



# Annual Sustainability Report 2023



## Acknowledgement of Country

Arc Infrastructure acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and the Traditional Owners and Custodians of Country throughout Australia and the Torres Straits. We acknowledge their continued deep spiritual connections and relationships to land, sea, customs and culture. We pay our respect to Elders past and present.

We recognise the rich, complex, distinct identities, histories and cultural traditions of Aboriginal and Torres Strait Islander peoples in communities and language groups across the freight rail network.

Arc Infrastructure commits to the ongoing journey of reconciliation through the implementation of our Reconciliation Action Plan.



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**Shanae Tesling**  
*Connected Journey, 2023.*

Digital artwork

Artwork by Martu/ Nyamal artist  
Shanae Tesling for  
Arc Infrastructure.

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# CEO foreword

**On behalf of Arc Infrastructure, I am pleased to introduce our second Annual Sustainability Report and provide an update on the commitments and initiatives identified in our Sustainability Strategy.**

Over the last 12 months the business has achieved some critical milestones. We have also refocussed on the key United Nations Sustainable Development Goals (UN SDGs) which most closely align with our program of sustainability initiatives. Our intention through this process was to optimise our impact and clarify our strategic approach.

Our Safety and Risk area this year invested time and effort in improving our governance practices. After undertaking a thorough review, we've been able to implement new procedures for engaging with contractors to ensure the safety of all workers undertaking activities on the network. We've also been continuing our work to encourage positive conversations about mental health across the business.

I'm pleased to say the artificial nesting hollows for Carnaby's Black Cockatoos installed on corridor land with the support of our environmental team have been a success, with 12 young Carnabys tagged this season during October and December. Our Rail Recovery Team has continued to optimise their approach to collecting old materials from across the network for re-purposing and have gathered 12,994 tonnes of material in 2023.

We were delighted to launch our first 'Reflect' Reconciliation Action Plan in July, to coincide with NAIDOC week. I am proud of the team's work to bring this document to life and make vital commitments and contributions towards Reconciliation.





For the last three years we've been developing a concept for an autonomous wagon, with the future Westport in mind. In December 2023 we unveiled our working prototype to government and industry. The prototype is battery powered and has the potential to be charged with 100% renewable energy. We are excited about the opportunity for the wagon to play a role in the evolution of freight in Western Australia.

We remain committed to the development of our people, with many of our employees completing modules of our Leadership Development Program this year. We also remain committed to inspiring the next generation of rail workers, by engaging with the State Government's Career Tasters program, and North Metro TAFE.

Of the 40 initial initiatives identified in our strategy, many have transitioned to business as usual, while other key projects have reached completion. The range of areas covered in those original initiatives reflected our commitment to operate our business and the asset we manage sustainably. An update on our initiatives is included in Appendix A of this report.

I am pleased to see progress across the business as our maturity increases. Our teams have worked hard to build on the success of initiatives in 2022 to deliver positive outcomes last year. I look forward to continued improvement as we further embed sustainability within all aspects of our operations.

**Murray Cook**  
**Chief Executive Officer**  
**March 2024**



# Our business

**Arc Infrastructure is the manager of the state's freight rail network. Our core business is to operate and maintain a rail network that stretches more than five thousand kilometres across Western Australia.**

Owned by global asset management company, Brookfield Infrastructure Partners L.P., Arc Infrastructure is at the forefront of infrastructure management.

We connect WA to the rest of Australia and deliver WA products to the rest of the world – 24 hours a day, seven days a week – by joining the dots between people, products and ports. From the Midwest across to the Goldfields and all the way down to the South West, the network we manage connects local businesses, communities and industries with eastern states and overseas markets.

Powered by a team of more than 570 employees with a true regional footprint, Arc Infrastructure is proud to provide a service that's helping to drive the State's economic growth.

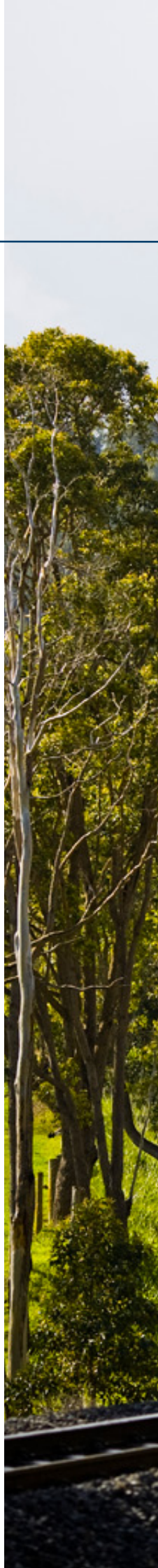
We're committed to working

with industry, our customers, partners and communities to find new opportunities that will support and strengthen the rail network and the benefits it delivers to WA.

Our infrastructure assets support a wide range of customers and commodities, many of whom are working towards their own sustainability goals:

- Grain from WA growers
- Minerals from mines located throughout WA (e.g. iron ore, alumina, bauxite and nickel)
- General container freight from the east coast and overseas
- Inputs to mines located throughout WA
- Industrial facilities located around Perth and throughout the network
- Regional passenger services

We value our role in the community and want to make a difference in the regions that we live and work in. We do this by managing and developing assets that support growth of tonnes on rail, create sustainable jobs and improve quality of life in our State.









# Strategy refresh

Arc launched its Sustainability Strategy in March 2022. The strategy framed our understanding of sustainability principles and identified where Arc could make the most meaningful contributions towards the United Nations Sustainable Development Goals (UN SDGs). It also provided a commitment from Arc to undertake specific actions and provide regular transparent reporting of our progress.

## Refocussing on the Sustainable Development Goals

Arc's original strategy aligned with the UN SDGs and identified that 16 of the 17 goals were applicable to our operations. In 2023 Arc completed a strategic review of our initiatives and the directly corresponding UN SDGs and targets. This process has allowed us to refocus on a smaller number of key targets. The following UN SDGs were identified as those most closely related to our priorities. We aligned these with our existing five themes and the key initiatives of those themes.

We expect future reviews will see a continued evolution of our focus areas, as we continue to progress on our sustainability journey.

