

FY18 Sustainability Report



1 NO
POVERTY



About this report



Transurban is committed to sustainability and this is our 13th report to date. This year we've strived to prepare a more concise and useful report by focussing on the areas that matter most to our key stakeholders. At the same time, we've ensured consistency with the [Global Reporting Initiative](#) and detailed our contribution to relevant [United Nations' Sustainable Development Goals](#). The report showcases the wide range of tangible outcomes that have been realised across a range of areas throughout Financial Year 2017/2018 (FY18).

The report covers all of our operations and geographic markets as at the end of FY18.

Detailed FY18 environmental and social performance data are available separately on our website.

The report has undergone limited assurance by KPMG.

2 ZERO
HUNGER



3 GOOD HEALTH
AND WELL-BEING



5 GENDER
EQUALITY



4 QUALITY
EDUCATION



6 CLEAN WATER
AND SANITATION



7 AFFORDABLE AND
CLEAN ENERGY



8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



13 CLIMATE
ACTION



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



11 SUSTAINABLE CITIES
AND COMMUNITIES



10 REDUCED
INEQUALITIES



14 LIFE BELOW
WATER



15 LIFE
ON LAND



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



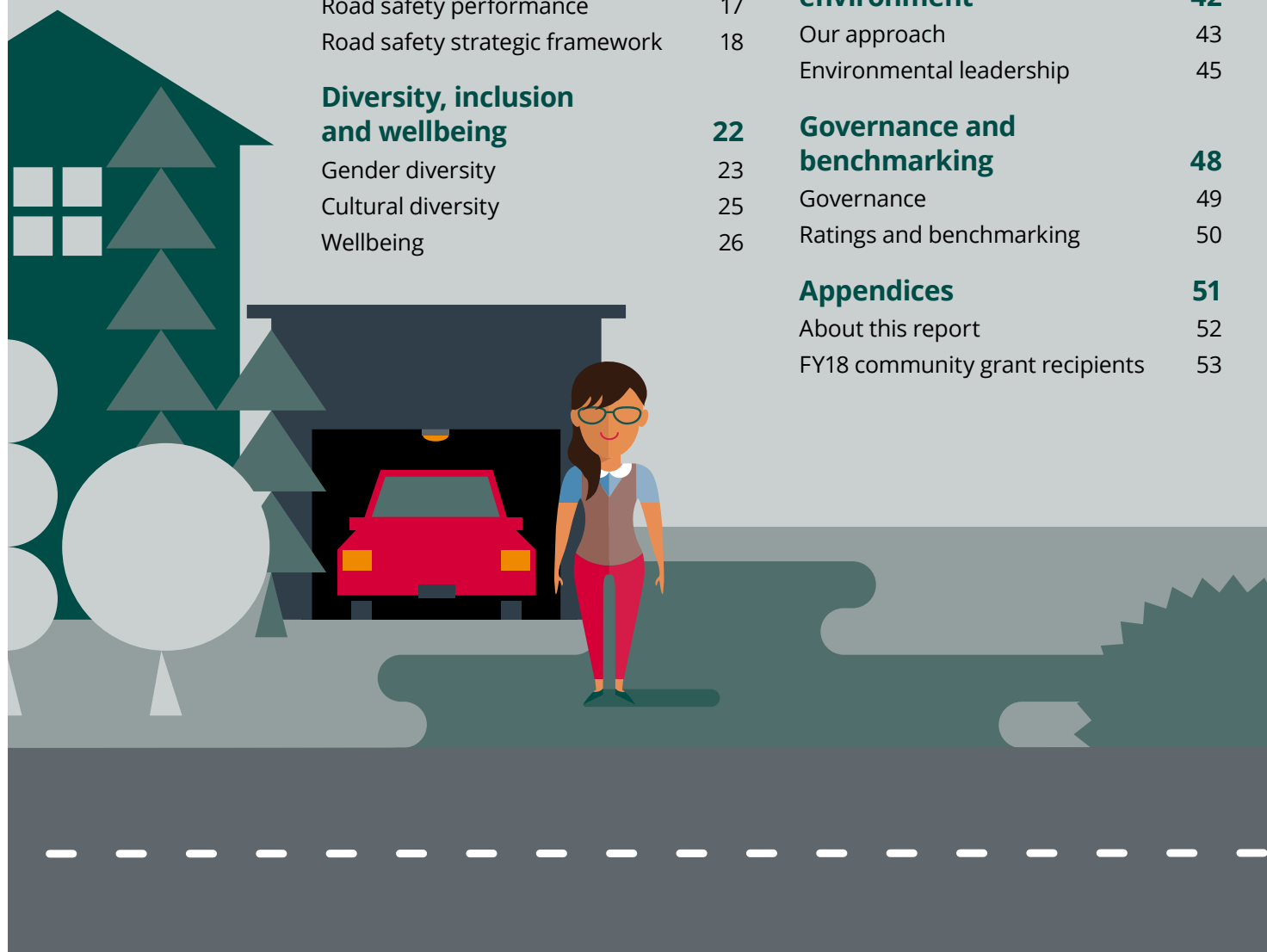
There are nine key sustainable development goals that are particularly relevant to our business. We also contribute to most of the remaining eight.



THE GLOBAL GOALS
For Sustainable Development

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Message from the CEO



Image:
Scott Charlton
Chief Executive Officer

As we were preparing this year's Sustainability Report, the NSW Government chose a Transurban-led consortium as its partner to deliver the new 33 kilometres WestConnex motorway.

With the acquisition of WestConnex in September 2018, we now operate 17 motorways across five geographical markets and have nine development projects under way.

As a world-leading toll-road operator, we must set the highest standards in everything we do—and particularly in how we are contributing to a more sustainable future for people and our planet.

Everything we do from our multi-billion dollar development projects to our grants programs for grassroots community groups considers the lasting benefits that we can deliver to make our cities better places in which to live and to work.

In this, our approach is aligned with the United Nations' Sustainable Development Goals (SDGs), and we remain committed to the United Nations Global Compact. These two global initiatives aim to address the world's pressing social, environmental and economic challenges. Of the 17 SDGs, we have identified nine that are particularly relevant to us—and we've been working to bring our operations further in line with these goals.

Some of our key sustainability achievements for FY18 include:

- implementing a major program to meet the needs of customers experiencing financial hardship (SDG 11)
- making considerable progress towards sustainable procurement processes, including considering modern slavery (SDG 8)

- continuing to prepare for the arrival of connected and automated vehicles, and in particular, testing how these vehicles interact with our existing infrastructure (SDG 9)
- extending and enhancing our gender diversity and inclusion initiatives, including a pay equity review (SDG 5)
- launching a carpooling challenge in partnership with the Banksia Foundation (SDG 11)
- achieving Infrastructure Sustainability ratings for two major Australian projects (SDG 11)
- leading an industry push towards sustainable construction materials (SDG 12).

This work is helping to provide more equitable access to mobility and employment across communities, and minimising the impact our motorways and projects have on the environment.

Looking ahead to the 2018–19 financial year, we are refreshing our sustainability strategy to more clearly align our activities with the SDGs and create new momentum for our own ambitious sustainability goals. We are also setting new performance targets to report on over time. Importantly, we are looking to build and grow partnerships in our sector, both nationally and globally, to drive and accelerate progress towards achieving these goals.

A handwritten signature in black ink, appearing to read 'Scott Charlton'.

Scott Charlton
Chief Executive Officer

About our business

Image (below):
A25 in Montreal, Canada

Image (far right):
Mini Tunnel Boring Machine (TBM) for the sewer diversion on the West Gate Tunnel Project

As cities in Australia and around the world grow, we give them room to move.

By partnering with government, we provide effective toll roads that help solve transport challenges. Giving people back valuable time they'd otherwise spend in traffic, while easing demand on national budgets (we have invested or committed more than \$18 billion since 2012).

In business since 1996, we are now a top 15 listed company on the Australian Securities Exchange with 14 roads in Australia and three in North America.

Major changes in FY18

We acquired the A25 in Montreal, Canada, a 7.2km toll road and bridge connecting Northern Montreal across the Rivière des Prairies to commercial and residential areas.

We began construction on the West Gate Tunnel Project in Melbourne, to provide a vital alternative to the West Gate Bridge and reduce peak travel time by up to 20 minutes.





Roads	Projects
AUSTRALIA	
Victoria	
CityLink	West Gate Tunnel CityLink Tulla Widening* Monash Freeway Upgrade*
New South Wales	
Cross City Tunnel Eastern Distributor Hills M2 Lane Cove Tunnel M5 South West Westlink M7 M4†	NorthConnex WestConnex†
Queensland	
Gateway Motorway Logan Motorway AirportlinkM7 Clem7 Legacy Way Go Between Bridge	Gateway Upgrade North Logan Enhancement Project Inner City Bypass
UNITED STATES OF AMERICA	
Virginia	
495 Express Lanes 95 Express Lanes	395 Express Lanes I-95 Fredericksburg Extension‡
CANADA	
Montreal	
A25	-

* Project completed during FY18

† Acquired in FY19

‡ In procurement



FY18 progress and performance towards the SDGs

SDG 3

Good health and wellbeing

- Transurban Road Safety Centre partnership with NeuRA
- 4.82 injury crashes per 100 million kilometres travelled
- 5.03 contractor injuries per million hours
- 19,018 proactive health, safety and environment observations by employees
- 95 employees trained as Mental Health First Aid Officers

SDG 5

Gender equality

- 44 per cent female employees across the business
- 45 per cent females in senior executive positions
- 48 female students participated in our FEET mentoring program
- WGEA Employer of Choice for gender equality

SDG 7

Clean and affordable energy

- 568,370 GJ energy consumption
- 140 kW of renewable energy capacity on Transurban buildings

SDG 8

Decent work and economic growth

- over \$1.6 billion in supply chain spend
- no significant pay gap between male and female employees
- 6,000 jobs created through major projects
- over \$800 million of contracts with DBE/SWaM businesses in the USA
- \$123,000 committed to Aboriginal partnerships

SDG 9

Industry, innovation and infrastructure

- two new Infrastructure Sustainability ratings certified Excellent
- registered for our first Infrastructure Sustainability Operations rating
- four automated vehicle trials underway or completed
- one innovation grant completed and two approaching completion
- 100 volunteers participated in a tunnel evacuation exercise at Eastern Distributor

SDG 11

Sustainable cities and communities

- 328,000 hours average workday travel time savings
- \$1.3 million in community investment
- 6,026 hours of employee volunteering
- demand notice aggregation initiative will save our customers \$36.5 million per year in fees
- launched 'Banksia Ignite' carpooling innovation challenge



3 GOOD HEALTH AND WELL-BEING



5 GENDER EQUALITY



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



SDG 12

Responsible consumption and production

- 220,000 tonnes of EME2 used on the Logan Enhancement Project
- began low carbon cement research partnership with Beyond Zero Emissions and Boral
- hosted a sustainable materials forum in Queensland

SDG 13

Climate action

- targeting a 52 per cent reduction in GHG emissions by 2030 (compared with 2016)
- risk reviews completed on all Australian assets
- on track to respond to the Task Force on Climate related Financial Disclosure (TCFD) recommendations by end of FY19



2

new projects

West Gate Tunnel in Victoria and A25 in Montreal



2

completed projects

CityLink Tulla Widening and Monash Freeway Upgrade



5

star GRESB rating

highest rated transport infrastructure company



Here are a few things we are planning for FY19:

- a revised sustainability strategy aligned more closely with the UN Sustainable Development Goals
- a waste and materials strategy with targets and metrics
- a published revised Climate Change strategy implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- a new Customer Investment framework
- finishing our first Infrastructure Sustainability Operations rating for the Cross City Tunnel
- integrating our new assets into our overall sustainability strategy.

A report showing detailed progress against the UN Sustainable Development Goals is available to download [here](#).

Customer and community



More than five million customers use our roads and services each year and we're striving to make sure these experiences are easy, safe and efficient. We've been streamlining our services and creating apps and using new technology to ensure our customers get the best value at every point in their journey.

Building strong relationships with communities through anticipating, listening and responding to their needs, is an essential part of delivering benefits and managing some of the more challenging impacts associated with our business.

\$1.3M

in community investment

6,026

hours of employee
volunteering

328,000

hours average
workday travel
time savings

Stakeholder engagement

We are focused on continually improving the ways we acknowledge, understand and respond to stakeholder areas of interest or concern.

We work with six key stakeholder groups that are interested in and affected by different aspects of our business.

We engage each of these stakeholder groups through a variety of means to confirm our understanding of key issues and opportunities and introduce practical responses.



Key improvements in FY18:

- empowering customer choice through improving accessibility and transparency of information on travel options and costs
- exploring further ways to support those experiencing or vulnerable to hardship
- working with our government partners to achieve better outcomes for all road users from infringement processes, particularly for those financially or socially vulnerable
- simplifying information to help customers manage accounts and payments and minimise avoidable fees
- continuing to enhance Transurban's approach to engaging communities around our assets and projects.



