state-of-the-art ship unloader, two grain and one mineral concentrate export terminals, and three fuel terminals.

GENERAL CARGO PRECINCT CARRINGTON

General cargo services include berth rail with direct access to the ARTC rail network and nearby storage including covered options.

The berths in this Precinct handle various general and project cargos including breakbulk steel, aluminium, timber, containers, mining and capital equipment, yachts and rail wagons. This Precinct is also capable of accommodating Roll-On Roll-Off (RORO) vessels.

MARINE SERVICES PRECINCT CARRINGTON

This area provides commercial vessel access and facilitates a range of marine services such as ship building, boat repair, storage and mooring.

PROGRESS AND ACHIEVEMENTS 2018–2023

| PROJECTS | IN PROGRESS | COMPLETE |
|---|-------------|----------|
| Two mobile harbour cranes to increase the efficiency and scope of operations of the Multipurpose Terminal at Mayfield – a precursor to the Newcastle Deepwater Container Terminal | | ✓ |
| Empty container park | | ✓ |
| Bulk Precinct Strategic Plan which outlines options to increase trade volumes in that Precinct. | | ✓ |
| ESG lighting project to increase efficiencies and reduce carbon emission | ✓ | |
| Procurement of sweeper vessel to increase the efficiency of the dredging operations and reduce carbon emissions from the dredge. | | ✓ |
| Entered into a five-year Power Purchased Agreement within the embedded network to ensure all electricity procured is 100% renewable. | | ✓ |
| Increased trade by targets in Precinct. | ✓ | |
| Development consents obtained for two commercial and industrial property developments on non-core land | | ✓ |
| Support the expansion of the Maritime Precinct | ✓ | |
| Work with transport agencies to advocate for road and rail projects that align with the Infrastructure Australia Priority List and the NSW Government's State Infrastructure Strategy, Future Transport 2056, and the Freight and Ports Plan 2018–2023 | ✓ | |
| First stage of the Freight and Logistics Precinct (pending MPT) in conjunction with the Newcastle Deepwater Container Terminal | ✓ | |
| Planning and detailed design for the 220 hectare Clean Energy Precinct | ✓ | |
| Establishment of formal agreements (e.g., Memoranda of Understanding) to support the development, storage, and export pathway enablement of a clean energy economy – 15 MOUs established to date | | ✓ |
| Commissioning of the ship unloader at the Newcastle Bulk Terminal (with the capacity to increase unloading rates by up to five times if connected to conveyors and sheds) | ✓ | |
| Support the establishment of warehousing and logistics facilities within the Port of Newcastle catchment | ✓ | |
| Work with community and industry to facilitate port development and operations in a way that reduces impact on residents | ✓ | |
| Work towards an Automotive and Ro-Ro Hub concept that responds to changing markets and technologies | ✓ | |
| Climate Change Upgraded our Science Based target Initiative well below 2 degrees target to 1.5 degree scenario target, Disclosed against Taskforce on Climate-related Financial Disclosures in 2023 Sustainability Report, Board Approved 2040 Net Zero plan. | | |
| Sustainability 1st port in Oceania to achieve Eco Ports Certification, Increased GRESB rating 4 years in a row – 41 to 95, 3 Sustainable Finance facilities with 19 attached Sustainable Development KPIs, Signatory to UN Global Compact, Achieved Silver status with Sustainability Advantage | | ✓ |
| Diversity and Inclusion Included in Work 180 Top 101 workplaces for women, Reconciliation Australia endorsed our Reflect RAP | | |
| Electric vehicle transition to replace entire vehicle fleet and installation of EV charging stations | ✓ | |



TRANSFORMATION TOWARDS A SUSTAINABLE, DIVERSIFIED PORT

Over the past three years, Port of Newcastle has transformed its business, underpinned by a deep commitment to sustainability and diversification which has been at the centre of every decision.

The Port has committed to a target-driven Environmental, Social and Governance (ESG) Strategy. It was the first port in Oceania to be EcoPorts to be certified against the leading global benchmarking standards. The Port achieved Silver Sustainability Advantage Status. It has realised its ambition of becoming 100 per cent powered by renewable energy.

Port of Newcastle has also improved in the Global Real Estate Sustainability Benchmark (GRESB) from 40 achieved two years ago, to scoring 95 in 2022 and gaining a 5-star rating and ranking of second globally and first in the Oceania category.

PLAN ON A PAGE

2023–2027 PORT DEVELOPMENT PLAN

| PRECINCT | OBJECTIVE | PROPOSAL |
|------------------------------------|---|---|
| PORT WIDE | 1 Maintain safe, efficient and sustainable connections and services to the Port's Precincts. | <ul style="list-style-type: none"> Improvements to the Port's managed road network. Improvements to utilities (electricity, water, sewer) & IT networks. Ongoing dredging / channel maintenance. Regular review of safety and navigational service area locations, in line with land use optimisation across the Port's Precincts. |
| | 2 Remain agile to support and grow emerging activities and businesses. | <ul style="list-style-type: none"> Continue enabling short-term or trial uses via short-term lease arrangements. Prioritise Precinct-level planning to optimise use of core and non-core port land and support the Port of Newcastle's diversification strategy. |
| | 3 Celebrate the Port's heritage and its city location. | <ul style="list-style-type: none"> Ongoing maintenance of heritage assets, in line with existing heritage management plans. Facilitate on-site activations – e.g., visual displays, billboards, community days, etc. Regular maintenance of existing public access and fishing areas. Regular review of public access locations, in line with land use optimisation and growth of Core Port Infrastructure and Services. |
| ENERGY | 4 Establish and expand a common user, shared infrastructure platform for hydrogen and ammonia production and storage as a pathway to scale for export. | <ul style="list-style-type: none"> Facilitate Australia's premier clean energy enabled port with a full scale green hydrogen production of a 1.6GW electrolyser. Seek State Significant Development Approval status for the development of the site. Develop shared utilities connections (electrical, water, and wastewater) as a common user network. Enabling works for the production of green hydrogen or its derivatives such as ammonia, methanol and sustainable aviation fuel. Storage, transport and export for all forms of clean energy. Development of hubs for skills and training or innovation. Following the remediation and handover, undertake any variations to approvals required for the ongoing monitoring and management of the Kooragang Island Waste Emplacement Facility (KIWEF). |
| | 5 Continue to facilitate the efficient and ongoing operations for coal export, consistent with the Port's Lease and open access arrangements. | <ul style="list-style-type: none"> Ensure adequate capacity to efficiently export volumes. |
| CONTAINER & PROJECT CARGO SERVICES | 6 Continue developing the M4 berth as an intermodal Container Handling Facility and lay the foundations for a deepwater container terminal in future. | <ul style="list-style-type: none"> Mayfield 4 berth extension and bollard upgrades. Development of additional hardstand to increase the capacity of the Multipurpose Terminal and associated Empty Container Park. Continue to develop essential utilities including water, electricity and telecommunications. Explore opportunities to develop intermodal capabilities to support rail connectivity to the M4 berth. Subject to the outcome of the IPART's independent valuation process, commence the design and planning approvals for the Newcastle Deepwater Container Terminal. Utilise existing infrastructure to expedite the development of NSW renewable energy zones and generation capacity. |

| | | |
|-----------------|---|---|
| BULK SERVICES | 7 Enable the Newcastle Bulk Terminal at Walsh Point to become the cleanest and most efficient bulk handling import facility on Australia's East Coast. | <ul style="list-style-type: none"> Continue investments in new infrastructure (ship unloader and conveyor systems) at the K2 berth at Kooragang, to enhance safety, customer efficiency, and improve environmental performance. This would be supported by renewed utilities infrastructure. Implement identified options to increase berthing capacity, and improve WHS and environmental performance in line with opportunities to grow and diversify trade volumes and revenues through the use of conveyors and pipelines. Explore land use optimisation opportunities, including consolidating bulk cargoes and develop vacant lands. Develop a stormwater treatment facility and wash bay, if required by PON's environmental licensing requirements. Continue to plan for and develop an integrated services corridor to enable connection to electrical, communications, gas, water, wastewater and stormwater services. Upgrade portal building used as security gatehouses. Investigate development options to support trade volume uplifts, with a target of 85% in the short term (5-7 years). Investigate development options to support trade volume uplifts, with a target of 85% in the short term (5-7 years). Leveraging the new K2 Ship Unloader and investing in conveyors and new pipeline capacity could achieve: <ul style="list-style-type: none"> a) 88% over the short-medium term (6.5M revenue tonnes/annum); b) 194% over the ultimate term (10.2M revenue tonnes/annum). |
| | 8 Continue supporting Australia's fuel security as a major storage and supply distributor for Regional NSW | <ul style="list-style-type: none"> Support Park Fuels in the completion of the strategic diesel storage facility at Kooragang. Consider and support as appropriate, proposals to expand the port's fuel terminals in response to market demand. |
| | 9 Support any proposed increase capacity and optimising services for grain storage & handling at the port | <ul style="list-style-type: none"> Subject to market demand and investment made by tenants or adjacent land holders, develop infrastructure to increase the capacity of grain export/import facilities. |
| | 10 Respond to market demand and optimise logistics for bulk cargo. | <ul style="list-style-type: none"> Increase the amount of undercover storage capacity in the Precinct to fill immediate demands. Subject to market demand and investment made by tenants, consider expansion of existing bulk cargo handling and storage facilities. |
| GENERAL CARGO | 11 Plan for working harbour and city-facing renewal of the Port's oldest Precinct, positioning the area to support a range of flexible future uses and trades. | <ul style="list-style-type: none"> Demolish the roll-on roll-off ramp in the north-west corner of the Basin. Demolish and redevelop cargo handling and storage facility and office building. Dredge to deepen berth boxes to optimise vessel loading at existing berths. Subject to development of the region's broader tourism and visitor offering, consider third party proposals for the development of the Newcastle Cruise Terminal. Regular review of port safety services and infrastructure may consider the re-location of helicopter and tug services. Subject to the outcome of the Port's Precinct planning process, specific proposals may arise for the optimisation of port services and infrastructure to support growth in general cargo commodities. |
| MARINE SERVICES | 12 Support the ongoing provision of maritime services in line with commercial and defence sector opportunities. | <ul style="list-style-type: none"> Consider and support proposals as appropriate to develop and renew the site. Seek any necessary approvals to maintain and repair seawalls such as the Snake Pit. |

ESG COMMITMENTS & ACHIEVEMENTS

This forward-looking statement outlines our vision for Port of Newcastle's strategic Environmental, Social, Governance (ESG) development over the next five years. While these goals are ambitious, we believe that through strategic planning, stakeholder engagement, and a commitment to sustainable practices, we can unlock the Port's full potential while ensuring a positive and lasting impact on the environment, community, and economy.



As we continue to grow and diversify our business in a sustainable way, we are committed to providing an economically resilient future for the Port and wider region. Through the continuing investment in the development of modern, energy-efficient plant and infrastructure that minimises environmental impact, we promote renewable energy uptake and integration amongst the Port and wider community, helping our stakeholders transition to a low-carbon economy.

Following on from our recent change of the Port wide lighting and investment in electric vehicles and charging infrastructure, over the next five years we plan to:

1. Work with our value chain to reduce our Scope 3 emissions.
2. Measure our impacts and dependencies on nature and report against the Task Force for Nature based Disclosures framework.
3. Decarbonise our vessel fleet, moving our dredge and sweeper vessel to a BESS will help negate much of our Scope 1 carbon emissions.

ENVIRONMENT

Environmental Stewardship:

Recognising our responsibility to protect and preserve the environment, we will continue to implement robust environmental management systems and practices under our Eco Ports certification. We will continue to decarbonise our operations in line with our SBTi 1.5 degree aligned target, as well as connecting our Port users to facilitate a more circular economy.

Additionally, we will explore partnerships with stakeholders to support biodiversity conservation such as the Green and Golden Bell Frog and Shore birds and enhance the resilience of nearby ecosystems they rely on.

SOCIAL

Enhanced Community Engagement:

We understand the importance of maintaining strong relationships with our local communities. We will actively engage with stakeholders, including residents, Indigenous groups, businesses, and government entities, to understand their needs, concerns, and aspirations.

We have Community Liaison Group (CLG), established since 2014, and will conduct regular consultations and collaborate on initiatives that contribute to the social and economic development of the region.

Workforce Development and Diversity:

We are committed to fostering a diverse and inclusive workforce that reflects the communities we serve. Over the next five years, we will invest in training programs, mentorship opportunities and career development initiatives to enhance the skills and capabilities of our employees.

We will promote a safe and supportive workplace environment that values diversity, equality and employee well-being.

Collaboration and Partnerships:

We recognise the power of collaboration and will actively seek partnerships with industry peers, government bodies and academic institutions. By working together, we can address shared challenges, promote best practices and drive positive change in the broader maritime sector.

GOVERNANCE

Transparency:

Over the next five years the Port will continue to provide clear and comprehensive information about its governance structure, board composition and decision-making processes. Transparent reporting helps stakeholders understand how the company operates and ensures accountability.

We will continue to strengthen our Climate related Disclosure through the TCFD framework as well as look to increase our transparency by providing biodiversity disclosures such as the Taskforce for Nature-based Related Disclosure (TNFD).

These disclosures will help inform our long-term strategy providing a clear and sustainable roadmap that integrates ESG considerations into our business model, investment decisions and risk management processes to create long-term value for both shareholders and stakeholders.

CONTEXT FOR CHANGE

GLOBAL DRIVERS

Globalisation has taught the world that being part of global trade is critical to a nation's economic development and prosperity. Ports drive this economic activity with 80 percent of world trade volume carried by sea. As an island nation, this is even more acute for Australia, with 98 percent of freight arriving through ports.

Sea ports operate in a highly competitive and dynamic environment managing constant change in market opportunities and fluctuations in trade flows. Ports also face a range of ongoing disruptions: trade restrictions, economic shocks, health crises, the energy transition and increased automation are just a few examples.

Resilience and the capacity to adapt are fundamental to the way ports operate. Reflecting these key operating requirements, Port of Newcastle is driving a change agenda over the next five years to ensure sustainable growth, build competitiveness and secure its position as a critical global gateway.

INVESTED IN REGIONAL GROWTH AND DEVELOPMENT

An important and deliberate component of the Port's five year agenda is building on its role as an economic engine for regional development. As the world's largest coal export port, the surrounding regions' future prosperity is closely tied to the Port of Newcastle.

Coal demands will continue to be an important driver of activities and revenue for the Port towards 2030. With policy agendas globally driving transitions in energy markets away from a reliance on fossil fuels, coal trade volumes are expected to reduce over the long term.

