

Communication on Progress 2013
United Nations Global Compact
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Barangaroo Delivery Authority



Table of contents

1.0	Barangaroo and the United Nations Global Compact	3
1.1	About Barangaroo	3
2.0	Environmental and social sustainability leadership of Barangaroo	3
2.2	Climate Positive ambition for Barangaroo	4
3.0	Audiences and influence of Barangaroo	4
4.0	Communication on Progress	5
4.1	Human rights	5
4.2	Labour	7
4.3	Environment	8
4.4	Anti-Corruption	11
5.0	World leading best practice	12
6.0	Contact Barangaroo	12



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

1.0 Barangaroo and the United Nations Global Compact

The UN Global Compact Australia Network (The Compact) is globally recognised as the world's largest strategic policy initiative for businesses and organisations that are committed to aligning their operations and strategies with ten accepted principals in the areas of human rights, labour, environment and anticorruption.

Since its creation in 2009, the Barangaroo Delivery Authority (the Authority) has been a signatory to the Compact. The Authority is committed to the ten principles of the Compact and is proud to be an active member and supporter.

The Authority strongly believes that this commitment will assist in achieving the environmental and social sustainability aspirations for the Sydney CBD waterfront renewal of Barangaroo.

1.1 About Barangaroo

Barangaroo is one of the most ambitious urban renewal projects in the world today, embodying world-class design excellence and sustainability.

The \$6 billion project is bringing the government and private sector together to transform a former 22-hectare container port into a thriving public, residential and commercial precinct on Sydney's waterfront for people to work, live and play.

Barangaroo will instil pride and inspire innovation for generations. It will be a global reference point of design excellence, sustainability and balanced social and economic impact. Barangaroo will raise Sydney's international acclaim and be a globally celebrated destination. We are creating the best place in the best place in the world, adding a brilliant new dimension to brilliant Sydney.

2.0 Environmental and social sustainability leadership of Barangaroo

Environmental and social sustainability leadership is a key objective for Barangaroo, aiming to be Climate Positive: Carbon neutral, water positive and zero waste and defining Sydney, NSW and Australia as a world leader in environmental and social sustainability.

Barangaroo provides the opportunity to showcase sustainable communities within a commercial development framework. Barangaroo aims to incorporate world-leading approaches for ecological restoration, high-density commercial districts and civic, cultural and recreational centres.

Barangaroo's progressive environmental and social sustainability commitments, have been embedded into the project delivery documentation, helping to integrate innovation, responsibility and delivery.

2.2 The Climate Positive ambition for Barangaroo includes:

To operate as a Climate Positive community, one of the first precincts of this size in the world and certainly the first such precinct in Australia. These goals include:

- Carbon Neutral through energy efficiency and by generating and offsetting more new renewable energy than total net greenhouse emission generated by the Barangaroo precinct;
- Water Positive through reduced consumption and water reuse precinct-wide and by exporting more recycled water to adjacent businesses than is used across Barangaroo;
- Zero Waste through prevention, minimisation, recycling and reuse and carbon neutral waste management; and
- Socially Sustainable by inspiring community wellbeing, through learning and development programs, effective community infrastructure and a distinctive commitment to culture and the arts.

3.0 Audiences and influence of Barangaroo

The location, scale and aspirations of Barangaroo mean that it has the potential to be a local and global influencer.

The Authority recognises the significant contribution that the design, construction and operation of Barangaroo is already having in contributing to new international benchmarks in sustainable development and lifestyles. Similarly, through alignment and promotion of the Compact's principles, Barangaroo has the potential to act as a major catalyst in generating significant positive influence beyond our core business activities.

The potential audiences and scale of influence that Barangaroo will have include:.

- Core Business Activities delivering innovation and new sustainability benchmarks in the planning, design, construction, operation and programming at Barangaroo;
- Supply Chain influencing the practices and actions within the Barangaroo supply chain, including project consultants, developers, contractors and suppliers;
- Community Interaction influencing the behaviour and actions of project stakeholders and the
 emerging Barangaroo community, including residents, neighbours, workers and visitors (including
 locals and national and international visitors); and
- Public Policy and Advocacy influencing public policy dialogue and standards in sustainable planning, design, development and lifestyles.

4.0 Communication on Progress

In terms of the Compact's 10 Principles, The Authority's initiatives are in varying stages of development, adoption and delivery.