Material and other relevant UN Sustainable Development Goals for this chapter



Customer service

5M

Australian customers
now together on Linkt

4.4/5

average customer
service rating

94%

customer queries resolved
during the first contact

With more than eight-and-a-half million people using our roads, an ongoing focus and commitment to customer experience is critical to our business. We continually look to improve our customers' experience on and off the road.

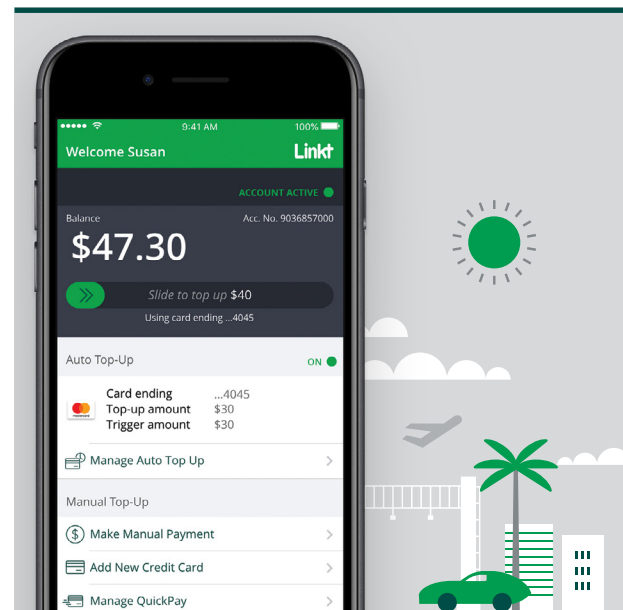
Following the successful introduction of the new [Linkt](#) retail brand in New South Wales, this year we extended the Linkt brand and tools into Queensland and Victoria—creating Australia's first national tolling brand. In FY18, our team resolved 94 per cent of customer queries during the first contact, which contributed to our achieving an average customer service rating of 4.4 out of five. Last year, we launched new toll payment management tools into our New South Wales market, along with the new Linkt brand. Our new Linkt-branded tools include a mobile app and a user-experience-enhanced website, along with improved fee structures, improved customer-focused communications and a GPS-tolling experience app, LinktGO. We've also made significant improvements to our customer hardship program.

Linkt mobile app

The Linkt mobile app now services all of our Australian customers. It's the first of its kind in Queensland and has been well received by customers who increasingly want to manage their toll-road travel through digital channels. In Victoria, the app replaced the CityLink app and offered increased functionality and improved experience.

Key features of the new mobile app include:

- simple login—supported by fingerprint and passcode options
- quick payments—with a swipe option for manual payments



- ability to add and remove vehicles and make updates to personal details
- major incident notification
- visual trip history display
- ability to view and export statements.

The design of the app has been shaped by extensive research into customer needs and preferences, and we will continue to enhance it based on customer feedback.

Response to the app has been positive with more than 400,000 downloads since it was launched.

LinktGO mobile tolling

Launched in FY18, [LinktGO](#) is a world-leading GPS-enabled tolling app for infrequent toll-road users. Our research found infrequent toll-road users are often unfamiliar with toll road travel and payments, and LinktGO was designed to make it easier for these users to travel seamlessly on our roads.

LinktGO allows drivers to view their toll travel at the end of their journey and to pay trip-by-trip via their smartphone, with no ongoing commitment. To use the app, customers register their vehicle and provide their credit card details directly into the app. Using the app requires no paperwork, start-up costs or an e-Tag. And importantly, the app does not require any user interaction while driving.

LinktGO can also give users safety warnings and includes built-in safety features that temporarily freeze the app—and delay trip completion notifications—until the phone's GPS indicates the customer is no longer moving at speed.

With LinktGO, customers are covered to drive on toll roads across Australia. Even if their phone's GPS isn't detected, or they forget their phone or run out of battery, the app will record their trip details. Payment reminder notifications help customers

stay up to date and avoid toll notices or fines. All data and information is stored securely.

LinktGO's innovative and customer-centric approach has been recognised with multiple design and industry awards.

Fee changes

The FY18 transition to the Linkt brand in Queensland and Victoria came with customer-friendly improvements to our fees and charges. Customers have shared feedback on our fees—and we've responded with a clearer and easier to understand fee structure.

As part of the changes, a card-payment surcharge was introduced. The surcharge is a straight pass-through of costs from our financial institution for payments by credit and debit cards. We have promoted fee-free options (such as direct debit payments from their nominated bank accounts) to our customers.



Key fee changes

QUEENSLAND

- removed the \$1.19 retail service fee
- removed the \$1.19 manual top-up fee
- reduced the \$47.78 tag non-return fee to \$15
- reduced the \$3.59 fee for out-of-cycle statements to \$2.75.

VICTORIA

- removed the \$27.50 minimum annual payment fee
- removed the \$3.50 additional tag holder fee
- reduced the 75c vehicle matching fee to 55c
- reduced the \$55 tag non-return fee to \$15
- reduced the \$50 account start-up credit requirement to \$25.

Case study

Voice of Customer program

We expanded our Voice of Customer (VoC) program during FY18. This program uses a systematic and quantitative approach to better understand customer feedback, delivering unbiased insights into our customers' experiences and their expectations of our services, products and processes. In FY18, we have included an online customer panel that provides feedback on various topics throughout the year, and customer immersion sessions where we invite customers into our control rooms for a tour and focus group sessions.

VoC enables a greater focus on data-driven decision making, supported by deeper insights into customer sentiment. Insights from this program help ensure investments in customer experience are made in areas that will deliver the greatest value.

Through VoC, we received around 250,000 pieces of individual feedback from customers during FY18.



Customer hardship

Image (right):

Workshop discussions to improve support for customers experiencing hardship

Helping customers who are experiencing payment difficulties

Customers are at the heart of our business and we continually strive to improve the way we serve and support them. We recognise that sometimes customers need additional support with payment difficulties. Transurban's hardship policy is designed to help customers in financial difficulty due to special circumstances like homelessness, sudden or prolonged illness, chronic unemployment, caring responsibilities or family violence.

Our policy is to help customers in financial difficulty, including offering flexible options to help them manage their payment obligations. We encourage customers experiencing payment difficulties to ask for help as soon as possible.

Working with community practitioners

In FY18, we worked to enhance the way we detect and respond to financial vulnerability in the community, starting with hosting workshops with community-based organisations that are already helping people in hardship. We met with 50 community organisations across Australia including community legal services, financial counselling, emergency relief, and local and state government.

Following these workshops, we tested a range of options for reducing tolling debt, including:

- employee training to enhance detection and response to customers in likely distress
- a dedicated community practitioner line



- a streamlined eligibility process where we can receive advice from community organisations about their clients experiencing hardship
- new information materials, designed to aid with understanding the support and payment options we offer to people experiencing financial hardship.

In FY19 we will continue with this work and start implementing recommendations.

Thriving Communities Partnership

In June 2018, we joined the Thriving Communities Partnership (TCP) as a founding partner. This partnership comprises utilities, financial services, telecommunications and transport organisations who are working together to build more resilient communities and stronger businesses.

Tolling debt is often just one of multiple debt obligations that burden vulnerable people, and the TCP encourages a holistic approach to helping customers in hardship circumstances.



Thriving
Communities
Partnership

Making tolling processes simpler

Tolling legislation varies in each region and we work with governments to improve and simplify customer options. Following changes in New South Wales in FY17 when Linkt was first launched, this year we simplified payments and notifications in Queensland and Victoria.

Demand notice aggregation process

Transurban Queensland launched a joint initiative with the Queensland Government and Brisbane City Council to aggregate demand notices and the amount of fees that can rapidly increase for some motorists.

Historically, Queensland legislation required a demand notice to be issued for each unpaid toll. The introduction of Demand Notice Aggregation (where one demand notice is issued for up to three days of consecutive travel) in the last financial year will result in an estimated 1.7 million fewer demand notices being issued to customers and a reduction of up to \$36.5 million per year in fees.

Changing toll enforcement processes

In 2018 we worked with the Victorian State Government to change tolling enforcement processes to make it easier for people having difficulty paying their tolls to get help and avoid being fined.

When tolls remain unpaid, we follow the processes agreed by the relevant regional authorities. This action may eventually lead to enforcement processes (such as infringement notices) managed by those authorities.

Our goal is to resolve all unpaid toll issues before they escalate to enforcement. In Victoria, as part of the proposed West Gate Tunnel Project legislation, we are advocating positive changes, including:

- doubling the amount of time we have to identify and contact customers who have unpaid tolls
- ensuring only one infringement is issued over a seven day period per license plate number
- not referring unpaid tolls to infringement if a person has submitted a valid hardship application
- asking the state enforcement agency to discontinue or suspend infringement or court proceedings if a person applies and is eligible for hardship.

These changes will enable us to better help people with toll payment difficulties and avoid further issues.

Strengthening communities

Image (below):
Bridge to Brisbane

Video (below right):
Tiny Tunnellers school
holiday program at
NorthConnex

\$1.4M

raised on the Herald Sun/
CityLink Run for the Kids

\$100,000

donated to
Legacy Australia

With 16 assets across three countries, and nine projects underway during FY18, building strong relationships with the communities around our assets is important so we can help cities thrive.

We build and support these relationships through partnerships, investment, community grants, and engagement activities. Many of our initiatives are featured in our [In the Community website](#).

Supporting communities through our road network

Every year, we use our roads to host and support causes close to the hearts of communities.

The Herald Sun/CityLink Run for the Kids fun run, is an annual event that raises money for the Royal Children's Hospital Good Friday Appeal. This year the event raised \$1.4 million, bringing the total amount raised for the appeal since the event began to more than \$17 million. The fun run course includes a section of our CityLink motorway in Melbourne. As well as making our road available to the event, we also contributed \$60,000 to the appeal.

The 21st Bridge-to-Brisbane charity fun run took 30,000 participants over our Go Between Bridge. To help keep traffic moving, despite major road closures, we waived tolls on our Clem7 tunnel.

We donate 1c from every toll on the Legacy Way tunnel in Brisbane to [Legacy Australia](#) with a minimum commitment of \$100,000 for each financial year. This year we donated \$100,000 to Legacy Australia's Youth Development Program that helps young people develop strong leadership skills and overcome personal career and educational challenges.

Celebrating the five year anniversary of the 495 Express Lanes, we awarded a US\$10,000 anniversary grant to the Emergency Medical Services Bike Team from the Fairfax County Fire and Rescue Department and the Vienna Volunteer Fire Department, to support their ongoing emergency response to citizens throughout Fairfax County, Virginia.

We regularly light up our bridges in Queensland and Victoria to support many causes and awareness campaigns across the community.



Community partnerships

In FY18 we partnered with a number of organisations that deliver real benefits to communities, including:

- **NeuRA (Australia)**—We partner with NeuRA and fund research into road safety and practical injury prevention via the [Transurban Road Safety Centre](#).
- **Ronald McDonald House (Queensland)**—Along with our corporate partners, we raised \$175,000 for this charity at our annual Transurban Queensland Charity Day.
- **Australia's CEO Challenge (Queensland)**—We sponsored and participated in the 110km 'Darkness to Daylight' event in Brisbane, to raise awareness for those affected by domestic violence.
- **Orange Sky Showers (New South Wales)**—We helped fund mobile shower facilities for people who are homeless in Sydney.
- **Indigenous Australian Engineering Summer School (New South Wales)**—We sponsored this annual event, with several Transurban engineers also attending to provide Aboriginal and Torres Strait Islander students with the opportunity to experience engineering studies and understand what's involved in a career in this area.
- **Ryde Hunters Hill Community Transport Association (New South Wales)**—We contributed to community vehicle and transportation costs to provide transport to people with specific transport needs due to their frailty, location, or disability.
- **Drive Link (Victoria)**—This Moonee Valley City Council program gives migrants and refugees supervised driving experience to help them gain their licence. Transurban has sponsored DriveLink for several years.
- **Northern Virginia Family Service (USA)**—We support this long-term community partner through sponsorship and staff volunteering.



Video (top):
Ronald McDonald House
charity day

Image (centre):
Volunteering at the
Darkness to Daylight
event in Brisbane

Video (right):
Orange Sky showers

Image (right):

Lending a hand near Moonee Ponds Creek (VIC)

Image (below):

Mural created with Berwick Lodge Primary School during delivery of the Monash Freeway Upgrade project (VIC)

56

community grants
awarded



Community grants

Every year, we give grants to community organisations located near our roads. Grants are awarded to organisations working with the community in areas such as transport and mobility, health, Aboriginal and Torres Strait Islander heritage, national parks, and education.

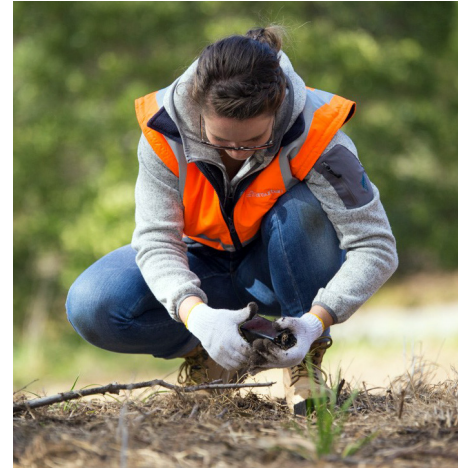
The 395 Express Lanes Community Grant Program is designed to support organisations that sustain, enhance or protect the people, local environment and neighbourhoods in the I-395 corridor. Among this year's grant awardees was a student health program at Mount Eagle Elementary School in Alexandria, Virginia. The program empowers students to learn skills to live a healthy lifestyle with a focus on mental health, nutrition, physical health and preventive care.