Port of Newcastle, is seeking to enable the large scale diversification of its catchment by 2030, given its role as a critical global gateway for the region, NSW and Australia.

ENERGY FOR THE FUTURE

The transition in energy supply markets is occurring across the globe. In the Port of Newcastle catchment there are imminent closures of several coal-fired power stations. New projects are emerging designed to capitalise on the area's renewable energy opportunities by leveraging existing power stations and electricity network infrastructure, rehabilitated mining land, port and transport infrastructure, and a skilled workforce.

Port of Newcastle is establishing a dedicated Clean Energy Precinct for all forms of energy and associated technologies. The Precinct will offer common user, shared infrastructure with electricity supply and services for renewable hydrogen and renewable ammonia production and storage. These energy forms are identified as a credible pathway to scale for export. The full-scale development of the Clean Energy Precinct has the potential to create 5800 jobs, an additional \$4.2B in gross regional product and decrease domestic emissions by 600ktpa and to underpin the revitalisation of our region's advanced manufacturing industry.

Enabling works to the Port's utilities networks and other Precinct-level activations are expected to begin within the next five years.

SCALING-UP CARGO OPERATIONS

Hunter, the logistics chains and transport infrastructure catchments servicing Port of Newcastle are expanding and diversifying, in part due to land use planning and infrastructure investments cascading from the national Inland Rail project.

The Port's established reputation for efficiency, and its proximity to Newcastle Airport and major regional production and consumer markets is driving opportunities to scale its cargo operations. The passing of the Port of Newcastle (Extinguishment of Liability) Act 2022 in March 2023 was an important milestone in that journey clearing the way to develop a container terminal.

The Port of Newcastle has developed a concept for a Newcastle Deepwater Container Terminal at its Mayfield site - the largest and best connected vacant port land site on Australia's east coast. Together with the direct water frontage and potential for deep water berthing, a container terminal represents a once in a generation opportunity within the Port of Newcastle.

Enabling works on the Newcastle Deepwater Container Terminal will commence in the next five years.



LONG TERM TRADE OUTLOOK

Port of Newcastle is the largest port on the east coast and Australia's oldest export port.

The Port facilitates trade worth approximately \$20–60-billion annually to the national economy, through movements of 4300–4600 trade vessels. As one of the largest tonnage throughput ports in the country, Port of Newcastle is a key enabler for the import and export of bulk cargo including coal, grain, vegetable oils, alumina, fertiliser, cement and ore concentrates to international markets.

The Port is actively planning to increase volumes in non-coal trade and continue to provide the east coast with a major import/export gateway.

With a deep water shipping channel operating around 50% capacity, significant Port land available and comprehensive access to national rail and road networks, Port of Newcastle is well placed to realise its ambitions, building on the existing capabilities of the people, businesses, institutions, assets, and infrastructure in the region.

The Port's vision is to construct and operate a highly automated container terminal that enables NSW businesses to be more globally competitive. It will have direct ship-to-rail capability, reducing freight time, costs and double-handling of cargo. The terminal will have a throughput capacity of 2.5-million Twenty-Foot Equivalent Units (standard twenty-foot containers or 'TEUs') per year and ensure that Australia is prepared for the international transition to the much larger Ultra Large Container Vessels now operating around the world.

The Port's long term trade outlook also accounts for Newcastle's strategic position in the South East

Asian region, and the opportunity to leverage its deep trade relationships with regional partners in key sectors. Building on the Port's existing relationship as an energy gateway for Asia through the export of coal, a new trade pathway is emerging as the governments, community and industry in key markets increasingly look to source power from clean energy.

To capitalise on this unique opportunity, Port of Newcastle is establishing a dedicated 220 hectare Clean Energy Precinct for all forms of energy and associated technologies. In Stage 1, Port of Newcastle is working with Transgrid to bring in 1.5GW of renewable electricity to the Clean Energy Precinct. This could power a 750MW electrolyser and facilitate the production of many other forms of clean energy such as ammonia, methanol and sustainable aviation fuel. Port of Newcastle will focus on bringing in the power and water connections, obtaining the concept planning approval and developing common user storage, transport and export infrastructure. Port of Newcastle will be seeking a suitably qualified consortium to develop the clean energy production facilities. Future stages may bring in around 3GW of renewable electricity transmission, doubling the capacity of the site. The Precinct may also provide storage, transport and export services to clean energy projects throughout the catchment, emulating the success of the current coal export supply chain.

REGIONAL STRATEGIC PLANNING

The Australian and NSW governments long-term planning initiatives are designed to inform and support port operators in their master planning; create economic development opportunities within port areas; and drive greater supply chain efficiencies, including within national or state landside logistics chains.

Key long-term strategies and plans at the national and state levels include:

FEDERAL

- National Ports Strategy (2011)
- Infrastructure Australia Plan (2021)
- ARTC Hunter Valley Strategy (updated in 2022)
- National Hydrogen Strategy
- Hydrogen Headstart Program
- Australia's Long Term Emissions Reduction Plan

STATE

- NSW Freight and Ports Plan 2018–2023
- Regional NSW Services and Infrastructure Plan (2018)
- NSW State Infrastructure Strategy 2022–2024
- NSW Hydrogen Strategy (2021)
- Hunter Regional Plan 2041 (2022)
- NSW Net Zero Plan Stage 1 2020–2030

REGIONAL PLANS AND STRATEGIES

The NSW Government has established regional level planning programs that aim to bring together national and state objectives to inform strategic land use and transport planning. The inaugural suite of Regional Plans covering NSW was established in 2016 and has been progressively updated in 2022.

In recent years, there has been greater alignment between land use and transport planning through the introduction of supporting Regional Transport Plans for each region, aligning with the NSW Future Transport 2056 strategy.

In 2018, the NSW Government introduced a suite of Regional Economic Development Strategies for each functional economic region in the state. Collectively, these set out priority strategies and corresponding enablers to achieve the 20-Year Economic Vision for Regional NSW. The inaugural suite of Regional Economic Development Strategies was updated in 2023.

These currently recognise the important role of the Port of Newcastle as a key enabler to achieving productivity gains and supply chain efficiencies for businesses in the Hunter, with emerging opportunities and targeted investments aiming to improve access to export markets across inland and northern NSW.

Over the next five years, there will be further adjustments to regional strategic planning and governance with the establishment of a Six Cities Region under the Greater Cities Commission. This is expected to involve the release of a Six Cities Region plan in 2024, with supporting City Plans for the Greater Newcastle/Lower Hunter, Central Coast, Illawarra-Shoalhaven, Western Parkland, Central River and Eastern Harbour cities thereafter.

In addition to supporting government's work to grow and diversify the region, the Port fosters strategic alliances with aligned organisations and institutions such as Committee for the Hunter as a founding and patron member; collaborative strategic planning with Newcastle Airport; and programs to promote research, innovation and skills development with the University of Newcastle.



Future catchment initiatives combined with the strength of the Port's existing transport and infrastructure networks, such as the Hunter Valley Coal Chain, means Newcastle is uniquely positioned to be a port of choice for businesses across regional NSW.



MAP LEGEND

- Rail Network
- 30 TAL Operational
- 25 TAL Operational
- 25 TAL Planned
- Major Roads and Highways
- Intermodal Junction or Hub
- Capital City
- Special Activation Precincts (SAP)
- Regional Job Precincts (RJP)
- Renewable Energy Zones (REZ)
- Potential Offshore Wind Zone

REGIONAL STRATEGIC PLANNING

National projects and state-led regional strategic planning initiatives have progressed significantly since the last Port Development Plan was prepared in 2018. Collectively, these initiatives are transforming the reach and characteristics of Port of Newcastle's future catchment.

KEY INITIATIVES

Inland Rail



This national infrastructure project is a 1700km freight line that will connect Melbourne to Brisbane via regional Victoria, NSW and Queensland. It is being delivered in staged segments and expected to be fully operational by 2026. Port of Newcastle will be directly connected to the Northern NSW Inland Port at Narrabri via existing national rail infrastructure, currently underpinning the Hunter Valley Coal Chain Network (ARTC).

Special Activation Precincts (SAPs)



Created to deliver the NSW Government's 20 Year Economic Vision for Regional NSW, SAPs provide a new way of planning and delivering industrial and commercial infrastructure projects in nominated areas. These projects will benefit from the \$4.2-billion Snowy Hydro Legacy Fund to assist with the delivery of capital works and enabling infrastructure projects, in addition to streamlined planning approval frameworks.

Regional Job Precincts (RJPs)



Established as an extension to the SAP program, RJPs will benefit from tailored planning reform initiatives to assist with attracting investment by reducing administrative barriers to entry in nominated industrial and commercial areas across NSW.

Renewable Energy Zones (REZs)



Announced in 2022, Renewable Energy Zones are areas where wind and solar power generations will be grouped to enable the energy created to be efficiently stored and transmitted across NSW. Five zones have so far been identified. Port of Newcastle is within close proximity to the Hunter Central Coast REZ, Central West Orana REZ and the New England REZ. The Port of Newcastle has been identified as the optimal port for the import of the componentary required to develop all of the REZ. Port of Newcastle is working closely with EnergyCo to expedite the delivery of the REZ.

REGIONAL NSW SAPs AND RJPs AT A GLANCE

| SAP/RJP | OVERVIEW |
|------------------------|---|
| Narrabri SAP | Serving as the Northern NSW Inland Port connecting the surrounding hinterland to key seaports. On-site development will enable opportunities for energy-intensive manufacturing, like fertiliser and plastics manufacturing, leveraging secure and reliable gas supply. Direct connection to Port of Newcastle via an existing length of rail currently within the Hunter Valley Coal Chain operations. |
| Moree SAP | Strategically positioned in the middle of the most productive grain region in Australia, at the junction of the Newell, Gwydir and Carnarvon highways and, and with rail access on the Narrabri to North Star section of the Inland Rail. Envisaged to be a key location for agribusiness, logistics and food processing industries, with efficient access to key seaports, including Newcastle. |
| Namoi RJP | Facilitating growth in the intensive agriculture sector and livestock production leveraging access to the Narrabri and Moree SAPs. |
| Williamtown SAP | Strategically located between the Hunter region's global gateways, Newcastle Airport, RAAF Base, and Port of Newcastle, the Precinct will facilitate the continued diversification of the region's economic growth in tourism, advanced manufacturing, and expanded opportunities for freight and logistics allowing time-sensitive products from regional NSW to reach global markets. |
| Parkes SAP | Strengthened Inland Port facility, handling export-ready goods to major cities and freight centres throughout Australia. Aiming to provide opportunities for new industries in agriculture, freight and logistics, manufacturing, energy and resource recovery and transport. Opportunity here to describe PON's existing relationship to this area (e.g., minerals concentrates) |
| Wagga Wagga SAP | Positioned to become a sustainable hub for industries and businesses reaching global markets. Leveraging existing manufacturing along with plans to include freight and logistics, advanced manufacturing, agribusiness, innovation, skills and education and renewable energy and recycling. |
| Albury RJP | Expanding the NEXUS Industrial Precinct to create a hub of advanced manufacturing, circular economy and recycling, agribusiness, freight and logistics services. Leveraging the national rail network to improve connections to domestic export markets. |





DEVELOPMENT OBJECTIVES & PROPOSALS

Over the next five years, Port of Newcastle has a unique opportunity to re-position its focus to align with the structural changes occurring globally, across regional NSW, and in the immediate vicinity of Port of Newcastle.

To realise this opportunity, the Port has an ambitious roadmap for diversification. In 2021, the Port committed to increasing its revenues from non-coal trade from 28 per cent to 50 per cent by 2030.

Underpinning this diversification is exciting new opportunities in clean energy and container markets.

The Port's five-year development objectives that will drive land use and development proposals across the Port Lease Area form the foundation for

the delivery of its diversification agenda.

In the near term, key changes will be delivered through strategic initiatives with existing investment commitments by government and the private sector. These include:

- Port-wide and Precinct level proposals to improve the productivity of existing land and marine operations, specifically through investment in new and renewed infrastructure and assets.
- Proposals to enable the longer term delivery of the Port of Newcastle Clean Energy Precinct, complementing the Energy Sector Services at Kooragang.
- Proposals to enable the longer term delivery of the Newcastle Deepwater Container Terminal Project boosting the container services offered at the Containers & Project Cargo Precinct at Mayfield.

- Proposals to maximise the capacity of the Newcastle Bulk Terminal through the use of conveyors and pipelines.
- Proposals to attract the return of the vehicle trade to the Port.

The following section summarises the 5-year development objectives. These are described separately for:

1. Port-wide changes expected within the shared infrastructure, features and services that underpin day to day activities; and
2. The five distinct Precinct clusters underpinning forward planning for Precinct-level changes.

Each sub-section sets out a series of five year development objectives underpinned by one or more development proposals. These detail the expected change to how Port Lease Area land or the corresponding waterways will be used; or changes to built assets and infrastructure networks within the Port Lease Area.

This section is not intended to set out the specific scope of works that would, for example, accompany a development application. This recognises that the proposals are at various stages of planning, and specific details may change as individual projects evolve.

All development proposals will progress with involvement from relevant stakeholders and the Port's community, and will be subject to the relevant approval processes in line with the Port's ongoing planning programs.

PORT WIDE PROPOSALS

Over the next five years, Port of Newcastle has a unique opportunity to reposition its focus to align with the structural changes occurring globally, across regional NSW, and in the immediate vicinity of Port of Newcastle.

Key to this effort is an ambitious diversification agenda and a planning approach that ensures agility to capitalise on new opportunities.

The Port's activities over the next five years will lay the groundwork for transformative changes. As this agenda is pursued and implemented, the Port will continue to provide a safe, efficient and sustainable operating environment for the businesses and communities that use the Port every day. These activities will include routine maintenance, improvements designed to benefit the Precincts and open space network around the Port.

OBJECTIVE 1

Maintain safe, efficient and sustainable connections and services to the Port's Precincts

Proposals (subject to relevant approvals):

- Improvements to the Port's managed road network.
- Improvements to utilities (electricity, water, sewer) & IT networks.
- Ongoing dredging / channel maintenance.
- Regular review of safety and navigational service area locations, in line with land use optimisation across the Port's Precincts.

OBJECTIVE 2

Remain agile to support and grow emerging activities and businesses

Proposals (subject to relevant approvals):

- Continue enabling short-term or trial uses via short-term lease arrangements.
- Prioritise Precinct-level planning to optimise use of core and non-core port land and support the Port of Newcastle's diversification strategy.

OBJECTIVE 3

Celebrate the Port's heritage and its city location

Proposals (subject to relevant approvals):

- Ongoing maintenance of heritage assets, in line with existing heritage management plans.
- Facilitate on-site activations – e.g., visual displays, billboards, community days, etc.
- Regular maintenance of existing public access and fishing areas.
- Regular review of public access locations, in line with land use optimisation and growth of Core Port Infrastructure and Services.



