

FY22 UN SDG Progress report



Introduction

Transurban is committed to the United Nations Sustainable Development Goals which directly inform our Sustainability Strategy.

This Report details Transurban's FY22 progress against the nine UN Sustainable Development Goals (UN SDGs) that are particularly relevant to Transurban and the associated targets and indicators that apply to our business. We believe more can be done to contribute to the UN SDG targets above and beyond the official indicator set. For this reason, we also list our own, Transurban-specific, indicators and targets and summarise our performance against these.

A summary of FY22 performance for each material UN SDG and trends towards 29 applicable targets—official and Transurban-specific—is provided over the following pages.

Figure 1: Summary of FY18-22 progress for UN SDG targets

Target met 23/29



Improving 3/29

10.3%

Declining 3/29

10.3%



SDG 3—Good Health and Wellbeing

Official UN SDG targets	UN SDG indicators relevant to Transurban and Key FY22 Transurban initiatives and	
Relevance to Transurban	additional Transurban indicators	commentary
	FY22 performance data (target/trend¹)	
3.4 <u>By 2030²</u> , reduce by one third premature mortality from non- communicable diseases through prevention and treatment and <u>promote mental health and well-</u>	No directly relevant UN SDG indicators for Transurban	 Provided additional training for our Mental Health First Aider network - 32 MHFAs in place Continued implementation of Belonging and Wellbeing program with a focus on mental wellbeing
being Safety and wellbeing of employees and contractors		Ongoing support for flexible working practices
3.6 <u>By 2020, halve the number of</u> global <u>deaths and injuries from</u> <u>road traffic accidents</u>	3.6.1 <u>Death rate due to road traffic injuries</u>3 road user fatalities on Transurban roads in FY22(we aim for fatality free roads)	 Continued to apply Road Safety Strategy aligned with the safe system approach and continued employee capability and leadership initiatives
Road safety	Additional Transurban indicators: Road Injury Crash Index (RICI): injury crashes per 100 million vehicle kilometres $RICI$ —3.78 (target $\leq 4.25/\checkmark$) Percentage of activities in regional Road Safety Action Plans (RSAPs) tracking to target	Continued to implement Road Safety Action Plans for each of our marketsAustralian Road Research Board

¹ FY18-22 indicator trend: **no target** = no data or trend not applicable; ✓ = target met; • no change; • improving; • declining

² Underlined text within targets and indicators are applicable to Transurban

89% (target–75%/ 🖌

Monash University Accident Research Centre (MUARC) —crash analysis for roads in each

Australian market

2021 MUARC analysis³ (no targets):

NSW—48% lower

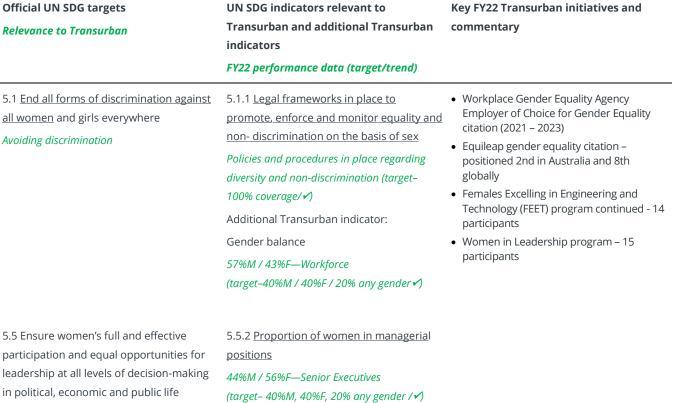
VIC—50% lower

QLD—31% lower

- Seating posture injury risks for young and older adults and children
- Optimising safety for rear seat occupants of all ages
- Checked and adjusted a total of 660 child seats for Queensland, New South Wales and Victorian customers as part of a Car Seat Blitz campaign in partnership with Kidsafe
- 'Driving Willpower' campaign undertaken in the US targeting the correct fitting of car seats

5 GENDER EQUALITY

SDG 5—Gender Equality



Equal participation and opportunities

73%M / 27%F—Board (target-30%M, 30%F, 40% any gender / ●)

³ The findings of analyses from prior years cannot be compared to this analysis as a refined methodology was used with improved datasets

