PORT AUTHORITY
OF NEW SOUTH WALES

Statement of Corporate Intent 2025–26

Document Version – Final
Document Date – 4 September 2025

Acknowledgement of Country

Port Authority of New South Wales acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, one of the oldest continuing cultures in the world.

We pay respect to Elders past and present and commit to respecting the many lands and waters where we work, in Yamba, Newcastle, Sydney, Port Botany, Port Kembla and Eden. We also pay respect to our Aboriginal and Torres Strait Islander colleagues.

We pay tribute to the diversity of Aboriginal and Torres Strait Islander peoples, their cultural and spiritual connection, and their customs and practices.

Port Authority celebrates the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to this Country and acknowledge their continuing custodianship of the land, waters and sky.

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Port Authority of New South Wales Shareholder Agreement

The Statement of Corporate Intent 2025-26 is agreed between Port Authority of New South Wales and its Ministerial voting shareholders:

David Marchant

Chair for and on behalf of
Port Authority of New South Wales

Date: 4 September 2025

The Hon. Daniel Mookhey MLC

Treasurer
Date:

John McKenna

Chief Executive Officer on behalf of
Port Authority of New South Wales

Date: 4 September 2025

The Hon. Courtney Houssos MLC

Minister for Finance, Minister for Domestic Manufacturing and Government Procurement, and Minister for Natural Resources
Date:

Port Authority of New South Wales Shareholder Agreement continued...

This 2025-26 Statement of Corporate Intent (SCI) has been prepared and submitted to the Shareholding Ministers in accordance with the *State Owned Corporations Act 1989* and *Ports and Maritime Administration Act 1995*. The strategic direction of the 2025-26 SCI aligns with the Statement of Expectations to ensure priorities align with the Government's objectives.

1. Objectives

Port Authority of New South Wales (Port Authority) is a statutory state-owned corporation established under the *State Owned Corporations Act 1989* and *Ports and Maritime Administration Act 1995 and* operates in accordance with those Acts.

The principal objectives of Port Authority reflect the provisions of both Acts.

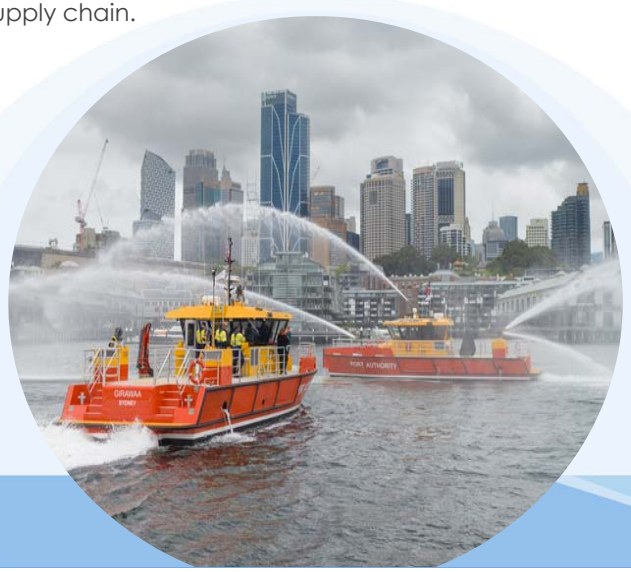
Port Authority's principal objectives which derive from the *State Owned Corporations Act 1989* are:

1. To be a successful business and, to this end:
   a) To operate at least as efficiently as any comparable businesses.
   b) To maximise the net worth of the State's investment in the State Owned Corporation.
2. To exhibit a sense of social responsibility by having regard to the interests of the community in which it operates.
3. Where its activities affect the environment, to conduct its operations in accordance with the principles of ecologically sustainable development contained in section 6(2) of the *Protection of the Environment Administration Act 1991*.
4. To exhibit a sense of responsibility towards regional development and decentralisation in the way in which it operates.

(The *State Owned Corporations Act 1989* states that each of these principal objectives is of equal importance.)

Port Authority's principal objectives, which derive from the *Ports and Maritime Administration Act 1995*, are:

1. To promote and facilitate trade through its port facilities.
2. To ensure that its port safety functions are carried out properly.
3. To promote and facilitate a competitive commercial environment in port operations.
4. To improve productivity and efficiency in its ports and the port-related supply chain.