## SUSTAINABLE DEVELOPMENT GOALS

Arc Infrastructure supports the Sustainable Development Goals



## Theme and Focus SDGs 2023-2024

### Safety & Risk



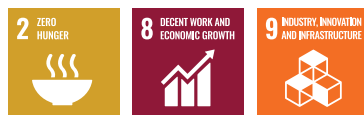
### Environment



### Community



### Customers



### People



## Initiative updates

Of the 40 original initiatives outlined in our original Sustainability Strategy, many have now moved to Business As Usual (BAU) and become part of our regular business practices and processes. As more initiatives continue to move to BAU, Arc will shift its focus to performance reporting. Our teams are already developing measures and targets to assess our ongoing performance across the five themes and continue to improve assurance processes and data collection to support this. As these measures are developed, they will form a significant part of the annual report, alongside new initiatives and highlighting our successes.

An update on our sustainability initiatives can be found in Appendix A.



# Governance and reporting

Arc takes its commitments to sustainability seriously and has implemented a refreshed governance framework to help deliver on our objectives.

The table below describes the roles and responsibilities of different parts of the business to support the implementation of Arc's Sustainability Strategy.

Since 2021 when work on our overarching Sustainability Strategy initially commenced, we have been embedding sustainability within our business. We are now transitioning from a project structure to a BAU structure for the governance of this aspect of our business. This evolution reflects our growing maturity and commitment to this space.

Governance group	Representatives	Responsibilities
<b>Audit, Risk and Compliance Committee (ARCC)</b>	Chief Executive Officer General Manager Network Strategy and Customer Operations General Manager People, Governance and Risk Chief Financial Officer General Manager Commercial and Development General Manager Works Delivery	Oversight and governance of Sustainability Strategy and initiatives
<b>Chair</b>	General Manager People, Governance and Risk	Executive sponsor of the Sustainability program at Arc, directs and approves key workstreams.
<b>Sustainability Committee</b>	Committee Chair Theme owners	Providing oversight and review of Arc's sustainability program, including direction of improvement initiatives
<b>Theme owners</b>	Head of Governance & Risk Head of Stakeholder Engagement Head of Development Head of People	Coordination of initiatives to meet the objectives of each theme
<b>Initiative owners</b>	Arc's Subject Matter Experts	Delivery of each individual sustainability initiative
<b>Advisory</b>	Industry leading consultants	Providing expertise to inform the development and implementation of the sustainability strategy and the selection and defining of initiatives

Arc will continue to deliver reports annually, following review and endorsement by the ARCC and Sustainability Committees. We will issue a report annually for the previous calendar year. Our first annual report, released last year, was for calendar year 2022.



*“As more initiatives continue to move to BAU, Arc will shift its focus to performance reporting.”*



## Safety and Risk Management

### OWNER

Head of Governance and Risk

### Objective

- Continue to focus on the safety of our people and our network to build on our already mature risk framework.

### Key Progress in 2023

- Progressed the Mentally Healthy Workplace initiative.
- Implemented refreshed contractor safety management processes and procedures.
- Progressed zero derailment control measures to maintain safe, reliable and efficient infrastructure during severe weather events.
- Completed business-wide rollout of the Situational Awareness Platform.

### Priorities and focus for 2024

- Continue to embed the Critical Safety Risk Program to enhance existing processes and controls.
- Improve function and outcomes of Critical Safety Risk Collaborative Forums.
- Roll out training and auditing program to support the refreshed contractor management program.

### Performance measures 2023

- Completed Stage 1 and Stage 2 of the Situational Awareness platform roll out.
- Transitioned Zero Derailments initiative to BAU.

## Our Environment

### OWNER

Head of Governance and Risk

### Objective

- Minimise our impact and protect and enhance the environment in which we operate by reducing our carbon emissions and respecting heritage.

### Key Progress in 2023

- Finalised Arc's bushfire risk assessment tool and completed the framework and mitigation standard that will inform our Bushfire Strategy.
- Developed an online disturbance permitting tool to improve efficiencies.

### Priorities and focus for 2024

- Roll out the disturbance permitting system across the business.
- Align internal processes to support Environmental and Heritage permitting approvals.
- Finalise the Bushfire Strategy and complete ground truth activities across the Network.
- Finalise an emissions reduction roadmap for fuel and electricity, Arc's two main sources of emissions.

### Performance measures 2023

- Installed 42 solar panels at the Kewdale Training Facility, which will reduce or eliminate the need for mains power at the site.
- Developed a bottom-up baseline reporting of emissions across the business, to enable Arc to track future emissions reductions over time.

## Our Community

### OWNER

Head of Stakeholder Engagement

### Objective

- Work with communities across our geographically diverse network, respecting their heritage, and continuing to build trust.

### Key Progress in 2023

- Entered into a new Principal Partnership with the Waalitj Foundation as part of our community investment program.
- Launched our 'Reflect' Reconciliation Action Plan as part of our Aboriginal Engagement initiative.

### Priorities and focus for 2024

- Enter into another Principal Partnership agreement focussing on support for homelessness or family and domestic violence.
- Develop a proactive rail safety education program targeted at teenagers.

### Performance measures 2023

- Received more than 100 entries from schools for the Rail Safety Week competition.
- Entered into a new three-year partnership agreement with the Waalitj Foundation.

## Our Customers

### OWNER

Head of Development

### Objective

- Support our customers to sustainably manage the movement of their freight.

### Key Progress in 2023

- Commenced testing of the autonomous wagon within the Kenwick Freight Rail Facility.
- Commenced the Detailed Feasibility Study into recommissioning the Bunbury to Greenbushes Railway, to facilitate the Talison Lithium freight task to shift from road to rail.

### Priorities and focus for 2024

- Commence operation of the Kenwick Intermodal Terminal (IMT).
- Support the completion of the Detailed Feasibility Study for the recommissioning of the Greenbushes to Bunbury Railway with our project partners.
- Commence rollout of the new train control system to other Centralised Train Control regions.
- Undertake planning and development for locomotive in-cab systems.

### Performance measures 2023

- Launched the Hiivr Rail brand and completed a live demonstration of the autonomous wagon prototype.