SDG 7—Affordable and Clean Energy



Official UN SDG targets Relevance to Transurban	UN SDG indicators relevant to Transurban and additional Transurban indicators	Key FY22 Transurban initiatives and commentary
	FY22 performance data (target/trend)	
7.2 By 2030, increase substantially	<u>y</u> 7.2.1 <u>Renewable energy share in total final energy</u>	Renewable energy purchasing
the share of renewable energy in	consumption	arrangements in place for all Australiar markets
the global energy mix	56% (no target)	Investigation underway for renewable
Renewable energy	Additional Transurban indicators:	energy provision for operations in the Greater Washington Area (GWA)
	Installed renewable energy capacity	 Six renewable energy installations in
	231kW (no target)	place across our assets and facilities
	Proportion of energy use self-generated from	(additional sites continue to be explored)
	renewables (on-site installations)	explored)
	0.1% (no target)	
7.3 By 2030, double the global rat	e7.3.1 Energy intensity measured in terms of primary	 Implemented 25 energy-efficiency
of improvement in energy	energy and GDP	projects to date, delivering total annua
efficiency	401.7GJ per \$M statutory revenue ⁴ (no target)	energy savings of 46,815 GJ, or 8.3% of our 10% energy-efficiency target
Energy efficiency	Additional Transurban indicators:	Delivering or planning multi-year
	Reduction in energy (Scope 1 and 2) consumption	energy efficiency projects that may see a further 8% energy-efficiency gain

8.3% savings to date from energy-efficiency initiatives

(target – 10% reduction by 2023 from a 2013

• Progressed planning and approvals for key lighting and tunnel ventilation optimisation projects throughout FY22 for delivery in FY23 and beyond

baseline⁵/●)

 $^{^4}$ Statutory revenue used in lieu of GDP; FY22 energy use = 935,098 GJ; Statutory revenue = 2,324M

 $^{^{5}}$ 2013 baseline updated in 2016 to include all new assets at that time. No new assets will be added to this baseline

SDG 8—Decent Work and Economic Growth



Official UN SDG targets Relevance to Transurban	UN SDG indicators relevant to Transurban and additional Transurban indicators FY22 performance data (target/trend)	Key FY22 Transurban initiatives and commentary
8.1 <u>Sustain per capita economic growt</u> accordance with national circumstance and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countrie <i>Economic growth</i>	Additional Transurban indicator:	 Contributing to economic health and productivity of cities where we operate through travel time savings and job creation via our road network
8.3 Promote development-oriented policies that <u>support productive activit</u> <u>decent job creation</u> , <u>entrepreneurship</u> <u>creativity and</u> innovation, and encoura the formalization and growth of micro small and medium-sized enterprises, including through access to financial services <i>Employment</i>	^{ge} Additional Transurban indicator:	 Major road development projects underway during FY22 have created or are creating significant employment opportunities⁶: WestConnex M4-M5 link project (NSW): 11,000 jobs West Gate Tunnel Project (VIC): 6,000 construction jobs Fredericksburg extension of 95 Express Lanes (GWA): 9,000 construction jobs* 495 Express Lanes Northern Extension (GWA): 6,300 construction jobs⁷
8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and	8.4.1 <u>Material footprint</u> , material footprint per GDP <i>Cumulative key material use (tonnes) in Australian</i> <i>major projects to date per \$M of cumulative project</i> <i>value</i> ⁸ = 707.3T/\$M (no target)	 234,000 tonnes less concrete, 209,000 tonnes less asphalt and 130,000 tonnes less aggregate used on nine major projects to date through use of sustainable design and construction principles Crumb rubber from the equivalent of 563 passenger vehicle tyres used in asphalt as part of a pavement trial on the M2 Motorway

Resource efficiency

taking the lead

Production, with developed countries

⁶ Direct and indirect jobs over project life

⁷ Based on estimated economic development impact of total project

⁸ Includes concrete, steel, asphalt and aggregates across nine major projects in Australia; 16.636 M tonnes and \$23,519 M project value