In FY18 we awarded 56 community grants totalling over \$200,000 across Australia and the USA.

Community engagement

Our West Gate Tunnel Project in Melbourne is a major undertaking, encompassing a diverse range of communities.

As part of our community engagement approach, we are supporting Western Chances, a non-profit organisation that offers scholarships to students aged 12 to 25 living in Melbourne's western suburbs. Western Chances scholarships help students buy laptops, Myki travel cards and textbooks to use in their studies, easing the financial burden of education and allowing them to complete their studies.



For another major, Melbourne-based project, the CityLink Tulla Widening Project, we provided a total of \$30,000 to six community groups in Melbourne's north-west. All groups are working on sustainability-focused projects.

Lending a hand

Transurban employees are supported to take one day of paid volunteering leave each year to contribute to a cause of their choice. In FY18, Transurban employees volunteered 6,026 hours through this program.

We also partnered with Landcare Australia during employee volunteering days to transform two reserves along the Moonee Ponds Creek, a creek running alongside (and at some points, beneath) the CityLink motorway.

Case study



Banksia Ignite Enabler challenge

Every day we hear about—or experience first-hand—the pressures of living with traffic congestion. More people are driving, and many of our cities roads are choking as a result. With significant population growth and urbanisation across all of Australia's major cities, more and more people need to get around. This means we need to work out new ways to get the most out of our existing transport infrastructure.

Carpooling is a solution that will simply get more people into less cars and this was an idea that we wanted to explore through the 2018 Banksia Ignite Enabler Challenge.

We are specifically looking for solutions that address:

- fair cost-sharing between drivers and passengers
- safety concerns
- flexible pick-up and drop-off arrangements
- participation by different vehicle types
- scalability to meet future demand.

The competition runs until November 2018 and the best solution will be awarded a \$15,000 prize. Transurban will work with one or more of the winners to develop their idea with the view to potentially piloting and implementing it.



About the Banksia Ignite Enabler

The Banksia Foundation is a non-profit that works with industry and the community to promote excellence in sustainability. Banksia Ignite Enabler is the Foundation's platform to generate creative crowd-based solutions for corporate Australia to help address the Sustainable Development Goals.

Through the Banksia Ignite Enabler program, participating corporate organisations partner with industry and the community to solve some of their most pressing sustainability issues.

We were excited to partner with Transurban for the inaugural Banksia Ignite challenge which promises to deliver on SDG 11—Sustainable Cities and Communities—helping make cities more inclusive, resilient and sustainable by significantly increasing car-pooling on Australian toll-roads."



Graz van Egmond
CEO Banksia Foundation

Safer roads



We're striving for injury-free roads and we design, build, maintain and manage our roads with this intent in mind. Our roads are among Australia's safest, but we have a lot of work ahead of us in this challenging area.

We have brought the globally recognised Safe System approach to road safety into our own thinking and, as well as investing in safer infrastructure, we also invest in public education and behaviour-change campaigns to promote safer driving behaviours.

More than

6.4B

kilometres travelled on
our roads

50–80%

lower rate of
crashes on our roads
compared to other
similar alternatives

4.82

injury crashes
per 100 million
kilometres travelled

Road safety performance

In FY18, the Road Injury Crash Index (RICI) across all Transurban assets was 4.82 injury crashes per 100 million vehicle kilometres travelled, or 312 injury crashes in more than 6.4 billion vehicle kilometres travelled.

Injury crashes were slightly lower in FY18 than FY17 (see table below), but were higher than our FY18 RICI target of 4.04. This result is lower than the peak in 2015, indicating the effectiveness of our continued road safety efforts despite increased travel by our customers.

Three fatal road accidents occurred on our roads in FY18; two accidents involving passenger vehicles and one involving a motorcycle.

To analyse injury crashes on our Australian network and compare outcomes with other similar roads, we engaged the [Monash University Accident Research Centre](#) (MUARC). The project found that Transurban's roads have significantly fewer crashes than similar roads with New South Wales being 80 percent lower, Victoria 81 per cent lower and Queensland 53 per cent lower.



In line with the safe system-based strategies across Australia and around the world, we recognise that road safety is a shared responsibility and we proactively engage with our customers, partners and the community to make every journey a safe one.

We continue to strive for fatality and injury free roads, using data and research to inform our road safety activities and action plans, and to improve the safety and performance of our networks.

Historical and current road safety performance on Transurban assets is shown below.

MEASURE	FY14	FY15	FY16	FY17	FY18	FY18 TARGET	FY19 TARGET
RICI	4.56	5.52	4.58	4.85	4.82	4.04	3.92

A serious road injury crash is where any number of persons need treatment for a serious injury following a crash on our roads. This entails any person taken to hospital in an ambulance following a crash. Incidents where individuals are assessed and released from medical care at the crash scene are not classified as serious injury crashes. Crashes are counted as single incidents even when involving multiple people. The Road Injury Crash Index (RICI) measures how many serious road injury crashes occur per 100 million vehicle kilometres travelled.



Material and other relevant UN Sustainable Development Goals for this chapter



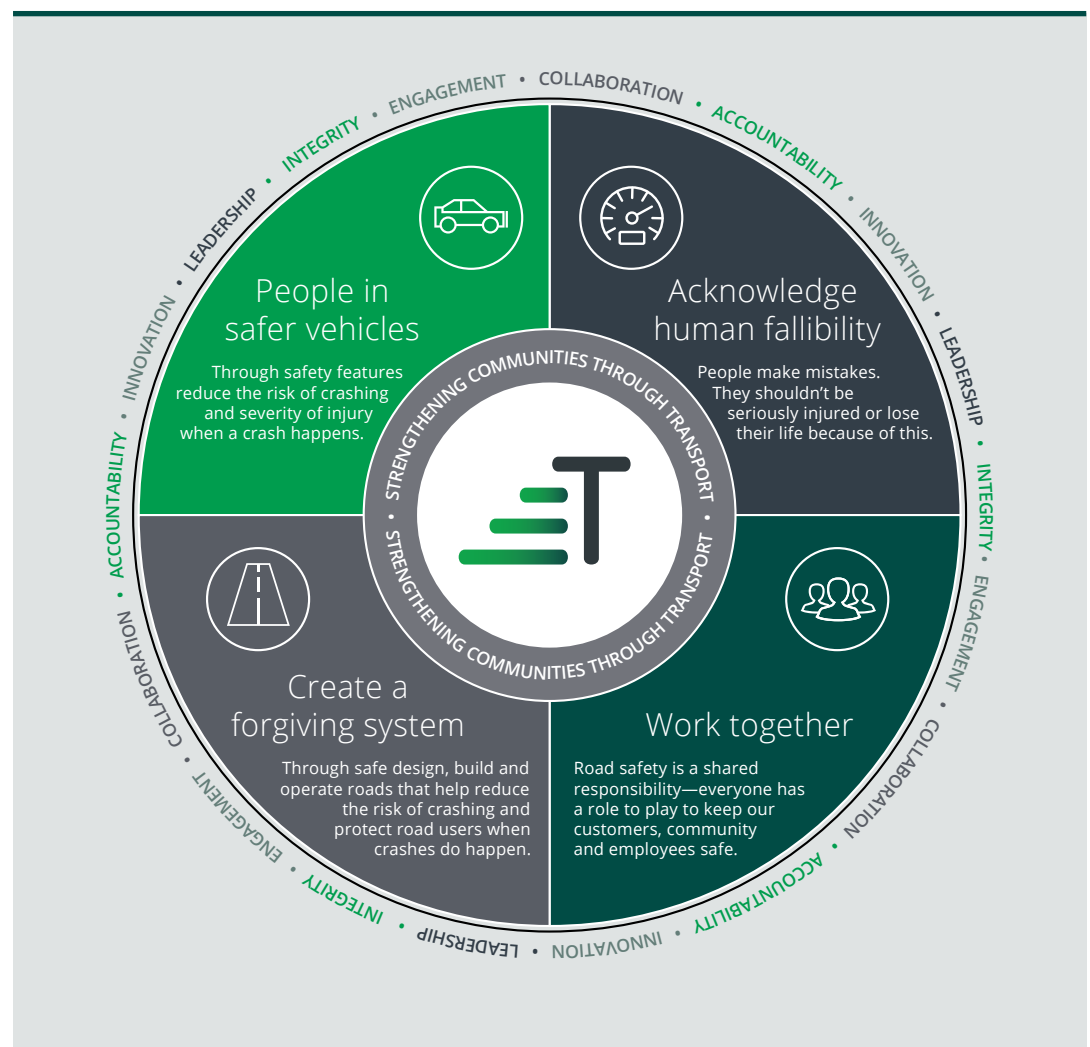
Road safety strategic framework

Transurban is focused on being a leader in road safety. We have a range of measures in place to support the safety of our employees, contractors and customers on our road networks. We've adopted the Safe System approach to underpin our Road Safety Strategic Framework and the road safety action plans in each of our operating regions. Our plans set out our goals and objectives, actions, and performance measures. The Safe System is about recognising human vulnerability, sharing responsibility for road safety and creating a forgiving road system through safe roads, safe vehicles, safe speed and safe people.

During FY18 we:

- completed the Regional Road Safety Action Plans
- analysed of injury crashes on Transurban's Australian network by Monash University Accident Research Centre
- made a submission to the NSW Staysafe Committee's inquiry into heavy vehicle safety
- made a submission to the Commonwealth's inquiry into the National Road Safety Strategy.

Image (right):
Road Safety Strategic Framework



Trucks and vulnerable road users

Transurban partnered with VicRoads, the Level Crossing Removal Authority and Rail Projects Victoria to take a proactive step towards eliminating serious injuries for vulnerable road users around major projects in Melbourne from increased construction truck movements. Forums with industry and peak groups identified four key safety issues on which to focus (truck standards, public engagement, route selection and traffic management). Initiatives in each of these areas have delivered practical outcomes and this issue is now included in the updated National Road Safety Action Plan.

Road safety awareness

To deliver on road safety initiatives and improve incident response times, operating procedures and community awareness, we recognise partnerships with local governments, emergency services and our operating partners are essential.

We also work with the media to educate the public about the safe use of our roads. Encouraging safe behaviour, including proactive engagement with our customers, partners and the community, is part of Transurban's approach to road safety.



Case study



Tunnel evacuation simulation at Eastern Distributor

In March 2018, Transurban conducted a full-scale emergency simulation exercise within the Eastern Distributor in NSW.

The purpose of this exercise was to test the coordinated response and evacuation procedures for the motorway. Transurban arranged for key agencies including Police NSW, State Emergency Services, St John Ambulance, Fire and Rescue NSW, Roads and Maritime Services, Transport Management Centre and industry representatives to come together to conduct the exercise.

The scenario, which involved more than 100 volunteers, plus almost the same number of logistics and support personnel, simulated a realistic significant incident within the tunnel, resulting in a mock fire and multiple accidents and injuries, in turn leading to the scenario of significant major congestion on the broader road network.

With over 125,000 motorists on average each day relying on the Eastern Distributor to get to where they need to go, regular testing and maintenance of this critical infrastructure is important to ensure the safety of Sydney motorists.

During the exercise, Transurban also trialled new technology with the aim of ensuring motorists can evacuate as safely and efficiently as possible, including:

- SMS broadcast messaging to communicate information to those within the tunnel
- additional digital CCTV cameras in the emergency egresses
- directional illuminated exit signs to better guide evacuees on foot to safety
- LED strip lighting around the egress doors to improve visibility of the safe egress route.

This exercise is part of a series of activities conducted by Transurban across its assets to demonstrate a world's best practice approach to emergency response procedures and road safety.

HEADS UP. ORANGE CONES. NO PHONES.



1 in 5 D.C. drivers say they will read a text on a mobile device while driving.

ORANGE CONES
NO PHONES

ExpressLanes

Case study



Orange Cones. No Phones

Transurban, the Virginia Department of Transportation, Virginia State Police and AAA Mid-Atlantic, launched the "Orange Cones. No Phones." campaign to reduce distracted driving within the 395 Express Lanes work zone.

A Transurban-led survey of more than 1,000 Washington D.C. area drivers who travel the I-395 corridor shows they self-report engaging in a number of distractions while behind the wheel. The top three mobile phone distractions reported among D.C. area drivers were using a phone to talk, checking GPS or travel planning, and reading a text message.

More than half of the area's drivers report feeling unconcerned about using their phones to talk while behind the wheel, despite growing research that finds talking on a mobile phone is still dangerously distracting. The "Orange Cones. No Phones." campaign aims to improve safety by reducing distracted driving within the 395 Express Lanes work zone.