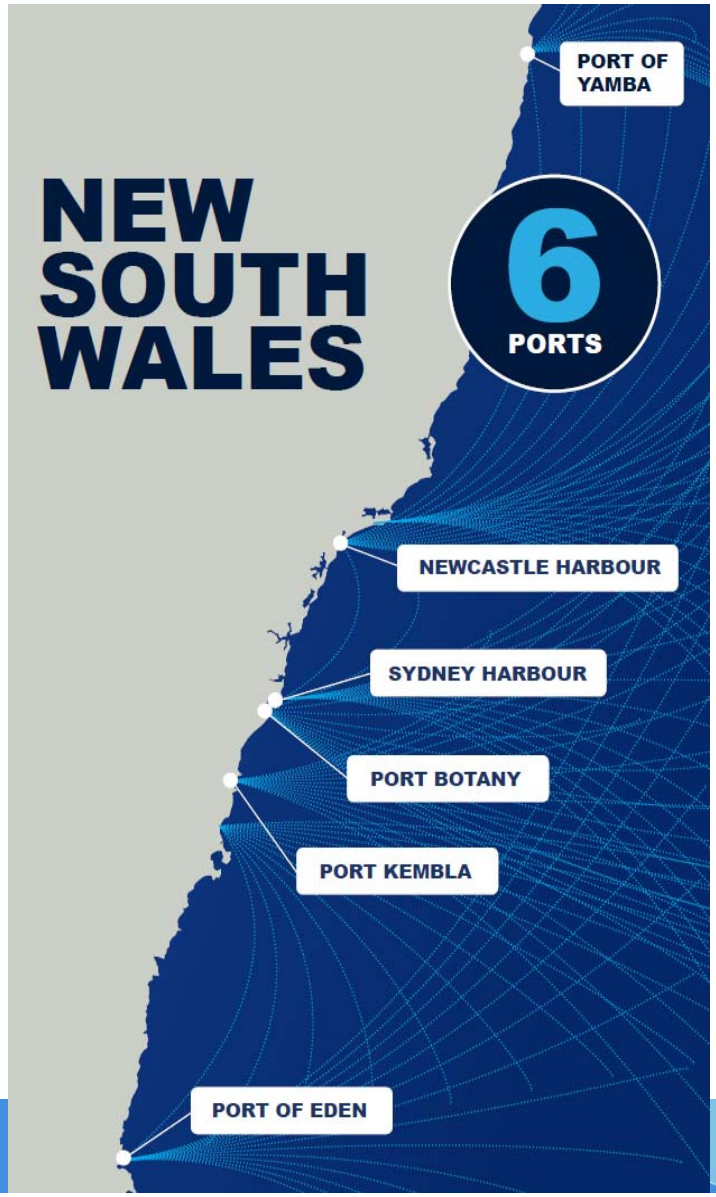
2. Business overview

Port Authority is responsible for all commercial marine functions in the ports of Sydney Harbour, Port Botany, Newcastle Harbour, Port Kembla, Port of Eden and Port of Yamba.

This includes the statutory Harbour Master's function, the provision of pilotage and navigation services, and port safety functions as prescribed in the Port Safety Operating Licence (PSOL).

Port safety functions include:

- The provision and maintenance of aids to navigation.
- Marine pollution emergency response and investigation and administration of the *Marine Pollution Act*.
- Administration of the legislation concerning the handling, transportation and storage of dangerous goods within the ports' jurisdiction.
- Administration of marine safety licenses and towage licenses.
- Provision of port communications systems and vessel arrival system for the Port of Newcastle.



2. Business overview continued...

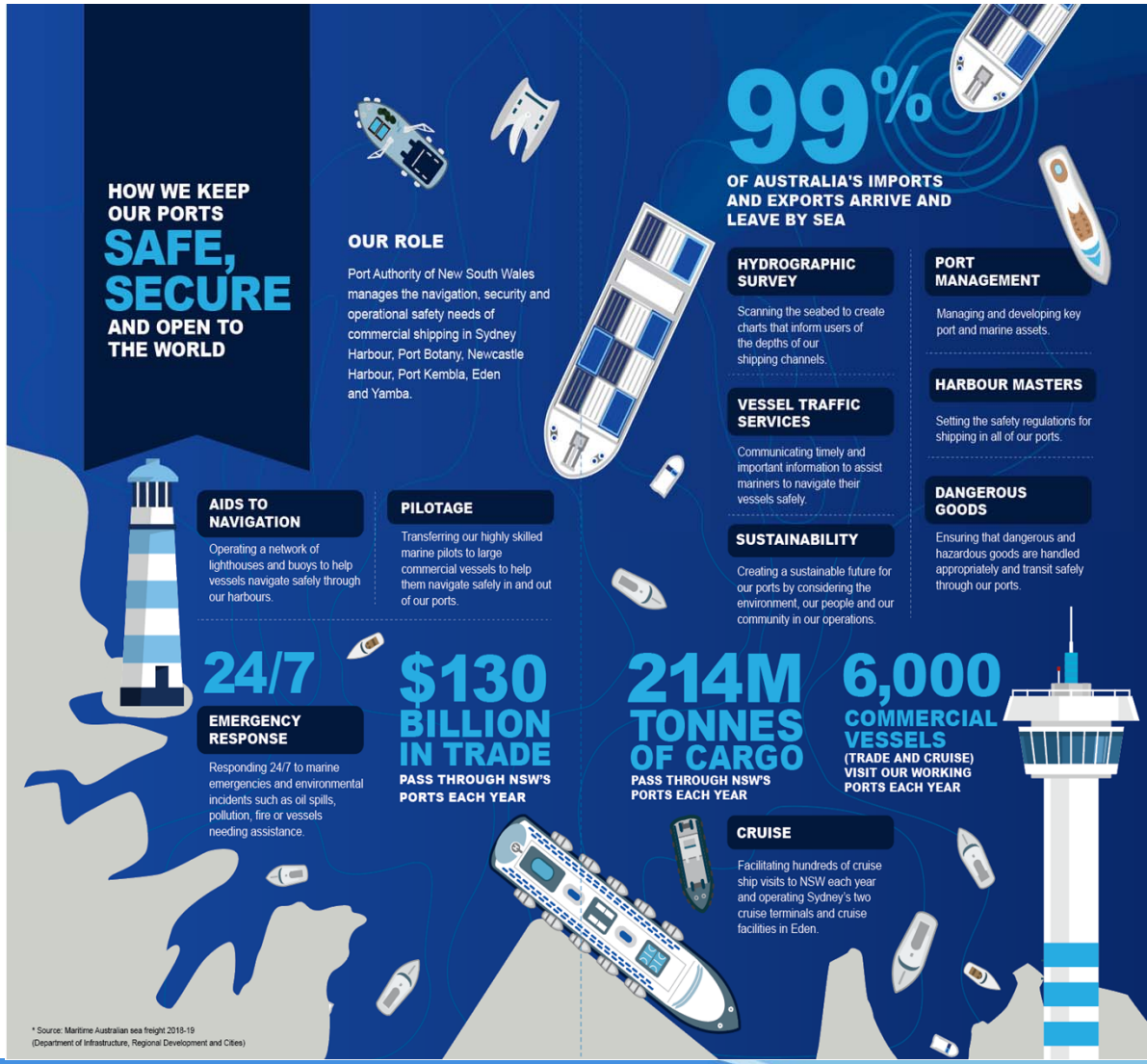
Port Authority performs the functions of Harbour Master for the minor ports of NSW for visiting cruise ships and larger commercial ships.