FY22 UN SDG Progress Report

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value Decent work and pay equity	 8.5.1 Average hourly earnings of female and male employees by occupation and age <i>Refer to FY22 Employee Data Tables (target-achievement of gender equity at all levels across Transurban/</i>√) Additional Transurban indicators: Pay equity gap ≤ 1% (target - +/- 1%/ ✓) Progress with implementation of second Innovate Reconciliation Action Plan (RAP) actions 100% (target- 100% by end of FY22/ ✓) 	 Reviewed parental leave policy. Employees taking parental leave now entitled to 16 weeks of paid leave and up to 36 weeks of unpaid leave Provided cultural awareness training to Executives Maintained partnerships with organisations that support positive education and employment outcomess including KARI, NSW Aboriginal Consultative Group and Queensland Aboriginal and Torres Strait Islander Foundation Providing apprentice opportunities via our contractors. On the West Gate Tunnel project 12.3% of labour hours are being worked by apprentices, exceeding the 10% VIC government target for same Partnered with Multicap and Q-Free Australia in Brisbane to enable people with disabilities to gain skills, training and employment experience in a technology-based industry
8.7 <u>Take immediate and effective</u> <u>measures to eradicate forced</u> labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms <i>Forced labour and modern slavery</i>	Additional Transurban indicator:	 Submitted our second Modern Slavery Statement in December 2021 outlining how identify, manage, and mitigate modern slavery risks in our operations and supply chains Continued participation in Global Compact Network of Australia's Community of Practice on Modern Slavery and the Infrastructure Sustainability Council's Modern Slavery Coalition for Road Construction members Undertook an operations pilot program in conjunction with Anti-

program in conjunction with Anti-Slavery Australia to help our incident responders better identify and respond to potential instances of modern slavery on Transurban road asset operations

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment <i>Employee safety</i> <i>Labour rights</i>	Frequency rates of fatal and non-fatal occupational injuriesTotal employee recordable injuries (absolute) and contractor recordable injuries per million hours worked (RIFR):Employees — 0 (target $\leq 3/\checkmark$)Contractor RIFR — 3.09 (target - $\leq 4.2/\checkmark$)Zero employee fatalities (target - zero/ \checkmark)Zero contractor fatalities (target - zero/ \checkmark)	Continued requirement for each business unit to develop and implement Health, Safety and Environment Action Plans (HSEAPs) HSE training undertaken by all employees First full year working under an enhanced HSE Contract Management Framework HSE analytics integrated into risk reporting Multiple HSE audits conducted in North America Hosting quarterly Northern Virginia Safety Forum to engage construction and operation partners
	8.8.2 Level of national <u>compliance of labour rights</u> (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status 100% compliance (target-100%/ ✓)	-
8.b <u>By 2020, develop and</u> <u>operationalize</u> a global <u>strategy for</u> <u>youth employment</u> and implement the Global Jobs Pact of the International Labour Organization	8.b.1 Existence of a developed and operational national strategy for youth employment Graduate and student programs in place (target - maintain programs/*)	Continued our Females Excelling in Engineering and Technology (FEET) student mentoring program; 14 students participated Continued graduate program – 14 graduates across two intakes