During FY18, we participated in, or supported, the following awareness campaigns:

- Yellow Ribbon National Road Safety Week where we promoted the key message, "Drive so others survive".
- People Behind the Roads campaign, showcasing the work of Transurban's people and their expertise in keeping the network safe.
- "Orange cones. No phones" campaign targeting distracted driving through a work zone on our USA network.
- Queensland Road Safety Week with a key theme of speaking up for road safety and focusing on a different road safety issue daily.
- Re:act Project an initiative of Hard Edge in collaboration with Swinburne University, providing final year design students with industry experience to develop a behaviour change campaign targeting a road safety issue.
- "Phone Down, Chin Up", a Queensland Government co-lab initiative targeting safe road use with young people.

Image (right):
Re:act Project design students from Swinburne University



Case study



Educating motorists about safe driving in tunnels

To educate motorists about safe driving in tunnels, Transurban Queensland commenced a program of proactive media in FY18 with television and newspaper outlets in Brisbane.

Some key themes that have been presented in the media stories include:

- what to do in the unlikely event that you are involved in an incident in a tunnel
- the role of incident response officers
- the existence of tunnel control centres and their role in managing tunnels
- CCTV footage of unsafe driving behaviour in tunnels to educate motorists of what 'not to do'
- the technology in tunnels that helps drivers have a safe, efficient journey.



NeuRA Partnership

Transurban, in partnership with Neuroscience Research Australia (NeuRA), established the Transurban Road Safety Centre during FY17. NeuRA is one of the world's leading centres of neuroscience research. The Transurban Road Safety Centre is equipped with a state-of-the-art crash sled that enables test speeds of up to 64 km/h, replicating real-world crash conditions.

The Transurban Road Safety Centre seeks to alleviate the significant impact of lives lost and serious injury on our roads. The new state of the art facilities provide researchers the opportunity to undertake critical research in emerging issues and to address road trauma both in Australia and internationally. A new research program started in FY18 with initial results due by the end of 2018.



Diversity, inclusion and wellbeing



Every member of our workforce, whether that's our employees or parts of our supply chain, brings individual skills, perspectives, backgrounds and experiences to work every day.

Our diversity strategy is about creating a work environment that respects, supports and values difference. We aim to have a lively, inspiring and safe workplace where everyone can perform at their best.

44%

of our total workforce
are women

95

employees qualified
as Mental Health
First Aid Officers

\$123,000

of funding committed
to support Aboriginal
and Torres Strait
Islander organisations

Gender diversity

Transurban employs around 2,000 people across Australia and North America, and our major construction projects provide employment to over 6,000 contractors.

The proportion of women and men across our permanent workforce are 44 per cent versus 56 per cent; within our senior executive the split is 45 per cent versus 55 per cent and our Company Board 30 per cent versus 70 per cent.

Our gender equity policies and programs are ensuring everyone has opportunities for career development.

Transurban's diversity objectives include the goal of achieving gender equity throughout the organisation, from senior executives to our overall workforce and to ensure our processes support this ambition.

Our efforts are proving effective. For the past four years, the Australian Government's Women's Gender Equality Agency (WGEA) has named us an Employer

of Choice for Gender Equality. We have also recently been ranked by Equileap in the top 200 companies globally for gender balance and gender equality.



Permanent workforce

56% 

44% 

Senior Executive

55% 

45% 

Board

70% 

30% 



Material and other relevant UN Sustainable Development Goals for this chapter



Case study



Emma-Lee Wood Engineer, Project Delivery Transurban Queensland

"I joined Transurban through the Graduate Development Program in 2016. Transurban has tailored my early-career experience by allowing me to follow my interests and develop practical skills.

I developed business skills by working on Transurban Queensland's Business Plan. I then spent the following six months on the Gateway Upgrade North project, learning about construction and site safety.

I'm now managing maintenance projects on the fire suppression systems in Brisbane's tunnels. It's exciting to be building diverse engineering knowledge."



Equal pay reviews

Every 12 months we review our performance on gender-pay equity. Our 2018 review identified no significant pay gap between male and female employees across the organisation.

Inspiring a new generation of female engineers

We're passionate about creating pathways to support women entering and excelling in engineering and technology.

We're doing this by:

- providing the [Females Excelling in Engineering and Technology](#) (FEET) mentoring program. (Read more about FEET in the next section)
- hosting tunnel tours for groups of female secondary school students during Careers Week, sharing insights on motorway operation and highlighting the rewarding career opportunities that are available to engineers
- awarding "Transurban Women in Engineering" Scholarships through universities in both Sydney and Melbourne
- supporting [Power of Engineering](#), a non-profit organisation focused on showcasing the diverse career opportunities available to engineers. The program targets female urban, regional and Aboriginal students.



Women in leadership

Launched in 2014, more than 50 female Transurban employees have completed our Women in Leadership training program. A further 15 employees participated in the program this year.

FEET mentorship program

Transurban opened its doors to 48 female students from across Australia through the 2018 summer and winter intakes of our Females Excelling in Engineering and Technology (FEET) mentoring program.

The program offers students 35 hours of one-on-one mentoring, as well as a tour of an asset in each state and the opportunity to meet with our Group Executives.

In New South Wales nine students were placed with mentors from various divisions including Risk Management, Project Delivery, Technology and Asset Management.

Fourth year Engineering and Construction student Chantelle Yousif and first year Civil Engineering student Sue Lay Yoong worked with

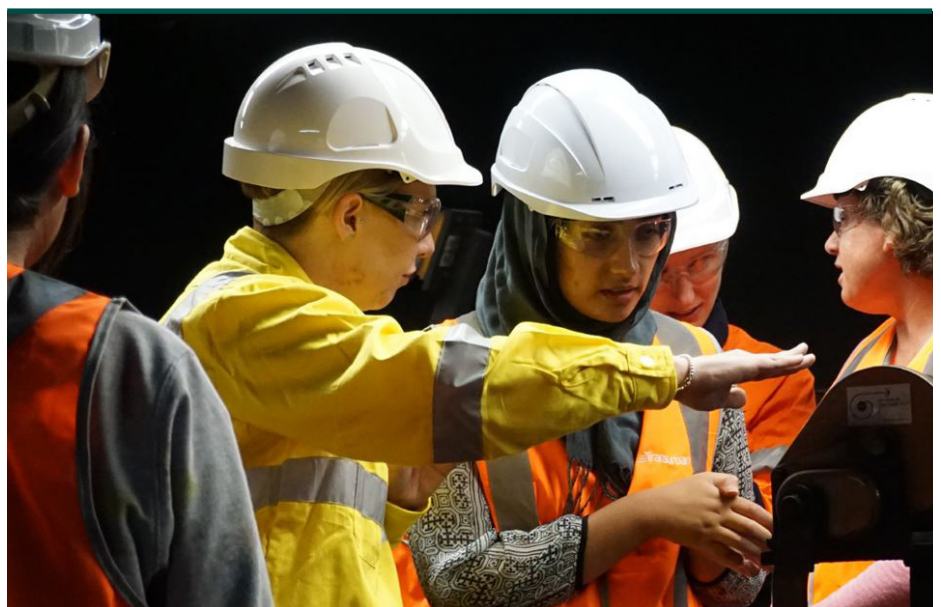
the Lane Cove Tunnel and Hills M2 Asset Manager to see what it takes to manage and maintain busy motorways.

"I'm trying to find more hands-on experience before I finish my degree and this program is perfect," Chantelle said.

In Queensland, students were placed across multiple assets and in Queensland Business Operations.

Civil Engineering student Amelia Tenaglia completed her mentoring with the National Business Advisor for Operational Excellence.

"I'm really enjoying meeting such a broad range of people. It's great to see how everyone collaborates from all areas of the business to manage such massive roads and infrastructure," Amelia said.



Cultural diversity

70

employees completed
Cultural Awareness
Training

\$123,000

committed to Aboriginal
and Torres Strait Islander
Organisations

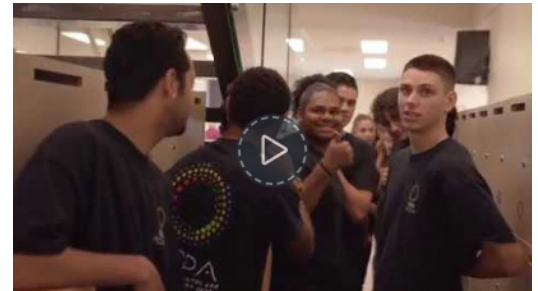
4

interns hosted as
part of the non-profit
CareerTrackers indigenous
internship program

We acknowledge Traditional Owners of Country throughout Australia and recognise the continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders both past and present.

The acknowledgement, respect and proud celebration of Aboriginal and Torres Strait Islander cultures is a key focus of Transurban's Reconciliation Action Plan—we want to see these qualities demonstrated at all times by both our employees and our business partners. We also want to see equitable standards of living and social mobility for Aboriginal and Torres Strait Islander peoples.

Launched in 2014, our Australian Reconciliation Action Plan (RAP) uses a holistic approach to create meaningful relationships, enhance respect and promote opportunities for Aboriginal and Torres Strait Islander peoples. The plan guides the development of opportunities and advance reconciliation.



National reconciliation week

Each year, Transurban hosts events across its Australian offices. In FY18 these events included:


- a panel discussion on the theme 'Don't Keep History a Mystery', hosted in partnership with AECOM and KPMG
- a didgeridoo performance and a market stall run by the Indigenous-owned Kakadu Plum, selling indigenous foods
- screening The Apology short film for New South Wales employees
- a Welcome to Country and dance performance by the [Aboriginal Centre for Performing Arts](#).

Partnerships

To support local Aboriginal and Torres Strait Islander organisations, we have committed a minimum of \$123,000 in funding (arrangements will be finalised in FY19) to be provided over the next three years.

So far, we have signed commitment letters with three individual organisations:

- The Aboriginal Centre for the Performance Arts (ACPA) in Queensland
- [The Clontarf Foundation](#)—exists to improve opportunity for young Aboriginal and Torres Strait Islander men to participate meaningfully in society
- [Bubup Wilam](#)—an Aboriginal Child and Family Centre in Melbourne's north.



Case study

Genesys Works, changing the lives of under-represented minority youths in Virginia

We are proud to partner with Genesys Works, a not-for-profit social enterprise focused on changing the lives of under-represented minority high school students through providing meaningful work experience.

Every August we welcome a high school student to join our business for a year via a part-time internship, and we also provide ongoing mentoring.

Wellbeing

84%

of our people said that they have the flexibility to manage their working responsibilities and maintain a healthy balance

Mental health resilience and support

All our employees are encouraged to take opportunities to improve their mental resilience. As well as working to remove the stigma around mental health issues, we also offer:

- counselling via our free employee assist program
- training in mental health first aid, now completed by 95 employees across our offices.

During FY18 we also:

- supported World Mental Health Day and RUOK? Day by hosting events and encouraging employees to talk about their overall wellbeing or mental health with their colleagues
- hosted mindfulness workshops to help employees manage stress and build resilience through relaxation and mindfulness techniques
- ran strengthening resilient mindset training to arm employees with practical skills to manage stress and improve their emotional resilience
- ran Leader Wellbeing at Work Training to help our people leaders recognise mental health issues in the workplace and refer employees to appropriate support.



Transurban's Mind Wellbeing Program was a finalist in the 2017 Allan Fels AO Mental Health in the Workplace Award.

Flexible working

Just as our wellbeing program supports the health of our employees, our flexible ways of working help employees balance their work and home lives. People's circumstances, priorities and flexibility needs are ever-changing, and offering flexibility in how our employees work makes a balanced life easier to achieve.

A pulse survey (April 2018) indicated more than 84 per cent of our people have the flexibility to manage their working responsibilities in a way that allows them to maintain a healthy balance between their work and personal life.

Our employees use flexible working for a range of purposes including:

- attending courses and training
- improving their mental wellbeing
- recovering from injuries
- looking after and picking up children
- caring for and supporting elderly parents
- attending university studies, to enhance knowledge and advance career progression.

Flexible Work Day

During FY18 we hosted a Flexible Work Day, an event promoting our flexible working options, including part-time work, flexible hours, working from home, job sharing and lifestyle leave, and the various technology available to support our workforce.

Image (right):
Chathurika, Graduate Project Engineer, works part time while studying a combined civil engineering and law degree



Domestic violence awareness

Transurban's Domestic Violence Support Policy gives affected employees access to:

- domestic violence leave entitlements
- counselling services
- flexible working options to give the employee time to manage legal matters, make alternate housing arrangements, arrange childcare and attend relevant appointments.

As well as providing formal support for employees experiencing domestic violence, our policy also advocates for a working environment modelling non-violent and respectful working relationships.

Domestic violence awareness training

Australia's CEO Challenge is a non-profit organisation that partners with workplaces to train employees in domestic violence awareness. During FY18, we hosted domestic violence awareness training at our Australian offices.

The training was designed to give our employees the tools necessary to recognise domestic violence, to respond effectively and to refer appropriately. The training will empower our employees to help each other if needed, as well as friends or family members who are affected by domestic violence.