In Sydney Harbour, Port Authority is responsible for the management of business activities and related assets, predominantly cruise activities at its two facilities, the Overseas Passenger Terminal (OPT) at Circular Quay and White Bay Cruise Terminal (WBCT) in White Bay.

Other business activities include management of dry bulk facilities at Glebe Island.

Port Authority also plays a governance function of the Hunter Coal Export Framework and a participant in the Hunter Valley Coal Chain Co-ordinator (HVCCC).

Port Authority's activities are guided by its Strategy 2030, setting the framework for programs of work with a strong safety culture across every aspect of the organisation.



3. Strategy 2030

Port Authority is redefining its strategic direction for the next five years in our Strategy 2030. The work to develop the new strategy commenced in 2025 in consultation with staff, Port Authority's Board, industry and government stakeholders.

This process has involved reassessing priorities and repositioning the organisation in line with industry trends, stakeholder expectations, and broader government objectives.

While our direction has evolved, our core business remains the heartbeat of all that we do. A revised high-level strategic direction will commence in FY26 to provide the overarching framework for programs of work and to guide the development of annual strategic initiatives which contribute to our long-term goals, strengthen the organisation and benefit NSW.

Revised organisational reference points soon to be announced:

Vision: Growing trade and tourism in NSW

Purpose: Keeping the ports of NSW safe, efficient and open to the world

3. Strategy 2030 continued...

Port Authority's strategic plan is guided by three organisational pillars.

Service	Community	Sustainability
A commitment to delivering safe, efficient, and customer-focused operations. • Maritime operations • Cruise operations • Commercial activity • Technology • Legislative responsibilities	Meaningful engagement with those we interact with across all stakeholders to strengthen our social license to operate. Strong relationships, meaningful engagement and community responsibility enhances trust, strengthens the organisation's reputation, and ensures alignment with stakeholder expectations. • Wider Government • Customers • Industry stakeholders • Port communities • Communications • Partnerships/sponsorships • Our people	Safeguarding our long-term resilience with consideration to environmental responsibility, asset management and financial stability. Embedding sustainability leads to lasting value for our business and the environment. • Financial • Environment • Assets • ESG • Organisational growth & development • Heritage

4. Strategic summary: our people

Port Authority's diverse teams work together to provide safe, efficient and sustainable port and marine services across NSW.

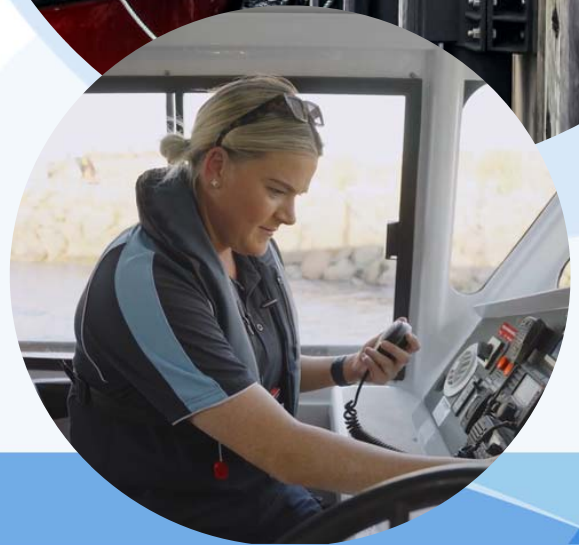
Our people are harbour masters protecting our ports, navigation experts keeping ships safe, marine pilots operating on the open water, operations teams maintaining vessels and marine assets, project planners building for the future and the corporate and IT teams who bring it all together.