Youth employment

SDG 9—Industry, Innovation and Infrastructure



Official UN SDG targets Relevance to Transurban	UN SDG indicators relevant to Transurban and additional Transurban indicators	Key FY22 Transurban initiatives and commentary
	FY22 performance data (target/trend)	
9.1 <u>Develop quality, reliable,</u> <u>sustainable and resilient</u> infrastructure, including regional and trans-border infrastructure, t support economic development and human well-being, <u>with a</u> focus on affordable and equitable access for all <i>Develop sustainable infrastructure</i>	Additional Transurban Indicators: Percentage of major projects in design or	 Five sustainability ratings underway – three in Australia and two in the US Seven 'As Built' sustainability ratings (> \$23.5B project value) achieved to date (Gateway Upgrade North, Logan Enhancement Project, M4 Widening, M4 East, M8, NorthConnex, and CityLink-Tulla Widening) Refer to commentary on SDG11 for information on affordable and equitable access
	Sustainability ratings underway in FY22: Hills M2 – IS Rating – Operations WestConnex M4-M5 Link Project —IS rating— As Built West Gate Tunnel Project—IS rating— Design 95 Express Lanes (Fredericksburg extension)—Envision Design + Post-Construction rating 495 Express Lanes, Northern Extension – Envision Design + Post-Construction rating	
9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities Enhance infrastructure sustainability	 9.4.1 <u>CO2</u> emission per unit of value added Scope 1 and 2: 45.8 tCO2e/\$M statutory revenue (no target) Scope 3 - Purchased goods and services: 32.9 tCO2e/Million VKT¹⁰ (22% intensity reduction by 2030 from a 2019 base year/●) Scope 3 - Capital goods/projects: 138.5 tCO2e/\$M capex (55% intensity reduction by 2030 from a 2019 base year ●) Additional Transurban indicators: Absolute greenhouse gas emission reduction Scope 1 and 2: 106,392 tCO2e; (50% absolute 	 Ventia, our operations and maintenance provider for NSW roads and tunnels, has ordered Australia's first electric Truck Mounted Attenuator (TMA) which is expected to start operating in early 2023 (Scope 1 initiative) Replaced 32% of the cement to date on the M4-M5 Link project with fly-ash and other supplementary cementitious materials significantly reducing embodied emissions in concrete (Scope 3 initiative) Recognised by CDP as a Supplier Engagement Leader (Scope 3 initiative) Engaged our top 50 suppliers by spend via CDP Supply Chain Program; 35 suppliers (70%) provided details of their GHG

Zero emission vehicles

reduction by 2030 from a 2019 base year/ •)

emissions and reduction initiatives (Scope 3 initiative)

⁹ Four out of four major projects (Maryland Express Lanes-Phase 1 has not yet entered design phase)

¹⁰ Vehicle Kilometres Travelled on Transurban roads

Average emission reduction for those choosing to travel on our roads

30% (no target)

Proportion of customers using zero emission vehicles (EVs or other ZEVs)

0.2% (no target)

17 of the 35 suppliers that participated in the Program have or are committed to establishing <u>Science Based Targets</u> for GHG emission reduction (scope 3 initiative)

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- Continued as founding member of the Materials Embodied Carbon Leaders Alliance – a group of more than 150 organisations aiming to drive significant embodied carbon reductions across Australia's building and construction industry
- Started an EV driving experience program giving up to 12 customers an opportunity to try an EV for 10 days and share their experiences

SDG 11—Sustainable Cities and Communities



Official UN SDG targets Relevance to Transurban	UN SDG indicators relevant to Transurban and additional Transurban indicators FY22 performance data (target/trend)	Key FY22 Transurban initiatives and commentary
11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons <i>Affordable, accessible and safe</i> <i>transport</i>	Total kilometres of cycle/pedestrian paths delivered or maintained	 A total of more than USD45 million has been invested to date in regional transit improvements from 395 Express Lanes toll revenues; helping to expand bus routes, provide new fleets, commuter incentive programs and expand bikeshare networks Refer to SDG3 for road safety initiatives
11.3 <u>By 2030, enhance inclusive</u> and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement <u>planning and</u> <u>management</u> in all countries <i>Inclusive urbanisation</i>		 Engagement principles and frameworks embedded in all Australian markets Continued engagement to support communities through development and delivery of infrastructure, with identification and delivery of key community enhancement initiatives Partnering with the Australian National University's Next Gen Engagement Program, Australia's largest study in engagement and implementation delivery
11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management Adverse environmental impact	11.6.2 <u>Annual mean levels of fine particulate matter</u> Refer to <u>Environmental Data Tables - tunnel asset</u> <u>data</u> Additional Transurban indicator: Air quality indicators for tunnels including NOX, CO, PM10, PM2.5, VOC 100% compliance (target – 100% regulatory	 Undertook air quality monitoring and reporting for road tunnels Three Air Quality Community Committees in place for assets and projects in NSW (M8, M4-M5 Link and NorthConnex) Refer to SDG12 for waste reduction initiatives