Image (right):

We lit our bridges orange as part of the United Nations 'Orange the world' campaign—raising awareness of gender based violence



The lights on Brisbane's Sir Leo Hielscher Bridges and Melbourne's Bolte Bridge were coloured orange as part of the United Nations 16 days of activism against gender-based violence campaign.

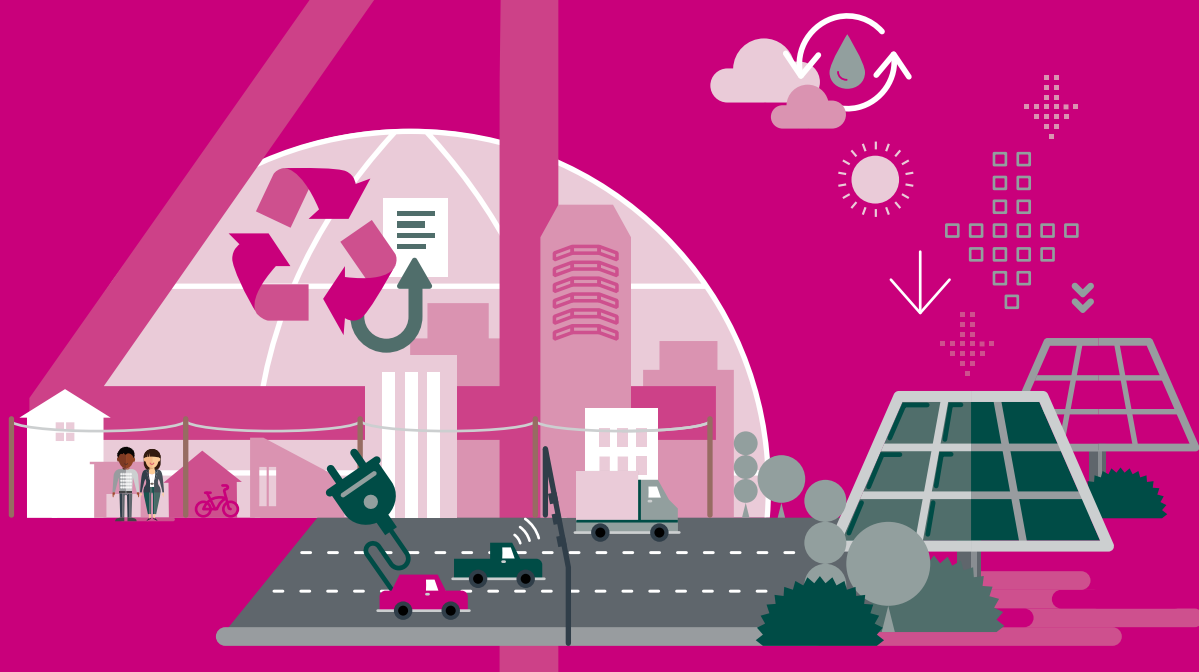
The 'Orange the world' campaign aims to raise awareness about violence against women and mobilise people to bring about change. The campaign commenced on 25 November 2017, with the International Day for the Elimination of Violence against Women, and buildings across the globe were illuminated in orange to share the message.



During FY18 we also:

- conducted domestic violence support training for employees
- provided Brisbane children living in independent refuges with backpacks in time for the new school year
- supported White Ribbon Day, a national campaign to prevent men's violence against women.

Energy and climate change



Cities and communities around the world are already experiencing the impacts of climate change. By managing our energy use and consumption of resources, goods and services, we can create operational efficiencies that reduce our greenhouse gas (GHG) emissions.

We're also looking for ways to reduce our indirect emissions—like those generated by contractors, suppliers and from our customers travelling on our roads. Importantly, we have started the journey to put the recommendations of the Task Force for Climate related Financial Disclosures into practice.

Targeting

52%*

reduction in Scope 1 and 2
GHG emissions by 2030

* Compared with 2016

140kW

of renewable
energy capacity on
Transurban buildings

123,545

tCO₂e Scope 1 and 2
GHG emissions in FY18

Energy performance

52%

GHG emission reduction
by 2030
(compared to 2016)

10%

energy reduction
by 2023
(compared to 2013)

TCFD TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES
commitment to
address the TCFD
recommendations

Managing our energy needs, and managing our consumption of resources, goods and services, are key to our success in creating operational efficiencies and reducing our greenhouse gas (GHG) emissions and climate change impacts.

We have set two key targets to support our long-term goal of carbon neutrality, and to reduce risk and drive innovation.

Energy management

Transurban's energy needs include fuel for operations and maintenance activities, and electricity for lighting, tunnel ventilation and offices.

In FY18, our electricity use continued to decrease year-on-year while the extent of our operations increased. However, this energy reduction was offset by a significant increase in fuel usage. Reported fuel usage across our North American assets increased significantly as a result of improved contractor reporting processes and expanded operations. Our overall energy use increased in FY18 and is currently tracking above our long term 10 per cent reduction target.

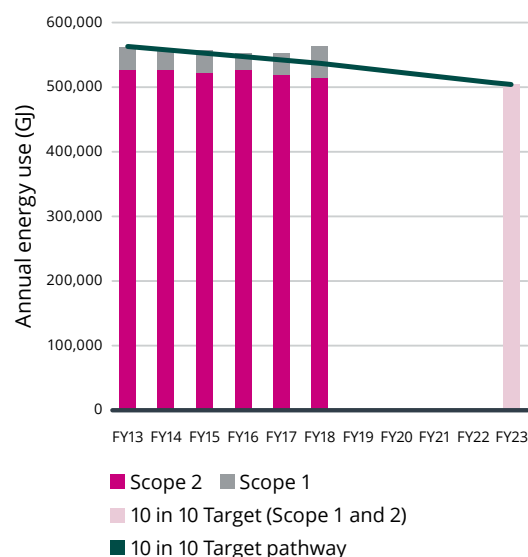
Several significant energy-reduction projects were initiated in FY18 including: a Clem7 ventilation trial; Lane Cove Tunnel ventilation study; and Cross City Tunnel and CityLink ventilation-optimisation studies. These projects, and follow-on initiatives, are expected to deliver significant energy reductions once fully implemented during the next two years and bring us back in line with our target.

ENERGY	FY17	FY18
Scope 1 (fuel)	39,483 GJ	53,412 GJ
Scope 2 (electricity)	517,085 GJ	514,958 GJ
Scope 1 and 2	556,568 GJ	568,370 GJ

FY18 key figures:

- 568,370 GJ energy consumption
- 123,545 tCO₂e Scope 1 and 2 GHG emissions
- committed to a 52 per cent reduction in Scope 1 and 2 GHG emissions by 2030
- 140 kW of installed renewable electricity generation capacity
- Scope 3 GHG emissions mapped across full supply chain
- Clem7 ventilation trials: six months of successful implementation, saving 300 GJ of energy and avoiding 236 tCO₂e.

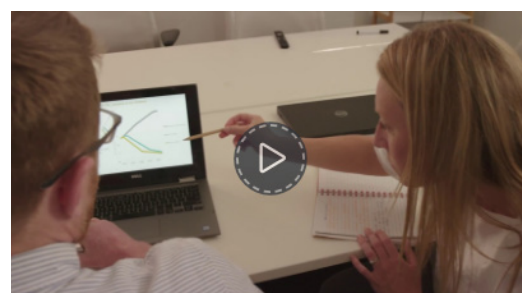
Transurban annual energy use



Video (right):
Our greenhouse gas
reduction target



Material and other
relevant UN Sustainable
Development Goals
for this chapter





Case study

Clem7 energy and greenhouse gas saving initiative

In FY18 we began a two-year trial of an alternative ventilation strategy for Clem7. The first six months of this trial have produced promising results, delivering energy and GHG savings without affecting air quality. Successful delivery of the trial and full implementation is forecast to deliver a 38 per cent reduction in axial fan run times and GHG reductions of 945 tCO₂e per annum.



38%

reduction in axial fan run times forecasted (FY18)

Greenhouse gas emissions

Scope 1 and 2

In FY18, our Scope 1 and 2 greenhouse gas (GHG) emissions were 123,545 tCO₂e, similar to the previous year.

Scope 1 emissions from fuel grew in FY18 due to increased operations and maintenance activity on some of our assets. Fuel usage can vary significantly each year with infrequent or one-off activities. We therefore expect our fuel emissions levels will continue to fluctuate over the long term.

Scope 2 emissions from electricity decreased in FY18. The decrease was driven by several small lighting upgrades and operational improvements. Electricity usage represents 97 per cent of Transurban's total emissions and we expect these emissions will decrease significantly over time as we continue implementing long-term energy reduction and procurement initiatives.

Scope 3

Our current GHG emissions reduction target focuses on direct Scope 1 and 2 emissions. Expanding our focus to include Scope 3 (supply chain) emissions will ensure we are managing—and accountable for—the full impact of our operations, and will inform our activities in driving reductions throughout our supply chain.

In FY18 we undertook significant mapping of our supply chain impacts, including the GHG intensity of our supply chain. This mapping will enable us to set additional targets and work with our supply chain partners on initiatives to reduce emissions for key products and services with high GHG impacts.

These long-term initiatives will ensure we reduce the carbon intensity of our supply chain into the future as well as reduce our exposure to carbon-sensitive products and services.

GHG EMISSIONS	FY17	FY18
Scope 1 (fuel)	2,746 tCO ₂ e	3,697 tCO ₂ e
Scope 2 (electricity)	120,528 tCO ₂ e	119,848 tCO ₂ e
Scope 1 and 2	123,274 tCO ₂ e	123,545 tCO ₂ e

(Excludes M5 and M7)



Trip Compare tool— Customer vehicle emissions

In FY18, we estimate that vehicles on Transurban roads produced almost 1,000,000 tCO₂e.

This is about eight times more than GHG emissions from our own operations, and represents an opportunity for us to ensure our road networks are efficient. Efficient roads help reduce customer emissions, as vehicles travelling in free-flowing traffic at higher cruising speeds operate more efficiently (and produce less GHG emissions) compared to slow or stop-start traffic.

In 2018 we released a Trip Compare tool for CityLink that enables customers to visualise time, fuel and GHG emissions savings when using a Transurban toll road compared to alternative routes. Customers can choose to take the most efficient, free-flowing route, therefore reducing their emissions. The tool provides transparency with live traffic conditions, enabling customers to make an informed choice.

(Excludes M5 and M7)

Climate change management

The impacts of climate change are intensified through human actions. We accept and support the Intergovernmental Panel on Climate Change position on climate futures and projections and are working towards addressing the United Nations Sustainable Development Goal 13: "Take urgent action to combat climate change and its impacts".

We also support the implementation of the recommendations of the [Task Force on Climate Related Financial Disclosures](#) (TCFD) and have begun activities to address the recommendations.

Our approach

In 2012, we published a Climate Change Strategy and set an internal agenda that made climate-related impacts a priority for the business.

We manage climate risks, including both threats and opportunities, via our Enterprise Risk Management Framework and have metrics in place to monitor and track our progress, including a science-based greenhouse gas emissions reduction target to reduce Scope 1 and Scope 2 emissions by 52 per cent by 2030, compared to 2016 levels.

During the coming years, we will continue to take action against climate change, by reducing our ongoing emissions and managing impacts through the design and construction of major projects. We are also actioning the TCFD's recommendations and will be making appropriate changes to our current approach to climate change.

Responding to the TCFD recommendations

In response to the TCFD recommendations, we have kicked off a project to improve our approach to climate impact management and disclosures.

During FY18, we ran workshops with our various asset teams with the goal of taking a "fresh look" at climate-related impacts across our portfolio.

A range of potential physical and transitional risks were identified, including:

- workforce wellbeing during heat and weather events
- changing driver behaviour and traffic flow in response to weather, policy changes and shifts in technology
- changing energy markets and pressure on electricity grids.

In FY19 we will consider the identified impacts under various future climate scenarios and re-assess our risks before refreshing our Climate Change Strategy.

We will start to include climate related financial disclosures in corporate financial reporting from FY20.

Sustainable procurement



In FY18, we spent around \$1.6 billion across 1,700 external suppliers in our day-to-day operations and major construction projects. To co-create greater social and sustainability benefits through our procurement activities, we are working closely with these key suppliers, as well as with like-minded industry partners and non-government organisations.

Our sustainable procurement approach is now informed by the International Guidance Standard on Sustainable Procurement (ISO 20400: 2017) and also anticipates the introduction of Australia's first Modern Slavery Act.