Port Authority will continue to implement actions from its **Diversity and Inclusion Action Plan** to attract and retain a workforce that reflects the community in which we work and live. Our **Employee Reference Groups** (ERGs) continue to raise awareness of the benefits that diversity and inclusion bring to an organisation. This year, through innovative initiatives, events, and targeted training programs, ERGs have been, and are continuing to be, instrumental in shaping a culture of belonging and inclusivity.

The implementation of additional **female traineeships** seeks to support the focus on diversity within the workforce. This initiative aims to provide an opportunity for females to obtain marine qualifications and hands on work experience. By supporting women in traditionally male-dominated fields, we are taking steps towards building a more inclusive and equitable workplace.

Our **Employer Value Proposition** will be reviewed and amplified to increase awareness of our brand and recognition of our status as an Inclusive Employer.

Driving **leadership excellence**, Port Authority will be rolling out training to frontline leaders in the Marine Operations area of the business ensuring that they have the skills and capability to lead teams in a unique environment. Development of aspiring leaders is crucial to the success of Port Authority and programs are constantly being added to broader leadership framework to ensure that there is a pipeline of talent ready to step up into new opportunities.



4. Strategic summary: our people continued...

Work, health and safety

Port Authority continues to prioritise the health, safety and wellbeing of its people.

Monitoring health through medical assessments, fatigue management, return to work programs and drug and alcohol monitoring ensures our people are physically and psychologically fit for work.

Safety is at the core of what we do. We understand the critical risks and associated critical controls then ensure they are adhered to. Our impressive safety results and low injury number reflect this; however, we strive for continual improvement.

Port Authority has an extensive wellbeing program as part of our employee benefits. On offer are a leading-edge employee assistance program, gym discounts, flu shots and mental health first aid trained staff.

Port Authority's experienced safety professionals provide advice, leadership, and practical and technical guidance to continually aim for safety excellence.

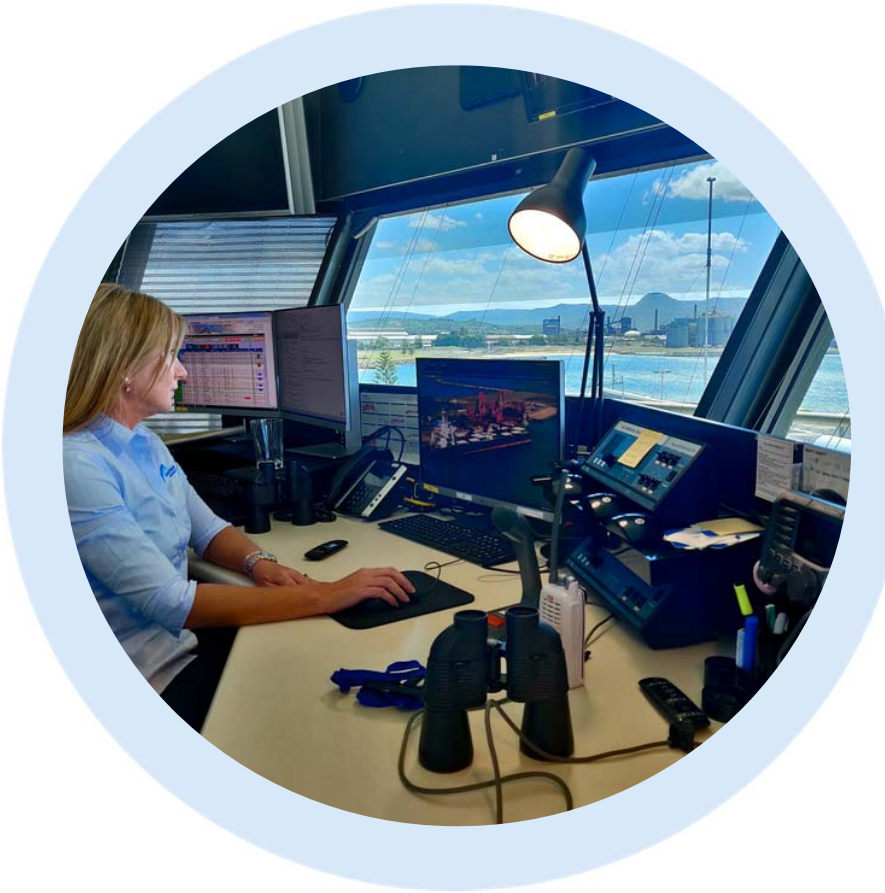
4. Strategic summary: operations and ways of working

Improving productivity

Port Authority continues to pursue opportunities to improve systems, operations and technology across the business delivering improved productivity for our customers, port users and our people. This year, Port Authority will:

- Develop operational technical specifications for a **statewide VTS platform**
- Digitise manual port processes
- Define system integration plans for core operational programs
- Continue to investigate options to **standardise CCTV across all sites** following the delivery of OnePort.
- Continue implementing Port Authority's 10 year vessel asset strategy

Port Authority's project to consolidate all its separate port management systems into a single common platform, called **OnePort**, is expected to be completed this year. While the platform will be live and operational for all ports there is a plan to continue delivering product improvements and enhancements in the year ahead.