## Our People

### OWNER

Head of People

### Objective

- Strive to employ a diverse workforce, provide an inclusive workplace and continue to provide a range of development opportunities for our people.

### Key Progress in 2023

- Supported a pilot group of Network Controllers to complete the new Certificate IV in Train Control
- Developed Arc's 2024-2026 People Strategy outlining goals and objectives of the People Life Cycle.

### Priorities and focus for 2024

- Support further up-skilling of our team through development and implementation of a Cert II and III in Rail Infrastructure.
- Begin scoping development of a Cert IV in Signalling for Arc employees.
- Deliver a "Reconnect" program for team members who have already completed the Leadership Development Program module to support continuous learning and improvement.

### Performance measures 2023

- 61 employees participated in the Leadership Development Program modules.
- Successful roll-out of the Cert IV in Network Control.





# Safety & Risk Management

“I am pleased to see positive results from the improvements we’ve made through a review and update of risk practices, to support safety in the field when working with contractors.”  
Callum Wylie - Head of Governance and Risk

**3** GOOD HEALTH AND WELL-BEING



**8** DECENT WORK AND ECONOMIC GROWTH



**16** PEACE, JUSTICE AND STRONG INSTITUTIONS







# Safety Training

Content covered in HSE Training included;

- Safeworking Training (incl. Supervised Worker, Protection Officer, POTV etc)
- Rail Corridor Induction Training
- Mental Health Training ran by Lifeline (Supporting Yourself and Others and Accidental Counsellor)
- Applying Safety Critical communications in the Rail Environment
- Fatigue Management
- Critical Safety Risk Online Training
- HSE Induction Training
- Miscellaneous Health and Safety Training completed via an external provider (e.g. St John First Aid or 4WD Training)

**9977**  
HOURS  
general  
HSE  
training

# Cyber Security

All the significant potential threats reported in 2023 were phishing emails, impersonating Executive management that were sent to staff emails. These were all intercepted by our email filtering system. Arc's Technology Team continues to remind staff of the importance of being vigilant when using email communication after these phishing emails were sent. In 2023 a phishing email training module was circulated to all staff for completion.

**7**  
significant  
potential  
threats



## CASE STUDY

# Contractor safety management

During 2023 Arc's Safety team completed a program to update contractor safety management processes. The program was implemented as a result of a review conducted in 2021 which identified opportunities to improve engagement and working relationships with contractors.

The overarching aim of the program was to establish further assurance processes to verify that contractors have a system of work which allows them to effectively manage health and safety risks within their respective worksites.

An initial deep dive into contractor management processes revealed a need for Arc to digitise numerous processes to improve efficiency and to set key accountabilities for managing new and existing contractors. The team also identified the need for greater synergy between procurement and HSE to avoid overlaps.



A contractor working on the Avon to Kwinana Track Upgrade Program in 2023.

To support in the establishment of these processes, various stakeholders across the business were engaged including Health and Safety, Procurement, Maintenance Delivery and Maintenance Support teams. The project team worked with Regional Leads, Supervisors and Leading Hands to understand how they engaged with contractors and what their vision for the future was.

Arc has now formed clear procedures for contractor pre-qualification and onboarding; selection and engagement; contract execution; monitoring and review; and performance reviews.



Going forward during a contractor onboarding process, Arc will assess contractor safety practices and agree on safety measures before a project commences. Contract Managers across the business will have oversight of contractor performance to ensure that we continue to contract with safe, reliable and efficient service providers on an ongoing basis.

To support the rollout of the updated processes, Arc completed 27 in-person presentations to educate the wider business on their respective new requirements and program structure with a total of 125 people attending these sessions.

Moving forward, Arc will develop and implement an online

“Contractor Safety Management” learning module which will be completed by new employees and form refresher training for existing employees; reducing the risk of a knowledge gap as new people join the business or are promoted to more senior roles.

Upon full digitisation of contractor management processes, all employees will have access to a contractor register outlining reliable and competent contractors who have previously been engaged by Arc. This will make the contractor engagement process as easy and simple as possible for staff who regularly interface with contractors.



## CASE STUDY

# Mentally Healthy Workplace initiative update

Arc continued to focus on implementing key activities in our Mentally Healthy Workplace initiative throughout 2023.

The key focus for 2023 was to reduce stigma and increase awareness of mental health. Numerous activities were undertaken to support this, including a tiered education program, development of a peer support program named Track Mates, introducing contact cards and posters to promote both internal and external mental health supports, and increasing the number of Mental Health topics within Toolbox meetings.

The tiered education program was delivered in collaboration with Arc's community partner, Lifeline, with education sessions completed at all of Arc's regional depots and metro office, focusing on ways to support yourself and others. Throughout the year roughly 20 sessions were run across Arc's various offices and depots. Specialised supervisor training is planned in 2024, which will focus on education around psychological safety in the workplace, identifying and mitigating psychosocial risks, and methods for supporting your team.

The Track Mates peer support program was developed in 2023. The goal of Track Mates is to build upon Arc's mental health support base and provide employees with an additional way to have an important conversation with a safe person who can direct them to critical services that provide longer term support. Track Mates representatives were selected across the business through a nomination process, and have subsequently undertaken tailored training facilitated by Lifeline. This training will extend into additional quarterly upskilling sessions over time.

In 2023 Arc took a new approach to acknowledging Rail R U OK? Day. In previous years, events were coordinated on a single day across the business, but last year our offices and depots were



Arc employees cooking up a feast at the Metro Rail R U OK? Day sausage sizzle.

able to choose a day that best suited their teams to hold an informal BBQ or gathering. These events were used to launch 'conversation starter' shirts, which were a suggestion from the Mentally Healthy Workplace initiative consultation group. Nominated people who were both comfortable to be approached and skilled to have open communication about mental health and supports, were supplied with these shirts. Arc is delighted to see these shirts regularly worn around the office, meaning this important message is shared throughout the year, not just on a single day.

The Mentally Healthy Workplace initiative consultation group met at the end of 2023 to discuss progress, contribute to the development of a business wide change management strategy, discuss the employee benefits, and future consultation activities. This group will support the newly re-formed Health and Wellbeing Working Group to determine and promote all aspects of wellness at work.