4.1 Human rights

PRINCIPLES OUR PROGRESS The Authority acknowledges the Gadigal people of We implement: Principle 1 -**Businesses should** the Eora Nation as the traditional custodians of this **NSW Procurement** land, as well as acknowledging the present support and policy and guidelines, Aboriginal community who now reside within this respect the and protection of area. **NSW Public Sector** internationally The Authority is committed to social sustainability employment policy and proclaimed human and has drafted a Community Development guidelines. rights. Strategy which aims to address the needs and aspirations of residents, workers and visitors. The Authority is an Equal The Strategy defines the following five overarching Opportunity Employer. Objectives and Aspirations: Culture and Identity – through culture, public Aboriginal Archaeological art and events, Barangaroo will enrich the daily and Cultural Heritage life of the community and reinforce Sydney's Assessments are carried identity as the world's most enjoyable city. out prior to construction. Lifelong Learning – through education and skills training, Barangaroo will create a legacy beyond its boundaries and be an exemplar in its delivery In 2011 a traditional and practices for sustainable learning and future Aboriginal smoking skilling. ceremony was held on Human and Community Services – Barangaroo site. will aim to meet the human and community service needs of its communities and support its The Authority held a position as a socially inclusive place for all tailored Aboriginal Cultural including the disadvantaged and youth. Appreciation workshop. Active and Healthy Living – Through active and healthy living opportunities everyone who comes in contact with Barangaroo will have a chance to shape and enrich their lives. Community Investment – through innovative and sustainable place management, building partnerships and a variety of uses, Barangaroo will foster equity, inclusion and social enterprise. Principle 2 -The Authority is committed to a proactive and We implement: **Businesses should** positive approach towards the management of **NSW Procurement** ensure that they Workplace Health and Safety for all employees, policy and guidelines are not complicit in contractors and visitors to its properties, sites, or **NSW Public Sector** human rights activities under the Authority's control. employment policy and abuses. guidelines

Case study: Lifelong learning

The below case study is presented in terms of the Compact's framework to Committee, Assess, Define, Implement, Measure and Communicate.

Commit Leadership to mainstream the Compact principles	The Authority commits to 'Lifelong Learning' - which is grounded in the understanding that education is a human right.
Assess risks, opportunities and impacts	 Opportunity to: To educate all workers, residents and visitors to Barangaroo about sustainable practices; and Be a global leader through the implementation of innovative sustainability practices.
Define goals, strategies, and policies	 Through education and skills training, Barangaroo aims to create a learning legacy beyond its boundaries and be an exemplar in its delivery and practices for sustainable learning and future skilling, via: 1 in 5 construction workers on site will be a trainee or an apprentice; Deliver up to 8 hours of sustainability training for each onsite worker; Exceed the targets defined in the NSW State Government's Indigenous Participation in Construction Guidelines.
Implement strategies and policies through the company and across the company's value chain	 School aged youth – sponsor Observatory Hill Environmental Education Centre (local education providers) to deliver programs on urban waterside revitalisation; Youth and long term unemployed – (including Aboriginal and non-Aboriginal participants) – deliver training and apprenticeship programs in partnership with relevant agencies and training providers during and post-construction; Education – facilitate the delivery of programs which respond to the learning needs and aspirations of the existing and emerging Barangaroo community; and General –develop international recognised programs to capture and recognise Barangaroo's green technologies and sustainability learning
Measure and monitor impacts and progress	 Currently developing measures in partnership with relevant agencies and organisations; and Link the measures to the Goals/ Targets.
Communicate progress and strategies and engage with stakeholders for continuous improvement	 Written, photography and multimedia material made available Barangaroo website and social media Partners and stakeholders including media, development partners, the community and professional associations

4.2 Labour

PRINCIPLES OUR PROGRESS Principle 3 -The Authority staff are subject to the NSW Government Our construction **Businesses** public sector award and agreements which include the contracts have should uphold following labour related policies in draft or final form: contractor and subthe freedom of contractor obligations to Addressing and Resolving Grievances Policy, association and achieve education, Prevention of Harassment and Bullying in the the effective training and apprentice Workplace, recognition of the targets: Code of Conduct for Barangaroo Staff, right to collective Protected Disclosures Policy and Procedures, and 1 in 5 construction bargaining. Privacy Management Policy and Plan workers on site will be a trainee or an The Authority is committed to continuous improvement Principle 4 apprentice; and best practice performance in procurement which **Businesses** Deliver up to 8 include, but are not limited to: should uphold hours of Client focus, service quality and value for money the elimination of sustainability outcomes, forced or training for all Ethical business practices, compulsory onsite workers; and Management of procurement risk, labour. Exceed the targets Tendering and contract management, defined in the NSW Co-operative relationships, Principle 5 -State Government's Non-adversarial dispute resolution, **Businesses** Indigenous Planning and management of human, physical and should uphold Participation in financial resources, the effective Construction Environmental management, abolition of child Guidelines. Occupational health and safety management, and labour. workplace injury management, Workplace practices, Planning for the Industrial relations, Barangaroo skills Aboriginal participation, exchange advances. Supply chain management, Payment practices, including reflective practices down \$7.3M in federal the contract chain, and government grant Innovation in design, service provision, processes and funding was secured in use of technology. 2012 for skilling and training, securing 2,600 positions over the next 2 years. Principle 6 – The Authority complies with the NSW Government's Equal The Authority is an **Businesses** Opportunity and Diversity Policy and Plan (incorporating **Equal Opportunity** the Disability Action Plan). should uphold Employer. the elimination of discrimination in