Cyber risk resilience

Port Authority continues to strengthen its cyber resilience and protections, including:

- Compliance with the National Institute of Standards and Technology Cybersecurity Framework across all technology platforms
- Uplift in our maturity for Australian Cyber Security Centre's Essential Eight mitigation controls
- Security awareness training and skilling for our front-line operational staff
- Implementation of automated proactive security scanning
- Compliance with the *Security of Critical Infrastructure Act 2018* and its various amendments

4. Strategic summary: operations and ways of working continued...

Pilotage Service Level Agreements

Port Authority has been working to introduce pilotage service level agreements (SLA) across all ports. In July 2023, the first SLA was introduced in Newcastle Harbour. This is an agreed reporting mechanism with the Port of Newcastle, to provide a tangible service commitment. The SLA was developed with port managers and delivered under a Port Services Agreement. The SLA target is for 98% of vessels to be serviced by a marine pilot at a booked time and is measured against the number of changes within two hours of the vessel movement.

Port Authority introduced a SLA in Port Kembla in July 2024. The service commitment is the same as for Newcastle Harbour with the target of 98% of vessels to be serviced by a marine pilot at a booked time and is measured against the number of changes within two hours of the vessel movement.

Work on an SLA for Sydney Harbour and Port Botany is anticipated to commence in the financial year ahead.

4. Strategic summary: cruise

Cruise demand continues to grow

The cruise industry has emerged from the challenging years of the pandemic in a very strong position, with innovation and customer experience driving its resurgence and growth. Our current cruise season has exceeded passenger expectations with the Sydney based ships consistently arriving full or at near capacity during peak periods.

The next season will see cruise lines adjust to the higher cost of operation, target higher yields across their fleets and look to meet environmental goals and respond more generally to market changes in the region.

In the longer term, demand is supported by NSW population growth, coupled with a growing preference for cruise holidays and amongst wider sections of the population than in the past. From a global cruising perspective, Australia remains a strong destination and Sydney the main beneficiary of international tourism. Cruise lines' demonstrated adaptability to customer preferences and patterns and the global order book for new ocean ships further support these trends.

We anticipate growing demand to be accommodated by larger cruise liners gradually deployed in the region, replacing the existing fleets calling in to Sydney. We also anticipate new deployments and longer stays by smaller ships at White Bay, representing a mix of international, luxury and expedition cruises.

Port Authority continues to improve cruise infrastructure and customer experience at its Sydney terminals and support the development of regional hubs such as Eden and Newcastle.

In recognition of the importance of the cruise industry to the NSW economy, the NSW Government established an independent Cruise Industry Advisory Panel in April 2024. The Panel will support Port Authority to identify alternate locations for a third terminal and/or other viable options to cater for the expected long-term growth of cruise in NSW. The Panel was appointed by the Minister for Transport and is a source of independent advice and expertise.

At the Overseas Passenger Terminal (OPT), the **Berthing Infrastructure Project** is expected to recommence providing a long-term engineering solution to protect and enhance the berth and seawall infrastructure and support the berthing of larger cruise ships.

Regional cruise in NSW

Port Authority is strengthening its position as the cruise expert in NSW, continuing to support small ports in developing cruise capabilities, improving customer experiences and increasing visitation to smaller ports by expedition cruises while continuing to increase visitation in Eden and Newcastle.

Initiatives that will drive growth include:

- Implementing a Memorandum of Understanding with local councils to develop the tourism offering and continue to build on improvements to service delivery
- Offering incentives for cruise lines to position Eden and Newcastle as core destinations on itineraries.
- Continued engagement and collaboration with local communities and stakeholders.

4. Strategic summary: sustainability

Demonstrating sustainability leadership and tracking towards Net Zero

Port Authority is leading the industry with our strong commitment to addressing climate change through our ambitious Net Zero targets:

- Reduce net Scope 1 and 2 emissions by 75% by 2030 (based on a 2019 calendar year baseline)
- Be Net Zero by 2040

Guided by our Net Zero implementation pathway to our 2030 and 2040 targets, we continue to investigate ways to reduce Scope 1 emissions. This includes commencing the delivery of the Vehicle Fleet EV Transition Strategy, continuing efforts to reduce vessel emissions through operational efficiencies and long-term decarbonisation of the vessel fleet.

Port Authority is working towards the decarbonisation of its vessel fleet through a gradual transition from fossil fuel engines to low or zero carbon fuels and/or alternative propulsion technologies. In the year ahead, Port Authority will work to:

- develop and implement actions to ensure that alternative fuel and propulsion technologies are fully considered and integrated into the procurement and decision-making processes for the replacement or retrofit of Port Authority's vessels.
- undertake research and facilitate collaboration and partnerships to support the long-term decarbonisation of Port Authority's vessel fleet.
- engage with government and industry stakeholders to help accelerate the transition to alternative fuel and propulsion technologies.

This year, Port Authority will publish its first standalone Sustainability Report (with reference to GRI). The publishing of the Sustainability Report will align with the Annual Report timeframe and will focus on Port Authority's material topics (which were defined in 2023/24) ensuring that we develop, track, measure and report on what matters most.

Based on the analysis and projections in our Net Zero implementation pathway, Port Authority expects that the purchase of carbon offsets will be required to meet our 2030 target. A carbon offset purchasing strategy will be prepared in FY27, aligned with our sustainability goals and any relevant NSW Government policy.