requirements met/ 🖍

Page 10 of 14

SDG 12—Responsible Consumption and Production



Official UN SDG targets <i>Relevance to Transurban</i>	UN SDG indicators relevant to Transurban and additional Transurban indicators FY22 performance data (target/trend)	Key FY22 Transurban initiatives and commentary
12.2 By 2030, achieve the sustainable management and efficient use of natural resources Natural resource use	12.2.1 <u>Material footprint</u> , material footprint per capita, and <u>material footprint per GDP¹¹</u> <i>Cumulative key material use (tonnes) in major projects</i> <i>to date per \$M of cumulative project value</i> ¹² = 707.3t/\$M (no target)	Refer to commentary for 8.4.1
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse <i>Waste generation</i>	 12.5.1 National recycling rate, tons of material recycled 99% of spoil from major projects diverted from landfill to date¹³ (target of ≥95%, to apply from FY23) 97% of construction and demolition waste from major projects diverted from landfill to date (target of ≥95%, to apply from FY23) 49% of operational and maintenance waste diverted from landfill (target of ≥ 80% by 2025) 	 Waste targets set for Australian operations – major projects and O&M waste Standardising recycling facilities and management practices across Transurban-controlled Australian offices Target to be set in FY23 for minor capex works and office waste where Transurban has contractual control Achieved 32% replacement of Portland cement with fly ash (reuse of a waste product from power-generation) and other supplementary cementitious materials in 271,000 m³ of concrete poured on the M4-M5 Link project Almost all (98 per cent) materials were recovered and reused from 1.9 tonnes of e-waste generated from the replacement of 189 CCTV cameras on Citylink. Materials included hard and soft plastics, aluminium, copper, steel, gold and platinum
12.6 Encourage companies, especially large and transnational companies, to <u>adopt sustainable</u> <u>practices and to integrate</u> <u>sustainability information into</u> <u>their reporting cycle</u> <u>Sustainability reporting</u>	12.6.1 Number of companies <u>publishing</u> <u>sustainability reports</u> Corporate reporting suite contains comprehensive account of sustainability performance (target- reporting annual and follows GRI 'comprehensive' guidance/✓)	 Content normally included in a separate 'Sustainability Supplement' now included in the Corporate Report or provided on the website in the 'Insights Hub'

¹¹ This indicator is a repeat of 8.4.1

¹² Includes concrete asphalt and steel across nine major projects in Australia;16.636M tonnes and \$23,519M project value

¹³ Unless required by government regulations to be disposed to landfill

12.7 <u>Promote</u> public procurement practices that are <u>sustainable</u>, in accordance with national policies and priorities

Sustainable procurement

12.7.1 Number of countries implementing sustainable public procurement policies and action plansSustainable procurement framework in place and being implemented (no target)

Additional Transurban indicator:

Social procurement spend

USA—USD976M spent to date on disadvantaged business enterprises (DBEs) and small, women, and minority owned (SWaM) businesses (no target)

Australia - Indigenous supplier spend to date — >\$130M (no target) Ongoing implementation of sustainable procurement framework aligned with ISO 20400 including Procurement Policy, Supplier Sustainability Code of Practice and sourcing kit

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- Addressing key government policies and legislative requirements such as the Australian Commonwealth Modern Slavery Act and the Virginia Small Business and Supplier Diversity Initiative
- Continued membership with Social Traders
- Reported against the Payment Times Reporting Act (Australia) - 98% of supplier invoices were paid in 30 days or less

SDG 13—Climate Action

Official UN SDG targets

Relevance to Transurban

13.1 <u>Strengthen resilience and</u> adaptive capacity to climaterelated hazards and natural <u>disasters</u> in all countries *Climate change resilience*

13.2 Integrate climate change

strategies and planning

Climate change strategy

13.3 Improve education,

awareness- raising and human

adaptation, impact reduction and

and institutional capacity on

climate change mitigation,

Climate change capacity

early warning

measures into national policies,

UN SDG indicators relevant to Transurban and Key FY22 Transurban initiatives and additional Transurban indicators commentary

FY22 performance data (target/trend)

13.1.3 Proportion of local governments that <u>adopt</u> and implement local disaster risk reduction <u>strategies in line with national disaster risk</u> <u>reduction strategies</u>

Business resilience plans in place for all regions where we operate (target– all regions/ ✓)

Additional Transurban indicators:

Percentage of existing assets¹⁴ that have had highlevel climate change risk assessments prepared or updated within past two years

100%— 21 of 21 assets¹⁵ (target-100%/ /)