respect of

employment and occupation.

4.3 Environment

PRINCIPLES

OUR PROGRESS

Principle 7 – Businesses should support a precautionary approach to environmental challenges.

The Authority has committed to work in partnership with the following initiatives in order to share information, build greater understanding of environmental challenges and access best-practice approaches and research:

- Climate Positive Development Program, and
- Green Star Communities.

The Authority is committed to ongoing measurement and monitoring of environment initiatives. For example – our Climate Positive work plan will outline progress on achieving Climate Positive benchmarks, together with certification from an independent expert.

Where our expectations for environmental performance exceed existing measurement frameworks, we are actively involved in establishing templates and precedents that improve on state of the art and can be leveraged in future projects.

We are working with Low Carbon Australia to make the Federal Government's National Carbon Offset standard for carbon neutrality appropriate to buildings and precincts.

Barangaroo assisted the GBCA in beta testing the new Green Star Communities tool in 2012.

Barangaroo South is the pilot project for the Green Star Communities Tool.

Principle 8 -

Businesses should undertake initiatives to promote greater environmental responsibility. A Climate Positive Barangaroo aims to be:

- Carbon neutral through energy efficiency and by generating and offsetting more new renewable energy than total net greenhouse emission generated by the whole precinct;
- Water positive through reduced consumption and water reuse precinct-wide and by exporting more recycled water to adjacent businesses than is used across Barangaroo;
- Zero waste through prevention, minimisation, recycling and reuse and carbon neutral waste management; and
- Socially sustainable by inspiring community wellbeing, through learning and development programs, effective community infrastructure and a distinctive commitment to culture and the arts.

As a guiding philosophy, opportunities will be sought to educate visitors on sustainability outcomes where the major contribution is made by services in basements away from public view.

Ground leases executed in 2012 successfully secured \$2 billion in investment and contained carbon neutrality clauses supporting renewable energy technologies.

The Authority is committed to regular public reporting and tracking of progress against key project operational targets and deliverables.

We aim to increase awareness and support for the environmental initiatives developed and implemented across the precinct

Environment (continued)

PRINCIPLES

Principle 9 -Businesses should encourage the development and diffusion of environmentally friendly technologies.

OUR PROGRESS

The Authority is committed to supporting and deploying renewable energy and clean technology.

The Authority will focus its communication about technologies and techniques deployed at Barangaroo around several key themes and relevant channels.

Examples include:

- World's Best Practice Buildings demonstrating that investment grade assets can be the most sustainable. Primary channel and audience – Green Building Council and similar professional associations to target design professionals and commercial tenants
- Green Infrastructure benefits from increased resource productivity through shared infrastructure. Primary channel and audience - C40 Cities, Ecodistricts and similar to target planners and policy makers
- On-site renewables Clean energy generation local to facilities. Primary channel and audience – newspapers and mainstream media to educate the community
- Carbon fund and green lease cascade Deliver sustainability long after the construction has finished. Primary channel and audience – C40 Cities, Ecodistricts and similar to target planners and policy makers

The 99 year ground leases include carbon neutrality clauses supporting renewable energy technologies.

The Authority is committed to ongoing engagement with the community to:

- Provide opportunity for feedback and input to enrich the design and ongoing project outcomes;
- Disseminate understanding on the project objectives on progress against defined targets across the community; and

Build community capacity and greater understanding and adoption of the sustainability goals and aspiration of the project.

Case study: carbon neutral operations as a restorative business opportunity

The below case study is presented in terms of the Compact's framework to Committee, Assess, Define, Implement, Measure and Communicate.