GATEWAY TO RENEWABLE ENERGY TECHNOLOGY

Port of Newcastle plays a critical role in Australia's take-up of energy technology.

ONSHORE WIND

Since 2006, Port has provided on-site storage for more than 10 onshore wind projects in NSW. The components for over 330 wind turbines have been imported through the Port. The components are stored at the Port prior to being transported to the project construction site. The Port is regarded as the premier import port for onshore wind farm componentry for NSW.

On-site storage is a unique advantage at Port of Newcastle compared with other ports, reducing double-handling of cargo and unnecessary truck movements in regional NSW.

Looking ahead, the Port could provide critical infrastructure for Australia's second off-shore wind zone, currently being explored by the Commonwealth Government off the coast of Newcastle.

OFFSHORE WIND

Port of Newcastle is seeking to facilitate the staging of offshore wind turbines and componentry to support the build-out of the recently announced declared offshore wind zone off the Newcastle coast.

Port of Newcastle will aim to support the import, construction and Operation and Maintenance required to support offshore wind development.

Under the above approach, the Port would seek to carry out and maintain the channel, and any required berth and wharf improvements.

Port of Newcastle will seek to work with NSW Government in relation to the landside elements of the offshore wind zone build-out, ensuring that developers, importers and operations and maintenance personnel are co-ordinated in an efficient manner.

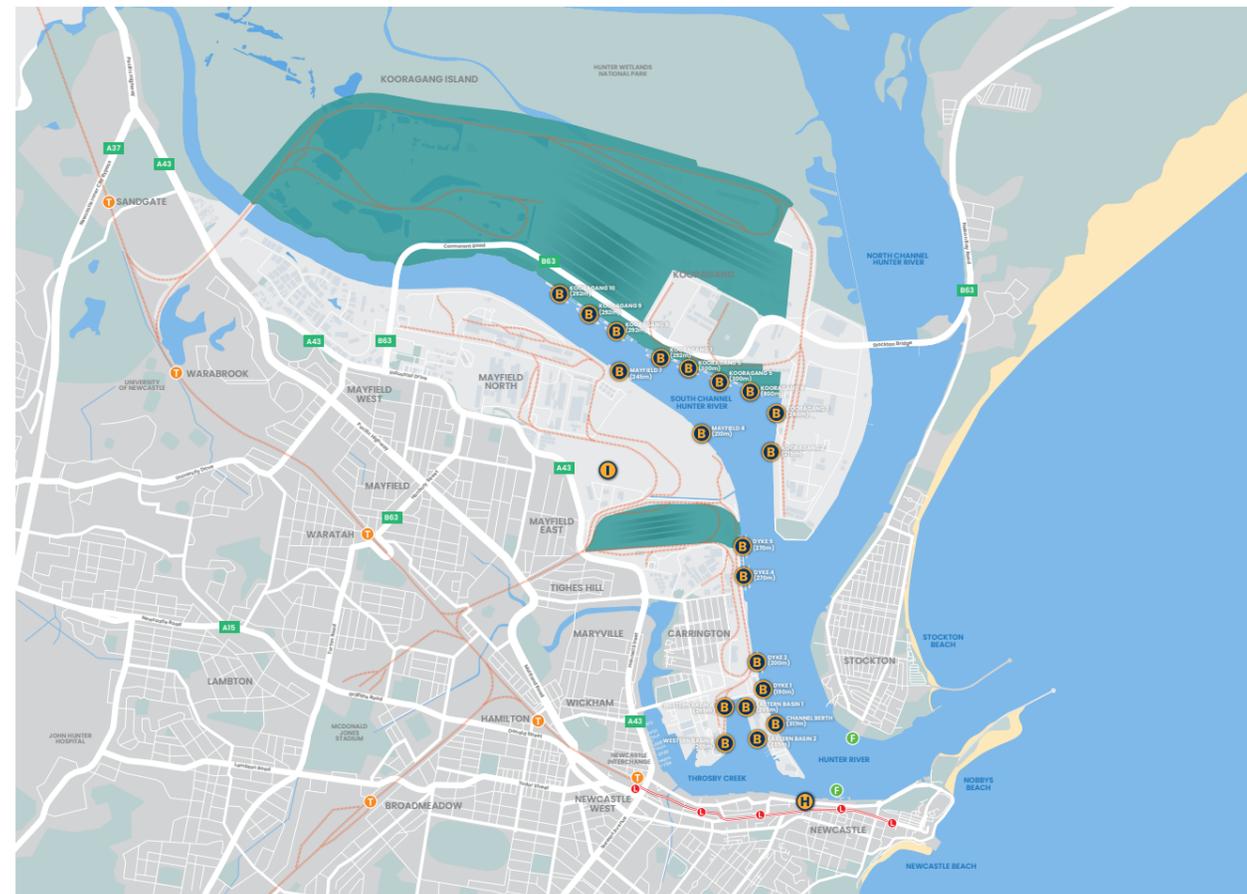


ENERGY PRECINCT

Port of Newcastle is establishing a dedicated Clean Energy Precinct for all forms of energy and associated technologies.

The purpose of the Clean Energy Precinct is to establish the clean energy economy in the Hunter Region and accelerate the demand for the economy. Port of Newcastle will enable the new clean energy economy by forming connections across infrastructure, markets and people.

| Location | Coal Terminal |
|------------|--|
| Carrington | Port Waratah Coal Services (PWCS) operates two berths at a licensed terminal capacity of 25Mtpa |
| Kooragang | PWCS operates four berths at Kooragang Coal Terminal with a licensed terminal capacity of 120Mtpa |
| | Newcastle Coal Infrastructure Group (NCIG) operates three berths with a licensed terminal capacity of 79Mtpa |



Port of Newcastle will import the project cargo required to construct the renewable energy zones and offshore wind zone. Renewable electricity will be transmitted from these zones to the Clean Energy Precinct to power a large-scale electrolyser which will be complemented by ammonia production capability and may be complemented by other forms of clean energy production. Port of Newcastle is looking for a consortium to develop these production facilities.

The Clean Energy Precinct will offer common user open access, shared infrastructure across clean energy storage, transport and export facilities. The common user model encourages efficiency through economies of scale and supply chain coordination (and is a critical part of the existing energy supply chain at the Port). The storage, transport and export facilities will serve the clean energy production facilities both within the Clean Energy Precinct and throughout the Hunter Region. This allows for new connections between renewable energy projects, clean energy production projects and the Port's biggest asset, its deepwater channel.

Port of Newcastle is seeking to create connections between domestic and export markets. It has letters of intent from each of the entities that have the potential to be significant clean energy off-takers in the Hunter Region. It is also working with its existing export customers in key markets across Asia. Combining offtake from domestic and export markets creates diversity and resilience in the production project mitigating risk whilst providing a faster pathway to scale.

Most importantly, the Port of Newcastle is seeking to create new connections between people. Through conducting over 100 individual interviews, Port of Newcastle has asked individuals in our community 'what opportunity would you want to see in our future for you to take a personal stake in achieving that outcome'.

Port of Newcastle recognises that each member of our community is an expert in their own lived experience, and by creating the opportunity for each individual to take agency in their future, we can each contribute to a thriving Hunter community. Through stronger connections between community members, and clearer pathways to acquiring the skills required to participate in the clean energy industry, it's the people and culture of the Hunter Region that will make this new industry a success. Over the next five years to 2028, the Port will work closely with all levels of Government and industry partners to enable the Clean Energy Precinct by:

- connecting 1.5GW of green electricity supply, and deliver circa 25 ML/day of water, to the clean energy Precinct (this will enable a clean energy producer to operate an 750MW electrolyser or equivalent).
- seeking to secure the concept design planning approvals required at a Precinct level dealing with key issues including hazardous uses and ecological values.
- undertaking the relevant site conditions studies to de-risk the development of the site.

Based on coal export forecasts, there are currently no proposals expected to allocate additional land for a coal-related use in the Port Lease Area over next five years. Current coal chain capacity would allow up to 220Mtpa of coal export. This is more than sufficient to cater for current and forecast volumes between 2023-28.

OBJECTIVE 4

Partner with a consortium to establish and expand a large-scale green hydrogen production facility complemented by green ammonia production and possible other forms of clean energy production. Establish Port of Newcastle as a common user, open access, shared infrastructure platform for storage, transport and export of clean energy serving both production in the Clean Energy Precinct and from all other projects in the Hunter Region (subject to relevant approvals):

- Seek State Significant Development Approval status for the development of the site.
- Develop shared utilities connections (electrical, water, and wastewater) as a common user network.
- Enabling works for the production of green hydrogen or its derivatives such as ammonia, methanol and sustainable aviation fuel.
- Storage, transport and export for all forms of clean energy.
- Development of hubs for skills and training or innovation.
- Following the remediation and handover, undertake any variations to approvals required for the ongoing monitoring and management of the Kooragang Island Waste Emplacement Facility (KIWEF).

OBJECTIVE 5

Continue to facilitate the efficient and ongoing operations for coal export, consistent with the Port's lease and open access arrangements:

- Potential adjustments to approved coal trading volume capacities.



CLEAN ENERGY PRECINCT

CURRENT STATE

Future Port of Newcastle Clean Energy Precinct Site



FUTURE STATE

Clean Energy Precinct

Connection of transmission infrastructure of up to 1.5GW by 2028 which would allow for the large-scale production, storage, transport and export of multiple forms of clean energy, including hydrogen, ammonia, methanol, and SAF.



FUTURE STATE

Conceptualisation of Potential
Port of Newcastle Clean Energy Precinct Site

PORT OF THE FUTURE ENABLED

PORT OF NEWCASTLE'S CLEAN ENERGY PRECINCT

Part of the former BHP Steelworks site, the 220-hectare parcel of Port land earmarked for development of the Clean Energy Precinct, will position Newcastle, its Port, and the Hunter Region as a leading production, storage and export hub for future clean energy products and technologies, including hydrogen and green ammonia.

As the state's dedicated hydrogen hub, Port of Newcastle has worked for over two years to accelerate plans for hydrogen readiness, domestic decarbonisation and clean energy export.

To realise this vision, Port of Newcastle is adjusting its operator model to directly deliver the enabling works required to ready the site for future third party investment.

The below artist impression renders show our vision for the future: a Clean Energy Precinct that will leverage economies of scale by co-locating hydrogen producers, users and exporters in one location.

Development of the Clean Energy Precinct will require supporting infrastructure from Hunter Water and for the Central West Orana renewable energy zone to be connected to the electricity network by EnergyCo. The maximum amount of water required would be 25ML/day by 2028 and PON is in discussions with Hunter Water and CoNexa for that supply with a goal of utilising recycled water.





CONTAINERS & PROJECT CARGO PRECINCT

The Port is working towards establishing a world-class, globally competitive deepwater container terminal, leveraging existing land and infrastructure assets at the Containers & Project Cargo Precinct at Mayfield.

Collectively, the Multipurpose Terminal and the future Newcastle Deepwater Container Terminal comprise the Container & Project Cargo Precinct at Mayfield.

The current Multipurpose Terminal offers project cargo, general cargo and container handling services utilising two new mobile harbour cranes which are supported by terminal hardstand laydown and adjacent off-berth storage for project cargo, such as wind farm components. In July 2014, Port of Newcastle entered a long-term lease with the NSW Government to operate the Port. Under the terms the lease, the Port is liable to provide the NSW Government with revenues generated by container trade once container numbers at the Port reached a specified cap.

The Port of Newcastle (Extinguishment of Liability) Act 2022, passed in March 2023, provides a mechanism for removing this liability. As of May 2023, the NSW Independent Pricing and Regulatory Tribunal (IPART) was appointed the independent valuer under the Act to determine the value of a one-off compensation payment to be made to the NSW Government by the lessee of Port of Newcastle. Port of Newcastle can elect to pay the compensation (once determined) and in doing so extinguish liability under the provisions of its long-term lease.

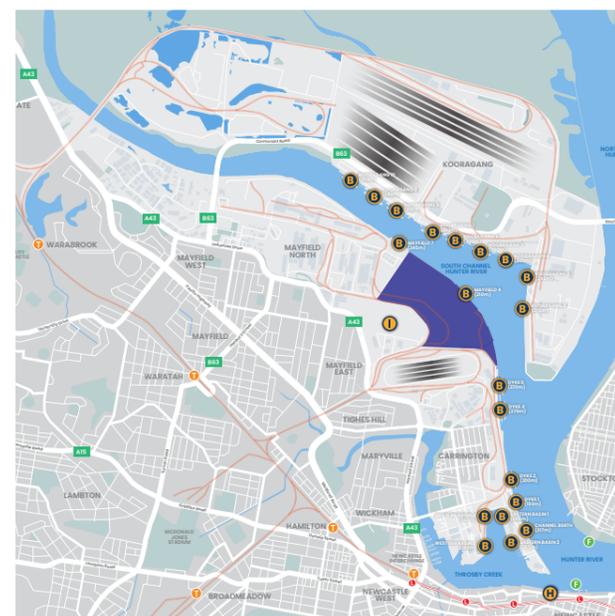
In the meantime, Port of Newcastle is continuing to work actively towards establishing a world-class, globally competitive deepwater container terminal, leveraging existing land and infrastructure assets at the Container & Project Cargo Precinct at Mayfield.

The Port currently operates a Multipurpose Terminal from the M4 berth, located on the south arm of the Hunter River. The Precinct is well serviced by existing road infrastructure, with future rail connectivity plans, and has the capability to handle and store a variety of cargoes including containers, general cargo, and project cargo such as onshore wind turbine components.

The land the subject of the Carrington Coal Terminal may be repurposed to facilitate the clean energy trade (e.g. offshore wind fabrication) or containers (e.g. integrated customs facility) once the Terminal is retired

Recent and ongoing investments by the Port include:

- **Mobile Harbour Cranes** - two Liebherr LHM 550 mobile harbour cranes (MHCs) loaded their first container vessel in November 2022. The MHCs feature the latest lift assistance systems for safer lifts and can handle a diverse mix of project and general cargo, including wind turbines, timber, steel coils, transformers, and mining equipment. The cranes also have the capability to work in tandem



for heavy lifts and can also lift two 20ft or one 40ft container in a single move.

- **Empty Container Park** - works are underway adjoining the terminal to provide additional back-of-berth hardstand storage and associated road and service upgrades. Waterside works to accommodate larger vessels are also being assessed. This investment recognises the vital function empty container management plays in efficient container trade operations, with agri-business throughout the Hunter, New England and North-West poised to be initial beneficiaries.