Mark Sealy and Sam Crawford representing the leadership team at the Northam Rail R U Ok? Day barbecue.





# Our Environment

“We continue to evolve our approach to managing and reducing environmental impacts. This year we have retrospectively installed new solar panels at our training facility and our rail recovery team continue to support waste reduction.” - Callum Wylie - Head of Governance and Risk

9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES  
AND COMMUNITIES



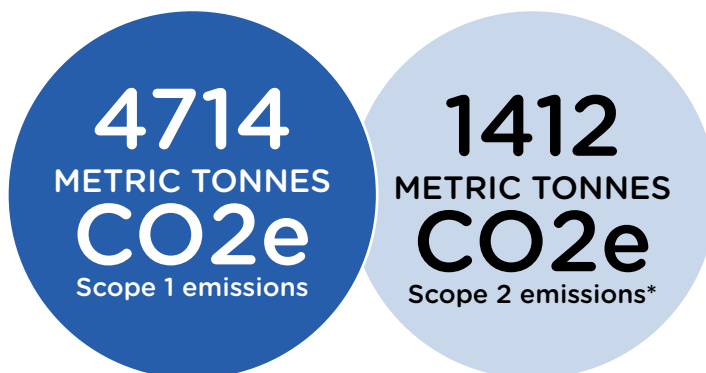
12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION





# Net Zero update

Arc's 2022 Annual Sustainability Report committed to a Net Zero target of 2050 for Scope 1 and 2 emissions. For the calendar year 2023 Arc's emissions were:



\*Scope 2 emissions includes prorata electricity consumption for flashbutt welding at Kenwick Freight Rail Facility, based on meter readings at the site.





## CASE STUDY

# Arc assists with artificial hollow installation project



Black Cockatoo Project Team (Doral, Arc Environment and Australian Black Cockatoo Specialists).

**During 2023 members of Arc Infrastructure's Governance and Risk Environment Team visited Moora to assist the Australian Black Cockatoo Specialists (ABCS) with the installation of artificial nesting hollows called 'cockatubes'.**

Cockatubes have been designed to replicate the habitat that would be found in mature age hollow trees, which are a prime condition for WA's black cockatoo nesting and fledging. Widespread clearing in the wheatbelt has meant that road and rail corridors have played an important role in supporting Carnaby's breeding for a long period of time. Artificial hollows provide a suitable habitat to support this critically endangered species.

Fifteen cockatubes have been installed within a section of Arc's corridor in suitable mature salmon gum trees as a collaborative exercise with Doral Mineral Sands. This initiative forms part of their native vegetation offset program for their Yalyalup Project in the Southwest of Western Australia.

Arc was integral to the project which had the objective of increasing the breeding habitat available for endangered Carnaby's Black Cockatoos.

Inspections of the hollows in October and December 2023 found the hollows have been successfully utilised, with 12 of the 15 being actively used by Carnaby's Black Cockatoos. The team found 12 chicks with an additional



Nestling twins found in an artificial hollow.

three eggs being incubated. They ranged in age from three to 80 days old, with the eldest likely to have fledged within days of the December inspection. Nestlings are young birds, not yet capable of flying.

ABCS specialists also found evidence of Carnaby's having prospected each of the sites, and believe it is likely that all 15 artificial nesting hollows will be used each year going forward.

Arc's Governance and Risk Environmental Team expect to continue working with ABCS to monitor the nesting boxes and potentially conduct similar projects in the future. The relationships built and knowledge gathered during this project will assist Arc in undertaking further rehabilitation and offsetting activities in the future.





## CASE STUDY

# Rail Recovery Team creating new opportunities for recycling



The Rail Recovery Team at work.

### Arc Infrastructure established the Rail Recovery Team (RRT) in 2020.

The team is responsible for collecting, sorting and, wherever possible, recycling or reusing materials from the network. This allows Arc to recover assets once considered waste.

In recent years, the efforts to recover and reuse old rail assets has ramped up with the value of recovered assets such as sleepers and old rail lines increasing. While the Rail Recovery Team will often sell materials collected from the network, other project teams delivering works can also distribute collected materials as donations to community groups, or to Arc's Regional Leads

for planned works. In 2023 materials removed from a redundant turnout loop in Midland were collected by internal teams for use on other parts of the network.

During 2023 the Rail Recovery Team has collected 12,994 tonnes of scrap steel from the network and 31,706 timber sleepers. There was a 27% increase in the volume of sleepers collected in 2023, compared with figures from the previous year.

The RRT provides Arc with a new revenue stream that more than covers the costs associated with collecting, processing and recycling the rail, while also being a key sustainability initiative.





The project team uses specially designed equipment for their activities, including excavators with shear attachments, magnets and rail snapping, which cut rail line and steel sleepers into smaller lengths suitable for collection.

The RRT is forecast to collect approximately 600 tonnes of scrap steel material from the network each month in 2024. They will also be adding concrete product crushing (such as and culvert components) as well as pole and mast removal to their recovery work.





# Our Community & Stakeholders

“We are proud of our community partnership program, which supports organisations across WA. We are delighted to be working with the Waalitj Foundation as a Principal Partner for the next three years.” – Rochelle Zaknich, Head of Stakeholder Engagement





# Community partnerships

Arc Infrastructure invests in community partnerships every year. Arc's Principal Partnerships are made at the corporate level and focus on helping people access essential goods and services.

Regional teams also have a local sponsorship budget, allowing them to support projects or events which are meaningful to the community.

In 2023 Arc made its annual Christmas donation to the Patricia Giles Centre for Non-Violence and Hope Community Services, who both support those impacted by homelessness and family and domestic violence. Each of the two organisations received \$15,000 from Arc to support Christmas activities.

The overall community partnerships budget is approximately \$500,000 per year.



Debbie Cameron (CEO) and Julie McCulloch (General Manager) from Patricia Giles Centre for Non-Violence receiving the Christmas donation from Arc's CEO Murray Cook.