Commit

leadership to mainstream principles Barangaroo's ambition to be carbon neutral is grounded in the understanding that the challenges of urban renewal and climate change can be complementary, thereby supporting the Compact's Principles 7, 8 and 9.

Assess

risks, opportunities and impacts

Opportunities:

- To demonstrate that the required mechanisms can be cascaded through all project agents from inception through to ongoing operation; and
- Be a global leader through the operation of Australia's first zero carbon zone.

Influence:

- Community Carbon Fund;
- Infrastructure design development and renewal;
- Servicing strategy and operations;
- Monitoring and verification; and
- Offset procurement.

Define

goals, strategies, and policies

Goals:

- To demonstrate large-scale urban renewable and economic growth can create a meaningful contribution to reducing environmental footprint.
- Carbon neutral operation of all buildings and public domain for energy, transport and waste emissions; and
- A replicable model to stimulate investment in new renewable energy generation.

Strategy:

- Modelling Energy, Transport and Waste emissions;
- Financial modelling and forecasting, contracts and partnerships;
- Independent review; and
- Verification to a nationally and internationally recognised standard.

Implement

strategies and policies through the company and across the company's value chain

Progressing and exploring opportunities in:

- Development Agreement,
- Barangaroo Management Plan,
- Ground Lease and carbon neutrality investors,
- Building Management Statement,
- Tenancy Green Lease sub-tenants,
- Commissioning and tuning,
- Education and skilling,
- Renewable Energy Certificate and carbon offset procurement, and
- EoI for new off-site renewable energy facility.

Case study (continued)

Measure

and monitor impacts and progress towards goals Currently exploring opportunities for:

- Monitoring, verification and reporting building and precinct management systems;
- Carbon accounting and the Community Carbon Fund;
- NCOS enhancement; and
- C40 Cities Climate Positive Developments Program

Communicate

and engage with stakeholders for continuous improvement Currently exploring opportunities to communicate progress:

- Climate Positive Roadmap
- UNGC Communication on Progress
- Online via website and social media
- Participation in government and industry partnerships, networks and forums

4.4 Anti-Corruption

PRINCIPLES

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Principle 10 -

Businesses should work against all forms of corruption, including extortion and bribery.

OUR PROGRESS

The Authority embraces accountability and transparency.

The Authority was established under the NSW *Barangaroo Delivery Authority Act 2009* to manage the development at

Barangaroo and to deliver world class benchmarks in urban design, public domain and sustainability.

The Authority is a NSW Government agency and so complies with relevant government legislation defining appropriate codes of conduct, financial management and purchasing and procurement processes.

The Authority is accountable to the Independent Commission Against Corruption (ICAC) which provides advice on major government contracts or proposals, and the Ombudsman.

The actions of the Authority are informed by the Authority Board, Risk and Audit Committee and Design and Review Committee.

The Authority's Code of Conduct embodies the public sector values of integrity, diligence, economy, efficiency and accountability. The Code incorporates the principles of ethical or responsible decision-making and respect for the law, government and community.

In particular, the actions of all staff must comply with the NSW Government's *Prevention of Fraud and Corruption Policy*.

The Authority is committed to transparency and the intent of the NSW Government Information (Public Access) Act (GIPA) 2009.

Regularly providing access to information under the GIPA Act and posting information on www.barangaroo.com, including contracts such as the Development Agreement for Barangaroo South.

The Authority is audited annually by the NSW Auditor General and will prepare an Annual Report in accordance with the NSW Annual Reports (Statutory Bodies) Act 1984. This will report the outcomes achieved by the Authority during the reporting period.

Development rights for Barangaroo South were awarded following an international EoI and tender process in 2010 and the main works contract for Headland Park Construction was awarded in 2012.

5.0 World leading best practice

the Compact Principles	Barangaroo environmental and social sustainability objectives		
Human Rights	Community Wellbeing	Culture and Identity Lifelong Learning Human and Community Services Active and Healthy Living Community Investment	
Labour	Community Wellbeing	Lifelong Learning Equity Fair Trade	
Environment	Climate Positive (Carbon Neutral, Zero Waste, Water Positive)	Sustainable materials Local and sustainable food Sustainable transport Active and healthy living Natural habitats and wildlife	
Anti-Corruption	Community Wellbeing	Community investment	

6.0 Contact Barangaroo

To stay up to date with Barangaroo, please visit:

Barangaroo.com
Twitter.com/Barangaroo
Facebook.com/BarangarooSydney
Youtube.com/BarangarooSydney
Flickr.com/Barangaroo