More than

\$1.6B

in supply chain spend

US dollar

\$800M

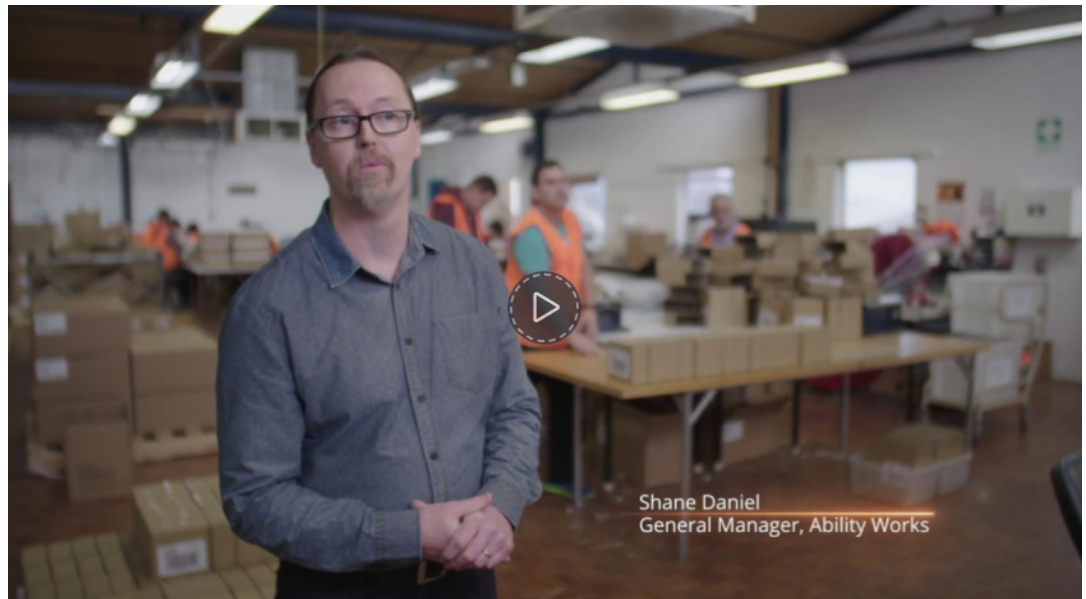
contracts with DBE/
SWaM business in
the USA to date

ISO—

20400

Striving for
alignment

Aiming for supply chain excellence



Shane Daniel
General Manager, Ability Works

Our day-to-day operations and major construction projects together require the services of thousands of external suppliers.

During FY18, we directly engaged more than 1,700 suppliers across both our Australian and USA operations. We work with suppliers when buying goods and services, and when we're procuring major, contractor-managed infrastructure development projects.

During FY18, our supply-chain spend was more than \$1.6 billion and close to 70 per cent of our total annual spend was on capital expenditure (such as major infrastructure projects).

Last year, the first International Guidance Standard on Sustainable Procurement (ISO 20400) was published, and during FY18, we began the work of aligning our procurement practices with this new standard. In May 2018, the Australian Government announced its intention to introduce Australia's first Modern Slavery Act, and we have started working with our suppliers in anticipation of this new Act.

The International Standards Organisation defines sustainable procurement as making purchasing decisions that meet an organisation's needs for goods and services in a way that benefits not only the organisation but also society as a whole—while minimising any impacts on the environment. Given the significant role suppliers play in our operations, we are taking steps to help our supply chain enhance its sustainability.

One example of our approach to achieving excellence in our supply chain is our partnership with [Ability Works](#). This social enterprise employs, trains and supports people with disabilities. Since 2011, Ability Works employees have supported our e-Tag processing and mail-house-sorting operations. In that time, the Ability Works team has processed more than 500,000 e-Tags and sorted more than one million mail articles. Our partnership with Ability Works has created local jobs with real social value.



Material and other relevant UN Sustainable Development Goals for this chapter



During FY18, we began working both internally and with our suppliers to better integrate sustainability considerations into all of our procurement policies and processes. These improvements will help us work smarter and more effectively, and will help us generate more sustainable outcomes and benefits via our supply chain.

So far, we have refreshed our Procurement Policy, Supplier Sustainability Code of Practice and our Sourcing Toolkit to align with ISO 20400. This will help us better leverage and direct our supplier spend in sustainable ways.

Our Supplier Sustainability Code of Practice now sets governance, community, environmental management, social responsibility and supply chain criteria for all suppliers working with Transurban. Further, our tender and contract management processes include environmental, sustainability and safety expectations specific to each contract.



Case study

Prompt payment for small businesses

During FY18, we signed the Business Council of Australia's Supplier Payment Code. This voluntary code is an industry-led initiative that enshrines the importance of prompt and on-time payment for small business suppliers. The code requires compliance with best-practice standards in engaging the services of small businesses.



During FY19, we will conduct pilot projects to test further sustainable procurement initiatives.

The upcoming Australian Government's Modern Slavery Act will undoubtedly lead us to further refine our procurement processes to ensure our suppliers understand the requirements and partner with us to stamp out instances of modern slavery.

Case study

Kulbardi, long term supplier for corporate stationery printing

In June 2018, we appointed Kulbardi as our supplier of business cards and corporate stationery printing. Kulbardi is a Supply Nation-verified Indigenous business. Kulbardi also supports Indigenous communities through its Kulbardi Fund that invests in targeted community projects.



Supporting small, women owned and minority owned businesses in the USA

To help us finance, deliver, operate and maintain transportation solutions that help growing communities get moving, we encourage diversity in partnerships that provide critical business services.

In North America, we engage with federal and local governments to strengthen contracting opportunities with Small, Women-owned, and Minority-owned Business (SWaM) and Disadvantaged Business Enterprise (DBE) programs.

To date, Transurban has spent over \$800 million in contracts with DBE/SWaM suppliers that are helping to ensure a level playing field and boosting the local economy. One example of our approach is Tolson Consulting.

As a SWaM certified business in Virginia USA, Tolson Consulting (previously FreeAhead) is led by Robert Tolson and has been delivering Intelligent Transportation Systems (ITS) services across Transurban's 40-mile network of Express Lanes for over a decade—including tolling and ITS equipment, communications infrastructure and technology integration with office and traffic management systems.

Mr Tolson's thirty years of global ITS experience and unique local knowledge of Northern Virginia's legacy infrastructure systems has been integral to the delivery of the 495 and 95 Express Lanes, and ongoing development of the 395 Express Lanes and Fredericksburg Extension project.

Tolson credits Virginia's SWaM program with allowing him the opportunity to build his business in his own backyard—keeping him invested and integrated within the local Northern Virginia market. With a decade-long partnership, Mr. Tolson's longstanding contract with Transurban exemplifies the combined value diversity programs can deliver when matching large public-private investments with local and diverse expertise.



"Working with an organization that is investing in all resources—both workforce and technology—to successfully deliver projects safely, on time and on budget has been a highlight of my career. Transurban views its contractors as vital members of the organization and as key contributors to all lines of success, which has kept me personally invested and committed to the long-term operations of these projects."



Robert Tolson
President of Tolson Consulting

\$US800M

contracts with DBE/SWaM
business in the USA to date

Innovation



In the near future, transport technology will have a huge impact across the sector—and society in general. We are working to get our roads and operations ready for the changes to come, in particular the arrival of connected and automated vehicles. The technological innovations these vehicles will bring to our roads mean innovative thinking is needed now.

We're partnering with industry, government and our suppliers to develop and use innovative technology and materials.

4

automated vehicle trials
across Australia and the USA

17.5%

less asphalt used on the
Logan Enhancement
Project as a result of
using EME2

3

partners working
on low carbon
cement research

Materials

Materials we use in construction can potentially affect the environment and nearby communities for the full life-cycle of a project, in both positive and negative ways. To manage these impacts, and make the most of opportunities, we look for—and often implement—new and innovative solutions for materials use on our development projects.

In FY19 we will implement a number of initiatives, including a sustainable materials strategy, to improve the way we integrate sustainable materials into the development and operation of our assets.

Industry engagement

In May 2018, with the Infrastructure Sustainability Council of Australia (ISCA), we co-hosted an industry forum on the use of sustainable materials in Queensland road construction, focusing on the challenges and opportunities these materials can generate.

More than 60 government, industry and supply chain representatives attended. The insights and actions forum members discussed presented real opportunities to reduce the environmental and social impact of Queensland's new infrastructure projects.

Attendees showed both willingness and the ability to make meaningful changes in how construction materials are specified and used.

In FY19, we will be publishing an industry paper with the outcomes and key recommendations from this forum.

Research

Cement is our most significant source of embodied emissions. Identifying ways to minimise the amount of cement we use in the construction, operations and maintenance of our roads is critical to reducing the impact these embodied emissions have on our environment.

We have partnered with Beyond Zero Emissions and Boral—one of Australia's largest cement producers—to investigate opportunities to reduce embodied emissions in cement and to explore opportunities to use more materials currently treated as waste. This collaboration will:

- identify the potential to reduce emissions from cement use in Australian urban motorways
- explain the potential to use more waste products in cement in Australian urban motorways
- describe the barriers to achieving this potential
- propose solutions for tackling these barriers, including recommendations for Transurban and others.

Sustainable materials

Supporting the development and implementation of new and innovative products and materials is a critical component of our strategy to reduce our overall materials footprint.

In FY18, we have expanded our use of EME2 pavement and followed through with integrating a high proportion of cement substitution on NorthConnex.



Material and other relevant UN Sustainable Development Goals for this chapter



Innovative pavement use

Continuing with our commitment to innovative materials in Queensland, this year we have significantly expanded our use of EME2.

The Logan Enhancement Project will be among the first projects in Australia to use this product and is planning to roll out the material over approximately 8–10kms of heavily trafficked road. Current estimates suggest the overall thickness of asphalt will be reduced by 17.5 per cent, saving approximately 62,000 tonnes of asphalt.

Cement substitution on NorthConnex

Through the use of a bespoke batch plant at Mount Kuring-gai, the NorthConnex project will substitute up to 60 per cent of the total cement required for the project with recycled by-products such as fly ash.

Sixty per cent cement substitution will be achieved across a variety of different concrete designs and is expected to reduce carbon emissions by up to 64,000 tonnes.

Using recycling materials

The team on the Monash Freeway Upgrade implemented a range of sustainability initiatives. The project used 70,000 tonnes of crushed recycled concrete and brick products in place of crushed rock in pavement layers. Approximately 600m of recycled HDPE stormwater pipes was also used in place of reinforced concrete pipes. This is equivalent to reusing the material from 200,000 two-litre-milk bottles.



High Modulus Asphalt (EME2) was developed in the 1980s and is an alternative asphalt mix which can be constructed using thinner layers and has the potential to improve efficiency, reduce environmental impacts and maintenance costs, and improve long-term durability.

Image (top):
EME2 being used on the
Logan Enhancement Project

Image (bottom):
Inside NorthConnex

Innovation grants

In FY17, three innovation grants were awarded under our Innovation Grants Program. These projects have progressed throughout FY18 with one completed and the remaining two due to be completed by the end of 2018.

From FY18 we have discontinued the grants program and instead, are pursuing individual partnerships, collaborations and research.



Eyes on the road: Intelligent smart sensors for road safety

Partner: Electrical and Electronic Engineering, University of Melbourne

The aim of this project was to design and develop a low cost sustainable technology that can reduce accidents due to drivers exceeding the speed limit in dangerous or accident prone locations.



The team have developed a solar powered sensor based system that gives real-time feedback on vehicle speeds, using flashing lights, that warns drivers to slow down.

Multiple test in labs and on road have been carried out and the system is currently being refined based on the results obtained.

Graphene pressure sensor

Partner: Institute for Frontier Materials, Deakin University

This grant was awarded to support the trial of a graphene pressure sensor that, when integrated into the motorway surface, could potentially enable a 'smarter' road capable of reporting on traffic density, weight, volume and road surface condition.

All phases of this project are now complete and the final concept, which was a multi-layered cold mix asphalt pad with sensors (3m²), has successfully detected and recorded the weight of moving loads.

Image (above):
Solar powered sensors that give real-time feedback on vehicle speeds



Case study



Smart highways startup challenge

In FY17, we partnered with global start-up incubator Union to identify solutions to improve the roads and networks we manage. Six start-ups with new technologies and business models were selected to participate in a three-month incubation program where we worked in partnership to improve their products through real life testing and take their start-ups to the next level.

Improving roadside wire barriers

The main aim of this project was to develop a new crash barrier that reduced the risk of injuries for motorcyclists in impacts with wire rope barriers. Traditional crash barriers have reduced injury risk for vehicle occupants but in some situations they constitute an additional injury hazard for motorcyclists.

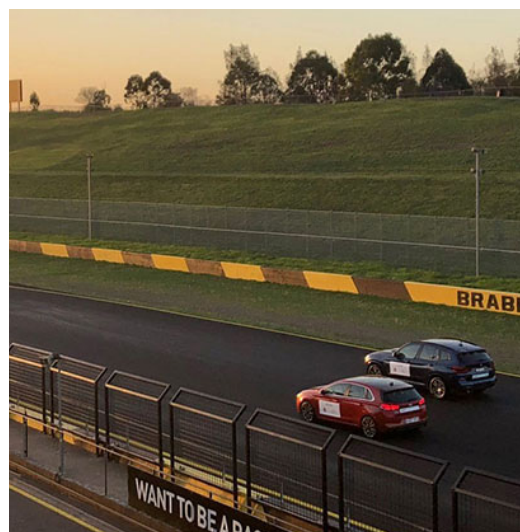
This study focused on options for materials, overall performance and development opportunities. The developed prototype barrier can be installed over existing wire rope barriers and is now ready to progress to commercialisation, impact testing and motorcycle crash testing.