4. Strategic summary: shore power

Shore power

The Bays Port Shore Power project is a cornerstone for Port Authority's transition into a sustainable port of the future. As part of this project, Port Authority has committed to the installation of shore power infrastructure at the White Bay Cruise Terminal. 100% of this ship to shore power electricity consumption will be offset with renewable power generation.

Shore power is an effective way of reducing greenhouse gas emissions if offset by renewable power generation and will also improve local air quality and reduce noise from the ships while at berth. Providing 100% renewable shore power will be an important component in Port Authority's future Scope 3 emissions reduction target. The opportunity to extend shore power to the remaining commercial berths at White Bay and other Port Authority berths will be considered as their long-term operational use is further determined.

Originally planned to go live at the end of 2024, the delivery timeframes for the project have now changed due to a number of factors including global supply chain issues and the European mandate from 2030, which has created a queue for tenders and orders. Port Authority is working to deliver Shore Power to the WBCT by December 2026.

Port Authority is in consultation with its cruise partners regarding shore power uptake once the infrastructure is delivered at WBCT. Discussions with key users of the terminal have been positive with a number of current deployments calling at the terminal already shore power capable. Over time, as more ports in Australia and in the region provide shore power facilities, more ships in the region will be deployed to utilise it. This will increase the uptake at WBCT. Across the Cruise Lines International Association's (CLIA) member fleet, the number of cruise ships equipped to connect to onshore power has more than doubled since 2018 and continues to grow. By 2028, 239 ships that are able to connect to shore power are expected to be in service (based on the number of ships scheduled to be retrofitted and new ships on the order book specified for shore power connectivity).

In 2022, CLIA announced that its ocean cruise line members made a commitment that all ships calling at ports capable of providing onshore power supply will be equipped to either use shore power by 2035 or be able to use alternative low-carbon technologies, as available, to reduce emissions in port.

Port Authority has been instrumental in establishing the **Australian Standards Committee** for Shore Power. This national body will develop the technical shore power standards for all vessel types in Australia.

Port Authority is also playing a crucial role in the development of International Standards for shore power for bulk vessels and the development of IEC 80005, which will become the main global shore power standard.

Port Authority chairs the **Shore Power Working Group** responsible for preparing technical papers and global shore power guidelines for future projects by other ports and the maritime industry.

4. Strategic summary: communities and partnerships

Communications, communities and stakeholders

Port Authority strives to deliver best in class performance and outcomes across its business. This year presents an opportunity to extend the focus of sharing its expertise, collaborating with industry - both within Australia and abroad - and engaging with Government and industry partners to excel in meeting customer, community and stakeholder expectations.

A focus will be the expansion and deepening of our stakeholder presence, establishing connections and furthering partnerships to continue to build a positive reputation for the operational ports in NSW along with actively promoting key projects and initiatives throughout the year.

Port Authority values its relationships with communities across the ports of NSW. We strive for a best practice approach and engage with our local port communities to continually understand their needs with a view to balance these needs with the operational requirements of working ports.

Our port communities and stakeholders will be the focus for the year ahead as Port Authority implements a comprehensive strategy to support the successful delivery of this key priority, including:

- Expanding our social channels, media reach and online presence to share more information about what we do
- Continuing to implement our **Community and Stakeholder Engagement Framework** driving consistency and transparency in the work we do
- Continuing to implement our Sponsorship Framework and our **Community Grants program** – supporting initiatives that align with our organisational vision, values and brand and building our positive contribution to the communities in which we operate
- Supporting our **Seafarer Welfare Fund** with NSW Ports and Port of Newcastle to enable the long-term provision of services, projects and programs in support of the state's essential seafarer workforce.
- Aligning with Government priorities while elevating awareness of the role and value of our ports to the broader supply chain.

The Corporate Affairs and Stakeholder Engagement team will lead this work which is part of an ongoing commitment to continuous improvement.

5. Financial summary

$M	FY26 SCI	FY27	FY28
1. Financial Performance Indicators			
Total Revenue[1]	214.88	223.71	242.42
Total Opex[1]	157.96	154.85	158.04
EBITDA[1]	56.92	68.86	84.39
EBITDA	55.99	67.94	84.80
EBIT	35.25	43.88	56.84
Net Profit (Loss) Before Tax	35.42	42.39	50.29
Net Profit (Loss) After Tax	27.81	32.89	38.65
Total Debt	220.77	281.42	302.49
Capital Expenditure	72.85	71.86	46.29
2. Shareholder Returns Indicators			
Income Tax Equivalent Paid	17.09	12.18	15.46
Dividends Paid	41.50	29.50	22.00
Government Guarantee Fees Paid	1.89	3.01	4.72
3. Profitability Ratios (%) [1]			
Growth in Operating Costs	5.3%	-2.0%	2.1%
Return on Fixed Assets	4.9%	5.5%	6.7%
EBITDA Margin	26.1%	30.4%	35.0%
Dividend Payout Ratio (%)[2]	166.3%	99.4%	84.8%

Numbers quoted in this table may be affected by rounding errors, without material impact.

Note 1: All Profitability Ratios exclude asset revaluation adjustments and recoverable expenses.

Note 2: 'Dividend Payout Ratio' is calculated based on the adjusted NPAT (excl. non-cash Finance Lease Income) divided by the Declared Dividend of the period. This ratio relates to the year in which dividends are provided (not the year in which they are paid).