The broader area earmarked for expanded container services extends to a total of 98ha of land, of which 71ha is vacant.

As at May 2023, the sale of the Intertrade site by the NSW Government is yet to conclude. The sale process began in April 2022.

The site, which is adjacent to the Port's Containers & Project Cargo Precinct, which currently operates as a Multipurpose Terminal and storage facility, has been earmarked, should Port of Newcastle's be successful, to be developed as part of the Port's Newcastle Deepwater Container Terminal's staged development process.

The Intertrade site would play a major role in enabling the servicing and imports of wind turbines to underpin the development of the State's Renewable Energy Zones across New England, the Central-West and Hunter, along with the offshore wind projects.

If the Intertrade site is acquired by a third party, the Port will work to ensure it is developed in a way that

does not unduly impact the efficient operation of the Multipurpose Terminal and, in the longer-term, the Newcastle Deepwater Container Terminal.

Port of Newcastle will continue to grow capacity of the Multipurpose Terminal through increased trade containers, general cargo, machinery and renewable energy components. At the same time, the Port is commencing the design and planning phase of the Newcastle Deepwater Container Terminal, which may include extending Port of Newcastle's operations as an integrated owner and operator.

OBJECTIVE 6

Continue developing the M4 berth as an intermodal Container Handling Facility and lay the foundations for a deepwater container terminal in future.

Proposals (subject to relevant approvals):

- > **Mayfield 4 berth extension and bollard upgrades.**
- > **Development of additional hardstand to increase the capacity of the Multipurpose Terminal and associated Empty Container Park.**
- > **Continue to develop essential utilities including water, electricity and telecommunications.**
- > **Explore opportunities to develop intermodal capabilities to support rail connectivity to the M4 berth.**
- > **Subject to the outcome of the IPART's independent valuation process, commence the design and planning approvals for the Newcastle Deepwater Container Terminal.**





Aspirational vision for the Port in 2028 and beyond

FUTURE STATE

Containers & Project Cargo Precinct

A multi-purpose precinct offering project cargo, general cargo and container handling services capable of supporting a future deepwater container terminal.



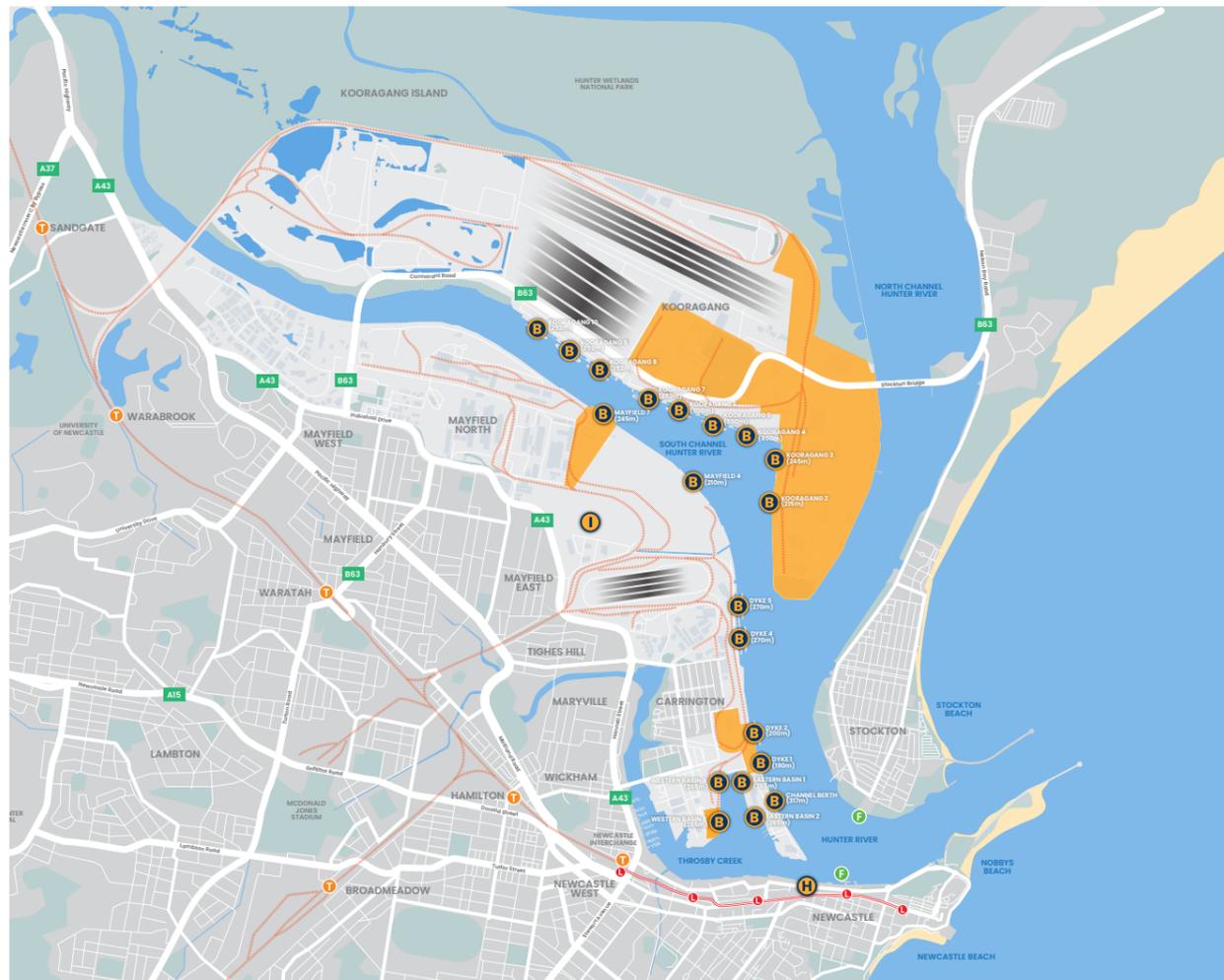
BULK SERVICES PRECINCT

KOORAGANG ISLAND, MAYFIELD AND CARRINGTON

Port of Newcastle is the leading east coast destination for the import, export and storage of a variety of bulk and liquid products, such as alumina, cement, fertiliser, grains, mineral concentrates and fuel.

Infrastructure to support bulk services is located at Walsh Point on Kooragang Island, Mayfield and Carrington, and includes a state-of-the-art ship unloader, two grain, and one mineral concentrate, export terminals, and three fuel import terminals.

| Location | Terminal |
|------------------|--|
| Kooragang Island | Newcastle Bulk Terminal at Walsh Point |
| Mayfield | Bulk services |
| Carrington | Fuel |



Bulk dry and bulk liquid cargoes

Newcastle Bulk Terminal at Walsh Point facilitates a diverse range of trade through two common user berths: Kooragang 2, with a grab unloader; and Kooragang 3, with a vacuum unloader. Services are supported by other fixed infrastructure including pipelines and conveyors to load and discharge cargoes.

The Terminal predominantly services dry and bulk liquid cargoes and is currently used for the import and storage of a range of dry bulk products, as well as small scale industrial uses such as metal recycling and some exports.

The Terminal berths are some of the busiest and most visually prominent in the Port. Current customer demand is putting pressure on existing services and infrastructure, and there is expected future growth by current and future customers.

The Port's landholdings surround an area of freehold land occupied by heavy industry, including fertilizer manufacturer Incitec Pivot and mining industry chemical supplier Orica.

The existing use of Walsh Point offers synergies that facilitate growth in the export and import

of products such as ammonia, ammonium nitrate and fertilizer. To support expansion in this part of the Precinct, Port of Newcastle is investigating options to unlock latent potential in sea and landside assets, as well as supply chain efficiencies and utilities connections.

Grain and minerals concentrates

Carrington offers bulk services through two common user berths: Dyke 2, with a concentrates loader, grain loader and rail to berth connectivity; and West Basin 3, with four ship loaders.

These facilities service two grain export terminals (GrainCorp and NAT) and a minerals concentrates export terminal (Aurizon Port Services).

From the Mayfield 7 berth, Koppers Australia exports a range of carbon materials and chemical products, including carbon black feedstock, naphthalene, and creosote oil. The facility is the only Australian supplier of coal tar pitch – an essential raw material for Australian aluminium smelters, through a process that reuses coal tar from Australian steelworks.

Fuel reserves

Port of Newcastle is a critical location for importing and storing Australia's fuel reserves. The Port is the site for three terminal and distribution facilities: Walsh Point (Park Fuels), Carrington (Australian Terminals Operations Management), and Mayfield (Stolthaven). These industries import a range of fuels including diesel, petroleum products, ethanol and aviation fuel.

In July 2021, the Commonwealth Government announced a \$260-million investment to expand Australia's diesel storage capacity. Port of Newcastle received the largest allocation of grants from this package, with two applications selected to support critical infrastructure investment and increase current tankage capacity across the Port's three bulk fuel terminals grow from 266 megalitres to 624 megalitres.

At Walsh Point, Park Fuels is currently constructing one of Australia's first strategic diesel storage facilities. This will enable Port of Newcastle to play an important role in securing Australia's long-

term fuel supplies by increasing the volume of diesel stock kept onshore to meet future needs and help stabilise domestic fuel prices.

OBJECTIVE 7

Enable the Newcastle Bulk Terminal at Walsh Point to become the cleanest and most efficient bulk handling import facility on Australia's East Coast.

Proposals (subject to relevant approvals):

- > **Continue investments in new infrastructure (ship unloader and conveyor systems) at the K2 berth at Kooragang.**
- > **Implement identified options to increase berthing capacity, and improve WHS and environmental performance in line with opportunities to grow and diversify trade volumes and revenues through the use of conveyors and pipelines.**
- > **Explore land use optimisation opportunities, including consolidating bulk cargoes and develop vacant lands.**

- > **Develop a stormwater treatment facility and wash bay, if required by PON's environmental licensing requirements.**
- > **Continue to plan for and develop an integrated services corridor to enable connection to electrical, communications, gas, water, wastewater and stormwater services.**
- > **Upgrade portal building used as security gatehouses.**

OBJECTIVE 8

Continue supporting Australia's fuel security as a major storage and supply distributor for Regional NSW.

Proposals (subject to relevant approvals):

- > **Support Park Fuels in the completion of the strategic diesel storage facility at Kooragang.**
- > **Consider and support as appropriate, proposals to expand the port's fuel terminals in response to market demand.**

OBJECTIVE 9

Support any proposed increase capacity and optimising services for grain storage and handling at the port.

Proposals (subject to relevant approvals):

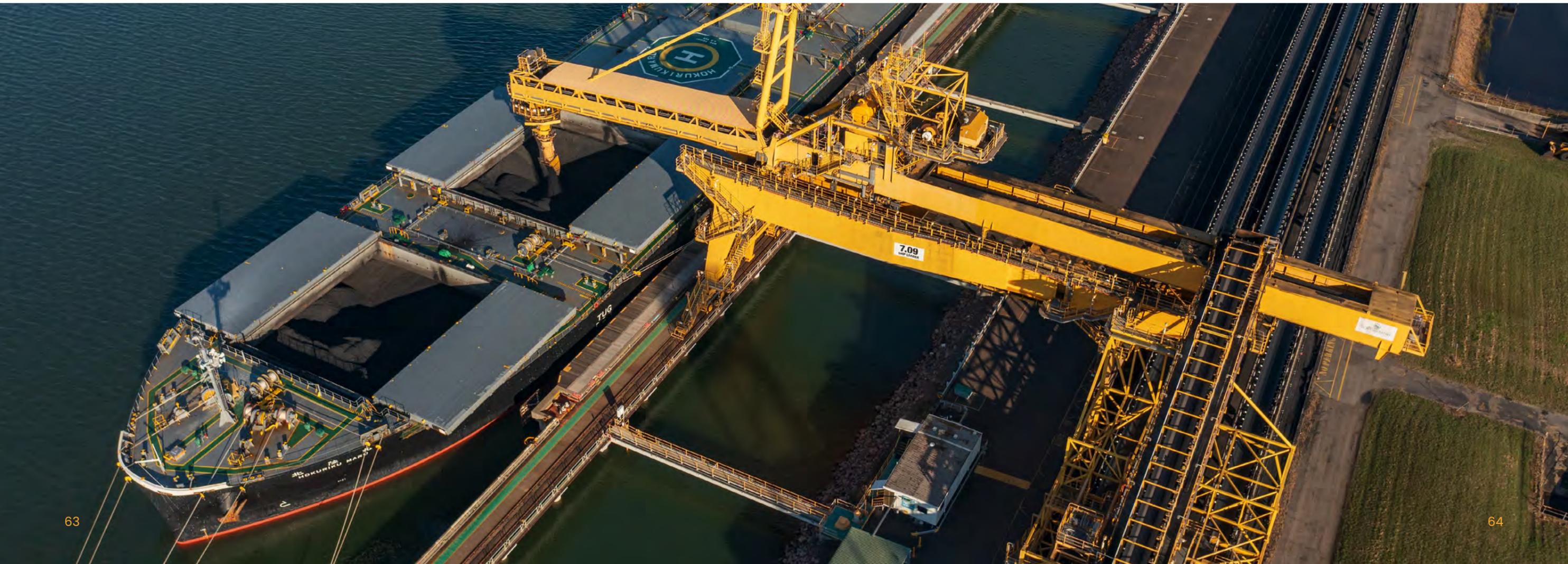
- > **Subject to market demand and investment made by tenants or adjacent land holders, develop infrastructure to increase the capacity of grain export/import facilities.**

OBJECTIVE 10

Respond to market demand and optimise logistics for bulk cargo.

Proposals (subject to relevant approvals):

- > **Increase the amount of undercover storage capacity in the Precinct to fill immediate demands.**
- > **Subject to market demand and investment made by tenants, consider expansion of existing bulk cargo handling and storage facilities.**





Aspirational vision for the Port in 2028 and beyond

FUTURE STATE

Bulk Services Precinct

Increasing productivity of berths through the connection of conveyors and pipelines which has the potential to increase trade volumes.