Creating future-ready infrastructure

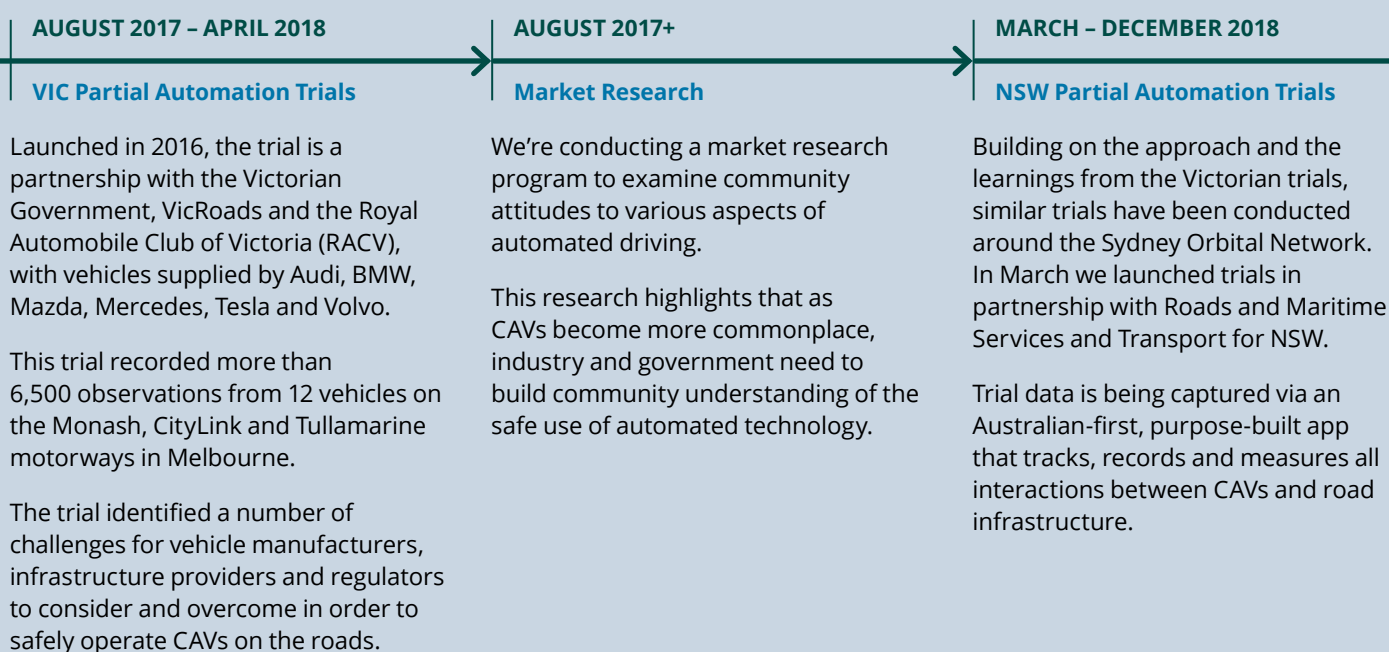


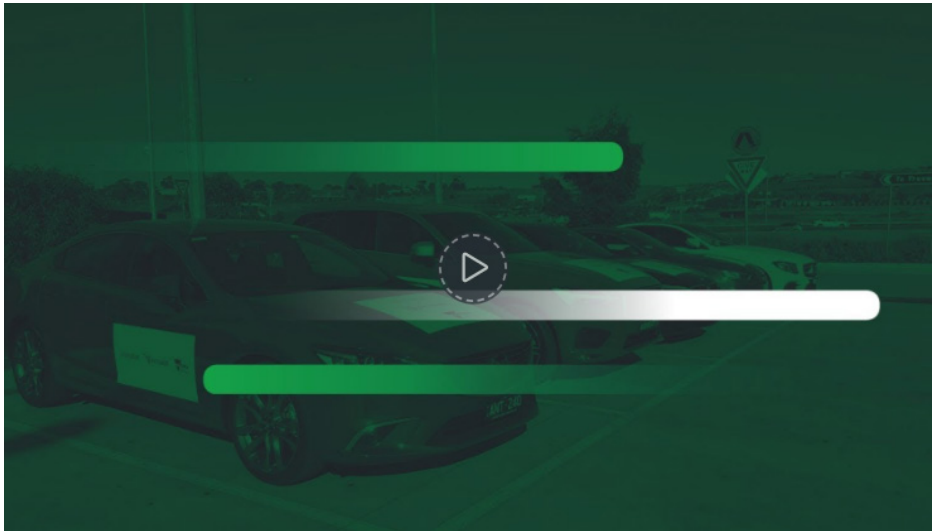
Automated vehicles have great potential to make road journeys safer and more efficient, and to help the community travel with greater ease, including people with limited mobility. As human error contributes to more than 90 per cent of crashes, automated vehicles are an important step towards reducing road trauma.

Cars that can steer themselves, recognise speed limits and manage their speed are already driving on Australia's roads. To prepare for the expected influx of connected and automated vehicles (CAVs), we've designed and rolled out trial programs across North America and Australia.



CAV activities





In conjunction with government and industry partners, we've designed trials that are safe and comply with regulations.

Our aim is to identify genuine insights specific to our motorway environment and to share our [findings and recommendations](#) with the wider community in an accessible manner.

cavs.transurban.com

APRIL – JUNE 2018

VIC Highly Automated Vehicle Trials

In June we demonstrated the Bosch TAC Highly Automated Driving (HAD) vehicle on CityLink in live traffic at motorway speed—for the first time on an Australian motorway. This vehicle differs from the production vehicles involved in our partial automation trials in Victoria and New South Wales. In addition to using cameras and radar, it also deploys LIDAR, high-precision maps and driver monitoring.

These trials helped inform us about the ways in which these more advanced vehicles need to be adapted to suit our local motorway environments, and provide some indication of what to expect from automated cars, when they become commercially available in the future. Also, by taking community members in this highly automated vehicle as part of our research program we learned more about community attitudes to automated driving.

JUNE 2018+

North America

Transurban has partnered with the USA Federal Highway Administration to use vehicle-to-vehicle and vehicle-to-infrastructure communications to demonstrate platooning, speed harmonisation and cooperative merging on I-95 Express Lanes.

AUGUST 2018+

Where to from here

In the next phases of the trial program, we will build on the learnings from this first year, extending trials to Queensland and introducing more highly automated vehicles and connected vehicle communications.

We look forward to sharing further details of these trials as they become available, and welcome further industry collaboration to accelerate the introduction of these important new technologies.

Health, safety and environment



As a transport and infrastructure company, we operate in environments where, if something goes wrong safety-wise, it can have serious consequences. We take safety for all employees, customers and contractors very seriously and we work hard to create working environments that are healthy and safe for everyone. This includes working to support the health of the environment itself—including protections for flora, fauna and waterways.

19,018

proactive HSE observations
by employees

5.03

recordable
contractor injuries
per one million
hours

0

recordable employee
injuries per one
million hours

Our approach

Image (below right):
Transurban Head of Risk
Karl Davey accepting
the Asia Pacific Strategic
Risk Award

Our HSE Strategic Plan is aligned with our HSE Policy and includes a series of actions to build on our HSE performance, including identifying opportunities for improvement, and the creation and consolidation of a high-performing HSE culture.



During FY18, we introduced HSE initiatives including:

- introducing a Fitness for Work Framework to ensure our employees are able to perform their duties effectively and in a manner that does not increase the risk to themselves or others
- establishing HSE Minimum Requirements that define the key controls required to manage key HSE risks and benchmark HSE expectations for our contractors
- launching new HSE Induction Modules to ensure a consistent approach to HSE across our business
- further enhancing our Enterprise Risk Management (ERM) approach to improve the identification and management of opportunities to drive HSE innovation.

Our ERM approach links our HSE risk appetite to our strategic objectives and recently won the Asia Pacific Strategic Risk Award.

We also run quarterly and annual HSE awards where employees are recognised for exceptional contribution to health, safety and environment.



Health, Safety and Environment Strategic Plan

LEADERSHIP AND CAPABILITY

Build the HSE leadership and capability of our people at all levels of the business.

SYSTEMS AND PROCESSES

Ensure HSE systems and processes are delivered to drive continual improvements beyond compliance.

ROAD SAFETY

Work proactively with the community to lead road safety outcomes.

CONTRACTOR MANAGEMENT

Support a consistent approach to the management of contractors from a HSE perspective.

RISK MANAGEMENT

A risk based approach for HSE is fundamental to everything we do.



Material and other
relevant UN Sustainable
Development Goals
for this chapter



Fitness for work

Through our Fitness for Work Framework we are committed to keeping our employees healthy and safe. Our objective is to minimise the risk to our employees, contractors and the community, through effective processes and appropriate frameworks.

Our policies and procedures across the three key areas of ergonomics; injury management, rehabilitation and return to work; and alcohol and other drugs help prevent injury or illness in our workplace. Employee factsheets and videos have supported the implementation of the Framework.

In the event of a workplace injury, our procedure provides support and guidance for employees. The procedure also provides guidance where injury has occurred outside the workplace and information on how we can support recovery.

Case study



Staff volunteers step in to help wildlife

Members of our Monash Freeway Upgrade team joined forces with VicRoads employees in giving native wildlife a helping hand. Working with Landcare Australia, volunteers built nesting boxes for rainbow lorikeets, possums and owls. The volunteers were also taken on a freeway-side tour of Dandenong Creek and neighbouring floodplains to get a better understanding of the local environment.

Landcare Australia Head of Corporate Partnerships James Link said the nesting boxes would contribute to the creation of a new nature trail.

“By establishing a new nature trail, planting 3,000 trees and installing these nesting boxes, we will begin to reverse the trend of the area’s loss of habitat,” James said.

The new nature trail will also support the creek itself, where a decline in native fish species could lead to the deterioration of ecosystems surrounding the waterway.

The team’s handiwork was installed in trees by an arborist, ready for occupation by local wildlife.



3,000
trees planted



HSE Performance

0 Employee injuries per 1 million hours ^{**}	We met our target in FY18 to achieve zero employee injuries. We continued to focus on proactive measures for identifying hazards, near misses and high-potential incidents to ensure that HSE risks are identified and mitigated before injuries occur.
5.03 Contractor injuries per 1 million hours ^{**}	Tragically, two contractor fatalities occurred on our sites in FY18, one on the 395 Express Lanes in the USA and one on the West Gate Tunnel project in Victoria. There were 74 recordable contractor injuries, equating to a Contractor Recordable Injury Frequency Rate (RIFR) of 5.03 per million work hours.
84 per cent Incidents closed out on time	For FY18, our target for Incident Close-Outs (the timely investigation of incidents and near-misses rated as moderate or above severity) was 75 per cent. We exceeded this target, closing out 84 per cent of incidents on time.
19,018 Proactive HSE observations	All employees have individual HSE KPIs linked to HSE culture and supporting behaviour, including the requirement to record HSE observations throughout the year. Employee observations increased by 50 per cent during FY18.

[^] injury rate is calculated using the following formula:
Injury rate = number of injuries/number of work hours x 1,000,000

^{*} Types of recordable injuries:
Lost Time Injury: work-related injury or illness resulting in a person losing one or more full shifts from work after the date of injury.
Medical Treatment Injury: work-related incident requiring medical treatment other than first aid

Environmental leadership

Image (right):
Gateway Upgrade North
team attending staff
training

Our environmental management principles focus on ensuring our employees and contractors are always working to minimise our impact on the environment.

These nine key principles highlight the things that are most important for our operations while still allowing individual teams to define unique goals and initiatives.

The key project highlights on the next page show these principles in practice.

Applying these principles to our thinking and our operations drives us to innovate and find solutions that protect the environment, while also ensuring we meet—or ideally exceed—our statutory requirements and environmental targets.

Transurban Key Environmental Management Principles



To ensure our people know how to apply our environmental management principles in their everyday work, we conducted staff training, supported by a series of quick reference guides on different environmental management topics. These guides explain the most common environmental impacts and controls to minimise our impact on the environment.



\$20M

investment in wildlife crossing
and ecological offsets

31,500m²

of land given to Brisbane City
Council for bushland preservation

41%

increase in fauna connectivity

Case study

Better connections for wildlife, Logan Enhancement Project



The Logan Enhancement Project is a \$512 million project to reduce congestion and improve motorist, cyclist and pedestrian connectivity on the Logan and Gateway motorways in Queensland. It's located within an ecologically significant region, and to reflect this, we adopted the theme "A Forest Drive". This theme is evident in the integration between road, shared bike and pedestrian trails and fauna connectivity. The shared trail ensures the community will have access to the area's natural beauty, while dedicated and enhanced fauna overpasses and underpasses will ensure local wildlife can cross the road safely.

The fauna land bridge at Illaweenah Street is a good example of the project's focus on fauna connectivity and biodiversity enhancement. The bridge will provide critical connectivity for vulnerable fauna such as koalas and gliders. Images of local wildlife have been added to the bridge, giving motorists insight into the bridge's purpose.

The "Forest Drive" aesthetic extends into bridge structures, anti-throw screens, retaining wall parapets and noise barriers—these all connect with the landscape design and natural landscape beyond, celebrating the area's unique qualities, while also ensuring low-maintenance requirements.