Port Authority is included in the National Tax Equivalent Regime (NTER).

NTER and any dividend payments to the Government are consistent with taxation rulings and the NSW Financial Distribution Policy for Government businesses.

Port Authority's financial distribution policy is consistent with NSW Treasury's Policy and Guidelines Paper TPG21-10 *Capital Structure and Financial Distribution Policy for Government Businesses.*

Fitch Ratings Australia assessed the Port Authority's credit rating in January 2025 and awarded it a 'Credit Opinion' of BBB.

Port Authority has assumed the minimum investment grade rating of BBB for the three-year forecast period.

The financial projections assume the retention of borrowings and a sufficient level of working capital funds resulting in maximum dividend payouts.

6. Performance target summary - KPIs

Following KPIs were developed in tandem with Port Authority's FY26 strategic objectives and are reported against on a quarterly basis.

Category	Measure	FY26 Target
Safety	Total number of serious injuries, dangerous incidents, and high potential near misses occurred	≤ 2
Staff	Employee engagement score achieved – Operations	≥ 73%
	Employee engagement score achieved – Corporate	≥ 83%
Service Delivery	On time pilotage services delivered	≥ 98%
	Cruise bookings facilitated (terminal and vessel movement)	≥ 99%
	Critical asset availability – Service & Compliance related (navaids)	≥ 98%
	Capex program delivered	≥ 80% of rolling forecast
	Critical IT systems available	≥ 99% uptime hours
Security	NIST controls compliance	≥ 99% compliance
Financial	EBITDA $ achieved	≥ 97.5% of budget
	Cashflow from operations $ achieved	
	Returns to Shareholders $ achieved	
Customer & Stakeholder	Corporate Reputation Index achieved (based on independent social research, Kantar or equivalent)	≥ 65 score
Sustainability	Environmental compliance achieved	Nil prosecution or PIN

6. Performance target summary - SPIs

Category	Measure	Baseline	Short-term target	Long-term target
Staff	New staff recruits being female achieved	54%	≥ 50%	≥ 50%
	New staff identify as Aboriginal or Torres Strait Islander achieved	3.6%	> 4%	> 4.4%
Sustainability	Sustainability embedded in business	n/a	≥ 1 initiative led or substantially contributed to and embedded in each divisional strategic plan	≥ 1 initiative led or substantially contributed to and embedded in each divisional strategic plan
	Environmental actions closed out	n/a	≥ 95%	≥ 95%
	Incremental steps towards net zero strategy achieved	n/a	Utilising 100% renewable electricity	Utilising 100% renewable electricity
		n/a	Continued monitoring of and matching of total electricity consumption and renewable generation	Continued monitoring of and matching of total electricity consumption and renewable generation

7. Statement of expectation (SOE) action plan

Shareholding Ministers' expectations	How Port Authority will achieve these expectations	Link to strategic goals
Supply chain efficiency and cruising operations	• Fulfil port safety service obligations • Convene the *Cruising Industry Advisory Panel* and deliver advice to the Minister for Transport reflecting the Panel's Terms of Reference, including undertaking demand analysis to understand future cruise capacity for NSW	
Support addition of housing stock	• Work constructively and proactively with NSW Government agencies to effectively plan the Bays Precinct, including the delivery of new housing in the Bays West Precinct • Support the Government via the Bays West Precinct Steering Committee to determine requirements for future port operations at Glebe Island	
High standard of public accountability and corporate governance	• Proactively communicate and engage with Government to keep them informed of relevant matters of interest related to their accountabilities; and • Maintain the highest standards of governance, probity and integrity in line with Government policies and community expectations	
Minimise cost of service provision	• Operate in a manner that seeks to minimise cost of service provision pressures	
Ensure efficient capital investment	• Optimise business performance and deliver efficiencies to maximise sustainable returns to government without compromising service quality, community outcomes and safety • Undertake regular efficiency reviewed at least once every five years with the benefit returned to the state via dividends • Align Target Capital Structure with strongest performers in industry peers while maintaining a minimum investment grade credit rating • Identify surplus or underutilised assets and land whose value could be realised • Maximise revenue streams and opportunities to grow and drive financial sustainability and resilience	
Operate the business sustainably	• Support delivery of NSW Government climate change net zero policy • Reduce its carbon footprint contributing to NSW's emissions reduction targets in alignment with the *Climate Change (Net Zero Future) Act 2023* • Prepare for transition to alternative fuels and manage implications for service delivery • Minimise risks of climate change on assets, operations and services • Support NSW communities to benefit from the economic and employment opportunities created by decarbonisation • Monitor and report annually its activities against agreed sustainability reporting and climate risk disclosure frameworks • Continue to deliver sustainability outcomes across operations to achieve shared social, environmental and economic value	