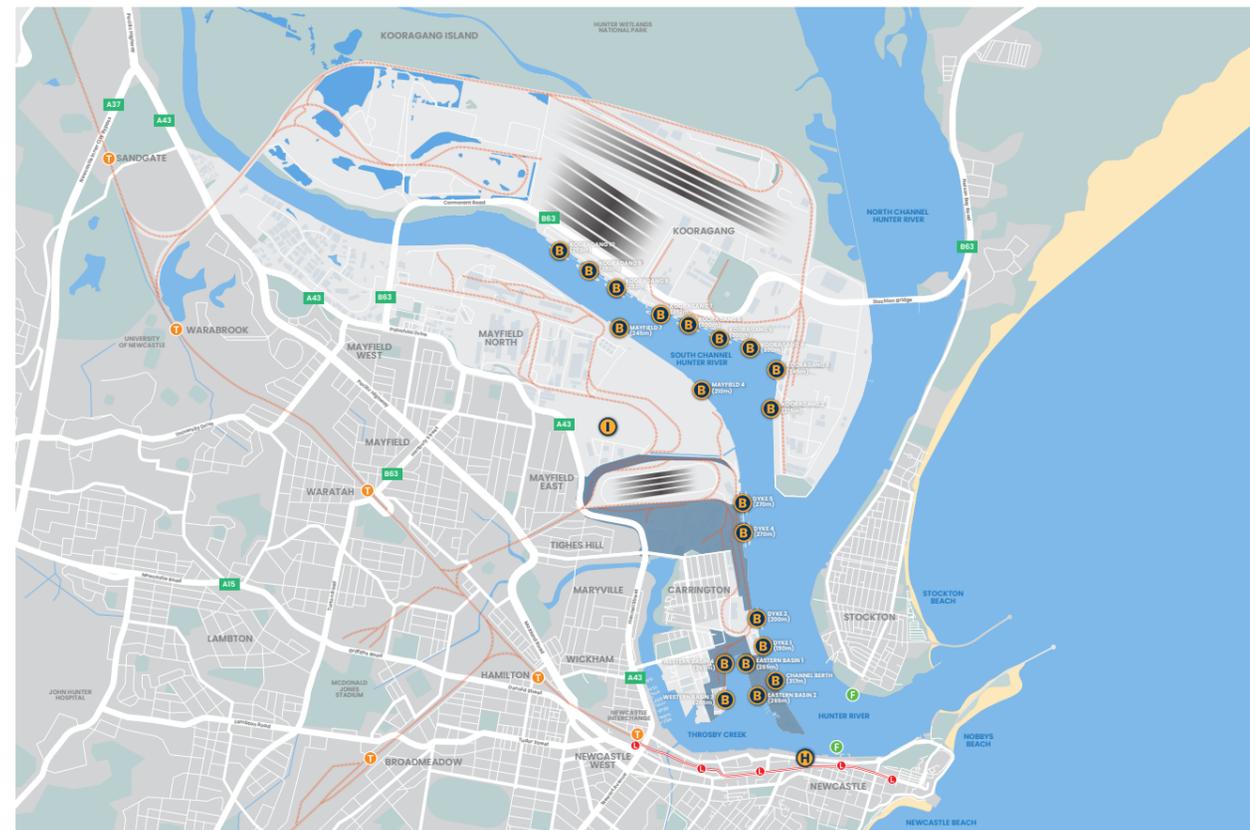
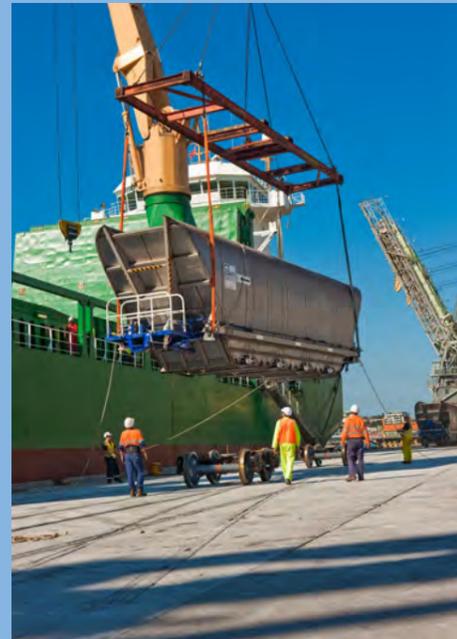
GENERAL CARGO SERVICES PRECINCT

CARRINGTON

General cargo services are concentrated in Carrington and include on-berth rail with direct access to the ARTC rail network and nearby storage including covered options.

This enables Port of Newcastle to handle all cargo types, including breakbulk steel, aluminium, timber, containers, mining and capital equipment, yachts and rail wagons. This Precinct is also capable of accommodating Roll-On Roll-Off (RORO) vessels.

As the oldest part of the port that is still in operation, the General Cargo Precinct is rich in heritage including the Hydraulic Power Station (Pump House) built in 1877, four historic crane bases (connected to power station and used from 1870s-1930s to load coal), Dyke Point Shed former engineering offices of Morison and Bearby, and the Destiny Monument commemorating the 200th anniversary of Port operations.



The Precinct's East and West Basins both benefit from direct access to the national rail network, as well as a range of on-berth and proximate storage, including covered storage for weather sensitive cargo.

There are two common user berths in West Basin, West Basin 3 and West Basin 4 which provide services on a project-by-project basis. There are two common users berths at East Basin, East Basin 1 and East Basin 2. These berths are currently leased and support a multi-user storage area at Dyke Point as well as a large distribution centre servicing steel traders and aluminium exporters amongst other customers.

The General Cargo Precinct is serviced by rail and road infrastructure, including a heavy vehicle truck route designed to reduce the potential for land use conflicts with the residential areas of Carrington. Rail access is provided via the Scholey Street Junction.

The Precinct's Channel Berth hosts visiting naval vessels year-round and has received cruise ships seasonally between October and April. The Cruise Terminal is currently equipped as a transit terminal, enabling vessels to visit for a few hours or overnight, but does not allow cruises to begin or conclude their itineraries at Newcastle.

There may be potential for development of cruise-related facilities and services in future in line with broader changes in the region's visitor and tourism offerings, including growth in regular international flights.

This Precinct also provides critical port infrastructure for marine pilots and navigation safety, including helicopter services (operated by Port Authority NSW) at Dyke Point and tug services (operated by Svitzer) at Dyke Point and East Basin. The location of these services will be continually reviewed to maintain safe operations in line with changes to regulations and as wider port infrastructure and services develop.

It is relevant to mention rail sidings connecting Newcastle Agri Terminal and Carrington Coal Terminal and Carrington Jetty, which currently offers public open space and fishing access.

The wider Carrington area of the Port includes close access to a range of other port related activities: the Carrington coal terminal is located to the north of the General Cargo Precinct and the Marine Services Precinct to the west. Clusters

of the Bulk Services Precinct are also located in the General Cargo Precinct, including grains and minerals concentrates bulk loading facilities.

Port infrastructure across the General Cargo Precinct is not currently optimised to its full capacity, and there are large areas of under-utilised land across the East and West Basins. Precinct-level planning is underway to identify opportunities to address infrastructure redundancies, aging utilities networks (including electricity, communications, sewer, and potable water), consolidate existing trades and unlock latent development potential.

Notably, this area has a significant interface with residential neighbourhoods in Carrington and is highly visible from Newcastle's City Centre waterfront areas and Stockton. Future port uses will need to prioritise actions that maintain or improve urban amenity.

OBJECTIVE 11

Plan for working harbour and city-facing renewal of the Port's oldest Precinct, positioning the area to support a range of flexible future uses and trades.

Proposals (subject to relevant approvals):

- > **Demolish the roll-on roll-off ramp in the northwest corner of the Basin.**
- > **Demolish office building and redevelop cargo handling and storage facility to support break bulk and automotive trade.**
- > **Dredge to deepen berth boxes to optimise vessel loading at existing berths.**
- > **Subject to development of the region's broader tourism and visitor offering, consider third party proposals for the development of the Newcastle Cruise Terminal.**
- > **Regular review of port safety services and infrastructure may consider the relocation of helicopter and tug services.**
- > **Subject to the outcome of the Port's Precinct planning process, specific proposals may arise for the optimisation of port services and infrastructure to support growth in general cargo commodities.**



Aspirational vision for the Port in 2028 and beyond

FUTURE STATE

General Cargo Services Precinct

Investment in new infrastructure to increase the efficiency and capacity of the existing general cargo trade and attract new trades, including RoRo.



MARINE SERVICES PRECINCT CARRINGTON

Located in Carrington, this Precinct provides commercial vessel access and facilitates a range of marine services such as ship building, boat repair, storage and mooring.

The established cluster of marine oriented services in this part of the Port are supported by hardstand, sheds and workshop facilities, berths and a slip way suited to small and medium size vessels. Among the operators in this is the Thales' ship building, repair and servicing facility, which supports both the commercial and defence sectors.

In the short to medium term, Port of Newcastle will focus on retaining current boat building, boat maintenance and light maritime industrial uses.

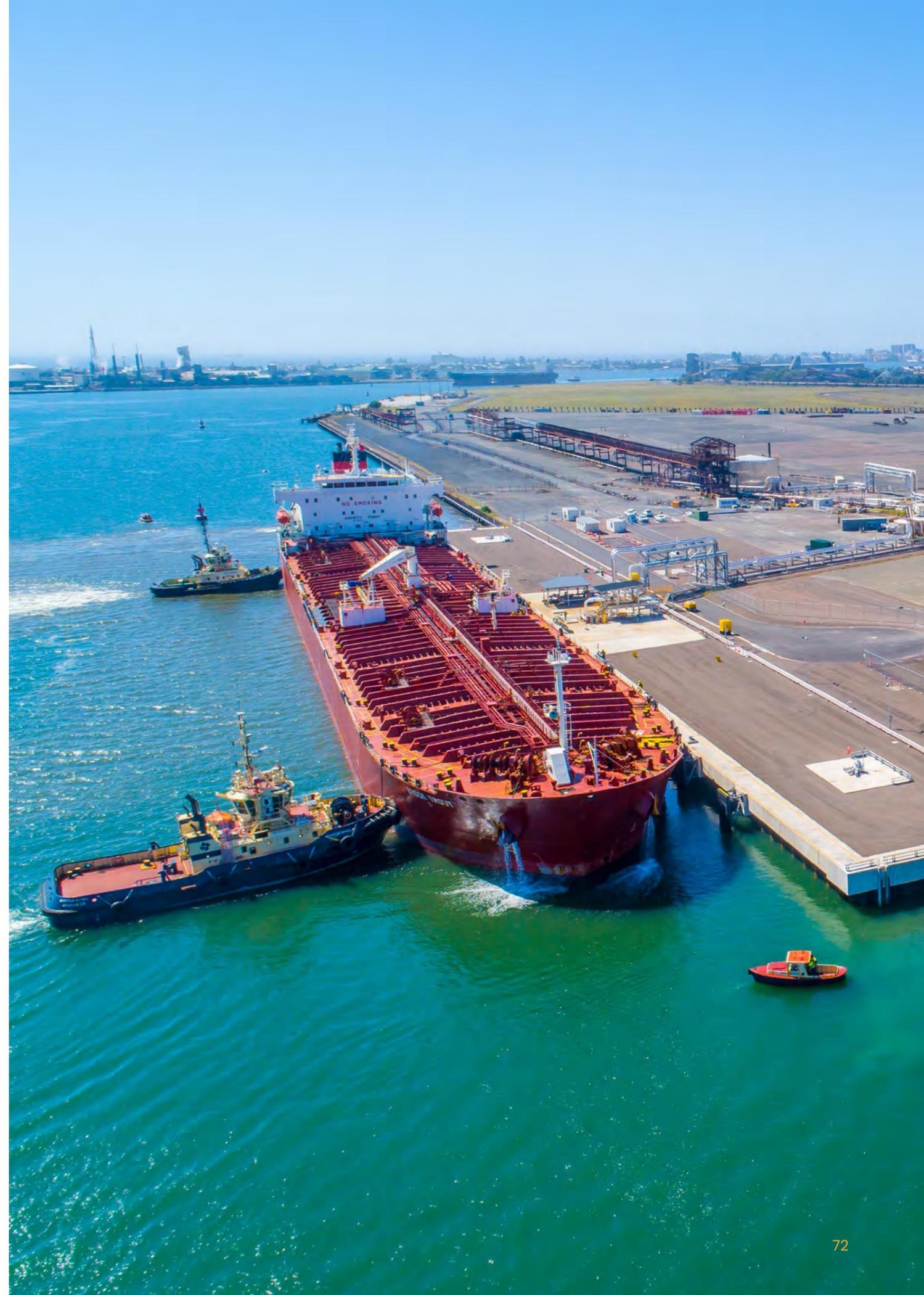
This cluster faces onto Throsby Creek, directly opposite the city's Wickham Precinct and the final release area within the Honeysuckle Precinct. Both of these areas in the City are expected to undergo major transformations, underpinned by planned renewal and redevelopment programs. These initiatives may present an opportunity to consider mixed commercial and waterfront urban activations in the longer term, in line with growth.

OBJECTIVE 12

Establish and expand a common user, shared infrastructure platform for hydrogen and ammonia production and storage as a pathway to scale for export

Proposals (subject to relevant approvals):

- Consider and support proposals as appropriate to develop and renew the site.
- Seek any necessary approvals to maintain and repair seawalls in the former floating dockyard site.





Aspirational vision for the Port and Marine Services Precinct in 2028 and beyond

FUTURE STATE

Marine Services Precinct

Revitalisation of the Precinct to allow for a vibrant marine services ecosystem to provide services to commercial and recreational vessels and emerging industries like offshore wind.

MANAGEMENT FRAMEWORKS

As the manager of the land within the Port Lease Area and Port operator, Port of Newcastle observes a range of requirements and considerations in its day-to-day operations and future development. These requirements include legislative and regulatory controls, environmental sustainability targets and measures, and social responsibility to its neighbours including the City of Newcastle.

These include frameworks to manage:

- Strategic planning including approvals, permits and licences.
- Regulatory environment.
- Community relations.
- Urban encroachment.
- Environmental impact and sustainability.

This section details each of these frameworks and Port of Newcastle’s management approach to ensure it meets its statutory, regulatory, environmental and social obligations.

STRATEGIC PLANNING FRAMEWORK

PLANNING LEGISLATION

The key planning instrument for the Port of Newcastle is the State Environmental Planning Policy (Transport and Infrastructure) 2021 – Chapter 5 Three ports – Port Botany, Port Kembla and Port of Newcastle (the SEPP) made under the Environmental Planning and Assessment Act 1979.

The SEPP provisions set the zoning and objectives for all land within the land planning boundary, which encompasses the whole of Port of Newcastle’s Lease Area as well as areas owned and operated by other private landowners. Collectively, these provisions set the framework for determining what development is permissible, and the relevant statutory approval pathways.

Under the SEPP, all land within the Port of Newcastle land planning boundary, except for Nobbys Headland, is zoned SP1 – Special Activities.