# Promoting rail safety in the community

Each year Arc participates in Rail Safety Week, which is coordinated by the TrackSAFE Foundation across Australia. In 2022 Arc launched the inaugural Rail Safety Week competition with the Constable Care Foundation Safety School, which sees schools enter for the opportunity to win a free excursion. Arc had an overwhelming response and ran the competition again in 2023, increasing the available prizes from eight to 15. In 2023 Arc also covered the cost of transport for schools located in regional areas so they could travel to the Constable Care Safety School at no cost.

The 2023 campaign received double the number of entries, from 95 schools in 2023.

The key outcome of sharing key rail safety messages with the community was also measurable through our social media data. Arc Infrastructure Rail Safety Week content had 228 engagements across Facebook, LinkedIn and X (formerly Twitter), as well as 7,775 impressions. This does not include the metrics from Arc's Principal Partner, the Constable Care Foundation and their digital channels. Arc looks forward to building on this success in 2024.







*"Arc Infrastructure Rail  
Safety Week content  
social media content  
had 228 engagements  
over three channels and  
7,775 impressions"*





## CASE STUDY

# Reflecting on our RAP launch



Troy Cook (Waalitj Foundation) and Walter McGuire (Go Cultural) with Murray Cook at Arc's RAP launch during NAIDOC week.

Arc Infrastructure was proud to launch its first Reflect Reconciliation Action Plan (RAP) during NAIDOC Week 2023. NAIDOC Week occurs annually and celebrates the history, culture and achievements of

Aboriginal and Torres Strait Islander peoples.

As the manager of the State's freight rail network, Arc recognises its responsibility in progressing reconciliation in Western Australia. Since 2022 the

Aboriginal Engagement initiative has been setting goals and implementing actions to help support interactions with First Nations people.

Arc Infrastructure's 2023 Reflect RAP is centred on scoping capacity



Matthew McGuire delivering the Welcome to Country at the Hiivr Rail launch and autonomous wagon demonstration.

for reconciliation and outlining goals around creating respectful relationships which foster social and economic opportunities for Aboriginal and Torres Strait Islander peoples and the broader community.

Proud Martu / Nyamal artist and recipient of the Arc sponsored Kate Mullin Association Scholarship Fund, Shanae Tesling, developed the artwork for Arc's RAP titled, 'Connected Journey'.

During 2023 Arc entered

into a new three-year corporate partnership agreement with the Waalitj Foundation, officially commencing in Q1 2024.

The agreement will focus on a different area of critical funding in each calendar year of the agreement, with the first priority item supporting the Deadly Sista Girlz and Waalitj Boys programs, the second year covering an Indigenous Employment Mentor role in the Waalitj Foundation Kalgoorlie pre-employment program and the final

instalment being used towards Waalitj Hub Business Builder events and services in 2026.

The Aboriginal Engagement initiative will continue to work towards improving employment, procurement and heritage interfaces across the business as it develops maturity.

Arc's 2023 Reflect Reconciliation Action Plan is available on our website.





## CASE STUDY

# Food for thought, our partnership with Foodbank



Rochelle Zaknich (Head of Stakeholder Engagement) represented Arc at the 5th annual Meal Makers competition coordinated by Foodbank.

Arc Infrastructure has been a long-term supporter of Foodbank with a partnership agreement in place since 2021. As part of this significant Principal Partnership, Arc provides \$50,000 a year to Foodbank on a rolling three-year agreement.

Arc's team has also participated in every Meal Makers challenge since its inception in 2019. CEO Murray Cook participated for the first three years,

with other senior staff members wearing the chef's hat for the past two years.

Employees have the option to use a day of volunteer leave to support a cause they are passionate about. Many teams choose to volunteer together at the Foodbank warehouse, which is located in close proximity to our corporate office at Perth Airport.



Employees participating in a volunteer day.

In late 2023 the Commercial, Development, Legal and Stakeholder Engagement teams all participated in a full day of volunteering at the warehouse.

Arc's sponsorship arrangements extends into the regions, where in previous years funding has been used to support school incursions in Northam to provide nutrition education sessions to young students.

Foodbank is one of several Principal Partners. Our corporate partnerships program focuses on meeting the basic and essential needs of all people, based on Maslow's Hierarchy of Needs, meaning funding is prioritised for frontline resources, such as Foodbank, that provide critical services.

Arc's intention is that our sponsorship funding through Foodbank and others can assist some of the most vulnerable members of the community.





# Our Customers

“Arc Infrastructure was able to reveal our autonomous wagon prototype in December 2023. We see many potential benefits from the implementation of the wagon in the future, and look forward to further developing this project in the year ahead.” – Simon Gilders, Head of Development

2 ZERO HUNGER



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE





# Supporting our customers

Arc is always looking for ways to support potential customers to move their tasks onto rail and reduce their carbon emissions. In 2023 Arc announced its involvement in a Detailed Feasibility Study with Talison Lithium to bring their task onto rail.

Talison Lithium estimates that moving their future freight task would require a truck running on South West Highway every six minutes. Transitioning their task to rail would remove the need for these trucks, improving road safety and reducing carbon emissions.

Arc is also supporting our existing customers, including working with CBH on the delivery of ASCI Package 1. In 2023 the Brookton and Broomehill sidings were completed as part of this work.



## CASE STUDY

# Unveiling Hiivr Rail and the evolution of freight

In December 2023 Arc Infrastructure was delighted to unveil the prototype of the Hiivr Rail autonomous wagon. Attendees at the launch event were able to see the wagon move through the yard of the Kenwick Freight Rail Facility.