Case study

Noise management on the Logan and Gateway motorways



Residents living near the Logan and Gateway motorways (Queensland) have the benefit of 13 new noise barriers built at key locations along these busy motorways. All up, we built 3.6km of new precast concrete noise barriers. These were painted a eucalypt green to blend in with the natural surroundings and improve visual amenity for landowners and motorists.

The new noise barriers, part of our \$8 million Noise Management Program, are significantly reducing noise levels generated by motorway traffic for local residents.

Case study



Bringing our environmental management principles to life

Our NorthConnex M2 Integration (M2I) project was delivered in line with our environmental management principles, including:

- reducing vegetation clearing levels to protect 742 threatened shrubs. In protecting these shrubs, we also saved habitat trees and other native animal habitat in the area, including 29 hollow-bearing trees
- recycling about 3,000 tonnes of asphalt, 6,277 tonnes of concrete, and 43,260 cubic metres of sandstone
- planting 4,842 native trees and shrubs
- redesigning the Darling Mills Creek Bridge to allow for the installation of a plexiglass screen, reducing noise for residents and giving motorists a view of the creek gully
- protecting an important winter roost for the Eastern Bentwing-bat under an M2 culvert
- minimising construction impacts on Darling Mills Creek by installing a tower crane and pedestrian walkway instead of a rock and pipe crossing.



Case study



Turning a quarry into a park

A new public park in the northern Sydney suburb of Hornsby, is starting to take shape. We have been filling this disused quarry with close to one million cubic metres of spoil from our NorthConnex tunnelling project. Once filled, Hornsby Shire Council will transform the site into a public park for the community to enjoy.

Spoil haulage began in May 2017, and by the end of June 2018, more than 850,000 cubic metres of shale and sandstone had been poured into the quarry's void.

Hornsby Shire Council are working with the community to decide how the park should be used. More than 1,200 surveys were completed by the community, with creative ideas for the future development of the area.

We also invited around 50 University of NSW landscape architecture students to visit the site and develop proposals.

The new park is expected to open in 2023.

Governance and benchmarking



Our stakeholders expect us to perform at our best—and so do we. We have set clear, comprehensive and readily accessible governance procedures and policies to ensure our sustainability as a business.

We benchmark our policies, procedures and assets—against international and independently verified sustainability rating frameworks such as the Dow Jones Sustainability Index and Infrastructure Sustainability ratings. Holding ourselves accountable to these ratings drives continuous improvement across the business.

DJSI World Index member

2nd

highest rated Transport and
Transport Infrastructure
Company

5

star GRESB rating

2

new certified
Infrastructure
Sustainability
Excellent ratings

Governance

Transurban's [corporate governance policies](#), the 2018 Corporate Governance Statement and our Annual Report are publicly available on our website.

Ethical business practices

Transurban has zero tolerance for breaches of its policies. Our people are expected to conduct themselves in a manner that reflects our values and [Code of Conduct](#).

Our Ethical Business Practices Policy defines expectations for all employees in relation to behaviour and reporting of any instances of fraud, conflicts of interest, bribery and corruption. All employees undertake mandatory Ethical Business Practices training.

Our Whistleblower Policy provides protection to employees to report any breaches of Ethical Business Practices immediately to our independent and confidential whistleblower service. This service is available to our customers, suppliers, security holders and employees.

Data privacy and security

Our [Privacy Policy](#) explains how we collect, use and disclose customers' personal information. We also maintain Payment Card Industry Data Security Standard (PCI DSS) compliance for our Australian operations, which sets out how we manage our customers' credit information.

We employ a Privacy Officer, who is responsible for monitoring compliance with privacy obligations. The Privacy Officer investigates privacy matters and incidents and, where relevant, reports to Transurban's Audit and Risk Board Committee.

All employees complete annual mandatory training on our Privacy Policy and Information Security Policy and procedures to ensure we remain compliant with our obligations.

Political function attendance

Transurban participates in public policy debate on issues relevant to our business. Transurban policy does not permit direct political donations, but acknowledges that attendance at political events is a part of doing business. Accordingly, group policies permit payment for attending political functions to engage in such debate and discussion.

Each year, Transurban discloses these payments in accordance with political disclosure obligations to the relevant state and federal authorities, including the Australian Electoral Commission (AEC) which releases the data publicly.

Corporate tax profile

We invest heavily in building, upgrading and acquiring road infrastructure. Significant up-front investment and debt costs mean Transurban can wait many years before a road delivers positive returns. This delay leads to accounting and tax losses. Our corporate structure enables the payment of distributions to investors while we are generating accounting and tax losses. The distributions are subject to tax in the hands of investors.

The Australian Tax Office has categorised our main corporate entity, Transurban Holdings Limited, as a lower consequence taxpayer. We adopted the Australian Government's voluntary Tax Transparency Code and published our most recent [Tax Transparency Report](#) in June 2018.



Material and other relevant UN Sustainable Development Goals for this chapter



Ratings and benchmarking

We use independently verified sustainability ratings to benchmark our organisation and assets against best practice.

In 2018 we were also recognised for a number of achievements in corporate sustainability, infrastructure delivery, workforce diversity and community investment.

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM



Corporate sustainability benchmarks

Transurban submits annual benchmarking surveys through the Dow Jones Sustainability Index (DJSI) and Global Real Estate Sustainability Benchmark Infrastructure (GRESB).

In 2018 we maintained our position in the DJSI World Index and the highest rating for an infrastructure company in the Transport and Transport Infrastructure sector. We also maintained a 5 star GRESB rating and achieved the highest GRESB rating in the transport infrastructure sector.

Transurban is also a member of the FTSE4Good Index and Ethibel "Excellence" Socially Responsible Investment Register.

Infrastructure Sustainability ratings

Transurban uses the Infrastructure Sustainability Council of Australia (ISCA) Infrastructure Sustainability Rating Tool to evaluate every new major Australian project through design and construction. For USA projects we use the Envision rating tool from the Institute for Sustainable Infrastructure.

Projects with a certified IS rating

CityLink Tulla Widening	Awarded 2018: Excellent As Built
Logan Enhancement Project	Awarded 2018: Excellent Design
NorthConnex	Awarded 2017: Leading Design
Gateway Upgrade North	Awarded 2017: Excellent Design

Projects with ratings underway

West Gate Tunnel Project	IS rating committed
I-95 Fredericksburg Extension*	Envision rating committed

* In procurement



Our organisation, projects and people received external recognition in 2018 including:

- Equileap top 200 employers for gender equality
- Workplace Gender Equality Agency Employer of Choice for Gender Equality for the fourth year running
- Australian Centre for Corporate Social Responsibility State of CSR Australian Top 10 2018
- CARE (Companies as Responsive Employers) award for family friendly policies
- StrategicRISK Risk Management Award at the Asia-Pacific Risk Management Awards 2018

Appendices



About this report

This Report covers the FY18 period from 1 July 2017 to 30 June 2018 unless specified. Transurban has released an annual Sustainability Report since 2006, and past reports are available on our website.

The topics included in this report are guided by a materiality assessment to determine the most appropriate issues for Transurban to report for FY18. We have used several processes to identify material issues for reporting including the GRI G4 Framework, Transurban stakeholder feedback, employee surveys, media and industry peer review.

Consistently high priority issues for our business include economic performance, health and safety, local communities, ethical business practices and employee policies.

The [UN Sustainable Development Goals](#) also guide our reporting of relevant global issues. Additional data and definitions are published in a Sustainability Data Report appendix.

Changes in reporting scope

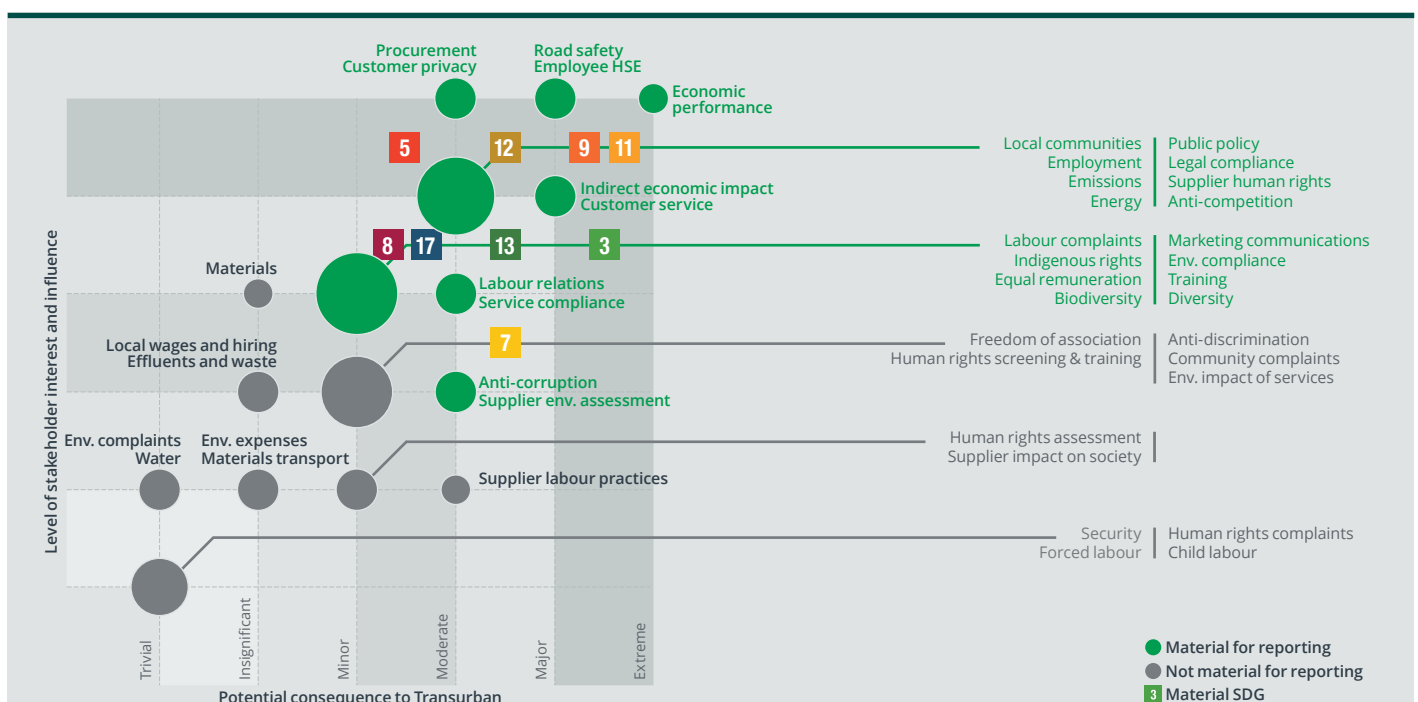
Transurban acquired the A25 toll road in Montreal in late FY18 but it has not been included in FY18 data in this Report. It will be included from FY19 onwards.

Assurance

KPMG provided limited assurance over selected disclosures within the FY18 Sustainability Report:

- Road Injury Crash Index
- Recordable Injury Frequency Rate
- Scope 1 GHG emissions (tCO₂e)
- Scope 2 GHG emissions (tCO₂e)
- Nitrogen oxides (NO_x) emissions (tonnes)
- Customer vehicle GHG emissions (tCO₂e)
- Community investment (\$).

The KPMG limited assurance statement is available [in the FY18 Sustainability Data Report](#).



FY18 community grant recipients

In 2018 we supported local community causes across Australia and the USA through community grants to organisations including:

- Access Community Services
- Alfred Health
- Blind Sports Victoria
- Bulimba Creek Catchment Committee
- Childhood Cancer Support
- Down Syndrome Association of Queensland
- First Hand Solutions Aboriginal Corporation
- Foundation for National Parks & Wildlife
- Giant Steps Melbourne
- John Pierce Centre
- Les Twentyman Foundation
- Lighthouse Foundation
- Link Community Transport
- Lou's Place (The Marmalade Foundation)
- Mount Druitt Hospital
- Ningy Ningy Cultural Heritage Association
- Pascoe Vale South Primary School
- Port Melbourne Primary School
- Randwick Waverley Community Transport
- Refuge of Hope
- The Blue Datto "Keeping Safe" road safety program
- Travancore School
- Woodbury Autism Education and Research
- YFS Substation 33
- Act for Alexandria
- Alexandria Housing Development Corporation
- Alexandria Police Foundation
- Assistance League of Northern Virginia
- Carpenter's Shelter
- Community Residences
- Fairfax County Fire & Rescue Department
- Fairfax County Park Foundation
- Fairfax County Public Schools
- Friends of Dyke Marsh
- Good Shepherd Housing
- James K. Polk Elementary
- Keep Prince William Beautiful
- McLean Hamlet Community Association
- Mount Vernon Lee Chamber of Commerce
- MVLE
- New Hope Housing
- Project Giveback Community Organization
- Running Brooke
- The Women's Center
- Transportation Association of Greater Springfield
- United Community Ministries
- VA Hospital Center Foundation
- Virginia Foundation for Community Colleges
- Washington Regional Alcohol Program
- Woodbridge Woman's Club