The NSW Government has made key material changes to the SEPP since Newcastle’s Port Development Plan was last updated, including:

- In July 2022, amendments were made to:
 - Identify additional exempt and complying development within the Port Lease Area;
 - Require the port operator at Port of Newcastle to be notified of development that may affect the shipping channel; and
 - Require consent authorities to consider impacts on port and industrial operations before approving subdivisions.
- In August 2022, the Intertrade Industrial Park, adjoining the Port Lease Area operated by the Port, was zoned SP1 – Special Activities. This is consistent with the zoning applied to the broader land planning area, but the site is subject to some unique provisions to ensure an appropriate level of oversight in relation to land use safety.

The NSW Government has also recently reformed the suite of land use zonings that apply to employment areas. The intent of these changes was to:

- Maximise productivity while minimising land use conflicts, ensuring the zones applied across the state are fit-for-purpose;
- Address barriers in the planning system that limit the ability of businesses to establish, expand, or adapt; and
- Better support councils in the delivery of their strategic visions.

In April 2023, all Business and Industrial zonings in NSW will be converted to five new employment zones and three supporting zones in Local Environmental Plans.

Amendments to the SEPP are expected to occur imminently and, while this will not directly affect the Port of Newcastle because the current SP1 – Special Activities zoning remains unchanged, it may affect industrial zonings applied to port areas elsewhere in NSW.

The zones most likely to apply within the SEPP area, based on existing zonings, are summarised below.



The designation of land use zonings under the SEPP plays an important role in attracting investment and managing development across the Port. The Port will continue working with the NSW Government to consider where zone adjustments or the introduction of new zones may provide a clearer framework for investment and improved outcomes, as implementation planning for Precincts progresses.

| FRAMEWORK | OVERVIEW |
|--------------------------------|--|
| E3 Productivity Support | Designed to support ‘out of centre’ uses that boost productivity by catering to local businesses and envisaged to apply where transitions occur between industrial and urban areas. This zone will replace some former IN1 General Industrial or IN2 Light Industrial areas that have very low-impact uses, such as creative industries, light manufacturing or warehousing. |
| E4 General Industrial | Designed to allow for a range of floor spaces and industrial activities. This will replace most former IN1 General Industrial or IN2 Light Industrial areas. |
| E5 Heavy Industrial | Designed to identify and protect the preferred locations for heavy (high impact, hazardous or offensive) industrial uses. This will replace all former IN3 Heavy Industrial areas and some former IN1 General Industrial or IN2 Light Industrial that have established heavy uses. |
| SP4 Enterprise | This is a brand-new zone, which can be applied through a master planning process. It allows for the zone objectives and land use permissibility to be fully customised. |

PORT LEASE AREA LAND USE

Land within the Port Lease Area is subject to the terms of Port of Newcastle's lease with the NSW Government. This requires most of the land within the Port Lease area to be set aside as Core Port Land (mapped in Section 1.3 – the Port Today) and used to support import and export activities, either as:

- **Core Port infrastructure:** defined as the facilities used or intended for use in connection with the operation of the Port by Port of Newcastle. These include berths and berth boxes, bulk loading and unloading facilities, conveyors & pipelines, fuel storage, coal storage and handling, hardstand, marine structures and wharfs; or
- **Core Port services:** defined as services associated with the operation of the Port and include dredging, security, safety, preservation of the environment, administration and processing purposes.

Non-core Port land may be used for other activities provided they do not interfere with the objectives for the Port. The lease agreement does specify a range of activities deemed to be inconsistent with port use in addition to the provisions made under the SEPP that would not be supported by the NSW Government in its role as landowner.

APPROVALS, PERMITS AND LICENCES

The Strategic Planning Framework determines the approval pathways and licensing requirements associated with development proposals and Port operations. The processes of obtaining and maintaining compliance with approvals is a critical part of Port of Newcastle's business and support's the organisation's commitment to meeting or exceeding the stringent environmental requirements set by legislation.

Most, but not all, of the approvals and licenses applying to activities within the Port Lease Area are development approvals (DAs) issued under the Environmental Planning and Assessment Act 1979, and Environmental Protection Licences (EPLs) issued under the Protection of the Environment Operations Act 1997.

The SEPP is designed to support ports to be more productive and adaptable by listing over 40 different types of development/works as exempt

development (without approval), and more than 20 different types of development as complying development (complying development certificate (CDC)) assessed and determined by either the City of Newcastle Council or a suitably qualified private certifier.

The SEPP also permits development without consent under Part 5 of the EP&A Act, which are self-assessed and determined by Port of Newcastle as Review of Environmental Factors (REFs) for activities such as capital dredging within specified volumes.

The Minister for Planning (or the NSW Department of Planning and Environment as the Minister's delegate) is the consent authority for all development approvals in the Port Lease Area.

The Environment Protection Authority (EPA) issues EPLs, which are designed as a central means to controlling the localised, cumulative, and acute impacts of pollution in NSW. Schedule 1 of the Protection of the Environment Operations Act 1997 lists over 50 activities that would require an EPL to commence operations and, once issued, EPLs are carefully monitored and reviewed every five years.

Port of Newcastle already holds several licences, permits, and development approvals that determine how certain activities occur and how impacts are monitored and reported.

Over the next five years, new developments or changes to existing activities within the Port Lease Area by the Port or others will continue to be considered within the context of the statutory planning frameworks governing land use and development, and Port operations.

Based on the proposals described in Section 3, it is expected that the following types of activities, for example, would trigger approval or licensing processes.

- DAs would be required to proceed with the following proposals by Port of Newcastle:
 - Enabling works to establish the Clean Energy Precinct,
 - Initial stages of the Newcastle Deepwater Container Terminal, and
 - New unloading equipment and storage facilities to optimise land use and increase customer efficiencies in the Bulk Services Precinct.

SEA DUMPING PERMIT

In September 2022, the Port was granted application for renewal of its 10 Year Maintenance Sea Dumping Permit with the Department of Climate Change, Energy, the Environment and Water. The new permit runs to 31 July 2032.

The permit provides the legal framework for Port of Newcastle to dredge the harbour, removing sand and silt material from the channel to ensure the safe passage of vessels.

The Port is committed to collaborating with lead agencies, City of Newcastle and the NSW Government to facilitate the reuse of any suitable material. The Port has also committed to continuing beach renourishment for Stockton Beach once approvals have been finalised in 2023.

NSW EPA ENVIRONMENTAL PROTECTION LICENCES (EPLS)

Port of Newcastle holds two EPLs: Kooragang berths K2 and 3, and Mayfield M4. The EPLs comprise compulsory monitoring requirements that are published on the Port's website. A number of associated Development Approvals and permits exist for operational processes each their own monitoring requirements. These include (but are not limited to):

- Noise monitoring
- Stormwater and surface water monitoring
- Groundwater monitoring
- Ambient air monitoring
- Port of Newcastle has applied for a new EPL for maintenance dredging following changes to the Protection of Environment Operations Act in 2022. Port of Newcastle may also be the recipient of an existing EPL required for the with ongoing management of the Kooragang Island Waste Emplacement Facility following transfer from the Hunter & Central Coast Development Corporation to the Port.



REGULATORY ENVIRONMENT

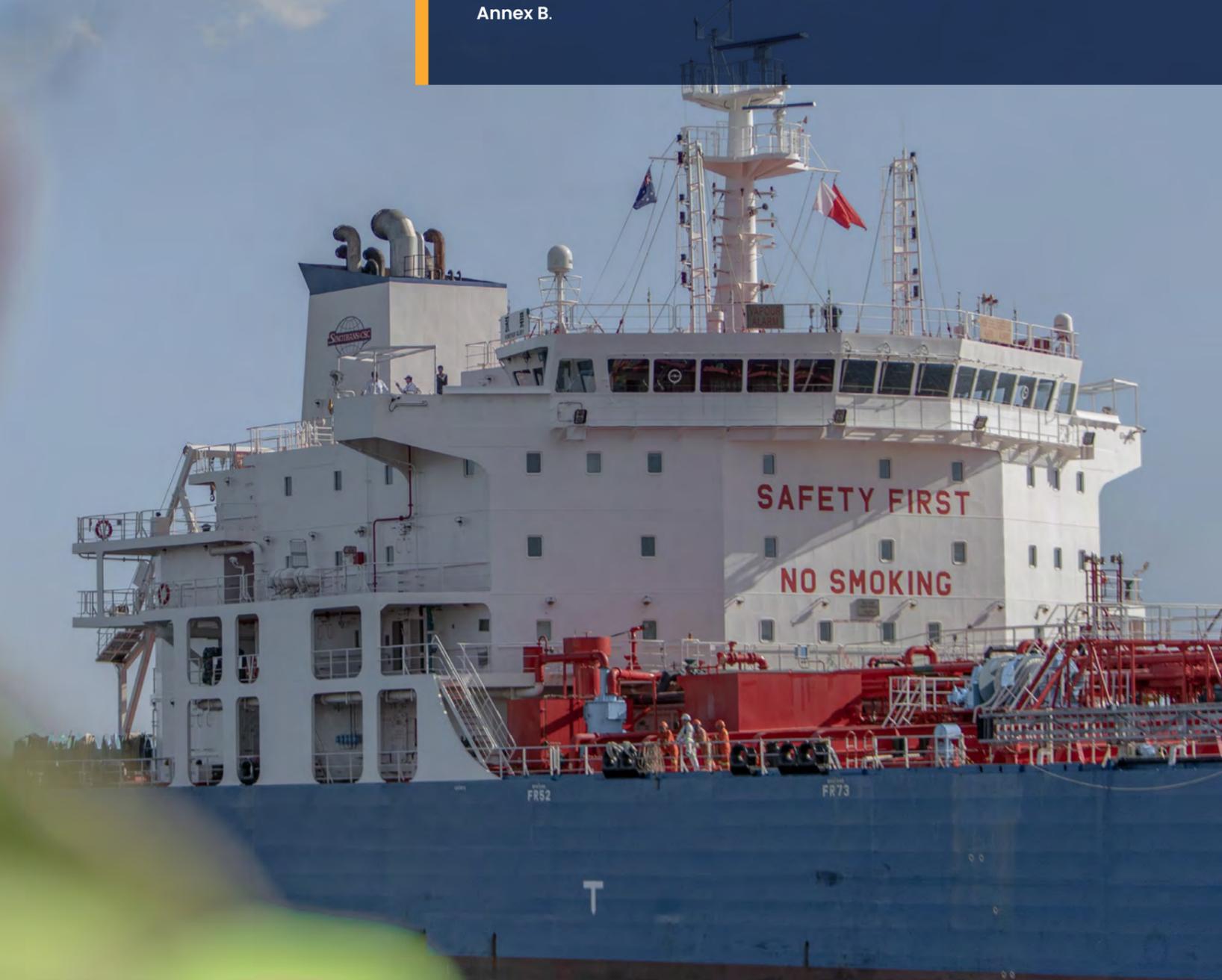
Commonwealth and State government agencies are responsible for regulating a wide range of activities in the Port's operations, and monitoring compliance with legislation. Significant legislation affecting Port operations includes the following Acts and associated regulations (where applicable):

- Biosecurity Act 2015 (Commonwealth)
- Coastal Management Act 2016 (NSW)
- Crown Lands Management Act 2016 (NSW)
- Dangerous Goods (Road and Rail Transport) Act 2008 (NSW)
- Environment Protection (Sea Dumping) Act 1981 (Commonwealth)
- Fisheries Management Act 1994 (NSW)
- Marine Safety Act 1998 (NSW)
- Marine Pollution Act 2012 (NSW)
- Maritime Transport and Offshore Facilities Security Act 2003 (Commonwealth)
- Ports Assets (Authorised Transactions) Act 2012 (NSW)
- Ports and Maritime Administration Act 1995 (NSW)
- Protection of the Environment Administration Act 1991 (NSW)
- Protection of the Environment Operations Act 1997 (NSW)
- Work Health and Safety Act 2011 (NSW)

Port of Newcastle acknowledges that these may be reviewed from time to time and will continue to work with relevant government agencies in their regulatory capacity to ensure these policy setting mechanisms remain fit for purpose.

MENTAL HEALTH AT PORT OF NEWCASTLE

Port of Newcastle is committed to the physical and mental health and safety of all staff, visitors and contractors working for Port of Newcastle and in improving organisational safety culture and performance across its operations. In addition to other measures, policies and procedures Port of Newcastle has published a Working at the Port Guide to advise all workers at Port of Newcastle sites of policies and requirements that exist and how they impact work and activities on site. This Guide is provided in **Annex B**.





Members of Port of Newcastle's Community Liaison Group

COMMUNITY RELATIONS

Port of Newcastle and its logistics networks are part of the fabric of the city, and the Port is committed to operating a world-class asset in a future-looking and socially responsible way.