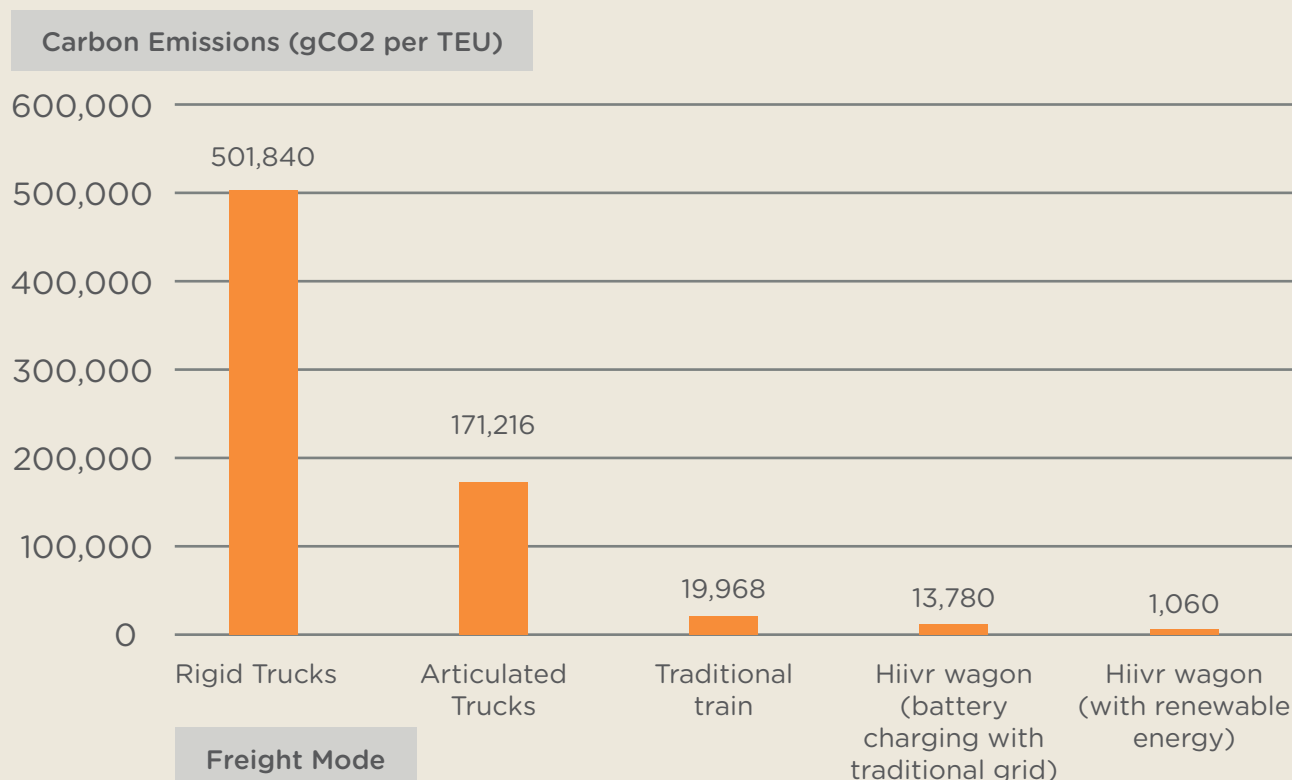
The Hiivr Rail autonomous wagon concept was developed with the future Westport at Kwinana in mind. Westport presents a once in a lifetime opportunity to design a port with capability to support emerging technologies which represent the evolution of freight transportation.

The Hiivr Rail autonomous wagon embraces and enhances self-driving technology that is already being used

all over the world and tailors it to the rail environment, using technology which will allow the fleet to connect to Arc Infrastructure's existing rail network and integrate into the Network Control system.

Arc's vision is that a future fleet would be comprised of individual, battery-powered, autonomous wagons which can operate as a single unit, or together like a traditional train.

Each autonomous wagon is capable of transporting two twenty-foot (or one forty-foot) containers. In the context of freight transportation this means each autonomous wagon can take one truck off the road, offering significant road safety and environmental benefits.



Comparable carbon emissions between different freight modes. Analysis completed by Decarbonology.

Generally, rail has a far smaller carbon footprint than road. The Hiivr Rail wagon emits no carbon dioxide when in operation and has the ability to be charged with 100% renewable energy.

In the future, Hiivr's autonomous wagons could be assembled locally at the Bellevue Railcar Assembly Facility, leveraging WA's existing local automation and technology capabilities, to strengthen rail

manufacturing and support local job creation.

Arc has been developing the Hiivr Rail autonomous wagon concept for over two years and will continue to progress the project, following on from the successful prototype launch. Over the next 12 months the team will be focussing on integration with Arc's train control systems and running further trials from Kenwick.





## CASE STUDY

# Implementing new technology – our Situational Awareness platform

Arc is continuously looking for ways to improve the way we operate, leveraging technology to improve the safety, efficiency and reliability of our network. The Situational Awareness platform provides the foundation to strengthen our network operations and planning, leading to more effective decision-making and improving safety.

Situational Awareness provides near real-time visualisation of activity across our network. When the platform is complete, we will be representing not only trains but also our Road Rail Vehicles (RRVs), Track Workers, Third Party track machines and planned train movements on the network. Information on planned trains available in the system includes direction, departure and arrivals times, as well as train route (From and To) in addition to:

- The Longitude and Latitude of the train location at the time of receiving the GPS signal
- The scheduled Departure at Origin and Arrival time at destination
- Last reported location
- Visualisation of Road Rail Vehicles within 20 metres of the rail centreline
- Planned track work for both track closure and non-track closure activity

- Entering and Existing station limits alerts
- Network Control Region
- Visualisation of last month train movement history
- Visualisation of wayside alerts, with information on what is happening on track
- Compliance with Web Content Accessibility Guidelines (WCAG)
- The live GPS feeds are updated every 60 seconds.

While the tool does not alleviate an individual's responsibility to contact Network Control before occupying the danger zone in accordance with the Network Safeworking Rules and Procedures, it has reduced non-safety critical comms to our Network Controllers, thereby reducing their workload.

Phase one and Phase two of the Situational Awareness project is complete with the focus turning to requirements gathering for Phase 3 in 2024. Since the beginning of Phase 2 the project team has adopted an Agile approach to delivery of each aspect of the Platform.