Percentage of major projects under construction that have been assessed for climate change risk

50%—2 of 4 projects¹⁶ (target-100%/●)

13.2.1 Number of countries that have <u>communicated the establishment or</u> <u>operationalisation of an integrated</u> <u>policy/strategy/plan which increases their ability</u> <u>to adapt to the adverse impacts of climate change,</u> <u>and foster climate resilience and low greenhouse</u> <u>gas emissions development</u> in a manner that does not threaten food production

No directly relevant UN SDG indicators for Transurban

Refer to climate change metrics in <u>FY22 Climate</u> <u>Change Disclosure</u>

- Completed first stage of detailed investigation into financial impact of physical effects of climate change on Australian operational assets
- Developed Climate Risk Adaptation Management Plan (CRAMP) Guideline to serve as template for asset-specific plans
- Developed CRAMPs for Legacy Way and Gateway Motorway (QLD)
- Reviewed recently experienced extreme climatic events and asset resilience
- Partnering with The Climate Board an organisation bringing industry leaders together to tackle mitigation and resilience challenges in the US
- Continued implementing our Climate Change Framework which addresses threats and opportunities relating to the physical impacts of climate change and low carbon transition
- Prepared a <u>FY22 Climate Change</u> <u>Disclosure</u> in accordance with updated (2021) TCFD guidance
- Engaged Transurban Board on climate risk and FY21 Climate Change Disclosure
- Conducted climate change risk adaptation workshops for various assets
- Engaged our top 50 suppliers by spend to determine their climate risk maturity
- Conducted an operational resilience exercise to test effectiveness of the M2 Climate Risk Adaptation Management Plan
- Recognised by CDP as a Supplier Engagement Leader



¹⁴ Assets under operational control for at least a year

¹⁵ 495 Express Lanes (Yes), 395 Express Lanes (Yes), 95 Express Lanes (Yes), A25 (Yes), CityLink (Yes), Gateway Motorway (Yes), Logan Motorway (Yes), Clem7 (Yes), Go Between Bridge (Yes), Legacy Way (Yes), Airport Link M7 (Yes), Hills M2 (Yes), Eastern Distributor (Yes), Lane Cove Tunnel (Yes), Cross City Tunnel (Yes), M4 East (Yes), M4 (Yes), M8 (Yes), M5W (Yes), NorthConnex (Yes)

¹⁶ West Gate Tunnel (Yes), M4-M5 Link (Yes), Fredericksburg Extension (No), 495 Northern Extension (No)

SDG 17—Partnerships for the Goals



UN SDG indicators relevant to Transurban **Official UN SDG targets** Key FY22 Transurban initiatives and and additional Transurban indicators commentary **Relevance to Transurban** FY22 performance data (target/trend) 17.16 Enhance the Global No directly relevant SDG indicators for Key multi-stakeholder partnerships for FY22 are listed below. Partnership for Sustainable Transurban NeuRA partnership for the Transurban Road ٠ Development, complemented by Safety Centre to conduct research into road multi-stakeholder partnerships safety and crash injury prevention [SDG 3 that mobilize and share link] knowledge, expertise, technology Community of Practice on Modern Slavery member-Global Compact Network and financial resources, to support Australia [SDG 8 link] the achievement of the Sustainable Partnerships in QLD (Queensland Development Goals in all Aboriginal and Torres Strait Islander countries, in particular developing Foundation, Career Trackers) NSW (Clontarf Foundation, KARI Foundation, countries NSW Aboriginal Education Consultative Multi-stakeholder partnerships Group), VIC (Bubup Wilam, Melbourne Indigenous Transition School) as part of our Innovate Reconciliation Action Plan

- Partnered with Multicap and Q-Free in Brisbane to provide job opportunities for people with disabilities
- More than \$4M (cash and in-kind) investment in community partnerships to achieve specific social and business outcomes including key partnerships with NeuRA, Kidsafe (road safety), The Smith Family The Salvation Army, Northern Virginia Family Services, 9/11 Pentagon Memorial Fund and Le fondation les petits trésors (community) and Landcare (biodiverisity).
- Continued as a Founding Member of the Materials Embodied Carbon Leaders Alliance (MECLA)