Additionally, the Port directs investment towards building a resilient and sustainable future locally. Investments are administered through the Port's grants and sponsorships programs as well as partnership agreements. These collectively support a wide range of community and industry-led initiatives that align with the Port's values. Some recent initiatives include:

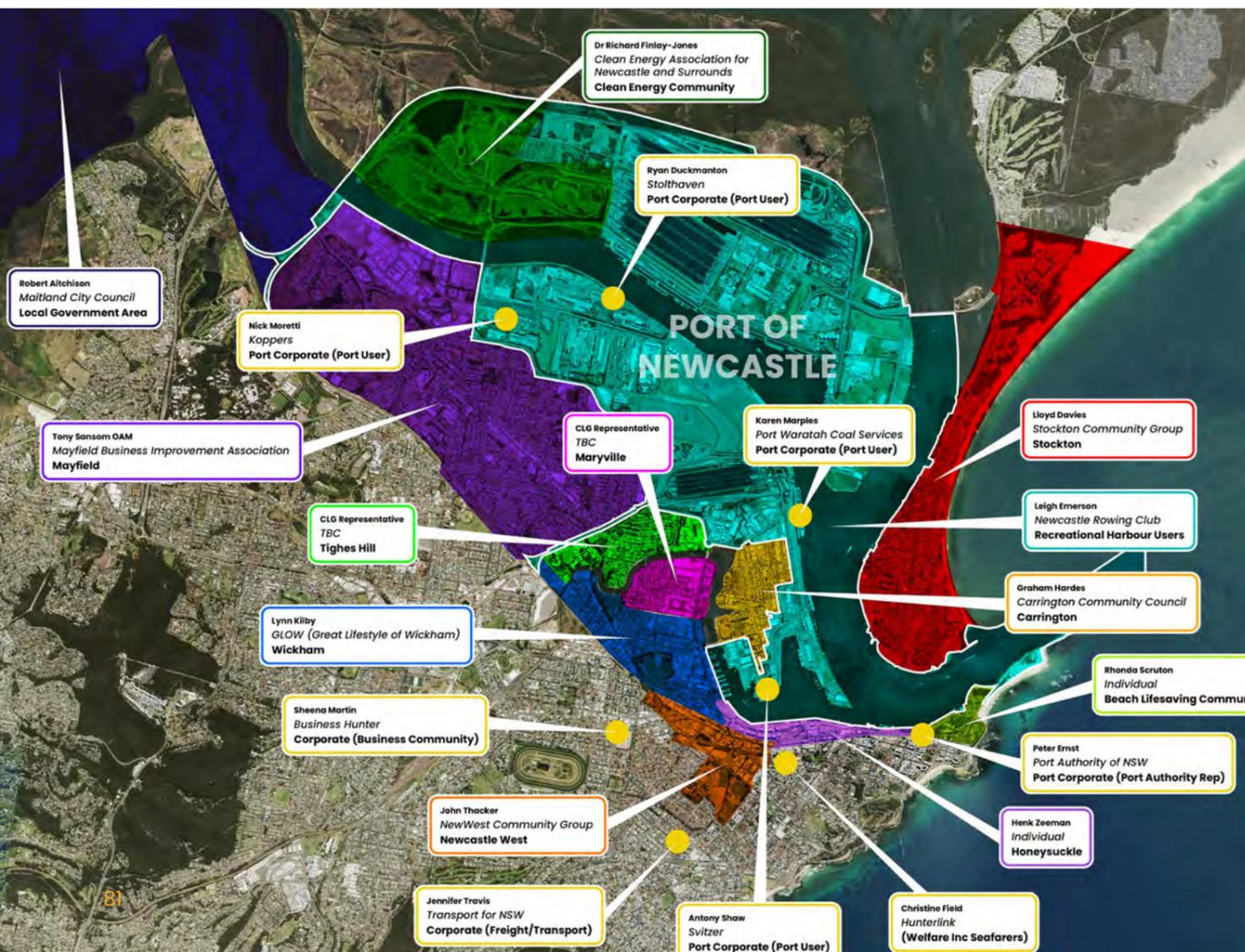
- Partnering with the University of Newcastle to establish an Indigenous STEM Scholarship.
- Partnering with Newcastle Coal Infrastructure Group to assist seafarers to better connect with their loved ones by enabling onboard connectivity for visiting ships while in the Port of Newcastle.
- Partnering with the Newcastle Men's Shed to support their student mentoring program with local high schools, engaging young people in practical STEM skills and empowering them to develop and realise further education pathways and career opportunities.
- Supporting Go Circular's launch to the inaugural Hunter 100 Circular Economy Youth Leadership Program.
- Working in collaboration with the City of Newcastle and the NSW Government to assist local beach renourishment efforts in response to erosion caused by severe weather events. Currently, suitable material requiring removal from the channel entrance is relocated to an offshore site that supports the renourishment of nearby Stockton Beach.
- Partnering with CareerTrackers to provide two Indigenous internships per year for an Indigenous student at University of Newcastle to work at Port of Newcastle.

- Endorsement with Work180, a globally recognised organisation that aims to raise the organisational standards of the businesses it partners with by removing barriers that women may experience in the workplace. In 2022, Port of Newcastle were named one of the top 101 employers for women in Australia.
- Endorsement by Reconciliation Australia for the Port of Newcastle Reflect Reconciliation Action Plan

Recognising its location as a city-port, the Port also hosts a Community Liaison Group to build strong local ties, to understand local priorities and to provide transparency about its ambitions and agendas.

Originally established in 2014, the purpose of the 20-member Community Liaison Group is two-fold and circular:

- 1. Communication:** To act as a vital voice for communities and stakeholders that border our Port.
- 2. Information Sharing:** To share with communities the details of Port projects, decisions and initiatives and bring comments back to the group.



Members of Port of Newcastle's Community Liaison Group

MANAGING URBAN ENCROACHMENT

Port of Newcastle and its logistics networks are part of the fabric of the city, and the Port is committed to operating a world-class asset in a future-looking and socially responsible way.

Like other ports around Australia, this will rely on working with the Port's customers and communities to avoid or minimise conflicts resulting from port-related activities – such as traffic, noise, light, visual amenity and water and air quality

– through quality design and management practices.

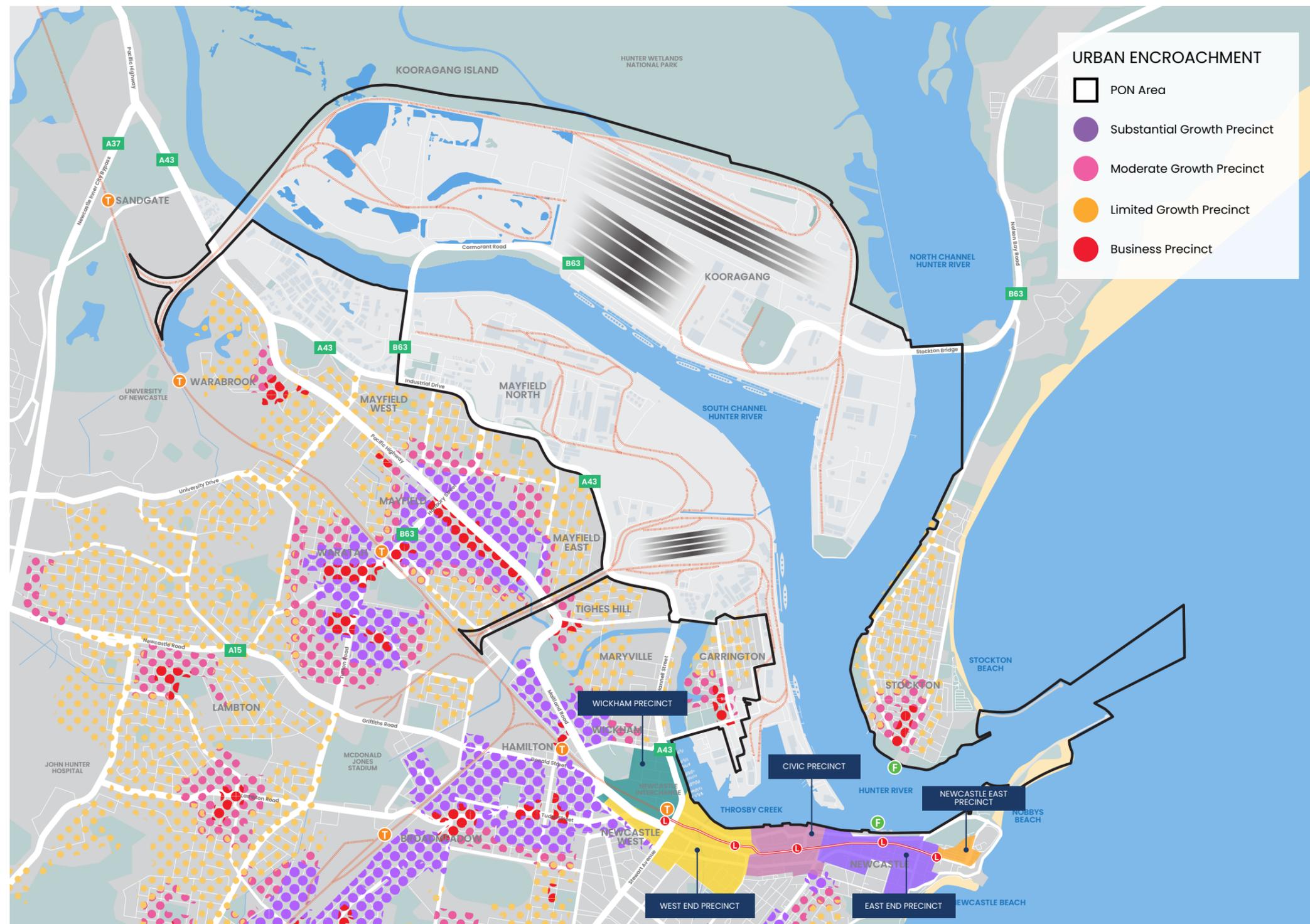
Additionally, the Port must manage its urban growth patterns. range of regional and local strategic planning documents guide where growth is prioritised and how it is designed and delivered. These include regional strategic plans like the Hunter Regional Plan 2041, Greater Newcastle Metropolitan Plan 2036, and the

forthcoming Six Cities Region plans, and City of Newcastle Council's Local Strategic Planning Statement, and Employment Lands Strategy, as well as the planning controls set out by its Local Environmental Plan and Development Control Plan.

Collectively, these plans currently aim to direct growth into identified Precincts, many of which immediately adjoin the port area or port-related road and rail corridors. Port of Newcastle will continue to work with strategic planning authorities, including the newly established Greater Cities Commission, NSW Department of Planning, Hunter and Central Coast Development Corporation, and City of Newcastle Council as port-related activities change in coming years to ensure planning controls outside the port area remain fit for purpose.

The inset shows the renewal/growth Precincts for the City Centre footprint, driven from the Greater Newcastle Metro Plan and now enshrined in Council's DCP.

Collectively, these surround the Port area and key port access routes and will need to be reviewed once more is understood about changing transport patterns to support Port operations.



MANAGEMENT FRAMEWORKS

Port of Newcastle is committed to the sustainable management of environmental impacts of operations and development within the Port Lease Area.



Over the past three years, the Port has transformed its business, and this commitment to sustainability has been at the centre of every decision.

The Port benchmarks itself against other ports globally and is emerging as an industry leader in the Oceania region. Key achievements include:

- > **In 2020, Port of Newcastle became the first port in Australia and the Oceania region to be accredited under the leading global EcoPorts program. The Port continues to advocate for other Australian and Pacific ports to participate, and seven additional Australian ports have now finalised their commitments, with other applications underway.**
- > **In 2021, the Port became a Silver Member of the NSW Government Sustainability Advantage Program, recognising the sustainability achievements that have been made since joining the program. Port of Newcastle will be applying for Gold membership in 2023, further emphasising the sustainability achievements that have been made since 2019.**
- > **The Port improved its Global Real Estate Sustainability Benchmark (GRESB) from 40 in 2020 to 95 in 2022, earning a 5-star rating.**
- > **In 2022, the Port realised its target to decarbonise its own operations and support tenants across the Port to improve their own sustainability performance by becoming 100% renewable energy powered.**

- > **In 2022, the Port set approved Science Based targets to decarbonise Scope 1 and 2 emissions by 55% of the 2018 baseline by 2030 and has measured and aligned the Scope 3 emissions to a Science Based reduction target.**
- > **Port of Newcastle has committed to net zero emissions by 2040.**
- > **Port of Newcastle partnered with Sustainability Advantage to align our business to the UN Sustainable Development Goals and identify the priority, supporting and underlying goals to promote prosperity whilst protecting the environment.**

Port of Newcastle's target-driven Environmental, Social and Governance (ESG) Strategy was adopted in 2021 and provides a 20-year road map underpinning the organisation's strategic initiatives. The Environmental Policy, adopted in 2021 and reviewed every two years, describes how the ESG Strategy practices that are embedded across the business will mitigate against environmental, legal and reputational risk. At the same time these practices increase oversight, enhance employee engagement, and positively influence customer behaviour. This policy is provided in Annex B.



ENVIRONMENTAL MANAGEMENT

SYSTEMS AND PROCESSES

Port of Newcastle is also committed to adequately insuring its assets and operations to safeguard Government and regional interests from trade disruptions, including as a result of climate change.

Port of Newcastle operates within an Environmental Management System (EMS) based on the principles of ISO 14001:2015. The EMS ensures a commitment to a high level of environmental standards, and is underpinned by established systems and processes, including:

- An Environmental Management System aligned with the ISO 14001 standard.
- An Environmental Management Plan.
- A Land Use Planning Management System.
- Several environmental procedures including waste management, asset management, energy, water management, and Contaminated Site Management Plans (CSMPs).

Collectively, these enable the Port to deliver good environmental practice and compliance with the environmental conditions of the Lease and applicable environmental legislation and approvals.

Through its operations, the Port applies the precautionary principle approach, as introduced by the United Nations (UN) in Principle 15 of the Rio Declaration in Environment and Development, to reduce and avoid negative impacts to the communities and environments where it operates. PON has commenced works to obtain certification against the ISO 14001 standard.

As Port Lessee, the Port encourages all Port Tenants to act in an environmentally responsible manner and requires the submission of an environmental management plan as part of all lease arrangements. This supports compliance with relevant federal, state, and local regulations by Port Tenants, and encourages the adoption of industry best practice and management.

While the Port does not directly manage or regulate the activities of Port Tenants, it requires Port Tenants to comply with legislation and encourages good environmental and business practices.

INDUSTRIAL LEGACY

The Port has seen over 200 years of heavy industry including steelworks, shipbuilding, chemical manufacturing, minerals and metal handling and transportation. In 2017, PON concluded a two-year port-wide study to better understand the condition of its vacant and operational land.

As part of the study, 257 test pits, 425 soil bores, 59 new groundwater wells and 145 existing ground water wells were sampled. The project provided a comprehensive baseline dataset that ensure contamination pathways are understood and managed in a way that does not cause harm to Port of Newcastle communities or the environment.

The Port has used this as a basis for working closely with tenants and government agencies to develop management strategies that address the port's industrial legacy.

LAND USE SAFETY

Port operations routinely involve the transport, storage, production and/or handling of inventories that have the potential to create major hazard events (i.e., fire, explosion, or toxic exposures), posing a risk to people, property, and the environment in or around the Port.

- Maintaining a Land Use Safety Study which assesses cumulative risks from existing facilities;
- Undertaking hazard scenario analysis for proposed facilities by identifying significant contributing risks and assessing the magnitude of their cumulative impact on existing facilities; and
- Establishing a regime for ongoing risk monitoring and management.

0 REPORTABLE ENVIRONMENTAL INCIDENTS IN 2022

0 NON-COMPLIANCES RESULTING IN REGULATORY ACTION IN 2022

In line with the ISO 14001 standard, Port of Newcastle has assessed the environmental aspects and impacts associated with its operations to ensure that mitigating measures are implemented to reduce or eliminate risk. In response, the Port has established several management plans to ensure mitigation measures are operationalised. These include:

- Common user berth bulk cargo handling guidelines;
- Mayfield contaminated site management plan; and
- Pollution incident response management plans.

BIODIVERSITY

The Hunter Wetlands National Park (formerly the Kooragang Nature Reserve) is a large area of protected wetlands that includes much of the northern half of Kooragang Island as well as Fullerton Cove to the east, the Tomago Wetlands to the north, and a wetland area to the west. The boundary of the National Park extends to Port of Newcastle's Energy Precinct boundary.

Future development of the Clean Energy Precinct must consider impacts to listed species and ecological communities, the Hunter Wetlands National Park and Ramsar wetland. Given the ecological sensitivities, most development projects would require consent from regulators and would be subject to a range of project-specific requirements.