*The Situational Awareness platform provides the foundation to strengthen our network operations and planning, leading to more effective decision-making and improving safety.*





# Our People

“The continuous development of our team through training has been a focus of the People team in 2023, which will continue into 2024.” – Sam Crawford, Head of People

4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



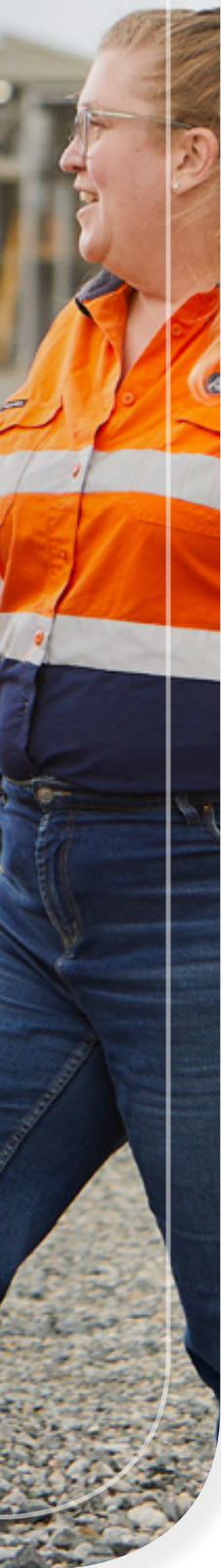
12 RESPONSIBLE CONSUMPTION AND PRODUCTION



# Leadership Development Training

Arc's Leadership Development Training program has continued to be successful through 2023 with both the Supervisor Development Program (SDP) and Manager Development Program (MDP) being delivered. 44 employees completed the SDP, and eight completed the MDP in 2023. The delivery of these two modules to Arc's team is equivalent of approximately 312 days of training (six days per attendee).

In 2024 Arc will also be introducing an Executive Development Program to complement the SDP and MDP, and support ongoing professional development at all levels of our business.





## CASE STUDY

# International recruitment in a tight labour market



Newly re-located Network Controller Daniel Barboteau and his family.

Western Australia is in a unique operating environment for rail compared to the rest of Australia, with six separate rail network control centres across WA for companies such as Arc, Public Transport Authority (PTA) and several large mining entities. The tight labour market makes it challenging to recruit and retain Network Controllers, leading to a decision to undertake an overseas recruitment drive in the UK.

The team acquired a Labour Agreement Visa from the Federal Government to support the recruitment drive, which provides Arc with the option to recruit up to ten Network Controllers from overseas each year, for the next five years.

Arc had conducted a similar process in the early 2010s, which was successful and helped mitigate some of the challenges of recruiting and retaining Network Controllers. A member of



Billy Jordan, Jamie Maddison, David Hughes and Daniel Barboteau.

Arc's People team participating in the 2023 recruitment drive had herself relocated, with her husband, from the UK when the last recruitment drive was conducted.

After reviewing 60 applications, the People team travelled to the UK in early 2023 to conduct 28 individual in-person interviews before providing the

successful 10 candidates with offers.

Arc welcomed the ten new Network Controllers recruits during the second half of 2023. Since arriving these recruits have commenced or completed a 14-week training course for the Cert IV in Network Control. The Cert IV in Network Control was developed under our licence as an Enterprise Registered Training Organisation (RTO), and benefits Network Controllers by providing them with a nationally recognised qualification which is transferable to other companies across Australia. These Network Controllers are the inaugural cohort of students for this program.

Arc has been delighted to welcome the new Network Controllers and their families to Western Australia and help them settle in.



Jacob Lindop and Doug Claxton





## CASE STUDY

# Supporting rail education and inspiring the next generation of rail workers

Arc is passionate about encouraging and inspiring the next generation of rail workers. In 2023 we were involved in several opportunities to support rail education for primary, secondary and tertiary students.

Career Taster Programs were a focus area, supported under the State Government's Jobs Plan. These programs, which started in February 2022, provide students with opportunities to engage with the world of work and will continue to run for four years. Through engaging in interactions in the workplace, students receive a more realistic view of different industries and occupations

and the skills required, helping them make informed decisions on their subjects for Years 10, 11 and 12.

Arc's involvement has included hosting multiple school excursions to our training facility in Kewdale, a Geraldton TAFE career exhibition, two school career fairs, as well as visiting three regional schools for incursions.

Arc has partnered with North Metro TAFE to support their Cert II in Rail Infrastructure. In 2023 Arc has hosted two incursions for a class of high school aged students who are undertaking the Certificate as part of their Year 11/12 school course.





This cohort also visited the Kenwick Freight Rail Facility and met with our Flashbutt team in November. In 2024 there are plans for Arc's Governance and Risk Environment Team to visit the students to showcase the work they do in coordinating key works and maintenance across the network in an environmentally sustainable manner.

As part of Arc's partnership with North Metro TAFE, the facility was provided with rail scraps, including an 18-metre rail panel consisting of seven timber, seven concrete sleepers and all relevant fastenings which connect the rail to the sleepers. This will prove a valuable real-life resource for the students to practice their cutting and welding skills while completing their respective qualifications.

In 2024 Arc plans to provide additional support to an Indigenous cohort of students completing this course and has sponsored the purchase of PPE for these students.


Arc continues to work with the Australasian Railway Association (ARA) and Edith Cowan University to develop and include a rail-specific module in their engineering program. to further support career opportunities for students of all types in our industry.



Kim Ellis from the Kenwick team took the students around the site.





A landscape photograph showing a railway track curving through a field of trees at sunset. The track is in the foreground, curving from the bottom left towards the right. The field is filled with trees and shrubs, and the sky is a warm orange color from the setting sun.