7. Statement of expectation (SOE) action plan continued...

Portfolio Minister's expectations	How Port Authority will achieve these expectations	Link to strategic goals
Consider cyber risk exposures	• Protect critical port infrastructure from a cyber perspective • Ensure cyber risk is an element of the broader risk framework • Recognise and plan for cyber risk exposures appropriately	
Robust procurement practices	• Achieve value for money, ensure fair and open competition for suppliers, consider economic development, social and environmental outcomes and sustainability • Support supplier diversity • Consider the environmental sustainability of goods and services being procured and support transformation to a circular economy	
Engaged workforce	• Workplace culture is focused on supporting employee health, safety and mental well-being • Provide a culture that delivers high quality services that are efficient, accessible, safe and transparent • Actively encourage and support diversity and inclusion, developing and building capability while hiring and promoting through a merit-based approach • Improve gender diversity across the organisation with a focus on leadership and operational roles	
Optimise the use and development of land and of operational assets	• Design and manage port land assets while ensuring alignment with operational and security arrangements, including care of deep-water berths and integration with appropriate public access and amenity • Support sustainable and efficient operations while minimising environmental impacts wherever practicable	
Balance the priorities of customers, stakeholders and communities	• Commit to adding value to customer services; measuring, analysing and responding to customer performance data • Deliver flexible business practices that respond to changing customer requirements • Develop partnerships with customers and communities to foster mutual understanding, relationships and responsiveness • Consult with customers, stakeholders and communities prior to progressing initiatives that may have an adverse impact to improve engagement, understanding and outcomes • Support sustainable initiatives in port communities that demonstrate care and are underpinned by goodwill and respect	
Work collaboratively	• Work collaboratively across government to assist the Government achieve its policy aims • Work collaboratively with Transport for NSW (TfNSW) in their operational commitments • Contribute to the delivery of thriving and liveable communities through land use planning and the continued provision of port services to support the provision of world class harbour operations • Share learnings arising from the safety, asset and environmental management with TfNSW to promote cluster-wide engagement and understanding of common issues	

8. Risk Appetite Statement

The Board of Port Authority of New South Wales confirms that informed risk-taking is a cornerstone of our strategic decision-making process. A Risk Appetite Statement (RAS) is a formal declaration that outlines the types and levels of risk an organisation is willing to accept in pursuit of its objectives. It serves as a guiding framework for risk management, ensuring that all risk-taking activities align with the organisation's strategic goals and regulatory requirements. For Port Authority, our risk appetite is characterised by a balanced approach to risk-taking, where we are open to moderate levels of risk that support innovation and growth, while maintaining a strong commitment to compliance, operational resilience, and stakeholder trust.

Our risk tolerance statements are aligned against specific risk categories, ranging from zero to a high tolerance. These statements define the relative level of tolerance for each type of risk, along with the conditions, caveats, and limitations under which such risks can be taken. This structured approach ensures that risk-taking is both strategic and controlled, safeguarding Port Authority's long-term objectives and stakeholder interests.

9. Representation and commitment statement

The Board of Port Authority of New South Wales confirms that:

a) Key performance targets within the 2025-26 SCI are based on and supported by Port Authority's Business Plan.

b) The Voting Shareholders will be provided with financial and other information to assess the performance against commitments in this SCI and to assess the value of the shareholders' investment in the business.

c) Asset maintenance policies and processes are adequate and appropriate to manage and control risks associated with physical assets.

d) All known key risks and major emerging contingent liabilities, including climate related and cyber security, which could materially impact the current and future results of Port Authority for the coming year have been disclosed.

e) Internal audit and risk management practices are consistent with the Australian Standard AS ISO 31000:2018 and standards recommended for Australian Securities Exchange (ASX) listed companies. Where appropriate and relevant, Port Authority has referred to Treasury's *Internal Audit and Risk Management Policy for the General Government Sector* (TPP20-08) for the NSW Public Sector, and utilised the *Risk Management Toolkit* (TPP20-08) in the development of its risk management systems.

f) John McKenna was appointed as Chief Executive Officer by the Governor on 9 April 2025. The Chief Executive Officer was issued with an Executive Service Agreement for a 5-year fixed term expiring 9 April 2030. His performance under the Executive Service Agreement will be appraised annually, with the first appraisal to be carried out in August 2025

g) Port Authority adheres to Commercial Policy Framework policies, as listed in State Owned Corporations: Applicable TPPs under the Commercial Policy Framework (issued November 2024).

h) Port Authority agrees it will pay charges fixed by the Treasurer in respect of government guarantee fees for borrowings from TCorp, in accordance with section 20U of *State Owned Corporations Act 1989.*

i) Port Authority complies with NSW Treasury accounting circulars and policies applicable for SOCs.

j) Port Authority agrees to provide information during the year to NSW Treasury, as the representative of the Voting Shareholders, as specified in the State Owned Corporation Reporting Obligation Requirements.

k) Port Authority has agreed to comply with the current government policy M2024-05 – NSW Government Fair Pay and Bargaining Policy 2024-25.

Glossary

Item	Description
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ESG	Environmental, Social and Governance standards used to measure an organisation's environmental and social impact
EV	Electric Vehicle
FY	Financial Year
GRI	Global Reporting Initiative
KPI	Key Performance Indicator
NIST	National Institute of Standards and Technology
OPT	Overseas Passenger Terminal at Circular Quay
PSOL	Port Safety Operating Licence
SLA	Service Level Agreement
SPI	Sustainability Performance Indicator
VTS	Vessel Traffic Services that facilitates the safe navigation of commercial shipping throughout the ports
WBCT	White Bay Cruise Terminal