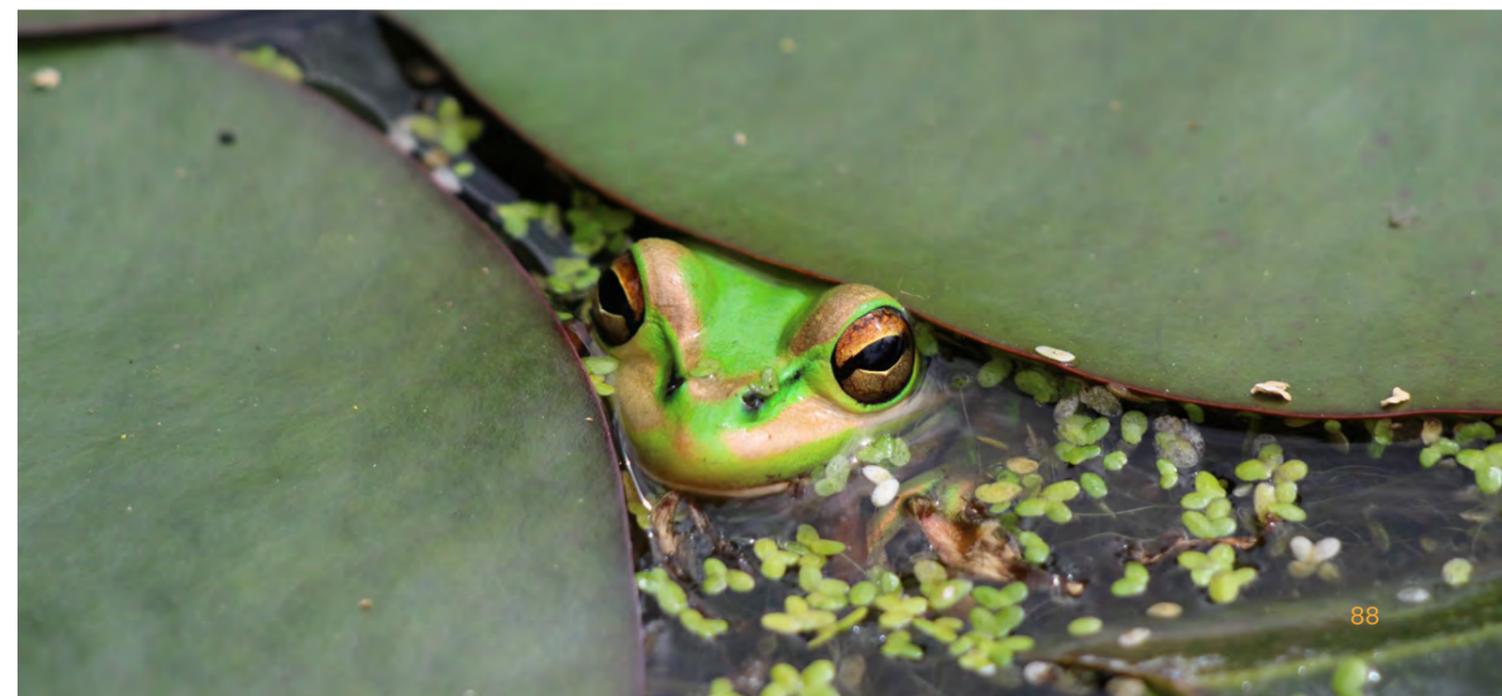
Port of Newcastle has an established alliance with the University of Newcastle to support the conservation of the threatened Green and Golden Bell Frog population on Kooragang

Island indefinitely. The ongoing conservation efforts incorporate Port lands tenanted by Port Waratah Coal Services (PWCS) and Newcastle Coal Infrastructure Group (NCIG), PWCS privately owned land and the Kooragang Island Waste Emplacement Facility lands currently managed by the Hunter and Central Coast Development Corporation (HCCDC).

The University manages an annual island-wide survey program supported by a collaborative industry partnership with Port tenants PWCS and NCIG, and HCCDC. The survey program provides valuable insight into the status of the local population and informs the development and ongoing management of initiatives. This includes the recent installation of a cluster of refuge ponds on Kooragang Island to provide additional habitat, and a permanent wetland and refuge in dry conditions.

More broadly, non-native marine pests can be introduced to Australian shores within ship ballast water and on ship and boat hulls (biofouling). Marine pests can detrimentally affect marine ecology, fisheries, and tourism and so present both a biodiversity and economic risk to NSW.

It is difficult to eliminate introduced marine pests once they have established. To help manage the risks, Port of Newcastle is a member of a multiagency NSW Marine Pests Working Group chaired by Department of Primary Industries with representatives from the Department of Planning and Environment, Transport for NSW, and Port Authority of NSW. PON enables access for marine pest monitoring in the port area through a short term licence.



AIR QUALITY

Investment across the Port's Newcastle Bulk Terminal (Kooragang 2 and 3 berths) has seen the reduction of environmental impacts caused by loose bulk cargo, along with equipment that not only improves environmental outcomes, but also efficiencies and safety. Total investment across the Newcastle Bulk Terminal, which includes dust extraction technology and bulk handling equipment exceeds \$35-million.

In July 2021 Port of Newcastle made a \$28.4-million investment in the purchase of two (2) Liebherr mobile harbour cranes (MHCs) for use at Mayfield 4 berth. The cranes are intended in the expansion of Port of Newcastle's service offering by broadening the potential market and expanding Port of Newcastle's service offering. The cranes have application for containers, break bulk and project cargo, such as wind turbine components. The MHCs are operational as of 2022.

The new Kooragang 2 Bulk Ship unloader arrived on 16 May 2021, with application for fertiliser, grains and other bulk import products. At time of writing the unloader is continuing undergoing commissioning periods. The new unloader is a \$35-million dollar investment by the Port, and will allow greater control of environmental emissions to air with the use of new baghouses and state of the art controls. The unloader is currently undergoing commissioning.

Port of Newcastle performs stormwater discharge monitoring at its operational sites at Kooragang and M4. Results are publicly available on the Port of Newcastle website.

The Port undertakes air quality monitoring to comply with applicable approvals. Currently, this includes continuous monitoring currently for the Mayfield 4 Berth. Port of Newcastle reports air quality monitoring results to the Department of Planning and Environment on an annual basis and results are available upon request.

There are also several Port Tenants that have approvals that require air quality monitoring. These entities have in place reporting requirements that are consistent with their relevant approvals.

CARBON EMISSIONS

Aligned with the provisions described in the 2016 Paris Agreement, Port of Newcastle is committed to understanding and reducing its carbon footprint.

In recent years, the Port has prepared a baseline assessment of carbon emissions for its operations to provide detailed information on the Port's Scope 1 and 2 emissions profile and enable the prioritisation of decarbonisation projects that will have the greatest impact.

The Port's ESG Strategy lays out a commitment to Net Zero by 2040 and Science Based Target initiative of 55% reduction greenhouse gas in line with the 1.5-degree trajectories.

| | |
|--------------------------|--|
| Scope 1 emissions | From sources that an organisation owns or controls directly – for example burning fuel in its fleet of vehicles. |
| Scope 2 emissions | Caused indirectly when an organisation purchases energy – for example, electricity purchased to power Port of Newcastle's operations or an electric fleet of vehicles is powered by non-renewable sources. |
| Scope 3 emissions | Caused indirectly by an organisation's value chain – for example, emissions from purchased goods or services, employee commuting, business travel, waste from operations and downstream leased assets. |



In 2022, Port of Newcastle established the baseline Scope 3 emissions profile and are continuing to measure and reduce these emissions in line with the Science Based Target initiatives. This will begin to deliver positive impacts that go beyond the boundary of the Port and contribute to emissions reductions along the Port's supply chain.

Examples of the types of initiatives include:

- Updating the procurement procedure to increase circularity in purchased goods and services.
- Assisting our tenants with decarbonisation initiatives.
- Installing smart technology to measure the volume of trucks moving in and out of the Port and completing an assessment of emissions from vessels that visit the Port.
- Port of Newcastle has 26 smart meters installed across the Port to monitor energy consumption. The meters provide transparent usage data to both the Port for its operations and to tenants to assist in understanding and managing usage.
- The Port will continue to maintain compliance with the National Pollutant Inventory (NPI) NEPM through monitoring and reporting those emissions arising from the use of its own vessel and vehicle fleet, reporting these NPI emissions annually.

ANNEX A

PORT LEASE CROSS-REFERENCE

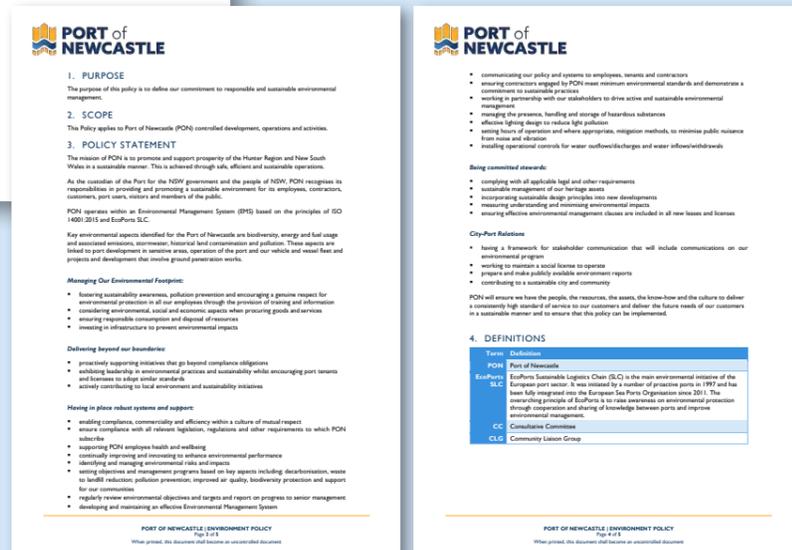
Clause 32.1 of Port of Newcastle's Lease sets out the minimum subject matter for a Port Development Plan. These criteria are listed on the opposite page, directing the reader to the relevant Sections of this Port Development Plan where the criterion is addressed, for ease of review only.

| LEASE CRITERIA | RELEVANT PDP SECTIONS |
|--|---|
| a. Port Lessee's development objectives and proposals for the Port and the Port Area; | Development objectives and proposals for the Port and Port Area are described in Section 3 . |
| b. Port Lessee's assessment of the future needs of users of the Port for Port Services and Core Port Infrastructure; | Section 2 describes the global and domestic drivers for change, which will influence the future needs of Port users and demands for Port Services and Core Port Infrastructure. These underpin PON's long-term diversification strategy. |
| c. Port Lessee's proposals for land reclamation and related development of the Port, Port Area and Core Port Infrastructure; | Nil |
| d. Port Lessee's assessment of the future use of the Port Area including general amenity impacts of planned Port operations on the areas surrounding the Port; | Section 4 describes the various management frameworks employed by PON across the Port Area. These are designed to satisfy compliance obligations and go further towards achieving PON's commitments to sustainability. |
| e. Port Lessee's assessment of dependency of Port operations and development on the development or improvements of logistics chains and transport infrastructure servicing the Port; | The logistics chains and transport infrastructure servicing the Port are briefly described in Section 1 for context. Section 2 illustrates how changes cascading from the delivery of the Australian Government's Inland Rail project will broaden the extent of the Port's future catchment. Section 4 acknowledges that the Port's logistics chains and transport infrastructure form part of the fabric of the Greater Newcastle area and will be managed through Port-City planning initiatives involving a range of stakeholders. |
| f. Port Lessee's assessment of environmental issues that might reasonably be expected to be associated with the implementation of the plan, and plans for dealing with, ameliorating or preventing impacts of development of the Port or Port Area on the environment; | Section 4 describes the types of environmental issues that may arise through the continued operations and proposed development over the next five years. These are expected to be readily managed through Port of Newcastle's existing management frameworks and sustainability commitments. Proposals that have the potential to give rise to greater impacts are typically subject to a Development Approval (DA) process, which would serve to impose suitable conditions for managing adverse environmental outcomes. |
| g. the constraints on Port and Port Area development including planning and development approvals required, and conditions of approvals; | Section 4 describes the strategic planning other key operational frameworks that collectively determine how the Port and Port Area operates and develops. The processes set out under these frameworks are also shaped by the Port's key characteristics, such as those described in Section 1. |
| h. any port infrastructure projects as defined in Part 5, Division 6A of P AMA in respect of which Port Lessor or Port Manager proposes to impose an infrastructure charge under Part 5, Division 6A of PAMA; | Nil |
| i. any proposal to develop or expand any facilities for the storage or handling of containers; and | Port of Newcastle's long-term diversification strategy aims to deliver an expanded container service offering. This ambition is currently in a feasibility stage, following the passing of the Port of Newcastle (Extinguishment of Liability) Bill 2022 in November 2022. Short-term proposals to support this aim are described for the Container Precinct in Section 3 . |
| j. clearly identifies any land that is used or proposed to be used or is allocated for a Coal Use . | Other than the land for the existing coal terminals, there is no need to allocate further land for coal use in the next five years. |

ANNEX B

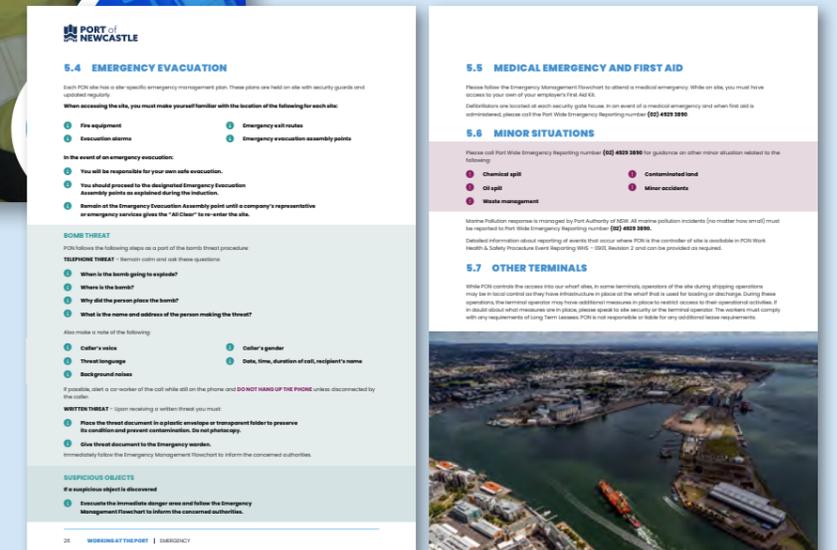
PORT LEASE CROSS-REFERENCE

[View PON's Environmental Policy](#)



WORKING AT THE PORT

[View PON's Working at the Port publication](#)





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