APPENDIX A

# INITIATIVE UPDATES







## Theme 1

## Safety &amp; Risk Management

## INITIATIVE UPDATES

## PROGRESS

## ▶ Safe Workplace and other safety initiatives

/ HSE contractor management.	<div><div></div><div></div><div></div></div> 75%
/ Baseline safety targets and metrics.	<div><div></div><div></div><div></div></div> 100%
/ Review of safety governance structures.	<div><div></div><div></div><div></div></div> 50%
/ Review change impact assessment.	<div><div></div><div></div><div></div></div> 50%

## ▶ Safety training and competency

/ HSE Induction.	<div><div></div><div></div><div></div></div> 50%
/ Fatigue management.	<div><div></div><div></div><div></div></div> 100%
/ Critical safety risks.	<div><div></div><div></div><div></div></div> 75%
/ Site induction prototype.	<div><div></div><div></div><div></div></div> 100%

## ▶ Zero derailments

/ Transitioned to BAU.	<div><div></div><div></div><div></div></div> Ongoing
------------------------	--

## ▶ Zero collisions

/ Continue to work on the Zero Collisions project to help reduce Signals Passed at Dangers (SPADs) on the network.	<div><div></div><div></div><div></div></div> 100%
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## ▶ Cyber security

/ Transitioned to BAU.	<div><div></div><div></div><div></div></div> Ongoing
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## ▶ Anti-bribery and corruption

/ Transitioned to BAU. No reported incidents.	<div><div></div><div></div><div></div></div> Ongoing
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Theme 1

# Safety & Risk Management

## INITIATIVE UPDATES

## PROGRESS

### ► Modern slavery

/ Transitioned to BAU. No reported incidents.

 Ongoing

### ► Mentally Healthy Workplace initiative

/ Mental Health and Wellness Strategy.

 50%

/ Mental Health Training Rollout (Supporting Yourself and Others, and Track Mates).

 100%

/ Mental Health Awareness and Communications Rollout.

 100%

### ► Fatigue management

/ Conduct an audit of Arc's Fatigue Management processes against legislative/regulatory requirements and industry best practice.

 100%

/ Complete action roadmap to improve Arc's Fatigue Management processes.

 50%

### ► Injury management

/ Conduct an audit of Arc's Injury Management processes against legislative/regulatory requirements and industry best practice.

 100%

/ Complete action roadmap to improve Arc's Injury Management processes.

 50%



## Theme 2

## Our Environment

## INITIATIVE UPDATES

## PROGRESS

## ▶ Resource usage

- / Conduct internal analysis to understand Arc's resource usage.



## ▶ Environmental management plans

- / Review and update Arc's existing management plans, as well as identify additional control measures.
- / Review Arc's biosecurity management plan and determine a risk process.



## ▶ Bushfire mitigation

- / Review Arc's bushfire mitigation strategy.
- / Formalise Arc's Bushfire risk assessment processes.



## ▶ Carbon net zero

- / Complete data collation and analysis to provide baseline for Scope 1 and 2 emissions.
- / Set Interim Net Zero Target.
- / Set Net Zero Target.
- / Conduct analysis of opportunities to reduce emissions across Scope 1, 2 and 3.



## ▶ Electrify fleet

- / Identify opportunities to electrify Arc's vehicle fleet (plus other assets) and define our expectation of contractors.



## Theme 3

## Our Community &amp; Stakeholders

## INITIATIVE UPDATES

## PROGRESS

## ► Aboriginal engagement

- / Develop an Aboriginal engagement strategy, focusing on the following work streams:

- / Education and awareness
- / Aboriginal heritage
- / Procurement
- / Employment and training



- / Community and partnerships



- / Finalise and launch 'Reflect' level Reconciliation Action Plan



## ► Community corridor use

- / Transitioned to BAU.



## ► Rail safety

- / Design and deliver a rail safety program for teenagers in high-risk locations with our partners.



## ► Rottnest Island rail (2023 program)

- / Transitioned to BAU.



## ► Passenger upgrades

- / Facilitate high-level platform projects driven by the Public Transport Authority for passenger services.



## ► Volunteering

- / Promote, enhance and extend Arc's volunteering program with our partners and other charitable community organisations.





## Theme 4

## Our Customers

## INITIATIVE UPDATES

## PROGRESS

## ▶ Autonomous wagons

- / Develop an autonomous wagon, in support of the future Westport project.



## ▶ Intermodal strategy

- / Support the shift of freight from road to rail through the development and implementation of an intermodal strategy.



## ▶ Agricultural Supply Chain Improvements (ASCI) projects

- / Partner with the Government and CBH to increase grain tonnes on rail through upgrades of the network and development of new sidings.



## ▶ Data and knowledge sharing

- / Implement phase two of the data and knowledge sharing project to improve the collection, integration, storage and representation of data.



## ▶ Australasian Centre for Rail Innovation/National Transport Research Organisation

- / Continue to partner and share information to support innovation across various rail initiatives.



Ongoing

## ▶ Rail Competitive Advantage

- / Monitor emerging technologies which may impact rails competitive advantage against road.



Ongoing

## Theme 4

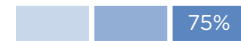
## Our Customers

## INITIATIVE UPDATES

## PROGRESS

## ▶ Customer reporting

- / Develop reporting capabilities to respond to customer requirements for scope 3 emissions.



## ▶ Train control

- / Implement the final stages of the Enhanced Network Control Protocol (ENCP) project and begin shift to the Advanced Train Management System (ATMS) project.
- / Implement a new Train Control System for Dark territory.
- / Commence roll out of the new train control system to other CTC regions.
- / Planning and development for locomotive in-cab systems underway.



## ▶ Future technologies

- / Contribute and support innovation and research into future technologies.





## Theme 5

## Our People

## INITIATIVE UPDATES

## PROGRESS

## ▶ Leadership Development Program

/ Transitioned to BAU. 61 participants in 2023.

 Ongoing

## ▶ Local attraction

/ Transitioned to BAU.

 Ongoing

## ▶ Attraction through partnership

/ Continue to partner with ARA Rail Skills Academy to enable rail pathways through partnerships with TAFE and universities.

 Ongoing

## ▶ Reward and recognition

/ Continue to review and develop Arc's remuneration process with a focus on refreshing position descriptions and evaluation of jobs against market data.

 Ongoing

## ▶ HR management system

/ Improve the visibility of people related policies, standards and guidelines.

 Ongoing

## ▶ Attraction and recruitment

/ Improve Arc's recruitment brand, and implement new tools to eliminate recruitment bias to encourage greater diversity.

 Ongoing

/ Continue partnership with the State Government to deliver Career tasters.

 Ongoing

## ▶ Workforce engagement

/ Transitioned to BAU.

 Ongoing







ANNUAL SUSTAINABILITY REPORT  
2023



MQMC00001P  arc infrastructure